

eSports Venues: from the Background into the Limelight

White Paper Shows the Status Quo and Development Potential of Real Estate Properties Used for eSports

Hamburg, Germany, January 28, 2020. The worldwide esports market is booming, and the audience for esports has been growing constantly for several years. But what is the real estate infrastructure like for these sporting competitions based on computers and video games? Can it keep pace with the rapid sector growth, and what requirements must it fulfil? This was the subject of a study by the sports and entertainment industry team from the planning and consulting company Drees & Sommer SE, with its headquarters in Stuttgart, and the Hamburg-based strategy consulting company CSIGHT in their joint white paper *Esports Venues: Aus dem Keller auf die große Bühne* (in English: 'Esports Venues: from the Background into the Limelight'). One of the central findings is that the quantity and quality of suitable esports venues in Europe, i.e. the arenas and other properties used for esports, is not good enough. The short version of the white paper is available for download under: [White Paper eSports Venues](#)

Full arenas, millions of spectators and considerable prize money: esports has well and truly left its former niche status behind. Like in classical sports, it also has professional contests between different teams. However, instead of a game with a ball on a grass surface, the focus here is on computers and video games.

In their joint white paper, Drees & Sommer and CSIGHT describe the status quo in the esports and gaming markets in Europe, develop the first ever typology of esports events and the necessary venues, and highlight what each type of event needs in such a venue. The report is based on solid analysis, numerous interviews with experts and best-practice examples.

'Our investigation confirmed that in spite of the sustained growth, Europe is still far behind the Asian and US American esports markets in the quality and quantity of suitable properties. But the demand is there, so we consider that the European esports market is highly attractive for future investments in this area,' comments Dr. Nicolas Gaede, the Managing Partner at CSIGHT.

What Must a Home for Electronic Sports Do?

Another finding is that widespread ignorance about esports and esports venues is currently a major challenge. Extensive groundwork and systematic preparation are needed. An important contribution has been made by the experts in this white paper with the development of a typology for esports

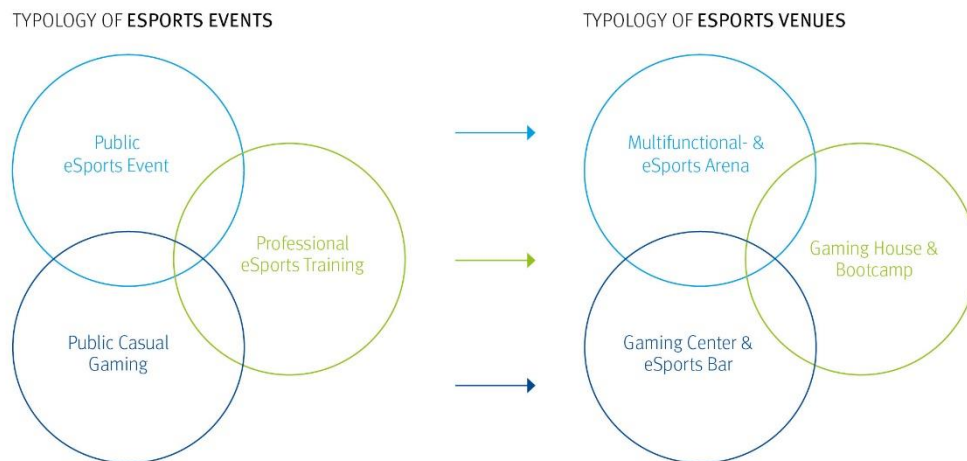
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events and the necessary venues. The result shows that there is not just one market segment for esports real estate, there are three different venue types with different applications.



Depending on the size and requirements of the events, the experts distinguish three types of esports events or venues.

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The first type is *gaming centers and esports bars*, i.e. publicly accessible centers and bars used in particular by casual sports enthusiasts and gamers. In this area, the team of experts especially suggests that throughout Europe there is a lack of facilities with attractive locations in city centers, and a lack of creative usage concepts. The second type of venue is the *gaming houses and bootcamps*, in other words, the facilities which are used mainly by professional and semi-professional gamers for training. In the future, these venues should be made accessible to the public. The venue brand and existing or future partnerships must be presented in an attractive way. However, the main goal is still to create optimum modern training conditions for the athletes. In the third type of venue, the *multi-function and esports arenas* which are used to hold large and small esports events, the experts define different challenges for their future design depending on their size. In existing multi-purpose arenas in Europe, for example, it is especially important to adapt the technical infrastructure to the needs of mega-events, whereas there is a complete lack of smaller mono-functional esports arenas.

One for All? Hybrid Models Give Greater Prospects of Success

The experts in the team agree that hybrid models offer the greatest profitability. They systematically and flexibly combine the different venue types and uses. Tristan Schmedes, the project manager in

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the Sports and Entertainment team at Drees & Sommer, explains what is important in this process: 'Anyone who plans and builds real estate must always place the main focus on the later users. This applies in the same way to esports, and this need is still often underestimated. To be successful in designing appropriate locations for different forms of esports, we must not only know the esports sector and its current market developments and user needs, we must also have solid expertise in designing and implementing complex real estate projects.'

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CSIGHT

CSIGHT is a strategic business consulting company in the sports and entertainment business with a focus on innovation and growth topics such as esports, smart stadiums, virtual advertising, investor advice, target group-specific marketing concepts and strategic sponsorship planning. Consulting is always independent and customer-oriented, based on genuine insights gathered through many years of practical senior management experience in the international sports business. The consultancy approach taken by CSIGHT aims to implement the project goals of its partners in an economically efficient way in order to achieve a sustainable competitive advantage.

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