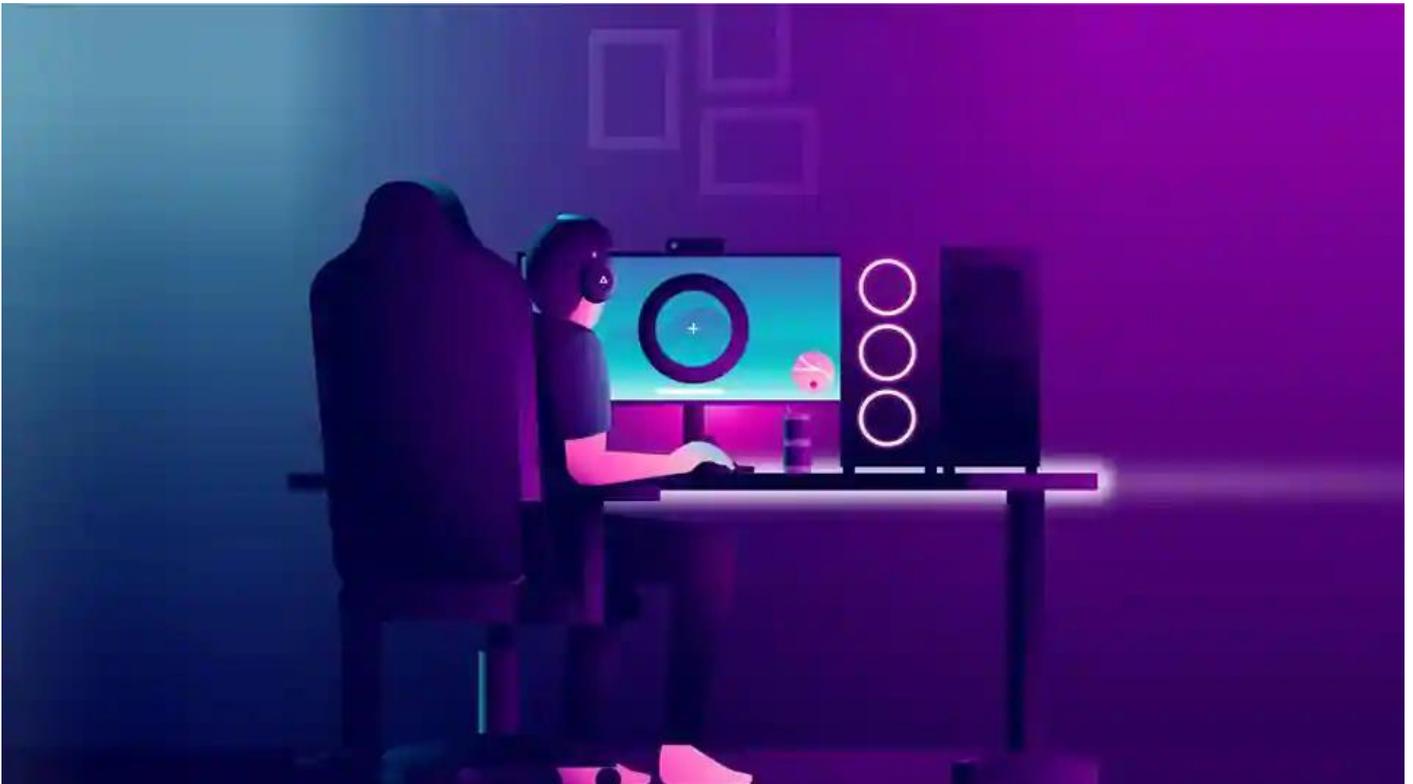# 2020: The up and coming year for Indian gaming industry!

Online gaming has gained a strong foothold within the Indian entertainment industry. With a projected user base of more than 628 million gamers, this gives a whole new boost to the gaming ecosystem within the Indian economy.

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From taboo to mainstream recognition, the Indian online gaming industry is growing at an exponential rate year upon year, and is expected to be worth $1.1 billion by 2021, according to Google-KMPG.

