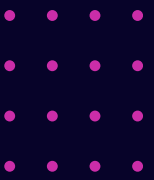


The growth of the MENA region

ESPORTS

What's happening in the esport industry in the Middle East and North Africa.

DISCLAIMER



This white paper on esports in the MENA region is intended for informational purposes only. The opinions expressed herein are those of the authors and do not necessarily reflect the views of any specific organization or entity.

While every effort has been made to ensure the accuracy of the information provided, no guarantee is made regarding completeness, reliability, or suitability for any particular purpose. Readers are encouraged to conduct their own research and seek professional advice as needed.

The esports industry is dynamic and rapidly evolving, and the information contained in this white paper may become outdated over time. The authors are not liable for any errors, omissions, or losses arising from the use of this information.

Furthermore, this white paper does not constitute financial, legal, or investment advice. Readers should consult with appropriate professionals before making any decisions based on the content herein.

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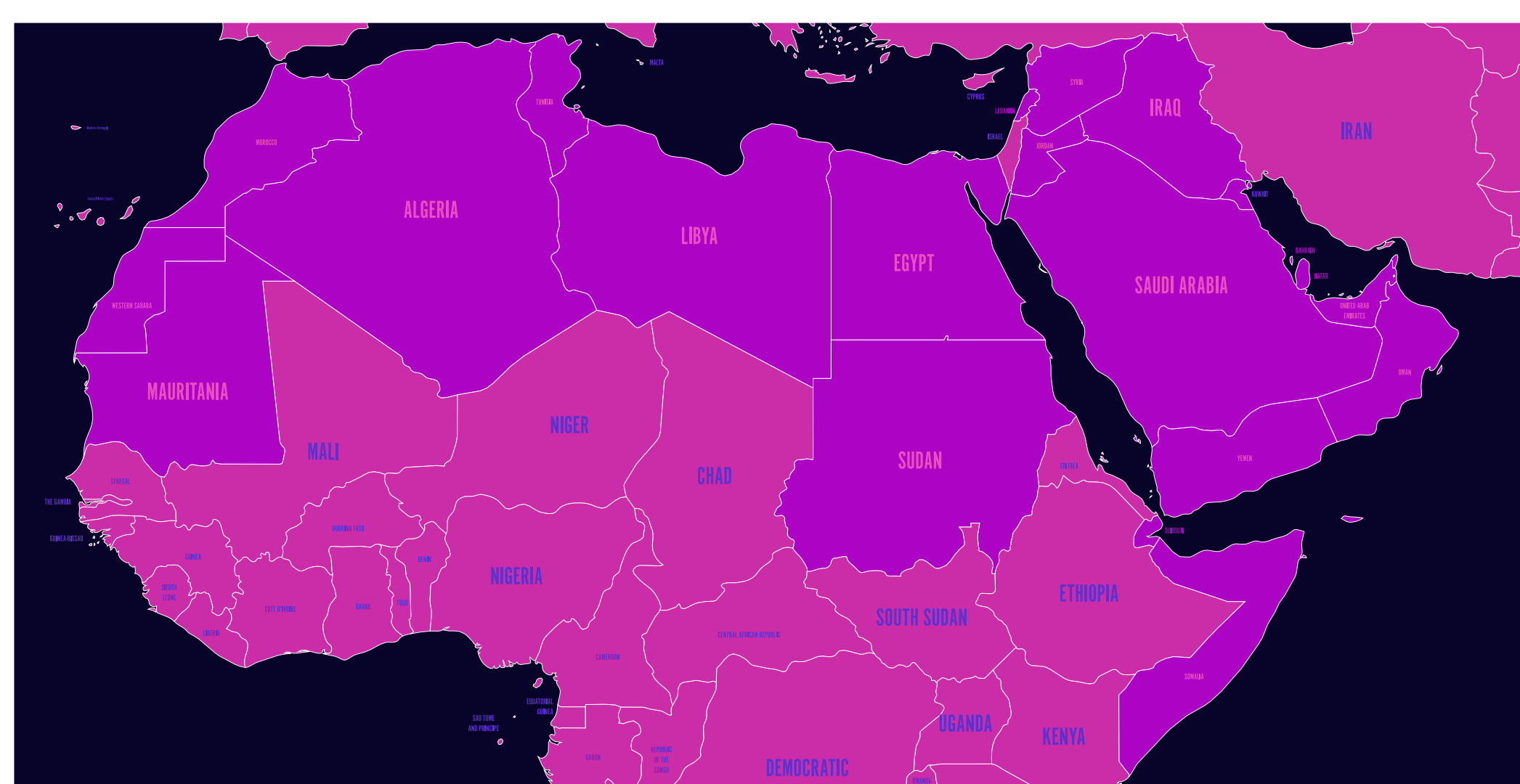
THE MENA REGION

