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How Consumers Are Engaging with Games in 2022

Newzoo's Consumer Insights Games & Esports 2022

Foreword

Gaming is among the world's biggest entertainment and media platforms

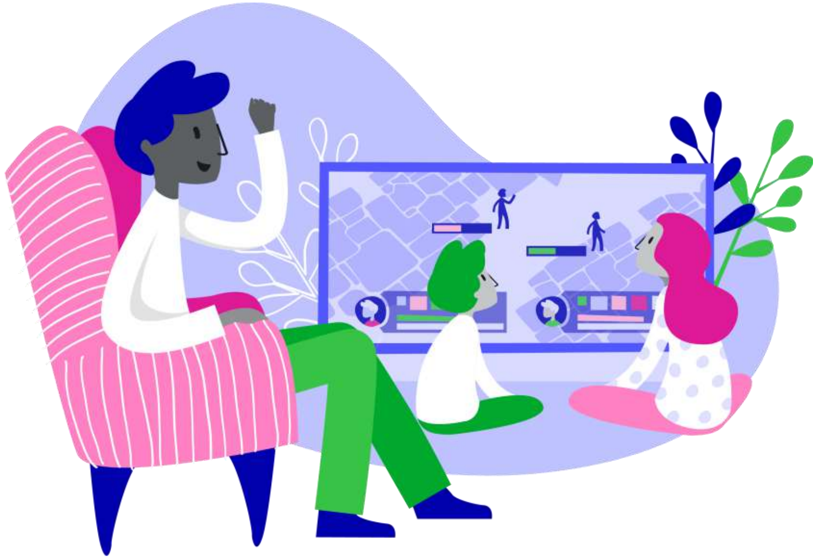
Gaming is already one of the world's most popular pastimes, and consumers are engaging with games and gaming platforms in more ways than ever before.

Now more multi-dimensional and diverse than ever, gamers are no longer just playing games or watching gameplay videos online. Being part of gaming communities, following influencers and streamers, socializing in virtual game worlds, watching TV shows based on gaming IP, and buying gaming-related clothing and merchandise are also vital components of the fun.

With emerging technologies and the growing metaverse trend, gaming is edging further into virtual spaces that empower entertainment and social interaction. It is blurring the lines between traditional and contemporary forms of media.

An in-depth understanding of the complex gaming landscape is crucial to identify the most valuable opportunities gaming audiences have to offer. This understanding is not only important for game publishers and developers but also for any company wanting to reach and authentically engage with the broadest and most diverse subset of the world's population.

Newzoo's Consumer Insights - Games & Esports is the world's most comprehensive consumer research on gaming audiences and gaming behavior providing valuable insights into the global gaming landscape in 36 markets.



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Newzoo

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Methodology & Definitions

Newzoo's Consumer Insights Games & Esports

Methodology

Survey methodology: Computer Assisted Web Interviewing (CAWI)

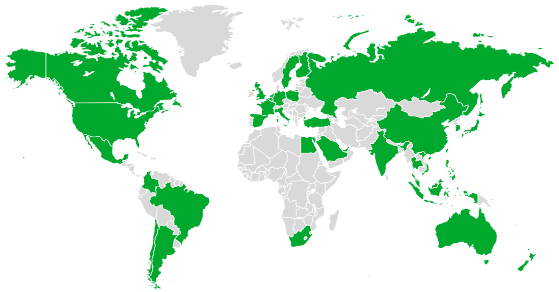
Fieldwork: February 2022 – April 2022

Target group: Representative sample of the online population aged 10-65/10-50 (regional coverage and age scope differs by market).

Sample size: 75,930 respondents across 36 countries/markets. Per country/market, approx. 2,000 respondents, 3,000 for the United States and China, and 1,500 for Egypt, Saudi Arabia, and United Arabic Emirates.

Geographic scope:

NAM: United States, Canada
EMEA: United Kingdom, Germany, France, Spain, Italy, Russia, Poland, Netherlands, Belgium, Sweden, Finland, Turkey, Egypt, Saudi Arabia, United Arab Emirates, South Africa
LATAM: Mexico, Brazil, Argentina, Chile, Colombia
APAC: Australia, New Zealand, China, Japan, South Korea, Thailand, Taiwan, Indonesia, Vietnam, Malaysia, Philippines, Singapore, India.



For more details: Consumer Insights Games & Esports 2022 methodology

Definitions

Generations:

- Gen Alpha (born 2010 or later / 10-12 y.o.)
- Gen Z (born 1995-2009 / 13-27 y.o.)
- Millennials (born 1981-1994/28-41 y.o.)
- Gen X (born 1965-1980 / 42-53 y.o.)
- Baby Boomers (born 1946-1965 / 54-65 y.o.)

Total Online Population: Population that has access to a stable/active internet connection.

Game Enthusiasts: Consumers who engage with gaming through playing, viewing, owning, and/or social behavior.

Players: Those who have played video games on a PC, console, or mobile in the past 6 months.

Payers: Past 6 months players who, on average, spend money on a monthly basis on games on a PC, console, or mobile device. Spending money includes gifts, downloadable content, subscriptions, and other micro-transactions.

Viewers: Those who watched live-streamed or pre-recorded gaming video content in the past 12 months (incl. esports). (=Gaming video content viewers)

Key Insights

1

Gaming Is Among the Biggest Entertainment Platforms

With every new generation, gaming becomes a bigger and more important part of daily life. In fact, games are now the #1 source of entertainment among Gen Alpha–that's more than social networking, streaming movies/series, and watching broadcast TV.

