

A Rising Market

Esports in Southeast Asia

July 2021

Newzoo: The Destination for Games Market Insights

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Platform

The single destination for anyone with an interest in games. Broad and market-specific solutions, including our landmark reports.



Consumer Insights

The best way to understand consumer engagement and profile target groups, including our persona segmentation.



Consulting

Custom projects that put our experience and expertise to work on strategic and financial challenges.



Today's Topics

- What is Esports?
- The Global Esports Market
- The SEA Esports Market
- SEA Esports Trends



1. What is Esports?

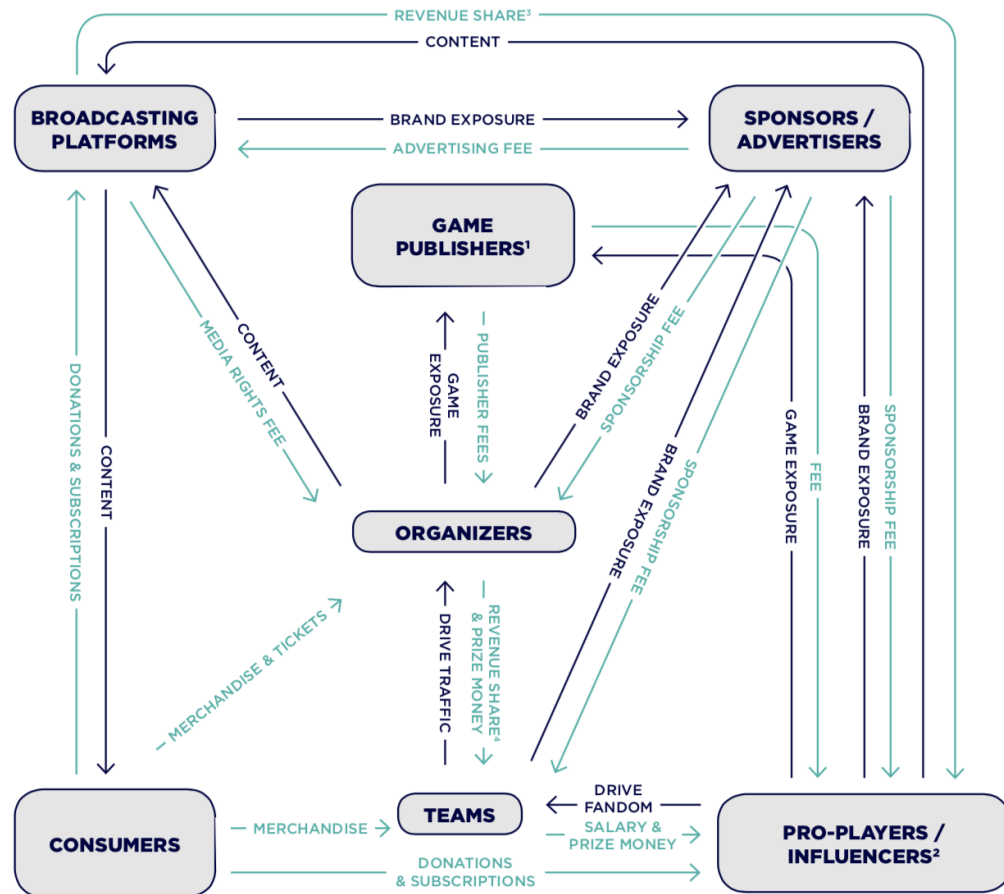


Esports

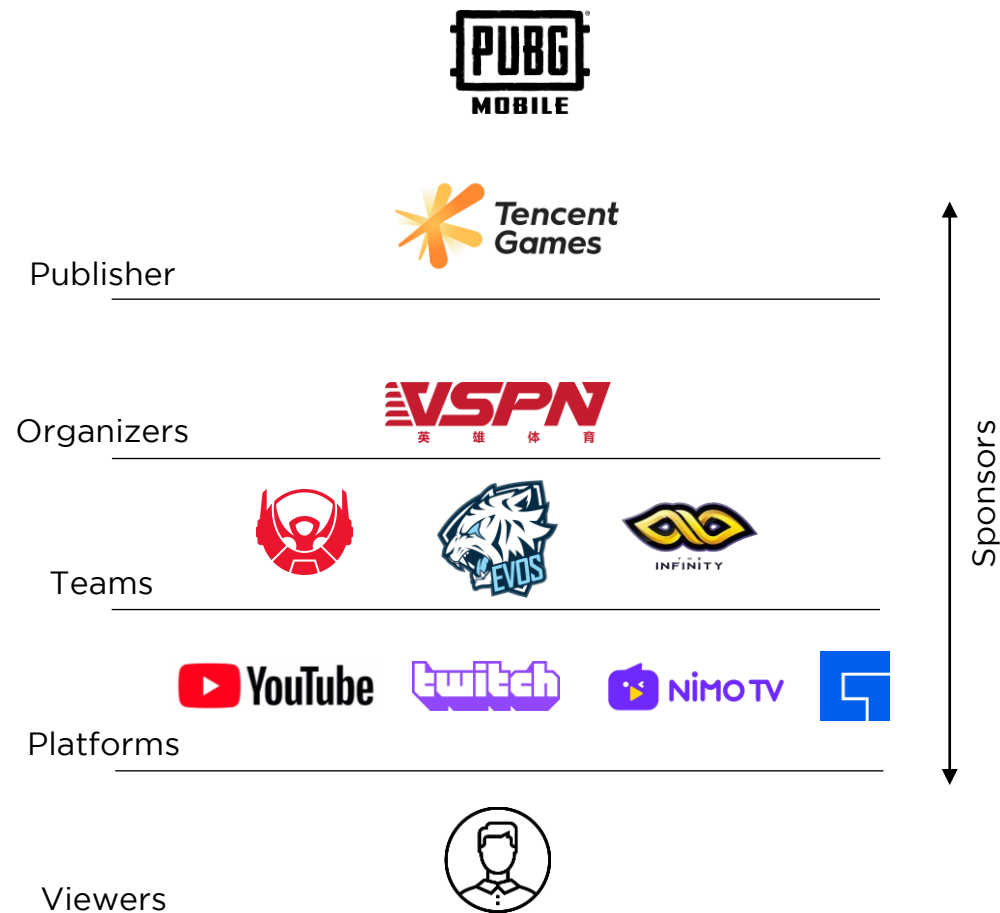
Competitive gaming at a professional level and in an organized format (a tournament or league) with a specific goal (i.e., winning a champion title or prize money) and a clear distinction between players and teams that are competing against each other.

