Land Acknowledgement

We would like to begin by acknowledging that we live, work, and create on occupied land.

Many of us are based in Toronto, the ancestral and traditional territories of the Mississauga of the Credit, the Haudenosaunee, the Anishinaabe, and the Huron-Wendat, who are the original owners and custodians of the land on which we live, work, and create.

To learn more about the native land you live/work/create on: native-land.ca

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Part 1: Overview

Context

Electronic sport is projected to reach more than 532 million people by the end of 2022 and this includes both gamers and spectators (Newzoo 2022). New forms of connectivity through social media and live streaming has brought the gamer closer to fans and allowed for spectators to experience their competitive and emotional process in real time.

Corporations are finding new ways to remain relevant in this fast paced environment and not all stakeholders have a say in how this landscape is being built. Additionally younger people are moving away from traditional sports and have a broader sense of what experiential sport feels like (Mons, Sport Tomorrow). Esports is estimated to grow into a $2 billion USD market by the end of 2022 and yet companies, governments, and communities are still tinkering with new models and strategies that lend themselves to different value propositions for all stakeholders (Grand View Research).

Context Timeline:

1920: Formation of the Negro National League
1922: Chuck Taylor - basketball player / Converse endorsement
1925: First sports agency
1930: Uruguay first World Cup
1936: First camera footage of olympics
1956: First global television broadcast of Olympics
1942: Cambridge, Massachusetts MIT student creates 1st interactive video game “Space Wall”, video game controllers distributed across USA campuses
1972: Rolling Stones - 1st “Intergalactic Space War Olympics”
1980: Atari “Space Invaders Championship” 1st of its kind - rows and rows of arcade machines
1982: Guinness world records “Twin Galaxies” Photoshoot - first time gamers gathered together
1983: 1st US National Video Game team whereas Twin Galaxies logo on uniforms
1995: Cabinets of games installed in arcades; Internet invented
2008: Messenger created
2009: Cloud computer officially defined
2011: Launch of Twitter
2013: First esport betting
2022: Esports included in Olympics
Problem Framing

Esports Landscape
The knowledge gap between the layers of Canadian government, technology giants who are creating the virtual and esports environments, and the gamer’s communities creates an imbalance of impact and influence that favours the tech platforms and publishers. If esport has the ability to question how we conceptualize and experience sport, as it has among genZ, then collaboration is important now to determine all impacts of the architecture of this space (Mons, Sport Tomorrow).

Stakeholders
Esports Stakeholders are found within the 6 main variables that drive this ecosystem: Publishers, Events management, Teams, Sponsors, Players, Technology. The majority of the money supporting this infrastructure is coming from media rights and sponsorships producing publishers that have a huge influence over the entire esports environment (Marr 2022).

Geographical Boundary: Canada

Stakeholders involved (based on Porter’s 5):
- Game Developers
- Gaming Platforms
- Content Creators
- Public Officials
- Amateur and Professional Gamers
- Data providers and data storage companies
- Equipment Manufacturers
- Sports Federations
- Citizens

Question to explore during the futures scenarios
Over the next 20 years, what are the models, perspectives and approaches to framing electronic sports (esports) that will enable its growth and realization in shaping and influencing our interpretation of sport?

Part 2: Foresight

Our Process
To imagine possible future scenarios our team used horizon scanning to identify signals, trends, and drivers. This process led to the critical uncertainties that built out our 2x2 Matrix to create four distinctly different worlds. Inside these quadrants our team created scenarios that allowed us to imagine extreme versions of realities that may happen if certain threats and opportunities are not taken into consideration. Using scenario immersion (Wilson and Ralston) we identified the threats and opportunities and developed strategies for each scenario. Using wind tunnelling (Kees can der Heijden) our team tested all the strategies against the scenarios and the ones that performed well in every scenario were then given a ranking of high, medium, or low. Our metrics for ranking the priority included financial performance growth, risk performance, strategic fit, and cultural fit. There was a final wind tunnelling exercise using the scenarios to determine which strategies were the most robust,
flexible, or mixed. These strategic impacts are now the ultimate outcome for developing change agendas for our stakeholders.

