



ESPORTS INDUSTRY ASSESSMENT

for the State of Georgia

PREPARED FOR



PREPARED BY



2020

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1. INTRODUCTION

The Georgia Department of Economic Development (GDECD), Centers of Innovation (COI) engaged with the Georgia Tech's Enterprise Innovation Institute (EI²) to conduct an overview of the eSports industry in the state of Georgia. The objective of this study was to (1) define the industry by identifying key support sectors and their respective North American Industry Classification System (NAICS) codes¹, (2) identify key industry players and stakeholders, and (3) understand the industry's size and its dynamics related to other industries.

The assessment process began with a kick-off meeting between the Georgia Tech team and the COI leadership. The purpose of the meeting was to discuss the scope and outline a timeline for the completion of all tasks. Following the kick-off meeting, the Georgia Tech team began the research and data collection process. The team met with key industry stakeholders in an eSports Think Tank meeting and also conducted phone calls and in-person meetings to gather data about events taking place in the state of Georgia, and company specific data, in particular each company's NAICS code. The quantitative and qualitative data collected from communication with key stakeholders are summarized and presented in Sections 2 and 3 of the report. The Conclusion and Appendix are presented in Sections 4 and 5, respectively.

ESports², described as a multiplayer electronic or video game competition organized as a spectator sport, typically involves professional contestants and is watched by viewers online. The industry has now become mainstream and its popularity is reflected in the industry's enormous size and rapid growth pace. According to ESPN Magazine eSports issue, the 2014 League of Legends championship drew an online viewership of 27 million people, more than the NBA Finals (15.5 million), Major League Baseball's World

“THE ECOSYSTEM IN GEORGIA IS ROBUST BECAUSE OF THE STRONG PRESENCE OF ALL KEY ECOSYSTEM PLAYERS”

¹ North American Industry Classification System: <https://www.census.gov/eos/www/naics/>

² Oxford English Dictionary: <https://www.oed.com/view/Entry/62195340?redirectedFrom=esports&>

Series (13.8 million) and the National Hockey League's Stanley Cup Finals (5 million)³.

The ecosystem in Georgia is robust because of the strong presence of all key ecosystem players - developers, teams, competitions and investors/ sponsors. Furthermore, the state has an effective infrastructure to accommodate large audiences of eSports events. It is home to three professional franchised eSports teams - the Atlanta Reign (Overwatch League), Hawks Talon GC (NBA 2K League) and the Atlanta FaZe (Call of Duty League). Also, it is also home to three varsity college teams - the Savannah College of Art and Design (SCAD) team, the Georgia State University (GSU) team and the Georgia Southern University (Georgia Southern) team. The state of Georgia is one of five states in the U.S. with an official high school eSports league. The state has a strong competitive landscape in Georgia – it was ranked in the top ten states for video gaming by the Entertainment Software Association and is home to two highly-ranked game design programs. Yet, the industry in Georgia has not yet established a methodology to quantify the number of jobs and business activity generated by eSports firms. One will be proposed here which requires more fidelity going forward.

GEORGIA'S PROFESSIONAL ESPORTS TEAMS



Atlanta Reign – Overwatch League



Hawks Talon GC – NBA 2K League



Atlanta FaZe – Call of Duty League

³ ESPN Magazine, June 22, 2015.

2. ESPORTS ECOSYSTEM

2.1 ABOUT THE GEORGIA ECOSYSTEM

The eSports industry is quite unique compared to traditional industries in that eSports companies can play multiple roles within the eSports ecosystem. For example, quite frequently game developers and publishers create their own leagues and organize tournaments. To better understand the eSports ecosystem, we breakdown the key industry players and provide a brief description of the role(s) they play in the ecosystem. This is not an exhaustive list of all ecosystem players – it’s just a snapshot of essential players. An ecosystem map is presented in Figure 2.1



Developers and Publishers

Game developers and publishers play an important role in the ecosystem. This industry segment includes game developing studios and publishers create, acquire and distribute new games. Developers own their game’s intellectual property (IP) and they either license their IP to external league organizers or administer their own leagues. The largest game developer in the state of Georgia is Hi Rez Studios. The company is headquartered in Alpharetta, employs 450 people and it also has an in-house production studio. Blue Mammoth Games is another successful game development company located in Alpharetta. The company specializes in online multiplayer games with large player bases.



Streaming Platforms

One of the unique characteristics of the industry is that gaming is not just for people to play. It has become something that people watch in a live audience or online. Streaming is at the epicenter of the industry as platforms can broadcast an event to a vast audience. The tremendous growth of eSports in viewership has been in part due to the use of livestreaming platforms. Twitch and YouTube are two the most prominent streaming platforms for live and/or recorded events in North America. Twitch was founded in 2011 concentrating on video game livestream. The site’s staggering growth and popularity, reaching 55 million users in 2014, resulted in its acquisition by Amazon⁴. YouTube Gaming operates slightly differently by offering on demand service in addition to live streaming. Other popular platforms include Facebook Gaming and Mixer, a platform owned by Microsoft.



