

Inside the e-Sports Ecosystem: A Business Overview

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The logo for GDC 13 NEXT is displayed in a large, bold, black font. The '13' is contained within a circular emblem that is part of the 'G'. The background of the slide features a blue and white abstract design with glowing lines and shapes, including a small 'F2P' logo and a 'UBM Tech' logo at the bottom right.

GDC
13
NEXT

NOVEMBER 5-7, 2013
EXPO DATES: NOV 5-6
LOS ANGELES, CA

GDCNext.com


UBM
Tech

About the presenter

- Saw the beginning of Quake 2 & 3 and Counter-Strike, and many more games over the years
- Joined Turtle in 2006
- He and his team figure out the first rule book of a sport on a regular basis
- They ran 1,500 tournaments this year with 1.5 million participants

eSports – The name

- Why not sport?
- Retired terms: Cyberathleticism, professional video gaming
- Sports professionals are split over accepting eSports
- Definition more an issue for sports professional than us

A different sport

- Can be experienced by everyone
- Global player liquidity helps develop a sport
- No physicality
- Digitally exact
- Inclusive

What is eSports?

- Synchronous Multiplayer games that are played competitively (team games mainly)
- From ranked matchmaking to the Staples Center
- For us there is only eSports, but we treat each game individually as a sport



THE GAMES

LEAGUE OF LEGENDS

WORLD CHAMPIONSHIP

Season Two Regional Finals and Championship Locations

07/26 SHANGHAI, MAIRLAND CHINA
at ChinaJoy

09/21 SEOUL, SOUTH KOREA
at SK Sports Stadium

09/22 SINGAPORE
at Marina Bay Sands

09/22 SINGAPORE
at Marina Bay Sands

09/22 SINGAPORE
at Marina Bay Sands

08/31 SEATTLE, WA
at PAX Prime

08/16 COLOGNE, GERMANY
at LANXESS Arena

10/13 2012
SEASON TWO CHAMPIONSHIP
Los Angeles, CA

TOTAL UNIQUE VIEWERS VIA LIVE-STREAM

SEASON ONE CHAMPIONSHIP, 8/20/11	1,090,000
WEM GAMESCOM, 9/16/11	1,002,000
WEM KOREA, 1/10/12	2,284,500
WEM WORLD FINALS HANNOVER, 5/16/12	2,200,000
WEM LAS VEGAS, 4/12/12	2,164,000
AVG MLB GAME BROADCAST, 1,449,000*	

*2011 Season Two EDP

\$5 MILLION
SEASON TWO PRIZE POOL

\$3 MILLION CHAMPIONSHIP PRIZE POOL
Regional Finals and World Championship

FOR DETAILS AND UPDATES, VISIT
WWW.LEAGUEOFLEGENDS.COM





WCS 2012 EU FINALS

GAME DEVELOPERS CONFERENCE NEXT®

NOVEMBER 5-7, 2013 EXPO DATES: NOV 5-6 LOS ANGELES, CA GDCNext.com



LOL S2 WORLD CHAMPIONSHIP

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THE INTERNATIONAL 2



Why enter this business?

What the public thinks:

- Reach
- Trend
- Direct profit

Actual good reasons to consider eSports

- Engagement
 - Viral acquisition
 - Brand loyalty
- Across genres, once learned becomes part of your marketing
- Competitive advantage
- Gain control
- A sound business choice overall

Options

- Organic / anorganic

Is there an eSports industry?

“Your best bet finding an eSports position is to look at every company that sponsors eSports.”

This view is common and wrong. eSports is its own business between sports, games and internet industries, with its own set of actors.

