The potential of esport in a tourism setting

Abstract

This poster presents the preliminary findings of a research project into esports and tourism. The aim of the project is to elaborate on the sparse amount of research into the topic, and to formulate a strategy for conducting successful esports events within a tourism setting. In this poster presentation we will present our literature findings, and describe the contents of the project.

Key Words: *esport, events, tourism, DMO marketing*

Introduction

In recent years esports has evolved from a digital youth culture into big business. Revenues, attendees at esports events, and people watching esports on TV or streaming online have seen tremendous growth and estimates are, that this will only continue in the years to come.

According to Newzoo (2021) esports generated a total global revenue of 947.1 million US dollars in 2020 and estimates say that by 2024 global revenues will increase to more than 1.6 billion US dollars primarily generated from sponsorships and media rights.

The public interest in esports is also growing. In 2020 esports audience grew to 435.9 million from 397.8 million in 2019 and estimates say that by 2024 esports audience will grow to 577.2 million (Newzoo, 2021).

As the public interest in esports continues to grow, so do commercial interests. Sponsorship contracts, media rights and ticket sales are all estimated to grow in the years to come (Newzoo, 2021 & Merwin et al., 2018). In 2021, Earth is populated by 7,754 million people of which 4,566 million are online and 1,889 million are already aware of esports (Newzoo, 2021). With IT-infrastructure and mobile devices continuously getting expanded and better worldwide - also in developing countries - the potential for esports and esports events is huge.

A niche that has not yet been under very much scrutiny is esports in a tourism perspective. Can esports be a new key for destination management organizations (DMOs) to brand cities and thereby take advantage of the huge potentials in esports to attract tourists and all the business they bring along with them – and how?

Literature review

By and large, the prevailing amount of peer-reviewed literature on esports and the hospitality sector is scarce, and most of the research conducted within this field has a predominantly technical focus. The prevailing literature on esport and hospitality can roughly be divided into three overall themes: 1) focus on the spectator, 2) the nature of esport vs "real" sport and finally 3) esport in a tourism setting.

The one topic which has gained most attention, is research exploring *the experience of the spectator.* Here researchers have explored the effects of Flow theory on the spectators (J. Kim & Kim, 2020) and found that several issues affect the Flow experience of the spectator, whilst others have focused on the ever increasing opportunities that technology presents in order to make the spectator experience more interactive (Stahlke et al., 2018). In alignment with the interactive technological focus that (Stahlke et al., 2018) has proposed, (Sturm, 2020) seeks to investigate the possibilities that arise in further immersing the spectator to a degree, so that they become an active part of the event. Finally (Qian et al., 2020) focused on the motivational aspect of watching esport events and concluded that there are several motives which signify high or low attendance motivation. Collectively, the research on spectator experience has tried to enhance the understanding of the primary "customer" of esport events and sought to understand both the current and future experience of the spectator.

The second overall theme is the ongoing discussion on whether esport *can be considered as a "real" sport*. (Funk et al., 2018) examined this by setting certain criteria by which to compare "real" sport with esport. Their conclusion is that esport, by living up to the set criteria they defined, is to be considered as a sport alongside the traditional types of sport. The same researchers (Pizzo et al., 2018) subsequently analyzed the same topic in South Korea and concluded once again, that esport and "real" sport are very similar, since they are consumed in a similar sense by the spectators. Using the same method as (Pizzo et al., 2018), (Hallmann & Giel, 2018) also tried to compare "real" sport with esport using fixed criteria, however reaching a different conclusion. The absence of a physical element in esport led them to the conclusion, that it is not comparable to "normal" sports activities.

The last and least researched theme is *esports in a tourism perspective*. (Dilek, 2019) establishes that esports events can be considered as special events tourism and can be a primary motivator for thousands of people to travel, creating a new marketing landscape within the tourism paradigm. Furthermore, (Y. H. Kim et al., 2020)found that the economic impact by esports is significant for a destination and that government strategic plans and investment should be considered for strategic development of esports. Esport events attract tourists and thereby generate job opportunities, investments in specific destinations, positively impact economic development, and improve the brand value of host cities (Y. H. Kim et al., 2020).

Focus in the research project

Based on the literature review we find a substantial lack of research into esports and hospitality – especially when it comes to esports as a new special interest tourism for destinations to consider in terms of tourism growth and city branding.

For centuries sports events have been a major motivator for spectators to travel near and far to experience athletes competing against each other in various sports. Esports events - in many aspects comparable to "real" sports - have the same potential as a tourism motivator. This is a potential new market for tourism destinations to explore and utilize for attracting tourists and for destination or city branding.

The focus of the research project will be to look into this in a Danish context. Denmark, being a country with several advantages when it comes to hosting esports events (IT-infrastructure, venues, knowledge, professional esports teams, etc.), could put itself on the map as an esports nation and thereby attract tourists. This is already on the political agenda. In 2019 the Danish government established a pool of 10 million Danish kroner to strengthen Denmark's position as a leading esports nation (Erhvervsstyrelsen,

2019) and the Danish Ministry of Culture has established a panel to come with recommendations for how to expand esports in Denmark (Kulturministeriet, 2019).

Specifically, the research project will consist of three interconnected phases:

1. What are the critical success factors that are going to make this into a success story in Denmark?
2. How can Danish DMOs promote themselves via esports events?
3. How can we contribute to the scarce knowledge in this field?

Literature list

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