How it's becoming an esports hub



The MENA (Middle East and North Africa) region has emerged as a significant player in the global esports and gaming industry, driven by factors such as high mobile internet penetration rates, a large young population, and increasing interest in digital technologies.

The landscape of esports in the MENA region is dynamic and rapidly evolving, with several key trends and developments shaping its growth.

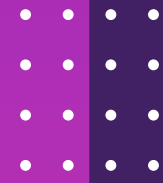




In 2021, the United Arab Emirates (UAE) led the esports market in the MENA region, generating approximately 6.44 million U.S. dollars in revenue. However, Egypt claimed the top spot in terms of the number of esports users, indicating a widespread interest in gaming across the region. Saudi Arabia has witnessed a notable increase in its esports fan base, with a growing number of players and tournaments being organized locally.



The popularity of esports among the youth is evident, with the 18- —to 24-year-old age group dominating the gaming scene in Saudi Arabia. Substantial investments bolster the region's gaming industry, with combined revenue from Asia and MENA accounting for over 56 percent of the global esports market.

Several factors contribute to the MENA region's rapid expansion in esports. High-income levels, public investment projects, and efforts to diversify oil-dependent economies in countries like the UAE and Saudi Arabia have propelled the growth of the gaming sector. Moreover, government support for esports initiatives has been a significant driver, aiming to nurture homegrown talent and attract international tournaments.



THE UAE

THE NEXT CAPITAL OF ESPORTS

The UAE, in particular, has positioned itself as a global hub for esports and gaming. With tech startups focusing on serving regional needs and the presence of major gaming companies like Ubisoft and Tencent, the country has become a focal point for industry activities. Dubai, in its quest to become a major tech hub, has launched ambitious strategies such as the Metaverse Strategy and the Dubai Program for Gaming 2033, aiming to rank among the top gaming cities globally.



ESPORTS IN MENA



The rise of esports in the MENA region is not limited to traditional gaming markets. The inclusion of women gamers is notable, with about 32.6% of gamers in Egypt, Saudi Arabia, and the UAE being women. Social media plays a significant role in providing information and fostering community engagement among female gamers.

A search bar with a white background and rounded corners, containing the text "Search ..." and a magnifying glass icon on the right.

REGIONAL IMPACT AND FUTURE OUTLOOK

The MENA region, with a gaming community of over 377 million players, presents significant potential for esports growth. Countries like Egypt, Saudi Arabia, and the UAE lead the way in terms of gaming engagement and revenue.



With high internet penetration and a youthful population, the outlook for the gaming sector in the Middle East is promising. Newzoo forecasts a compound annual growth rate (CAGR) of 15.1% for the whole MENA region through 2024.



The MENA region's gaming industry is projected to continue its upward trajectory, with forecasts indicating substantial growth in revenue and user base over the coming years. Government support, coupled with increasing investment and a vibrant community of gamers and developers, positions the region as a key player in the global esports landscape.



The pearl of esports in North Africa



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EGYPT

AN INCREDIBLE GROWTH


Egypt's online gaming market has been experiencing remarkable growth in recent years, driven by various factors such as the increasing number of internet users, growing e-commerce, and the widespread availability of mobile devices. This growth is further fueled by a rising tech-savvy population and increased investment in the country's ICT sector.





The Egyptian government has been actively investing in digital infrastructure to attract foreign investment and enhance the gaming sector. Many international companies are collaborating with local entities to develop new games and improve the gaming experience, thus contributing to the market's expansion.