Understanding the Esports Ecosystem

Homing in on the exchange of value and money between key stakeholders in the esports ecosystem

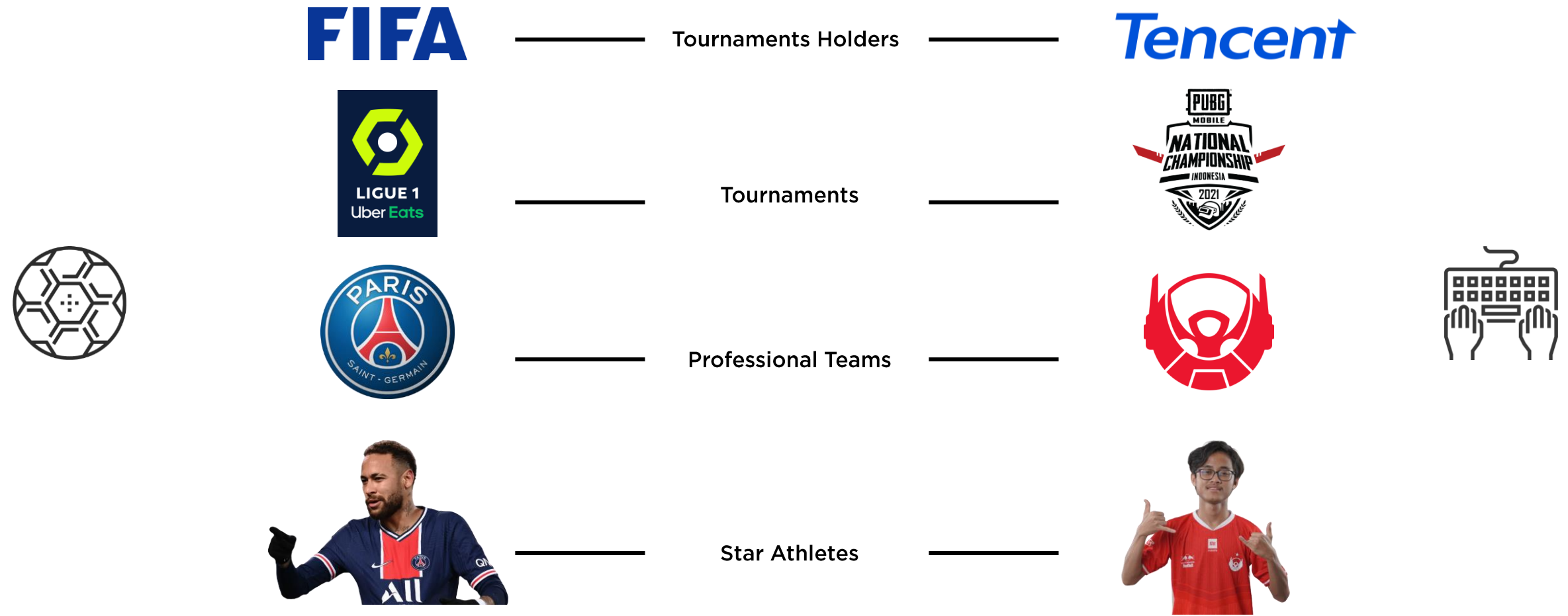


- MONEY
 - VALUE
1. Game Publishers can own multiple games and be organizers of the games they operate themselves
 2. Influencers and Pro-Players can be independent of a team
 3. Revenue share includes a share of subscription, donation, and advertisement revenues.
 4. Revenue share include a share of sponsorship and media rights revenue.