Fans

The vast majority of eSports viewership is online. According to Nielsen, more than 80 percent of eSports fans watch online⁵, quite different than traditional sports. Newzoo has reported that a large portion of the eSports audience watch

⁴ <https://www.businessinsider.com/amazon-buys-twitch-2014-8>

⁵ <https://www.goldmansachs.com/insights/pages/infographics/e-sports/report.pdf>

competition for games that they don't even play. Quite interestingly, 71 percent of fans only watch one game⁶.



Players/Teams

ESports players and teams are organized similarly to other professional sports. Teams create their own brand, have uniforms, fans and sponsors. Some of the most successful players continue to achieve celebrity status, travelling the world and getting paid to play video games for a living, quite frequently streaming live for 8-10 hours per day. Currently, there are three professional franchised eSports teams in the state of Georgia - all based in Atlanta: the Atlanta Reign (Overwatch League), Hawks Talon GC (NBA 2K League) and the Atlanta FaZe (Call of Duty League).



Competitions

The ever-changing landscape of the eSports industry adds to its complexity. The increased interest in eSports has resulted in the creation of leagues, tournaments and other industry-related events. There doesn't seem to be a uniform structure for all competitions. Leagues compete in different formats, across different games, each with their own rules of competition. ESports events attracting local, regional and national audiences, are held in regular basis. The Georgia Game Developers Association (GGDA)⁷ publishes a comprehensive list of locally held events. Section 3.3 (Events) some of key larger annual events held in the state of Georgia.



Venues

The availability of different size venues is essential to hosting eSports tournaments and other events. The state of Georgia, and Atlanta in particular, are home to a number of venues that can accommodate different size audiences. One of the state's strengths is that it is home to a number of the venues needed to host large eSports events. In the past few years, eSports events have been held at the Georgia World Congress Center, the Cobb Energy Performing Arts Center, Coca-Cola Roxy and the Georgia State Stadium University Club (in what was formerly Turner Field). *Georgia is one of the three U.S. states to hold a Dreamhack festival, the world's largest digital festival⁸. The other two are California (Anaheim) and Texas (Dallas).*



Investors and Sponsors

The increasing viewership in eSports tournaments has resulted in more investments and sponsorships from companies that see the potential of reaching large audiences. The most active investors, both in terms of number of investments and size of capital invested in eSports, are earlier stage venture capital firms. Many of these funds are sports, media and entertainment focused and some, like **BITKRAFT**, have eSports dedicated funds⁹. As the industry has evolved, the large organizations and franchise sales have attracted capital from celebrities and executives across the sports,

⁶ <https://newzoo.com/solutions/standard/market-forecasts/global-esports-market-report/>

⁷ <https://ggda.org/events/>

⁸ <https://dreamhack.com/anaheim/info/parent/>

⁹ Craig J Hoffman, Venture Partner/Head, Entertainment & Media Tech Group, Shadow Ventures.

media and entertainment industries. The industry has attracted well-known investors, such as Michael Jordan and Sean “Diddy” Combs. Atlanta eSports Ventures, a joint partnership between Cox Enterprises and Province Inc., is known as the largest investor in eSports industry in the state of Georgia¹⁰.

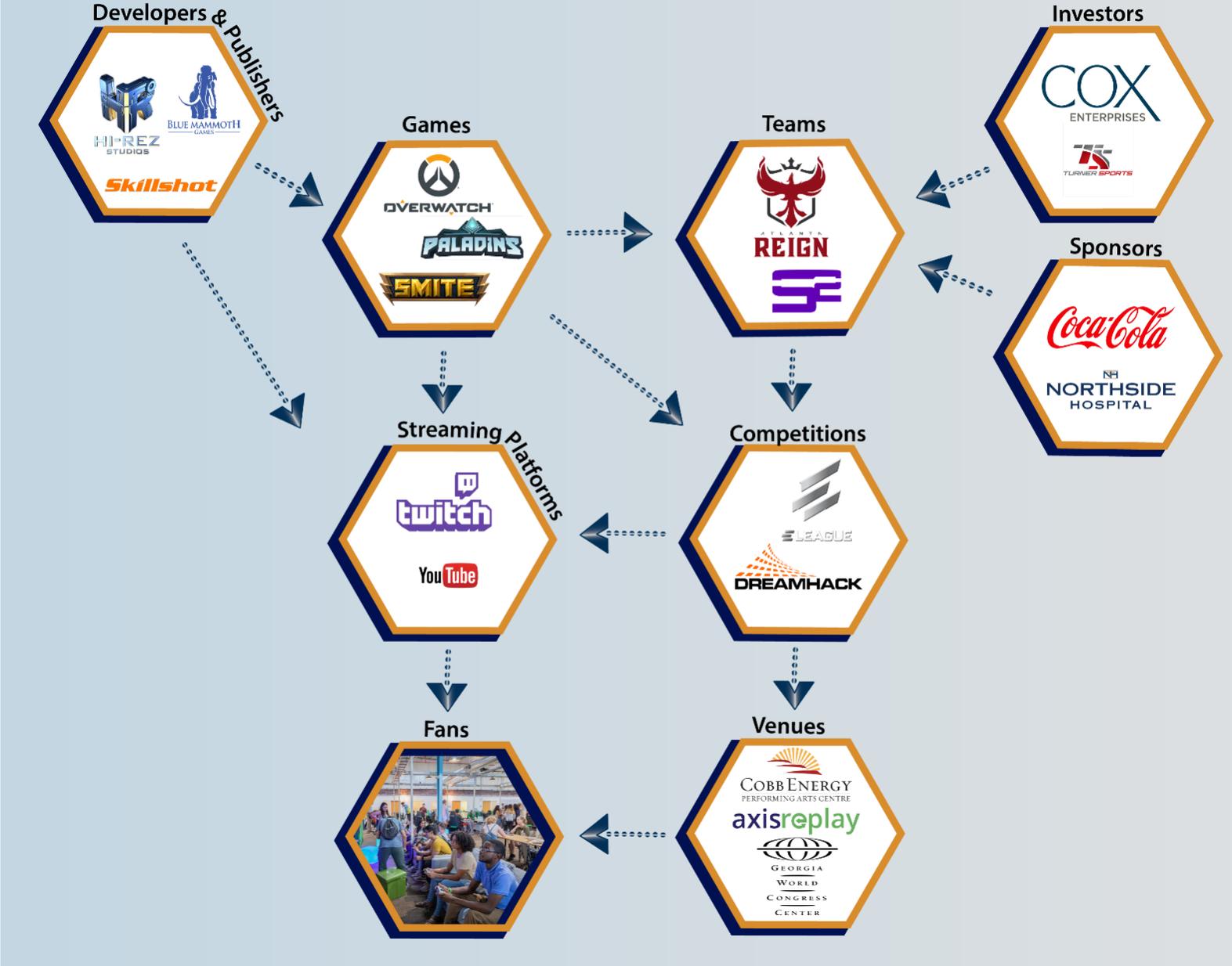
ESports events held in Georgia have attracted sponsorships by large corporations such as Coca-Cola and the Northside hospital.

