

MENA Q1 2020 GAME STREAMING REPORT

**A SUMMARY OF STREAMING
PREFERENCES & VIEWERSHIP**

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FOREWORD

We write this report at a time of uncertainty with travel restrictions and physical distancing introduced in countries around the world due to COVID-19. As our normal way of life, and of doing business, is being disrupted gaming is one area which has largely remained unaffected due to its digital nature. When we set out to write this report at the start of the year our aim was to provide a picture of how streaming is developing in the MENA region and how the region differs from other parts of the world.

This report provides insight for those wanting to understand more about the region, the viewing habits, the popular games being streamed and how the numbers sit against other countries. For clarity, it does not provide a deep-dive into video-on-demand consumption such as YouTube videos.

The data presented in this report comes from multiple sources and not directly from YouTube or Twitch. Our team has collected relevant data points from these sources and then worked to provide a rounded portrayal of countries in the region.

As the industry works to come to a universal set of metrics aligned with traditional media (TV) and sports we have converted Average Concurrent Viewers to be Average Minute Audience to support this move. Where the collected data was presented as ACCV we have converted it to be presented as AMA.

The report also differentiates between how YouTube and Twitch data is presented for two reasons; YouTube enables users to tag their account with a country which Twitch does not and secondly, Twitch categorises accounts based on language which YouTube does not.

While this enables us to dig deeper into YouTube and create a picture per country the picture for Twitch streaming is a little broader. We've therefore only focused on Twitch accounts where the language is defined as "Arabic".

Nevertheless, we hope this report helps you understand what we are seeing in the data for live game streaming across MENA.

Philip Wride
CEO, Cheesecake Digital

INTRODUCTION

REGIONAL OVERVIEW

REGIONAL OVERVIEW

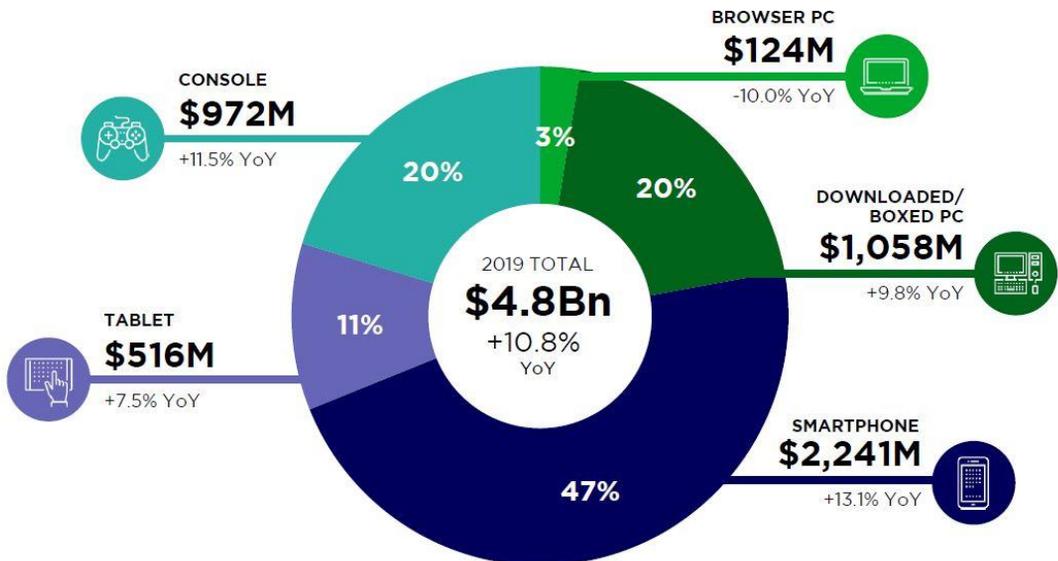
From an industry and revenue perspective MEA is the fastest growing region in the world according to Newzoo with Smartphone and Console the two categories seeing the greatest growth in 2019. Revenue from Smartphone games (direct purchase & in-app purchase) was greater than Console and Download/Boxed PC combined but there are huge difference between countries and areas of the region.

