

# Risk advisors to the esports ecosystem

A team of specialists looking to drive value to esports organizations by helping them identify, assess, and manage risk.

## Introduction

Esports is now a **\$1 billion industry**. Esports tournaments and festivals routinely draw thousands of live spectators and millions across streaming platforms. From its humble roots on a Northern California supercomputer, esports is now a global phenomenon that rivals the most popular traditional athletic contests in the world. Even though esports has grown at an exponential rate over the past few years, we believe this is only the beginning.

Along with growth comes a need for a [heightened approach to risk management](#). Just as top players take a strategic approach to competitive gaming, successful esports organizations will adopt a strategic approach to risk management. Whether it is protecting venues from natural disasters or ensuring that reputations are protected, esports risk professionals face many similar challenges as businesses across the world. Added to that they have unique concerns. From the damage a cyber-attack could have on their technology-heavy platforms to protecting the health of their players, enterprise risk management will be a hot topic for esports organizations scaling up.

Marsh has a team of specialists focused on esports risks who understand the industry. Not to mention - many fellow gamers. They are backed by Marsh's global insurance placement teams and risk consultants to navigate an increasingly complex ecosystem.



We are well equipped to champion a diverse array of clients



A global team of colleagues hyper-focused on esports across the world



Serving many of the largest video game companies in the world



# Esports – What’s the Risk?

## Large events bring inherent exposure

As with the staging of any sporting or entertainment event with a sizable audience, esports events are subject to a range of risks. These include the risk of bodily injury to spectators, property damage, active assailants, terrorism, and cyber hacking, which could affect both the integrity of the games and the broadcast. It is critical for the organizers of these mega-events to undertake strategic risk assessments as an integral part of their planning effort.

## Health risks to esports athletes

With multi-million dollar prizes up for grabs at major events, the stakes for esports athletes and their sponsors are high. Esports athletes face [potential health issues](#), including:



Muscular disorder



Carpal tunnel syndrome



Tendinitis



Gaming addiction



Sleep pattern disruption



Gamers thumb/elbow



Neck and lower back pain



Mental wellness concerns

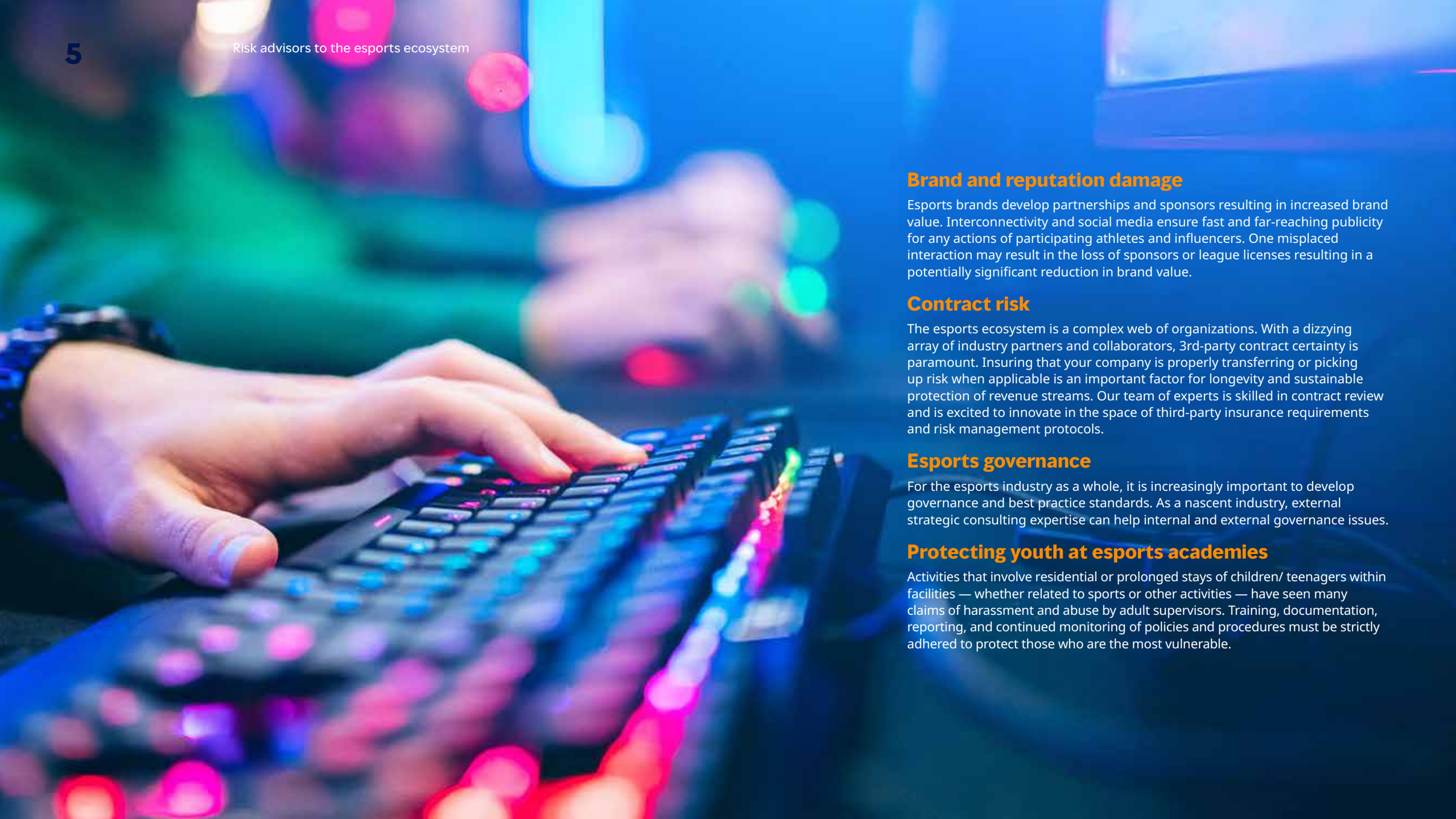


Vision impairment



Burnout





### **Brand and reputation damage**

Esports brands develop partnerships and sponsors resulting in increased brand value. Interconnectivity and social media ensure fast and far-reaching publicity for any actions of participating athletes and influencers. One misplaced interaction may result in the loss of sponsors or league licenses resulting in a potentially significant reduction in brand value.

### **Contract risk**

The esports ecosystem is a complex web of organizations. With a dizzying array of industry partners and collaborators, 3rd-party contract certainty is paramount. Insuring that your company is properly transferring or picking up risk when applicable is an important factor for longevity and sustainable protection of revenue streams. Our team of experts is skilled in contract review and is excited to innovate in the space of third-party insurance requirements and risk management protocols.

### **Esports governance**

For the esports industry as a whole, it is increasingly important to develop governance and best practice standards. As a nascent industry, external strategic consulting expertise can help internal and external governance issues.

### **Protecting youth at esports academies**

Activities that involve residential or prolonged stays of children/ teenagers within facilities — whether related to sports or other activities — have seen many claims of harassment and abuse by adult supervisors. Training, documentation, reporting, and continued monitoring of policies and procedures must be strictly adhered to protect those who are the most vulnerable.

# Marsh Esports Solutions

## Key Risk Advisory Solutions:



**Emerging Risks Advisory:** Management consulting approach to assess cutting edge risks to your organization. A client of ours recently used our experience on a [massive tournament of theirs](#).



**Geopolitical Risk:** Protect your business income and property from the prospects of political tension.



**Cybersecurity Risk Consulting:** Standards-based, client-specific assessment that help drive strategy, risk management, investment, and risk-transfer decisions relating to cyber risk.



**Crisis Response/Active Shooter Awareness:** Pre- and post-active shooter event mitigation and preparedness.



**Specialty Security Consulting:** Physical security assessment, analysis, and recommendations. This goes hand in hand with crisis response and active shooter awareness.



**Reputational Risk Consulting:** Quantify reputational damage of a specifically identified risk and provide guidelines and improvement mechanisms.



**Contingency Planning and Organizational Resiliency:** Operational or esports event specific planning capabilities to monitor and manage unexpected outcomes.



**Reputational Risk Consulting:** Quantify reputational damage of a specifically identified risk and provide guidelines and improvement mechanisms.



**Human Performance Optimization Consulting:** Help prevent and mitigate repetitive strain injuries to your employees or athletes to optimize human performance and create a safe environment.



**Venue Safety Audits:** Assure that your esports venue is up to par with industry best practices in risk management.



**Risk Management Program Design and Implementation:** Assistance in creating a written risk management framework to protect the bottom line of your esports organization.














**Event Risk Analysis:** Examine the current risk management controls in place and evaluate the measures using a categorized risk rating for live, remote, and hybrid events.



**Supply Chain Risk Management:** Utilization of data and analytics to assess your current digital and physical supply chain for bottlenecks and hurdles.

## Key Insurance Solutions:

-  **Technology Errors and Omissions:** Insure additional costs of businesses and indemnify injured parties for your professional liability relating to your technology or software.
-  **Cyber:** Protection in the event of a data breach of you or a vendor's information.
-  **Media Liability:** Protection for companies that transmit content to an audience.
-  **Travel Accident:** Indemnifies individuals (or their families) for accidental death or dismemberment while traveling. Appropriate expenses to return an individual to their home country is often included.
-  **Non-Appearence:** Insures esports event organizers projected additional expense/refunds from a key person not showing up to an event.
-  **Athlete Disability:** Protection of income from temporary or total disablement related to an injury that inhibits an athlete from competing and receiving projected income.
-  **Intellectual Property Infringement:** Defensive or offensive legal protection in the case of an intellectual property dispute.
-  **Director's and Officer's Insurance:** Protects the balance sheet of individual directors and officers for claims made against them in their capacity to steer the organization.
-  **Disgrace Insurance:** Protect your brand from damages associated with a famous individual acting on behalf of your organization.
-  **Property:** Protect your real property and esports gear in the event of an unexpected accident.
-  **Marine:** Covers loss or damage to goods in transit.
-  **Contingency Insurance:** Engineered to protect your gross revenue or expenses budget should a force majeure circumstance necessarily cancel, abandon or disrupt your insured event.



