



BGA Blockchain Game Report - H1 2020

State of the Blockchain Game Sector | H1 2020

Welcome to the first of DappRadar's monthly reports - in conjunction with the Blockchain Game Alliance - on the state of the blockchain game sector.

The Blockchain Game Alliance is an organization committed to promoting and spreading awareness about the advantages of blockchain technology within the game industry, and DappRadar is providing its industry-leading data to assist in this goal.

For the sake of clarity, in this report, we are tracking the activity across all games and marketplaces running on the Ethereum, EOS, TRON, WAX, Steem and Hive blockchains.

DappRadar also tracks games running on a number of other blockchains, but currently these are operating at very low levels of activity and hence are broadly irrelevant.

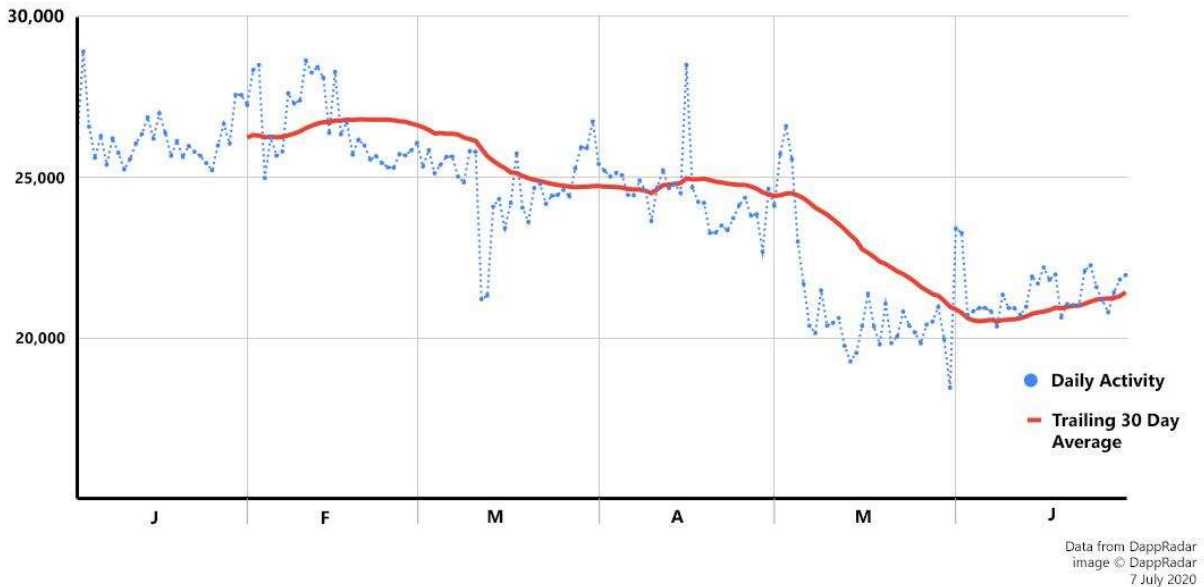
Key trends

In terms of headline figures, the cumulative total of daily active unique wallets across all games and marketplaces on the six blockchains tracked declined by 16% during the first half of 2020, the period running from 1 January to 30 June 2020.

There were a total of just under 22,000 daily active unique wallets on 30 June 2020, or around 21,400 in terms of the trailing 30 day average total.

This compares to daily peaks of over 28,000 daily active unique wallets during days in January and early February.

Cumulative daily activity across all blockchain games - H1 2020



However, the cumulative totals for each individual blockchain demonstrated a divergent range of trends during the period.

- EOS rose by 17%
- Ethereum dropped by 76%
- Steem dropped by 58%
- WAX rose by 35%
- TRON rose by 58%

(NB The Hive blockchain didn't launch until March 2020.)

In all but one of these situations, the change in daily activity was due to the performance of individual games running on those blockchains

The exception - and the major reason for the overall downwards trend - was Ethereum.

