

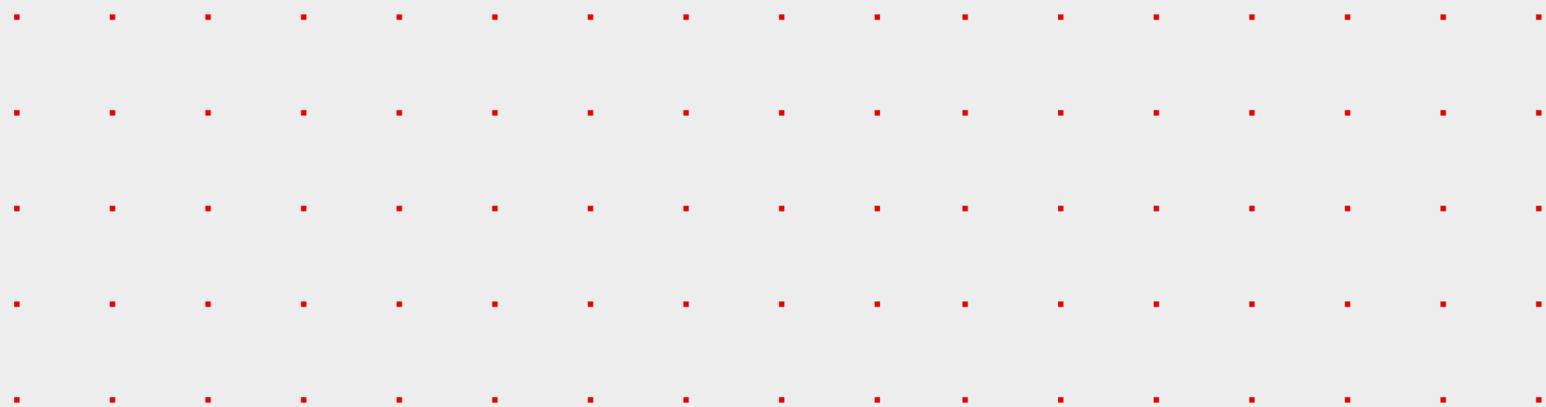
GAMING

AS A CULTURAL AND MARKETING MAINSTAY

HEY POTATO, IT'S TIME TO UPGRADE YOUR GAMING STRATEGY

>> AUTHOR'S NOTE

The following research and analysis were done prior to the COVID-19 pandemic, and don't include audiences' reactions or responses related to the changing times. That said, as consumption habits have shifted and sports have gone dark, the industry has reported a tremendous uptick in gaming (75 percent according to a recent Verizon report) since the outbreak. Culturally, we've seen gaming take on an even bigger role, as quarantined athletes, celebrities, and musicians turn to gaming as a way to stay connected to their fans and support good causes, like with Twitch's Stream Aid 2020, which raised money for the World Health Organization's COVID-19 Solidarity Response Fund. Elsewhere, sports books like William Hill have opened up esports lines to allow people to wager on *Counter-Strike*, and influencer collab houses are in a prime position as content leaders with full streaming studios and infrastructure built right into their homes. Meanwhile, general consumers have used gaming to maintain a sense of normalcy in their heavily impacted lives, going so far as to create college graduation experiences in Minecraft and weddings in Animal Crossing to fill the void left by the pandemic. Given the circumstances, these kinds of consumer and cultural reactions stand to make the following research that much timelier and more important for brands to pay attention to.



>> EXECUTIVE SUMMARY

FOR THE LAST FEW YEARS, WE'VE BEEN IN THE MIDST OF A GAMING MOVEMENT THAT'S EXPANDED BEYOND CONSOLES AND HAS ENGAGED OVER 131 MILLION AMERICANS.

Gaming is no longer just about mashing buttons and collecting coins, and you definitely don't need a power cord to feel its impact. In fact, after speaking with more than 4,500 individuals, **we found that over 40 percent of 13- to 34-year-old gamers' "gaming" time is not even spent with a controller in their hands.**

Gaming has evolved. Once thought of as a niche activity with limited mainstream impact, it's grown exponentially, to a point where it is now its own media channel, social platform, content pillar, and cultural phenomenon whose influence has reached all major foundations of pop culture; from sports to music to fashion, and even to Hollywood. No longer relegated to Americans' basements, today gaming is a multifaceted extension of who Gen Zers and Millennials are, accounting for 65 percent of these populations, and further defining them as a generation. Gaming is the main window through which they view the world and, by extension, brands.

STREAMERS ARE THEIR NEW MUSES AND IDOLS, THEIR PRACTITIONERS OF COOL.

They lean on them as a source of what to wear, eat, watch, and listen to.

