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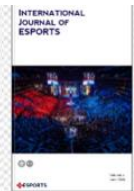
1ˢᵗ Prize for Business Models for the Esports Industry

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Paving the Road: Exploring Esports Models and Marketing Opportunities in University Esports

Introduction

When examining the potential that exists for growth and success within the esports industry from the perspective of a business model, understanding the landscape of university esports programs is of great importance. In North America in particular, the professional esports industry has grown in the past 5-10 years from a grassroots industry with independent game publishers and third-party organizers running events to a multi-million-dollar ecosystem where non-endemic brands work to elevate the existing groundwork that was laid in the early 2010s.

Today, esports is an industry that touches every continent, and is enjoyed by millions of consumers around the globe. In North America and Europe, esports industry leaders are being recognized not only for their achievements in competition, but for their outstanding achievements in the business world. T ake for example Rachel Hofstetter, co-owner of 100 Thieves and leading content creator who was recognized on the Forbes 30 Under 30 list for 2021 (Forbes 2021). As well-known and popular head of one of North America's largest esports and gaming organizations, Rachel has proven with her own brand and her work at 100 Thieves that a successful business model centering on esports and video games is not a mere possibility down the road, but is already here. Companies like 100 Thieves and others are populated in many cases by individuals who learned the fundamentals of esports management and other marketable skills during their time involved with their university esports groups. Successful university esports groups in North America mirror the structural model and objectives of organizations like 100 Thieves, which focus on combining the competitive and casual side of esports and gaming to reach the largest audience possible. While some schools focus more heavily on one or the other, the greatest impact that university esports has is in the development of a skilled workforce with the knowledge and experience needed to succeed in a professional setting thanks to their involvement with university esports programs or clubs. What makes a successful university esports group from a marketing standpoint is something that will be examined in detail later on.

In summary, the young, flourishing professional esports industry owes a great deal to the various university esports groups across North America and around the globe that fostered the passion of thousands of students and armed them with invaluable experience and skills to succeed after graduating.

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Review of University Esports Models

Across North America, there are several cases of how university esports groups have been a direct pathway into the professional esports scene. In 2021, the League Championship Series or LCS welcomed a new player to the starting roster of one of the 10 franchised organizations (T orres, 2021). Aiden Tidwell, whose in-game name is Niles, was the new top laner for Golden Guardians, a team whose ownership group is the NBA's Golden State Warriors. This new player was of particular interest because he came directly from competing in the university esports league for League of Legends, a first. Prior to joining the Golden Guardians, Niles competed as part of the team at Maryville University, where he won the University League of Legends Championship in 2019 (Torres, 2021). Maryville University focuses heavily on investing in their esports program's competitive teams, with a well-established scholarship model for students to benefit from while competing in games representing the school (Maryville, 2021). This investment benefits not only individuals like Niles, who stands to gain a pathway into the highest competitive environment for League of Legends thanks to his experience, but also Maryville University itself, who sets up one of its students for success after university, and attracts other potential students to their institution.

Another case for consideration in the area of successful university esports programs is the University of British Columbia. As a student organization, the UBC Esports Association has over 10 years of history, having been founded in 2010. Without significant financial investment from the university administration, the UBC Esports Association was able to become the largest student club on campus, with over 3,500 members of their Discord server (UBC Esports, 2021). Further, several alumni of the UBC Esports Association have gone on to occupy positions at companies including Riot Games, Ubisoft, Overtime, Vancouver Titans, Team Solomid, Golden Guardians, Evil Geniuses, and Flyquest. Thanks to the experience that they gained as a part of the UBC Esports Association, many of the alumni from UBC are prepared to enter the esports industry with skill sets that are in high-demand. Despite the distinctly different financial model from Maryville University, the University of British Columbia has benefitted from a structured organization modelled after businesses. Departments of over 60 executives work each year to bring large-scale events to the local community and prepare the competitive teams across 9 different games for success.

As indicated by these two examples, the university esports scene is the driving force behind success of professional esports in North America.

Identified Marketing Opportunities

While it is not obvious at first, the area of university esports contains a great deal of untapped potential for businesses and brands that wish to reach a lucrative demographic. In today' s world, young consumers in university are difficult to reach for brands that have previously relied on advertisement methods that are in some cases decades-old. The blistering speed at which information is consumed on a daily basis on social media platforms has been a generational shift in the way that companies can reach their audiences. The attention of young adults is difficult for traditional companies to catch, without taking advantage of existing interests of that demographic.

In almost all cases, university esports groups stand to benefit from the financial support and brand-recognition that stems from partnership with companies. Attaching a brand to a university tournament can help to legitimize the operations of the group, and help gain a greater amount of notoriety about what they are doing. Working alongside businesses in creating and carrying out a partnership also provides students with hands-on experience without the risk of serious financial risk. Many of the skills that make a good employee in an esports company are first learned by putting on events or supporting competitive rosters in university. The benefit comes to brands when their products reach the eyes of students who are not only invested in the thing attached to their advertisement, but also communicate with a group of others also taking part in the activity.

Conclusion

University esports groups are each unique, and yet share the common quality of providing a pathway for individuals to enter the esports industry with a valuable skill set and years of experience. From partnerships, to competitive development, to event organization and logistics, all aspects that make up the professional esports industry can be found in university esports. Without this landscape for professional development, the professional esports organizations of today would have fewer skilled individuals to choose from when hiring. The value of university esports groups cannot be understated for students, university administration, and businesses. All parties would benefit from increased resources and investment for the university esports groups that pave the road for the next generation in professional esports every day.

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