Figure 2.1 shows the key industry players of the eSports ecosystem and how their roles interrelate within this ecosystem. Supporters and advocates of eSports play an essential role in shaping the future of this industry. Key government entities and other organizations who are currently involved with driving the growth of eSports industry in the state of Georgia include:

- Georgia Lieutenant Governor’s office
- Georgia Department of Economic Development
- The Metro Atlanta Chamber of Commerce
- Atlanta eSports Alliance
- Atlanta Sports Council

¹⁰ Feedback from key industry stakeholders

Figure. 2.1. eSports Ecosystem



2.2 KEY PLAYERS

This section of the report highlights three of the larger eSports companies in the state of Georgia that are currently creating jobs and are generating new opportunities in the eSports industry.

ATLANTA ESPORTS VENTURES

Cox Enterprises, a leading communications, media and automotive industry and **Province Inc.**, a national financial advisory firm, formed a joint venture called **Atlanta Esports Ventures**. The Atlanta eSports Venture owns the **Atlanta Reign team** that competes professionally in *Overwatch*. They recently launched another team, **Atlanta FaZe** clan that competes in *Call of Duty*.

HI-REZ STUDIOS

Hi-Rez Studios is a major game developer based in Alpharetta that hosts in-person competitions in the metro area, including pro sports leagues for their games SMITE and PALADINS. Hi-Rez alone employs 450 full-time employees.

TURNER SPORTS

Turner Sports broadcasts the eLeague every Friday night on TBS, culminating in a \$1,200,000 prize pool every season.

2.3 EVENTS

Information gathered from eSports companies indicates that there many eSports events taking place regularly, year-round, in the state of Georgia, in addition to a few large events held annually. This section highlights these annual events that attract large audiences.

 Dreamhack, a 3-day gaming lifestyle festival held at the Georgia World Congress Center in Atlanta, featured eSports championships from Hi-Rez Studios, the major Georgia game developer. DreamHack is the world's largest gaming convention¹¹. There are eleven Dreamhack festivals currently, spanning eight countries and three continents. Georgia is one of the three U.S. states to hold a Dreamhack festival. The other two are California (Anaheim) and Texas (Dallas). The Hi-Rez Expo (HRX)

¹¹ The Guinness world record

section of Dreamhack (eSports tournament) brings in 3,000 attendees, 80 percent of whom are from outside of Georgia¹². Dreamhack Atlanta, held in Atlanta for the third consecutive year, was expected to hit an attendance of 35,000 in 2019, and give away \$1.5 million in tournament winnings¹³. Local college and high school teams competed as well. Skillshot Media organized an “ESports Summit” conference to coincide with the beginning of Dreamhack.



The Atlanta Reign, a professional team owned by Cox, has biannual “Homestands” where the team plays in-person at an arena. The July 2019 Homestand event sold out the 2,700 seat Cobb Energy Performing Arts Center two days in a row, with roughly 4,500 separate attendees¹⁴. According to Nielsen¹⁵, 58 percent of Homestand attendees were aged 21-34, with 30 percent under 21. 71 percent of attendees were male, and 40 percent came from somewhere in the Atlanta metro area (with another 11 percent from elsewhere in Georgia, and 34 percent from directly neighboring states).



