

The background of the slide is a blurred photograph of a group of people, likely at a seminar or event. The lighting is predominantly red, creating a vibrant and energetic atmosphere. The people are out of focus, with some visible in the foreground and others in the background. The overall composition suggests a professional yet dynamic setting.

AVER

Game-on for eSports in retail

Aver insights seminar - May 14 2019

Summary

As an evolution of its Aver Insights reports, in which Aver shares its thoughts on some of the most interesting and innovative ideas, events and experiences in the industry, the company held its first **Insights Seminar** on May 14 at its offices in WeWork Holborn.

During the session, the panel **demystified** eSports, **demonstrated** what it means from an operator's perspective, and **debated** the implications for the retail property industry. Speakers from King, Wanyoo and Shelley Sandzer shared their experience and expertise with an audience of leading figures from the property sector, followed by a lively Q&A session.

The event was attended numerous **key industry contacts**, including asset managers, leasing agents and media.

Snapshot





Hosted by **Aver** and Nick Thornton, founder of Aver,
speakers included:

Dave Chadwick - Principal Software Engineer/Architect, King
Background on the eSports industry

Joe Xie - London Store Operations Manager, Wanyoo
Retailer perspective

Tony Levine - Leasing Surveyor, Shelley Sandzer
What this means for 'Retail' and identifying opportunities



Dave Chadwick

Principal Software Engineer/Architect at King

Background into the gaming industry

What is the origin of eSports

- **1962** Spacewar is considered by most to be the first real video game, created by Steve Russell
- **1972** First recorded eSports event at Stanford University - The Intergalactic Spacewar Olympics, included a grand prize of an annual subscription to Rolling Stone Magazine



From university to mainstream

- **1970s** arcades and home consoles spread across the globe
- **1972** Magnavox Odyssey first game console that could be connected to a television set
- **1976** Sea Wolf introduces permanent high score list, allowing the competitive side of gaming to appear
- **1978** Space Invaders Championships with over 10,000 competitors, and a follow up tournament in New York later the same year, both won by Rebecca Heineman (pictured)



The 90s: Better Technology Makes Cyber Sports Suitable for the Masses

- **1990** Nintendo World Championships in the USA, triathlon of Super Mario Bros, Rad Racer and Tetris, the winners of the competition, which was held in three age groups, received golden Nintendo gaming modules
- **1999** Worlds first eSports League began in Germany (Deutsche Clanliga) with 1,600 gamers in Duisburg
- **2000** Korean e-Sports Association founded and brought marketing and TV advertising opportunities
- As the internet continued to grow so did the world of competitive gaming and there is no sign of it stopping anytime soon