Online gaming has gained a strong foothold within the Indian entertainment industry. With a projected user base of more than 628 million gamers, this gives a whole new boost to the gaming ecosystem within the Indian economy. This ecosystem consists of gamers of all ages, game developers and designers, investors and marketers all working together to come up with the latest cutting edge games, concepts and offers

for players. All this interest and potential makes India one of the top gaming markets amongst emerging global economies.

7 reasons why India is a game changer

1. India is a young market

India is a young country with over 75% of its population under the age of 45, making it one of the largest potential markets for online gaming in terms of volume. The Indian population is also undergoing an increase in urbanization, which has furthered even more the growth of gaming within India. There's also a higher tendency for younger individuals to play online games, especially on their smartphones, and since 60% of India's online gamers are aged between 18-24, this makes India a prime country for the advancement of online gaming.

2. Number of active internet users

India has over 560 million internet users, making it the second largest online market in the world, coming second only to China. The majority of this number is mainly composed of male users as only 33% of Indian internet users are female. By the year 2023, it is estimated that this number will increase up to 650 million internet users in the country.

3. Mobile gaming as the frontrunner

Previously, no one would have ever considered mobile devices as a platform for games, especially online ones. However nowadays gaming is more about accessibility and comfort, so smartphones are replacing traditional consoles and PCs as the go-to device for gaming. Smartphones are also becoming much more affordable, accessible and portable allowing for players to play on the go, whenever and wherever they please.

With revenues from mobile gaming surpassing those of gaming consoles, major game developers are switching their focus on creating games tailored to a mobile audience. Both PlayStore and AppStore are loaded with gaming apps which are some of the most

downloaded apps. All you need is a Smartphone with a robust configuration, combined with a stable internet connection and of course skills, to enjoy these games.

4. Localised content for the Indian market

For the past few years, audiences have preferred games with localized content which allows for a more immersive gaming experience. Games like Indian Rummy, Teen Patti, Andar Bahar, Texas Holdem Poker and Omaha Poker continue to attract an audience through various online sites. This has also given rise to catered game guides and videos showing how to play, game rules and even strategies.

Mattias Bergehed, CEO at EsseNVideriMedia.com who owns India's biggest game guide and comparison site for gambling SevenJackpots.com states that, "We have seen a significant increase in searches for transactional keywords such as Andar Bahar Real Money and Teen Patti Casino on Google, as well as support related questions from our users around the local table games Teen Patti and Andar Bahar. There is no doubt that the demand and awareness around these local games are increasing steadily in India."

Mattias also mentioned, "So far we have helped over 2000 Indian players with opening their accounts at Indian casinos, and 90% of them have tried out the games mentioned above."

Indian game developers are also building games in multiple languages and themes acclimatized to the tastes of the local gaming audience. The companies hold special events celebrating popular Indian festivals, such as Holi, Diwali, Eid, etc. Game developers have also launched the option to play games in Indian regional languages such as Gujrati, Bangla, Marathi, Telugu and many more.Content customization will continue to play a vital role in the upcoming year with even the inclusion of popular bollywood movie franchises coming into the mix.

5. Fantasy Sports and E-sports

Online fantasy sports gaming is a form of skill-based online sports gaming where sports fans can create their own team made up of real-life players from upcoming

matches with specific conditions. Fantasy sports in the Indian market is expected to reach over $5 billion in the upcoming two years. This Is attracting not only customers but even Venture Capital and Private Equity Investors. Cricket by far is the most popular with nearly 85% of users engaging in this sport. Other sports Indian users venture into are football, basketball, and kabbadi. As competition is exceptionally high in cricket, the chances of winning decrease so more players are venturing into other sports to increase their chances of a win. With more than 60 platforms available there are many options for players, however, Dream11 launched in 2008 is one of the largest and most popular fantasy sports companies in India.

The E-sports scene has also experienced a large surge within India on games such as Counter-strike, CS:GO, DOTA 2 and others giving rise to celebrated top gamers such as Balaji "BlizzarD" Ramnaratan, Saransh Jain and Ankit "V3nom" Panth.The eSports Federation of India reports a phenomenal 264 million Indian gamers and competition prize money is increasing annually.

