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EFFECT OF ESPORTS AND FUTURE DEVELOPMENT OF ESPORTS

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ABSTRACT

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The idea for this Bachelor's thesis came from the author's own interest and knowledge in esports, supported by the current ongoing growth of esports. The goal of the thesis was to find out in which ways esports has effected game development, marketing and hardware development, analyze how it will affect it in the future and also to generally look at the current state of esports and analyze its future potential growth and development. The timescale used for the analysis for the future in this thesis is between 5-10 years.

This thesis can be used by people wanting to learn general things about esports, people wanting to know how esports affects the things in our world and so on. It can also be used as material when studying the future of esports.

Keywords: marketing, video games, hardware

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GLOSSARY

Buff: Increasing the strenght/power of a character or an in-game item

ESL: Electronic Sports League, an organization that host esports tournaments and events

FPS: First Person Shooter

Gamebattles: A platform used to play Call of Duty competitively for an example

IEM: Intel Extreme Masters, esports tournament

MLG: Major League Gaming, an organization that specialized in competitive gaming

MOBA: Multiplayer Online Battle Arena

Nerf: Weakening the strenght/power of a character or an in-game item

RNG: Random number generator, used in games to create a feeling of randomness for an example in loot drops

Twitch.tv: Platform where people livestream themselves gaming and where most of the esports tournaments are shown

1 INTRODUCTION

The beginning of esports goes back to the year 1972 when the first ever known video game competition was held at Stanford University for the game Spacewar. The prize for the competition was a one-year subscription to Rolling Stone. (Paradise 2018, cited 30.11.2018.) In 1988 a game called Netrek was an internet game for up to 16 players. It was the third internet game, but later in 1993 it got credited as the first online sports game by Wired (Kelly 1993, cited 30.11.2018). Nowadays South Korea is thought to be the biggest esports country in the world. The massive growth of esports in South Korea is thought to be result of the mass building of broadband internet networks after the Asian financial crisis in 1997. Also influencing the growth of esports in South Korea is the prevalence of Komany-style internet cafe also known as a PC bang. The Korean e-Sports association was founded in 2000 to promote and regulate esports in the country. (Mozur 2014, cited 30.11.2018.)

The focus of this thesis is on electronic sports and looking into the effects esports has in hardware development, game development through game cases, effect on marketing and the future development of esports. Also this thesis will take a brief look at the state of esports in Finland. The popularity of esports has been rising in the recent years which is causing major companies to start funding esports organizations and tournament organizers. Many see that there is huge potential in esports business wise. This has caused many game developers to do drastic changes in certain games to shift them into a more competitive model to attract the esports audience. Big brands are also investing more than ever to get sponsorships with esports athletes, as this can help bring potential new customers. Esports has also had an effect on the microtransactions that can be seen in video games nowadays. This thesis includes information used from articles related to the topics, some graphs and general discussion and analysis of esports. Game cases were selected to show-case how esports possibly affects game development.

E-sports is the compound word from “Electronic” and “Sports” and is a general term to describe a competitive sport performed by using IT & Communication technologies such as PC, Display Equipment, Network and other electronic devices. (International e-Sports Federation 2018, cited 30.11.2018.) Whether video games can be labeled as esports has caused controversy in the recent years. Many people have the idea that since playing video games generally does not include physical exercise they can not be labeled as actual sports. Others think that sports is an different entity

from exercise and it is more focused on competing. Some think that careful planning, precise timing and skillful execution is what defines an activity as sport. Some experts have been claiming that esports would be overtaking NHL in revenue, but although esports has been growing fast, the overall revenue is still only about half of that of the NHL. (Burns 2014, cited 16.1.2019.) Ivo Van Hilvoorde and Niek Pot think that there are good arguments for esports to be considered as real sports. Although they think that the skills that can be learned in esports are good and conceptual, they think for now these skills should not be taught at schools on PE classes. Main arguments for not including esports in PE are to do with elements of embodied interaction and the visibility of movement behavior. (Hilvoorde 2016, cited 16.1.2019.)

Olympic games have been seen as one possible way to further establish esports as regular sports. The IOC (international olympic committee) has acknowledged the growing popularity of esports and have recognized that the sporting activity and the time the players use to prepare and train with such intensity that could be comparable to athletes in traditional sports. They did state however if esports were to be seen at the Olympics the games used had to be fitting with rules and regulations of the Olympic movement, which most likely means that one of the most popular esports games, Counter-Strike, would probably not be allowed to be played, due to the nature of the game, which is focused on trying to eliminate other players with guns. (Grohmann 2017, cited 16.1.2019.)

2 EFFECT OF ESPORTS

2.1 In video game development

The huge viewership numbers that League of Legends world championship finals raked in has caused game developers even from different genres to take more interest in esports, as there is a lot of potential money to make. (Escharts, 2018, cited 9.5.2019.) Most esports games are multiplayer games which is causing even singleplayer games to incorporate multiplayer modes in their games, a good example would be the Uncharted game series which is obviously heavily focused on singleplayer storyline and cinematic action. But now the multiplayer mode is getting more attention and resources than before, as many times a succesful multiplayer mode creates longevity for a game, and creates a possibility of a new esports title to be born. There has been minor esports tournaments held for Uncharted, but it never really took off as a major esports, mostly due to the fact that the games playerbase is not interested in competing, but instead enjoying a gaming experience more like a movie.