According to 6Wresearch, the Egypt Online Gaming Market size is anticipated to register significant growth during 2021-2027. The country's population, particularly the youth, shows a strong interest in esports and video gaming, contributing to the market's landscape.



Esports has been gaining popularity in Egypt, with a growing number of tournaments and teams emerging. The government and private sector are investing in the online gaming to foster its growth.

Egypt has a large and young population, with more than half of its 100 million people under the age of 25. Many of them are tech-savvy and keen on gaming, especially on mobile devices and consoles.



Egypt's gaming industry is attracting both local and international investment and innovation. Startups and entrepreneurs are actively developing games and applications for the local and global markets.

An example is Anubis Gaming, one of Egypt's leading esports teams in the Middle East and North Africa region, competing in various prestigious events and tournaments.

Egypt has also hosted several gaming events and festivals, such as Insomnia Egypt, featuring multiple mini-tournaments, exhibitions, and activities for gamers.

ESPORTS IN MENA

Egypt, along with Saudi Arabia and the UAE, forms the MENA-3, which generated \$1.92 billion in 2023 and is forecasted to reach \$2.65 billion in 2027. Egypt is the top revenue-generating country in North Africa, accounting for over 10% of the 2023 revenue, with almost 59% of total MENA-3 gamers coming from Egypt.



The rising middle class and increased access to the internet and mobile technology are further driving the growth of Egypt's gaming industry.

Egypt's strong education system, with over 50 accredited universities and 100 technical institutes producing 500,000 graduates annually, supports the sector with a significant number having IT-related skillsets.



A futuristic server room with blue lighting and hexagonal ceiling lights. The room is filled with server racks, and the ceiling features several glowing hexagonal light fixtures. The overall atmosphere is high-tech and modern.

Despite these advancements, Egypt lags behind in gaming ARPU and internet penetration. However, with initiatives for digital transformation and increasing engagement in esports and gaming, Egypt's gaming industry is poised for significant growth.

ESPORTS IN MENA



Search ...



According to Statista Global Consumer Survey, in 2021, 92 percent of people aged 16-24 and 94 percent of people aged 25-34 in Egypt reported engaging in mobile gaming. The survey also revealed that 32 percent of respondents spend between one to five hours per week gaming, while 17 percent dedicate between six to ten hours weekly to gaming.

Overall, Egypt's online gaming market is experiencing rapid growth, with immense potential for further expansion and development in the coming years.





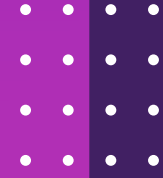
SAUDI ARABIA

The country that is thriving Esports industry





In recent years, Saudi Arabia has emerged as a powerhouse in the global esports landscape, driven by significant investments and strategic initiatives aimed at fostering a vibrant gaming ecosystem. The kingdom's Vision 2030 economic transformation plan has played a pivotal role in shaping its esports vision, with ambitious goals set to position Saudi Arabia as a global hub for gaming by the end of the decade.



SAUDI'S STRATEGY

A cornerstone of Saudi Arabia's esports strategy is the establishment of the Saudi Esports Federation (SEF) and the hosting of major gaming events. These initiatives demonstrate the kingdom's commitment to nurturing local talent and creating a competitive gaming environment, while also enhancing its international visibility and potentially boosting tourism.



Vision 2030

250

gaming companies
by 2030

\$13 billion

the sector's
contribution to
the GDP

39,000

jobs created

Prince Faisal bin Bandar outlined these aspirations in December 2022, signaling the country's determination to become a global leader in gaming.

The kingdom's sovereign wealth fund, the Public Investment Fund (PIF), has been a key player in driving Saudi Arabia's esports ambitions. In 2020, PIF made a significant investment in Reliance Industries, acquiring a stake in one of India's largest esports companies. Subsequently, PIF established Savvy Games Group (SGG) with a \$1.5 billion investment in leading esports platforms ESL and Faceit, along with acquisitions of Japanese game developer SNK and stakes in other gaming giants like Capcom, Nexon, and VSPO.