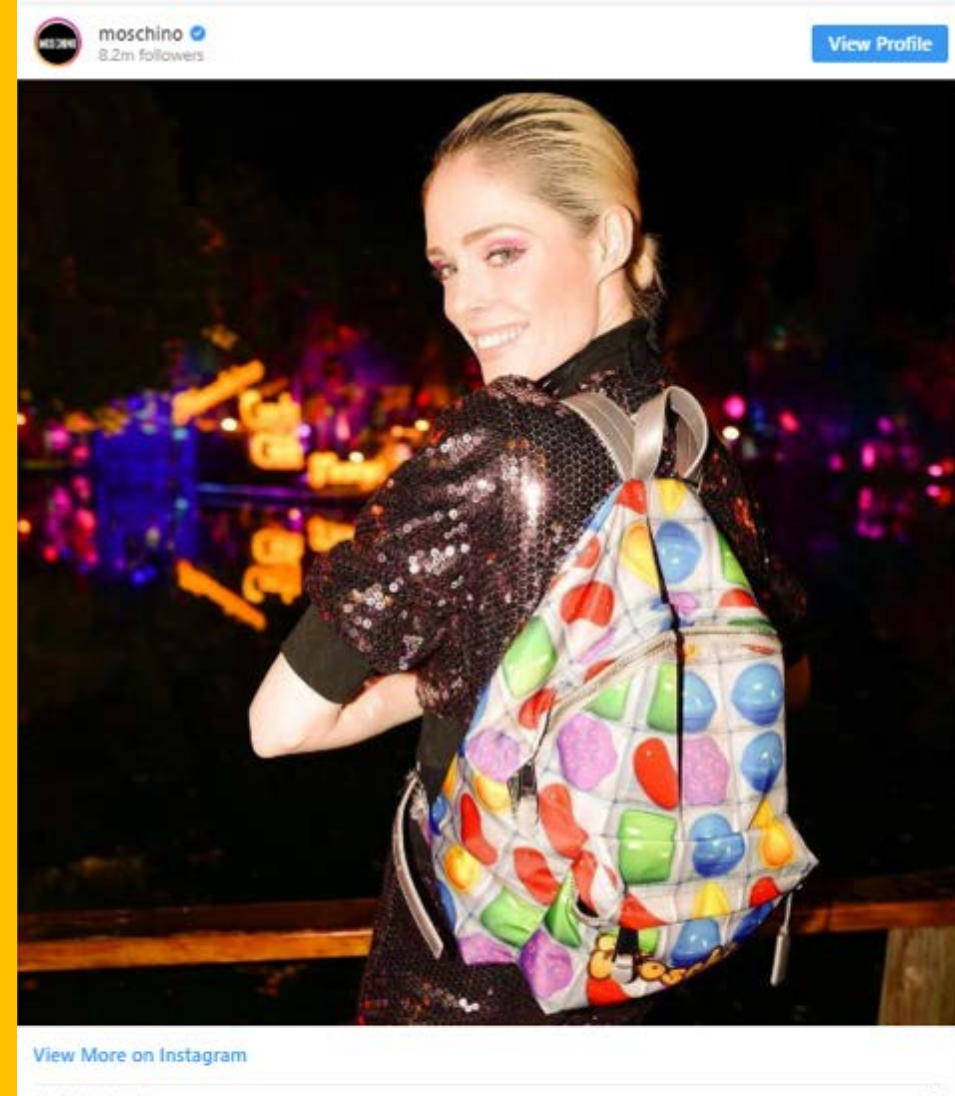




- As gaming popularity grew the movie industry followed suit with original titles such as Tron and The Lawnmower Man (introduced the idea of physical virtual reality), more recently Tron Legacy, Warcraft, Resident Evil, Need for speed, Prince of Persia, Street Fighter, Hitman and many more



- With the growth of eSports streaming services YouTube and Twitch.tv bring gaming tournaments mainstream and Pro Players live games for both gamers and non gamers
- Average live viewer count for Twitch.tv is **1,278,000** over 30k channels
- To date **231 billion minutes** of gaming has been watched in 2019 which is half of the total minutes watched in 2018



- Many retailers and fashion brands have started to do collaborations with comic / gaming companies. Such as Marvel with Nike (Into the Spideverse), competitive eSports team merchandise (similar to other sports such as Football, Rugby etc)



- Gaming as a whole (including eSports) is already on track to become a bigger industry than traditional professional sports
- Global games market to generate revenues of **\$180.1 billion by 2021**
- 10 most valuable brands based on enterprise value will be eSports sponsors
- Insomnia in the UK report average attendance of **65,000+ fans**, considered the UK's biggest tech festival with opportunities for fans to immerse themselves in the games they love and the merchandise from their fictional universes
- ESL & Intel Katowice 2019, **174,000 attendees**, tournaments combined achieved **157 million hours watched** and **232 million viewers**

A few examples

tournaments



A few examples of eSports tournaments



The International

DOTA 2 CHAMPIONSHIPS



- Total prize pool of **\$25,532,177**
- Total views on Twitch.TV **55,173,984**
- Total time watched **492,278,158 hours**