In the biggest esports game in the world right now, League of Legends, there are various different characters with different skillsets and strengths and weaknesses. The growth of esports has caused the developers of the game to release balance patches in short time periods, around 2-4 weeks maximum. This is used to keep the game fresh but also to keep the game competitively balanced so that there would not be a certain character who is massively overpowered who would need to be picked or banned unless you wanted to lose the match. League of Legends is not the only game that follows this kind of balance patch cycle. Even most shooters have these balance cycles, to balance the guns to try and make them all equally powerful. This has caused issues with some of the more casual playerbase especially in games like Call of Duty, due to the fact that many feel that the game feels more repetitive and boring because all the guns feel the same. This is why the developers are working ever so hard on trying to make the guns equal in power but also different enough so that the gameplay would not get repetitive. This is why developers are creating various stats for the guns. With a certain gun class you can move faster but you are unable to shoot long ranges, certain classes have high damage but low firerate and mobility. Getting these kind of things right are a key factor in making a competitive game not only balanced for competitive play but also interesting enough to play for the casual playerbase which is the majority of the audience.

Even singleplayer games have caught into the balance patches that used to be mainly a thing for esports titles. Singleplayer games are not doing these patches for competitive reasons, but more to possibly make certain levels easier or harder depending on the playerbases feedback. These patches have been popularized by esports titles and made possible by internet content delivery systems. (Solomon 2017, cited 2.12.2018.)

2.2 In marketing

The growth of esports has attracted plenty of new investors into it and some of them are some seriously big brands. Even the prize pools for esports competitions are huge as the largest prize pool for a single esports tournament was from the Dota 2 international 2017, where the prize pool was more than 24 million dollars (Simone 2018, cited 2.12.2018). Fortnite has since taken then throne of the highest prize pool with its 100 million prize pool for the entirety of the 2017-2018 competitive season. This is not the prize pool for a single competition however, but it is spread out between various smaller and bigger competitions. (Thier 2018, cited 2.12.2018.)

Intel has been sponsoring IEM along with ESL ever since 2006. IEM is the longest running esports tournament in existence. Coca-Cola has gotten into the esports world as well with them sponsoring the League of Legends World Championships, which is one of the largest if not the largest esports competition currently. Coca-Cola took it even further with Riot Games as they partnered with some cinemas to host over 200 simultaneous viewing parties for the 2016 League of Legends World Championships in the United States, Canada and Europe. Comcast Xfinity is sponsoring both ESL and also esports team Evil Geniuses which is competing at the highest levels in various titles. Lots of different energy drink companies are known to be in the esports and gaming world as gamers are one of the biggest consumers for energy drinks. Namely Red Bull has been sponsoring tournaments for Starcraft 2 and also Dota 2. Red Bull also sponsors various other competitions and teams such as Tempo Storm. Mountain Dew is sponsoring several different esports teams and it has started its own Mountain Dew League which is made to help the amateur teams to try and make it to the pro level. Lastly on the list is Mobil 1 which is sponsoring Rocket League Championship Series. Rocket League is a game where two teams of three remote-controlled cars play football. (Meola 2018, cited 2.12.2018.)

2.3 In hardware development

As many people already know, there are already keyboards, mice, mouse pads, headsets and so on being made for specifically gaming usage. Wireless mice are becoming more common and the people making the gear are trying to make the future mice lighter, as many believe a lighter mouse is better for playing FPS games for an example. A good example of a company that tries to make the lightest mice possible is Finalmouse. One of their most recent mice only weighs 58 grams. This is an extremely low weight for a mouse, and they are trying to push for even lower weights. But mice are not the only thing that are getting changes in their development due to gaming and esports. Even more keyboards with different kinds of mechanical switches are being made all the time. There are switches that are lighter to press, some that are a bit tougher to press fully and some that differ in their loudness. Mechanical keyboard switch types are mostly a matter of preference but the MX Cherry Red switches are the most optimal ones for most. This is because MX Cherry Red switches are linear, and they are even marketed as gaming switches, due to the fact the light weighting allows for rapid actuation. (Judd, 2012, cited 9.5.2019). Huge mousepads are also very common nowadays, especially for players who play FPS games, as it usually is beneficial to have low sensitivity for maximal precision, it also makes you have to be able to move your mouse around more. Good headsets are particularly important in FPS games as well, to be able to hear where are all the sounds coming from, as sound plays a big part in many of the most competitive shooter games. Even if all the things mentioned are important to perform at your best, most pros think that a mouse that you are comfortable and used to using is the most important tool to have. Despite all this, the pros think that the higher-end products are not worth it if you are looking to break your way in to the scene, as some of the features are just unnecessary for competitive gaming. (ESPN 2016, cited 6.4.2019.)

Other side of the hardware is the specs of the computer, things like the graphics cards, RAM, CPU processors and so on. These also play a big role in esports, as you want to have the best performance possible from your computer, so that you can reach the highest frames per second possible. Having high frames per second is very important in FPS games, as it makes the game smoother and movements more accurate, also you gain a slight advantage as your screen refreshes more often when you have 144 frames per second opposed to 60 frames per second, meaning you will be getting more information on your screen. To benefit from having high frames you need a monitor that has a refresh rate similar to the frames per second your game is running at. If your game runs at 144 frames, you will need a 144hz monitor to get full advantage. Monitors come in different

refresh rates such as 60hz, 75hz, 120hz, 144hz and 240hz. The most commonly used ones in esports are 144hz and 240hz monitors.