Saudi Arabia's investment in esports infrastructure has been complemented by its commitment to grassroots development and talent cultivation. The country boasts over 23.5 million gaming enthusiasts, with a significant portion of the population engaged in esports activities. Female participation in gaming and esports is also notable, with 42% of women participating in gaming and 18% in esports.

Moreover, the kingdom has taken steps to position itself as a top destination for international esports events. The announcement of the annual Esports World Cup, set to debut in Riyadh in 2024, reflects Saudi Arabia's ambition to host the most viewed esports event in the world, further solidifying its status as a premier gaming destination.

A large esports arena with a crowd of spectators. In the center, a large trophy is displayed on a stage. The background features a large screen with the text "READY TO BATTLE" and a "SPORTS HALL" sign. The scene is lit with blue and purple lights, creating a vibrant atmosphere.

Saudi Arabia's esports strategy aligns with its broader vision to diversify its economy and harness the potential of its young, tech-savvy population. By leveraging its resources and strategic partnerships, the kingdom is poised to unlock the economic potential of the gaming industry while cementing its position as a global leader in esports.



A Rising Powerhouse in Gaming and Esports



In recent years, the United Arab Emirates (UAE) has emerged as a key player in the global gaming and esports industry. With a combination of strategic investments, governmental support, and a burgeoning gaming community, the UAE is reshaping the landscape of digital entertainment in the Middle East and North Africa (MENA) region.



The UAE stands out as a significant contributor to this growth. With nine in 10 adults playing video games, and 23% of them being frequent gamers, the country boasts the highest gaming engagement globally. Moreover, 51.3% of esports gamers in the UAE fall within the 25 to 34 age group, indicating a strong demographic for the industry's growth.



The UAE has made substantial investments in gaming and esports infrastructure. The establishment of dedicated esports arenas, state-of-the-art gaming facilities, and international tournaments has become commonplace. Major players, including governments, private investors, and gaming companies, have collaborated to build an ecosystem conducive to the flourishing of esports.

