



**Ukie response to
the Digital,
Culture, Media
and Sport Select
Committee
inquiry on the
power of
influencers**

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UK Interactive Entertainment response to the Digital, Culture, Media and Sport Select Committee inquiry on the power of influencers

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About Ukie

1. Ukie is the trade body for the UK's games and interactive entertainment industry. A not-for-profit, it represents more than 500 games businesses of all sizes from start-ups to multinational developers, publishers and service companies, working across online, mobile, console, PC, esports, virtual reality and augmented reality.
2. Our members also include games-focused PR agencies which actively work to foster partnerships between influencers and games brands. Our response to this inquiry is the result of outreach to games development companies as well as games PR agencies. We welcome the opportunity to respond to this inquiry and share with the Select Committee how partnerships between games companies and influencers operate in a responsible and transparent way, as well as enlighten the Committee the reasons behind why games companies collaborate with them.

About the UK Games Industry

3. Video games are a staple part of popular culture, with an estimated 2.7 billion players around the globe enjoying products which are a fusion of technology, creativity, art and science. The UK is no different, with the nation's games market ranked as the 6th largest in the world. It is a market which continues to show remarkable growth and it reached a record £7billion in 2020, demonstrating the increasing demand for games and games-related culture.
4. Indeed, it is not only video games themselves which hold resonance amongst audiences today but also the adjacent cultural outputs that accompany them, such as streaming and games video content. UK consumers spent £45.6m supporting streamers and other content creators broadcasting on platforms such as Twitch and YouTube over the course of the past year, and globally, games video content generated an estimated \$9.3billion in 2020. Approximately 2.2 billion hours of Twitch were watched globally in March 2021 alone, with 9 of the top watched categories on Twitch being video games content. An estimated 96% of US and UK consumers who follow influencers now engage with them more, or to the same extent as, before the coronavirus pandemic, according to GlobalWebIndex.
5. Collaborating with influencers is an important part of the games industry, but what is equally important to games companies is ensuring proper disclosure policies are in place, maintaining transparency in these partnerships, and supporting influencers in abiding by current regulations. Influencers are subject to several regulations to ensure that their followers are aware of the connection between the influencer and the games company. In

particular, games-focused influencers are reminded to abide by current ASA regulations which state that they must attribute payments whether they are cash or a gift. Many games companies make these disclosure requirements for creators clear and public; in some cases, optional messaging will be provided to aid in this.

6. However, more could be done to ensure current regulations are explained to influencers as well as consumers and viewers in an accessible way, so that both influencers and their communities are aware of the attributions they must provide and expect respectively.
7. In terms of the roles influencers play in their partnerships with the games industry, games companies establish partnerships with influencers for the promotion of their brands, but also to provide them with opportunities to help shape the development of their games, collaborate for charity initiatives, and to ensure a positive community surrounding their products.

How would you define 'influencers' and 'influencer culture'? Is this a new phenomenon?

8. Influencers and influencer culture is not a new phenomenon however, in recent years, with a rise in both the number of digital platforms available to create and broadcast content upon, in addition to the ease of which that can be accessed through connected devices, it has become more commonplace.
9. 'Influencer' is a broad term which encompasses a range of activities and can be categorised in various ways. These can include traditional celebrities, social media ambassadors, and content creators. Influencers in the video games space primarily create video content and are concentrated on platforms such as Twitch and YouTube. There is a large variety in the content games-focused influencers produce, but some examples of the most frequent activities undertaken by them include streaming live playthroughs of video games and creating video reviews of video games products. There is no agreed definition of an influencer in the games industry. Companies work with influencers to reach audiences that they would otherwise not be able to reach, whether that is bringing in new people to play their game, or reaching existing players with new information via respected members of that community. An influencer, or content creator, can be seen as an individual building a community around themselves or a persona of themselves.
10. Subscriber counts, which may have been a more significant indicator of 'influencer status' in the past, are no longer the ultimate arbiter of what makes someone a relevant influencer in the eyes of the games industry.
11. Instead, many games companies are keen to create partnerships with influencers and content creators who demonstrate a genuine passion and interest in a game or brand, in order for promotion to be conveyed accurately to their audiences. What is becoming increasingly clear is that authenticity and honesty are key values for many communities surrounding an influencer and games companies are well attuned to this. Some members also told us that their first priority is to partner with creators who share and reflect their brand values, particularly that they promote positive and welcoming spaces in their games. This is part of the industry's broad, ongoing commitment to tackling disruptive behaviour

and providing safe, welcoming places to play. There is also a growing focus on ensuring diversity in the range of creators worked with, to truly reflect and represent the global audience that games reach.