Esports has been driving PC hardware sales up a lot in the recent years. The graph below expects that PC hardware sales that are influenced by esports would reach over 2,2 billion US dollars in annual sales by 2020 (Figure 1, cited 7.4.2019).

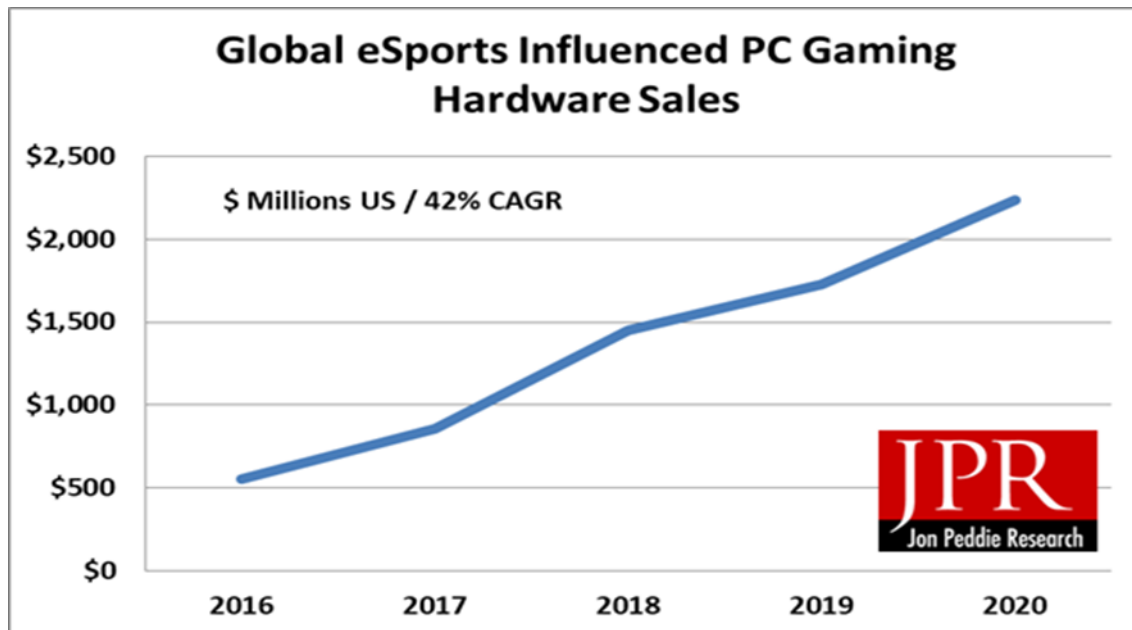


Figure 1. eSport PC Gaming Hardware Market (Jon Peddie Research 2017)

Esports keeps bringing new customers to the PC hardware market, which keeps driving these numbers up. When a customer first purchases their first system and equipment the price is often over a thousand dollars. And because hardware is being marketed with team sponsorships even more already existing players are upgrading and rebuilding their system from time to time. Add in to the basic system specs the gaming monitors, mice, keyboards and headsets that most users upgrade due to different reasons over the years, the PC hardware market just keeps growing and growing. (Jon Peddie Research 2017, cited 7.4.2018.)

3 GAME CASES

These game cases chosen include some games that are currently very popular. Even though Call of Duty's addition can be controversial due to the fact that it is not as popular as an esports, it is the most popular console esports, which is why I wanted to add it to the mix. League of Legends and Counter-Strike are obvious inclusions due to their popularity and success as an esports globally. Overwatch was added because it was pretty much the first esports to introduce a franchised league similar to NHL and NBA. Rainbow Six Siege was added because of its steady rise of popularity as an esports. About Playerunknown's Battlegrounds, or PUBG, I chose to add it as the only one out of the Battle Royale games due to a couple of reasons. Although Fortnite is currently the more popular game overall, PUBG's implementation of esports is arguably the best one out of every other Battle Royale game, as will be discussed in the game case.

3.1 Call of Duty

Call of Duty is a first person shooter game, mainly being played on consoles, but still being popular on PC. General game modes in Call of Duty include classic 6 on 6 team deathmatches, where players fight to get the most kills. Other modes include capture areas that the teams contest, while fighting each others off. Most game modes in Call of Duty have respawns, which means that even if a player gets killed, they get to come back.