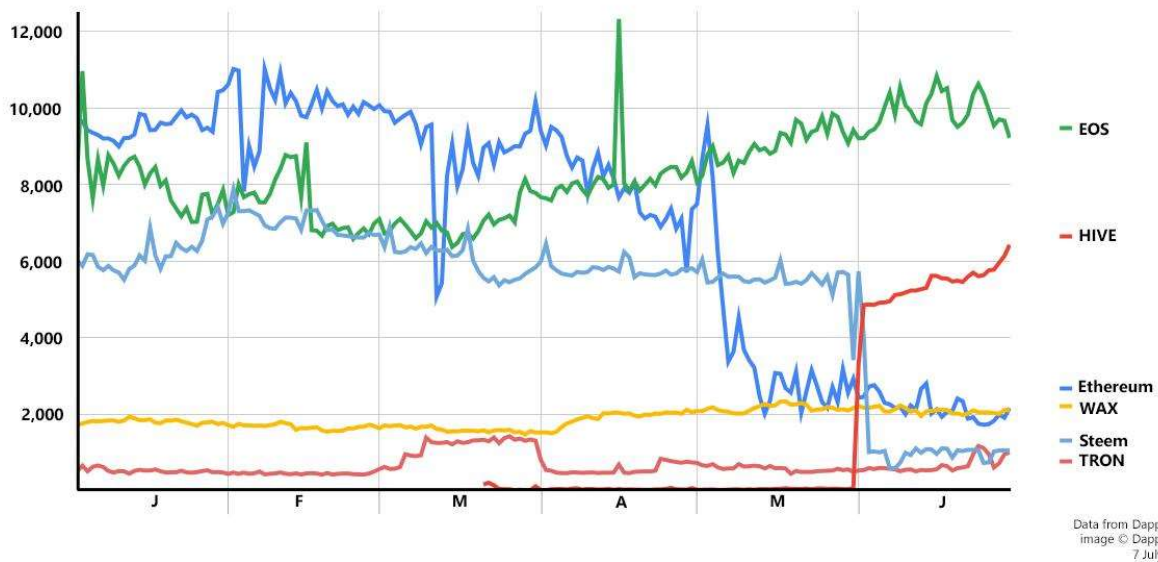
Since April, it's been [experiencing increasing on-chain activity](#) from a variety of sources, including the Tether stablecoin, various High-Risk dapps, and the burgeoning DeFi sector.

This has significantly increased the gas price required to process any transaction on the blockchain; something that has massively

reduced gaming activity in games as these are predominantly low value transactions.

Simply put, the impact of a \$5 gas fee on a \$1,000 DeFi transaction isn't restrictive in the way a \$5 gas fee on a \$10 game transaction is.

Daily activity across all games by blockchain - H1 2020



The result of this decline in gaming activity on Ethereum has been to promote EOS as the top blockchain for gaming. During H1 2020, the two of most popular blockchain games on EOS - Crypto Dynasty and Upland - have also grown their daily activity.

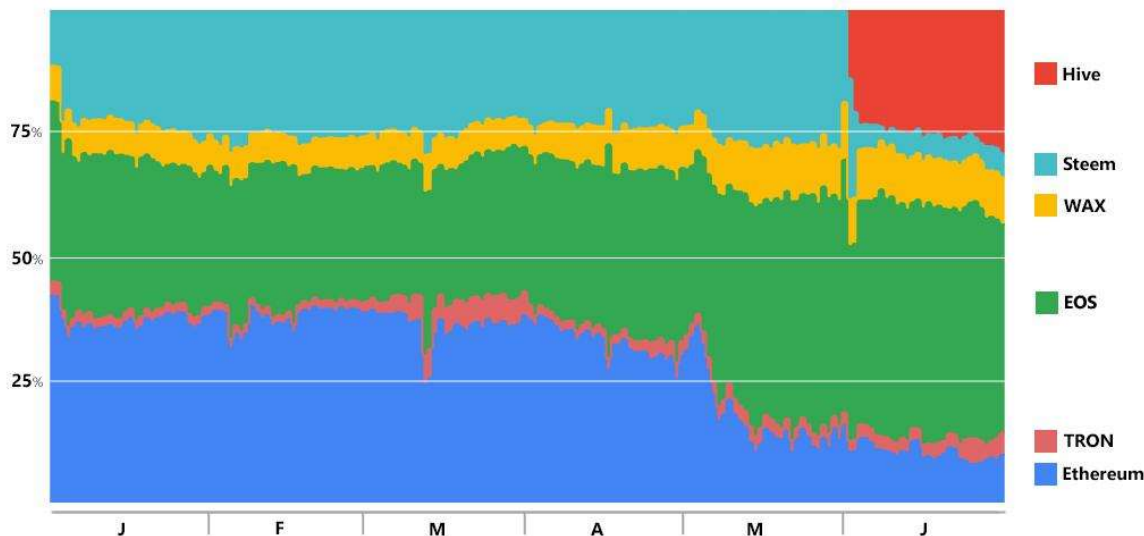
Crypto Dynasty (previously called EOS Dynasty) was up 17% in terms of daily activity over the six months, while Upland, which only launched in March, was up 95% over a three month period.

Similarly, growth on the WAX blockchain was driven predominantly by Prospectors, while TRON's rise was due to the launch of ChainZ Arena in late April.

The final key trend was the successful launch of the Hive blockchain: a hard fork of Steem which resulted from the TRON Foundation's hostile takeover of Steem.

