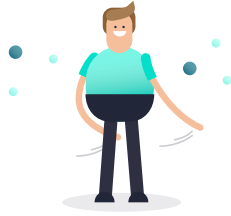


How Brands Can Log Into a Diverse Multi-Billion Dollar Industry

by Grant Weber



Have you flossed today?

And I don't mean between your teeth. I'm referring to the silly dance move that has infiltrated weddings, concerts, touchdown celebrations, and homes around the globe. Flossing is one of many purchasable emotes popularized by *Fortnite*—a video game. That's right, a video game.

Unless you are looking for a kitsch throwback experience, video gaming is light-years beyond beating high scores at quarter-hungry arcades. Instead, 5G and the explosion of mobile and cloud gaming are enabling billions of gamers to clash clans and drop from flying buses every second. Today, the most popular titles require little more than a speedy internet connection to transport players into pixels far away from reality.

The allure of video games has gone mainstream, and games like *Fortnite* have become the new social media for certain groups. In fact, the growing number of people who watch—rather than play—suggests that gaming is less about casual fun and more about the community, side chats, and attending live events.

The rise of gaming popularity presents a multi-billion dollar opportunity for brands. In the US, the video games market (hardware, software, and in-game purchases) is expected to be worth over \$90 billion by 2020. That's nearly a \$30 billion increase from its 2017 valuation. When factoring in the rest of the globe, events, merchandise and brand sponsorship dollars, the video games market is projected to become a \$300 billion industry by 2025. In order to capitalize on this exploding industry, marketers must first understand that gaming is a culture, not a fad or a phase people grow out of. Gaming is a lifestyle.

In 2018, the number of interactive gamers worldwide grew to 2.5 billion people.



The Gaming Culture

Gaming culture is a relatively new concept in the West but has been a societal norm in Asian-Pacific (APAC) countries for decades. In South Korea, friends regularly meet at gaming rooms called “PC bangs” to play video games side-by-side. The most talented become professional gamers, date supermodels, compete on gaming TV networks and are revered as A-list celebrities. In China, video games are considered an art form alongside painting, sculpting, and music. It’s also normal for video game developers to hire cultural consultants when manufacturing landscapes and creating lifelike characters to ensure that everything is perfectly authentic.

Chinese gaming companies intentionally package Chinese tradition within the games they create, which then travels to the screens of gamers around the world. It is where East meets West—a population of 2.5 billion people of all races, ages, genders, and income levels—that gaming culture thrives. For this group, video games break language barriers and transcend the cultural differences of global strangers. On any given day, a Portuguese-speaking Brazilian can exchange virtual goods with a Japanese aristocrat without ever needing a third-party translator.

For some of the most serious gamers, fitting in at school or work is as difficult for them as it would be for a superjock to blend in at Comic-Con. For this reason, the gaming culture has built walls to protect itself from judgment. The same walls that make the gaming culture eccentric are also the first hurdles for brands to overcome. To tap into the hundreds of billions of dollars the gaming industry generates each year, marketers must first understand the many nuances that make up the gaming culture.

Gamers may come from all walks of life, but they subscribe to the same culture and play for the same reason—to belong.

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The Landscape

For a moment, imagine that a country is more than incorporated territory on a map. What if it were a server in a cooling room far below Blizzard Entertainment’s HQ? These vast lengths of cable and circuit boards allow gamers from around the globe to log in to their respective games to play together in the same world, roam the same landscape, and communicate in real-time.

For Blizzard’s massive multiplayer online role-playing game (MMORPG) *World of Warcraft*, it is a server that contains an infinite number of creatures, structures, and players interacting within a single ecosystem. Governed by its own rules and figureheads called “mods,” the realms of *World of*



Warcraft are territories with real boundaries and central leadership. It may be virtual, but it is its own country by definition.