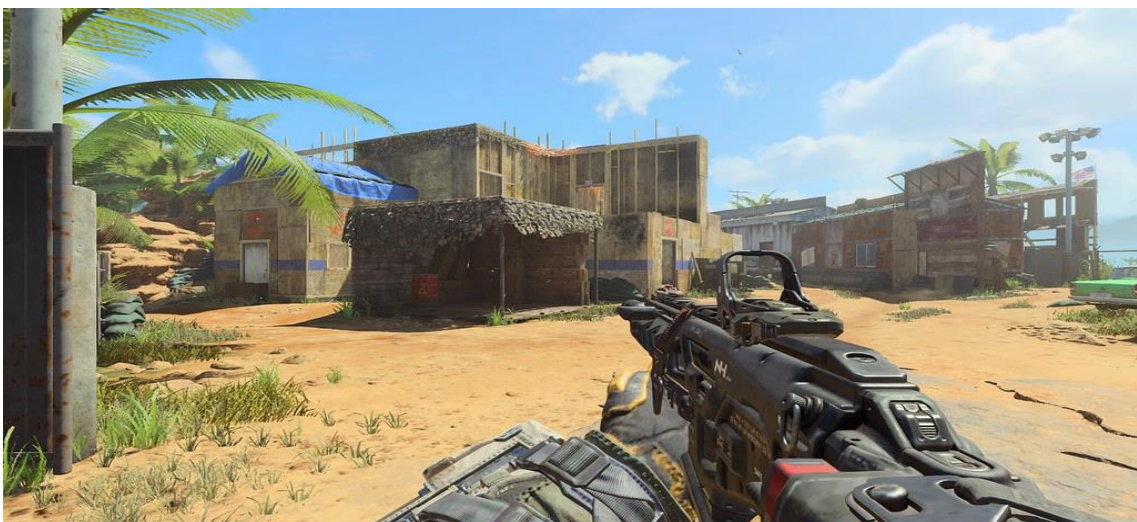


Figure 2. Image from Call of Duty Black Ops 4

Call of Duty started going on a downfall after the release of Modern Warfare 3 in the year 2011. It did sell the most copies of any Call of Duty game ever, but many people started to lose their interest in the series when the titles remained similar to the past ones. The true downfall came after Black Ops 2, with Call of Duty Ghosts, which got bad reception from the community. The game lacked innovation and to many people it felt like another Modern Warfare 3 copy being sold to them with a different name. The single-player campaign was one of the worst ones in the series so far which did not help. Afterwards came the "Advanced movement" era with Advanced Warfare. Advanced movement basically means that the character has something similar to a jetpack that allows the player jump really high in the air. The general consensus was that this movement style just was not suitable for Call of Duty. (Pajaz, 2019, cited 9.5.2019). The two following years Black Ops 3 and Infinite Warfare were released. Black Ops 3 got an somewhat good reception by the critics and many felt it would have been one of the best games in the franchise without advanced movement. (Metacritic, 2015, Cited 9.5.2019.) Infinite Warfare did not really even have a chance to prove itself, since people were tired of the advanced movement so the game kind of crashed and burned already when the first youtube trailer released. After that came WW2 which went back to classic movement and world war 2 era. At first people loved it but in the end the game got repetitive.

Come to today, we have Black Ops 4 which initially was received well by the critics but more recently people have been wanting more updates to the game. (Metacritic, 2018, Cited 9.5.2019.) It introduced the first Battle Royale experience in Call of Duty, Blackout. Especially on PC, this is the go to mode for many players and it brought players outside of the usual Call of Duty playerbase to the game. The game is slightly futuristic with classic movement, and it is using a similar specialist character system that originated from Black Ops 3.

There has been a competitive Call of Duty Scene ever since the days of Call of Duty 4 Modern warfare. It just wasn't very popular and easily accessible as esports nowadays are. Players who wanted to compete with others organized "Gamebattles" These were usually 2v2, 3v3 and 1v1s. These gamebattles are still organized and there is a ladder online where people can compete. Even still gamebattles are not very popular within the average playerbase, which is hindering the growth of Call of Duty as an esports. Black ops 2 and Black ops 3 and WW2 had an in-built arena game mode which was Call of Duty with esports rules, but it has not been reintroduced in Black Ops 4, at least yet. Having a competitive mode built in the game definitely helps grow the playerbase, but mostly people still prefer to play public games, possibly due to the fact that Call of Duty is not considered as an esports game for many, but more as a more casual shooter where you can have

fun by trying to best your enemies. As of now, the developers have a long way to go if they truly want to pursue Call of Duty as an big esport.

3.2 League of Legends

League of Legends is a MOBA which is developed and published by Riot Games. The platforms for the game are Microsoft Windows and macOS. The game was released in 2009 and it has been growing year after year. The general idea of the game is two teams of five players battle to destroy the enemy base, also known as Nexus. Each of the teams have unique characters from a big character pool of over 140 different characters. Usually players fill different roles and pick their characters most suitable for the role given. The game's popularity has grown both in esports viewership but also the amount of playerbase has been growing. This has caused Riot Games to release different kinds of League of Legends related merchandise. League of Legends esports has evolved massively over the years. The competition started with different major and minor tournaments and the first season of competition ended in the summer of 2011 for Fnatic winning the first ever League of Legends World Championship. The second season of League of Legends followed the same suit with Taipei Assassins winning the 2nd world championship. After season 2 Riot Games announced the LCS which is the League of Legends Championship series. This was the start of League of Legends competitions as we know it now, with seasons consisting of summer and spring splits and the best teams of LCS qualifying for the World Championships. Many consider the season 3 worlds the first actual world championships. Through the years other regions were taken into the western LCS format and more events were held yearly with the seasons finishing with the Worlds (TheScore 2017, cited 7.12.2018).

League of Legends is one of the first games to create constant update cycles to create balance patches. These balance patches help keep the game fresh and balanced but also some times makes various characters too strong or too weak by buffing and nerfing them. Other game companies seeing the opportunity with balance patches have followed Riot Games who have in the recent years started implementing more and more frequent balance patches. However, certain pro players are not big fans of this as it is causing the game to be constantly evolving which in turn leads to more stress and more time spent into practising and this can have a negative effect on the games

overall popularity since the pro players have less time to promote the game for an example by streaming to a big audience.

