

Gfinity eSports

Leveraging traditional and digital platforms for esports

Gfinity eSports Australia was created in late 2017 after Australian listed media company HT&E Ltd acquired the rights for Australia from UK founder Gfinity eSports. The agreement was the first licence of the Gfinity Elite Series format and technology to a region outside the UK. The Elite series combines live-streaming online and TV broadcasting to get the broadest possible reach for the gaming competition. Since launch in the UK in July 2017, Elite has reached more than 15m people worldwide through its earned media channels with 300% week on week growth in esports fans engaging with the content.

Background

Gfinity eSports was launched in late 2017 in Australia after ASX-listed media company HT&E licensed the format from UK-based Gfinity eSports. Gfinity eSports UK launched in July 2017, partnering with broadcasters BBC, BT Sport and Eleven Sport for the series, and successfully attracted 2.7m fans and reached over 15m people worldwide.

The business

Gfinity Australia has launched two series: Elite and Challenger.

The Gfinity Australia Elite Series brings together Australia's best players as six city-based teams, two each from Sydney and Melbourne and one each from Brisbane and Perth, to battle it out over 7-weeks of live competition at the Gfinity Australia Arena at the Hoyts Entertainment Quarter at Sydney's Moore Park. The teams compete across multiple game titles including Pro Counter-Strike: Global Offensive, Street Fighter V and Rocket League. These teams will compete to determine which team, and which city, will be Gfinity Australia's ultimate Champions. The series has attracted several sponsors including Alienware and Logitech and also generates income from ticket sales from fans attending the events.

Challenger, which is sponsored by Dell Gaming, is designed for amateurs with ambitions to join the Elite series and is a way of Gfinity engaging more deeply with its audiences.

The Australian series is also broadcasted live on free-to-air television through Ten's ONE channel.

The market

There are more gaming and esports viewers than there are for traditional sports. The gaming audience is estimated by NewZoo to be 2.2bn with digital gaming and esports generating an estimated US\$109b in CY17. Around half of this, US\$51.2b was generated in the APAC market and US\$1.2b from Australia and New Zealand.

Share details

Gfinity eSports Australia is owned by Gfinity eSports and HT&E Ltd (HT8.ASX)

Size of market

NewZoo is forecasting that the digital gaming market will grow at a CAGR of 6.2% to US\$129B by 2020, having grown at a CAGR of ~10% from 2012 to 2017.

Upside Case

- Business model proven in the UK
- Backed by well-established media players
- Opportunity to piggyback off its UK parent's strong ties to major games publishers, Microsoft and Activision Blizzard

Downside Case

- Australia represents less than 1% of the global digital gaming and esports markets
- Millennials and younger audiences are fickle and switch games frequently

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