Going Beyond Ambidexterity in the Media Industry: eSports as Pioneer of Ultradexterity

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ABSTRACT
As media companies continue to struggle on the ever-changing global and digital market, they often fail to be simultaneously innovative and entrepreneurial. As though intuitively knowing that they are still not on the right track, a growing number of media companies has been observed to approach eSports companies, intending to invest in innovative capabilities they lack themselves. The trend has reached its peak in 2015. Expanding the current research on ambidexterity with its either/or duality of exploration and exploitation, the authors propose a model of ultradexterity that goes beyond either/or and follows the logic of both/and. This conceptual paper is intended to characterize ultradexterity as a specific property of being both innovative and entrepreneurial at the same time. Based on ethnographical information and data on the eSports industry, the authors will carve out the ultradextrous working style of eSports companies that nourishes the expectation of media companies that incorporating such organizations will give them the opportunity to turn their lack of ambidexterity into ultradexterity.

KEYWORDS
Ambidexterity, Digitization, eSports, Ultradexterity

RESEARCH MOTIVATION
In today’s world, many organizations seem to follow the credo of “think global, act local” (Levitt, 1983). Especially media companies struggle with this seemingly over-complex strategic direction (Sánchez-Tabernero, 2006). As the media sphere (Butsch, 2007) is constantly shifting, evolving, and facing permanent change (e.g. Küng et al., 2008), media companies are not always able to respond adequately. One example is News Corporation buying MySpace for $580 million in 2005, but then selling for $35 million in 2011. The decline of newspapers in recent years delivers another example (Rothmann, & Koch, 2014).

Although many media sector organizations still struggle to generate revenue in times of digitization, one company type is a rising star. This particular phenomenon is eSports (competitive gaming). Such eSports companies, while positioned on the periphery of the typical media industry, oftentimes transform eSports into media content as part of their business model. It is for that reason

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that eSports companies can be classified as media companies. Numerous traditional media companies seem to be in an outright eSports company buying frenzy, crested for example by the acquisition of Twitch for 970 million dollars by Amazon.

Interestingly, eSports companies act in a manner different from that of traditional media companies. Media companies follow strategies like ambidexterity (Wu, & Wu, 2016) and try to balance their exploration and exploitation as part of innovativeness and entrepreneurship. Current eSports companies understand that such acts of balance may not be sufficient for their survival during digitization. Consequently, they intuitively attempt to go beyond ambidexterity and follow new ideas. eSports companies aim towards excellence in innovation while at the same time being entrepreneurial. With this conceptual paper, we propose a model of ultradexterity (Latin ‘ultra’: beyond). Examining eSports companies, we identify key characteristics of an ultradextrous company and carve out what makes eSports companies “naturally-born” ultradextrous organizations.

**ESPORTS**

Many researchers and journalists characterize eSports or competitive gaming as a young phenomenon that only recently became popular. The earliest eSports competition, however, took place at Stanford University in 1972 (Taylor, 2012; Hilscher, 2015). Within the past ten years, eSports have developed from a niche industry into a respectable player in the field of media. Superdata Research (2015a) expects the total worldwide market for eSports to grow from $747 million in 2015 to $1,929 million in 2018. At the ESL One Cologne 2015, a global tournament for the video game “Counter-Strike”, the live stream peaked at over 1.3 million users (ESL, 2015). Analysts claim that eSports may be “the next big thing in media and entertainment” (Takahashi, 2015), even concluding that “resistance is futile” (Casselmann, 2015).

Due to its uniqueness, however, eSports make up an industry based on a relatively generalistic idea. A prominent definition for eSports originates from Wagner (2006: 3): “eSports is an area of sport activities in which people develop and train mental or physical abilities in the use of information and communication technologies.” Arnaud complements Wagner’s definition: “Passion, training, reflex, intelligence and teamwork … if it’s not sport it really has its taste” (Arnaud, 2010: 11). Even though eSports exhibit a number of similarities to sports in a traditional sense (Adamus, 2012; Hebbel-Seeger, 2012), this analogy is being debated intensely (e.g. Hutchins, 2008; Jonasson, & Thiborg, 2010; Witkowski, 2010; Taylor, 2012; Franke, 2015). It is important to highlight that eSports, although similar to sports, are different. Interestingly, some actors in the field of eSports are, in fact, uncomfortable with the sports label: “But to think that a new phenomenon like eSports can be described in terms of the old is to misunderstand it entirely” (Superdata, 2015b: 3). The reasoning behind rejecting the sports label is that eSports do not aim at creating converging structures of official sports such as associations and rule standardizations, but strive for preserving its dynamics and potentials from decentralization.

Beside its alignment to the world of sports, eSports are also aligned with gaming culture (Jonasson, & Thiborg, 2010; Franke, 2015) or gamer culture (Shaw, 2010). For that reason, they compare to video game developers in the sense that both share the “self-professed passion for video games” (Weststar, 2015: 1244). Boundaries between developer and player are as translucent as boundaries between amateur and professional level are fuzzy (Taylor, 2012). ESportlers (people involved in eSports) adopt a certain way of living within the eSports media sphere (Chee, 2006). It seems somewhat peculiar that playing video games competitively integrates all actors far better into the media sphere than does any other cultural or sports-related phenomenon: “Altogether, professional gamers, audience members, and commentators present a dynamic understanding to video games as a performative medium” (Randhawa, 2015: 16). In this regard, it is interesting to observe players’ awareness of the need for their audience to consist of amateur players. One of the most successful long-term player states: “We need casuals playing games we (the hardcore players) don’t necessarily care about, so that they can watch us now & then and enjoy themselves” (Schenkhuizen, 2013: 31).
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