World of Warcraft Player View



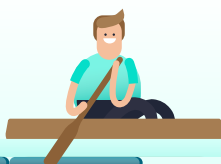
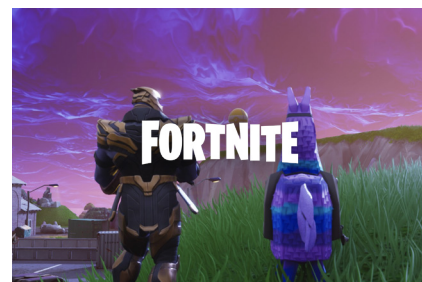
Brand Experience

Most gamers can navigate their favorite virtual cities better than their own neighborhood. It's certainly more exciting. For marketers, notable gaming landscapes offer an opportunity to create an unforgettable brand experience by bringing the gaming experience into the real world. We've already seen wild success when a brand recreates fictional locations; HBO's hit series *Westworld*'s Sweetwater SXSW being a recent example. As augmented reality (AR) improves, the virtual world and the real world blend together—making marketers' ability to give gamers an immersive cross-brand experience much easier. In reverse, marketers have the opportunity to meet gamers on their own turf. There are thousands of games in which brands can bring their products into the mix.



Marvel

For a limited time, Marvel allowed *Fortnite*'s 250 million enthusiastic gamers to play as the brand's infamous supervillain, Thanos. *Fortnite*'s special game mode was inline with the release of Marvel's blockbuster hit *Avengers: Endgame* and accompanied by purchasable superhero skins and recognizable emotes from earlier Marvel films. This was an unconventional partnership but likely extremely lucrative now that *Avengers: Endgame* is the most successful film of all time. If the opportunity arises, find a way to get your product or brand icon inside a game in an interactive way for an authentic partnership.



The Language

Every culture has a language—a common tongue. Gamers are no different. Spend an hour online and you’ll hear words like “tilted,” “sweat,” “kappa,” “omegalul,” and “gimmie them toes.” Funny, nonsensical phrases to most of the world, but to gamers, it’s casual conversation.



Messaging

Within video games, players can become whoever they want and do whatever they wish, unimpeded by the limitations of real-world appearance and finances. To connect with gamers, brands must understand that they aren’t talking to John or Jill Doe sitting in front of a computer screen; instead, it’s Lilaedarn Voidwind, Night Elf Warlock, 861 Warlock LF Mythic Progg Raiding Clan member. I highly encourage trying this [World of Warcraft name generator](#) for a bit of fun.

To speak to these archetypes, marketers must use the same language. Just like you’re not going to sell a product written in English to a Spanish speaker, you can’t expect to sell to a gamer in corporate jargon. Before creating an ad with stuffy, formal language, channel your inner gamer and see if adding a pinch of gaming lingo boosts engagement rates.



Duracell

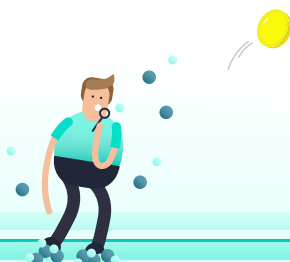
Few things are more frustrating than a controller’s battery dying in the middle of a game. Using that insight, Duracell connected with *Forza* gamers on this pain point and in their native tongue.



The Leadership

Leaders of the gaming culture have emerged in the form of YouTube and Twitch streamers. Heavyweight influencers like PewDiePie and TimetheTatman have amassed follower counts that eclipse A-list celebrities and politicians. And, like the traditional power players, their influence can start movements.

In a powerful display of this influence, Tyler Belvins, aka Ninja, the most popular livestreamer in the world, announced that he was leaving Twitch to stream exclusively on Mixer, Microsoft’s competing streaming platform. Without even playing a single match, Ninja increased the Mixer audience by 100K subscribers in under 24 hours. This migration of fans from one platform to another reinforces that loyalty is to the streamer and not the platform.





Influencer Marketing

Each game has a celebrity-status influencer as well as micro-influencers. Marketers can harness the influence of gamers as brand ambassadors and see dramatic results. A word of caution: livestreaming is unscripted, and streaming culture is online 24-hours, seven days a week. Choose influencers intentionally and monitor frequently.