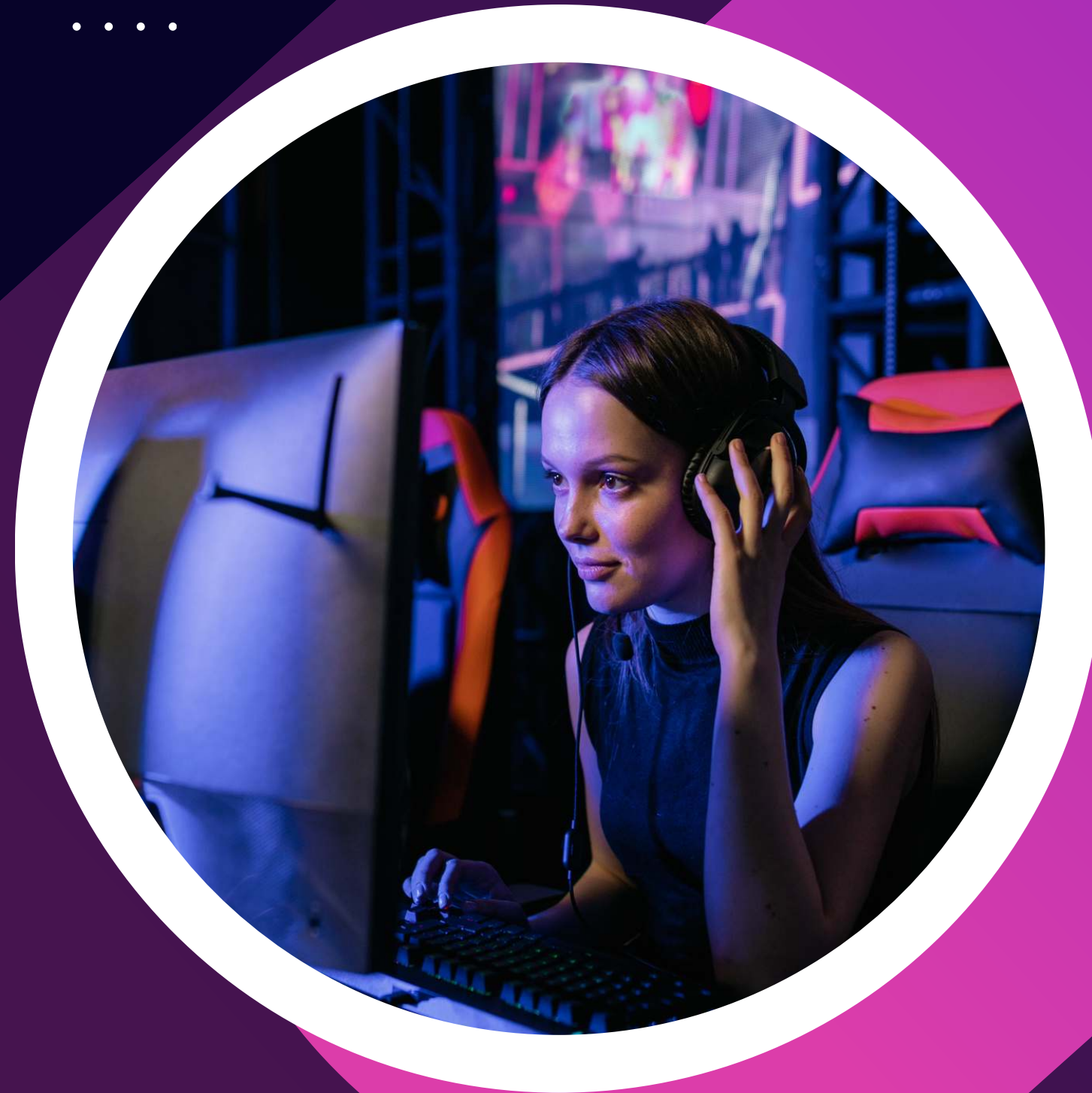
The UAE has invested over \$1 billion in gaming and esports infrastructure, showcasing its determination to become a global gaming destination. Events like the Dubai Gaming Festival, which attracted over 100,000 attendees in 2022, highlight the growing interest in gaming culture.

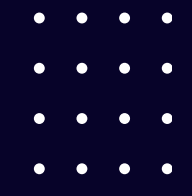
Initiatives like the Dubai Gaming Festival and the Abu Dhabi-based Hub Zero demonstrate the country's commitment to fostering a thriving gaming culture. Additionally, partnerships between global esports entities and UAE-based organizations have solidified the region's position in the international gaming circuit.