The Gulf countries of Saudi Arabia and the UAE have an "average spend per year" similar to the Global Average while Kenya and Nigeria have some of the lowest "average spend" figures.

Differences in language, culture and access to technology also play a huge role on consumer ability to game across different platforms. The Levant region (Egypt, Jordan, Lebanon) prefer gaming on PC while the Gulf countries are largely Console and Mobile gamers.

2019 MIDDLE EAST & AFRICA GAMES MARKET

Per segment with year-on- year growth rates



Newzoo 2019 report on revenue per segment for MEA

METHODOLOGY

TWITCH

With Twitch tagging accounts based on language the analysis for Twitch is a high-level view based on the top 10 accounts for each month.

This enables us to see patterns of game preference by the top performing streamers, how much viewership they generate in Total Hours Watched and which streamers are consistently in the top 10 performers.

The Twitch data also facilitates high-level comparisons with the top 10 performers on YouTube to provide an understanding of whether certain games gain priority in particular months. We're also able to dig into the data for each Twitch channel to identify key dates such as the launch of game updates or the dates of tournaments.

YOUTUBE

The reporting for YouTube is more robust as we are able to do country comparisons and provide snapshots of the top 10 performers for leading countries in the region. For this analysis we've focused on the countries with the highest values for Total Hours Watched or where we've seen a jump in viewership for key game titles.

The UAE, Saudi Arabia, Bahrain, Iraq, Egypt, Tunisia, Algeria and Morocco are the countries we have chosen to focus on but we do have the data for Qatar, Jordan, Lebanon and Kuwait.

KEY TERMS

Game Preference is the choice of game the streamer choose to broadcast on their channel

Total Hours Watched is a calculation based on the average viewers on the channel for all broadcasts within a month multiplied by the total number of hours the streamer was broadcasting

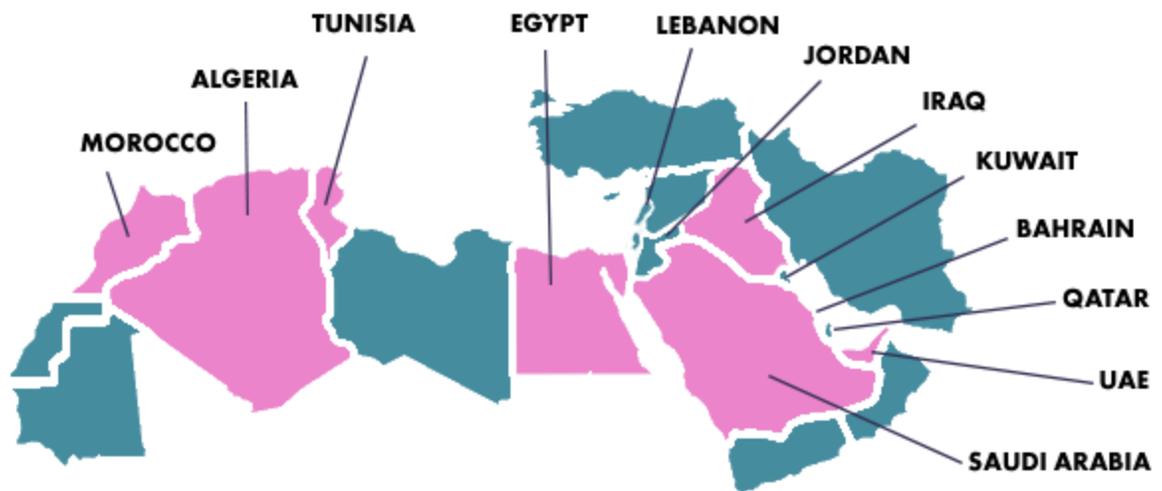
Peak Viewership is a measure of the maximum number of people watching a stream during the period

Average Minute Audience is the average number of viewers each minute of a streaming session

STREAMING IN MIDDLE EAST & NORTH AFRICA

YouTube and Twitch are the two dominant streaming platforms across the region though they differ in utility and ability to compare and contrast. YouTube profiles are tagged by country while Twitch profiles are tagged by language.