Joe Xie

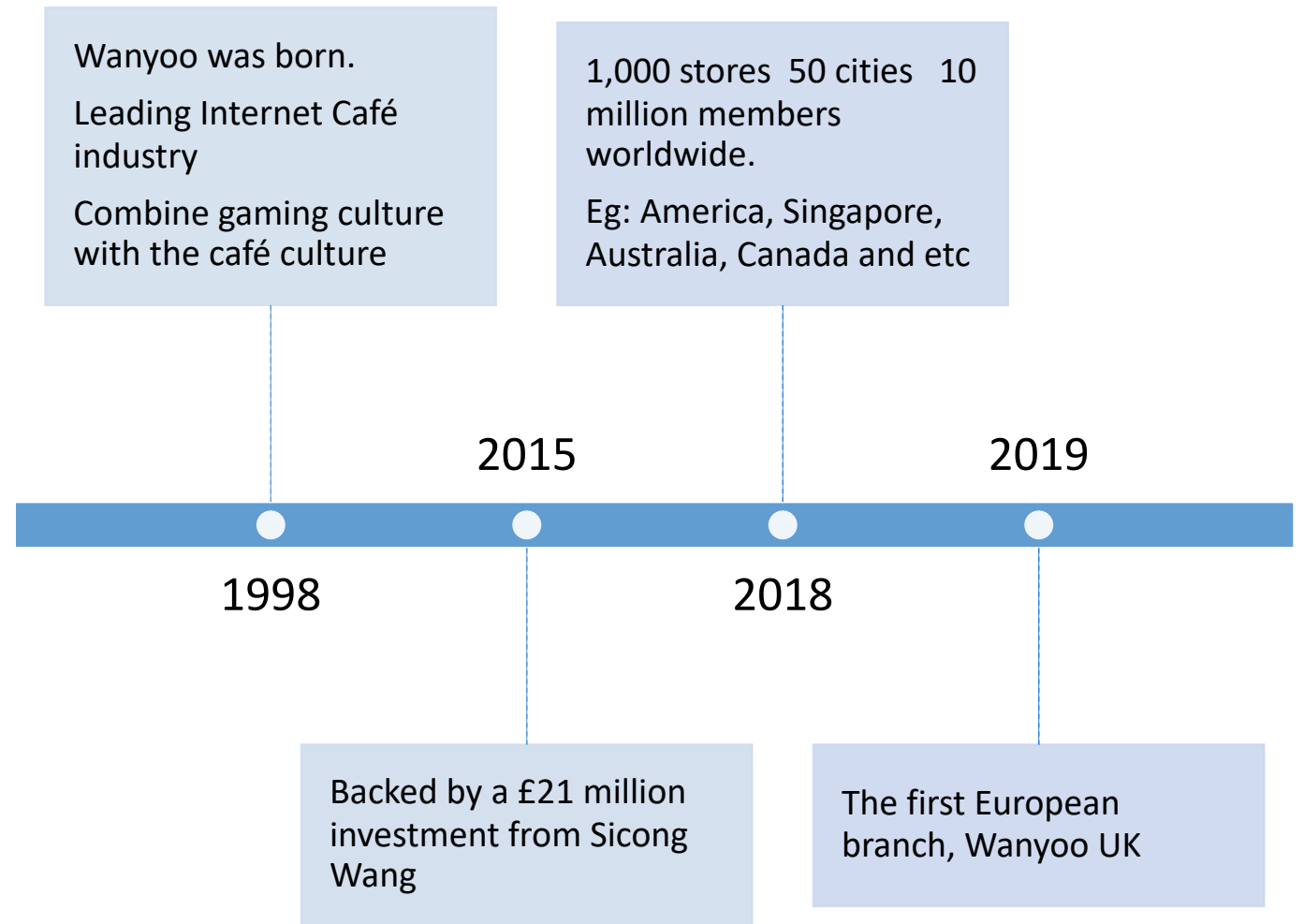
London Store Operations Manager at Wanyoo

Retailer perspective

About Wanyoo



Asia's Largest Gaming Café Chain





By 2018, Wanyoo Serve approximately **30 million people per year**, with More than **10 million members worldwide**, has over 1000 stores in 50 cities, mainly in China, and also in America, Singapore, Australia, Canada and etc

And now in 2019, we are here. We are the first European branch of Wanyoo. The largest eSports studio in the UK , it covers 500 sq meters across two floors, with 88 fully equipped PCs in total.

