

THE FINTECH TIMES



Achievement Unlocked: Gaming FinTech

by [Tamsin Oxford](#)

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The global gaming industry is expected to grow to more than \$200 billion by 2021. This is the statistic put forward by Juniper Research, a statistic that captures the full impact of the video game industry's continued focus on in-game transactions and long-term subscriptions.

Currently, cloud gaming and video game subscriptions account for around 9% of growth, PC gaming will become the most profitable sector with an anticipated \$32 billion growth, while smartphone in-app revenue will see around 8% growth. While microtransactions remain the bane of most gamer's lives, their steady growth underscores one very important fact – the gaming industry has been paying attention to the systems and technologies that make these microtransactions easy, seamless and accessible.

Glenn Gillis, CEO of **Sea Monster** believes that the evolution of FinTech has made payments within the gaming space faster and more secure. "Games have found amazing new ways to monetise what they do – the freemium concept was invented by gaming companies – and so much can be learned from their innovative business models. Fortnite, for example, is a free-to-play (F2P) game that earns its revenue almost exclusively from monetising avatar customisation."

Paying to customise an avatar? It may sound like money for crazy, but the reality is that monetising individuality is next level clever. It shows how important it is to recognise individuality, how important it is to put the user at the centre of their experience. And it is why the monetisation of gaming has had to evolve, and why FinTech has become key to its survival. As **Indranil Chatterjee**, Chief Customer Officer at **Enea**, points out: “Gamers are loyal to the game – they will follow the game rather than the console manufacturer or mobile operator. Once games are ‘cloudified’ users are free to abandon specific gaming devices.’ The money will move with the gamer, so the connections have to adapt and evolve to meet gamer requirements.

Another factor that has, of course, shifted the gaming dialogue is the global pandemic. Gaming was already ahead of the curve when it came to leveraging technology to achieve functionality and gamer engagement, but the 2020 lockdowns kicked platforms and digital entertainment into touch. For **Rob Chalmers**, Chief Experience Officer at **ENGINE Creative**, “2020 was the year that firmly shifted gaming from just another activity to a lifestyle for the masses with millions choosing to work, play and socialise in the metaverse, all be it on their favourite platforms.”

FinTech has been a snug part of gaming for years, but it was 2020 that [really transformed the scale of adoption](#) and innovation within the sector. It can be seen in the monetisation choices of platforms like Fortnite which leverage individuality for monetary gain. Epic Games obsesses over gamers’ needs and continually iterates Fortnite to respond to market trends and behaviours. And the company is not alone – gaming platforms are constantly experimenting with new monetisation models that wouldn’t be possible in other sectors and without FinTech. “Twitch, one of the world’s leading game streaming companies, encouraged users to pay using cryptocurrencies such as Bitcoin,” says **Paul Marcantonio**, Executive Director at **ECOMMPAY**. **Adam Lee**, Chief Product Officer at **Boku** adds: “Fintech has given game developers new payment types that have greater distribution than credit cards as well as the ways to accept them. The tokenisation of digital payments has ensured that payments support new and creative business models for gamer monetisation.”

FinTech and gaming are a marriage of minds, the connecting of two perfect worlds, and a ceaseless evolution of tech and innovation to create better experiences and engagements. Instead of struggling to catch up in 2020, the gaming industry simply shot ahead. It set benchmarks for how to do digital engagement, and it built foundations that allow it to thrive while many other industries face an uphill struggle. As **Cyril Chemla**, VP of Commercial Development, **Checkout.com** concludes: “Revenue from gaming shows no signs of slowing down with in-game consumer spending rising to record levels. This would not be possible without a strong payment infrastructure in place. Payments enable everything from revenue collection to customer loyalty, and fraud prevention to effective expansion for progressive players in the video game industry.”

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Tamsin Oxford is an experienced generalist who has written for finance and tech for more than 20 years. She's written for multiple publications and markets and continues to find the topics both fascinating and brilliant.