The Esports Ecosystem Mirrors Sports

From leagues down to stars, the sports and esports are constructed similarly



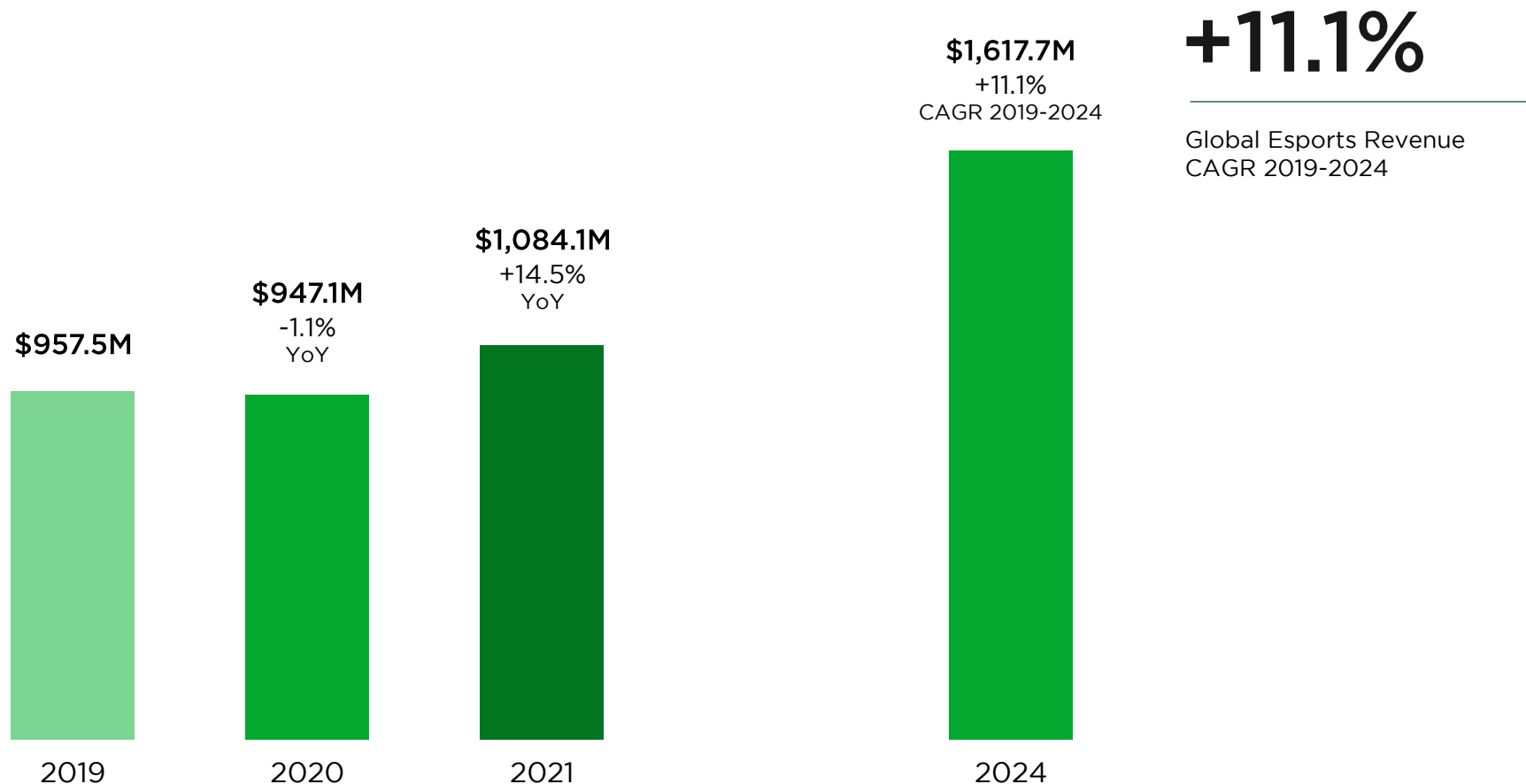


2. Esports Market in Numbers



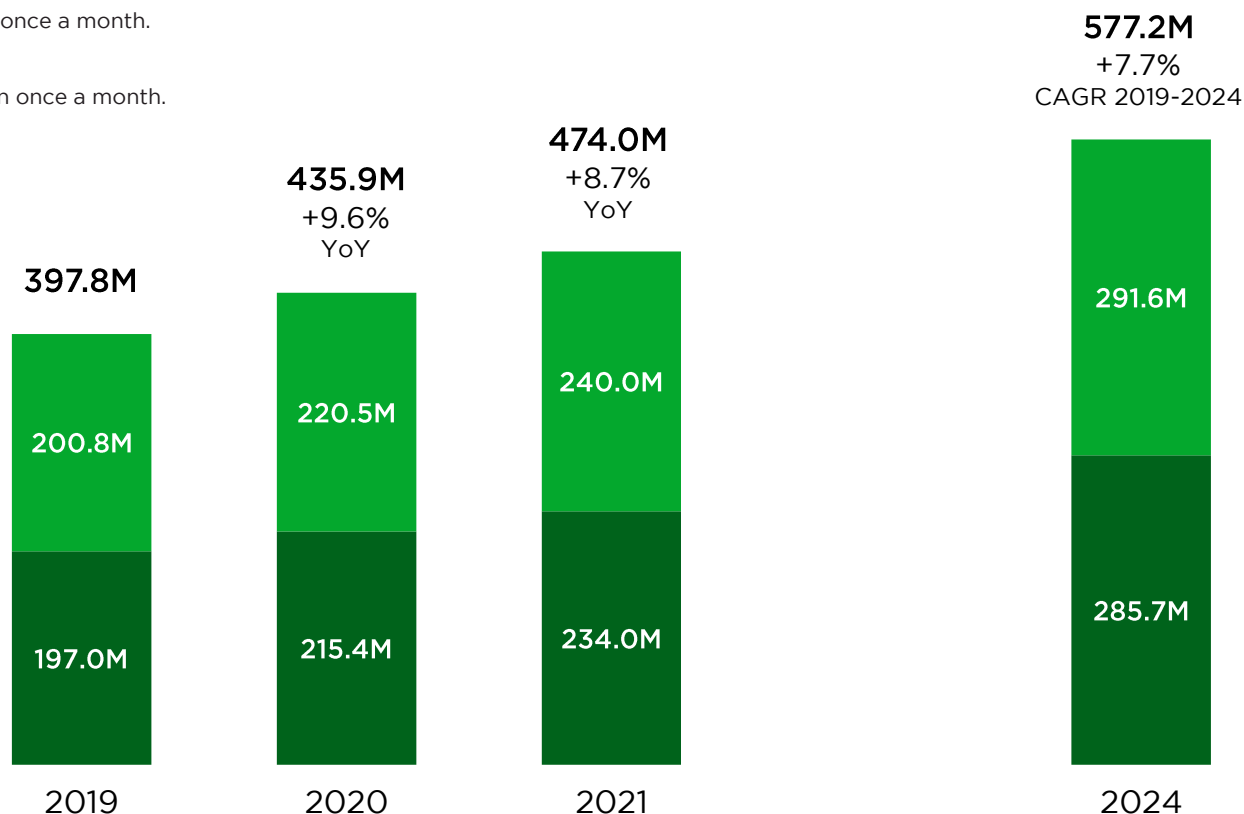
i. The Global Esports Market

Esports Revenues Will Break the \$1 Billion Mark in 2021



Total Audience Nears Half a Billion in 2021