Other large events that include eSports competitions are MomoCon and DragonCon, which cater to broader swaths of gaming, anime, and pop culture. The median age of a MomoCon attendee is 25¹⁶.



The ELeague is a weekly show broadcasted by and shot at Turner Studios in Midtown Atlanta, which averages around 250,000 viewers per telecast¹⁷. The average age of Turner’s ELeague viewership is 18 to 30-- younger than their other programming that airs at comparable times¹⁸.

There are a number of events hosted by colleges and high schools around the state. Of note is the bi-annual PantherLAN College gaming tournament at Georgia State University organized by Georgia eSports League (GEL). Georgia Southern also hosts a bi-annual gaming event, TekLAN.



Another event to note, is the largest video game industry trade show in the southeastern U.S. hosted by the Georgia Game Developers Association since 2007. This event is known as the Southern Interactive Entertainment and Games Expo, or SIEGE. The last one took place October 2019.

¹² Data provided by Hi-Rez Studios

¹³ <https://news.cision.com/dreamhack/r/dreamhack-atlanta-to-feature-ea-sports-madden-nfl-20-tournament-november-15-17--2019,c2928656>

¹⁴ <https://www.ajc.com/sports/esports-rapidly-growing-and-atlanta-has-lot-with/HTQykg9wtijUJgQ7AAxjkl/#>

¹⁵ Nielsen FanGuru jpg

¹⁶ Momocon Parent’s Guide

¹⁷ <https://digiday.com/media/turners-esports-league-aims-for-growth-with-new-games-advertisers/>

¹⁸ Digiday Patel 2018

2.4 VENUES

Research shows that the amount of time spent watching eSports videos is increasing at a very fast pace. In 2012, people worldwide spend a total of 1.3 billion hours of watching eSports videos¹⁹. In 2018, the number was forecasted to jump to 6.6 billion hours – a 408 percent increase. While the majority of eSports audience is online, a large number of competitions take place in front of large audiences. There are a number of venues that accommodate eSports events with various audience sizes.

Atlanta Reign Homestands have been held at large venues such as the *Coca-Cola Roxy* and the *Cobb Energy Performing Arts Center*. Other major events like *Dreamhack*, *DragonCon* and *MomoCon* have been held at the *Georgia World Congress Center* and *AmericasMart*, within downtown Atlanta’s network of conference center sites.

Georgia State’s *PantherLAN* conference, a smaller event, was held at the *Georgia State Stadium University Club* (formerly Turner Field). Certain locations in the metro area hold small weekly competitions: *Axis Replay* in *Inman Park*, the *Wasteland Gaming* in *Duluth*, and *Battle and Brew* in *Sandy Springs*.

In January 2020, it was announced that a 13,000 square-foot, two-story eSports venue would begin development at the *Mall of Georgia* in Buford, Georgia. The two-story facility is the result of a partnership between Allied Esports, an eSports entertainment company with a global network of dedicated eSports properties and content production facilities and Simon Property Group, a commercial real estate company. It has been reported that amateur and professional e-sports tournaments and events for multiple sports will be held at the new venue. In addition, the two companies are set to co-produce the *Simon Cup*, a national amateur eSports tournament.