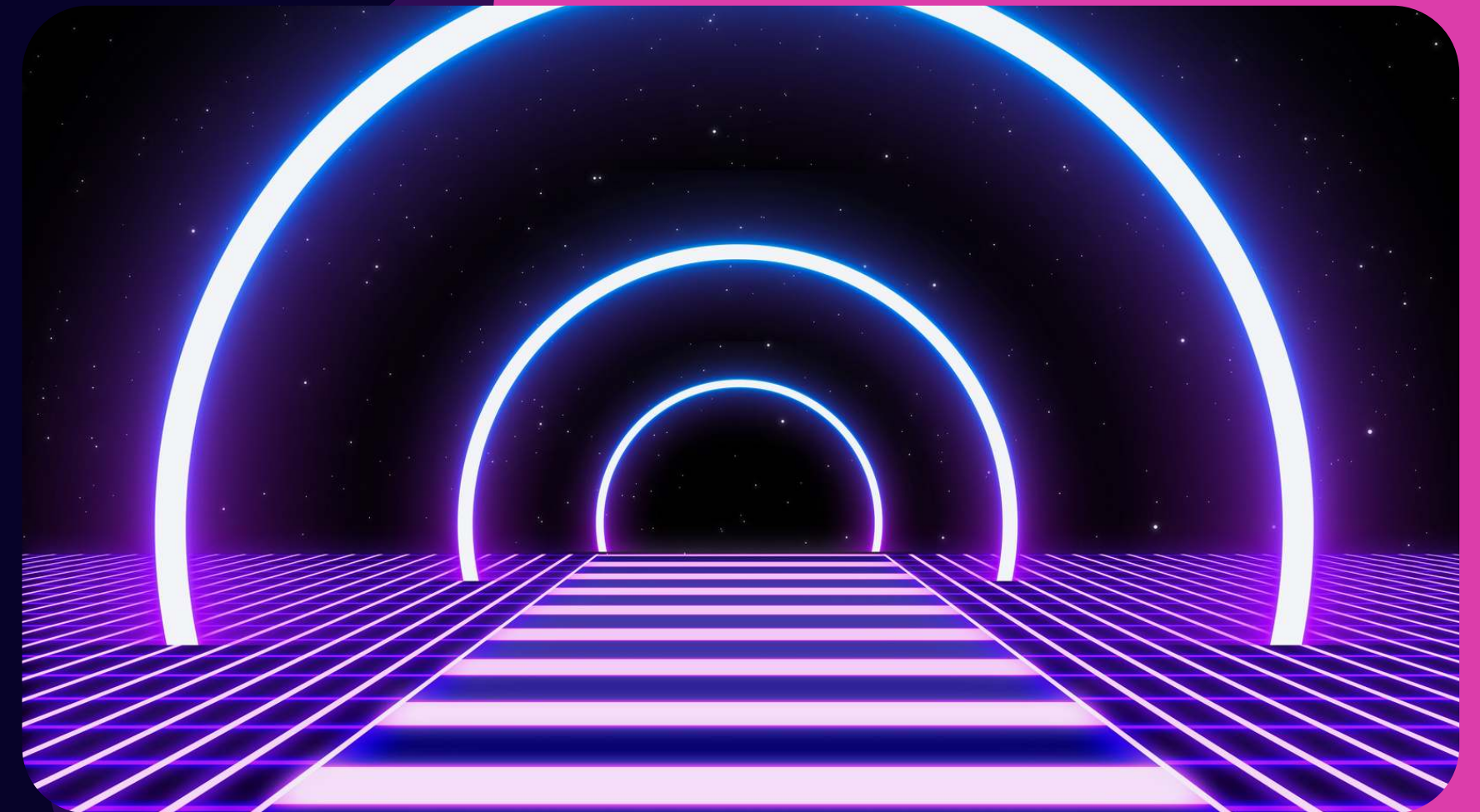
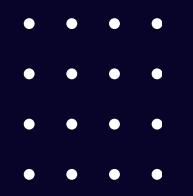
Government initiatives further drive the UAE's gaming ambitions. The "Dubai Program for Gaming 2033," launched in 2023, aims to rank Dubai among the top ten gaming cities globally. It includes plans to create tens of thousands of new jobs and significantly contribute to the country's GDP.

The UAE Ministry of Economy forecasts that AR and VR will contribute \$4.1 billion to the UAE economy by 2030, creating 42,000 jobs. Additionally, a 10-year national strategy for cultural and creative industries aims to encourage gaming, including localization efforts, support for local game development, and hosting esports events.





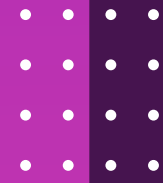
In conclusion, the UAE's rapid rise in gaming and esports reflects its commitment to innovation and economic diversification. As the country continues to invest in infrastructure, talent, and strategic initiatives, it is poised to become a global hub for gaming and esports in the years to come.



TELCOS & ESPORTS

All the opportunities





The rise of esports has transformed the gaming landscape, presenting a lucrative opportunity for telecom operators, particularly in the Middle East and North Africa (MENA) region. With the potential of 5G technology and high-speed internet connections, operators are poised to leverage this burgeoning market.



Edge computing systems are revolutionizing esports by minimizing latency, ensuring a level playing field for gamers regardless of their location. Telcos, as gatekeepers to lightning-fast connections, play a crucial role in optimizing the gaming experience and building online communities through tailored esports content and events.