Furthermore, the growth of popularity in esports is causing Riot to do balance changes to characters which are possibly very powerful in professional play, but very weak in casual play. This is another problem that is created mainly by esports and it is truly a tough one for the developers to handle as the ideal goal is to make the game as similar for the casual player as it is for the professional players so the casual player has the ability to relate more to the games being broadcasted. (Peng 2018, cited 7.12.2018.) Right now League of Legends esports is more popular than it has ever been and Riot Games has started to do NHL/NBA type of franchising for the main leagues.

3.3 Counter-Strike

Counter-Strike is an FPS game developed by Valve Corporation. Its initial release in 1999 was as a Half-Life modification by Minh Le and Jess Cliffe. The game has got several remakes and ports. Commonly the first Counter-Strike is referred to as Counter-Strike 1.6. After 1.6 Condition Zero was released in 2004 but it got mixed reviews and Source was released quickly after it (Metacritic 2018, cited 10.12.2018). After Source, Valve released Counter-Strike Global Offensive in 2012, which is currently the main game in the esports scene. Valve is sponsoring competitions for Global Offensive, but other organizers are also organizing tournaments for it. Many of the tournaments give the viewers a chance to get in-game loot by participating in the broadcast. This is one of the more recent ways of gathering more and more viewers which is being adopted by many different companies already.

Esports has not changed the development of Global Offensive in a big way, since Counter-Strike has always been known to be a game that requires high skill and communication, which are two major things in all esports. Mostly Global Offensive has got more microtransactions related to esports teams due to the popularity of esports in an attempt to make more profits both for the teams and Valve. The betting on Counter-Strike esports matches is becoming more and more common and fans are also gambling for in-game items on websites, which have had sort of a bad reputation due to an incident where certain streamers rigged the system to false advertise for their viewers.

However, this behavior only damaged the reputation of these streamers more than the Counter-Strike casinos. (Leslie 2018, cited 10.12.2018.)

3.4 Overwatch

Overwatch is an FPS game developed and published by Blizzard Entertainment. It was released back in May 2016. The game is often described as a hero shooter, as it has a combination of elements from Counter-Strike and League of Legends. The core gameplay is simple first person shooter gameplay with different objective game modes. But the game gets more complex due to the various different playable characters with different abilities, like in League of Legends. Teams consist of 6 players, with each player dedicated to certain roles for the match. There are a lot of different kind of team compositions available for the players, but where the game stands now, there is always one sort of superior team composition. Overwatch is one of the latest esports titles and it has had a big influence on other esports titles as well. Overwatch has always been heavily reliant on teamwork, so much so that the efforts of the individual player are often considered meaningless unless the team works seamlessly together. In the recent months and with new character releases, this consensus of team composition and teamwork has grown more and more important. This is good for the esports scene as the games are more strategic, but when you play in an environment where there isn't much coordination, communication and teamwork, the game can get very tedious to play. This is the kind of effect esports has on many games, as League of Legends has been having a similar problem.

Overwatch esports did not start off massively popular, considering the games huge playerbase, the viewership for esports matches were relatively low. (Escharts, 2016, Cited 9.5.2019). But, Blizzard announced Overwatch League, which is basically a franchised league like NHL or NBA for Overwatch. The first regular season saw play from the start of January 2018 to June 2018, with London Spitfire winning the first season title. There have been confirmed 8 expansion teams for season 2. Overwatch League has been huge for the popularity of esports overall, as it has attracted a lot of people even from the older generations, since Blizzard has done a great work with the spectator tool and made the characters wear the outfits of the team in game, which has helped fans of classic sports to become fans of esports. With Riot Games also having their first franchised league in North America in 2018 and also having a franchised league in Europe for the next year, even more fans of classic sports will be taking interest in esports due to the easier to follow format and also the

more familiar format for them. Big reason also to why Overwatch League is so popular is because the teams are based in cities. For an example there is London Spitfire, Florida Mayhem, Dallas Fuel and so on. It is easier to start following a scene when there is a team in your hometown that you can support. The total prize pool for the first season of Overwatch League was 3,5 million dollars.

Even though Overwatch is one of the bigger esports titles nowadays, Blizzard has said that their original design goals did not include making Overwatch a successful esports game, but to only support the competitive community. This was because of Blizzard wanting to let the playerbase feel the game first and sort of let the esports scene build itself before giving more support for esports side of the game. (Lahti 2015, cited 8.1.2019.)

The problems Overwatch esports had at the beginning of its life-cycle were mostly due to the fact that it was very difficult to spectate for someone not 100% invested in the game itself. Especially the spectator system was lackluster and required major overhauls at the beginning (Dorresteiin 2016, cited 8.1.2019).

3.5 Playerunknown's Battlegrounds

Playerunknown's Battlegrounds, also known as PUBG, is a Battle Royale game. In Battle Royale, 64 – 100 players drop together on a map, and fight for survival. All the gear like weapons, medication, armor and so on will need to be scavenged around the map. The players keep getting pushed closer and closer together, as the play area shrinks smaller and smaller. Battle Royale as a genre has recently been a very popular trend, and PUBG was the game that truly started the uprise of Battle Royale.