Gaming's role in people's leisure time isn't the only thing that's growing; game-related spending is also on the up. About half of Millennials, Gen Z, and Gen Alpha spend money on games. To that end, consumer spending via games will generate more than $200 billion in 2023 alone.

94%
of Gen Alpha engage with games and games content (= Games Enthusiasts)

2

Gaming Goes Beyond Playing

What it means to "game" continues to expand far beyond the traditional playing. Those who engage with games to play are now in the minority. Around 28% of the online population is already engaging with games across playing, viewing, and other forms of engagement like online communities, podcasts, in-person events, and more).

The growth of gaming's social aspects are one of the catalysts that opened the door for the metaverse trend. Three-quarters of players sometimes spend time together in game worlds without actually playing the main game, compared to 44% of non-players.

74%
of players sometimes get together in games without playing the main game

3

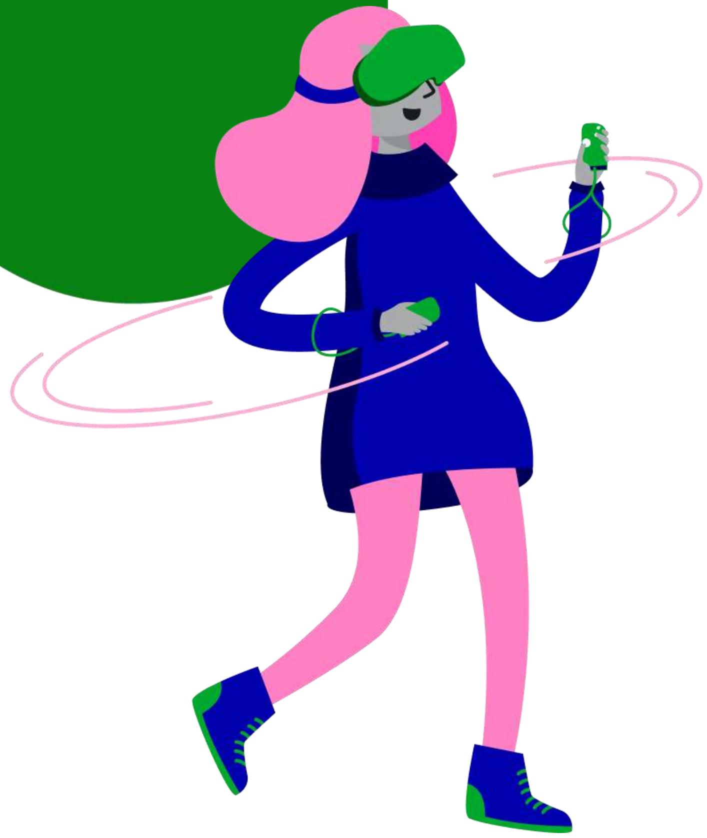
Gamers Are an Attractive Target for Brands with the Right Message

While games have become mainstream, the audience engaging with them have become increasingly diverse. As such, a one-size-fits-all approach to connecting with gamers is no longer effective.

The competition for gamers' attention is becoming increasingly fierce as more companies enter the arena. Yet, the more positive attitudes players have towards brands (vs. non-players) makes them an attractive target. Diving deeper into the behavior, demographics, and preferences of gamers can ensure your brand cuts through the noise and resonates with the right audience.

36%
Attitudes toward brands are on average 36% higher among players than non-players