12. In addition to this, engagement levels with their audience are a more important signifier than audience numbers alone. It has been cited to us frequently that when it comes to audiences, the “quality” of community is more significant than the “quantity” of subscriber counts.
13. For example, nDreams is a games developer which specialises in creating Virtual Reality games and undertake this particular approach when it comes to seeking out influencers to collaborate with. As a VR company, the pool of creators nDreams can reach out to is relatively small owing to the youth of the technology. The criteria they follow when deciding which influencers to connect with include creators who are knowledgeable about VR, have the expertise about what makes a good VR game, and those who own a sufficient VR headset. This means that they will often reach out to influencers and creators with smaller subscriber counts should they demonstrate a strong understanding of the VR space.
14. However, it should of course be noted that approaches vary across games companies according to whether they are developers, publishers, or hardware makers.

Is it right that influencers are predominantly associated with advertising and consumerism, and if not, what other roles to influencers fulfil online?

15. The primary purpose of working with influencers is to reach audiences that games companies might otherwise not be able to reach. The promotion of games and games brands is, ultimately, the driving force of that relationship. However, the role of games-focused influencers goes beyond brand partnerships, and this view is shared by the games companies that collaborate with them.
16. Games companies are aware of the platforms influencers have and their highly engaged audiences. Because of this, the games industry recognises the role influencers can play in raising funds for charitable causes.
17. SEGA is a multinational video game developer and publisher with multiple studios and branches in the UK, including Creative Assembly (*Total War*, *Alien: Isolation*) and Sports Interactive (*Football Manager*), SEGA has frequently collaborated with influencers and content creators for raising awareness and fundraising for charities. These charity fundraising activities, which include online games tournaments, initially were internal to SEGA studios, until they began to receive recognition from games influencers who reached out expressing their interest to support them. Some of these charity events include:
 - a. Chicken for Charity in partnership with SpecialEffect: An annual industry tournament on the game *PlayerUnknown's Battlegrounds* with Sega Studios staff and content creators which raises up to £15,000 a year.
 - b. Stand up to Cancer 2020: SEGA partnered with Stand up to Cancer in 2020 to raise awareness and funds via week of influencers streaming themselves playing SEGA games including *Company of Heroes 2* and *Two Point Hospital*, raising \$50,000.

- c. Autism Acceptance Month: SEGA are currently working with streamers to raise awareness and funds for Autistica, the UK's national autism research charity. They have currently reached over £7,000 (as of April, 2021)¹.
18. Activision Blizzard publishes and develops video games franchises such as Candy Crush, Call of Duty, World of Warcraft, Overwatch, Hearthstone and Diablo. Over the past year, in the face of a global pandemic, Activision Blizzard have partnered with influencers with the intent of driving positive impact. Some of these examples include:
- [Call of Duty Endowment \(C.O.D.E. BOWL\)](#)
 - Now taking place annually, the C.O.D.E Bowl brings together all serving branches of the US and UK military, along with a variety of gaming content creators to raise awareness and donations for Activision's non-profit – [The Call of Duty Endowment](#).
 - [Cash Squads in partnership with LADBible](#)
 - During the first government sanctioned Covid-19 lockdown in 2020, we wanted to acknowledge, celebrate and reward those 'Key Workers' who were providing critical support to their communities at the height of the pandemic. In partnership with LADBible, we worked with three celebrity influencers (Jesse Lingard, Aitch and Jofra Archer) who competed as a team in Call of Duty Warzone, in order to win money for three separate key workers, who had applied to take part.
 - [Lando Norris Community Tournament](#)
 - In March 2021, we worked with one of our contracted celebrity influencers– Formula One Driver 'Lando Norris' to set up a community tournament, which would offer his fans the chance to play against him in Warzone, and should they win, they'd collect a £10,000 reward.
19. Games companies also utilise their influencer networks to spread positive messaging campaigns. For example, as part of the games industry's ongoing support for the Let's Talk Loneliness campaign with the Department for Digital, Culture, Media and Sport, the games publisher Electronic Arts partnered with a group of creators it works with to spread the messages of the campaign on University Mental Health Day this year on 4th March.
20. In addition to this, content creators, notable players and influencers are sometimes utilised to provide direct feedback to games development teams. Examples of this can be seen through the Electronic Arts programme, "Game Changers", which connects content creators into the game development process, enabling early collaborative feedback for improvements whilst providing creators early access to gameplay capture. This is also the case with VR developer nDreams, who invite some influencers and content creators to share their extensive VR experience and knowledge to provide detailed feedback on their games. This benefits both parties as the creator receives exclusive access, and the development team draws from a creator's expertise.
21. Games influencers can also create communities, bring people together, and particularly for content creators from marginalised backgrounds, inspire people. Some games creators will set up companion chat channels in Discord, an instant messaging platform, for their viewers to allow them socialise together joined by their common interest of watching a particular influencer. This aspect of influencers creating social spaces and communities is especially

¹ <https://tiltify.com/+sega-for-world-autism-awareness-month/sega-waad>

relevant in the aftermath of social isolation as a result of the coronavirus pandemic, and also for the Government's overall agenda to tackle increasing levels of loneliness.