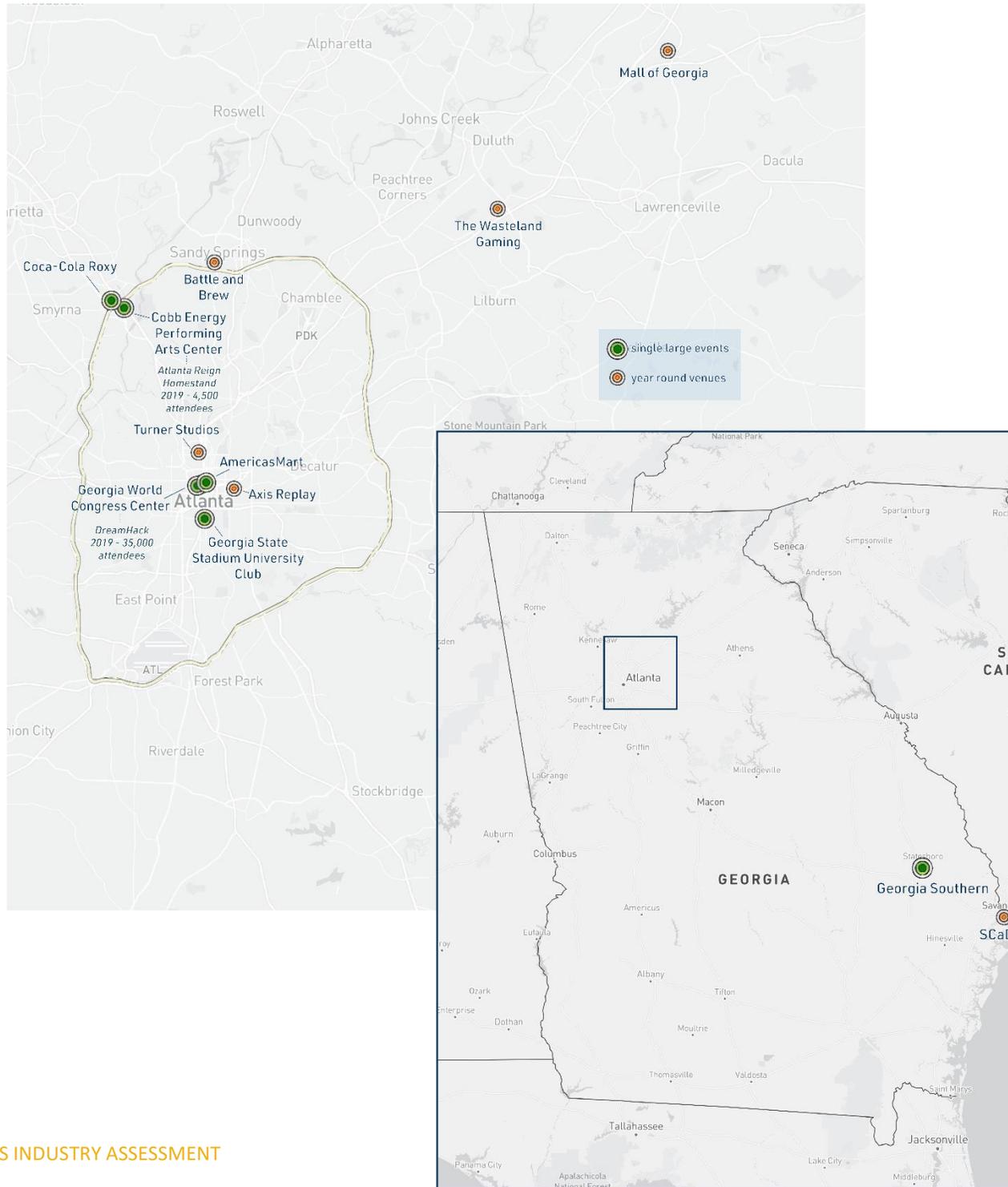
Figure 2.2 shows the location of main eSports event venues in the state of Georgia. Green dots pinpoint the location of single large events, while orange dots show the location of venues where year-round events are held. As the map shows, these events are clustered inside the perimeter with two venues located outside the perimeter, to the Northeast. Both of these venues are used for year round events (the new location at the Mall of Georgia is expected to open in the second half of 2020).



Metro Atlanta Chamber

¹⁹ <https://www.statista.com/statistics/304168/time-spent-watching-e-sports/>

Figure 2.2. Map of eSports Event Venues in Georgia



2.5 HIGH SCHOOL AND COLLEGE ESPORTS

The popularity of competitive gaming, combined with the possibility of college scholarships, has garnered the attention of high schools across the U.S. with many of them establishing competitive eSports teams. The state of Georgia is one of five states in the U.S. with an official high school eSports league. ESports was certified as a varsity sport by the Georgia High School Association (GHSA) in 2018. Varsity teams in Georgia are now able to compete in popular multiplayer games, like Rocket League and League of Legends. The league is monitored by PlayVS, the company that provides high school varsity eSports across the U.S. To date, students from over 60 high schools from around the state have participated in eSports competitions.

Currently, more than 200 colleges and universities offering nearly \$10 million in scholarship money to high school gamers, and this number continues to grow as more schools add an eSports program²⁰.

The ever growing eSports industry has created a need for skilled players, and thus, it is no surprise that eSports has gained prominence in the college sports arena. More colleges and universities are launching programs and developing their eSports team and offering scholarships for eSports varsity team members. The launch of the National Association of Collegiate eSports (NAC eSports) in 2016²¹ further signifies the importance of eSports programs in college. According to the National Association of Collegiate Esports (NACE), over 3,000 college students currently compete nationally among 130 different teams²².

The Savannah College of Art and Design (SCAD), Georgia State University (GSU) and Georgia

Georgia Higher Education & Esports at a Glance

Georgia Tech

Georgia Tech has a club esports team that is Tespa-certified. The Institute itself funds a Gaming and Esports Applied Research center (GEAR).

Georgia State

Georgia State hosts a bi-annual tournament, and has five varsity teams. Provides 10 scholarships a year, as well as training in broadcasting, production, management and development of gaming.

Savannah College of Art and Design (SCAD)

SCAD offers two varsity teams for players to join, plus an esports arena in the student center. The school was one of the first in the state to offer a game design degree program.

Georgia Southern

Georgia Southern has five varsity teams, as well as scholarships for players. The school also hosts a bi-annual gaming event, TekLAN. Degree programs include game programming and software engineering.

Technical College System of Georgia

Offers degrees in the design, development and programming of gaming.

²⁰ <https://www.playvs.com/why-esports>

²¹ <https://nacesports.org/official-launch-of-the-national-association-of-collegiate-esports/>

²² <https://nacesports.org/>

Southern University (Georgia Southern) are members of the National Association of College Esports) and have varsity eSports teams. Students from these universities are eligible to receive scholarships and compete for team positions in eSports competitions. In addition, students have the opportunity to participate in the broadcasting, production and marketing of eSports and tournaments, coaching, student management and game development.