[1]Among a selected sub-set of 13 brands

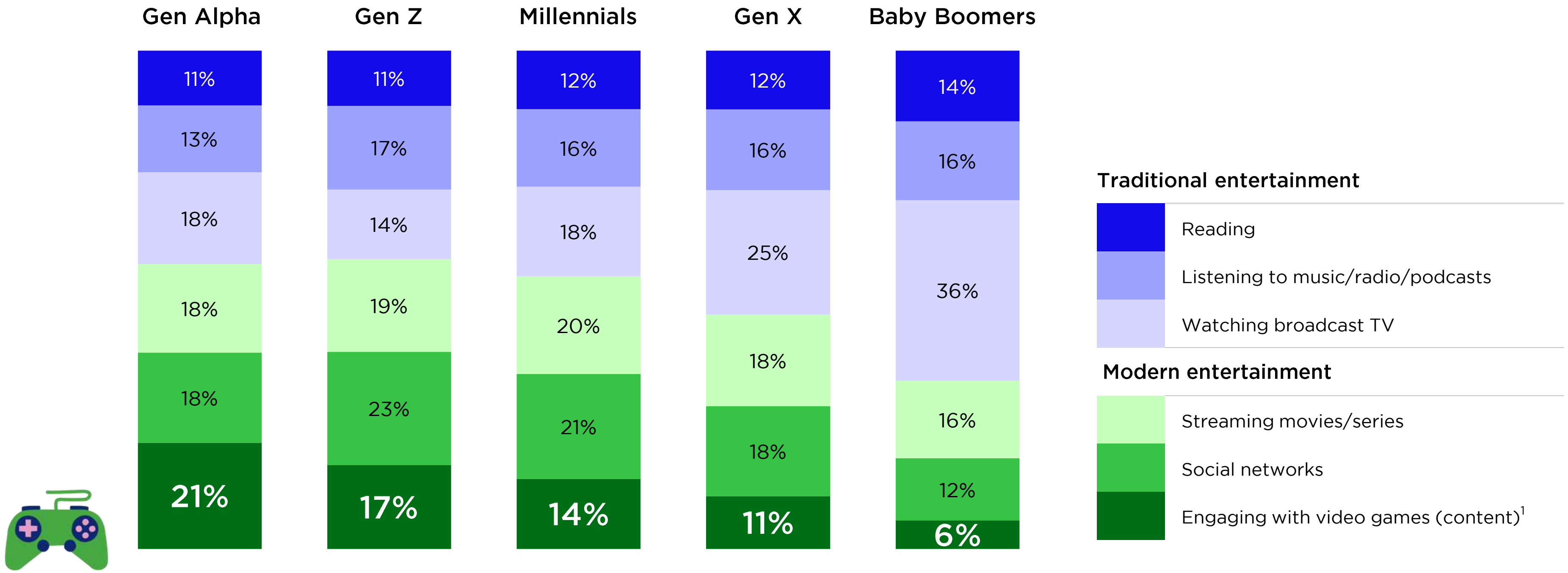


1. Gaming is among the biggest entertainment platforms

With Every New Generation, Gaming Expands its Reach

In fact, games are the #1 source of entertainment for Gen Alpha

% Leisure Time Spent per Week per Entertainment Platform (Outside of Work)
Base: Total online population



As the boundaries of games continue to expand, so does gaming's reach.

With every new generation, playing video games becomes a larger share of leisure time. Younger generations like Gen Alpha, Gen Z, and Millennials spend more or nearly as much time engaging with video games than any other single form of entertainment.

With gaming ecosystems evolving into virtual worlds, the pastime continues to satisfy needs above and beyond actual play. As gaming grows further into a space for community, its engagement (particularly among younger generations) is expected to follow.

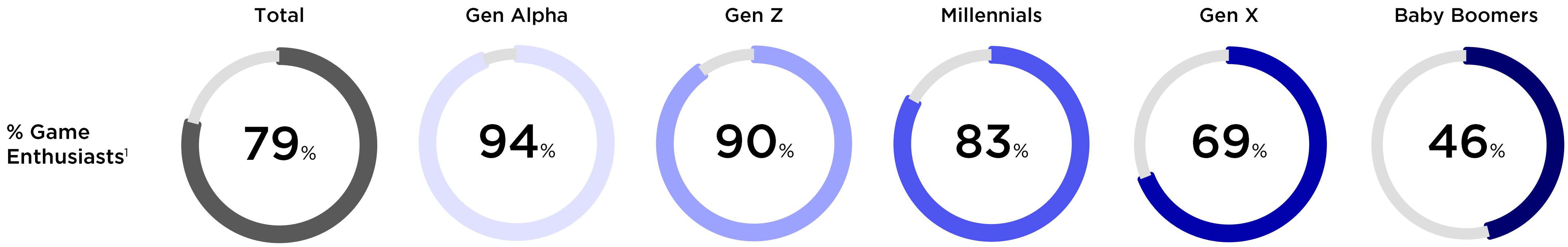
[1]Engaging with video games / gaming content = Playing video games, viewing gaming video content, creating gaming content or socializing through/visiting gaming communities

Source: Newzoo CI Games & Esports 2022 (Global weighted average across 36 markets).
Q. Leisure time spent per week on various activities
Base: Total sample (n=75,930), Generation Alpha (n=3,693), Gen Z (n=25,659), Millennials (n=23,935), Gen X (n=14,139), Baby Boomers (n=8,504)

Games are Not a Pastime Merely for Youth

Most Millennials and Gen X, and almost half of Baby Boomers, engage with games

Share of Game Enthusiasts
Base: Total online population



Brands can reach every generation via gaming. A remarkable 79% of the online population engages with games in one way or another. This engagement, while sizable across all generations, is particularly apparent for Gen Alpha and Gen Z. All types of game-related engagement tend to increase with each younger generation.

Gaming engagement doesn't just include playing games; it encompasses much more from viewing gaming content or esports to socializing and hanging out in game worlds or through communities. It also includes following streamers, creating gaming content, and keeping up-to-date with gaming news via blogs, websites or podcasts, and any other gaming-related activity.

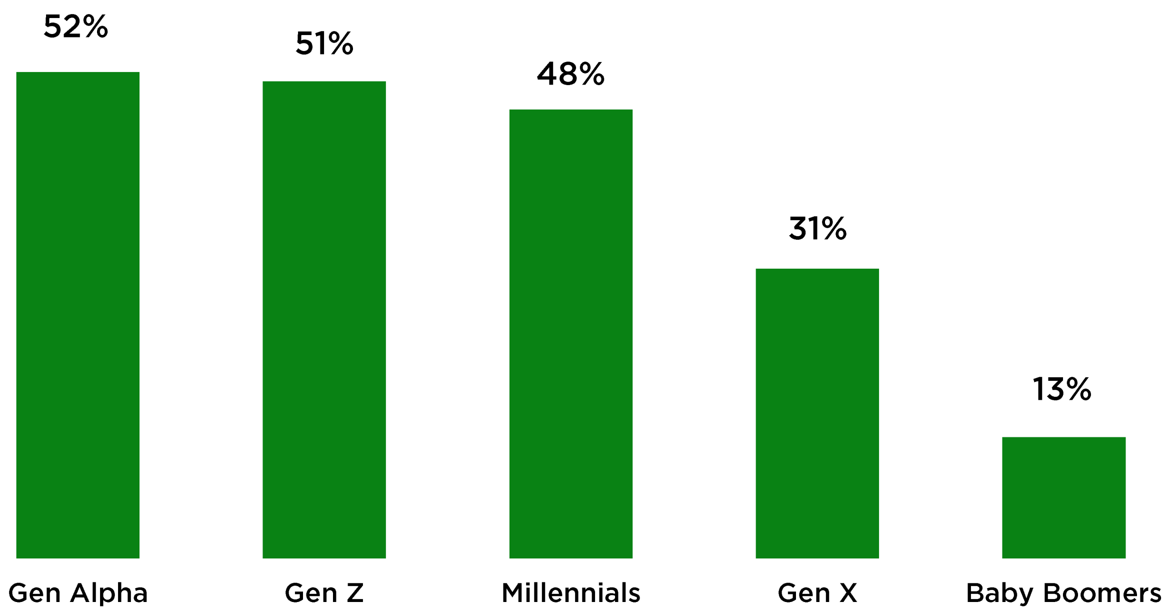
[1] Game Enthusiasts are consumers who engage with gaming through playing, viewing, owning, and/or social behavior