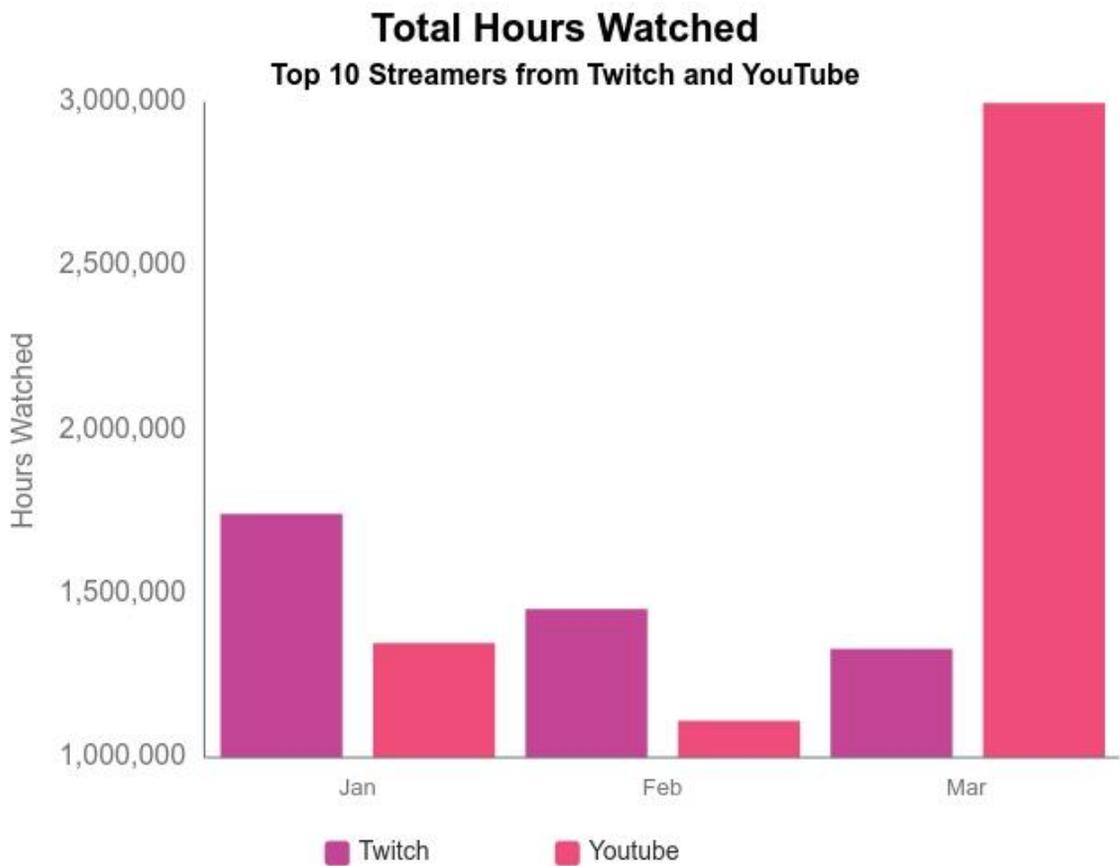
Differences in language, culture and access to technology also play a huge role on consumer ability to game across different platforms. The Gulf countries are largely Console and Mobile gamers, Levant gamers (Egypt, Jordan, Lebanon) prefer gaming on PC while North African gamers prefer mobile (Tunisia, Algeria, Morocco). We will see this trend as we break down the data and present our findings.



TWITCH VS. YOUTUBE COMPARISONS

From the weekly summaries we posted on our website during 2019 we know that Twitch and YouTube often have very similar figures for Total Hours Watched for the top 10 performers.

