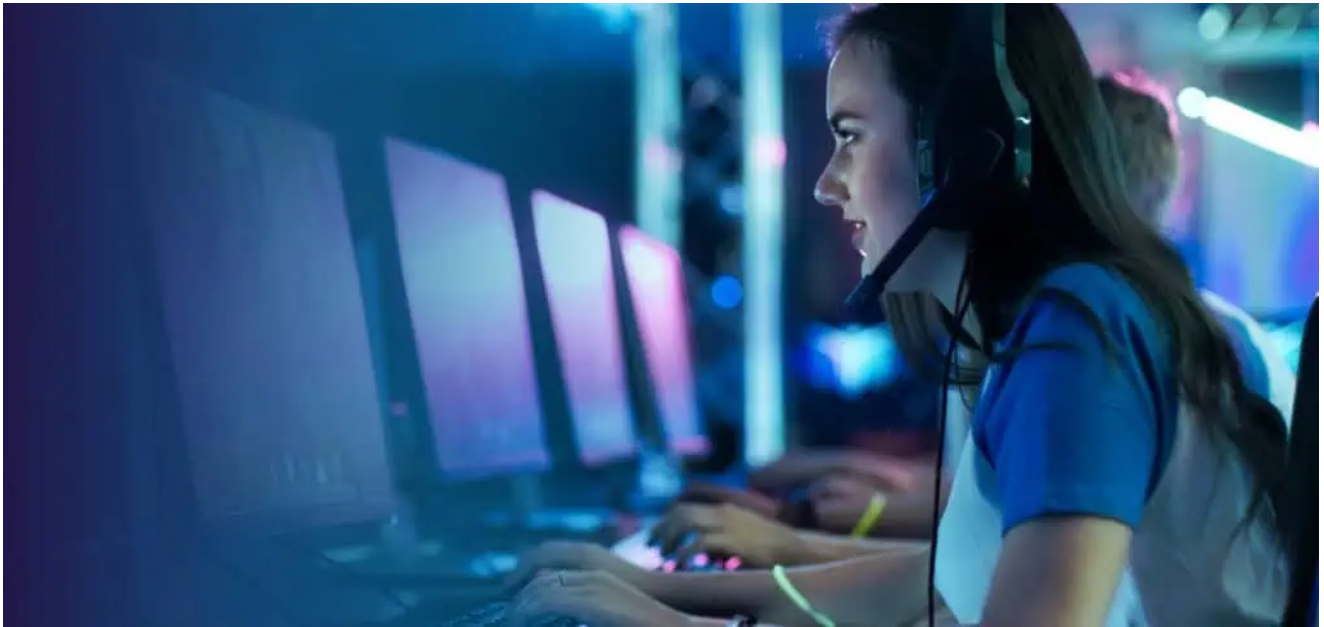# Generating the Need for Speed in Gaming and Esports

netrality.com/blog/generating-the-need-for-speed-in-gaming-and-esports



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Edge computing is growing exponentially and is part of a cybersecurity landscape with new risks that organizations must be aware of and prepared for. As the need for edge computing in IoT environments grows, so will the need to connect to local, interconnected data centers. Colocation facilities can provide the low latency and processing speeds enterprises will need to not only adopt edge computing but to monitor all activity on edge devices and ensure their evolving infrastructures are always secure.

The United States gaming market is projected to reach over $65 billion by the end of 2021. According to Statista, it is the second-largest gaming market worldwide with about $37 billion in annual revenues. China ranked number one, with just over $40 billion. To keep up with increasing demands, video titans like Nintendo, Microsoft, Sony, Twitch, and Activision are expanding their footprint across the globe.

If you are a gamer or happen to know one, latency is the enemy. Speed and reliable bandwidth are a necessity. Latency causes delays and creates packet loss or buffering. This translates to a poor experience for gamers and revenue loss for gaming companies. Gamers are twice as likely to abandon a game when they experience even milliseconds of lag, and the slightest delay in esports contests may cost players millions of dollars in prize money while turning off a significant percentage of viewers.

Gamers expect superior service to fully immerse themselves. Video game creators want to retain current players and convert new gamers into long-term customers. This requires a robust infrastructure with many points of presence (PoPs) located in colocation data centers.

Not all data centers are created equal. To give an expanding and geographically dispersed player base the lowest latency possible, gaming and esports companies need PoPs in strategically located data centers. Those with the most global PoPs and network peering points provide end-users with the lowest latency and flawless gaming experiences.

**Vetting the Right Data Center**

*Urban location*

Latency is most often caused by distance; the closer your PoP is to users, the shorter the distance data must travel. Strategic PoPs located in metro hubs are geographically close to vast numbers of users. This proximity and ability to peer with local and global networks enable regional, national, and international connectivity.

*Peak Connectivity and Peering*

The ideal data center partner should have a robust interconnected ecosystem comprised of national carriers, Tier-1 networks, hyperscalers, and internet exchanges (IXs). Within this ecosystem of partners, peering is made possible by direct connections to carrier exchanges and cloud on-ramps, optimizing the routing of traffic to reach users quickly and cost-efficiently. Peering allows one-hop latency to networks all over the world, ensuring quick routing to anywhere on the internet.

*Mobile Broadband*

Smartphone gaming has exploded in the last few years. Last year there were over 200 million mobile gamers in the United States alone, even before the pandemic hit. In fact, about half of all gaming industry revenue can be attributed to mobile gaming. Mobile devices don't have the hardware to handle data-intense streaming or downloads the way traditional game consoles do. Colocation data centers located at the edge of the network can handle large amounts of data, delivered at high speeds, allowing data processing to be completed within the data center, rather than on mobile devices.

*5G Testbed*

Controlled, densely populated urban environments provide a unique opportunity to test 5G use cases. The ideal space for 5G innovation hubs is within owner-operated edge data centers. When a data center is operated and managed by one company, tenants benefit from long-term stability, direct ordering of fiber connectivity, quick provisioning, roof rights, flexibility, and scalability. Gaming and esports companies can build and test 5G innovations at the network edge, gaining a competitive advantage.

**Expand Your Gaming Infrastructure at Netrality's Urban Data Centers**

The major national esports company Nerd Street Gamers opened the world's first esports campus called "The Block" at Netrality's 401 North Broad Street in Philadelphia. The Block's 40,000 SF campus not only functions as their corporate headquarters but includes global broadcast studios, dedicated training centers for professional teams and schools, and educational space for community partners.

Nerd Street chose 401 North Broad for its strategic location at the juncture of multiple long-haul and metro fiber routes. The facility's internet capabilities support a near-zero lag time.

John Fazio, Founder, and CEO of Nerd Street Gamers said, "Not only are we creating one of the industry's largest gaming landmarks with The Block, but we're also supporting the growth of the industry as a whole." Nerd Street is dedicated to "increasing access to opportunities for gamers, public organizations, educational institutions, and the community at large."

**Netrality Advantage**

Netrality is the optimal choice for data center expansion. Our locations, interconnected ecosystem, proximity to users, and global reach comprise the perfect environment for the gaming industry. As the number of esports enthusiasts and online gamers continues to rise, Netrality provides the connectivity needed to keep up with demand, while guaranteeing scalability and flexibility. Netrality's data centers are situated in central business districts in major U.S. cities, close to large numbers of users, and directly connected to local backbone networks.

Netrality owns and operates all its facilities, providing both premium data center space and unique office space enabling 5G test-bed environments for the entire gaming development life cycle. Innovation centers in Netrality's buildings simulate a production environment with 5G interconnection.

Contact us today to learn more about our data centers!

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