86%

say streamers are

MORE RELATABLE

than general influencers

75%

say streamers are

MORE GENUINE

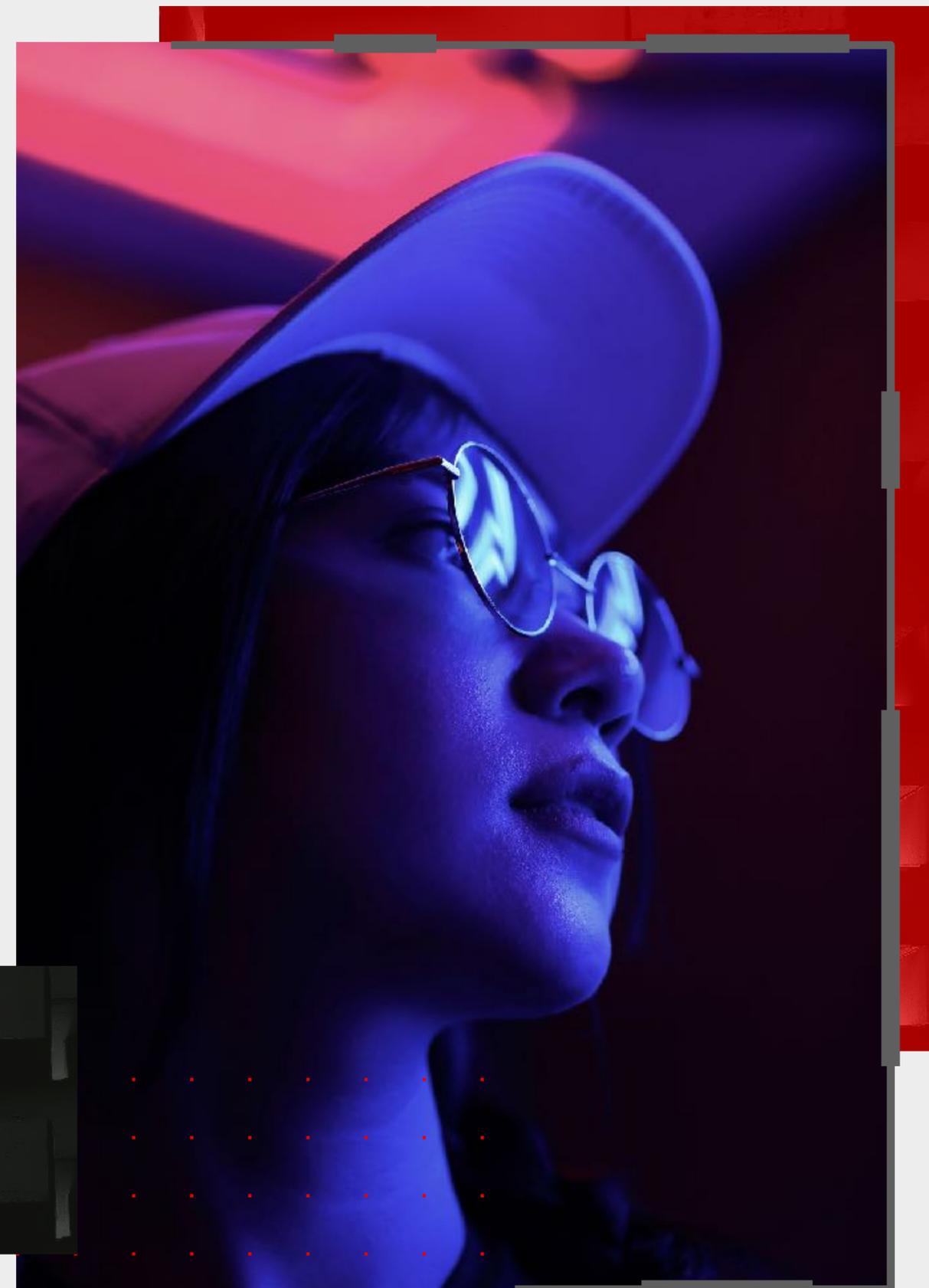
than general influencers

71%

say streamers have

MORE INFLUENCE

on their product decisions
than general influencers

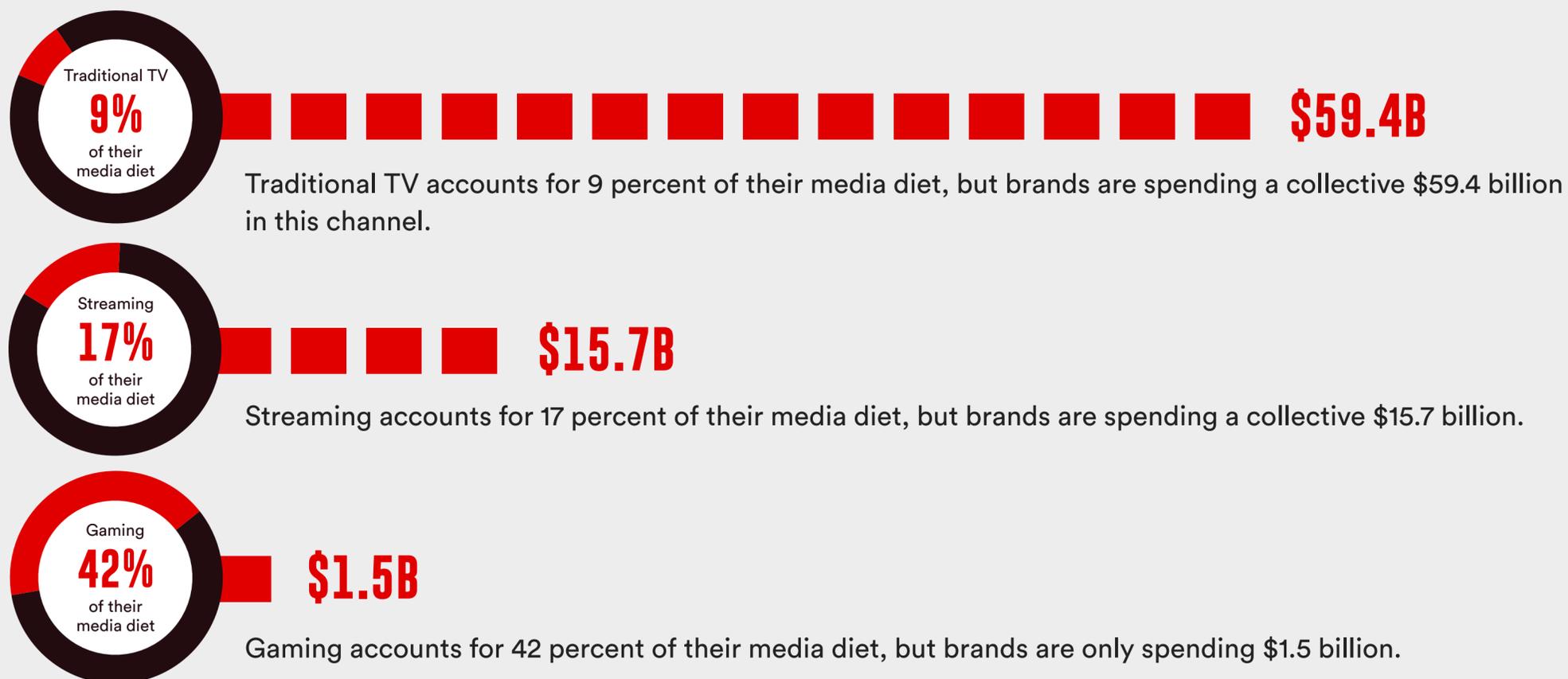


>> EXECUTIVE SUMMARY

BUT THE MARKETING INDUSTRY HASN'T KEPT PACE. The impact of gaming today is twofold: it is both a scaled media channel engaging millions of people and a cultural revolution whose emerging trends and personalities are informing popular culture at large. To reach and engage gaming consumers is to tap into an incredibly diverse and influential consumer segment with massive impact on fashion, sports, entertainment, and music. Still, agencies and brands tend to look at consumer media diets without including gaming—but when included:

GAMING ACTUALLY ACCOUNTS FOR 42 PERCENT OF 13- TO 34-YEAR-OLD GAMERS' TOTAL MEDIA TIME SPENT IN A DAY; A LARGER PERCENTAGE THAN TV AND STREAMING COMBINED!

Yet brands are spending a disproportionate amount of money in the spaces that consumers are fleeing.



Any brand that wants to reach these sought-after, ad-blocking consumers must start to take notice—for this generation, gaming is more captivating and more engaging than any other screen, and combined with enormous dwell time and technological investments, there is no ceiling for how large gaming in its entirety can grow.

Yet, most brands' current gaming approaches barely scrape the surface. All they're doing is using contextual placements or building third-party gamer data segments to spread their message. They place banners in-game and try to force their way onto esports jerseys. In reality, all they've done is create a shallow layer of communication. They are missing out on opportunities to take advantage of the nuances of gaming compared to general streaming, who plays what kind of game, or what's been sacrificed as a result of the tremendous growth. And because very few brands are realizing the impact gaming has had on culture, many non-endemic brands are still intimidated by the space.

Over the course of the last 12 months, Mediahub explored the growth and evolution of the four C's of gaming—Channel, Community, Content, and Culture—and looked at how brands, new and old, need to consider each as part of their media strategy for optimal success.

This report tracks the key trends emerging in gaming; dispels the myths around this growing channel and cultural phenomenon; and provides actionable, tangible ways brands can start getting involved with the gaming community.

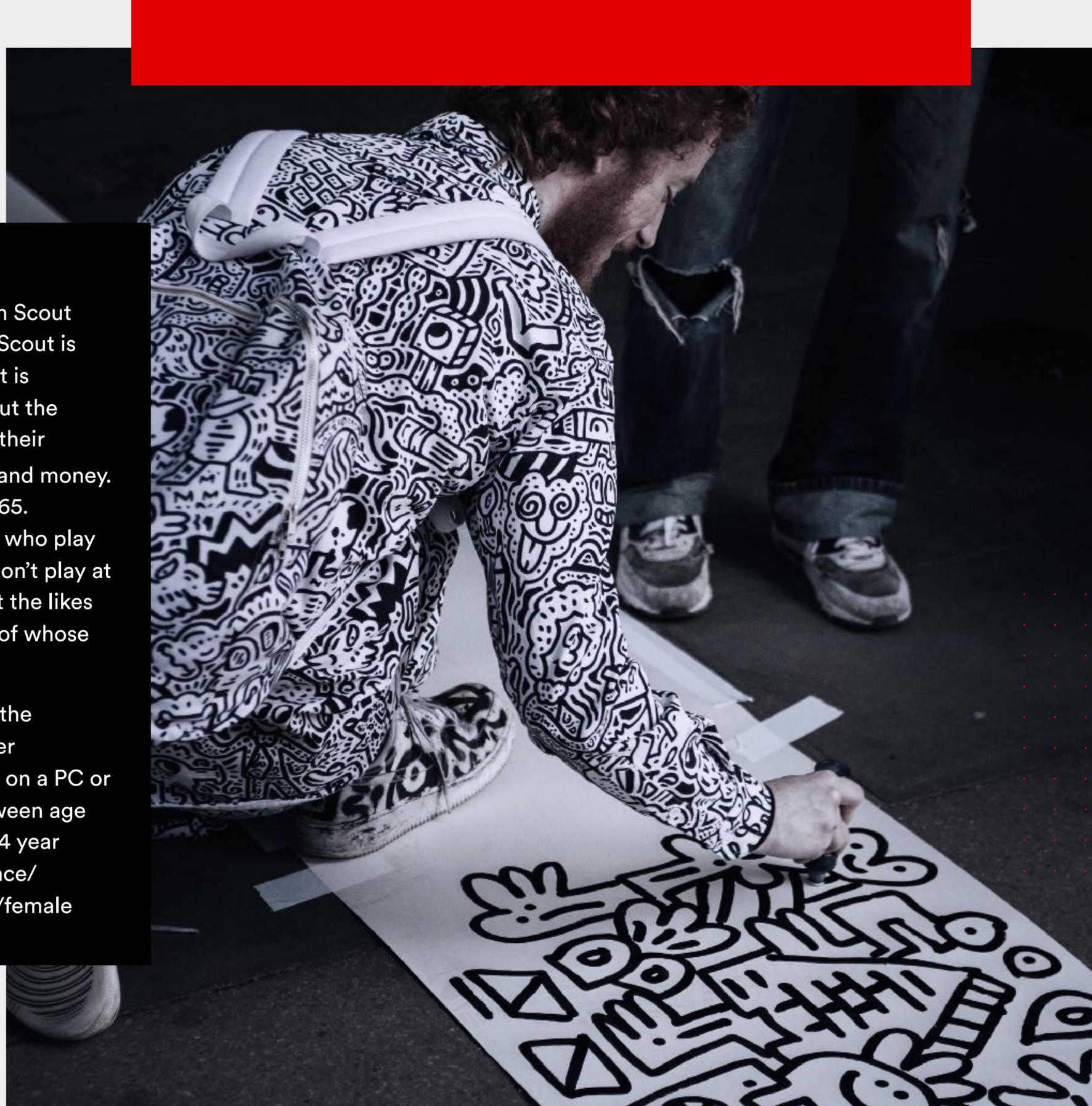
>> METHODOLOGY



Mediahub fielded eight custom Scout surveys pertaining to gaming. Scout is our proprietary survey tool that is designed to glean insights about the modern-day media consumer, their

perceptions, attitudes, and motivations, and how they spend their time and money. In total, we talked to over 4,500 individuals between the ages of 13 and 65. Respondents represented a full range of gaming experience, from those who play on a PC to those who play on a console or mobile device to those who don't play at all. We also spoke with a myriad of industry professionals who represent the likes of Bent Pixels, IGN, UTA, Twitch, Netflix, 180 Games, and Facebook, all of whose insights and time were invaluable.*

For the purposes of this research, we chose to focus on the audience at the forefront of the groundswell that is gaming. Accordingly, this white paper examines 13- to 34-year-olds who self-identify as gamers and who game on a PC or console for at least one hour per week. We recruited almost evenly between age breakdowns: 31%, 13–17 year olds; 35%, 18–24 year olds; and 34%, 25–34 year olds. The data is nationally representative of both U.S. geography and race/ethnicity, and matches the general gaming gender split of a 60/40 male/female ratio.



*Mediahub is the agency of record for Twitch and Netflix

>> THE RISE OF GAMING AS A CULTURAL AND MARKETING MAINSTAY: HEY POTATO, IT'S TIME TO UPGRADE YOUR GAMING STRATEGY

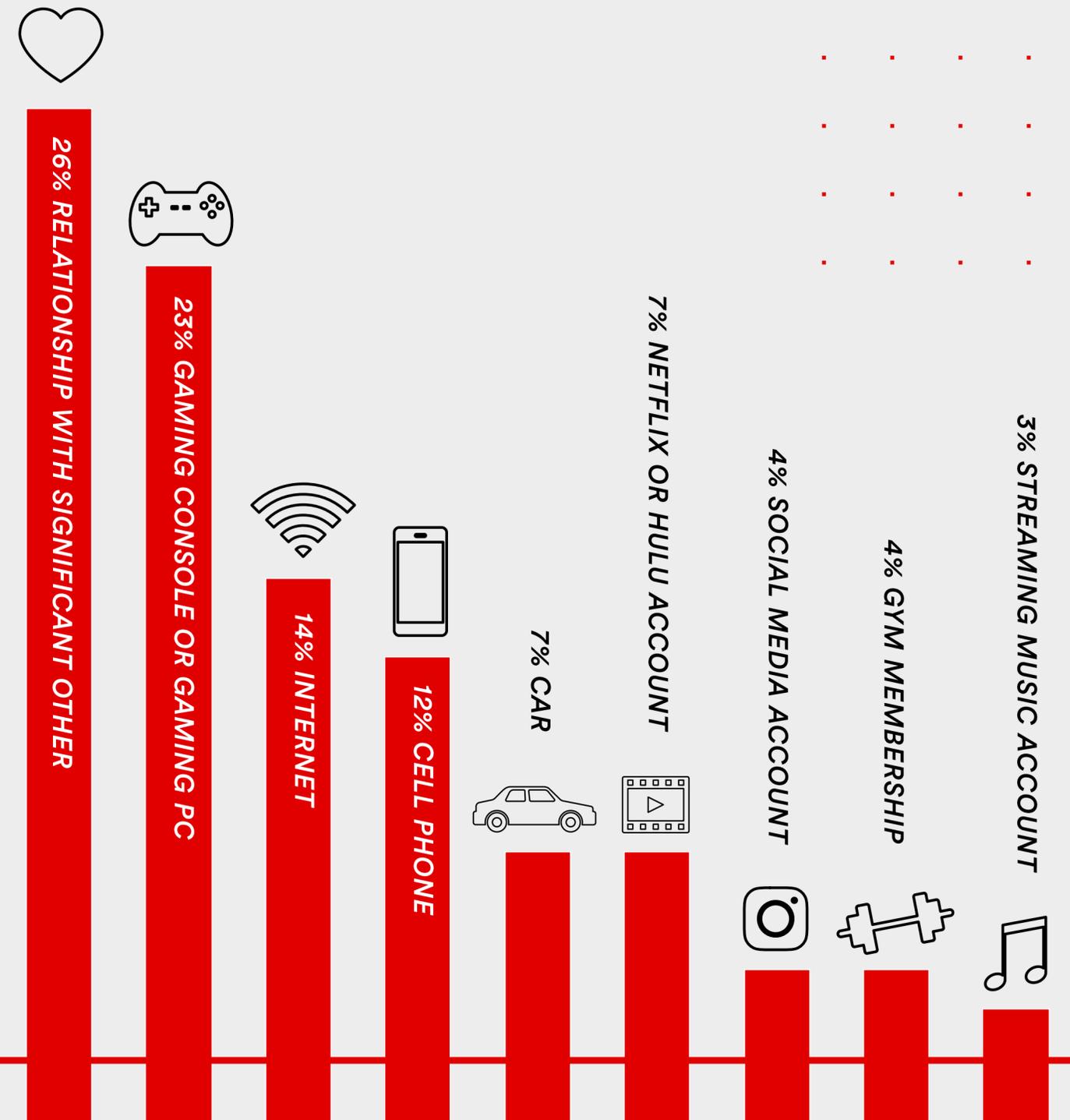
The Super Bowl, Netflix, Facebook, presidential elections, ridesharing, iPhones, Amazon, fast food—these are a few of the big things that define American culture. And yet more Americans are playing video games than tuned in for the Super Bowl, subscribe to Netflix, have a Facebook account, plan to vote in the next presidential election, have used a ridesharing service, own an iPhone, have bought something from Amazon, or eat fast food daily.