The chart below presents a snapshot from the past 3 months (Jan-Mar 2020) where we see a definite impact from the restrictive measures of COVID-19. The Total Hours Watched on YouTube increased substantially thanks to one Bahraini streamer who clocked up 911K hours of viewership while streaming Minecraft. Twitch viewership dropped for the top 10 Arabic streamers on the platform.

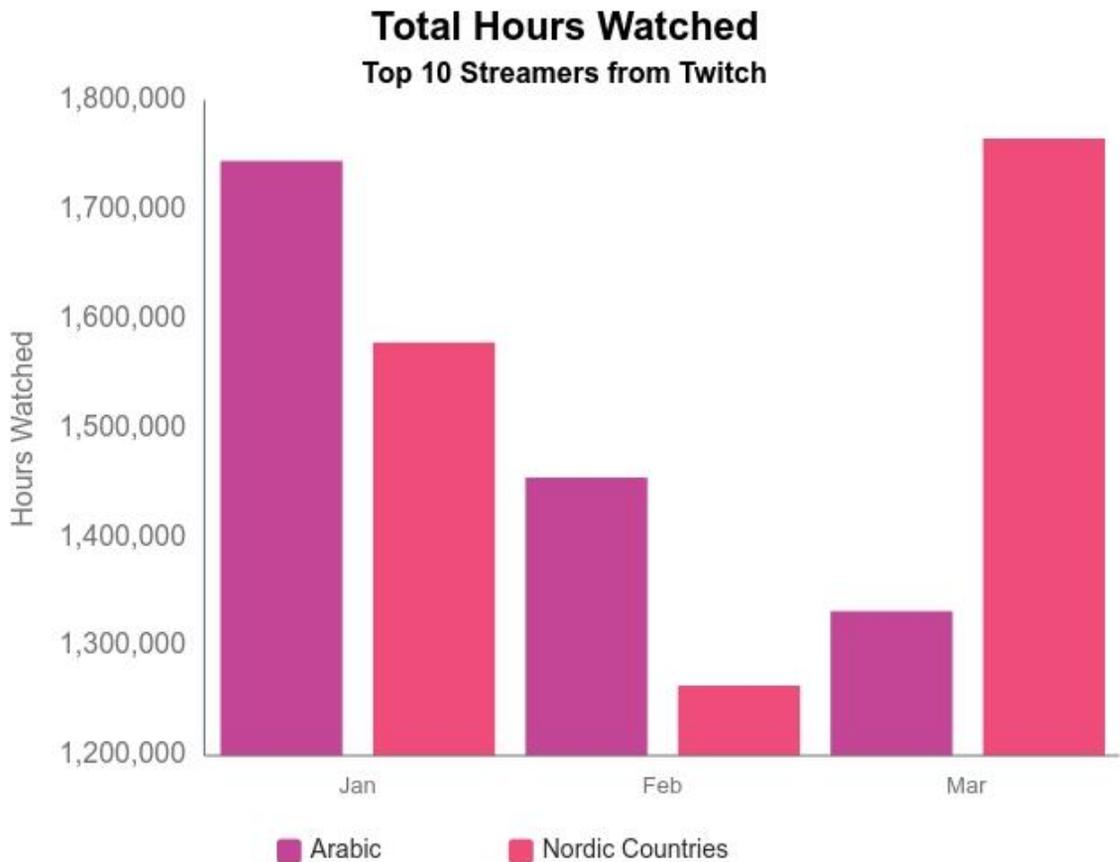


TWITCH – HOW THE REGION COMPARES GLOBALLY

With Twitch tagging accounts by language and with many languages being global in nature providing a comparison between Arabic streamers and streamers tagged as English, German, French or Spanish would not provide much of a comparison.

Therefore, we've looked at a group of countries that make up a region with languages not quite as prevalent from a global perspective. Sweden, Norway, Denmark and Finland are the countries we've combined and tagged as the collective Nordic Countries for a simple comparison between the respective top 10 streamers of those countries and the top 10 Arabic streamers on Twitch.