6. Booming Tech and IT sector

Online game development companies in India have risen to 275 in 2019 from a mere 25 in 2010. India is also experiencing a rise of employment opportunities within the job market, since it has become a popular backend development center for gaming companies creating more opportunities in non-conventional sectors such as tech oriented careers within IT and game development.

7. Widespread use of online digital payment methods

With the global rise of e-commerce, individuals using digital payment methods are estimated to rise by up to 300 million users by 2022. This has caused a shift in gaming companies to offer even more payment options for players such as Google pay or Paytm, therefore catering to a wider audience and different player needs. Of course each method has its own advantages and disadvantages.

The Indian Player and Regulations

In recent years the behaviour, preferences and lifestyle of Indian consumers has changed due to having more disposable income, increased consumer awareness and penetration of the internet and social media. This has resulted in consumers shifting from just need-based choices to more aspirational consumption patterns and such spending is anticipated to more than double by 2025.

Most gamers are under the age of 24 years, probably due to having more free time at hand and being more tech savvy, although it is important to note that gaming is also being adopted amongst the older generation.

In India, betting and gambling laws, both online and offline are dictated by each state. While skill-based games are usually permitted under most laws, games of chance are prohibited under most Gaming Enactments (The Public Gambling Act, 1867 and the various gaming laws enacted by states in India). Therefore games of skill are permitted, but games of chance still require review and permissibility by law, which puts many areas in India in terms of gaming within a grey zone when it comes to the law.

Whether a game is a game of skill or game of chance depends on each individual case as decided upon by judicial pronouncements. Horse betting and fantasy sports have all been deemed as games of skill. Rummy and Poker are declared as games of skill within some states, while still being prohibited in others. Whether sports betting is a game of skill is still pending before the Supreme Court in the case of Geeta Rani v Union of India. Casino games such as roulette, blackjack and slots are usually seen as games of chance, so are treated as betting and gambling activities, and are therefore prohibited under most Gaming Enactments (except for the North-Eastern state of Sikkim, which permits certain casino games).

Foreign Investment

It is evident that foreign companies have taken note of the growth within the Indian gaming market and its user base and seek to invest in these new opportunities such as:

●Mumbai-based Nazara Technologies which has acquired Kae Capital's stake in Halaplay Technologies Pvt Ltd to become the majority investor in the fantasy sports gaming platform

●Baazi Games who plans to invest US$5 million within India's gaming market in 2020, by focusing on gaming start-ups to nurture the latest gaming technology. The online platform offers card games like Poker Baazi and Rummy Baazi, and fantasy cricket Balle Baazi. Indian Olympic medalist boxer Vijender Singh has signed as the brand ambassador for Poker Baazi.

●PayTM and Alibaba Group's Hong Kong (based AGTech Holdings) who formed a joint venture in 2018 through the investment of Gamepind's launch, which is a localized platform hosting popular casual and sports games.

●Youzu Interactive, a Chinese company entered the Indian market in 2017 with plans to invest US$10 million to develop local games and forge partnerships.

●Tencent, Steadview Capital, Kalaari Capital, Think Investments and Multiples Equity which have all invested in the unicorn company Dream11.

Effects of COVID-19

Due to the nationwide lockdown, people are staying at home and some are turning to gaming platforms to kill their boredom. These platforms are attracting hundreds and thousands of new visitors in online traffic. Many land-based casinos have switched to online platforms and discounts and bundle offers are being promoted online by gaming companies and online gaming stores to encourage people to play video games. Poker tournaments are also being held more often.

According to Ranjana Adhikari, co-head of media entertainment & gaming at Nishith Desai Associates, "We also saw a 24% increase in traffic in online gaming between February and March. Interestingly India is a developing nation, but lockdown has seen an acceleration of people moving to online in general and getting used to it. While wider regulation might still be a way off, the pandemic might have accelerated the process.''

In view of these trends the importance for self-regulation within this Industry cannot be emphasized enough especially when it comes to responsible gaming which is still a new concept in India. Further regulation would help with pushing gaming companies to educate players about gaming responsibly via information on identifying gaming addiction and how to manage it, implementing self-checks, timeouts and even limits upon their accounts.