SCAD's student center features a dedicated eSports arena that includes 36 gaming stations and comfortable seating for fans.

Georgia Southern hosts a free bi-annual gaming event, TekLAN, open to all Georgia Southern students.



Varsity college teams around the state of Georgia have the opportunity to compete for internships at video game studios as well as scholarships at state championships hosted by the Georgia ESports League (GEL) and run by the Georgia Game Developers Association. Students from public universities, technical schools and private colleges are eligible to participate.

Georgia Tech does not currently have a varsity team. Its eSports club is also a TESPA charter. TESPA is a network of students, eSports competitors, and club leaders. Other eSports related efforts currently underway at Georgia Tech include:

- 1) The Gaming and eSports Applied Research (GEAR)²³ that encompasses research, development, and evaluation in traditional video games, "serious games" (for example, games for physical therapy, educational games), and eSports.
- 2) The Sports Research, Innovation, and Technology (SPRINT) initiative. A joint effort of Georgia Tech athletics department, the Institute for People and Technology, and other Georgia Tech campus units partnered to launch, SPRINT centralizes and expands the Institute's sports-related research, including eSports - with the vision of making Atlanta a global leader in sports innovation.

²³ <http://ipat.gatech.edu/gear>

3. ESPORTS INDUSTRY

3.1 INDUSTRY DEFINITION AND DESCRIPTION

One of the objectives of this study is to define the eSports industry by identifying the correct North American Industry Classification System (NAICS) codes in order to determine the industry’s size and number of establishments operating on the state of Georgia. NAICS is a 2-6-digit hierarchical classification system used by federal and state agencies to classify business establishments for data collection and publication. The 6-digit level provides the greatest level of detail for an industry.

While eSports has grown exponentially, the industry does not have its own unique NAICS code which introduces a challenge in estimating the industry’s impact in the state’s economy in terms of employment and economic activity. In order to identify key segments of the industry, the Georgia Tech and GDEcD team met with a group of key eSports stakeholders²⁴ and received input on the NAICS code that best depicts their primary business activity. Based on the input and further research, the Georgia Tech team has identified the following key NAICS codes that best capture the activities of eSports industry. The majority of activity of eSports firms is captured in NAICS codes 511210 and 518210 (1. and 2. defined below). The other NAICS codes listed below (3. and 4.) represent some level of activity in the industry.

KEY ESPORTS NAICS CODES

511210: SOFTWARE PUBLISHERS

518210: DATA PROCESSING, HOSTING, AND RELATED SERVICES

519130: INTERNET PUBLISHING AND BROADCASTING AND WEB SEARCH PORTALS

711310: PROMOTERS OF PERFORMING ARTS, SPORTS, AND SIMILAR EVENTS WITH FACILITIES

1. NAICS code 511210 – Software Publishers

This industry comprises establishments primarily engaged in computer software publishing or publishing and reproduction. Establishments in this industry carry out operations necessary for producing and distributing computer software, such as designing, providing documentation, assisting in installation, and providing support services to software purchasers. These establishments may design, develop, and publish, or publish only. These establishments may publish and distribute software remotely through subscriptions and downloads.

2. NAICS code 518210 - Data Processing, Hosting, and Related Services

This industry comprises establishments primarily engaged in providing infrastructure for hosting or data processing services. These establishments may provide specialized hosting activities, such as Web hosting, streaming services, or application hosting (except software publishing), or they may provide general time-share mainframe facilities to clients. Data

²⁴ The Georgia Tech and GDEcD team were invited to participate at an eSports Think Tank Meeting that convened key eSports industry players.

processing establishments provide complete processing and specialized reports from data supplied by clients or provide automated data processing and data entry services.

3. NAICS code 519130 - Internet Publishing and Broadcasting and Web Search Portals. This industry comprises establishments primarily engaged in (1) publishing and/or broadcasting content on the Internet exclusively or (2) operating Web sites that use a search engine to generate and maintain extensive databases of Internet addresses and content in an easily searchable format (and known as Web search portals).

4. NAICS code 711310 – Promoters of Performing Arts, Sports, and Similar Events with Facilities

These occupations include the “athletes” themselves, coaches, analysts, broadcasters, and audio/visual technicians. These industries all together can be referred to as the “Digital Entertainment Industry” -- but it is not limited to eSports, and includes the newspaper/periodical industry, movie production and distribution, streaming services, and advertising²⁵.

A clear definition of eSports industry is quite challenging given the engagement of ecosystem players with multiple segments of the industry. However, an assessment of business activities that fall under the Software Publishing (NAICS code 511210) and Data Processing, Hosting, and Related Services (NAICS code 518210) would capture the key activities of eSports industry.

To get an understanding of the number of establishments operating within the eSports ecosystem, the Georgia Tech team reviewed firm level data available by the Georgia Department of Labor and determined that in 2018, *1,076 companies reported NAICS code 511210* for their primary business activities; *826 companies reported NAICS code 518210*; and *576 companies reported NAICS code 519130*. Without verifying with each individual firm their type of activity the report couldn’t state that all firms operate in eSports. However, identifying firms operating in one of the two key NAICS codes (511210: Software Publishers and 518210: Data Processing, Hosting, and Related Services), is the most accurate way to determine the level of business activity of eSports firms in Georgia given the data fidelity constraints.