The Total Hours Watched figures are similar for the 3 months Jan-Mar 2020 though the Nordic Countries have seen greater viewership during March even while countries such as Sweden are not strictly locked down during the COVID-19 situation.



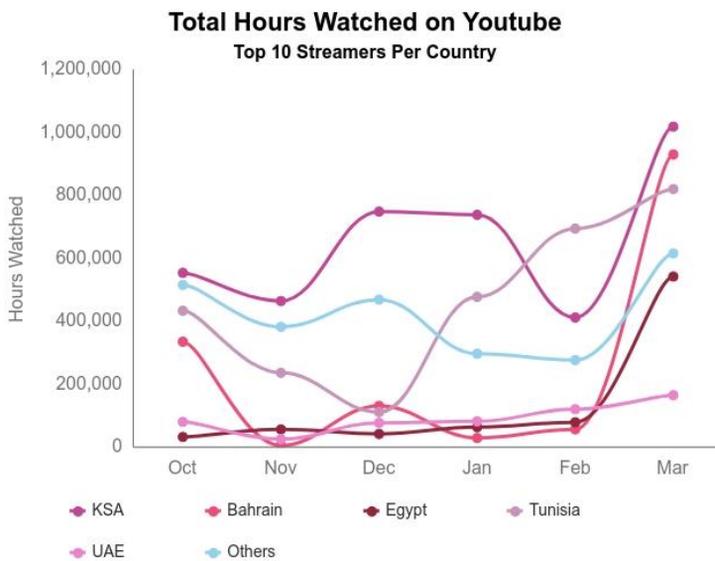
YOUTUBE STREAMING

MENA COUNTRY & GAME
COMPARISONS

YOUTUBE VIEWERSHIP BY COUNTRY

An increase in viewership numbers for March was driven by streamers in Saudi Arabia, Bahrain and Tunisia though Egypt and the collection of "other" countries also saw increases. Bahrain saw the biggest jump from February to March.

Tunisia saw the most consistent growth in Total Hours Watched from December 2019 through March 2020 as shown in the chart below.

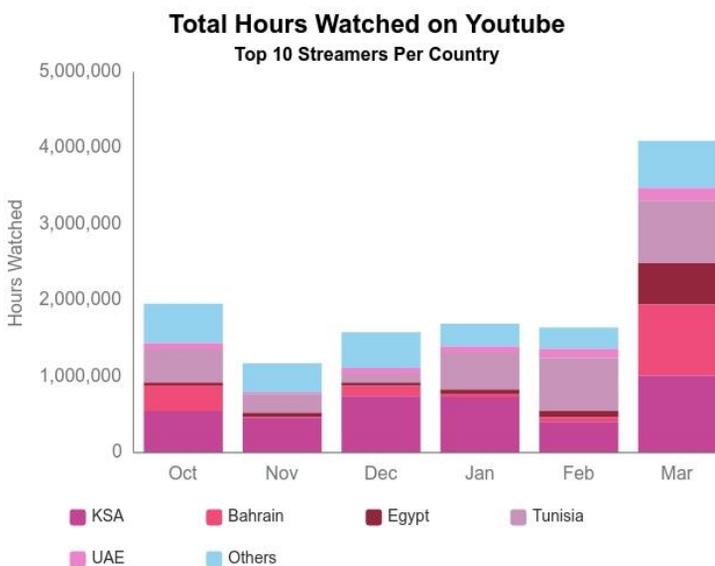


SAUDI ARABIA LEADING THE WAY

Streamers from Saudi Arabia consistently generate the greatest amount of viewership.