But just as there are hardcore football fans and political news junkies, so too are there different types of gamers. So while 211 million Americans say they play some kind of online game, only 66 percent are console or PC gamers¹—the most devoted and active members of the broad gamer community. For the purposes of our research, we will focus on this cohort, excluding people who identify themselves as casual mobile gamers.

For these true gamers, it's more than an activity—it's a way of life. For them, gaming is a creative outlet and a stress reliever. It's a competitive battlefield and an escape from reality. And taking it away from them would significantly alter their every day.

THIS AUDIENCE IS COMFORTABLE SACRIFICING OTHER FORMS OF ENTERTAINMENT, SOCIAL INTERACTION, AND, IN SOME CASES, LOVE IN FAVOR OF GAMING, BECAUSE IT ENRICHES SO MANY ASPECTS OF THEIR LIVES.

If you could only keep one of the following, which would you keep?



>> GAMING AS A CHANNEL: GAMING IS THE MOST DOMINANT MEDIA CHANNEL FOR GEN ZERS AND MILLENNIALS

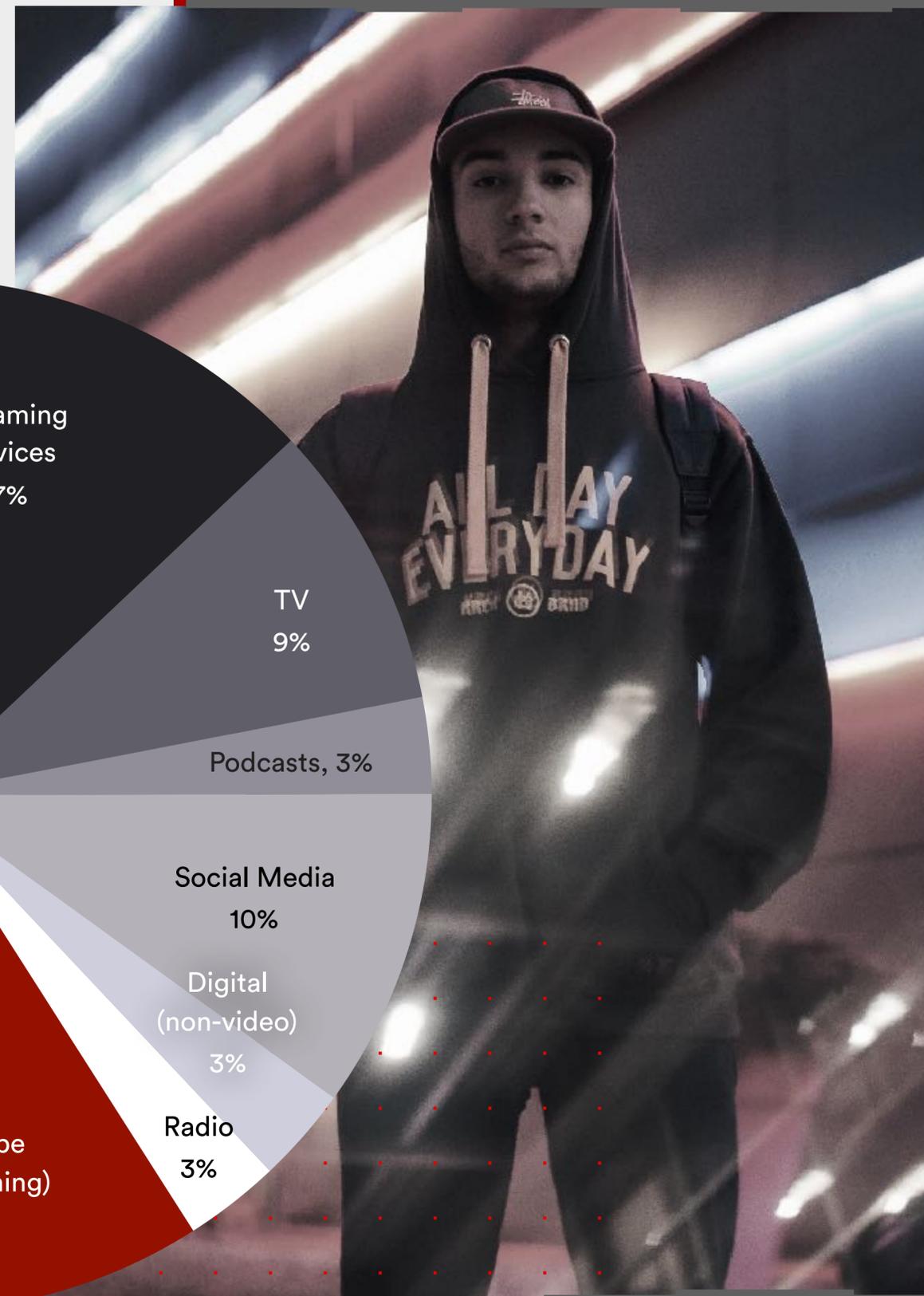
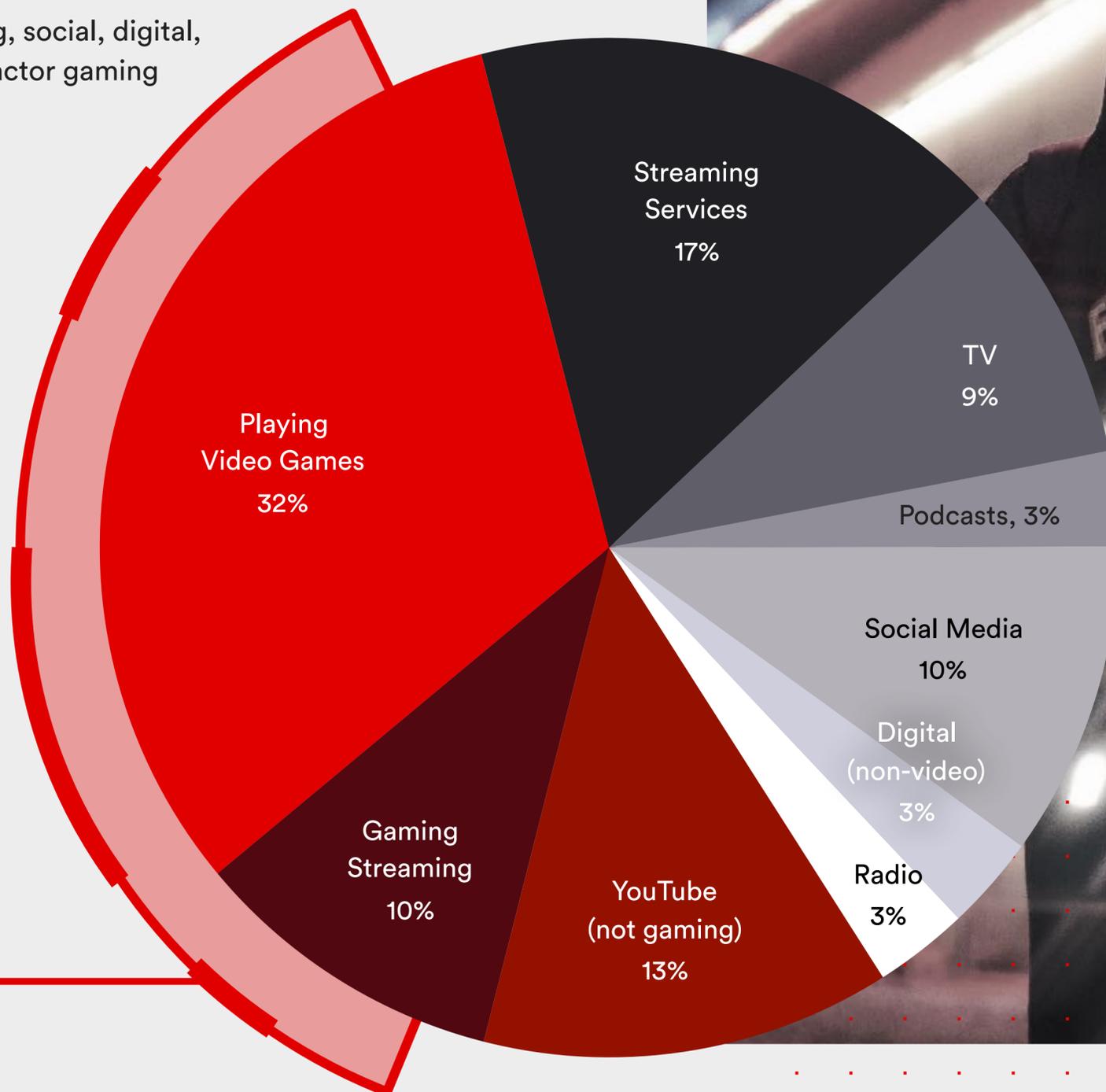
A traditional “media diet” consists of TV/video, radio/streaming, social, digital, and print consumed in a 24-hour period. Most brands do not factor gaming into the mix. However, once we included it, we found that

42 PERCENT OF OUR TARGET’S CONSUMPTION—THE MOST OF ANY CHANNEL—WAS DEDICATED TO PLAYING OR STREAMING GAMES.

That means the elusive cord cutting, ad-blocking generations living behind streaming paywalls are actually way more targetable than previously thought.