**Purpose of the Futures Scenarios**
Our purpose is to stimulate different stakeholders to consider the ways traditional sport institutions have influenced the decentralized and electronic world of sports. To investigate how the defining aspects of esports engagement – playing, watching, governing - are impacting how gamers, publishers, brand agencies, technology companies, storage companies and public officials are interacting with one another and impacting people’s perceptions of the defining features of what makes a sport a sport.

**Scanning**
In order to explore esports we first focused on identifying the forces that are having an impact on the sports industry. Our horizon scanning looked at the social, technology, environmental, economic, political and value categories that make up STEEP+V. The information was gathered from various sources including but not limited to the OCADu library, google scholar searches of industry sports and technology journals, broader scanning of online magazines and newspapers, and finally reading online blogs of first-hand experiences within the esports realm. This provided a better understanding of what was occurring in our world currently and specifically in the world of sports.

**Trends Overview**
A breakdown of our trends as they pertain to STEEP V that played a role in shaping our foresight work.

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<thead>
<tr>
<th>Social</th>
<th>Technological</th>
<th>Economic</th>
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<tr>
<td>Shrinking Middle Class</td>
<td>Extended Reality Learning</td>
<td>Frictionless Access</td>
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<td>My Mental Health</td>
<td>Faster than Life</td>
<td>The Declining Gate</td>
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<td>Dissemination of Information</td>
<td>Democratization of Technology</td>
<td>Creator Economy</td>
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<td>Decline in Youth Sport</td>
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<th>Environmental</th>
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<td>Indoor Generation</td>
<td>Global Polycrisis</td>
<td>Power to the Player</td>
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<td>Urban Waste</td>
<td>Laws of Internet</td>
<td>Data Made Me Do It</td>
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<td>Nano Community</td>
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<td>I am One, I am Many</td>
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Social
Shrinking Middle Class / Middle-income families are becoming the lower-income class as the economy continues to inflate, creating a pay-wall and heavy burden for the middle- and lower class families to participate in sports.

My Mental Health / Amateur athletes face enormous pressures in training demand to compete and win increasing serious mental health experiences. Over the past few years, more athletes are showing courage and vulnerability by prioritizing their mental health by open public withdrawal.

Dissemination of Information / The Splinternet is here.

Decline in Youth Sport / Traditional sports is becoming less and less appealing to the young athletes. Esports has created a space where young athlete feel more ownership and pressure-feel space to play in.

Technological
Extended Reality Learning / Immersive technologies are changing the face of learning and engaging with academic and sport cultures.

Faster than Life / The never ending corporate quest for the human eyeball.

Democratization of Technology / Connect one, connect all.

Economic
Frictionless Access / Designing multi sensorial experiences for a broader audience will increase viewership and engagement from esport athletes and fans and build a more impactful technology experience.

The Declining Gate / Today, the attention and engagement span of a person is shorter due to the mass amount of entertainment options available across so many different channels.

Creator Economy / A software-facilitated economy that is made up of influencers, artists, creators and community builders that utilize their online content creations to monetize their audiences through paid partnerships, ad revenue, tipping platforms, and product sales.

Environmental
Indoor Generation / Adults and kids are enjoying staying at home rather than going outside. Today, people are spending about 90% of their time indoors than outside.

Urban Waste / Not just physical, but increasingly virtual. There is a need to educate individuals about esports companies and the environmental impacts of their production and distribution.

Political
Global Polycrisis / A multi-crisis world struggling to cope.

Laws of Internet / As technologies become more invasive for Canadians, the government is implementing stronger regulations and policies to protect the interests of individuals, businesses, and national interests.
**Values**

**Power to the Player** / Those who have had power over athletes and their careers are losing their ground. There is a shift amongst athletes to control their own career outcomes, NIL and data.

**Data Made Me Do It** / Instinct is no longer everything in sports. Data driven insights let teams and players make the right call whether in the game or in the front office to produce positive outcomes.

**Nano Community** / The deep human need for connection has made people across the world turn to communities being formed in specialized online gathering spaces to find like-minded people.

**I am One, I am Many** / We are diversifying our individual identities by participating inside different platforms and engaging in new communities.

**Drivers Overview**

The following drivers have a significant disruptive force and are present in most of all of the scenarios that were created: distribution of power, the social shift, virtual(ly) athletes, collaborative architecture, and convergence of the physical and virtual.