[Source](#)

League brands

- Dreamhack (Sweden)
- ESL (Germany)
- MLG (US)

- All of them have their own brands, but also operate as agencies



INDEPENDENT LEAGUES



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IEM KATOWICE

Our model of eSports



- Not just segments, also a timeline, almost every esports entity went through these 3 phases
- Every eSports competition is part of one of the three segments
- Most actors and eSports aspects/factors can be mapped to this model



CLANS



Clans

INGAME

- » Parties
- » Guilds
- » In-game clans
- » Loose organization, but strong social bond

GRASSROOTS

- » Emerging organizations
- » Own website and communication
- » Expands to more games
- » Clan leader usually stops playing
- » Organization is fragile, as interests change

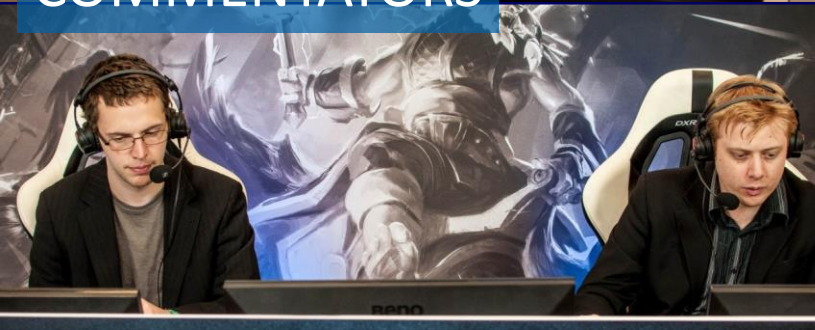
PRO

- » Strong brands and hopefully strong businesses
- » Massive communication channels
- » Business interest in new games
- » Player management
- » Physicality

- Drivers of engagement, image carriers, catalyst for player development
- Leagues intertwined with top clans, working together on goals, and sometimes picking titles together
- Role of clans still in flux
- You will see grassroots organizations take part in pro communities



COMMENTATORS



Casters

INGAME

- » Streaming players
- » Home casters are developed here

GRASSROOTS

- » Leagues evolve standards
- » Pairing with game experts for mutual learning

PRO

- » Pro leagues need good commentators
- » Personalities draw crowds

- Faces of the brand/game until much later
- Leagues have commentator stables
- Support this with Twitch integration



PLAYERS



Players

- Professionalize over time, know them, treat them well
- Riot says “Players first”, better believe them
- Player agents will become a topic

Community websites

- Make sure you can conveniently put content in front of all your players
- Reddit & Twitter very important for anglo-centric communities
- Support game-specific portals with good content
- Important to have independent coverage/community pages

Other sports aspects

- Sound decisions needed
- Game design plays into this as well



RULES & REFEREES



1. Match Media

All match media (screenshots, etc) must be kept for at least 14 days. In general, you should upload the match media from a match to the match page as soon as possible. Faking or manipulating match media is of course forbidden and will result in severe penalties. Match media should be named clearly based on what it is. It is not possible to file a protest or write a support ticket to complain about bad match media naming. However, if an admin is hindered in their work because of bad match media names then it can be punished for.

1.1. Screenshots

1.1.1. Score screenshot

- Only needed in matches played without the Tournament Code.
- A screenshot of the scoreboard at the end of each match must be taken and uploaded to the match page.
- Manipulating of a screenshot can lead into penalty points. (a) Warning, (b) hiding champions, items or statistics 1-2 penalty points, (c) faking the result of a match 4-6 penalty points.

1.2. Missing Screenshots

- Matches played with the mandatory Tournament Code do not need any screenshots.
- If a match has been played without the Tournament Code, A screenshot of the match result must be uploaded after a match.
- A missing screenshot can lead to a penalty points for each team/player and the match may be deleted. (a) Warning, (b) 1 penalty point for each team / player
- An incomplete screenshot can lead to 1 penalty point or a warning for each team/player.

2. Settings

2.1. The Tournament Code

The Tournament Code has been created by the ESL in cooperation with Riot Games. It automates ESL tournaments by creating a match lobby with the right settings for a tournament match and reports the match statistics to the ESL servers. The Tournament Code is mandatory in all European Cups, Leagues and Tournaments, if it's provided. If there are unexpected problems, the Tournament Code is allowed to not be used. A match that has begun without the use of a Tournament Code counts as an agreement and later complains are not accepted.

2.2. Server

Client and Server All ESL Europe matches have to be played on Europe West, Europe Nordic & East or the Tournament Realm, if needed.