Many find Battle Royale games to be very controversial as an esport, since there are a lot of elements with RNG within the games. But PUBG has modified the settings of the game for the competitive games so that RNG is minimal and very rarely has a real effect on how the game goes. Reduced player counts, increased loot tables and modified play areas make the game faster, and also less RNG for the teams playing. Competitive PUBG is mostly played in an environment where

16 teams of 4 players fight together for the win. Teams get points for kills, and also for high placements. As of the current rulesets, kills make up about 60% of the top teams points, while placement points make up the rest of the points. (Pubgesports, 2019, Cited 9.5.2019.) Why PUBG is in my opinion the most successful Battle Royale as an esports is a combination of the things mentioned earlier. Point system rewards combat, so the early phases of the game are not as boring as they can be in other Battle Royale games. Also because kills are more valuable than placement points overall, people will try to actively seek enemies to shoot at instead of just hiding and waiting for the end of the game, which also makes the game more interesting to watch. Add to this the improved settings to minimize RNG, and you have a really solid esports experience. Fortnite is also making progress with their esports scene, but right now most of their attention is coming from the massive prize pool. The overall style of the game being more hectic than PUBG, settings and point systems also make it not as pleasant to watch as PUBG is, at least right now. The situation could change in the future, since Epic Games has a lot of money to fund the Fortnite esports scene, so we will have to wait and see.

Obviously PUBG still has some ways to go to become a massive esports like League of Legends and Counter-Strike, but it is slowly getting there with continuously improving observing, casting and hype being made by different kinds of plays and in-game drops and items you can get by watching and also buy from the in-game store to support the players.

3.6 Rainbow Six Siege

Rainbow Six Siege is a shooter game made by Ubisoft. It is played in a similar terrorist vs counter-terrorist simulation as Counter-Strike is. The main thing the two games differ in is the fact that in Siege you have a roster of different characters with various gadgets, with each having their own unique gadget. At the start of the games life-cycle, esports wasn't exactly a big thing and it has recently started growing into a major esports. In esports games, the players are able to ban certain characters to prevent either team from picking that character. Also the characters are released in the latest patch will be banned for 3 months to prevent any characters that are too strong to be played, as this could sway the balance of the game massively. The major reasons for the growth of the game as an esports are general improvements to the game, increased prize pools and more regions being able to participate in the competition (Martinello 2018, cited 7.4.2019).

With Ubisoft adding esports team items in the in-game store that you can purchase with real money, that give part of the proceedings to the teams competing, it is a great way to keep organizations aboard with their game, making it viable financially for organizations to keep a team in the scene. These things combined with the fact that the spectator UI has been made significantly better for the viewers keep giving the game more of a chance to keep growing and becoming the esports Ubisoft wants to see it become (Lawrence 2018, cited 7.4.2019). The developers of the game truly see how important esports is for the general growth of the game, which is making them keep working on the esports scene and the game to perfect it not only to the competitive audience, but for everyone involved with the game. Ubisoft are planning to invest more in local events and to make more online tournaments to keep players engaged and interested in playing (Lyons 2019, cited 7.4.2019).

4 THE FUTURE OF ESPORTS

The upcoming years will definitely be exciting for esports, since we do not really know where the future of esports is heading. At the moment things are looking good for esports as it is starting to hit more and more mainstream media outlets and also people of older ages. There is still of course a possibility that the future of esports could possibly not be so good after all, at least for the gaming industry in general. A pessimistic look to the future would probably raise concerns about esports making single-player, story based games die out. With more and more people just hopping into the most popular games like League of Legends, Dota, Overwatch and Counter-Strike, people are giving less attention to new releases in the market, like story based single-player games. Right now single-player games are still doing well in the market, but it is clear that multiplayer games generate more revenue. Another cause of concern is that the reputation of esports can be stained if there will be an increase in unsportsmanlike behaviour such as match fixing and cheating. If these kind of things become common, it can very much prevent esports from truly growing into its full potential. (Quintiliano 2018, cited 16.3.2019.)

While the pessimistic outcome is possible, the optimistic outcome would be indicating that esports will keep on growing and in time could surpass classic sports. Because there is money to be made in esports, developers could focus more on keeping players playing their game, despite sales figures for the game/microtransactions plummeting. This is obviously hugely beneficial to the players as their favorite games will be getting more and more polished over time. As is expect with the revenue increasing, there will be obviously also be more events hosted, more leagues and more media rights deals which can bring esports to mainstream broadcasting. (Quintiliano 2018, cited 16.3.2019.) There has also been talks about esports featuring the olympic games, and that could eventually turn out to happen one day. Esports is already included as a medal even in the 2022 Asian Games which is just increasing the pressure to get it into the olympic games (Play2Live 2018, cited 16.3.2019).

The most possible future will be a combination of both the pessimistic and optimistic sides. Cheating issues will certainly appear but punishment for cheating will be harsh to further try to exterminate cheaters from the games. With a growing amount of video game players and people willing to compete having increased motivation, it is highly likely that esports ends up surpassing traditional sports events at some point in the future, at least in terms of viewership and revenue. Esports will

not likely kill off story based games, since the target audiences for esports and story games are different, regardless of the revenue generated. Humans are also highly interested in stories as we already know from the massive amount of movies and series we watch almost daily, meaning that there will always be a place for story based games as well. The popularity of story based games will certainly fall, but they will still be around for a very long time. (Quintiliano 2018, cited 16.3.2019.) The figure below demonstrates how much esports has generated revenue in various countries and predicts also the possible revenue in the future. As can be seen the United States and South Korea are the gaining the most, with China following. The graph also predicts that the total revenue of these countries in the future could reach 800 million US dollars (Figure 2).