- Occasional Viewers
Watch esports content less than once a month.
- Esports Enthusiasts
Watch esports content more than once a month.



+7.7%

Global Esports Audience
CAGR 2019-2024

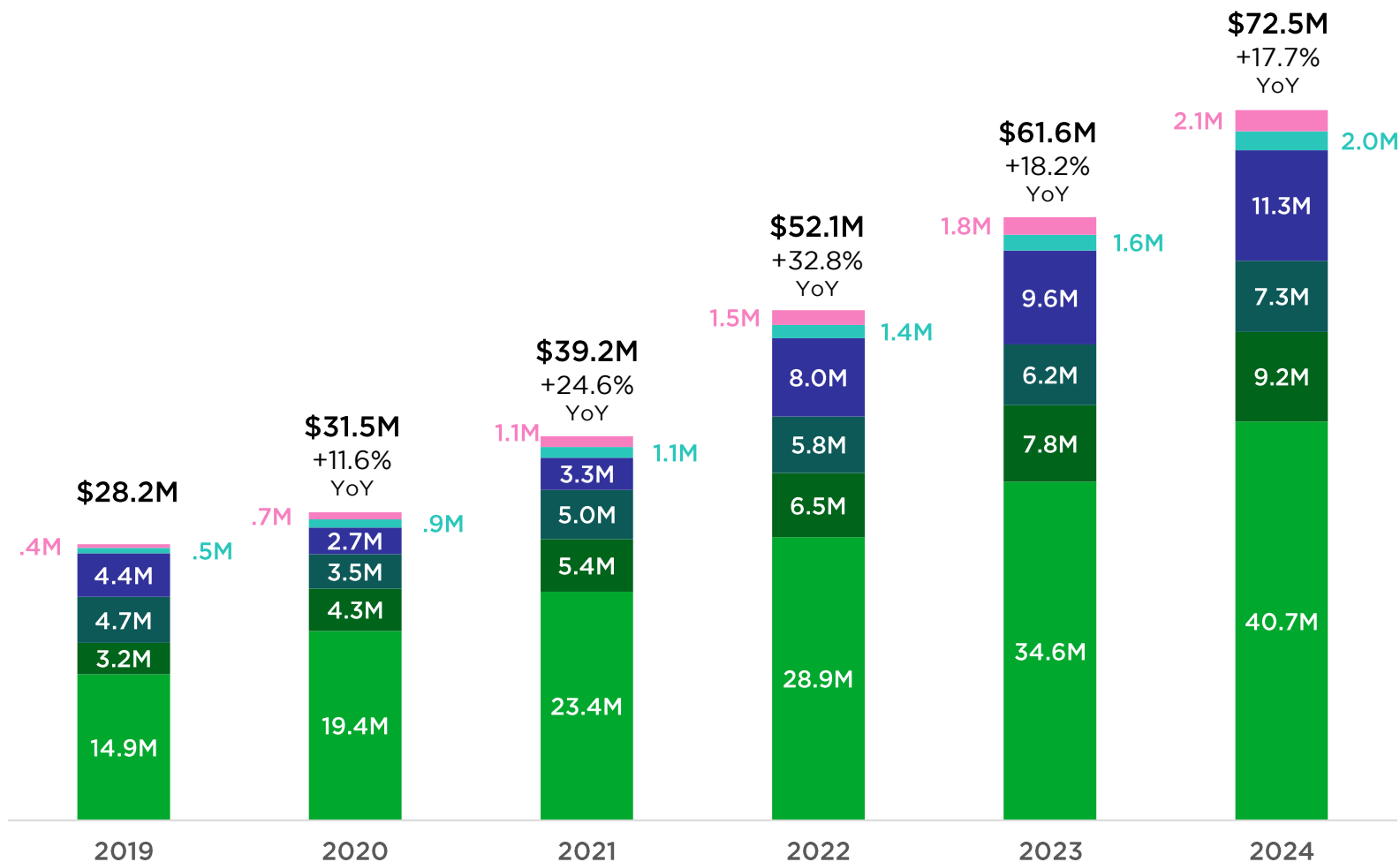
Due to rounding, Esports Enthusiasts and Occasional Viewers do not add up to the total audience in 2024.