How are tech companies encouraging or disrupting the activities of influencing?

22. It is crucial for our members that the influencers they partner with uphold the values that the company and our industry subscribes to, and our members such as Electronic Arts will support influencers taking part in the Game Changers programme by clearly setting out their policies and disclosure requirements which are also available online at www.ea.com/game-changers. As the Policies page states, "We ask our Game Changers to always be respectful, act with decency and integrity, and maintain the trust of their audiences and partners. [...] We won't condone any action or behavior by a Game Changer that would significantly embarrass themselves or the community, and this includes anything that might cause harm or bring discredit to the games industry."
23. Requirements such as these will help to ensure that influencers adhere to a responsible and positive public image. Direct support in meeting those values is also often provided to influencers who collaborate with games companies, either by the games companies themselves or through the agencies they establish such partnerships through.
24. This support includes educating the influencers on how to reach an audience, or providing extra moderation support to influencers when working with a games company may bring them sudden higher levels of exposure they are otherwise not used to.
25. Whether working through an agency or directly, games companies will typically require a contractual agreement with content creators they partner with. This will often include a Statement of Work or similar, setting out the deliverables which are expected along with when they should be released and when the influencer will be paid. It will also make clear the disclosure requirements that a content creator must follow to ensure that the requirements of consumer and advertising law are met.

How aware are users of the arrangements between influencers and advertisers? Should policymakers, tech companies and influencers and advertisers themselves do more to ensure these arrangements are transparent?

26. Influencers are subject to several regulations to ensure that their followers are aware of the connection between the influencer and the games company. Many social media platforms have integrated labels and features to highlight when a piece of content is sponsored. Additionally, the use of hashtags, descriptors, and watermarks are all tools frequently used by influencers to notify their audience of the paid nature of a post.
27. In particular, games-focused influencers are reminded to abide by current CAP regulations which state that they must attribute payments whether they are cash or a gift. Many games companies make these disclosure requirements for creators clear and public; in some cases, optional messaging will be provided to aid in this. For some examples, see <https://www.ea.com/game-changers/disclosure> and <https://www.playstation.com/en-gb/legal/social-media-practitioner-guidelines/>. Games-focused PR agencies have noted that

influencers are naturally keen to publicly align themselves with the games brands they collaborate with in order to demonstrate integrity.

28. Games companies may outline their approach to partnerships as follows:
- a. **PAID** – An influencer who has a clearly defined and legally binding contractual agreement with a games company to deliver a set scope of work for an agreed fee, e.g. a content creator is paid to make a TikTok video about a new game release on a set date.
 - i. In this instance, it is clearly mandated that as per the guidelines laid out by the [ASA](#) all content produced on a company's behalf needs to be labelled as a paid for ad, with appropriate hash tags.
 - b. **VALUE EXCHANGE** – An influencer or media outlet who receive any items of monetary value from a games company such as; copies of latest software releases, in-game currency, promotional merchandise (caps, hoodies etc.) or electronic items to improve gameplay (gaming headsets etc.) but where we do not have editorial control over the content they produce.
 - i. In this instance, they are reminded of their obligation to declare items as having been provided, in accordance with [ASA](#) guidelines,
 - c. **ORGANIC** – Any influencer who has no direct or indirect connection to a games company or products and has chosen to voice their opinion out of free will.
 - i. In this instance, this would be treated as freedom of expression.
29. However, it has also been reported to us that more support on current regulations, particularly more materials from ASA explaining the rules in an accessible way, is needed particularly as influencing becomes a more desirable career and hobby for young people. There can be confusion, particularly for those new to content creation as a profession, on which attributions should be made to differing forms of payment. It would also be beneficial for games companies, particularly new or smaller companies which make up 99.5% of the UK games industry, seeking the services of influencers that they may understand the responsibilities they have in establishing partnerships with them.
30. We would be happy to discuss further with the Committee how partnerships operate between the games industry and influencers.