Source: Newzoo CI Games & Esports 2022 (Global weighted average across 36 markets)
Q. Total share of Game Enthusiasts;
Base: Total sample (n=75,930), Generation Alpha (n=3,693), Gen Z (n=25,659), Millennials (n=23,935), Gen X (n=14,139), Baby Boomers* (n=8,504)

As Gaming Expands, Revenues Are Expected to Follow

With every generation, the number of gamers spending money on games grows

Share of Payers
Base: Total online population



$200Bn

The estimated forecast of the games market in 2023.*

About half of Gen Alpha, Gen Z, and Millennial gamers spend money on video games.

While the uptick in payers from Millennials to Gen Z to Gen Alpha may appear small, it's important to consider that Gen Alpha and Gen Z (to a lesser extent) generally lack their own source of income. Therefore, as these generations get older and start earning money, their spending on games is likely to grow.

Simply put, game-related engagement is at an all-time high, and this engagement translates to more spending–especially as younger generations continue to age up.

Source: Newzoo CI Games & Esports 2022 (Global weighted average across 36 markets)
Q. Payers
Base: Total sample (n=75,930), Generation Alpha (n=3,693), Gen Z (n=25,659), Millennials (n=23,935), Gen X (n=14,139), Baby Boomers* (n=8,504)
*Sourced from Newzoo's Global Games Market Report

2. Gaming goes beyond playing

The Majority of Gamers Engage Beyond Playing

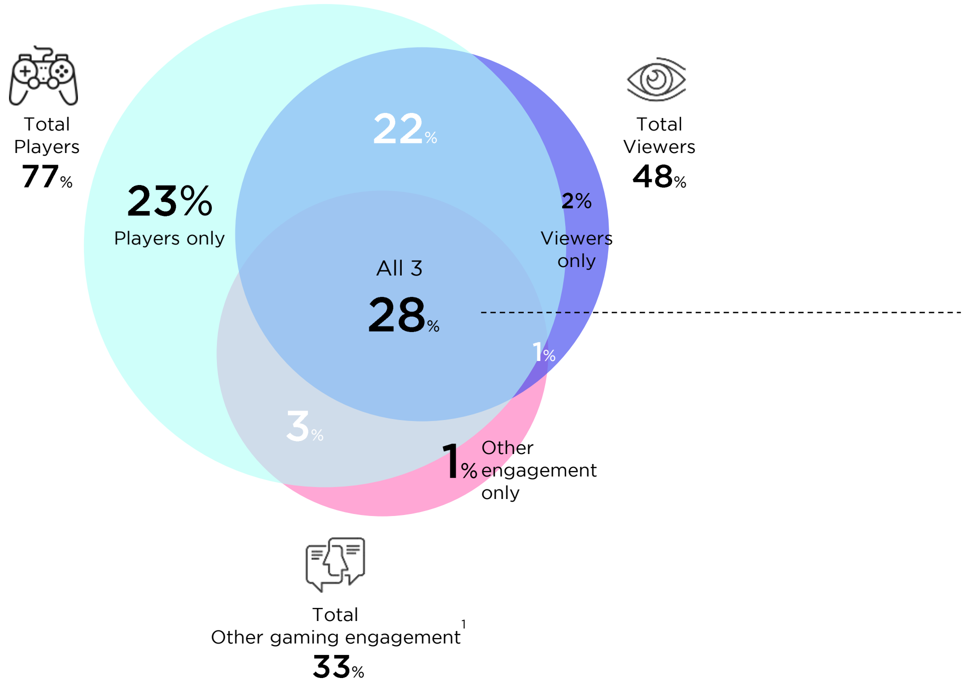
This broader type of engagement increases with every new generation

Gaming Engagement Overlap

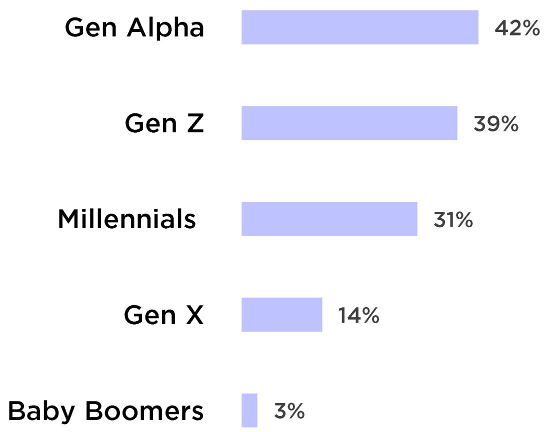
Base: Total online population

Total population

79% engage with gaming



Engages with All 3



Gone are the days when games were simply for playing. With gaming's move into the mainstream, ways to engage with games continue to expand.