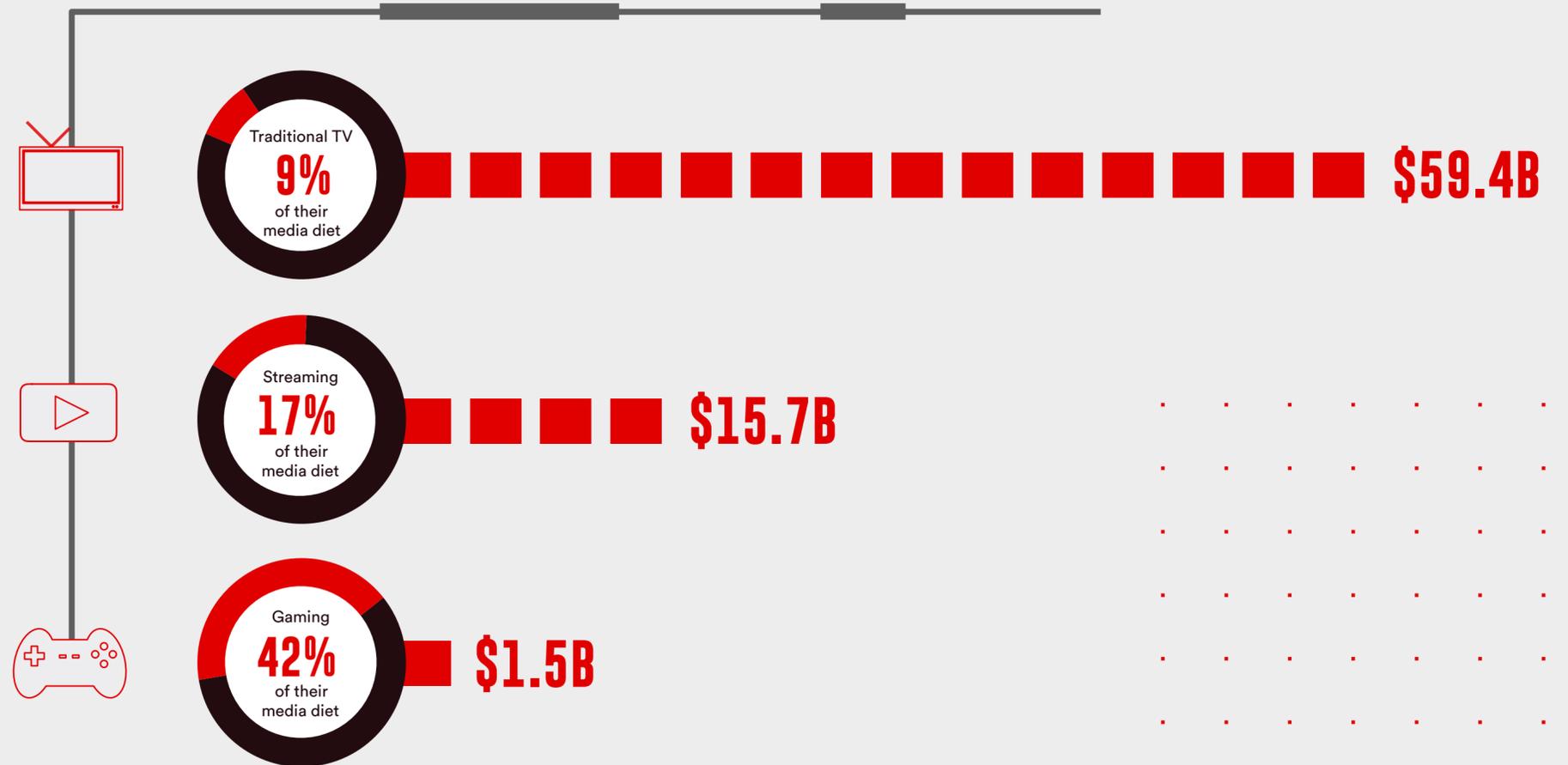
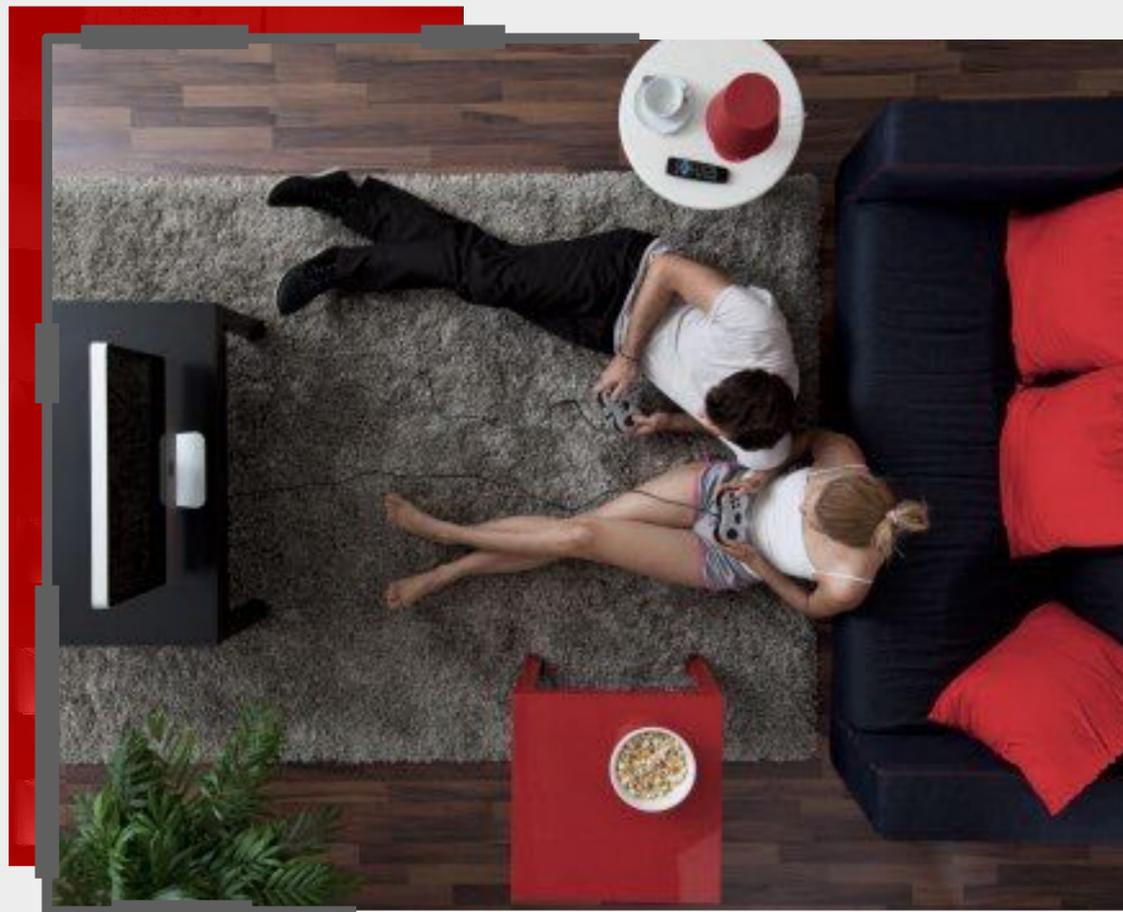
Of your total time spent with media in a typical day, what percentage of your time is spent with each type of media listed below?

Gamers 13–34 who play at least one hour per week of video games on a PC or console



>> GAMING AS A CHANNEL: GAMING IS THE MOST DOMINANT MEDIA CHANNEL FOR GEN ZERS AND MILLENNIALS

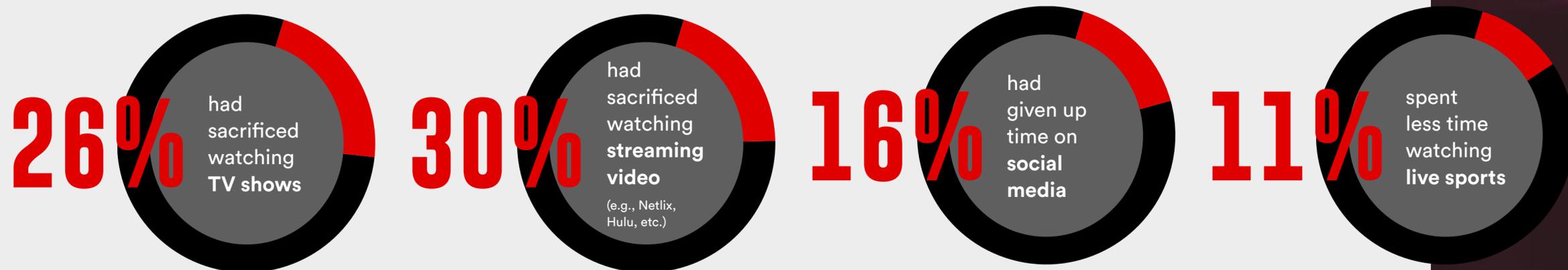
While consumption behaviors have tipped the scales toward gaming, marketers haven't flinched, and spend remains disproportionate to time spent. According to MAGNA GLOBAL, marketers spent \$59.4 billion in TV in 2019 and \$15.7 billion in streaming video, yet only \$1.5 billion in video games, according to the ESA and NPD.



>> GAMING AS A CHANNEL: GAMING IS STEALING ATTENTION SHARE FROM TV, STREAMING, AND SOCIAL MEDIA

This shift in share of screen has directly impacted the traditional media daypart. Primetime may still be king, but it has significant overlap with the primary hours people play or stream games. Instead of sitting down to dinner and watching their favorite shows, people are sitting down to watch streaming games. Sixty-seven percent of gamers say they eat while streaming. The trend has encouraged streamers to align their live schedules with two key tune-in windows: after school and during dinner.

With 42 percent of their media diets spent with games, gamers had to be spending less time elsewhere. So despite 55% of respondents saying they've lost sleep due to gaming, our research showed that the big sacrifices came from other screens:



These behaviors were confirmed by Nielsen, whose data shows a 25% daily decline over the last year in TV viewing between households with and without gaming consoles.



