Integrator Opportunities in the eSports Arena

The newest playing field in sports is a virtual one, and the number of competitors is growing at a tremendous rate.

By Richard Slawsky | Contributing writer, Digital Signage Today
As digital displays and related technology become more and more a part of our everyday lives, some markets for such technology are maturing while others are in their infancy. As such, audiovisual integrators, those who specialize in making the various technologies work together, are constantly on the lookout for new areas in which to provide their services. Along with traditional applications such as messaging platforms in retail stores, digital menu boards in restaurants and informational signage in airports and train stations, new opportunities for integrators are arising on nearly a daily basis.

One such opportunity is in the area of eSports. The growing field offers the potential to provide hardware, software and support services in venues ranging from small gaming complexes to large arenas. And in many cases, integrators can take advantage of those opportunities using what they already have in their inventory.

“Up and coming integration firms are increasingly looking at this because it doesn’t really require any additional investment on their part,” said Todd Heberlein, business development manager with Almo Professional A/V, a distributor of commercial audiovisual technology. “And my experience is that the opportunities are a lot more varied than people think.”
Defining the market

Most of us can picture a teenager shut in their room, engrossed in a video game, with Dad outside the door yelling “You’ll never get a job playing video games!”

On the other hand, Dad might have a different perspective if he’d read a recent Forbes article listing the top-earning gamers in the world today. No. 1 Tyler Blevins, whose specialty is the video game Fortnite, earned $17 million in 2019 via his hand-held game controller, and the top 10 players on the Forbes list raked in a cumulative $120 million.

These gamers, and many more, are making their livings by engaging in eSports, or competitive tournaments of video games. Most professional players are normally paid by their teams or sponsors, typically video game developers, to compete in eSports tournaments around the world, while others make their income from prize money.

And while not everyone is making millions, many are earning a decent living playing their favorite game. The regular salaries of average professional gamers can range from $1,000 to $5,000 a month, whereas the highest-paid players of the game League of Legends can earn up to $15,000 per month apart from the money that they get from prizes.

Although figures vary, one recent market report predicted that global eSports revenues will surpass $1 billion in 2020, with the bulk of that coming from sponsorships and advertising, and the rest from eSports betting, prize pools, tournaments, merchandise and ticket sales. The global audience for eSports is expected to exceed 495 million people, while U.S. viewership is expected to exceed 200 million this year, more than the number of people who watched the Super Bowl.

Colleges around the country are increasingly recognizing eSports as a valid endeavor, and some are offering scholarships to recruit players. The National Association of Collegiate eSports (NACE), a nonprofit membership association for college eSports programs, currently counts more than 200 varsity eSports programs as members, accounting for more than 90 percent of the varsity programs across North America. The National Collegiate Athletic Association (NCAA) has looked into what their role might be when it comes to governing eSports on campus, although so far it has declined to take any action.

And if anyone thinks the COVID-19 outbreak halted the growth of eSports, they’d be wrong. Many leagues simply moved to an online-only format during the pandemic.
Identifying the opportunities

Much like traditional sporting activity, the venues for eSports range from small dedicated spaces in the local bar or video game stores that seat a dozen or so spectators, to college arenas that may hold a few hundred, to dedicated eSports arenas that can seat thousands. eSports teams are also popping up in high schools and middle schools.

Caldwell University in New Jersey, for example, recently unveiled a gaming arena that features two game rooms, 12 240Hz LG gaming monitors, two 43-inch 4K UHD LG commercial displays for coaches and managers to observe the action and four 55-inch 4K UHD digital signage displays in the hallways surrounding the arena. The university also launched a channel on the Twitch streaming service where remote spectators can view the action.

Caldwell also offers a Bachelor of Science degree in eSports Management to prepare students for careers in the industry.

And in Philadelphia the sports and entertainment company Comcast Spectacor is planning a $50 million, 3,500-seat dedicated eSports arena to host the Spectacor-owned professional eSports team the Philadelphia Fusion. The Fusion are members of the 20-team international Overwatch League. Comcast Spectacor, which also owns a number of professional sports teams including the Philadelphia Flyers of the National Hockey League, is a subsidiary of cable giant Comcast.