We want to use Wanyoo's influence which is already established in China to promote the growth of the gaming industry in the UK.



- The eSports community and desire has always been here and it currently is a booming market, we want to further help to boost the eSports in the UK by...



Developing a gaming environment
and social platform for the entire
community

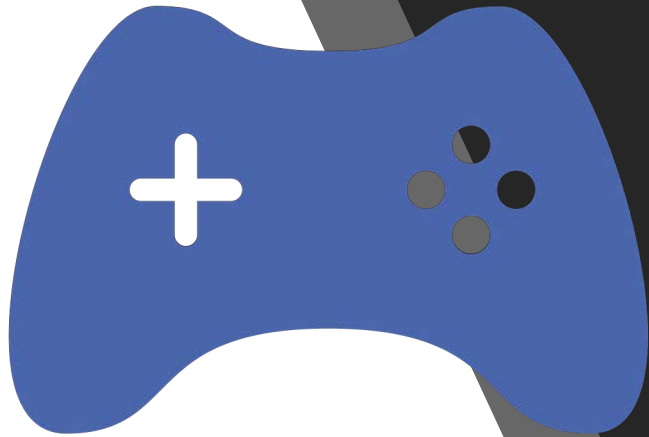


Allowing people to have fun, relax,
interact and socialize

Vision



Wanyoo Partners



- **Gaming hub**
- **Professional gaming facilities and eSports peripherals**
- **Unique gaming lifestyle experience**
- **Pre-installed games**

Gaming Hub

- Multi- purpose gaming facilities, leisure services, professional esports equipment and PCs
- Versatile gaming spaces and leisure services
 - A mobile phone gaming space
 - A public gaming area
 - A 12-station esports battle area
 - Six private two-player rooms
 - Six private group-gaming rooms
 - A board game room
 - High-speed internet access: 1G Dedicated Internet Access and exclusive UK 100M Premium China Traffic



Unique Gaming Lifestyle Experience

- Apart from the professional eSports equipment, Wanyoo also caters to casual gamers and the general public. You can hang out with friend while playing some casual gaming and having a bubble tea in a relaxed environment
- Wanyoo aims to provide a mixture of Internet gaming culture and café lifestyle culture
- Innovation and customer-centered service
- gamers can press a bell beside their PC and a member of staff, who will all be wearing service watches, will provide instantaneous help (within 40 seconds) so as to limit interruptions to the gaming experience





Pre-installed
Games

Future Plan



- **Community events and eSports tournaments**

We want to build a perfect community hub and e-sports social platform for everyone who likes games. Working with leading e-sports organisations, professional players, gaming streamers to hold exciting and interactive events to further the gaming community and help to develop the esports scene in the UK

- **Turn your hobbies into a career**

We plan to work with universities and various eSports societies to hold tournaments, training workshops and community events. This can help universities in the UK to develop their eSports projects, and we hope to create a platform to help gamers turn their hobbies into a career by providing them with the tools to succeed and the opportunity to connect with professional gamers, professional organisations and gaming associations in the UK

- **Online gaming platforms**

Wanyoo plans to launch online platforms for gamers to exchange ideas, sharing gaming tips, participate in forums, and keep updated on community events hosted by Wanyoo. We hope to build more connections and explore more potential opportunities with eSports media and organisations here in the UK as we really want to contribute to the development of the eSports scene