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- distribution of power
- social shift
- virtual(ly) athletes
- collaborative architecture
- convergence of the physical and virtual

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Part 2: Drivers Overview

**Future of ESPORTS** 6
Distribution of Power
Those who hold the power are being questioned, which has begun a shift in power from centralized institutions and big tech companies who control the decision making to citizens and social movements determining their own futures. The change from top-down decision making to bottom-up.

The Social Shift
The social structure that society is built on is shifting through the changes in our norms and values. Individuals no longer align with the ways of the past as they have recognized that they have not served all communities. We are seeing well-being; sense of belonging and voluntary social participation being accessible to all granting equal rights and opportunities for all citizens.

Virtual(ly) Athletes
Esports is becoming more accepted as a sport and now gamers are being identified as athletes within society. Whether it be electronic sports, cybersports, gaming, competitive computer gaming, and virtual sports are all synonyms for the term esports. Athletes have been scattered across professional and intercollegiate levels but now the definition of that athlete is changing. Esports athletes are infiltrating higher education which brings into question what is an athlete. With the rise of the creator economy, the idea of a content creator as an athlete becomes real as we see it possible for anyone to be considered an athlete, erasing the barriers to play.

Collaborative Architecture
Since esport has the ability to question how we conceptualize and experience sport, as it has among genZ. What becomes of importance is then how collaboration is used to determine all impacts of the architecture of this space (Mons, Sport Tomorrow). Society has been created without the voice of all people and moving forward this cannot be the case. Designing this space must be done together where everyone is treated as equal collaborators in the design process.

Convergence of Physical and Virtual
Bridging the virtual and physical worlds through the convergence of digital and tangible objects and interactions incorporates many different technologies. With the pandemic limiting our ability to fully function within the physical world people were left to depend on the digital world as their main source for connection. There are three components key to merging the information existing in parallel in our “real-time” world and in the ever-expanding digital world, mixed reality, Artificial Intelligence and bio syncing (Hurley, 2018). With the emergence of the Metaverse as an artificial world demonstrates the shift towards combining our physical space and Artificial Intelligence. A new dimension where we can control the environment and do whatever we want in this new dimension.
Selected Generation Technique: 2x2 Matrix

Critical Uncertainties: Distribution of Power and The Social Shift

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<th>Top-Down/ Centralized</th>
<th>Distribution of Power</th>
<th>Bottom-Up/ Decentralized</th>
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**X Axis:** Distribution of Power. The X axis represents the uncertainty of the distribution of power. The polarity is understood by movements from centralized institutions and big tech companies who control the decision making, to citizens and social movements determining their own futures.

- **Top Down / Centralized:** The power to make decisions, control, and govern is centralized within specific profit institutions and government. Smaller, less established companies and gamers (individuals) have very little to no authority or influence in the esports industry. Giving an unfair and competitive edge to the institutions who hold the power of control.

- **Bottom-up / Decentralized:** The power has shifted from specific stakeholders to the en masse. Decision-making and the power to control the industry now lies with individuals, who can use it to bring balance to their lives and the industries of the world.

**Y Axis:** The Social Shift. The Y axis represents the uncertainty with the social shift. The polarity is motivated by the shift in norms and values within the Canadian social fabric from being a society that is socially fragmented to a society that exhibits social cohesion.

- **Cohesion:** Inequalities, socioeconomic disparities and fractures in society are reduced with the aim to consolidate plurality of citizenship. The needs of individuals for both their personal development and sense of belonging are linked together with their freedom and economic efficiency. Resources are equally shared amongst.

- **Fragmentation:** The lack of connections between groupings of citizens creates gaps between the interests of people. Locally collaborative people create silos which further separates them from each other and increases their hostility to each group.

4 Distinctly Different Worlds

Common themes that emerged in all scenarios: Distribution of Power, Virtual(ly) Athletes, Convergence of physical to virtual, Collaborative Architecture.
Distribution of Power / The power to make decisions, control, and govern is centralized within specific profit institutions and government.

Collaborative Architecture / The government is building infrastructure with tech companies, there is tension with communities as they are excluded.

Social Shift / Inequalities, socioeconomic disparities and fractures in society are reduced with the aim to consolidate plurality of citizenship.

Virtual(ly) Athletes / Government imposes esports onto the citizens and the joy in sportsmanship is reduced to a compulsory obligation.