3. Match rules

3.1. Failure to appear / No Show

In the European League of Legends Section, each team or player has 15

Rules

INGAME

- » Automated as much as possible
- » Need to combat toxicity

GRASSROOTS

- » Stricter rules
- » Clans are forced to organize better

PRO

- » Very elaborate rulesets, covering lots of meta aspects of competition
- » Pro teams forced to become businesses

- XonX / game mode critical decision, involve leagues
- Rules / game design feedback loop

STREAMING & EVENTS



Streaming & Events

INGAME

- » Twitch integration

GRASSROOTS

- » Scheduled content
- » Streams with sports storyline
- » First event should take place here

PRO

- » Entertainment product
- » Prettiest pictures
- » TV Licensing

- Events start at \$10,000 in studio environment
- Venue cost and production quality scale
- Never run an event with no eSports company involved



GAME FEATURES

Game Features

INGAME

- » Balancing
- » Streaming-Friendly / Twitch
- » Matchmaking
- » Anti-Cheat

GRASSROOTS

- » Re-balancing
- » Custom Matches
- » Spectator mode
- » Team matchmaking
- » Custom Match APIs

PRO

- » Re-balancing
- » Demo recording
- » Stats APIs
- » Map editor

- Plan ahead, but focus on game as much as possible
- You will also need to add more staff to manage eSports
- Streaming/interface: See Sean Plott's GDC Next presentation on "The Observer Friendly Game"



PRIZE MONEY

Prize Money

INGAME

» Just rewards

GRASSROOTS

» \$100 for online tournaments +
rewards

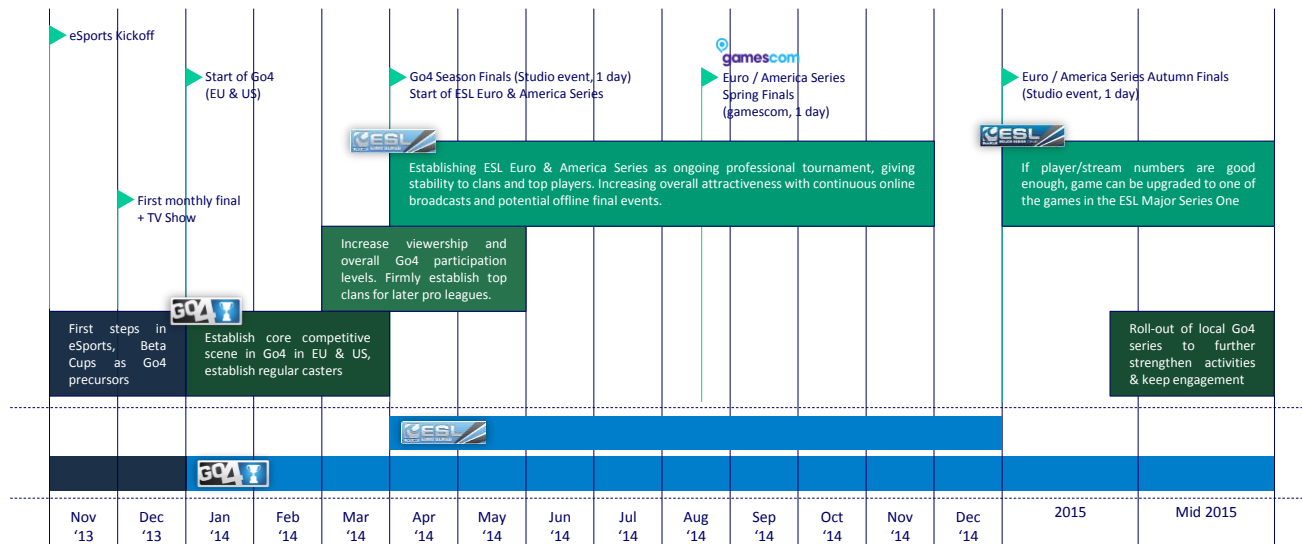
» 5,000\$ for 3-month season
pro/am leagues

PRO

» Depends

- Prize money for pro tournaments dependent on overall market
- Grassroots needs to be positioned in-between
- Scaling depending on current needs