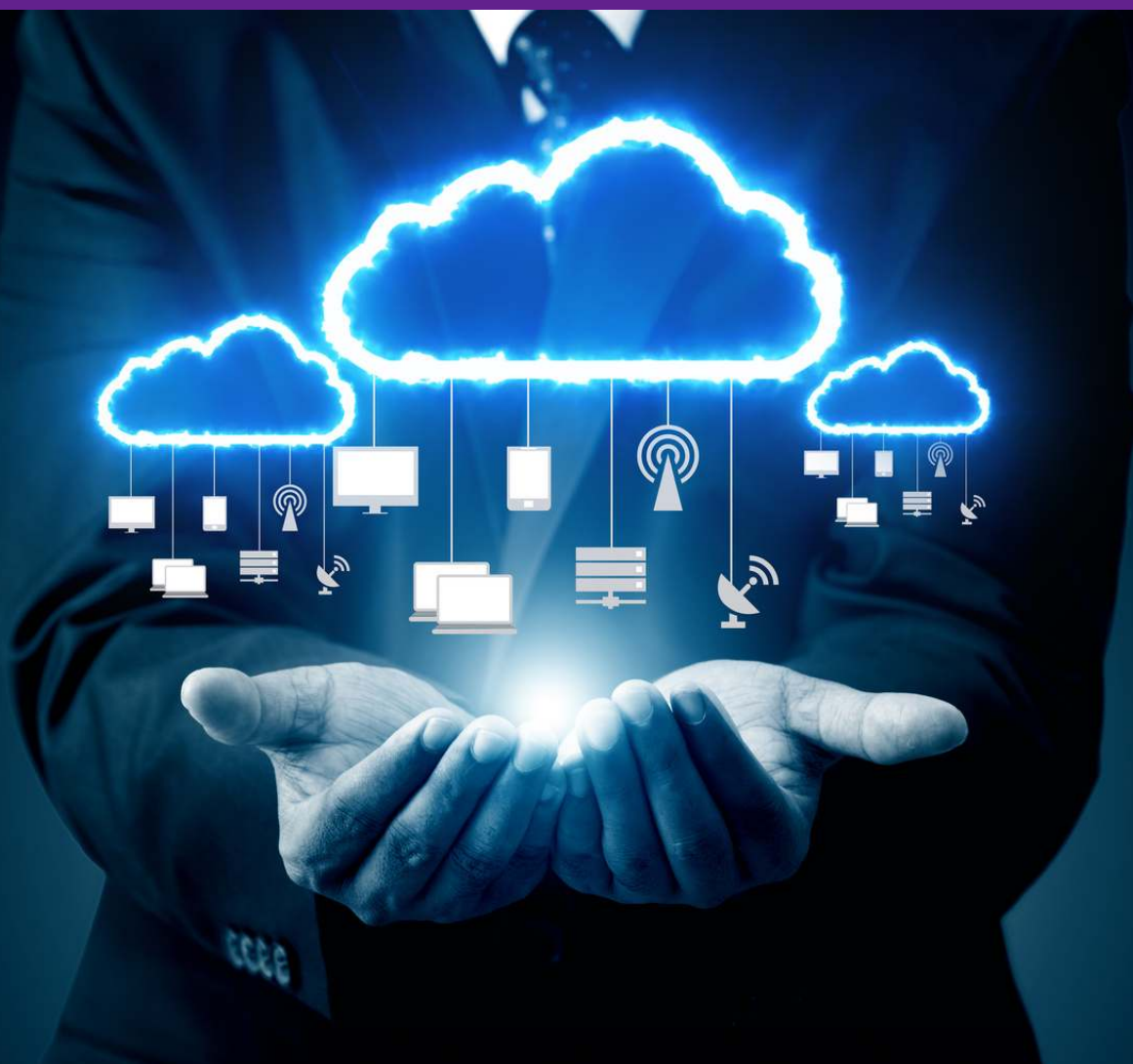
Security is paramount in esports tournaments, with networks needing to withstand high demands while fending off intrusion and attacks. For telcos capable of delivering robust, secure infrastructure, this presents a significant opportunity to enhance their offerings and ensure tournament integrity.

What is edge computing?

It's when nearby devices process data in real-time, enabling lightning-fast connections. In online gaming, an advanced edge computing system can pinpoint each player's location and create a server in the best spot for optimal performance, ensuring all players have the same high-speed, low-latency experience. Telcos can leverage this technology to cater to gamers' needs and offer value-added services.

