

From Pixels to Medals:
Reevaluating
Competition through
the Olympic Esports
Games

12th Annual Conference on Risk Governance

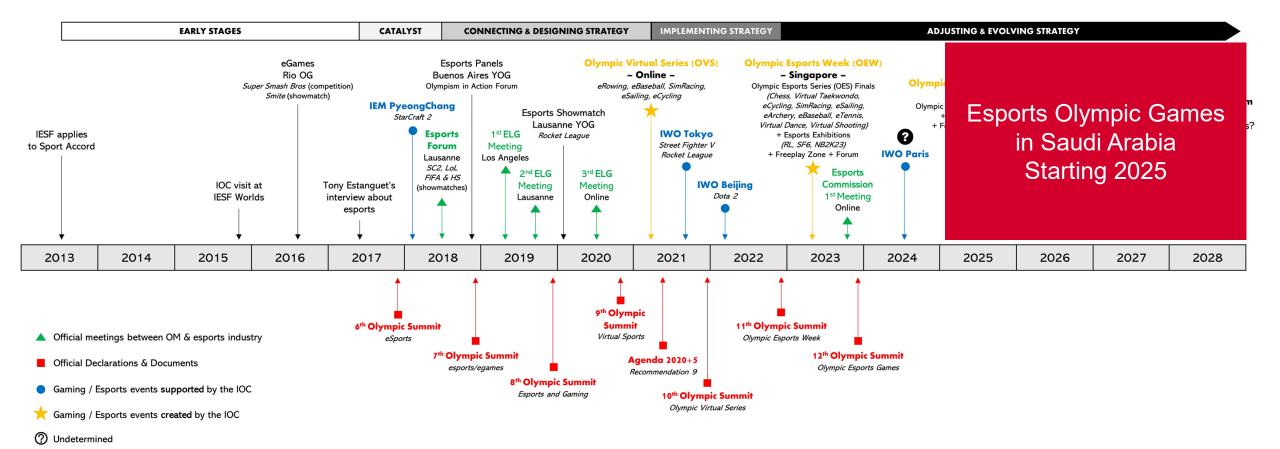
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# IOC enters a new era with the creation of Olympic Esports Games – first Games in 2025 in Saudi Arabia







(Jenny et al. 2025)

Another dimension of this digital revolution is esports.

There are **3 billion** people playing esports and gaming around the world. It is estimated that over **500 million** of them are interested specifically in esports which includes virtual sports and sport simulations (Thomas Bach 2024)



Esports is an organized and codified competition between human players using video games. (Nothelfer et al. 2025: 11)



#### **Benefits for the Olympics**

- Rejuvenating the Olympic brand (Lefebvre & Besombes, 2021)
- Gauging interest in a new sector and geographic markets beyond the Western World (Pack & Hedlund, 2020)
- Engaging a new generation of fans (Thorpe & Wheaton, 2011)
- Creating new partnership opportunities (e.g., Tencent, Amazon, etc.)
- Aligning with new sporting practices of the time and adopting new trends (e.g., skateboarding, 3&3 basketball)
- Promoting new strategies for digital engagement (e.g., Olympic Channel)

#### **Benefits for Esports**

- Reaching "older" audiences beyond youth and early adults
- Instilling legitimacy to esports; the Olympic Games attracted over three billion unique viewers during the 2021 Tokyo Summer Olympic Games (IOC, 2021c)
- Breaking down negative stereotypes associated with gaming and those who play video games
- Introducing values and tools to esports that the OM has advanced over time (e.g., ethics, integrity, governance, anti- doping, diversity, inclusion, health promotion, performance optimization tools)



Esports is **not** recognized as a sport and not governed by one international federation

Only 20 countries Recognize it as sports (Abanazir/Shinohara 2025)

#### 1 Eligibility

To be considered at all, a sport must be recognized by the International Olympic Committee and governed by an International Federation recognized by the IOC.

#### 2 Compliance

The sport must also demonstrate compliance with the Olympic Charter, the World Anti-Doping Code and the Olympic Movement Code on the Prevention of the Manipulation of Competition. This process is often time-consuming and costly.

# Two paths to proposal

The **traditional**route to getting a
new sport added to
the Olympics
program is by
proposal of the IOC
to be included in the
initial sports
program.

A recently-added second route to adding a sport is by proposal of the host country's organizing committee.