The Currency

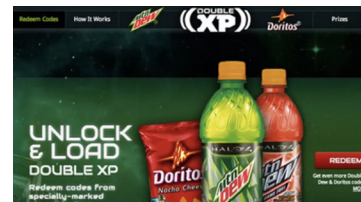
Gold coins have been in video games since Mario made his debut on the NES, but it's not gold filling gamers' pockets. In video games like *Fortnite* and *League of Legends*, traditional currency is exchanged for V-Bucks and Riot Points. These valuable pixels are used to purchase extra emotes and unlock new characters. It should then come as no surprise that gamers were early adopters of cryptocurrency and continue to find unique ways to invest and leverage virtual wealth within their community.

Although it is still a relatively new concept, cryptocurrency is being taken seriously. As a marketer, can you join industry leaders like McDonald's, Microsoft, and Subway (which all accept cryptocurrency) in exchange for your products? Or can you appeal to their eagerness to abscond traditional currency and reward loyal customers with an alternative currency, or something that really gets gamers fired up more than anything like experience points?



Mountain Dew

PepsiCo has a long history with gamers. Mountain Dew's debut of Code Red alongside the release of *Halo 4* was a powerful combination. For many, Mountain Dew Code Red is still the official drink of the game. The true extent of Pepsi's brilliance was introducing the *Halo 4* microsite where gamers could redeem codes for prizes and in-game bonuses. Taking the action outside the game led to in-game advantages, which is a huge connection point for this audience. Gamers are always on the lookout for some kind of competitive advantage.



The Fashion

Adopted and popularized in Japan, cosplay, a form of dress in which participants called cosplayers wear outfits of specific characters from shows, movies, or video games, has made its way back to the West and fully embraced by the Western gaming community for many years. The culture of cosplay has become one of the many creative outlets for gamers as a way to outwardly express their

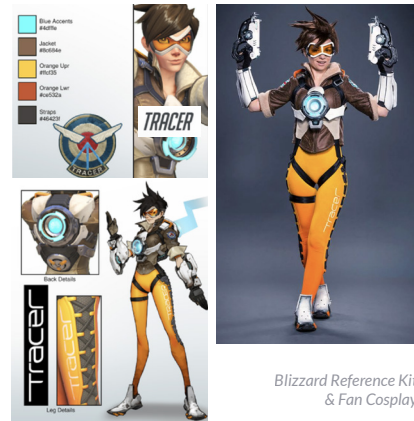


in-game personalities. Many players go to painstaking lengths to make their costumes as accurate as possible. The avatars they become are as much a part of a gamer's unique identity as their fingerprints.



Wardrobe

It may be hard to understand the motivation behind such extreme fandom, but there is room to support this group and benefit mutually. Take, for example, Blizzard Entertainment's cosplay reference kits which are Blizzard's way of encouraging fans to continue playing Blizzard games and develop user-generated content (UGC) along the way. A quick look on Blizzard's Instagram feed, and you'll see cosplay spotlights with far more likes than anything else the company is posting. Retail brands may be even better positioned to reach gamers through cosplay.



Blizzard Reference Kit & Fan Cosplay



K Swiss

For heritage brand K Swiss, the opportunity to reach young gamers was a collaboration with esports goliath Immortals Gaming Club to develop the first-ever, esports-inspired performance sneaker.



K Swiss esports Shoes

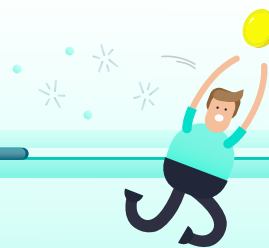
Sport

Purchasing tickets to watch other people play video games may sound bizarre, but for gamers, watching their favorite esports competitors live on stage is no different than an NBA fan following LeBron James or buying a ticket to watch him play for the Lakers at the Staples Center.