Example eSports Strategy





CS:GO 5on5

Prize Money / month: **1,500€**
EU, France

WARGAME: AB 2on2

Prize Money / month: **2,500€**
EU, US

SHOOTMANIA: STORM 3on3

Prize Money / month: **1,800€**
EU, US

FIREFALL 5on5

Prize Money / month: **16,500€**
EU, US

STARCRAFT 2 1on1

Prize Money / month: **1,500€**
EU

WORLD OF TANKS 7on7

Prize Money / month: **11,000€**
EU, CIS

CROSSFIRE 5on5

Prize Money / month: **2,000€**
EU

CALL OF DUTY 4on4/5on5

Prize Money / month: **2,000€**
EU

FIFA 1on1

Prize Money / month: **2,000€**
EU, Germany

LEAGUE OF LEGENDS 5on5

Prize Money / month: **12,000€**
US, EU, Romania, Turkey,
CIS, Poland, France, Brazil

COMBAT ARMS 5on5

Prize Money / month: **2,000€**
EU

BATTLEFIELD 4 5on5

Prize Money / month: **1,000€**
EU

ASSETS GENERATED BY GO4

- » Weekly winner name, photo
- » Tournament Brackets
- » Live tournament streams on Twitch
- » Match VoDs on Twitch and YouTube
- » Replays (if available in game)
- » Statistical analysis on cup participants (including demographical data on request)
- » Reportings on participation, social media and other tournament KPIs
- » Tweets and Facebook postings by users, participants and brand accounts
- » Monthly ranking, updated each week
- » Monthly final announcements (qualified players, cup highlights), 1-2 weeks before actual final
- » Player interviews, statements, testimonials for marketing use (on request)
- » Player surveys (on request)
- » Tournament page and game section on ESL

Go4 Combat Arms

- Dedicated Microsite* on Official Combat Arms website

COMBAT ARMS
TOURNAMENT 2013
THE SECOND BATTLE

GO4CA! ALL4CA! WIN 5,000NX FOR ALL!
PERIOD : 02.09.2013 - 07.09.2013

REGISTER

- GETTING STARTED
- PRELIMINARY
- FINAL (COMING SOON)
- HALL OF FAME
- NEWS
- ACTIVITY
- EVENT
- FORUM

GO TO OFFICIAL WEBSITE
FACEBOOK YOUTUBE

NEWS

Combat Arms Go4CA
Who wins the €600 Go4CA Monthly ...
On Tuesday the Monthly Final September is happening at 20:00 CEST and we...

Combat Arms Go4CA
Go4CA - A new month means new ch...
On Sunday the Go4CA Cup Series continues with the Go4CA Cup #33 with a p...

Combat Arms Go4CA
Go4CA - Your last chance to qual...
The last Sunday of September is coming up and this means it will be your...

Combat Arms Go4CA
€300 prize money for Sunday's Go...
On Sunday we have a prize pot of €300 for the Go4CA Cup #31. €200 for th...

UPCOMING CUP

Date	Event	Sign Up
08/10/13 08:00	Combat Arms Go4CA Monthly Finals September 2013	8 Sign Up
09/10/13 08:00	Combat Arms Go4CA Quarterly Finals #3	0 Sign Up
13/10/13 03:00	Combat Arms Go4CA Cup #34 - 13/10/13	0 Sign Up
20/10/13 03:00	Combat Arms Go4CA Cup #35 - 20/10/13	0 Sign Up
27/10/13 03:00	Combat Arms Go4CA Cup #36 - 27/10/13	0 Sign Up

VERSUS

Train yourself to defeat enemy with VS.

VS GO

PlayVS. is a tool for training yourself to defeat your enemy. You can find out opponents to play with you before you join cups running.

Please follow a instruction at www.esl.eu/versus
And download VS. install [CLICK HERE >](#)

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* <http://event.nexoneu.com/caetournament>

BARCRAFTS



KEY LEARNINGS

- » One-off events don't work
- » Running leagues is hard
- » eSports is not an acquisition channel
- » Not every game is a winner
- » Be smart about your investments
- » Evolve eSports features slowly, steadily
- » Close collaboration with leagues



Thank you!

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