



Ecosystem evolution series

Industry-centered ecosystems: gaming

Main message

The mobile cloud gaming ecosystem offers great growth opportunities to leverage 5G connectivity and edge computing, providing a consistent and lag-free gaming experience

Target audience

CSP ecosystem owners
Enterprise digital transformation owners

Talking points

Characteristics of an industry ecosystem

- Centered around an industry, focused on advancing its maturity and productiveness – retail, manufacturing, energy or gaming, for example.
- Very large ecosystems involving players along the entire value chain.
- Many parties involved, all driving the needs of the industry in the broader sense.

Video gaming context

- Gaming is pivoting towards mobile. Consumer spending on mobile gaming reached [USD 90B in 2021](#), surpassing console and PC gaming.
- Cloud gaming is growing fastest, with a [CAGR of 57 percent](#), while also becoming more mainstream due to growing internet speeds.
- Cloud gaming relies on streaming content where highly reliable, low-latency 5G connectivity provides the lag-free gaming experience that is key for gamers.
- [Over 4 billion 5G subscriptions by 2027](#) will further increase the addressable market.

Four closely related ecosystems

- Four key related ecosystems centered around a process that is being heavily facilitated and enabled by technology:
- Console and PC gaming ecosystem: centered around stationary gaming hardware. Includes marketplaces, console & PC OEMs, game developers and publishers, connectivity providers and online gaming providers.
 - Mobile gaming ecosystem: centered around smartphones and tablets. Includes app platforms, smartphone OEMs, game developers and publishers, connectivity providers and online gaming servers.
 - Cloud gaming ecosystem: centered around cloud capabilities, streaming, content delivery and connectivity networks. Includes platform providers, connectivity providers and cloud center providers.
 - VR gaming ecosystem: centered around VR headset OEMs. Includes VR headset devices and platforms, console & PC OEMs, connectivity providers and online gaming providers.

Relationships and dynamics in the video gaming ecosystem

- Shift in business model to play pass subscriptions for a fixed price per month.
- Shift from offline to online competition.
- PC and console hardware are increasingly converging.
- Competing standards in VR gaming, huge investments into the Metaverse.
- Cloud gaming decouples high-fidelity gaming from powerful high-end gaming hardware.

When and why focus on industry ecosystems?

- Attractive for players that have the size and scope to influence their ecosystem position.
- Global scale with huge business opportunities to grow.