With a population of 33M research from the General Authority for Statistics breaks the population down to the following:

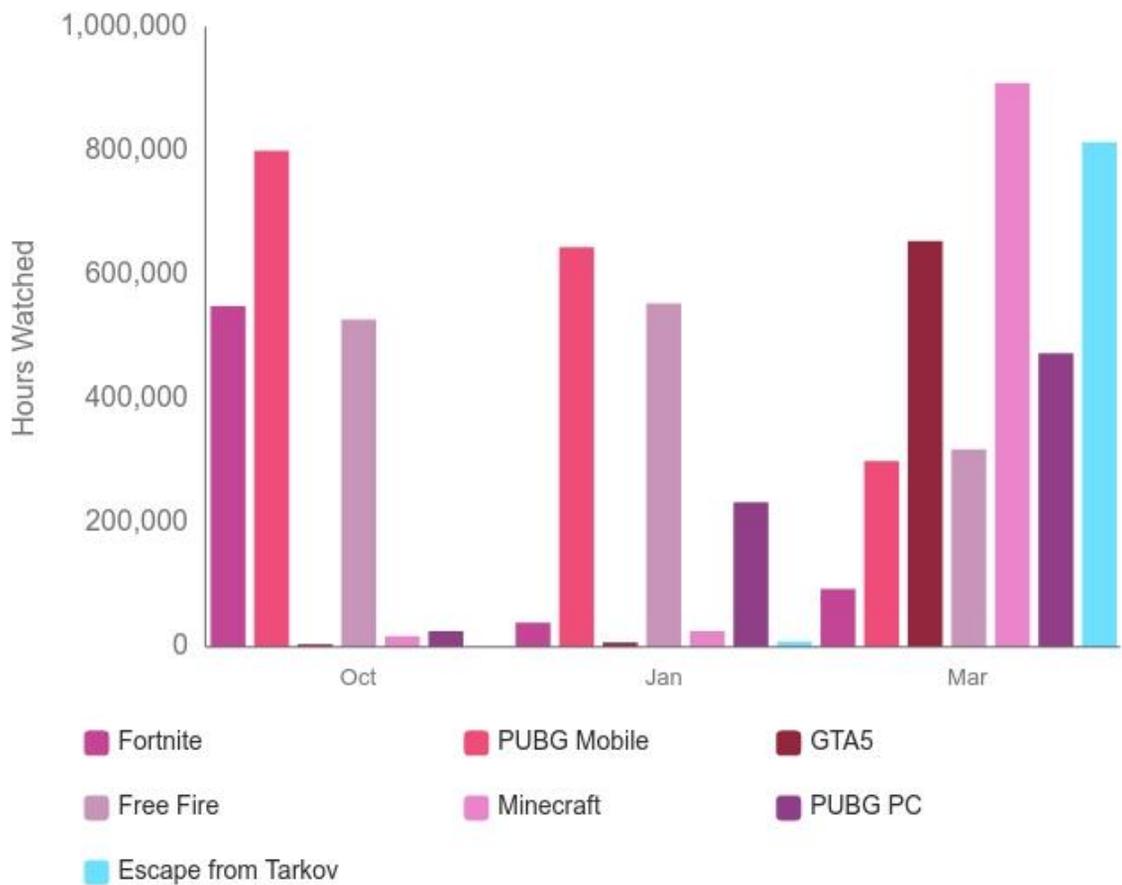
- 15.6M Gamers of which....
- 6.8M are Regular Gamers with
- 2.6M Esports fans



YOUTUBE VIEWERSHIP BY GAME

The spike in the Total Hours Watched during March was also aided by streamers who opted for Escape from Tarkov, a shooting game mixed with elements of a massively multiplayer persistent world, and Grand Theft Auto Online, which also has similar elements thanks to its open-world structure.

This is in contrast to October and January where PUBG Mobile and Garena Free Fire (both mobile titles) were the games with the greatest viewership from the top streamers in the region. The chart below shows the split by game and the Total Hours Watched for Oct-March 2020.