Expected to exceed \$1.6 billion by 2021, the esports industry has exploded in popularity and is challenging traditional sports in many ways. For example, the 2018 *League of Legends* (LoL) World Championship is the most-watched competitive gaming stage and drew 100 million unique viewers. For comparison, SuperBowl LII recorded 103 million unique viewers that same year.



esports Stadium





esports Marketing

Despite many brands being native to the gaming world, there is plenty of potential for non-endemic brands as well. In the US, 85% of esports fans support non-endemic brand involvement, and according to Naz Aletaha, head of esports partnerships at Riot Games, the next big non-gaming brands to enter esports will be from three primary areas: quick-service restaurants, male grooming, and apparel. For more insights into esports, read our POV on the competitive gaming industry.



Mobil 1

Rocket League, supercharged cars playing soccer in its simplest definition, is a wildly popular console game with high-octane boosts, midair flips, and explosions. Mobil 1 has sponsored the *Rocket League* Championship Series for five seasons. Mobil 1 fueling the *Rocket League* Championship Series is an organic relationship. By adding the “High-Performance Replay,” the brand has added its own spin to the event.



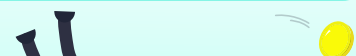
Rocket League gameplay

Arts & Entertainment

Video gaming has a profound influence on the arts. Recognizable soundbites from famous gaming franchises have been stitched into pop music and graphic elements have been repurposed in famous art pieces and vice versa. Even Hollywood has tried its hand at adopting video game characters and storylines onto the big screen with titles like *Assassin's Creed* and *Sonic the Hedgehog*. Online streaming services are the next to jump in as Netflix released *The Witcher* as an original series at the end of 2019.



Image via Netflix





Social Listening

Gamers are loyal to brands that listen. Much of this stems from the way that video game makers cater to the feedback they receive from gamers when coming out with new games or applying new patches and fixing bugs. Brands that listen, reward their fans, and empower brand heroes will be successful with gamers.



Paramount Studios

When an image of Sonic the Hedgehog leaked ahead of the live-action movie release, there was immediate backlash on the character's design. Paramount Studios, listening to criticisms from the fans, pushed the production schedule back in hopes of delivering a better product. If a product is getting heat from the gaming culture, take it into consideration and know that fans appreciate it when their opinions are valued and will reward those that listen to feedback.



Image via Paramount Studios



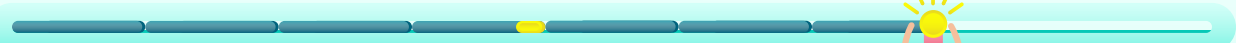
Media & Mass Communication

Gamers are a vocal and opinionated group with their own personal agora called Discord. Discord is the largest chat platform in the world valued at over two billion dollars. It exists to facilitate the gaming community's insatiable desire to communicate in real-time. The app accounts for 250 million subscriber accounts and over 14 million daily users. For comparison, Slack has ten million daily users on a good day.

When you factor in the hundreds of publications, YouTube channels, online forums, chat rooms, and infinite subreddits, you have an entirely separate social media network used exclusively by gamers.

Most gamers are digital natives and tech-savvy consumers. A traditional media plan may not be the most effective way to communicate with them. You will have more success in reaching gamers on Reddit and YouTube than traditional channels. Marketers should conduct research into the specific games their target audience plays as they each have their own meme culture, social behavior, and subreddit community.

Now that you've leveled up your console agnostic understanding of the complex culture of gaming, it's time to get your foot in the door of a hundred billion dollar global market filled with the most loyal consumers in the world.



Moving Forward

It's easy to make assumptions about gamers and try to predict their behavior, but the gaming culture is diverse and often surprising. Don't presume the gamer stereotype. When asked to describe what a gamer looks like, a teenage male most likely comes to mind. In reality, the average age of today's gamers is 31, and adult women are now the fastest-growing demographic. Gamers are gamers for life, loyal to the brands that understand them, and will be outspoken against those trying to enter their environment that don't. Be sure you get off on the right foot with the gaming community and stay there.

It can't be overstated what a tremendous opportunity gaming culture presents for modern brands. Billions of dollars are up for grabs, and for marketers, the time to take action is now. So go, get creative and put a strategy in place with the insights you now have—by the end of it, your boss will be “flossing” right alongside you.

Brands are wasting their time and resources talking to gamers like they are everyone else. They're not.





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