This is particularly true among younger generations. For example, 42% of Gen Alpha engages with games across all dimensions, including playing, viewing, and other forms such as socialization, podcasts, in-person events. This level and breadth of engagement among youngsters signals that gaming is becoming more than just a pastime.

[1]Other gaming engagement includes those that claim to have "often" followed video gaming channels or esports broadcasters, socialized through/visited online gaming communities, discussed video games with family and friends, listened to gaming podcasts, and/or attended large in-person gaming conventions in the past 12 months

Source: Newzoo CI Games & Esports 2022 (Global weighted average across 36 markets)
Q. Total players, Total gaming video content viewers, Those who engage with gaming beyond playing/viewing in the past 12 months (% often)
Base: Total sample (n=75,930), Generation Alpha (n=3,693), Gen Z (n=25,659), Millennials (n=23,935), Gen X (n=14,139), Baby Boomers* (n=8,504)

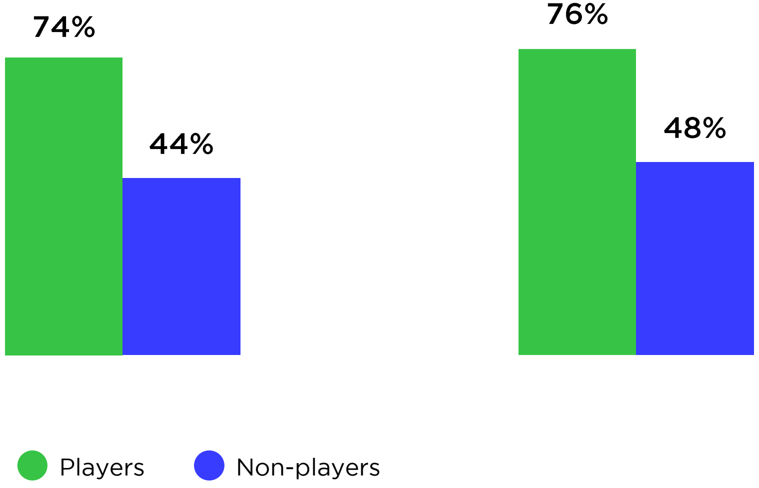
Socializing in Games Is Catalyzing the Metaverse

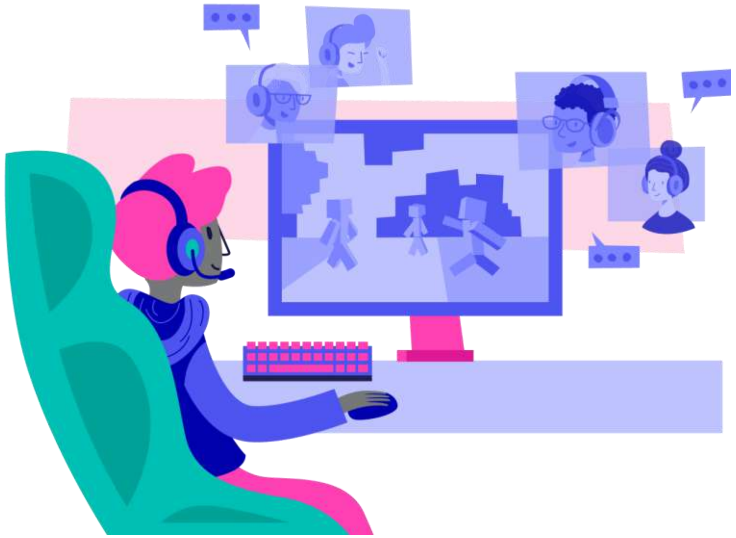
Games are increasingly becoming a platform for connection

Current Involvement and Future Interest in Socializing Within Game Worlds
Source: Newzoo's Metaverse Sentiment Study | April 2021
Base: Total online population 14-50 years old

Currently gets together in game worlds, not while playing the main game

Interested in socializing in game worlds beyond game play in the future





Players socializing in game worlds is one of the factors that has led to Big Tech's infatuation with the metaverse. Nearly 75% of players are no longer gaming just to "play". Now, they are using virtual worlds to connect with others, even without playing the actual game.

Non-players are also eager to start engaging in virtual worlds. In fact, 44% of the group are already meeting up with others in game worlds without actually playing the main game. An even higher share (48%) are interested in socializing in game worlds in the future.

Learn more about the metaverse and Web 3.0 in our free metaverse report.