Tony Levine

Leasing Surveyor at Shelley Sandzer

What this means for 'Retail' and identifying opportunities

Why has gaming taken off

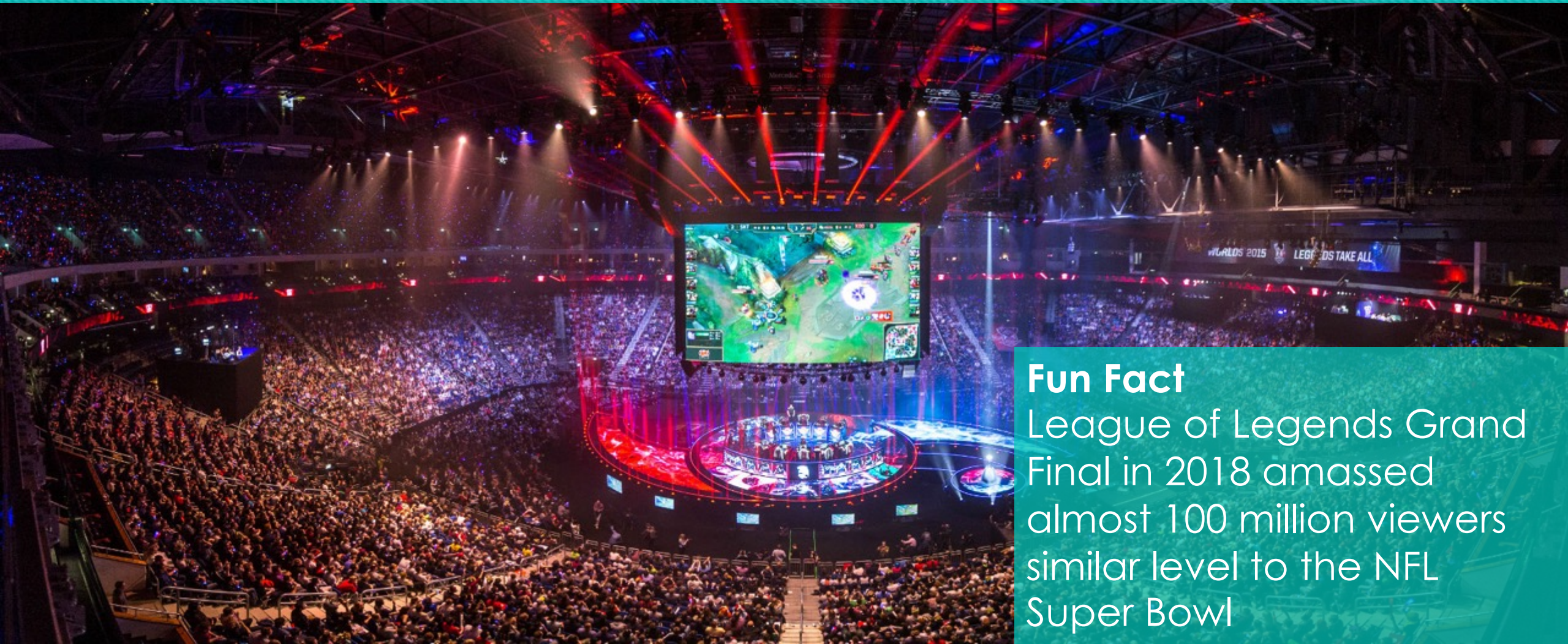
- **Engagement** - Unlike movies and TV shows where there is a clear beginning, middle and end. Gaming has a clear beginning and the middle and end is up to you! This has shown to be more engaging than other traditional forms of media.
- **Reaching the masses** - Gaming has been made popular as consumers have shifted entertainment to other platforms i.e. Twitch, Youtube. We have recently seen celebrity endorsement such as the likes of Neymar stream Call Of Duty, Drake playing Fortnite, and Marshmello doing the first ever in-game concert within Fortnite - with 10 million viewers!
- **Escapism** - Who doesn't want to be Batman for a couple of hours? Or play with their favourite Marvel character?
- **Learning** - In order to become a better player you have to watch the best and that rule applies to all sports. As gamers will do tutorials on their gaming settings. Update on patch notes which weapons have been buffed which have been nerfed, map changes etc.
- **Updates** - Gaming historically has been one dimensional once you purchased the game that was it. No new maps, new weapons etc. Thanks to the internet, games are constantly being updated to appease the fans. This has made games like Fortnite brands in their own right. Partnerships have developed such as Fortnite doing skins for NFL and Avengers. These new updates also give vloggers more content to vlog about making it more engaging with their fans.