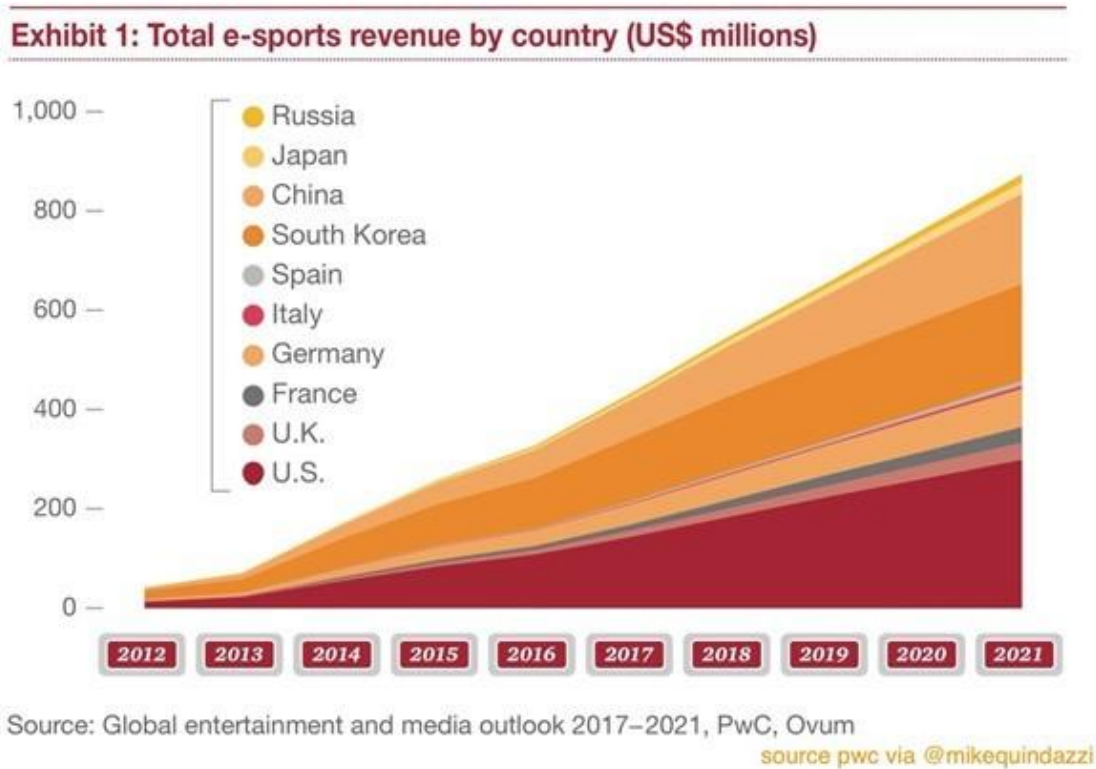


Figure 3. Total esports revenue by country (US\$ millions) (Quintiliano 2018, cited 16.3.2019)

According to Thiago Diniz, the 2008 world champion of Battle for Middle Earth, there are two possible obstacles in the future of esports that the developers could have to face and find a solution to, and they are already happening in certain amounts. Firstly, due to the community as a whole being quite young and somewhat immature, toxicity can be a problem. It already is a problem as it is very difficult for the developers to truly combat this as players are rage quitting, cursing at each other and screaming all kinds of things in voice chat when their teammates are making mistakes. Diniz does not see a definitive solution in the horizon and thinks that it is a thing that can truly have

a negative impact on esports. Another problem that Diniz mentions in the interview is one that affects traditional sports as well, which is gambling. Gambling is very difficult to control and serious problems can arise if the values that are being gambled are too high, as there is always the possibility of the players being manipulated. (Quintiliano 2018, cited 16.3.2019.)

Many schools and universities are already offering degrees, diplomas and scholarships for the business of esports, as well as the design and development of video games as well. Schools in multiple countries already have programs and degrees in esports, so it is not just a thing in the United States. In the future esports will open up more career openings for people, not just as esports professionals, but as casters, event organizers, streaming, game development, marketing. There will be also more IT people needed, as new methods of cheating are created all the time and thus new methods for detecting and preventing cheating have to be made as well. Schools are also offering studies in competitive gaming in general, where the really motivated can go and fully put all of their time in to getting better at their game. More of these opportunities will certainly arise in the future.

There have also been thoughts on whether mobile gaming is the future of esports as there has already been a league made for Clash Royale and Vainglory. The CEO of the esports organization Immortal, Noah Whinston believes that the future of competitive gaming is mobile. This belief comes simply from the potential audience numbers to the games because of the prevalence of mobile devices. 77% of adults in the US own a smartphone these days. (Pewinternet 2018, cited 1.4.2019.) Ability to reach these amounts of people enables mobile games like Clash Royale and Vainglory to have leagues with an opportunity to develop and a large audience and also pull players. Despite these things there are some industry observers who don't believe that mobile ever becomes a big deal. The screen size and control scheme are used as reasons for this. Michael Pachter, the research analyst at Wedbush Securities said, "If you can watch a movie in Imax or on your phone, which one are you going to do? The best experience is always going to be on a large screen. Pachter agrees that mobile games will probably be more played than PC and console games because of the accessibility but he is not confident that it is what people want to watch, claiming that mobile-based strategy games like Clash Royale would be more like curling or chess. (Smith 2018, cited 1.4.2019.)