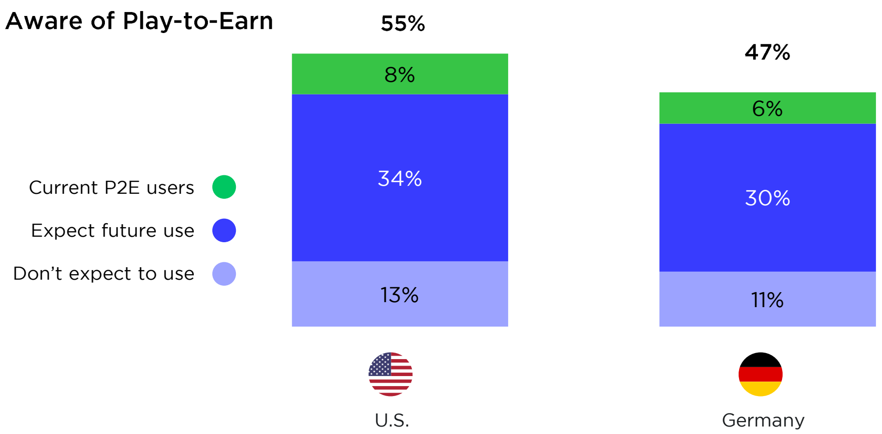
Source: Newzoo Metaverse Sentiment Survey May 2021 (Weighted average across 4 markets: US, UK, CN, JP)
Q. Socializing in game worlds, Potential future interest in socializing in game worlds
Base: Total players 14-50 years old (n=2,774), Non-players (n=2,859)

Play-to-Earn: A New Way to Engage?

While still in the early stages, a significant portion of gamers expect to use P2E in the future

Awareness and Adoption of Play-to-Earn

Source: Newzoo's Blockchain & NFT Sentiment Study | April 2022
Base: Total players



Whether or not they currently play blockchain games, players show high levels of interest in playing them in future

Reasons to Play Video Games (Any Platform) | Top reasons rated 5, 6, or 7 out of 7

Source: Newzoo's Blockchain & NFT Sentiment Study | April 2022
Base: Total players

Current P2E Users

1	To relax/unwind	88%
2	To fill time	79%
3	Earn/financial reward	77%

Non P2E Users

1	To relax/unwind	79%
2	To fill time	70%
3	Complete tasks and goals	62%

When it comes to motivations to play games in general, P2E players uniquely place earning money in their top three.

Blockchain Gaming or Play-to-Earn (P2E) is on the rise, offering cryptocurrency in return for achievements, in-game items, and other transactions. It is unclear how closely motivations to play current blockchain games align with those of traditional gamers, and therefore whether a wider audience can be reached using the same hooks. Some express concern over the introduction of commerce in games, while others say that true ownership of gaming assets and the ability to earn are reasons players should be interested. What is clear, however, is that the model has huge potential, if it can be realized in the mainstream.

To get a gamers' view on Play-to-Earn (as well as the NFTs that often underpin them), Newzoo conducted online surveys with players aged 18-50. Over 1,000 interviews were completed in selected markets, including the U.S. and Germany. Some consumer insight snippets from this study including awareness and current adoption of Play-to-Earn can be found above.

Stay tuned for Newzoo's Global Games Market Report for a deep-dive on the latest blockchain and NFT trends.

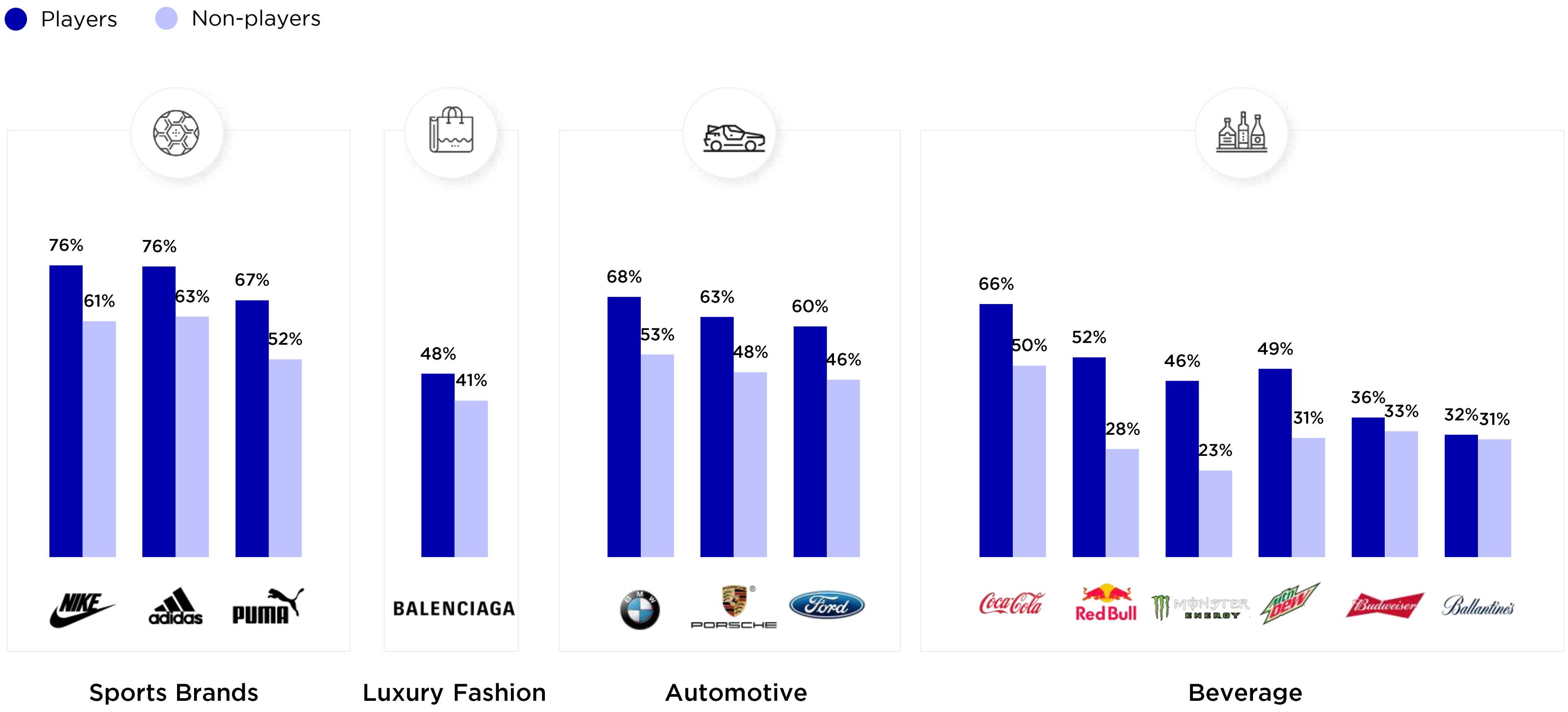
Source: Newzoo Blockchain & NFT Sentiment Survey April 2022 (Market scope: United States, Germany)
Q. Awareness & Adoption of P2E, Reasons to play video games
Base: Total players (n=1,785), Current P2E users (n=125), Non P2E users (n=1,660)