>> GAMING AND COMMUNITY: INSATIABLE DESIRE FOR COMMUNITY HAS SPAWNED GAMING'S GROWTH

While gaming competes with TV and video for share of screen, it's more like a social platform than it is like those channels. Over the last few years, the popularity of multiplayer games and the emergence of cross-play (one console brand vs. another console brand vs. PC vs mobile) has shifted the emphasis from a one-to-one game-to-gamer relationship to a one-to-many relationship. **Today, 73 percent of gamers say that they'd rather play video games with friends or others online than by themselves.** And it's not about getting better, learning new moves, or ensuring a win: 46 percent of people would rather play with their friends who aren't very good than with strangers who have tremendous skill.

Just as social media allows us to connect with strangers online who have shared passions, gaming fosters the same connections:



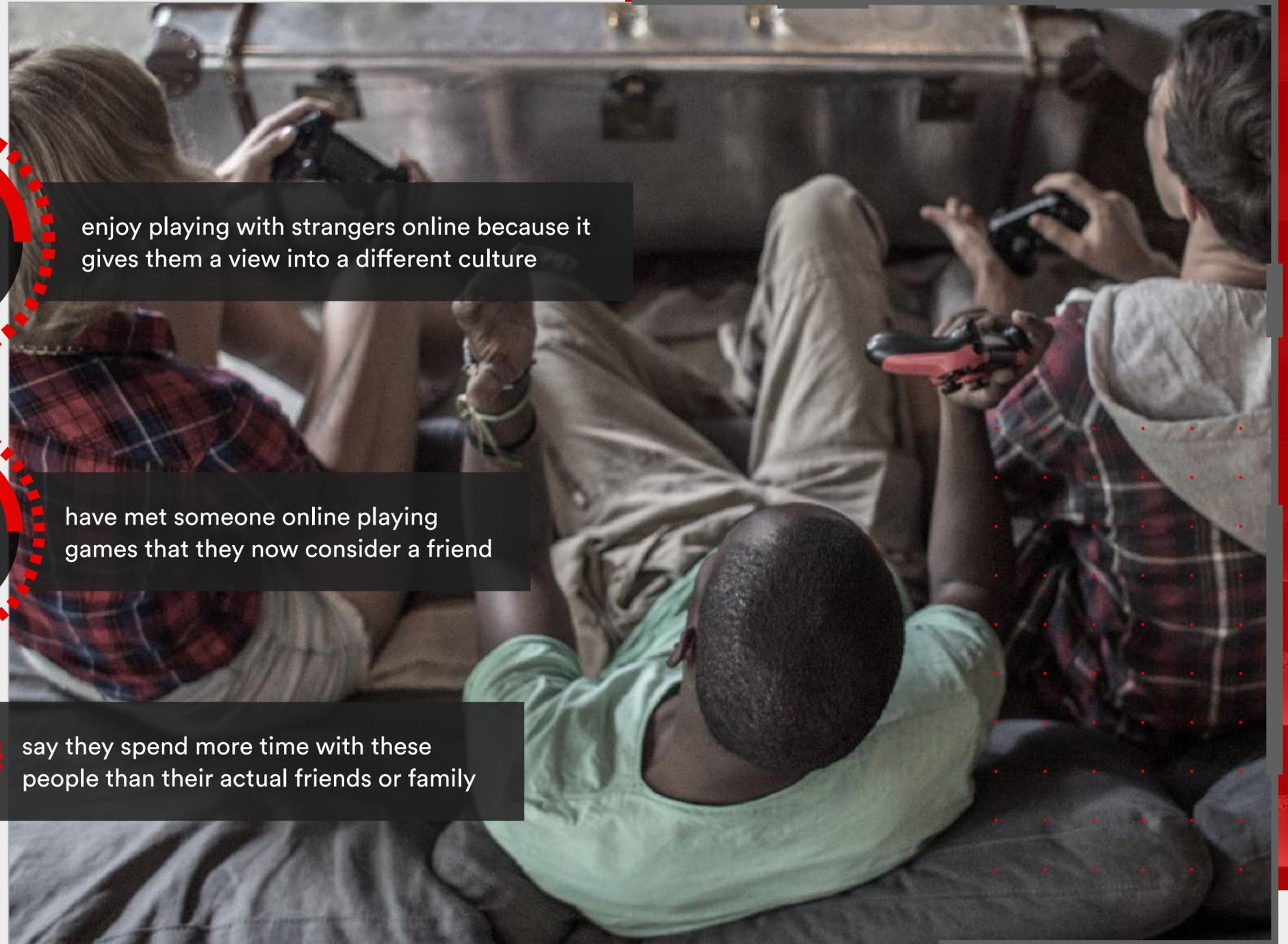
enjoy playing with strangers online because it gives them a view into a different culture



have met someone online playing games that they now consider a friend



say they spend more time with these people than their actual friends or family



>> GAMING AND COMMUNITY: INSATIABLE DESIRE FOR COMMUNITY HAS SPAWNED GAMING'S GROWTH

In another parallel with social media, gamers tend to hide behind their avatars and usernames online. Avatars morph into expressions of who they are and their values. And as game formats have become less episodic and more about one-off battles lasting 15–30 minutes, the focus has shifted from how far you've advanced, or how many wins you have, to how you're perceived by others. We specifically saw this reflected in where gamers chose to spend their money.

53% OF THOSE WHO SPENT MONEY IN-GAME SAID IT'S BECAUSE THEY WANTED TO IMPROVE THE APPEARANCE OF THEIR AVATAR

Why did you spend money to improve your avatar's cosmetic appearance?

Gamers 13–34 who play at least one hour per week of video games on a PC or console

35%

said it made them more confident as a player

24%

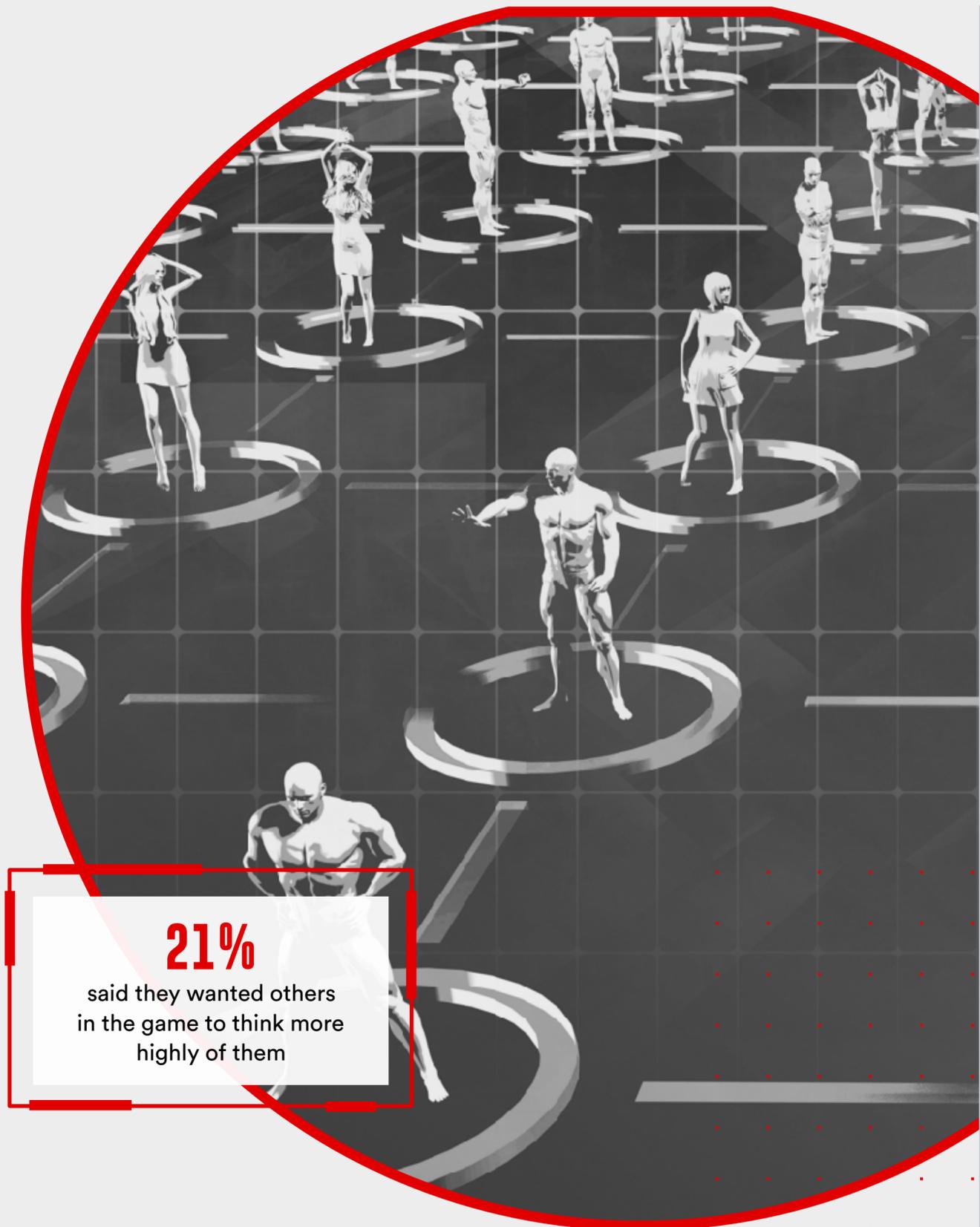
said they didn't want people to think they were new to the game