Distribution of Power / Governance is decentralized providing the citizens the power to make decisions collectively.

Collaborative Architecture / Well-being and sense of belonging for all citizens is considered top priority and one that is built together.

Social Shift / The shift in values has opened up opportunities to remove competition from our world and focus on the human rights of individuals.

Virtual(ly) Athletes / Accessibility has allowed for electronic sports to be a safe career choice.

Distribution of Power / Giant game corporations work with the government taking control over citizens and together they centralize the digital landscape.

Collaborative Architecture / Corporations and government come together to create an annual ultimate championship for gamers to compete.

Social Shift / The sportsmanship in sports has completely vanished, esports became a vehicle for giant corporations to capture market shares utilizing the gamers[citizens].

Virtual(ly) Athletes / Almost all citizens have transitioned into the digital world from the physical, allowing more opportunities to earn financial support without solely relying on physics.

Distribution of Power / Traditional power structures have dissolved. Bottom up individualized power reigns supreme.

Collaborative Architecture / Gamers that seek to compete globally gather together alongside interested viewers in a clandestine underground. Global community of sorts and rules are determined by an assembly of individuals.

Social Shift / Individuals have shifted their relatiionality to one another, their communities, and previous superstructures. Social graces and collaborative approaches from the past no longer apply in a world of rapidly accelerating conflict.

Virtual(ly) Athletes / The concept of the esports athlete has evolved to extreme heights. Most young people aspire to be an esports athlete or gaming influencer and competition for attention is ruthless. Traditional values like teamwork and cooperation are no longer valued amongst these athletes.
In 2042, artificial intelligence, specifically machine learning, is the primary means of resource management in Canada. Data collection is the cornerstone of national decision-making, with an emphasis on patterns of wealth and power favouring those who support national objectives. The Canadian virtual landscape is fed by human interactions and constant data feeds from the physical world. National policies mandate the presence and maintenance of the virtual world to maintain Canada’s autonomy in the VR landscape. All Canadians are mandated to aspire to be the best possible athlete, and AI has been chosen to solve the government’s definition of sport.

However, AI has not been able to quantify how enjoyment is experienced in physical arts, and has been missing the broader concepts of why humans engage in them. Micro-levels of society are generally viewed as a distraction from the main objectives of increasing production, population, and power, and citizens are required to track their data through implanted sensors to capitalize on human production.

The extracted data is the most valuable national commodity, and government agencies use it to correct social behaviours that oppose the values of Canadian sportsmanship. Glitches are commonplace and consistently favour those with tendencies towards segregation, poor distribution of resources and wealth, desires to manage people, and tolerance of assumptions that support the dominant culture.

To sustain the AI infrastructure, all natural resources are redirected from personal use to the nation’s use. Individual consumption of technology is heavily monitored and considered a federal crime if not used towards the greater good of Canadians.

Humans have adapted to this virtual world by learning to identify instinctive thought and nuances beyond AI prompts. In defiance, they engage in deeper thinking beyond the scope of AI technology and counter the national movement of Canadian athlete development with spontaneous movements that have unanticipated rhythms unrecognized by the definitions of sportsmanship.

Community collaboration is now heavily nuanced with body movements, and humans evolve this into a complex language that AI has issues understanding.
Timeline to get here: **Battle Between Worlds**

- National internet infrastructure
- Data storage crisis, federal limitations to personal use
- Importance of data collection and analysis now a natural resource
- Extended reality identities linked to physical world identity
- Federal mandate dual citizenships between virtual and physical world
- GDP entirely run by Canadian government
- Esportmanship obligatory by federal mandate

### Key Barriers:

- Agency role is unclear as government is the main distributor of sport to citizens
- If government owns all data it is unclear how agents may empower athletes to own this data and make profit from it
- Meaning is filtered through developers of AI - continuing the issues of excellence as a focus of esportmanship
- Government partnering with tech giants (due to gap in knowledge and infrastructure) rather than community based sports distributors

### Key Opportunities:

- AI/machine learning is a managed resource of Canada creating collaboration opportunities for esports, sports, and tech companies
- Data is the new resource and is clearly owned by the government creating a need for agents to help protect the athlete's interests
- Counter movement communities moving away from extended realities back to physical sports as an expression of freedom presenting an opportunity for sports agents who have physical sports businesses
- Government reliant on AI feedback - exclusion of how athletes feel - this may be an opportunity for agents to act as the interpreter?
- Extended realities are acknowledged as an extension of our identity