Looking at all the things discussed above, it is only reasonable to expect esports to keep growing in the upcoming 5-10 years. In my opinion the growth will eventually slow down, but the growth will

still keep going on. To back this up, you can think that naturally more and more people are getting into esports right now, so eventually there will be less people left to get into it. Obviously there are more and more children born every day, but the growth will eventually slow down, but it is not going to stop anytime soon.

Thinking about the future of hardware, as more hardware developers are pushing to make the equipment better and better for gaming, it is expected to be seeing more powerful graphics cards, lighter mice as it is the trend currently, wireless equipment being made more reliable all the time and becoming more common. Another thing that can be listed as hardware, is VR. VR-games could possibly become a bigger thing in the future in esports. Right now ESL is doing a VR League, which has a prize pool of 250 000 US dollars. (ESL, 2019, Cited. 9.5.2019.) The future of VR-games as an esports is very interesting however, because it can really open up a whole new world of competition. Possibly VR-games could even get accepted into the Olympics before regular games, simply due to the fact that some of the VR-games require physical activity by the body. This is purely speculation however, but there is certainly a market for VR-games as an esports, and more VR Leagues similar to ESL VR League will arise in the future, as VR devices become more affordable and more common among people. The main thing holding back VR in general right now is the fact that certain people get motion sickness from using it, expenses, laggy and glitchy graphics and technology in general. (Anderson, 2019, Cited 9.5.2019). However, in time these problems should be fixable, unless of the unfortunate event of it being too little too late, which I doubt.

5 ESPORTS IN FINLAND

Finnish players are all over the esports world, and finns tend to be very good at competing in esports. Most recent examples are ENCE's Counter-Strike team finishing second in the 2019 Katowice Major tournament, ENCE's PUBG team finishing first at the PUBG Europe League and another Finnish team, Winstrike, finishing 4th, meaning that both these teams entered the Major Global tournament played in London between 16.4.2019 – 22.4.2019 (Pubgesports.eu 2019, cited 8.4.2019).

Also Joona "Serral" Sotala winning the Starcraft World Championship in November 2018. This victory made Sotala the first non-korean player to win the title of Starcraft World champion. Sotala plays for the Finnish organization ENCE. (Hartikainen 2018, cited 8.4. 2019.) Esports is growing by the minute in Finland, and people interested in getting into esports can do it relatively easily in Finland, with a lot of different sized organizations in the country. The most known Finnish esports organization is ENCE, which has been very successful in a lot of different games recently. Other known Finnish organizations are HAVU Gaming, Helsinki Reds and Team Gigantti. Team Gigantti has a team competing in Overwatch Contenders. Helsinki Reds is the esports team of the ice hockey team HIFK. There are also smaller organizations that have hopped into esports, like SJK esports, Hercules esports, MJ-Esports and Nyyrikki Esports. Hercules esports has been unique since they host training camps for young esports oriented gamers, where these kids are taught about the game, and also healthy lifestyle while gaming. Hercules esports does not currently have a team competing in any game as they focus on coaching at the moment. Most Finnish organizations are still young and growing, but with the amount of talent within the Finnish esports community, it is only a matter of time until more of these organizations will be getting success globally.

Finland also has SEUL (Suomen Elektronisen Urheilun Liitto) which takes in teams and organizations willing to participate in esports. Event organizers like Lantrek and Assembly are part of it. Also different communities like FEL (Finnish eSports League) and PUBG Finland are part of SEUL as well (SEUL 2019, cited 8.4.2019). Right now especially the PUBG scene in Finland is pretty huge, as there is currently on going the PUBG SuomiLiiga qualifiers for season 2. There will be 16 teams competing for 6 weeks in the league, with a prize pool of over 5000 euros. These games are broadcasted on the ElisaViihdeSport, so there is also a possibility to draw in more people than before.

Overall, Finnish esports is very healthy, and is only growing with more and more organizations getting into it, just like all around the world as well.

6 CONCLUSION

The purpose of the thesis was to find out the effect esports has on game development, marketing and hardware development while also looking at the current state of esports and look into the near future of esports. In the thesis there were also game cases for some of the currently most popular titles, to see if esports has any effect on the game development in these games.

Even more organizations are getting into esports, whether it is through sponsorships, taking a team under their name or any other thing like that. From the game cases we learned that game developers make controversial decisions regarding the competitive aspect of their games, making the games friendlier for beginners and casuals. Also we learned that game developers take popular trends from other games and try to integrate them into their games, trying to make these features better than in other games.

As for what comes to mobile games becoming esports in the future, they certainly are capable of getting the playerbase, but they are most likely not something that a lot of people are interested in spectating. However, mobile games do have the advantage of accessibility over PC and console games, as most people nowadays have a smartphone to play these games with, thus bringing in a wider audience. Another thing is VR, which still lacks technology to truly succeed right now. It is unclear how long it will take for technology to advance for VR to become more common and popular in the gaming community.

The thesis was successful overall, time could have been used better and the work would have been done faster, but the work being successful is most important. This thesis is useful for someone getting into esports, someone wanting to learn about how esports effects various different things and for someone wanting to study and analyze the potential future for esports and game industry in general.

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