The statewide *economic impact of the software publishing industry (NAICS code 511210) exceeded \$830 million in 2018* according to the Georgia Game Developers Association, which tracks activity the statewide economic impact of the electronic and video game industry. The study shows that there were over *4,000 full time employees working in game studios (creating games for entertainment or training) in the state of Georgia*, who earned an *average salary of \$72,000*. In addition, *452 new gaming jobs* were created in 2018. These figures do not include eSports specific jobs of reporters/commentators, social media managers, business strategists, and event managers. Also, there were 160 game studios in Georgia by the end of 2018, compared to 8 at the end of 2005²⁶.

²⁵ CCW report *Entertainment and the Rise of Digital Media in the Los Angeles Basin*, January 2018

²⁶ <https://ggda.org/blog/ggda-economic-impact-fact-sheet/>

RANKINGS

Georgia was ranked in the top 10 states for video gaming industry

According to Newzoo²⁷, a reputable market research company, eSports generated nearly \$700 million in revenue in 2017, and its total audience reached 385 million. It is projected that by 2020, revenues will grow to \$1.48 billion (excluding revenue from eSports-related gambling)²⁸, and its audience will total 589 million. Estimating industry revenues in the state of Georgia is beyond the scope of this study. However, an overview of the state's industry landscape could help policymakers devise policies that would further support eSports companies increase their market share.

In 2017, Georgia was ranked in **the top ten states** for the video gaming industry by the Entertainment Software Association²⁹. Rankings are determined based on the number of industry companies are located in each state, as well as the number of colleges that provide programs into the industry. The top states for the video game industry were California, Texas, New York and Florida.

None of Georgia's universities or colleges offer eSports management degree programs (see Ohio State University, George Mason University, and University of California Irvine), however both Georgia State University and Georgia Southern's varsity teams are ranked highly among national collegiate eSports programs. In addition, Georgia is **home to two highly-ranked game design programs - Georgia Tech and SCAD**, making Georgia an attractive state for video game design companies.

Georgia's digital entertainment tax credit program has helped to fuel the state's expansion of the eSports ecosystem. Any company that films and/or streams the event in Georgia can take advantage of this credit, worth up to 30 percent of qualified production costs³⁰. The tax credit program elevated the state of Georgia to America's top filming site³¹, in 2018.

²⁷ Newzoo, <https://newzoo.com/insights/rankings/>

²⁸ <https://www.businessinsider.com/esports-popularity-revenue-forecast-chart-2017-3?r=UK&IR=T>

²⁹ areweinyourstate.org

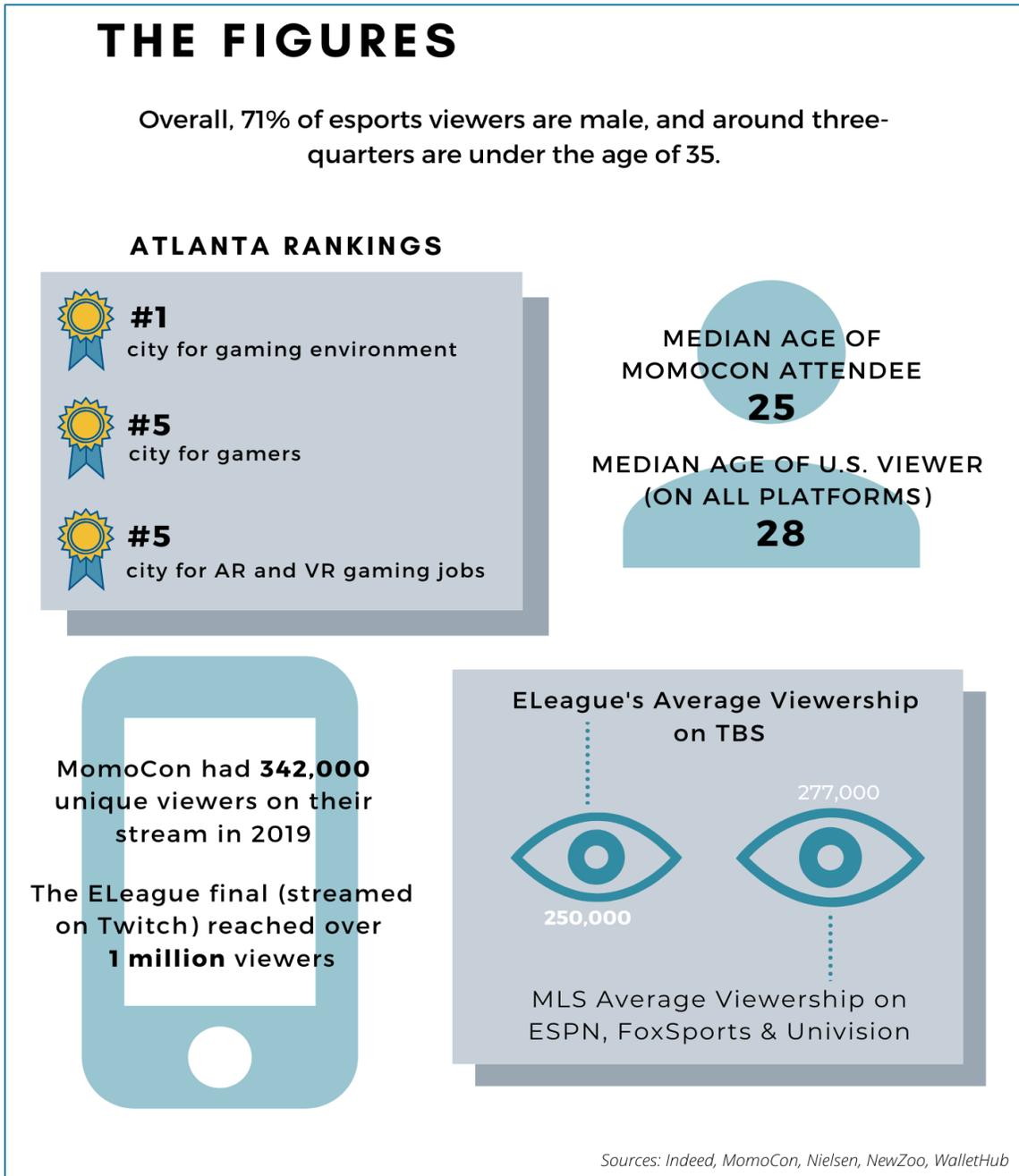
³⁰ <https://www.aprio.com/whatsnext/georgia-tax-credits-fuel-booming-esports-industry>