**Scenario immersion: Battle Between Worlds**

During scenario immersion many strategies emerged that could leverage the opportunities within the Techno-Wetopia scenario:

**Strategy 1: Provide Education & Support at the Community Level** / Empower the esport athlete by partnering with local initiatives to augment training programs and camps with curriculum focusing on educating individuals on data ownership rights, how to navigate the legality of dual identities, and build out community based training facilities that support the athlete in their goals. **Implications** / Partner with athletes and their communities to share technical knowledge.

**Strategy 2: Self Monetization** / Create mechanisms for athletes to own and earn off their
current and potential future data with an emphasis on new forms of contracts, tools and roles. Provide accessibility for the community to have a voice in building policy that protects the individual’s rights to their own content and data, restricting outside access. Implications / Create new contracts that are dividend based, between esport athletes and agents, agents become angel investors providing infrastructures that will grow assets.

Strategy 3: Important to maintain both physical and virtual athletes / Reinforce the duality of physical and virtual athletes by connecting them through partnerships to self monetize celebrity status in both worlds. Implications / Continue to invest in methods of media that will allow athletes to find new ways of supporting one another.

Techno-Wetopia

Bottom-Up / Decentralized; Cohesion

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In the year 2042, citizens have become increasingly aware of the exploitation of their private data and web behaviour by big tech companies. As a result, there has been a democratization and ownership of data that was formerly controlled by these companies. This has given power to community members who now have a voice in governance and decision-making regarding the use and storage of their data. Governance is now decentralized, which has expanded civic and political space for participatory decision-making and empowered minorities. However, there is a fine line between democratizing participation and a mob mentality.

The Creator Economy has emerged as a result of people’s growing capacity to participate in ways that go beyond consumption. Those who produce their own content, grow their own food, or build their own gadgets are considered the heroes of the world. Creators have many ways to own and monetize their content while involving their community and aligning incentives. Citizens have complete control over their private data, but they also have a responsibility to protect their own data and assets.

Social media, work, entertainment, gaming, and education have all merged into one platform, where our physical and digital lives seamlessly converge to create a unified, virtual community where we can work, play, relax, transact, and socialize. Immersive virtual environments, such as augmented reality (AR) and virtual reality (VR), are a part of our everyday experience and interactivity with the virtual world. The distinction between the virtual and real world is no longer relevant.

Esports has become an immersive reality where players and audiences gather in the virtual universe to compete and watch games. Within esports, the physicality and player movement
have increased. Audiences watch for extended periods of time, and communities with specialized languages depending on the game are formed. Different games have different in-game economic models and ways to earn, which have led to the creation of a safe career choice with stable income and employment opportunities.

Overall, the year 2042 is characterized by a growing desire to participate, cooperate, and democratize decision-making in various aspects of life. The Creator Economy has empowered individuals to produce and monetize their own content, while the merging of physical and digital worlds has created a unified, virtual community. Esports has become a safe career choice with various ways to earn real-world value, and citizens have complete control over their private data while being responsible for protecting it.

Timeline To Get Here: Techno Wetopia

<table>
<thead>
<tr>
<th>Key Barriers:</th>
<th>Key Opportunities:</th>
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<tr>
<td>- Difficulties in being able to determine quality.</td>
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<td>- Bottom-Up participatory decision-making</td>
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<td>- Access to technology</td>
<td>- Data ownership</td>
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<td>- Increased talent pool</td>
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<td>- Lifecycle of current represented athletes</td>
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<td>- Partnerships</td>
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Scenario immersion: Techno Wetopia
During scenario immersion many strategies emerged that could leverage the opportunities within the Techno-Wetopia scenario:

**Strategy 1: Data Management Agreements** / Support athletes data protection and security through the formation of data management agreements that have adapted smart contract technology. Shifting the purpose of the agent to signing deals with businesses around the use of an athlete’s data. **Implications** / Data becomes accessible to everyone and ownership is given to the individual.
**Strategy 2: The Transition** / Transition the legacy physical world athletes into the virtual world utilizing their name, image and likeness as a tool to build their reputation. Introduce these athletes into new gaming developments through the help of established electronic sports gamers that have yet to develop their own audience. **Implications** / Athletes functioning in the physical world support the move to the digital space and sharing of their data to support their audience development.