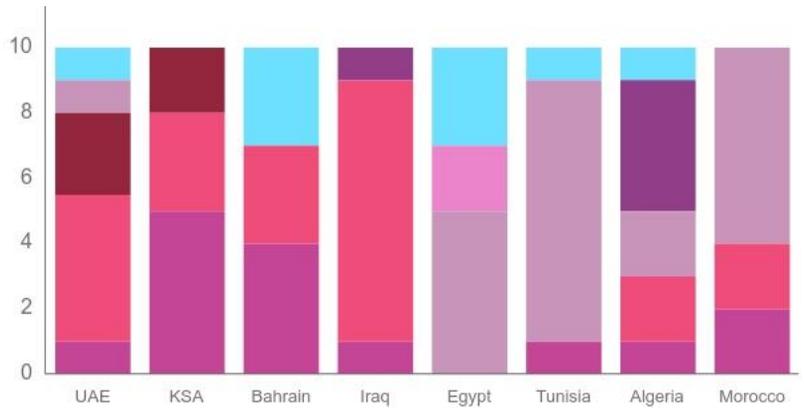
NOTE: Grand Theft Auto Online is an expansion mode for Grand Theft Auto 5 (GTA5).

YOUTUBE STREAMER GAME PREFERENCES

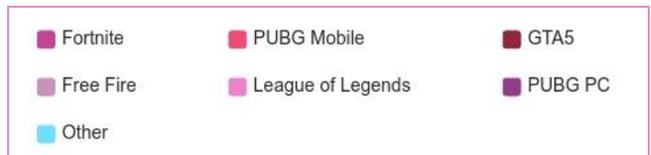
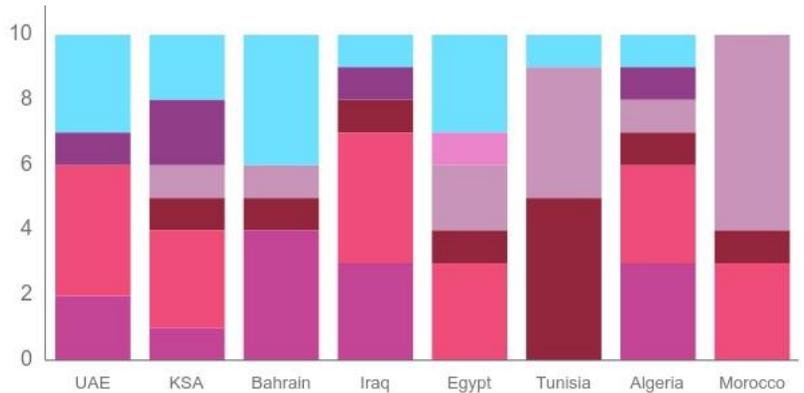
Comparing and contrasting game preferences for the leading streamers provides a view of how there has been a shift in preference. The charts below are snapshots of YouTube for October 2019 and March 2020 with a split of game preference for the top 10 streamers of each country.

The top 10 streamers in the Gulf Region (UAE, Saudi Arabia, Bahrain) and into Iraq were heavily focused on Fortnite and PUBG Mobile in October. Moving into North Africa the core game preference changes to Free Fire from Garena. For March 2020 streamers from 7 countries choose GTA Online compared with streamers from just 2 countries in October. This move to GTA Online came at the expense of Free Fire in the North African countries.

OCTOBER 2019



MARCH 2020



KEY TAKEAWAYS

LEARNINGS FOR MENA

GAME EVENTS AND TOURNAMENTS DRIVE PEAK VIEWERSHIP

Peak Viewership is a measure of the maximum number of people watching a stream during the period. October 13th 2019 saw Peak Viewership for Fortnite streamers on Twitch and Youtube reach tens of thousands due to the "Black Hole" in-game event marking the end of Season X of Fortnite. On November 11th several top streamers collaborated in GTA Online to generate high Peak Viewership numbers across each of their streams.

Tournaments also drove Peak Viewership for several official YouTube accounts including Garena's Free Fire and PUBG Mobile. For Free Fire it was the World Series in November and the Arab League Invitational tournament in February and the beginning of March that drove peak while PUBG Mobile saw strong viewership for the regional PMCO qualifiers.