ii. The SEA Esports Market

Southeast Asia Esports Revenues

Sponsorship is the main revenue stream, but that is a global trend



+20.8%

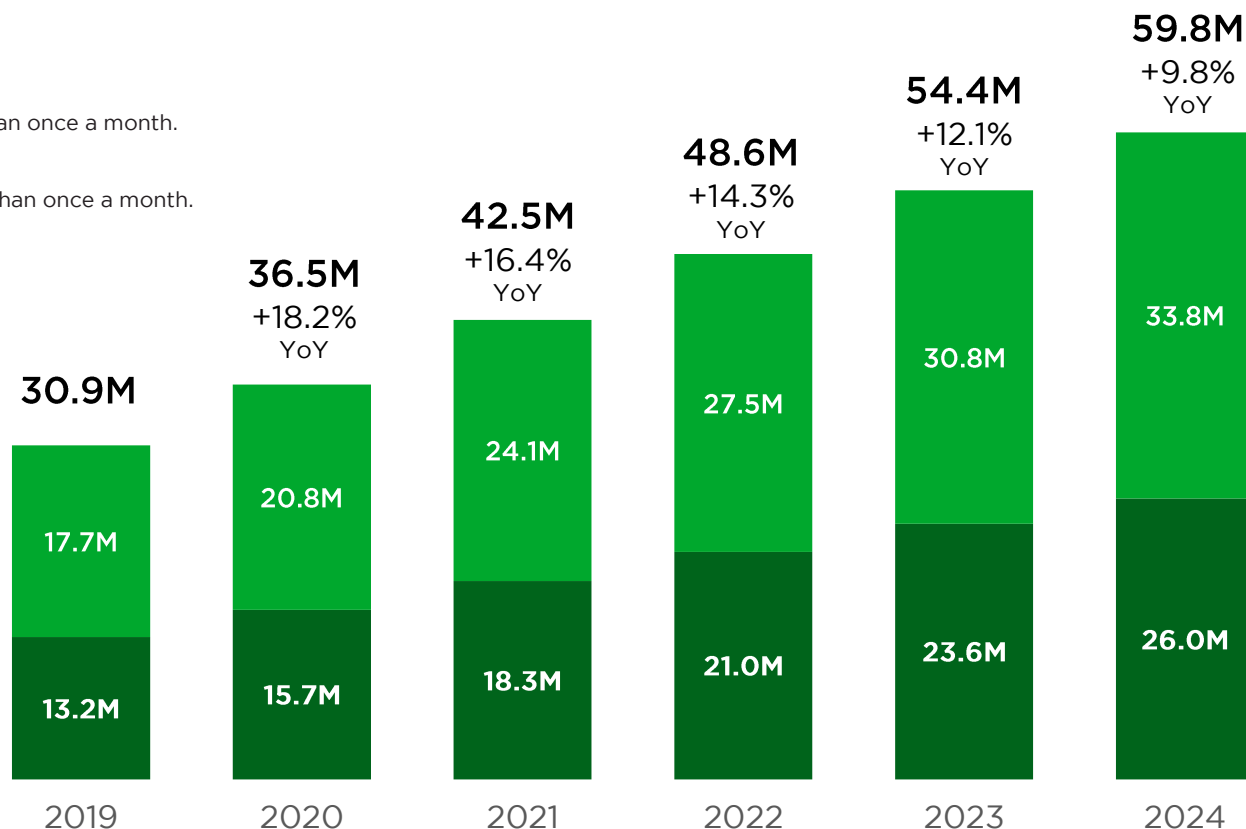
Southeast Asia Esports
Revenues CAGR 2019-2024

- Sponsorship
- Media Rights
- Publisher Fees
- Merchandise & Tickets
- Streaming
- Digital

Southeast Asia Esports Audience

Southeast Asia esports audience growth is accelerated

- Occasional Viewers
Watch esports content less than once a month.
- Esports Enthusiasts
Watch esports content more than once a month.