24%

said they like impressing others by getting the rare skin/avatar

21%

said they wanted others in the game to think more highly of them

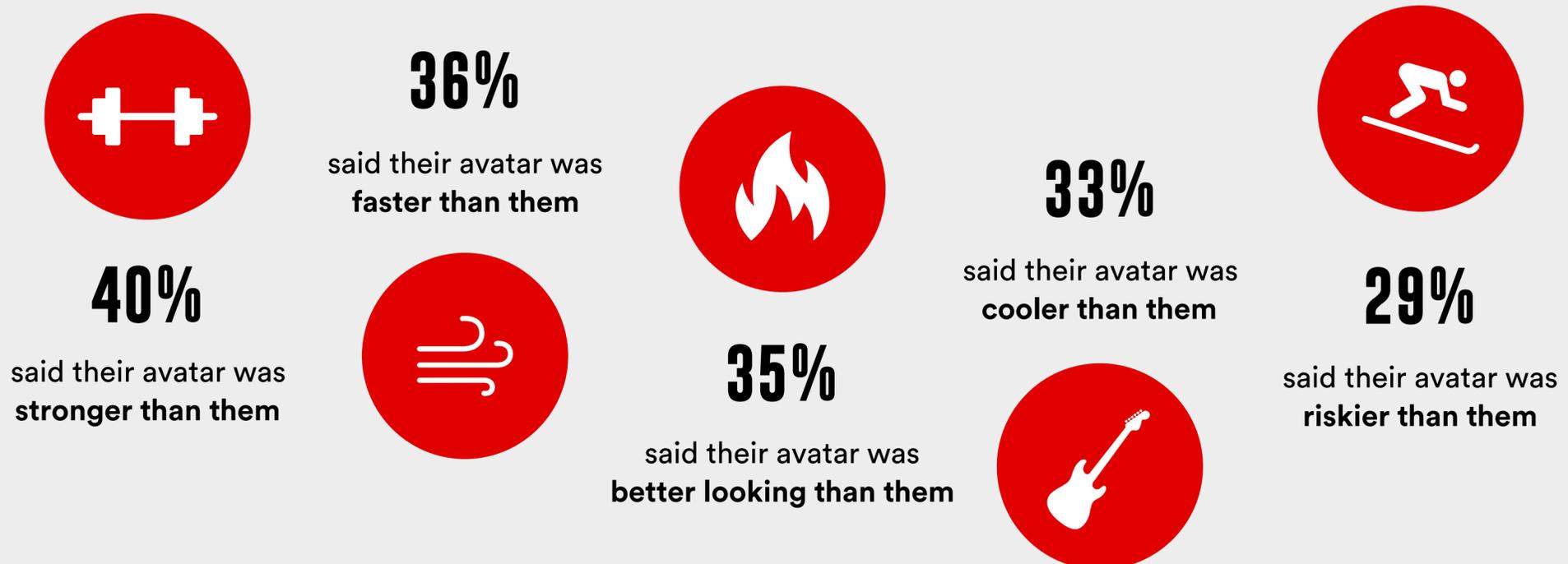


GAMING AND COMMUNITY: INSATIABLE DESIRE FOR COMMUNITY HAS SPAWNED GAMING'S GROWTH

Brands need to ask themselves who their best target to inspire is. Is it the avatar or the actual gamer? Can you influence one via the other? In one example, Louis Vuitton executed this to perfection when they worked with Riot Games and its game *League of Legends* to launch a capsule collection in-game and in real life. Knowing not everyone was ready to put down \$5,650 for a leather jacket, they made a more accessible in-game version, where players could spend \$10 for a Louis Vuitton branded skin. It's a smart strategy: 21 percent of our audience said they buy brands for their avatar that they would wear and think are cool.

Which of the following is true of your character or avatar?

Gamers 13—34 who play at least one hour per week of video games on a PC or console

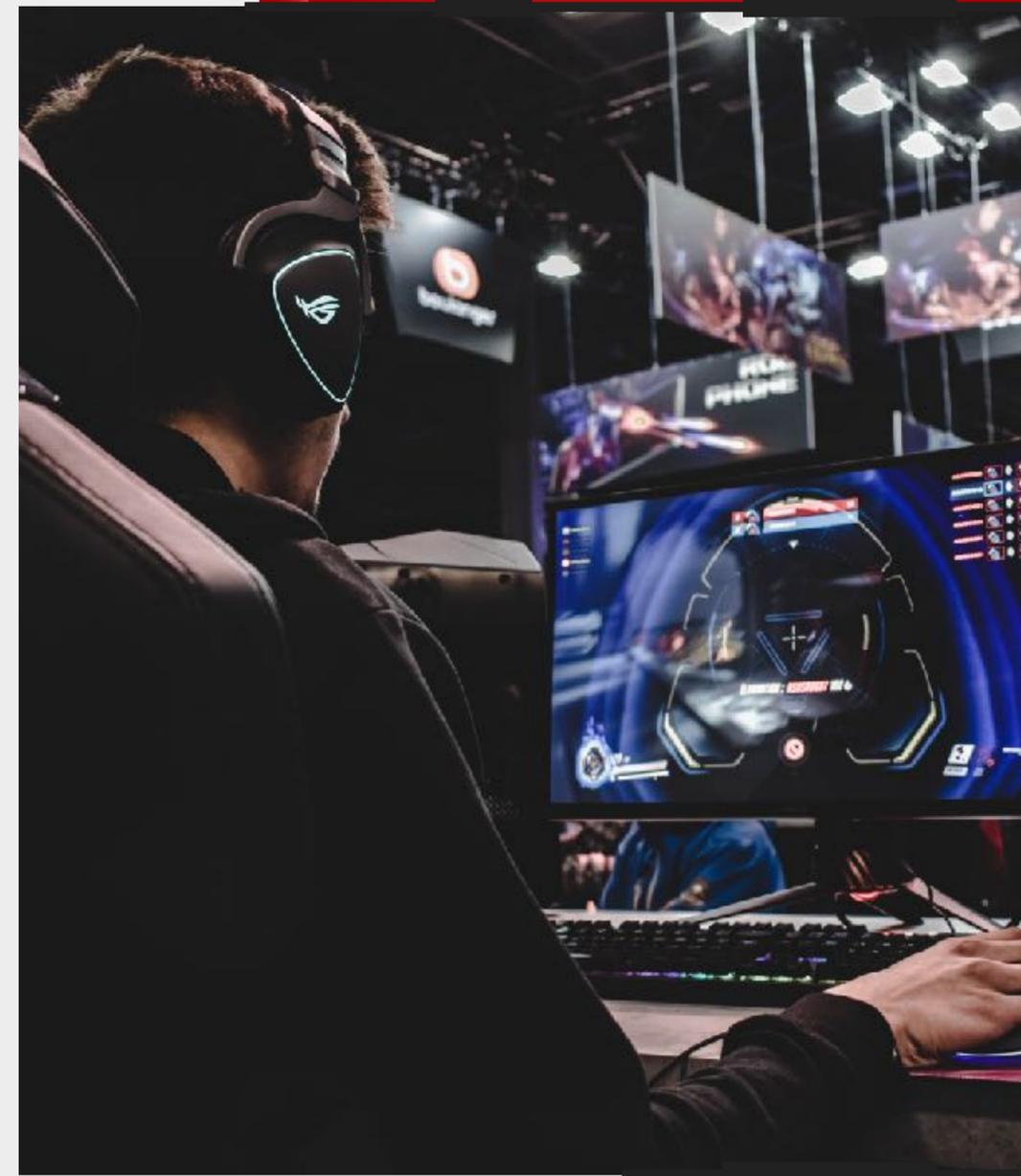
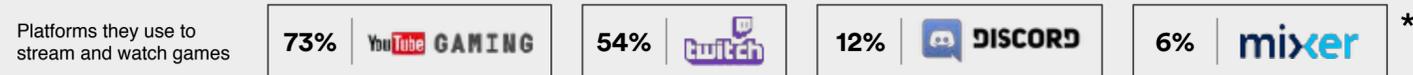
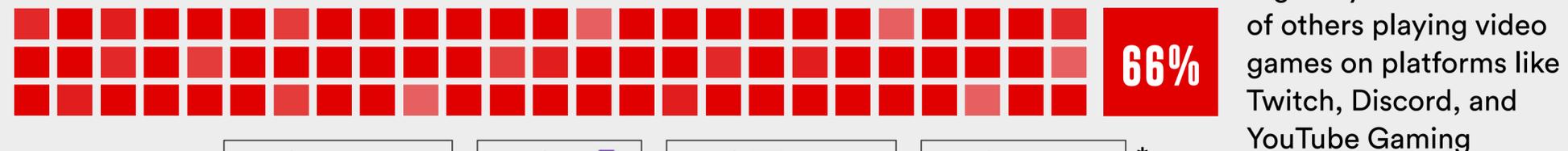
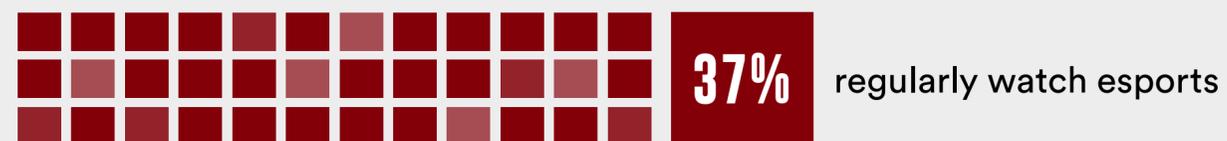


>> GAMING AND CONTENT: A CULT OF PERSONALITIES ARE CREATING THE CONTENT THAT IS FUELING THE NEXT WAVE OF GAMING

GAMING HAS BECOME SO UBIQUITOUS IN OUR EVERYDAY LIVES THAT OVER 40 PERCENT OF GAMERS' "GAMING" TIME IS NOT ACTUALLY SPENT PLAYING A GAME AT ALL.

We're consumed by the content and we're happy simply watching others play.

Most of the attention is going to esports, when in fact more people are streaming regular gamers than watching esports.



For one, esports is still a young phenomena that gained mainstream popularity first in South Korea, and many of the best pros in the world are not relatable to the American fan. They're the best of the best at what they do, but their average pro career is only two years²—most of which is dedicated to improving their play, with less time focused on mass exposure. Most of the popular streamers, on the other hand, have crafted their personal brands on the foundation of big personalities. They're lifestyle gamers, and gameplay often takes a back seat to pure entertainment value.

Esports teams like FaZe Clan and 100 Thieves have capitalized on this contrast. They've evolved into lifestyle brands that not only have competitive esports teams, but also fashion lines, and content studios that leverage non-competitive streamers who can build reach and draw interest from outside the category by focusing on music, food, style and entertainment.

²: *Washington Post*, "It's not as awesome as people imagine: Esports players say 'dream job' is more than fun and games"