**Strategy 3: The Power is Yours** / Develop tools that support an athlete's ability to serve themselves as they transition from the physical to virtual world. Focus on building engaging audiences for athletes as part of their data ownership. Invest your organization's capabilities and systems in understanding audiences and their connection to your athlete's success. **Implications** / Athletes claiming their power help drive their ambition to support themselves and career decisions.

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**Pixel Monarchy**

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<tr>
<th>Power to the player</th>
<th>Laws of the internet</th>
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In 2042, the rise of epidemics, starting with COVID-19, has led to remote work becoming the norm, and artificial intelligence managing manual labour jobs. As a result, more people are choosing to stay indoors, leading to a shift in lifestyle. People are opting to stay at home, and outside activities are moving into the virtual realm of augmented reality and video games. The virtual experience provides an enhanced experience with endless gaming grounds, leading to a paradigm shift in the gaming industry.

Four corporations, Microsoft, Enthusiast Gaming, Electronic Arts, and Epic Games, have dominated the digital gaming industry. These companies have established alliances with the government to set policies and regulations for the gaming industry. They provide players with the latest technologies and funding to advance their competitive edge in the gaming realm. Esports has become a major player in the Olympic Games, with competitions taking place worldwide. Esports has grown 300% and surpassed the market share of traditional sports. Digital gaming and esports have become the top profession career goal in the new generations, second only to programmers and designers.

These corporations have acquired social media and streaming platforms, gathering data to entice and shape the digital "indoor generation." Smaller game companies are often bought out or outcompeted, leaving little room for growth in the competitive market. Esports has lost its sportsmanship value and is now driven by corporate competition. A new era of digital revolution in esports has started, with gamers moving to privately hosted digital gaming
spaces governed by the gamers themselves. This new movement is forming its independent gaming culture identity and values.

The shift to an ‘indoor generation’ has led to a rise in virtual activities, particularly in the gaming industry. The dominance of a few corporations has led to a shift in the esports industry, with corporate competition driving the market. However, a new era of digital revolution in esports is forming with the rise of independently governed gaming spaces.

Timeline To Get Here: Pixel Monarchy

<table>
<thead>
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<th>Key Barriers:</th>
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<tr>
<td>• Increased talent pool</td>
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<tr>
<td>• Equity investment, Fan invest in Esports athletes and receive dividends.</td>
<td>• Technology knowledge (Learning curve for older generations)</td>
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<tr>
<td>• Big Data</td>
<td>• Acceptance to technology</td>
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<td>• Digital workforce</td>
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Scenario immersion: Pixel Monarchy

During scenario immersion many strategies emerged that could leverage the opportunities within the Pixel Monarchy scenario:

**Strategy 1: Web Cup: Tournament of Champions** / Corporations should come together and form a synchronized competition once or twice a year to encourage more players and talents to compete, creating a space where agencies can help with locating the talents easier. **Implications** / Create annual global digital world championships for athletes to participate in

**Strategy 2: Level the Playing Field**/ Sports Agency will need to source esport talents through competition engagements and by providing equalized equipment playing fields. Open fairness competing opportunities for all range of players. **Implications** / Provide space and device regulations in the competitive settings.
Strategy 3: Player Pathways / Agency will need to design and build a transparent and player-centric career journey through player's interest and performance. Provide athletes leverage points to earn money at every stage of their career. Implications / Help athletes to generate financial sustainability in an earlier stage, not only at the pro stage, to prevent losing talent halfway.

Gamer Eat Gamer

Bottom-Up / Decentralized; Fragmented

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In the year 2042, the world is in the midst of an all-out power struggle for control of the digital world. Traditional political systems and institutions have crumbled, and conflict, division, and competition are commonplace. People are out for themselves, and there is a complete mistrust of institutions and other people. Professional journalism no longer exists, and everyone is suspicious of motives and intent. Global internet is now a dangerous underground experience, and computer networking takes place via a series of self-contained, rarely connected, isolated nodes. Esports thrives in this remote and distributed world and is at a total advantage over formerly traditional sport.