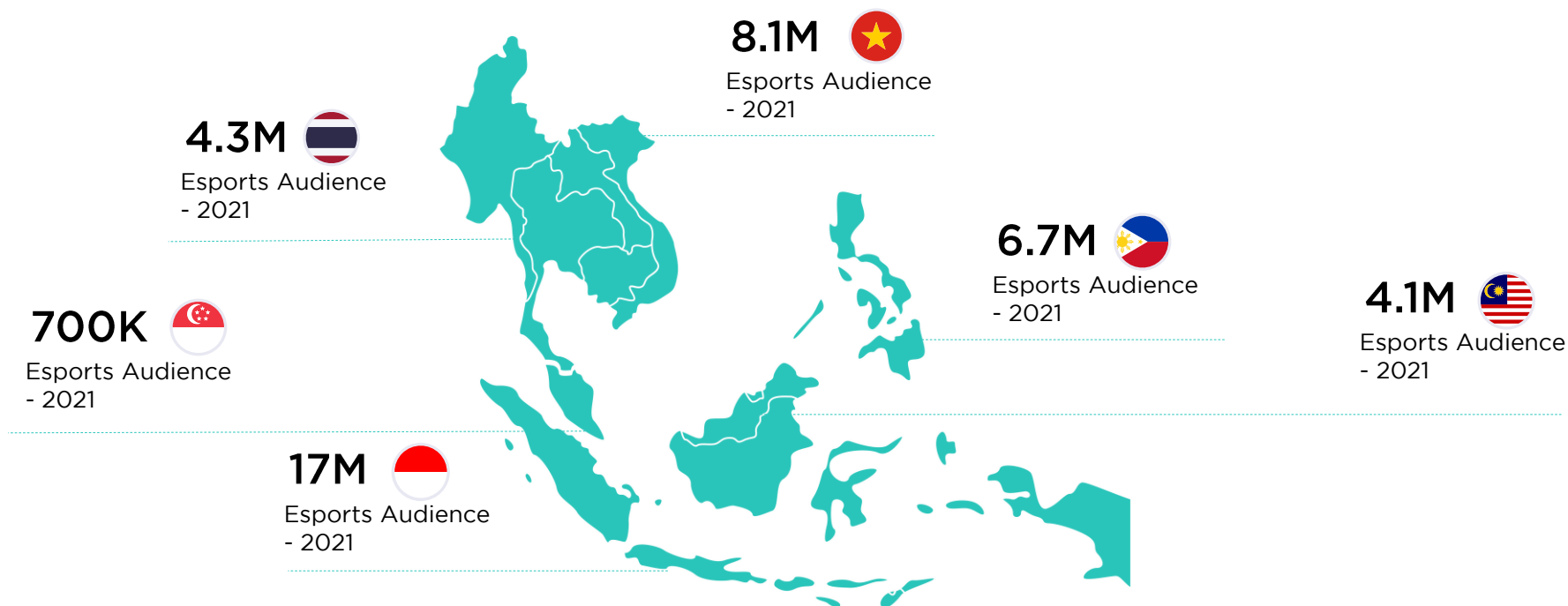
+14.1%

Southeast Asia Esports
Audience CAGR 2019-2024

Due to rounding, Esports Enthusiasts and Occasional Viewers may not add up to the total audience.

SEA Esports Audience Breakdown

The top six markets in SEA for esports are Indonesia, Vietnam, The Philippines, Thailand, Malaysia, and Singapore





3. Trends Shaping SEA Market

SEA is a Mobile Gaming Market



39%

of SEA players use mobile as their primary gaming platform

82%

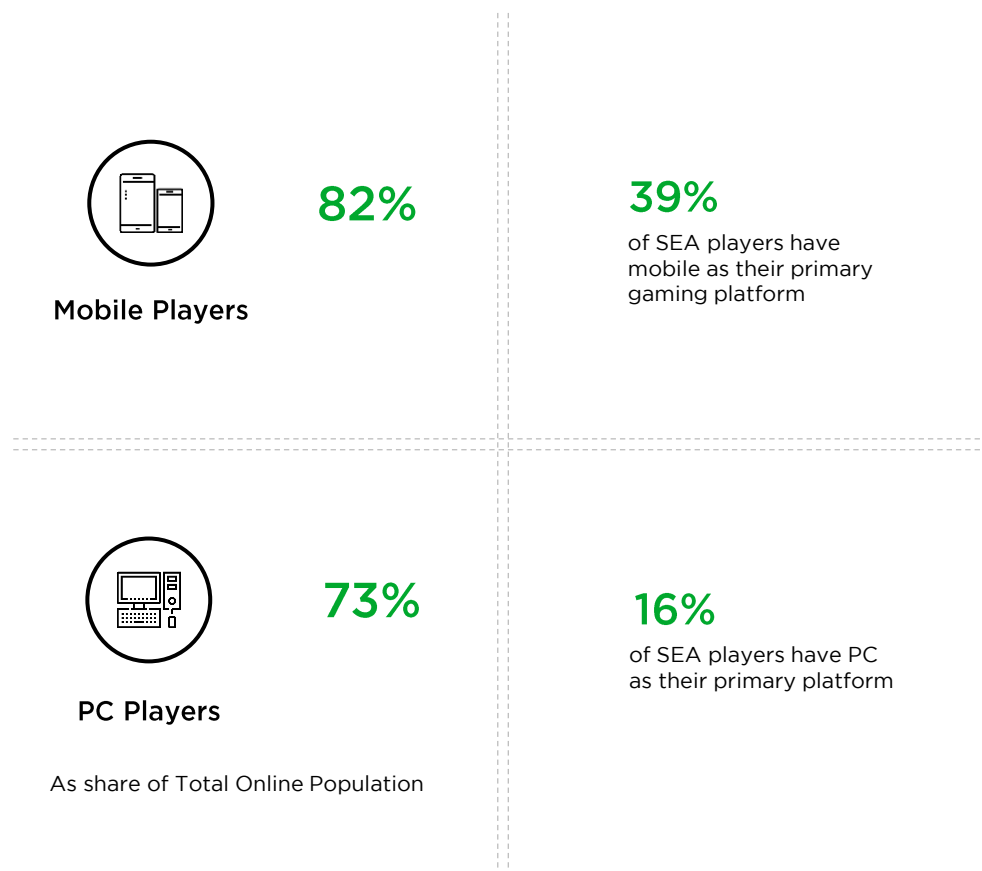
of the total SEA online population plays games on mobile

For Singapore, the data is representative of the online population aged 10-50. For Indonesia, Malaysia, Philippines, Thailand, and Vietnam we use the Major City Approach. Thus, the data is representative of active internet users aged 10-50 from a defined list of major cities.

Source: © Copyright Newzoo 2021 | Consumer Insights – Games & Esports | April 2021 | SEA (IN, PH, VN, SG, TH, and MY)

SEA is a mobile-first market, with the majority playing mobile games

Mobile's portability and accessible price point have solidified the platform's dominance in this region



- 1 5G technology will ease gaming's barriers to entry**
Better internet coverage and speed means competitive mobile gaming will be more accessible.
- 2 Competitive titles rely on good connectivity for a good game experience**
Improved gaming experiences are likely to lead to longer session times and higher retention.
- 3 5G means HD-quality tournament streaming is available to more fans**
Higher quality streams will drive fan interest in esports, making the industry more attractive to non-endemic brands, leading to higher sponsorships revenue for both teams and organizers.