Celebrity Investments

- **Stephen Curry** 3 NBA Championships part of a \$37 million fund for Team SoloMid
- **Steve Aoki** invested in Team Rogue. Overwatch team won the ESL Atlantic Showdown
- **Mark Cuban and Ashton Kutcher** invested in Unikrn an eSports cryptocurrency backed betting platform
- **Magic Johnson and Michael Jordan** lead a group of investors that put \$26 million into aXiomatic who have a controlling stake in Team Liquid
- **Puff Daddy** joined a group of investors that provided \$30.5 million in funding to PlayVS



E-Sports Today



Fun Fact

League of Legends Grand Final in 2018 amassed almost 100 million viewers similar level to the NFL Super Bowl

Impact on Property

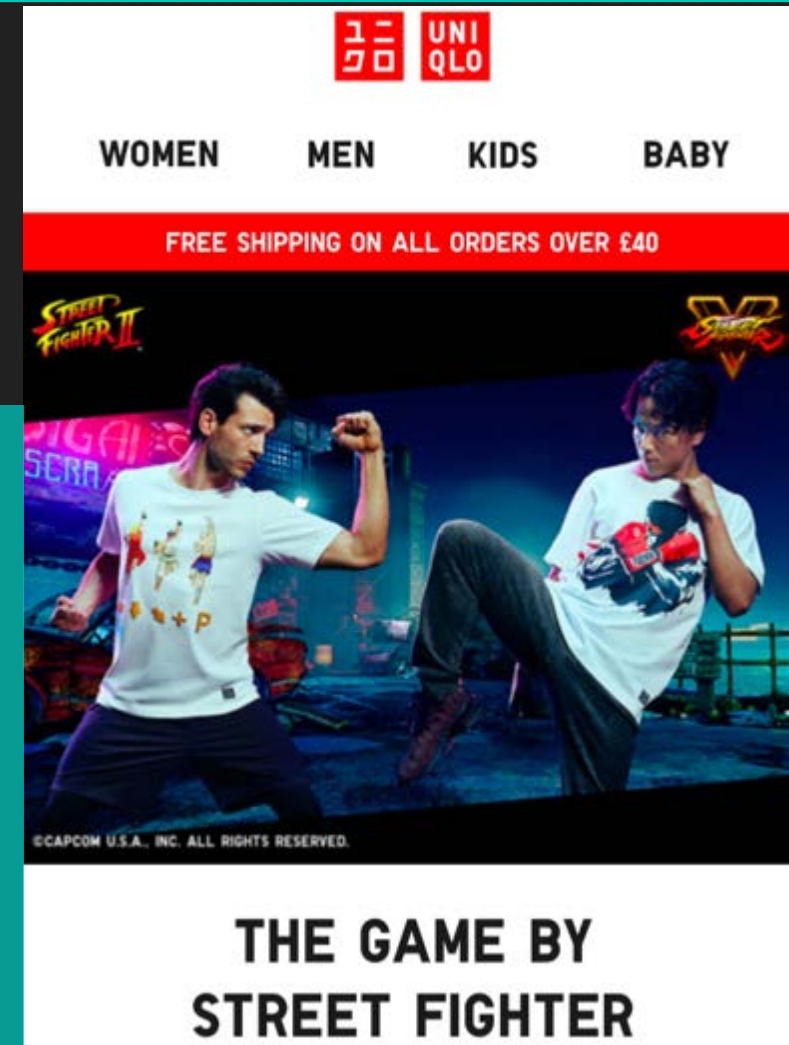
- E-sports tournaments are happening throughout the UK. They are typically held in stadiums or exhibition halls. We have recently seen Westfield plan on opening a new exhibition venue in White City by the end of 2019. There is no reason why this cant hold gaming conference and eSports tournaments as these events are bring more people together.
- Dilution of retail. We all have seen the struggles on the high street and landlords have converted retail to restaurants as a potential space filler but there comes a point when there are too many restaurants. Landlords need to take a holistic approach and find what do consumers want? Gaming is a fast growing sector and an obvious choice as we've seen demand for physical space in which gamers can engage socialise and compete.
- Retailers are venturing into gaming and this should be supported. Vue have partnered up with GFINITY for hosting game tournaments within Vue and Game creating Beyond which is their cyber cafe brand in under utilised space.