# Marsh's Roster

Our global team of sports, entertainment, media, and technology professionals are excited to continue to serve and innovate within the esports industry. We have facilitated [webinars](#) discussing esports health and wellness and recently lead an esports focused discussion on a popular drop-in conference-calling app. We are risk advisors, insurance brokers, risk managers, and gamers that continue to be thought leaders in risk management for the esports industry.

For further information, please contact your local Marsh office, visit our [website](#) or contact our industry expert below.

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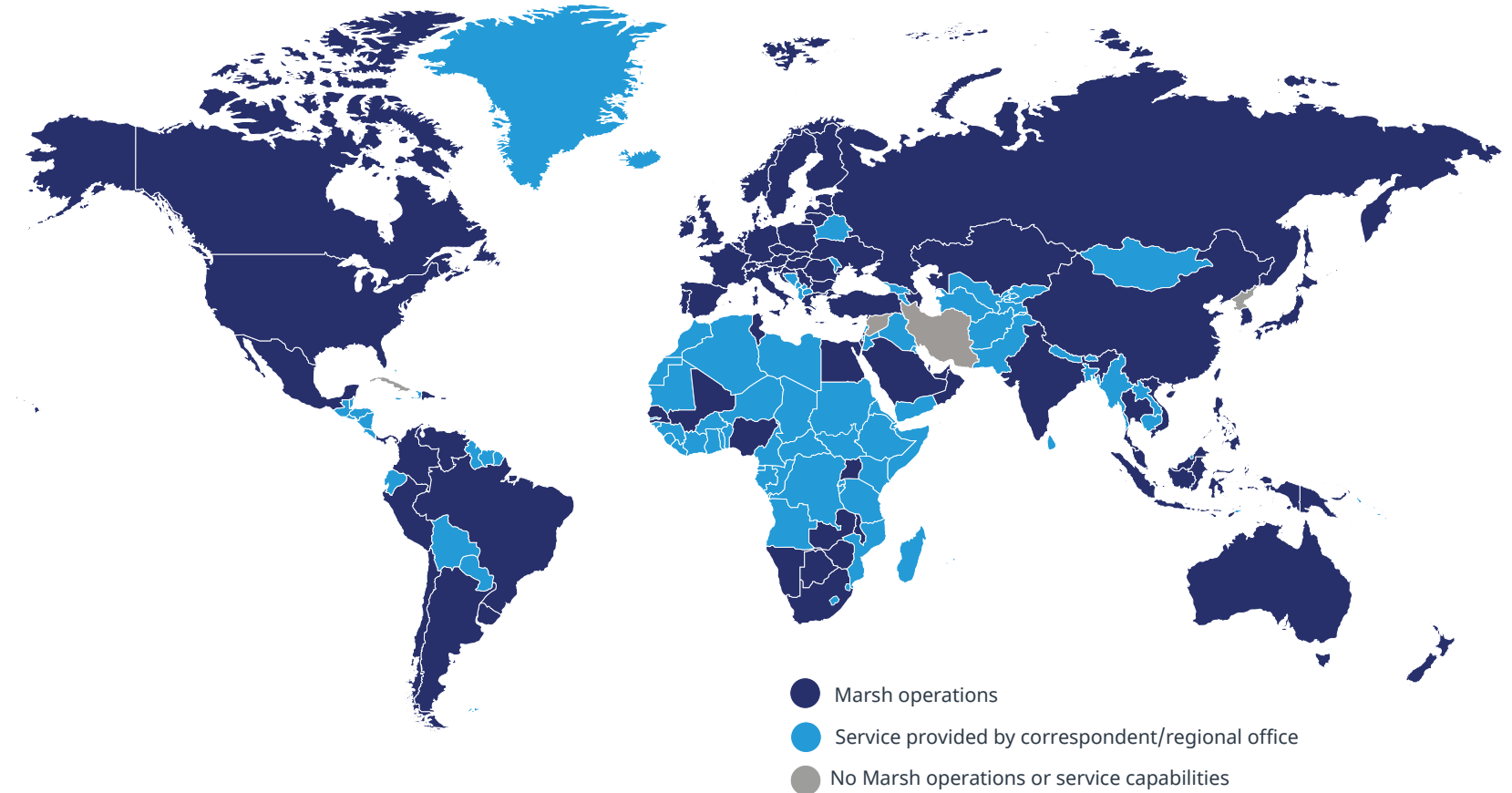
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## About Marsh

Marsh is the world's leading insurance broker and risk advisor. With around 40,000 colleagues operating in more than 130 countries, Marsh serves commercial and individual clients with data-driven risk solutions and advisory services. Marsh is a business of Marsh McLennan (NYSE: MMC), the world's leading professional services firm in the areas of risk, strategy and people. With annual revenue over \$18 billion, Marsh McLennan helps clients navigate an increasingly dynamic and complex environment through four market-leading businesses: Marsh, Guy Carpenter, Mercer and Oliver Wyman. For more information, visit [mmc.com](https://mmc.com), follow us on LinkedIn and Twitter or subscribe to BRINK.

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