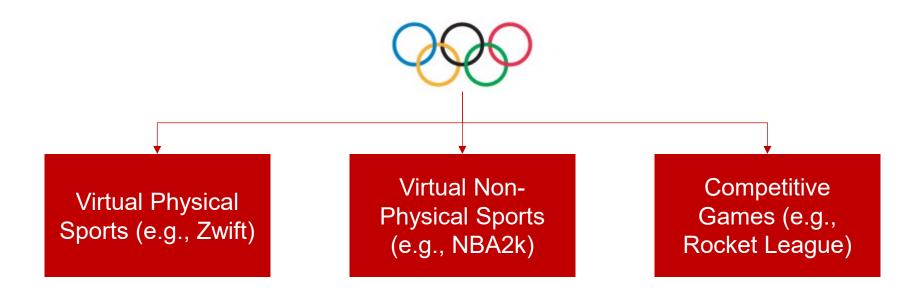
#### 4 IOC approval

The IOC approves or denies including the sport based on five criteria — such as "value added to the Olympic movement" and "business model" — which are further broken up into 35 subcategories.

Source: International Olympic Committee

Graphic: Annette Choi, CNN







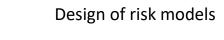
#### Negotiations fail





"We are
developing new
partners and a
new game which,
obviously as
everything we do,
will be the best.
So get ready for
the new FIFA
game."
(Infantino 2024)

**FIFA** 



Determination of model risks

Shift in risk issues

Risk consultancy for top management

EA holds licensing agreements with over 300 partners like Premier League and Bundesliga







#### The Three Cs of Esports (Scholz 2019)

### Coopetition

Simultaneous cooperation and competition between eSports stakeholders. It fosters industry growth, knowledge sharing, and innovation while maintaining competitive dynamics (Walley, 2007; Brandenburger & Nalebuff, 1996).

# **Co-destiny**

A shared long-term vision for eSports growth, often prioritized over short-term gains. It relies on trust and an informal code of conduct among stakeholders (Davidow & Malone, 1992; Scholz, 2000).

### Convergence

The tendency of esports organizations to become more similar over time, driven by shared goals and practices. This sigma-convergence contributes to industry stability and growth (DiMaggio & Powell, 1983; Heichel et al., 2005).



### **Potential List of Games at the Olympic Esports Games**

Virtual physical sports: Virtual Rowing, SIM Racing (Gran Turismo), Zwift, Virtual Taekwondo, and Just Dance

Virtual non-physical Sports: EA FC, Virtual Regatta, Online-Chess, NBA2k, and maybe **Roland Garros Virtual Tennis** 

Competitive Games: Fortnite, League of Legends and Rocket League. Maybe Dota2, Arena of Valor, and Street Fighter

Federation-driven Publisher-driven







We want League of Legends

Answer pending

Do we need to change the game?
Will it be with professionals?
When do you want it?
We have no servers in Africa?

. . .



### **Competition from a Risk Governance Perspective**

- The IOC is leaning towards **competition** rather than cooperation. They need the publisher right now, but they are working on their own games (especially virtual sports).
- Enforced co-destiny as the Olympic Values are more important than existing esports values.
- Divergence in terms of games into IOC-sanctioned titles and esports titles, but convergence in terms of Saudi Arabia as a powerhouse in esports.

Everybody is a competitor, but cooperation is also necessary. The IOC needs the publisher (short-term), but does the publisher need the IOC?



# **Competition from a Risk Governance Perspective**

Design of Risk Models: Risk models are still based on the "old" world with federations and no publishers

Determination of model risks: The missing aspect of **coopetition** leads to high model risks and even higher by enforcing competition.

Shift in risk issues: Slowly adapting to the publisher world, but the solution is to create their **own** games

Risk consultancy for top management: Thomas Bach is against esports in the Olympics, they will happen and he will **not candidate** for reelection

"The mistake the IOC could make is to think that they are also the kings of gaming. [. . .] I think they can totally miss out [with OVS] since esports did not wait for the Olympic Games to succeed." (Lefebvre et al. 2024)



International

IOC Sanctioned Esports
Ecosystem

Competition

Traditional Publisher-Driven Esports Ecosystem

**National** 

National Sports Federations Coopetition



National Esports
Organizations



# **Conclusion: The Dynamic Nature of Competition in Risk Governance**

- Competition and coopetition exist on a spectrum in the esports-Olympics relationship
- Risk governance must account for the fluidity between competition and coopetition
- Strategic choices can shift the balance:
  - Competition → Coopetition (e.g., IOC collaborating with publishers)
  - Coopetition → Competition (e.g., IOC developing own esports titles)
- Risks emerge from these transitions:
  - Alienation of key stakeholders
  - Loss of market share or relevance
  - Misalignment with core values
- Effective risk governance requires:
  - Continuous monitoring of the competitive landscape
  - Flexibility in strategic approach to deliberately decide a switch
  - Balancing short-term gains with long-term sustainability
- The future of Olympic esports depends on managing this dynamic effectively





"Risk Governance on both sides of this debate must embrace the positive attributes of esports and look towards inclusion for the right reasons that embody the values of Olympism. As the tradition-rich Olympic Games embrace increasing technological advances, a marriage of the two will certainly advance sport into the fabric and culture of society."

(Pack & Hedlund, 2020, p. 493)





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