Beyond providing fast connections, telcos can tap into esports and gaming in other ways: fostering online communities, delivering tailored esports content, and promoting tournaments. This engagement can help telcos connect with the digital-native generation, create meaningful experiences, gain loyal customers, and boost average revenue per user (ARPU).

Until now, many of the world's 2.5 billion gamers haven't had much reason to be loyal to a telco.





HOW TO MONETIZE WITH ESPORTS

Gaming hubs emerge as a key strategy for telcos to engage with customers and tap into new revenue streams.

By offering exclusive content, rewards, and promotions, telcos can foster customer loyalty and retention while providing gamers with immersive experiences.



Monetization strategies, including carrier billing for in-app purchases and subscriptions, further boost revenue potential for telcos.

This streamlined payment process enhances the gaming experience and fosters increased spending among players.

IN CONCLUSION



The gaming opportunity is particularly attractive for telecom operators in the MENA region, where a significant portion of the population is young. By launching events, forming esports teams, and enhancing connectivity, operators can diversify their business and establish themselves as key players in the gaming ecosystem.

To earn credibility in the gaming space, operators must align their brand with gaming through partnerships, exclusive releases, and esports sponsorships. As they navigate the gaming value chain, from distributor to developer, operators can solidify their position and capitalize on the growing demand for esports and gaming content.

As operators continue to invest in infrastructure, content, and partnerships, the future of gaming hubs for telcos looks promising. By embracing this trend, telcos can stay competitive and meet the evolving demands of gamers in the digital age.

ABOUT COOKIES

Cookies specializes in developing cutting-edge and innovative esports solutions for telcos in Europe, MENA, and South Africa.

Our company is committed to staying ahead of the game, constantly researching new technologies and trends in the fast-evolving esports industry, with a passion for creating immersive gaming experiences, empowering communities, and educating gamers about the world of esports.

With a team of passionate professionals, the company is committed to providing the best possible experience for telcos' gamer customers: its innovative platforms, including Play&Play and SkillzCamp, revolutionize the way gamers connect, compete, and engage with their favorite titles and influencers.

Cookies, Google Premier Partner since 2018, has been listed by the Financial Times and Statista as one of the fastest-growing companies in Europe for two years in a row.

The company employs staff from more than 10 nationalities. It is headquartered in Rome and has offices in Dubai and Muscat.



COOKIES
FROM GAMERS TO GAMERS

The logo features the word "COOKIES" in a large, bold, italicized font. The letters "C", "O", "O", "K", "I", and "E" are white, while the final "S" is a vibrant blue. Below this, the tagline "FROM GAMERS TO GAMERS" is written in a smaller, white, all-caps, italicized font.

COOKIES' OFFER

For telcos we offer esports solutions that span from marketing, technology to content.

Our White Label Solution With our white-label offer, you can put your brand front and center on our esports and gaming platform. Benefit from a customized user experience to boost brand loyalty, expand your reach, and offer unique services, all while thriving in the gaming world.

Tailored Customization Our platform is designed to reflect your vision. Customize everything from color schemes to logo integration, creating a platform that resonates with your audience and fosters lasting connections.

Leading Esports Marketing Agency

We specialize in Influencer Marketing and Digital Advertising, helping companies tap into the rapidly growing esports market with tailored strategies.

Influencer Marketing & Content Creation: Leveraging our network of top esports influencers and content creators, we connect clients with their target audience authentically. From sponsored content to event appearances, we ensure meaningful engagement with the esports community.

Digital Advertising & Social Media Management: Our targeted advertising on platforms like Facebook, Instagram, Twitch, and TikTok maximizes organic reach. We optimize campaigns using rich data to target players and manage paid campaigns on Google, TikTok, and Snapchat.

We are Google Premier Partner (since 2018) and TikTok Silver Agency (since 2023).

Live Event Organization: With a track record of successful esports events, we handle everything from venue selection to talent booking, ensuring a seamless and memorable experience for attendees and participants.

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