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Supportive Policies Are Also Driving the Growth of Esports

SEA governments have been helping the development of esports in the region

Key Regional Initiatives



Youth Esports Program

In the Philippines, the Youth Esports Program (YEP) was launched and integrated into their school sports programs.



Piala Presiden Esports

In Indonesia, the government is hosting esports competitions like *Piala Presiden Esports* to help young players excel in this sector.



Esports Integrated Initiative

In Malaysia, the government has announced the Esports Integrated Initiative (ESI). ESI will launch the Malaysia Esports Circuit.



Singapore Tourism Board

The Singapore Tourism Board is also supporting efforts to host regional and global tournaments in the city, such as the M2 World Championship of Mobile Legends.

SEA Set the Bar for Esports in the Olympics



30th SEA Games was the first official International Olympic Committee (IOC) competition to host a medal-eligible tournament for esports

Key Esports Titles in Southeast Asia are Mobile

Mobile Legends, Garena Free Fire, and PUBG Mobile are disproportionately popular in SEA

24%

of all esports hours watched from Mobile Legends, Garena Free Fire and PUBG Mobile on Twitch and YouTube Live were from SEA region (H1 2021)



PUBG Mobile

Platforms: Android, iOS
Genre: Battle Royale
Launch Date: March 2018
Publisher: Tencent

 **20.8M**
SEA esports hours watched on Twitch and Youtube, H1 2021



Mobile Legends: Bang Bang

Platforms: Android, iOS
Genre: MOBA
Launch Date: Nov 2016
Publisher: Moonton

 **12.2M**
SEA esports hours watched on Twitch and Youtube, H1 2021



Garena Free Fire

Platforms: Android, iOS
Genre: MOBA
Launch Date: Dec 2017
Publisher: Garena

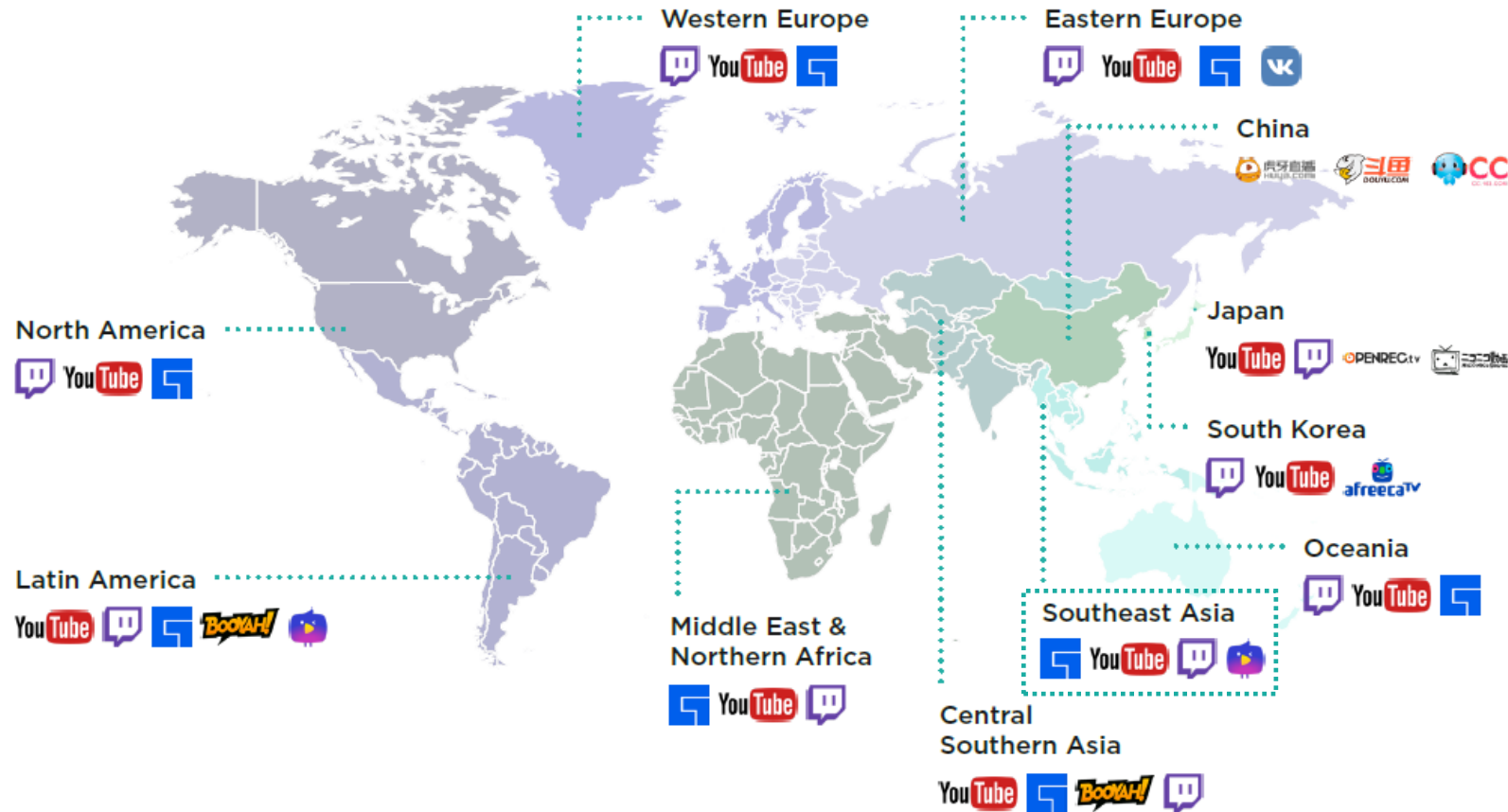
 **1.4M**
SEA esports hours watched on Twitch and Youtube, H1 2021