* This survey was fielded before many celebrities departed Twitch for Mixer

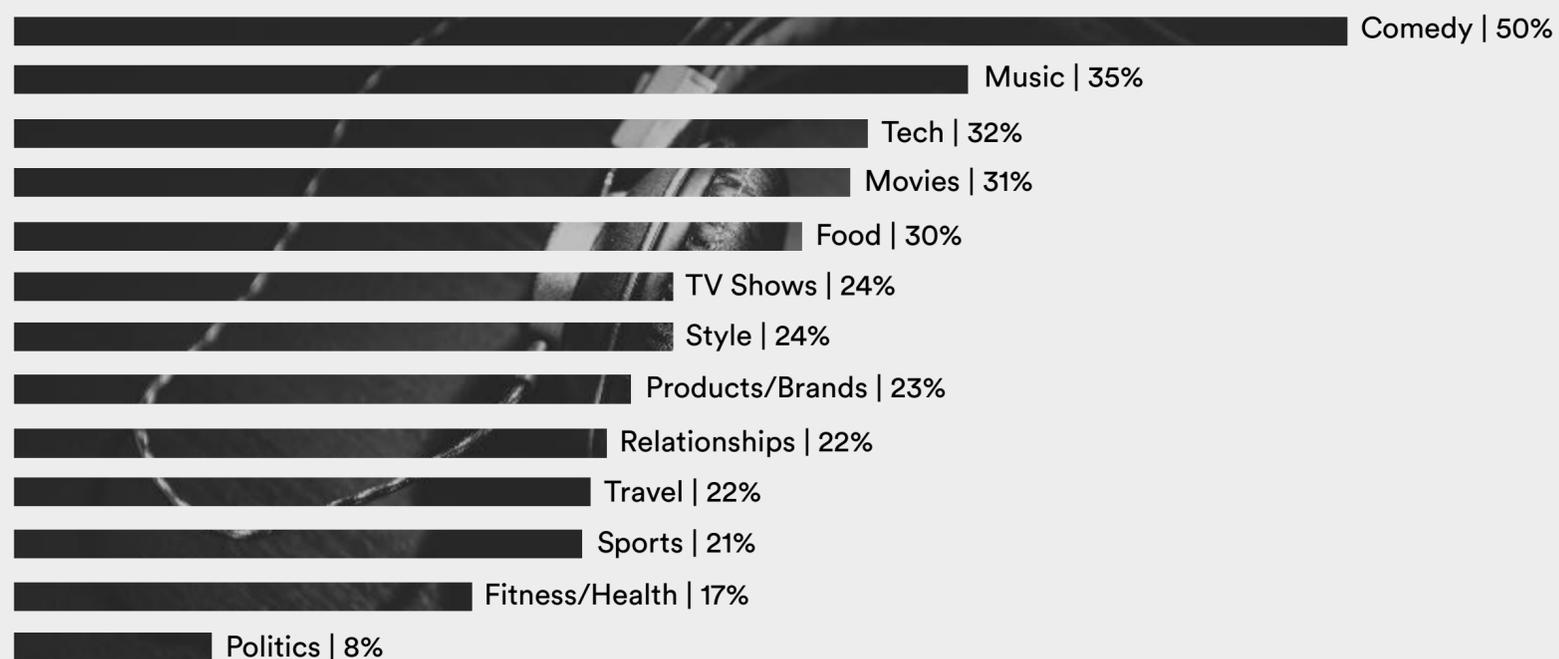
>> GAMING AND CONTENT: A CULT OF PERSONALITIES ARE CREATING THE CONTENT THAT IS FUELING THE NEXT WAVE OF GAMING

Big brands and teams aren't the only ones feeding the demand. Regular streamers on Twitch, YouTube, Facebook, and Caffeine are all using gaming as a platform to talk about other topics, in an effort to grow their followings.

"IT'S LIKE LISTENING TO A PODCAST OR THE RADIO, BUT THE HOSTS USE VIDEO GAMES TO FACILITATE THE CONVERSATION."

What topics do streamers talk about that you find most entertaining?

Gamers 13–34 who play at least one hour per week of video games on a PC or console



WHY DOES IT MATTER?

Because these streamers, big and small, are looked at as more reliable, more genuine, and more likely to influence product decisions than nongaming influencers.

Thinking about the traditional influencers/celebrities/athletes/musicians you follow and the gaming influencers/personalities you follow, how do the two compare?

Gamers 13–34 who play at least one hour per week of video games on a PC or console



86% say streamers are **MORE RELATABLE** than general influencers

75% say streamers are **MORE GENUINE** than general influencers

71% say streamers have **MORE INFLUENCE** on their product decisions than general influencers

>> GAMING AND CULTURE: GAMING HAS CEMENTED ITS PLACE AS A FUNDAMENTAL PILLAR OF GEN Z AND MILLENNIAL CULTURE

GAMING INFLUENCERS AND STREAMERS ARE TAKING OVER OUR SOCIAL FEEDS. THEY ACCOUNT FOR 33 PERCENT OF THE PEOPLE GAMERS FOLLOW—THE LARGEST PERCENTAGE OF ANY GROUP, BEATING OUT THEIR FAMILY AND FRIENDS, WHICH MAKE UP 29 PERCENT OF THOSE THEY FOLLOW.

They are the new gatekeepers of cool and the bridge to pop culture. They help shape values and spread new languages. They build new styles and influence new music. And they encourage others to share and post about their passions.

Previously, the conversation was one-directional. It was culture that influenced streamers, who in turn influenced the category. But we've finally reached a tipping point of scale and accessibility where streamers influence the broader culture.

While music, style, sports, food, and Hollywood—the traditional pillars of pop culture—all took turns influencing gaming, gaming has now reversed the path of influence and taken its place as a pillar of pop culture.



>> GAMING AND CULTURE: GAMING HAS CEMENTED ITS PLACE AS A FUNDAMENTAL PILLAR OF GEN Z AND MILLENNIAL CULTURE

GAMING X FASHION

70% OF GAMERS SAID THAT GAMING HAS IMPACTED THEIR PERSONAL STYLE DIRECTLY, WITH 34 PERCENT SAYING THEY'VE BOUGHT SOMETHING SPECIFICALLY BECAUSE THEY SAW ONE OF THEIR FAVORITE GAMERS WEARING IT OR PROMOTING IT

And no, we don't just mean esports jerseys. Today, gamer fashion can most accurately be described as a mash-up of hip-hop, skater, and streetwear styles, as best evidenced by athletic wear brand Champion's recent collaboration with FaZe Clan and rapper, Offset, to create a winter capsule collection infused with the ethos of each discipline. Drawing inspiration from the Supremes and Off Whites of the world, gaming brands like 100 Thieves have been able to drop limited editions and limited amounts of branded merch and make around half a million dollars of revenue in a single morning, according to a *New York Times* article.³

Culture publications like HYPEBEAST and Highsnobiety both regularly cover gaming and gaming fashion, *Complex's* Sneaker Shopping series hosted Ninja as a guest, and other fashion publications, like *Glossy* and *WWD*, have both written about the crossover of gaming and fashion. Nonendemic brands like New Balance, who sponsors the Boston Marathon, have capitalized on the demand for gamer fashion, by creating limited-edition merch with streamer Cizzorz, as a reward for players who completed their fun runs in *Fortnite* the fastest.*



³: *New York Times*, "How to Make Billions in E-Sports"

*New Balance is Mediahub's client.

>> GAMING AND CULTURE: GAMING HAS CEMENTED ITS PLACE AS A FUNDAMENTAL PILLAR OF GEN Z AND MILLENNIAL CULTURE

GAMING X MUSIC

77% OF RESPONDENTS SAID THAT GAMING HAS IMPACTED THEIR MUSIC CHOICES.

But gaming has influenced the musicians and the music industry just as much, if not more. Soundtrack licensing deals for games are some of the most highly sought-after contracts every year. And the population of musicians who stream and post gaming content is exploding. Drake may have been the first high-profile musician to get involved, but now artists like Post Malone, Offset, and Tyler, The Creator, are all serving as massive crossover influencers who regularly spread gaming content to their vast follower bases, many of whom don't actually game.

Spotify also recognized the tremendous crossover opportunity and worked to create gaming-specific playlists that brands can tap into. Record companies iam8bit and Ghost Record have started publishing video game soundtracks on vinyl to bridge the gap between gamers and impassioned audiophiles.

How has gaming impacted the type of music you listen to?

Gamers 13–34 who play at least one hour per week of video games on a PC or console

learned about new songs/new artists after hearing them in video games or trailers **35%**

created their own gaming specific playlist(s) for when they game **24%**

thought music streamers played in the background of a stream was cool **23%**

downloaded specific gaming playlists **21%**

checked out music streamers recommended **18%**

saw artists playing video games and checked out their music **17%**



>> GAMING AND CULTURE: GAMING HAS CEMENTED ITS PLACE AS A FUNDAMENTAL PILLAR OF GEN Z AND MILLENNIAL CULTURE

GAMING X SPORTS

73%

WOULD RATHER PLAY A NEW VIDEO GAME THE DAY IT DROPS INSTEAD OF WATCHING A MAJOR SPORTS FINAL (E.G., SUPER BOWL, STANLEY CUP FINAL, MLB WORLD SERIES, ETC.)

For years, traditional sports have been translated into video games (*NBA 2K*, *FIFA*, and *Madden*, to name a few), but as the games evolved, gamers were given the ability to select or create a team based on individual players regardless of team affiliation, similar to picking a fantasy football team. As a result, gaming, along with highlight reels, fantasy sports, and free agency, has reframed and contributed to the trend of modern sports fans favoring and following individual players rather than teams. We've seen athletes like Kevin Durant, Meyers Leonard, and Gordon Hayward using streaming services to open up a brand-new line of communication between themselves and fans. HyperX, which makes gaming headsets, has a litany of pro athletes they've either sponsored or worked with—from Gordon Hayward to JuJu Smith-Schuster to Raphael Varane.

THOUGH ESPORTS GETS AN UNDESERVED BAD RAP FROM TRADITIONAL SPORTS LEAGUES, MANY OF WHOM BLAME IT FOR STEALING FANS, A NUMBER OF BRANDS ACTUALLY SEE GAMING AS AN OPPORTUNITY TO ENGAGE WITH NEW FANS AND EXPAND THEIR DEMOGRAPHICS.

Barstool Sports covers gaming under its “Gametime” social handles, featuring its own writers/personalities on their Twitch channel. Recently, FOX Sports paired two NASCAR drivers, Chase Elliott and Austin Dillon, with two Twitch streamers, NickEh30 and SypherPK, for a home and home-friendly competition that saw them competing in *Fortnite* and *iRacing*, a NASCAR simulator, to help build excitement and drive tune-in for the Daytona 500.* During the NBA All-Star Game in Chicago this February, iconic basketball brand SLAM brought FaZe Clan in to help promote the weekend's events and introduce SLAM to a more casual basketball audience.