Sport engagement, team participation, and physical activity have declined to almost zero globally. All children's activities are now centered around mobile devices and video gaming. Video games are now the world’s most popular sport. Former nation-states tried to develop esports national teams but were unable to survive due to the deep shift to individualism. Traditional professional sports leagues have gone bankrupt, and universities and colleges no longer offer Varsity Sport.

Cryptocurrencies are commonplace, and the concept of citizenship is no longer tied to geography. In Canada, specifically, British Columbia has joined California in a district called Cascadia, while Alberta and Quebec have broken away. The 2028 US presidential election has resulted in a breakdown of the United States into balkanized lands of fiefdoms, warlords, and unrest. Civil unrest is palpable and growing quickly.

Esport popularity explodes by 2030, and the world’s richest person is a video game platform owner and creator. The professionalization of gaming is solidified, and there is a loosely recognized code of ethics that more serious esport athletes adopt. No global governing body exists, and esport athletes pursue training and education to reach high performance on their own. New tools like artificial intelligence and machine learning augment gamer capability. Successful players in this era prioritize a unique persona to capture attention and money. Digital platforms are supplanting traditional financial institutions and political
authorities. Emerging, fractured platforms are creating their own internal closed-loop economic systems on their gaming platforms. Users can send each other bitcoin over Playstation, XBOX, and Nintendo.

Esports athletes have begun showing signs of poor health outcomes and chronic health issues, including obesity, anxiety issues, carpal tunnel syndrome, and low back pain. Colon cancer is now screened by the age 30 for all young adults. Esports clubs and leagues may become critically important in establishing nano communities in the absence of traditional institutions and authorities. With more players trying to make money from esports, competition for sponsorship dollars is running hot.

The world in 2042 is marked by conflict, division, and competition, and traditional political systems and institutions have crumbled. Esports thrives in this remote and distributed world and is at a total advantage over formerly traditional sport. Sport engagement, team participation, and physical activity have declined to almost zero globally. Cryptocurrencies are commonplace, and the concept of citizenship is no longer tied to geography. Esports clubs and leagues may become critically important in establishing nano communities in the absence of traditional institutions and authorities. However, esport athletes have begun showing signs of poor health outcomes and chronic health issues, and competition for sponsorship dollars is running hot.

Timeline To Get Here: Gamer Eat Gamer

Key Barriers:

- Increased interest, awareness and money spent in esport activity
- New form of valuable, popular entertainment to connect with and capitalize on
- New competitive formats could be analysed and incorporated

Key Opportunities:

- There will be less trust in large, traditional style organizations requiring alternative models and language
- Access to technology
- Era of the Splinternet
Scenario Immersion: Gamer Eat Gamer

During scenario immersion many strategies emerged that could leverage the opportunities within the Gamer Eat Gamer scenario:

**Strategy 1: Sponsored esport camps** / Invest time and money into kids camps focused on esports as a key program stream. Contribute money to make this programming happen and bring talent from your existing agency rosters to hype and engage at the camps. **Implications** / Enhance the pipeline of esport talent more broadly and connect with prospective talent in new, relevant and meaningful ways.

**Strategy 2: New scouting method and system for esport athlete talent** / Develop a new matrix to locate and evaluate emerging esport talent. Find ways to leverage early, valuable sponsorship opportunities for partners and esport talent. **Implications** / A new matrix will develop a theory of optimal esport talent that can help make the jump to esport more efficient and focused.

**Strategy 3: Creating Kinetic Gaming Lab** / A dedicated facility, private or in partnership with US and Canadian Universities to explore and push the boundaries of human computer interaction via esport. Tailored learning and training programs for esport athletes combined with the latest in AI, machine learning and device technology to take esports athletes to the next level. **Implications** / A new class or generation of the highest performing esport athletes will emerge. Deepen partnerships with existing players or establish valuable new partnerships with institutions who will have a pipeline of talent.

**Part 3: What we learned**

As the world of technology speeds up and the lives of athletes increasingly incorporate aspects of technology into their practice, learning, and competition it’s becoming increasingly important for sports agencies to rapidly upskill and revisit strategic positioning and offerings.