The transition from Steem to Hive on 1 June of Splinterlands - the most popular blockchain game during 2020, with over 5,000 daily active unique wallets - was the cause of the two blockchain's contrasting performances during this period.

Share of total daily activity across all blockchain games - H1 2020



Data from DappRadar
image © DappRadar
7 July 2020

Show me the money

When it comes to tracking the value generated by the blockchain game sector, there are some nuances to take into account.

The obvious fact to highlight is that unlike almost all other sectors of gaming, the revenue being tracked is unidirectional: that is that while the majority of it still flows from players to developers, an increasing amount flows between individual players.

After all, the ability to trade in-game items and tokens in an unrestricted manner is inherent to using a blockchain.

Because of this, the term 'transactional revenue' better describes what's being measured.

Another point worth making is there are some important cultural differences in terms of how individual blockchains currently operate.

For example, the majority of transactional revenue on the Ethereum blockchain is generated by the trading of unique in-game items (aka NFTs).

Although during H1 2020, most of this value was created through developers selling NFTs in pre-sale events, valuable NFTs also encourage peer-to-peer transactions through secondary markets such as OpenSea.

In contrast, the majority of activity on TRON, EOS and WAX is generated by the flow of in-game tokens, which tend to be more unidirectional; that is flowing in the traditional way from players to developers.

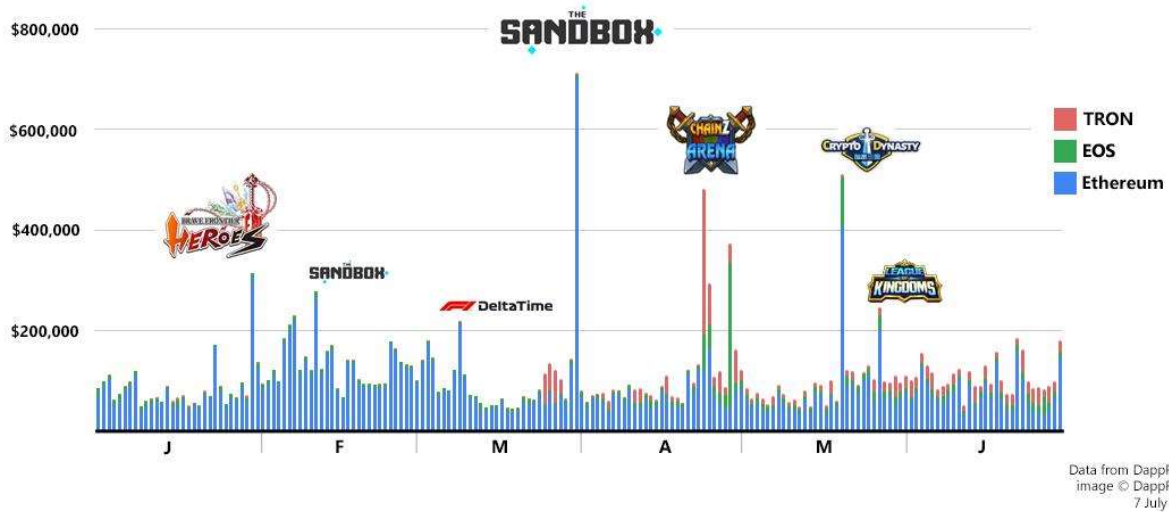
These differences are not systemic to the blockchains in question, but rather a product of developers using the easiest monetization options currently available to them. Over time, it will change, as NFT standards - particularly on EOS - become more robust.

Thus caveated, during H1 2020, the transactional value of the blockchain game sector was around \$20.5 million, of which Ethereum games accounted for around \$16 million and EOS and TRON both around \$2 million, and Steem and Hive around \$200,000 each.

As can clearly be seen in the following graph, the average transactional value of daily activity was around \$50,000, which was punctuated by very high value events as developers launched special sale events for their games.

Daily transactional spending across all blockchain games and marketplaces - H1 2020

(High value NFT sales for certain games highlighted)



Data from DappRadar
Image © DappRadar
7 July 2020

In that context we can break out the transactional revenue of top 5 blockchain games during the period, most of which was generated by developer-to-player sales.

- ChainZ Arena (TRON, EOS, ETH) - \$1.9 million
- MegaCryptoPolis (TRON, ETH) - \$1.7 million
- Crypto Dynasty (EOS, ETH) - \$1.7 million
- The Sandbox (ETH) - \$1.1 million
- Brave Frontier Heroes (ETH) - \$870,000

The top dapp in the sector, however, was Ethereum marketplace OpenSea, generating over \$5 million-worth of transactional volume, mainly from NFT trading between players.

For real-time daily activity and revenue data from the blockchain games sector, check out [DappRadar's Games category](#).

For more information on the Blockchain Games Alliance, including its activities, check out the [BGA website](#).