

## With Growing Global Reach of eGames, Developers, Publishers, and Distributors Increasingly Need Cross-border, Multi-currency Payments Tools

The already massive global gaming market continues to expand in part due to COVID-19 with increased engagement, and a shift toward content creation via streaming and direct viewer interaction. This trend is driving greater mainstream visibility and a resurgence in gaming popularity. According to a [report](#), the global gaming market generated approximately 178 billion U.S. dollars in revenues in 2020, which translates to 23.1 percent growth compared to 2019.



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Many game developers - from the smallest, indie firms to the largest, global studios - are forming their own publishing and distribution channels in order to maintain control of their games from creation through distribution. As a result, these companies are increasingly finding themselves responsible for marketing the games and building an audience.

One of the most cost-effective means of marketing new games is through online content creators, who leverage large followings on social platforms to introduce and endorse new products via live-streaming, reviews, walkthroughs, and more. In fact, according to a report in the [Wall Street Journal](#), Facebook has committed to paying more than \$1 billion to content creators to promote recorded videos, live-streams and other kinds of posts on their platform. Clearly, this approach is working.

As online game companies look to utilize independent content creators around the world to promote their games, many are facing challenges in making cross-border payments to these creators, contending with issuing payments in different currencies, foreign exchange (FX) rates, paying into digital wallets, and staying in compliance with regional and local banking regulations. For many, the challenges are simply too great for a small, but growing treasury organization.

### **The need to reduce the complexity of cross-border payments**

Developing a vast network of content creators around the world can have a powerful multiplier effect on a new game's sales, but at the same time, making payments to individual creators in their preferred currencies (particularly in hard to pay currencies) can be a seemingly insurmountable task.

Another challenge game companies are faced with is that many content creators have a preference for alternative payment channels, such as digital wallets. So, in addition to being able to make cross-border payments, they also need to issue payments to wallets or to individuals who may not have bank accounts.

Gaming companies can solve this challenge by leveraging tools, such as Citi's WorldLink Payment Services, which allow them to issue payments in more than 135 currencies without having to maintain local currency accounts. By linking to a U.S. dollar

account, a Euro account, or a Pound Sterling account, treasury can easily and seamlessly issue local currency payments all over the world. Companies can also leverage this cross-border solution to make payments directly into the content creators' digital wallets, including PayPal, MPesa, and more. Having this option available gives game companies the ability to offer greater payment choice, flexibility, and speed around global payments. Funds issued to PayPal digital wallets are available to recipients in near real-time, which is a highly attractive feature for content creators.

This unique solution, helps Treasury teams deliver for their companies, and ultimately, the creator.

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### **Growing reliance on content creators for marketing online games**

In the highly competitive game marketplace, companies are looking for every advantage they can get. Leveraging content creators is an important strategy for marketing new games and building anticipation and excitement. Being able to make cost-effective cross-border payments securely and easily through next-gen digital channels is becoming an imperative for companies who are looking to get the most value out of their systems and deliver increased value for their audiences.

Advanced payment solutions, such as Citi's streamline payment processing, virtually eliminates the complexity of cross-border payments. Further, these solutions reduce the cost of disbursements by eliminating account fees, as well as the need for reconciliation. Treasury departments can fund multiple payments through a single settlement in the currency of the recipients' choice, while at the same time reducing counterparty risk and exposure to currency devaluation.