There’s no word yet on the technology that will outfit the arena, but the 60,000-square-foot space will feature luxury boxes, team offices, a broadcast facility and a player practice area. Although high-powered PCs and gaming systems will be at the center of any eSports arena, that’s just the starting point. There are several key areas of focus for an eSports arena, said
YT Liang, product manager at ATEN Technology, Inc., a global manufacturer of KVM and AV technologies. Those include:

- **Displays** – due to the viewing distance and the need to be able to allow large amounts of people in the arena to view the action, LED displays and laser projectors will be beneficial. OLED displays, video walls and high-resolution 4K and 8K displays of all kinds will be part of the package as well.

- **Content** – To distribute video content (including from the PCs or video consoles showing the games), technologies to consider based on the size of the event and its requirements include:
  - Over IP extenders – from a simple, point-to-point setup to hundreds of endpoints, allowing an arena to easily add more receivers to support more displays in different sizes.
  - A video matrix solution with direct HDMI or HDBaseT connections in between – offers advanced access and real-time control of multiple local and remote AV input devices and displays from a single chassis. Users can independently switch and route video and/or audio content directly to dozens of video sources to the same number of displays.

- **Streaming** – To meet the needs of eSports enthusiasts who cannot make it on-site but want to watch the event live, a multi-channel AV mixer streaming device can help transfer the video to the internet over YouTube or Twitch platforms.

In addition, easy-to-operate control systems, audio equipment, mounting hardware and Wi-Fi and cell signal extension will likely be part of the package.

**Considerations for integrators**

There's a good chance that most if not all of the equipment necessary to outfit an eSports arena is already part of the integrator toolbox. A recent webinar sponsored by Almo Professional A/V titled “Everything You Need to Know to Get Started in the eSports Market” spotlighted integrator considerations in detail.

A few tips discussed in the webinar, though, include:

- Getting in on the project early can make the process much easier. In many cases, the arena will be located in an existing space, so getting in front of any space-related issues will help avoid costly revisions.
- Talk to both gamers and arena designers. Gaming technology changes on a daily basis, and chances are that teenage gamers know nearly as much about the technology as the integrators themselves.
- Plan for scalability. The explosive growth of eSports likely means that it won’t be long before many arenas will need to be expanded. Help the client get the most from their investment (and set the stage for future business) by planning for that growth.
Don’t forget service plans! Keeping eSports technology in top working order can translate into recurring revenue for the integrator.

“Opportunity is knocking and the list of opportunities is long,” said Tim Pickett, founder and president of Chicago-based EncompassAV.

“As these arenas become more and more popular, they will grow in size, and because they are technologically driven places, the potential for installers in the AV world is great,” Pickett said. “Not only will arenas need the initial purchase and installation of equipment, they will need ongoing service and support as well.”

COVID-19 presents eSports with opportunity amidst adversity

While mainstream sports face a hiatus of unknown length, eSports competition has been able to move online and is seeing an uptake in viewership as a result, a burden for networks but a potential boom for advertising. Both sports and eSports have seen their live events shuttered in the wake of the COVID-19 crisis. For sport, this has effectively meant the cessation of all activity. For eSports, however, the possibility exists for solely online play, and that option is increasingly being taken up by tournaments that would otherwise have been postponed or scrapped. The Overwatch League decided mid-March to run scheduled matches purely online. The League of Legends European Championship has followed suit.

Moving online comes with a host of issues to negotiate such as potentially compromised connectivity and the greater risk of cheating. As Avi Bhuian of eSports services company Popdog commented, “…if these were ideal measures, we’d already be playing tournaments online.” But as millions of compulsorily isolated people resorting to Google Hangouts or Zoom to see their friends have discovered, “not ideal” is still many times better than “not at all.” Indeed, the ESL Pro League, the Counter-Strike: Global Offensive competition, another to have moved online, has reported record viewership during the widespread global lockdown. Source: Digital Daily

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