³¹ <https://www.bizjournals.com/atlanta/news/2018/08/13/georgia-no-longer-no-1-in-feature-film-production.html>

3.3 OTHER KEY STATISTICS

According to Nielsen, Newzoo, and Momocon, Atlanta ranks as the #1 city for gaming environment, #5 for gamers and #5 city for Augmented Reality (AR) and Virtual Reality (VR) gaming jobs. Figure 3.1 summarizes statistics on viewership and attendance.

Figure 3.1. Rankings, Consumer Profiles and Other Statistics



4. CONCLUSION

A comprehensive review of the eSports industry in the state of Georgia shows that eSports is thriving, especially the greater Atlanta metropolitan area. The state’s competitive gaming scene has grown significantly with the city already playing host to long-running eSports events. Because of the city’s thriving game development and tech industries, Atlanta is quickly becoming a hub for eSports. Recent announcements to addition of a new venue that will bring more regional and potentially, national events, speak to the strength of Georgia’s vibrant tech and entertainment industries.

Key industry players believe that Georgia’s eSports ecosystem will only grow in the coming years—the question is by how much. ESports’ key demographics (majority male millennials) are increasingly seeking out alternatives to traditional media and entertainment³².

Based on our research and findings, Georgia Tech recommends that in order to evaluate the industry’s future growth, as well as its economic and fiscal impact, stakeholders should establish a process to identify and individually validate companies operating in these NAICS codes:

- Software Publishing (NAICS code 511210);
- Data Processing, Hosting, and Related Services (NAICS code 518210)
- Internet Publishing and Broadcasting and Web Search Portals (NAICS 519130)
- Promoters of Performing Arts, Sports, and Similar Events with Facilities (NAICS code 711310)

“KEY INDUSTRY PLAYERS BELIEVE THAT GEORGIA’S ESPORTS ECOSYSTEM WILL ONLY GROW IN THE COMING YEARS—THE QUESTION IS BY HOW MUCH”

³² Deloitte, *The rise of eSports investments 2019*

5. APPENDIX - ABOUT THE GEORGIA TECH, ENTERPRISE INNOVATION INSTITUTE

Georgia Institute of Technology, Enterprise Innovation Institute³³

The Enterprise Innovation Institute (EI²) of the Georgia Institute of Technology (Georgia Tech) is the economic development and business outreach organization for the university. It serves as the primary vehicle for economic impact locally, regionally, and globally.

EI² is the largest and most comprehensive university-based program of business and industry assistance, technology commercialization, and economic development in the United States. When compared to counterparts at other universities, EI² is unique because it brings many areas of expertise into a single organization and is able to connect clients to multiple programs or services to meet their individual needs.

Reporting to the Executive Vice-President for Research and Innovation at Georgia Tech, EI² serves start-ups, industry, the public sector, and students to improve competitiveness, turn ideas into viable businesses, and make a positive impact on the economy. In addition, EI² provides connections to Georgia Tech's vast resources, including world-class research, state-of-the-art facilities, internationally recognized experts, and upper-echelon students.

Economic Development Lab³⁴

The Economic Development Lab, a unit of EI² helps communities and organizations apply innovative ideas to economic development. Areas of expertise include innovation ecosystem assessment, entrepreneurship programming, strategic planning, and economic sustainability. Our team advances technology-led economic development by providing expertise and connections to Georgia Tech research and resources.

³³ www.gatech.edu

³⁴ <https://innovate.gatech.edu/programs-old/economic-development-lab/>