**Critical Strategic Insights and implications.** By 2042 we might expect to see:

**Insight** / A smaller talent pool of competitive athletes in traditional sports. Assumption: The number of agencies will remain the same. **Implications** / Increased competition among agencies for traditional talent. This will drive some agencies to niche their practice or become more purpose driven to remain differentiated and resilient in the face of fierce competition. **Strategy approach** / Review agency/company value proposition and business models, determine if repositioning and “niching” of practice is necessary. Commit to an innovation process with an explicit aim to generate new revenue models for traditional athletes.

**Insight** / Athletes claiming power, growing impact outside traditional models. **Implications** / Agencies and PR firms will have less control over the narrative[s] and political representation[s] of their client base. The communications environments that athletes play in create dynamic immediate feedback which requires constant real-time monitoring.
**Strategy approach /** Co-develop athlete narrative platform. Led by the talent, advised by the firm. Sports agencies should explore what speech, activism, politics and bias mean for their organisations. Reflect on role of activism and social impact in your business model and identify boundaries of advocacy.

**Insight /** More people gathering and building in the metaverse versus the physical world. **Implications /** Fans are going to see new brands and sponsors in the entertainment ecosystem. **Strategy approach /** Agencies need to affiliate, understand, and partner with a new sponsorship ecosystem, primarily among tech, crypto and Web3.0 business leaders.

**Insight /** Fans engaging with their favourite players directly. **Implications /** New marketing opportunities i.e: targeted marketing campaigns by leveraging interactions between athletes and fans. For example, if an athlete interacts with a fan and both share a community or philanthropic goal, the two might create a campaign raising awareness or money for their cause. Similarly the pair could collaborate to create a product and sell to fans. These interactions will help identify emerging trends, partners and influencers. To be relevant in this space, agents will need to learn new skills.

**Strategy approach /** consider business models that move beyond traditional representation services. Explore potential in creating sports media, sports technology or sports education platforms. Develop or invest in frequent (quarterly) training: new media monitoring, “social listening,” social media, digital marketing, emerging digital cultures, influencers data and privacy, the metaverse, web3.0 and blockchain.

**Insight /** Increased trust in blockchain, despite security infrastructure. **Implications /** New contracts, new payment methods, new security risks for crypto wallet and digital asset custody and protection. New financial products will emerge. **Strategy approach /** Explore creation of new standard smart contracts for traditional and esports athletes. Investigate development of digital asset custody and advisory services. Create blockchain-based fan engagement platforms with potential to provide a more immersive and interactive experience for fans, while also helping teams and organizations build loyalty and generate new revenue streams. Explore ways to use blockchain-based solutions to track the origin and authenticity of sports memorabilia for athletes being represented, or to provide transparent tracking of sports sponsorships and endorsements.

3 **Strategic Options to move forward with**

Following our strategy scenario immersion workshops, our team tested the top strategies from each scenario using wind tunnelling using criteria for financial and risk performance and strategic and culture fit. We further prioritized the change initiatives by accessing the most robust, flexible, or mixed strategies with the following top 3 strategies and recommendations emerging as the most critical to prepare for the future of all 4 scenarios:

1 **Provide Education & Support at the Community Level /** Empower the esport athlete by partnering with local initiatives to augment training programs and camps with curriculum focusing on educating individuals on data ownership rights, how to navigate the legality of dual identities, and build out community based training facilities that support the athlete in their goals. **Risks /** Investing in education support, agents will probably end up investing in many people who don’t become professional athletes. That’s ok, it’s like a book publishing
model, if they knew which books would be best sellers they’d only publish those books. **Contingencies** To run an education facility you will need teachers who know the best practices and latest games, relying on their expertise for world class training.

2. **Self Monetization** Create mechanisms for athletes to own and earn off their current and potential future data with an emphasis on new forms of contracts, tools and roles. Provide accessibility for the community to have a voice in building policy that protects the individual’s rights to their own content and data, restricting outside access. **Risks** Empowering self-monetization could lead to irrelevance. How do agents empower people to own their data and brand without making their services unnecessary?

3. **Fan-Athlete Ecosystem** Foster the creation of new bonds between fans and esport athletes. Explore sponsorship of new media platforms, ecosystems and virtual gaming spaces that will allow fans to play, train, compete, and interact with their favourite athletes in new ways. Find ways to facilitate new economies between fans and athletes. **Risks** Allowing the athletes to engage directly with fans means you will have less control over the branding and messaging. You could end up in a position where the athlete goes off script and damages their image somehow.

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