Customer First

- Even some retailers are jumping on game bandwagon in doing collaboration with popular games. Uniqlo has recently released collaboration with Street Fighter.

Fun Fact

As soon as next year, 100 million consumers in much of the world will be using augmented reality and virtual reality in a retail context, either online or in store, according to a forecast by research firm Gartner.



AR (Augmented Reality Today)

- Unibail Rodamco Westfield recently partnered up with Pokemon GO to host safari zone events
- You can clearly see how much footfall these events bring and landlords should work with the likes of Pokemon GO to bring these events into their centres or high streets
- Starbucks recently created their own Pokemon GO Frappuccino to entice Pokemon GO players into their stores
- Harry Potter are bring their own version of an AR game called Wizards Unite



Impact of AR on property

Safari Zone Events
Partnership with Unibail
Rodamco centres:

- 1) CentrO, Oberhausen
- 2) Les Quatre Temps, Paris
- 3) La Maquinista, Barcelona
- 4) Fisketorvet, Copenhagen
- 5) Centrum Cerny Most, Prague
- 6) Mall of Scandinavia, Stockholm
- 7) Stadshart Amstelveen, Netherlands



What have Unibail-Rodamco said about their Partnership with Pokemon GO

- *"All these events are transforming Unibail-Rodamco's centres into places to play and have fun. This gamification of centres creates opportunities for people of all ages to gather together around their love for Pokémon".*
- *"The partnership with Pokémon GO reflects Unibail-Rodamco's ambition to offer its customers the best experience possible, in order to make its centres always more engaging and pleasant".*
- *"What makes the partnership with Pokemon GO so unique is its scale. It has involved most of the centres of the Group, making it a truly paneuropean event. In particular, the launch event in February took place simultaneously in 53 centres, with over 100,000 people coming to the event"*
- *"One way of doing it is through virtual and augmented reality, which represents a potential market of \$108 billion by 2021" Source McKinsey. This partnership between Unibail-Rodamco and Niantic, Inc. is the proof that the inclusion of augmented reality within the centres succeeds in attracting new audiences".*

Future of Gaming

- Gaming is here to stay this is not a fad and will continue to get bigger
- Driven by millennials and Gen Z gaming is cross generational and is for everyone
- Its a career, some of the biggest vloggers earn up to 500,000 a month. University are now offering eSports scholarships and there are now talks about eSports being an Olympic sport in 2024
- Landlords should not ignore the rise of gaming and eSports but rather embrace the opportunities they present for business.
- Landlords should seek to promote gaming content by all marketing streams, and host tournaments if you have exhibition space
- By creating a gaming friendly centre this would bring more footfall, it would **attract the right environment** for a gaming concept, which would **subsequently attract certain restaurant groups**
 - Example: Wanyoo is seeking a site in Coventry and now Hai Di Lao (300 worldwide) is looking there as well because their core customers are the same as Wanyoo's
- Landlords should promote gamification of centres
- Although gaming in a brick and mortar context is unrefined this will get better over time

Summary

- By 2020:
 - 250 million people around the world watching esports live or online
 - 495 million fans globally
 - 11 billion hours of esports watched globally
- The eSports industry will be worth \$180.1 billion by 2021
- 73% of eSports viewers are aged 18 to 34
- Brands, including Mercedes-Benz, Moschino and Champion, are engaging with eSports
- Owners and managers of destinations offer the eSports industry:
 - Ready access to eSports consumers with established loyalty and patterns of behaviour
 - A wider offer, such as F&B and retail opportunities
 - Geographical reach (particularly for portfolios)



It is definitely not game over
for retail...

Thank you



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