>> GAMING AND CULTURE: GAMING HAS CEMENTED ITS PLACE AS A FUNDAMENTAL PILLAR OF GEN Z AND MILLENNIAL CULTURE

GAMING X HOLLYWOOD

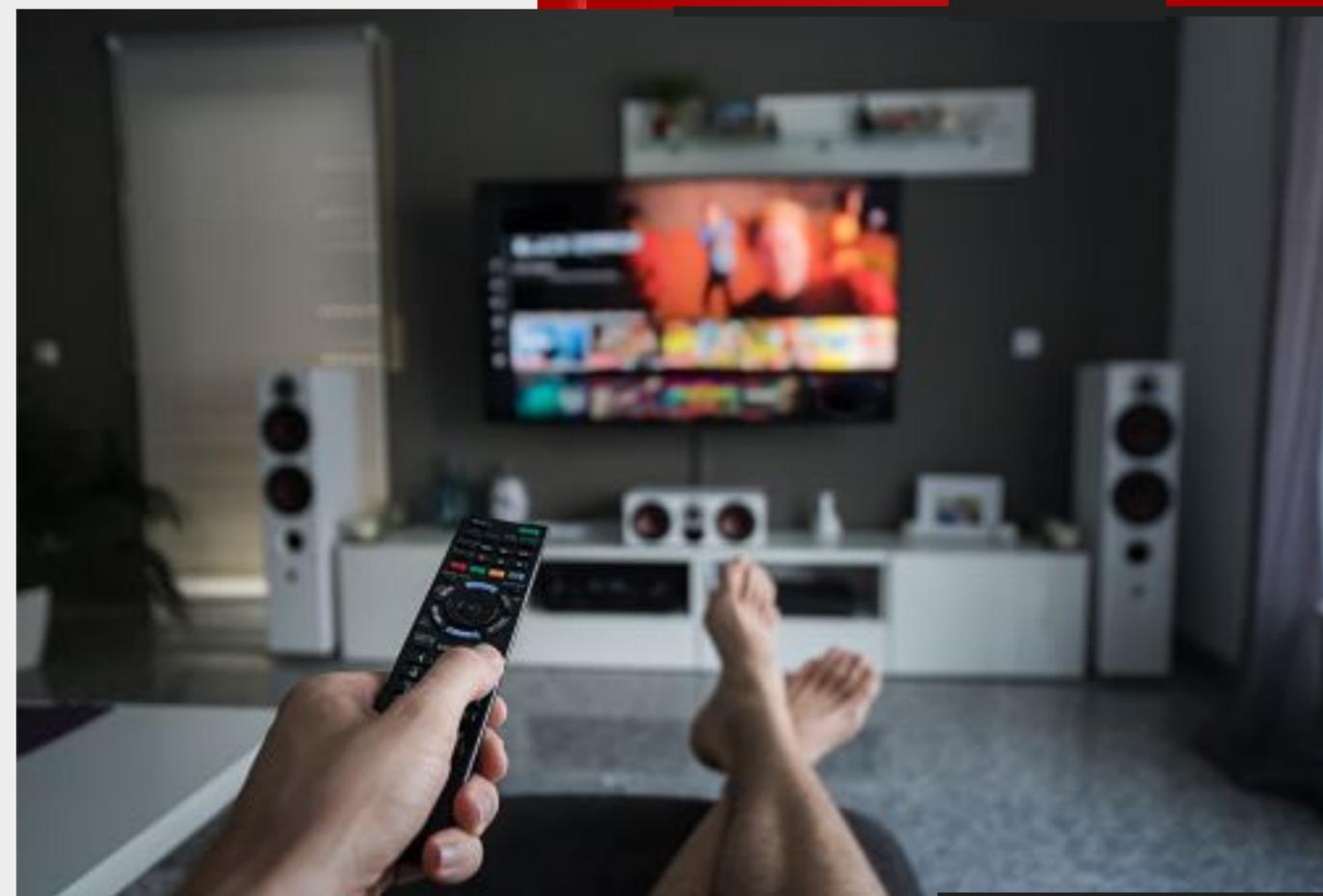
42% OF GAMERS SAID WATCHING STREAMERS OR OTHER GAMING CONTENT IS REALLY NO DIFFERENT THAN WATCHING TV, WHILE ABOUT TWO-THIRDS OF THEM ACTUALLY USE THEIR CONSOLES TO ACCESS TV OR STREAMING CONTENT.

In response, teams have created regularly scheduled content, like FaZe Clan's FaZeCasts, that mimic a traditional TV talk show and generate huge tune-in audiences. They've even hosted guests like Adam Sandler and Chris Rock to help them promote their latest films.

In one of the ultimate signs of crossover, last year, Netflix got into the gaming space with the release of the game *Stranger Things*, which allowed gamers to traverse the Upside Down world.

Perhaps sensing this watershed moment, VENN, short for Video Game Entertainment and News Network, will launch this year, aiming to be a hub for all things esports and gaming. They'll have live studios in NYC and LA, with over 55 hours of programming each week. Although plans are still being finalized, they expect to broadcast on Twitch, YouTube, Roku, and Sling.

There are countless examples of ways Hollywood has created mass appeal using gaming content; most recently, *Sonic the Hedgehog* became the highest-grossing video game adaptation of all time⁴. And to ensure greater cultural relevance, *Sonic* studio Paramount went on to work with Wiz Khalifa, Ty Dolla \$ign, Lil Yachty, and Sueco the Child on a music collaboration for the movie, accompanied by a throwback 16-bit game-character-style music video to invoke nostalgia and appeal directly to the gamer community.



>> GAMING AND CULTURE: GAMING HAS CEMENTED ITS PLACE AS A FUNDAMENTAL PILLAR OF GEN Z AND MILLENNIAL CULTURE

GAMING X FOOD

67% OF GAMERS SAY THAT PLAYING HAS IMPACTED THEIR DIET—WHAT THAT “DIET” LOOKS LIKE IS CHANGING.

For a long time, gaming has been culturally associated with junk food. Thinking of the traditional “gamer” often conjures images of someone in their basement, surrounded by takeout, Doritos and soda. Latching onto these stereotypes, fast food brands have jumped into the space—Burger King recently partnered with FaZe Clan to livestream a blind taste test of their Impossible WHOPPER. However, while food remains a key part of the gaming experience—67 percent of gamers say that playing has impacted their diet—what that “diet” looks like is changing.

With gaming taking over pop culture conversations, diehards are taking their passion to the next level. They need game-enhancing snacks: healthy energy-boosting foods that optimize the game experience and their performance (no oily controllers). Fast food is falling out of style as gamers make food choices just as consciously and practically as they make their next moves in a game. They’re turning to Reddit threads for snack ideas, healthy alternatives, and food that’s easy to eat. In fact, **15 percent of gamers think about their diet when they game because they know they’ll be sitting for a prolonged period; 11 percent think that the better they eat, the better they play; and 19 percent have actually taken supplements or drunk an energy drink to help improve their play.**

Beyond traditional meals, the modern gamer has spurred the growth of an entire vertical in the supplements and energy drink space. Esports teams are creating dietary plans for their athletes and sharing them with their fans. Gaming is even pushing into health and wellness, with optometrists flagging concerns about eye strain and physical therapists warning about posture to keep gamers healthy as they pursue their passion.



>> SIX IMPORTANT CONSIDERATIONS FOR BRANDS

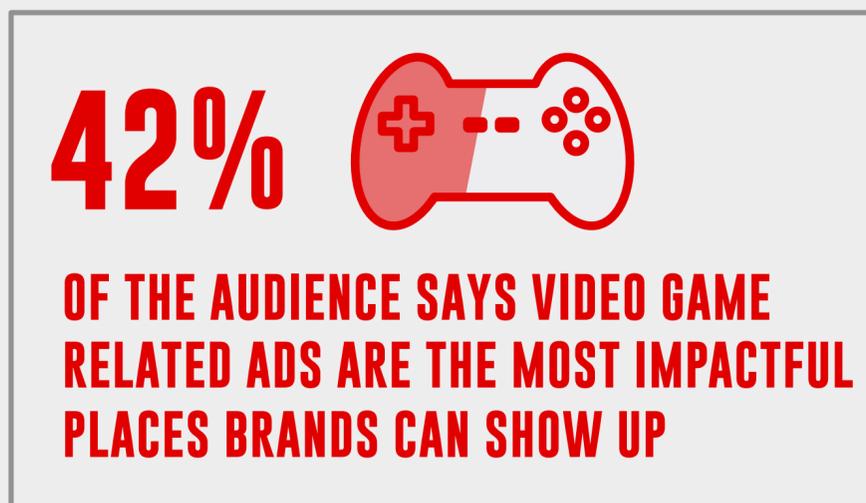
- 1** Pay attention to gamers' media diets.
- 2** Do your homework.
- 3** Don't get caught up in the esports hype.
- 4** Leverage streamers.
- 5** Don't be afraid to jump in.
- 6** Develop a comprehensive 360° plan.



>> FOUNDATION FOR AN L337 GAMING STRATEGY

One of the biggest questions we hear from brands is what kind of response gamers will have to ads “invading their space.” So we asked if consumers want you here, and they answered with an emphatic yes. In fact, 42 percent of the audience say game-related ads are the most impactful places brands can show up, making gaming, in their opinions, the second most impactful channel, behind YouTube (44 percent). These consumers are smart, and they know that brand dollars go a long way toward making their games better in the long run: **58 percent like that brands are funneling money into the category, helping the industry grow.** And if you know what you’re talking about, then you’re in an even better position to be well received; **72 percent of gamers actively want you there if your brand knows what it’s talking about.**

IN CONCLUSION, HERE ARE SIX IMPORTANT CONSIDERATIONS AS YOU DEVELOP A GAMING STRATEGY:



- 1 Pay attention to gamers’ media diets.** The traditional way of measuring channel consumption is worthless if the most used media channel is left off the table. The industry leaders and holding companies have not yet come around. It’s time to change, and brands can lead the charge if they start shifting their spend to better align with actual user consumption. But it’s not just about platform usage—it’s important to understand time shift. What does a gamer’s daypart look like? When are they playing, and when are they streaming? How have these behaviors stolen share from traditional TV dayparts?
- 2 Do your homework.** Go deeper into your audiences’ gaming passions. You would rarely target simply a “sports fan,” so why would you target simply a “gamer”? There are different tribes based on different platforms (PC vs. console vs. mobile), game genres, and titles; languages differ, spending habits differ, and streaming behaviors vary. Understand what makes them unique, and look for ways to influence them via their favorite game, personal avatar, or favorite communities. Remember that it’s hard to learn from afar. Find out who on your staff is a gamer, and ask them to lead the charge or act as a consultant. Find someone passionate about the category and they’ll be more than happy to lend a hand.
- 3 Don’t get caught up in the esports hype.** Yes, esports have tremendous potential, but they still have relatively small appeal compared to the broader gaming universe and the total opportunity. It’s a common misconception that streaming is all esports. If you simply go after esports, you’re leaving about two-thirds of the audience on the table. Know the differences so you can invest in the opportunity that’s right for your brand.

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4 Leverage streamers. They hold more sway than traditional influencers and can make or break your brand in the space. They have access to adoring fans and have created incredible crossover personalities that can weigh in on pop culture as well as gaming. But always remember that streamers are trying to build their personal brands, just like you're trying to build your brand. If your brand doesn't fit a gamer's image, then you might want to look for a different gaming personality. Dedicated streamer talent agencies are great at helping forge these relationships.

5 Don't be afraid to jump in. As gaming grows, brands no longer need to be endemic to the space to capitalize on gaming. Entering through pop culture gives all brands a license to get involved. It's no different than a nonendemic brand advertising in sports or music. This is an incredibly engaged audience that's highly persuadable.

6 Develop a comprehensive 360° plan. A lot of brands have music strategies and sports strategies. You NEED a gaming strategy. It's not just passive placements; it's getting influencers in place, showing up at events, and producing content. As gamers continue to spend 40 percent of their "gaming time" not even gaming, you have to consider communications that resonate beyond the controller.