YouTube classifies channels by country while Twitch uses language. SEA includes: Brunei, Burma (Myanmar), Cambodia, Timor-Leste, Indonesia, Laos, Malaysia, Philippines, Singapore, Thailand, Vietnam AND Thai, Indonesian, Vietnamese, Malay

Source: Newzoo's Analytics Platform

YouTube and Facebook Gaming Lead in SEA

Both platforms are strongly mobile-first



Esports Industry Professionalizes in Southeast Asia

Esports is maturing in SEA, allowing local talent to become internationally recognized

Industry Players Example



ONE Esports - Tournament

ONE Esports is one of the Asia's largest championship esports series, featuring the world's biggest games.



Bigetron – Esports Team

Based in Indonesia with over 150 national championships and a world championship, Bigetron is undoubtedly the leading organization in Southeast Asia.

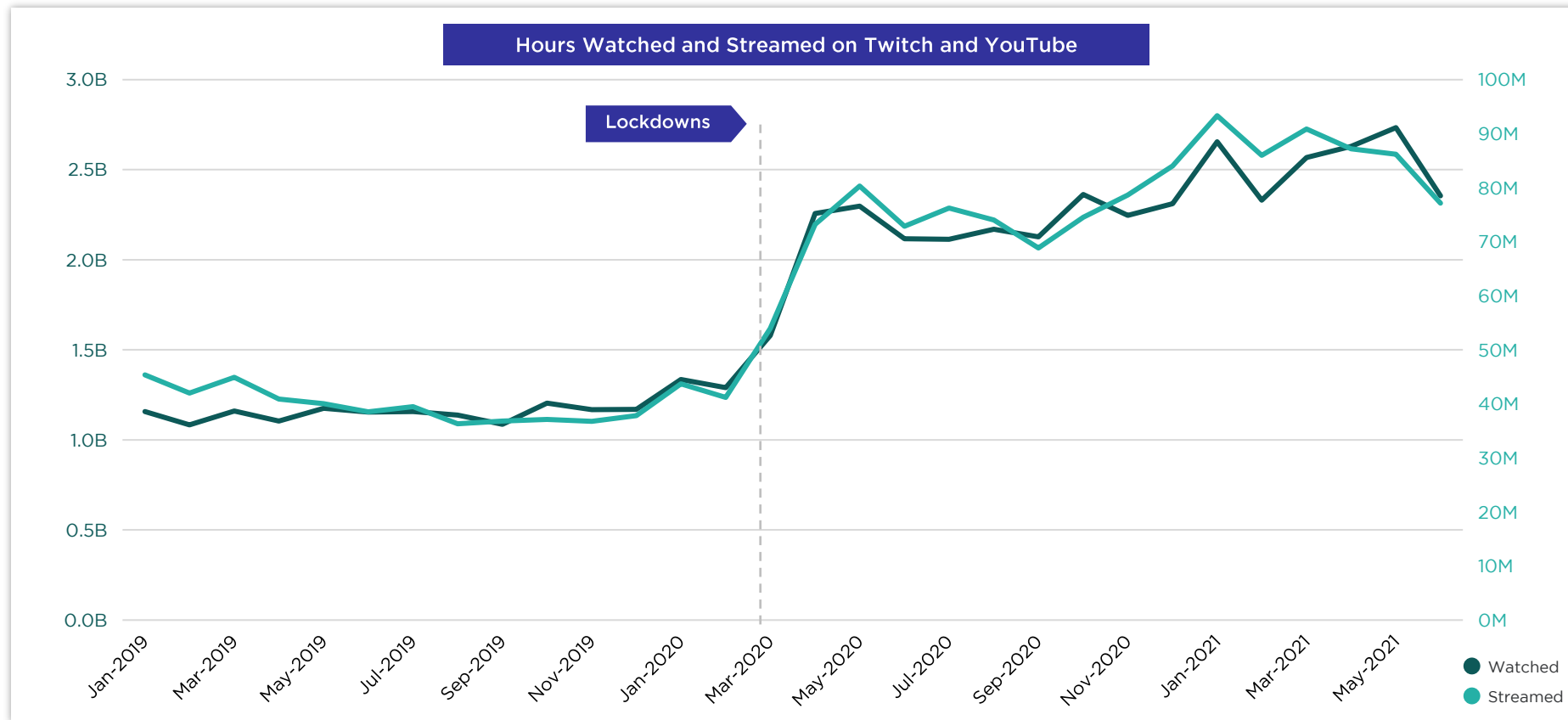


game.tv – Esports Platform

game.tv is an esports tournament platform. It allows the community, clan, and guild leaders to host automated tournaments for PvP Action Games.

The Global Pandemic Has Accelerated the Adoption of Live Streaming

Viewership spiked at the beginning of the pandemic and continued to grow through out the year



24B

Live gaming hours watched on Twitch and YouTube in 2020. **+76% YoY**

822M

Hours broadcast on Twitch and YouTube Live in 2020. **+73% YoY**

15B

Live gaming hours watched on Twitch and YouTube in H1 2021. **+40% YoY**

Thank you!



Get in Touch:



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