3. Gamers are an Attractive Target for Brands with the Right Message

Gaming is Rife with Opportunities for Brands

But to effectively connect with gamers, brands need to identify and understand their target audience

Brand Attitude | % Very positive/positive
Base: Total online population



Across multiple categories, players show more positive attitudes toward brands than non-players. Paired with the growing ways in which brands and games can collaborate (in and outside of gaming worlds), these attitudes present a meaningful opportunity for brands to engage with gamers.

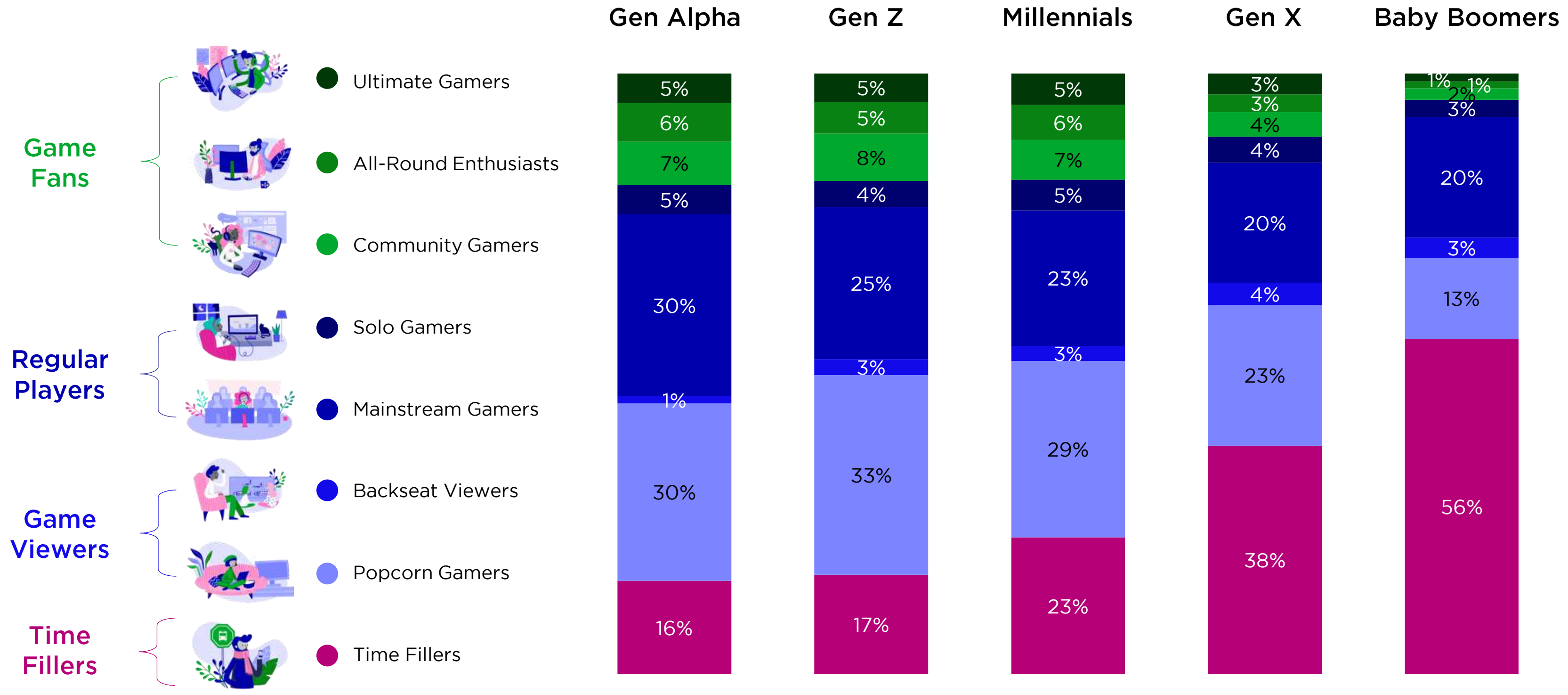
Yet, it's important to remember that different gamers have different needs and interests. Strategies to interact with gamers must reflect the nuances of gamers' preferences, behaviors, and demographics to be effective. By taking a closer look at gamers, you can identify and target the specific audience most likely to resonate with your brand.