However, tournaments for games without a strong viewership base in the region didn't fare so well. The Nexus event for League of Legends and the BLAST PRO Finals for CS:GO are two examples of this.



Rakanoolive: Peak Viewership of 27,666 (October 13th) on Fortnite



ShongXBong: Peak Viewership of 49,408 (October 13th) on Fortnite



ShongXBong: Peak Viewership of 100,294 (November 11th) on GTA Online



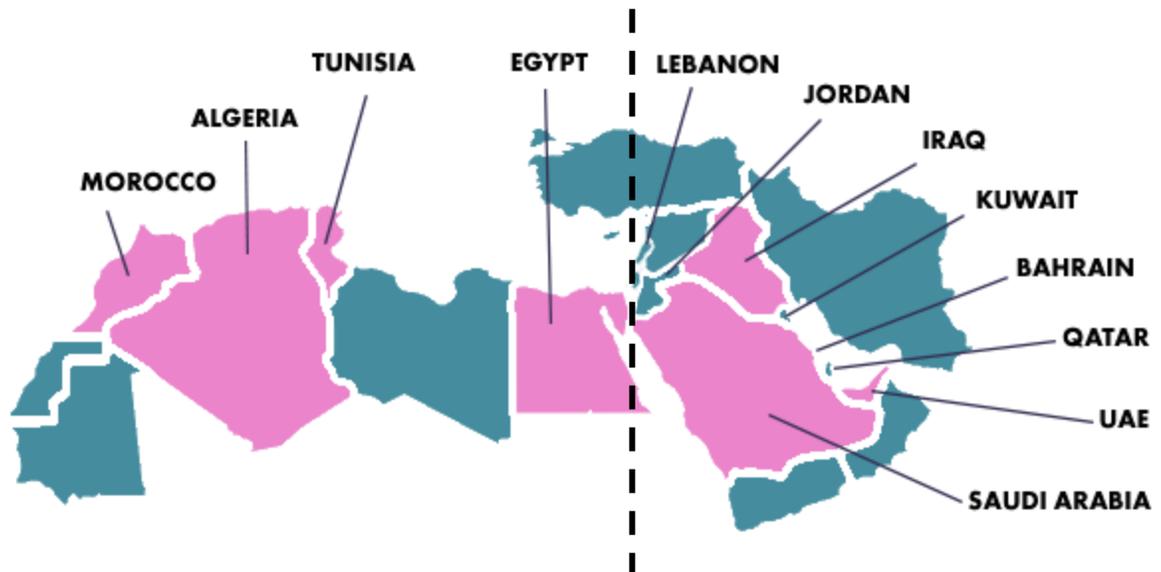
FFearFFul: Peak Viewership of 69,138 (November 11th) on GTA Online



Ikloode25: Peak Viewership of 58,258 (November 11th) on GTA Online

FACTORS FOR MARKETING CAMPAIGNS

Looking at the data and the trends for YouTube we can see differences in game preference of the top streamers and how those preferences differ for the Gulf Countries when compared with the North African countries. Free Fire is more popular in the North African countries with strong viewership while similar styles of game are more popular in the Gulf Countries (PUBG Mobile / Fortnite).



These game preferences should be considered for any marketing campaigns where the local audience in a specific country is the identified target for the campaign.

Consideration should also be given to "other" game titles played by streamers in the region. They represent a way to gain visibility by a more casual audience (i.e. Minecraft) or provide access to a non-traditional audience (e.g. GTA Online & Escape from Tarkov)

Key game events and updates, like the end of a Season in Fortnite, present opportunities for visibility and activations where Peak Viewership is likely to increase for a short period of time.

MENA Q1 2020 GAME STREAMING REPORT

THANK YOU FOR YOUR ATTENTION

For a free consultation about the MENA region or for further discussion about this report please contact Philip Wride.

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