Source: Newzoo CI Games & Esports 2022 (Global weighted average across 36 markets)
Q. Brand attitude (excl. Don't know brand)
Base: Total sample (n=75,930), Total players (n=55,890), Non-players (n=15,910)
Note: Budweiser and Ballentine's only show > legal drinking age and not asked in SA,UAE,EG (excluded from base for alcoholic product categories)

Even Within Each Generation, Gamers are Diverse

Older generations are more likely to be Time Fillers, while younger generations are more likely to be Game Fans

Share of Each Persona per Generation
Base: Game Enthusiasts



The days of a one-size fits all gamer are over. Now, what it means to be a "gamer" is more multi-dimensional.

With forms of gaming engagement rapidly expanding, the importance of understanding the nuances between gaming personas becomes greater. Even among a single generation, motivations and engagement with games can vary from more traditional playing to watching game content, esports, or even fulfilling a sense of community.

Source: Newzoo CI Games & Esports 2022 (Global weighted average across 36 markets)
Q. Newzoo's Gamer Segmentation™ [Note: The Mainstream gamer was formerly called The Bargain Buyer / The Solo gamer was formerly called the Hardware Enthusiasts]
Base: Total Game Enthusiasts (n=61,586), Generation Alpha (n=3,471), Gen Z (n=23,574), Millennials (n=20,436), Gen X (n=10,168), Baby Boomers* (n=3,937)

Case Study: Apex Legends vs. Fortnite

Two Battle Royale games with nuanced player demographics, motivations, and brand preferences

Apex Legends

Player Profile

Gender

70% male | 29% female

Non-binary/Other: 1%

Age

10-20	21-35	36-50	51-65
33%	47%	18%	2%

Gamer Persona

Ultimate Gamers	All-Round Enthusiasts	Community Gamers	Solo Gamers	Mainstream Gamers	Backseat Viewers	Popcorn Gamers	Time Fillers
17%	11%	11%	5%	34%	0%	20%	3%

Top Player Motivations^

#1 Social

#2 Action

#3 Mastery

Beverage Consumption while Playing

Soft drinks 54%

Energy drinks 43%

Alcohol* 34%

Brand Affinity (% Very Positive/Positive)

Coca-Cola 77%

Monster Energy 68%

Budweiser 62%

Red Bull 73%

Mtn Dew 66%

Fortnite

Player Profile

Gender

63% male ▼ | 37% female ▲

Non-binary/Other: 0%

Age

10-20	21-35	36-50	51-65
39% ▲	38% ▼	19% ▲	3% ▲

Gamer Persona

Ultimate Gamers	All-Round Enthusiasts	Community Gamers	Solo Gamers	Mainstream Gamers	Backseat Viewers	Popcorn Gamers	Time Fillers
12% ▼	9% ▼	10% ▼	6% ▲	31% ▼	0%	24% ▲	8% ▲

Top Player Motivations^

#1 Social ▼

#2 Action ▼

#3 Achievement ▼

Beverage Consumption while Playing

Soft drinks 54%

Energy drinks 37% ▼

Alcohol* 29% ▼

Brand Affinity (% Very Positive/Positive)

Coca-Cola 77%

Monster Energy 61% ▼

Budweiser 61%

Red Bull 66% ▼

Mtn Dew 61% ▼

▼▲ Significantly higher/lower vs. Apex Legends

Despite sharing a genre (battle royale), Apex Legends and Fortnite each have unique player demographics, motivations, and brand preferences. Fortnite players are more likely to be female and younger than Apex Legends players. They also tend to be more casual in their gaming style, falling more often into Popcorn Gamers and Time Filler personas than their Apex Legends counterparts.

Zooming into the beverage category as an example, we see that these differences are key to understanding the opportunity for brands. Fortnite players are younger and therefore are less likely to drink alcohol while playing, so Apex Legends may be the better player group for an alcoholic beverage brand to target. What's more, tapping into the motivations that drive Apex Legends players (e.g., socialization, action) could lead to more relevant messaging and a better return on investment.

Source: Newzoo CI Games & Esports 2022 (Global weighted average across 36 markets)
Q. Player motivations, Newzoo's Gamer Personas 2022, Gender, Age, Product consumption while playing, Brand attitude (excl. Don't know brand)
Base: Past 3 months players of Apex Legends (n=4,193), Fortnite(n=9,234)
*Alcohol includes beer, wine, and hard liquor. Budweiser only show > legal drinking age and not asked in SA,UAE,EG (excluded from base for alcoholic product categories) / ^Derived from multiple gamer motivation statements

Looking for more Insights?

Profile Gamers in your Target Markets with the Most Comprehensive Games Research Based on 75,000 Consumers

36

Markets

AE AR AU BE BR CA
CL CN CO DE EG ES
FI FR ID IN IT JP
KR MX MY NL NZ PH
PL RU SA SE SG TH
TR TW UK US VN ZA

75,000+

Respondents

200+

Variables

60+

Franchises

10+

Years of Experience

Topics:

- ✓ PC Games
- ✓ Console Games
- ✓ Cloud Gaming
- ✓ Gaming Video Content & Esports
- ✓ Gaming Hardware & Peripherals
- ✓ Consumer Brands
- ✓ Newzoo's Gamer Segmentation™
- ✓ Socio-Demographics
- ✓ Media & Lifestyle
- ✓ Mobile & Internet
- ✓ Game Behavior & Attitudes
- ✓ Spending Behavior
- ✓ Franchises
- ✓ Mobile Games

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