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Lumme takes the long-term view

IOC marketing chief Timo Lumme on the commercial and operational challenges of a Covid-affected Olympics

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Welcome to the second edition of SportBusiness' new quarterly magazine



While the industry continues its recovery from a turbulent 2020, attention turns to a rescheduled Olympic Games in Tokyo shorn of spectators, a stark reminder of the ongoing challenges faced by rights-holders.

This issue takes a close look at the knock-on effect for the IOC's TOP sponsors in an in-depth interview with Timo Lumme, managing director of the IOC's television and marketing services.

With four sports preparing for their Olympic bow (and baseball/softball returning), we analyse the impact on golf and rugby sevens of their inclusion at Rio 2016, while Fiba secretary general Andreas Zagklis discusses 3x3 basketball's debut at Tokyo and the discipline's 'perfect fit' in the digital era.

As crowds return to stadia in several markets, broadcast rights sales are back in full flow following a hiatus in the middle of last year. SportBusiness has this year continued to deliver detailed and exclusive editorial coverage from around the globe,

including a forensic look at the Asian Football Confederation rights sales achieved by Football Marketing Asia. This issue also explores the impact of Disney's shuttering of Fox Sports Asia in the region.

In Europe, rights-holders clubbed together to sell their international broadcast rights as European Leagues' pooling together of rights to nine different leagues was met with industry intrigue and scepticism in equal measure. As agencies continue to diversify, Endeavor completed its acquisition of Mailman and Seven League – a story exclusively reported by SportBusiness – and this issue takes a look at the additional digital armoury now at IMG's disposal.

Stateside, a bold new era in college sports has begun with student athletes now allowed to sign commercial deals utilising their name, image and likeness. Our US editorial team also examines the explosion of non-fungible tokens (NFTs) across different sports properties.

We hope you enjoy the analytical coverage of the evolving global sports business industry showcased in this issue, along with our extensive editorial output available online and around the clock. ♦

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Contents

6 News Analysis

Five of the most important news stories shaping the industry you should read



25 The Big Interview

IOC marketing chief Timo Lumme takes long-term view in the face of Tokyo 2020 setbacks



34 Inside Track

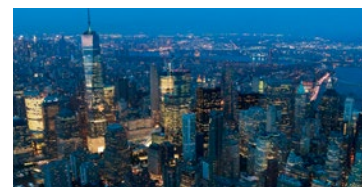
Our Editors focus on a key issue shaping the industry in their market



41 The View from...

Long reads from each of our regional editorial hubs, taking an in-depth look at the dynamics shaping the business of sport in the Americas, Europe and Asia-Pacific.

New York



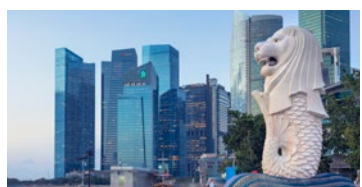
- 42 Sports NFTs look to establish staying power
- 46 Sinclair heightens push for regional direct-to-consumer offering
- 56 McConaughey's star power helps Austin FC make immediate MLS splash

London



- 66 Inclusion in the Olympic Games remains the holy grail for even the most established sports
- 72 Rio was not just a game-changer for sevens but for rugby as a whole
- 74 Inclusion of 3x3 at Tokyo will grow grassroots basketball
- 78 Phenomenal broadcast coverage in Rio helped broaden the appeal of golf
- 80 How to win a campaign for inclusion in the Olympic Games
- 86 BOA chief executive Anson on the impact of Tokyo postponement

Singapore

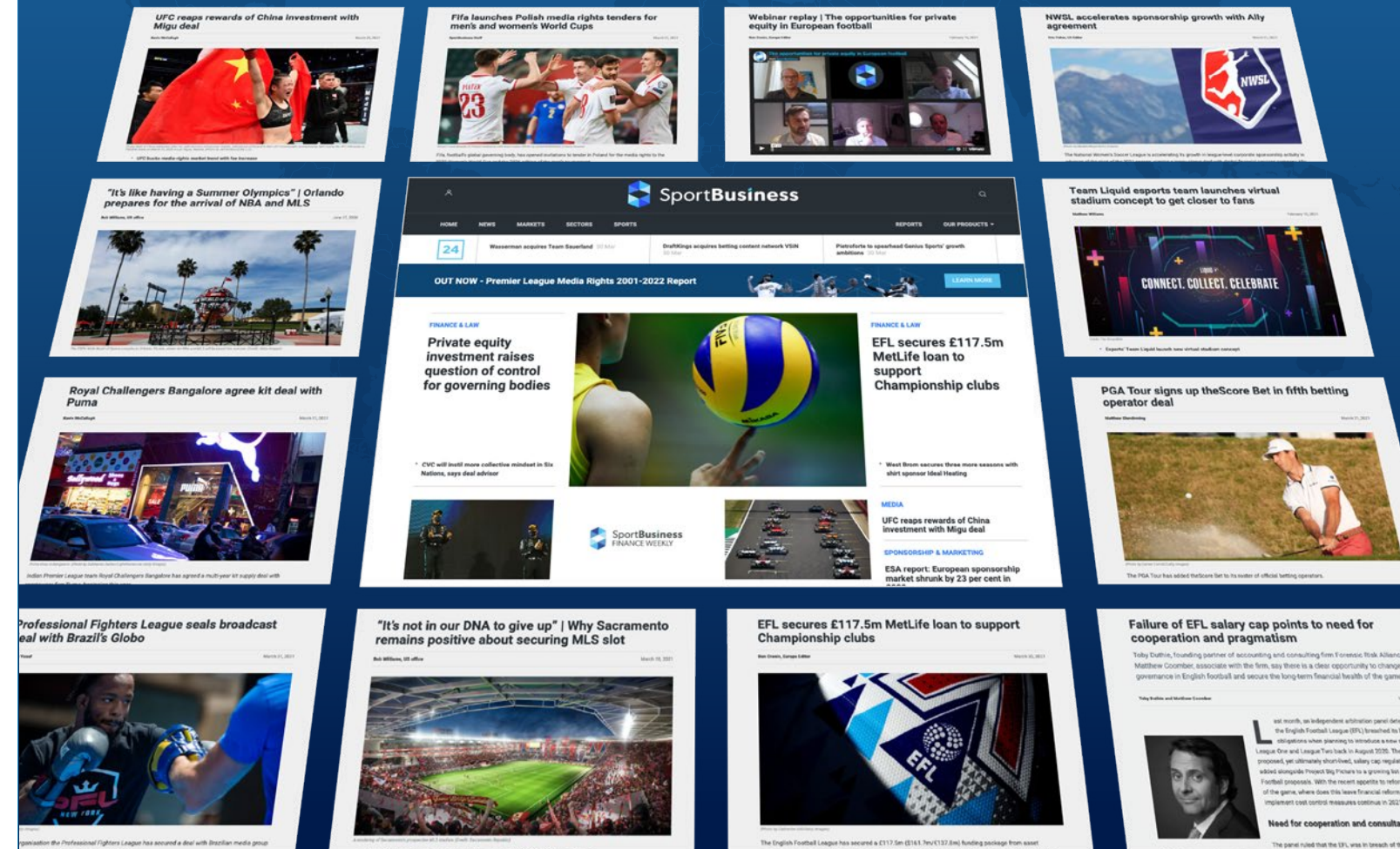


- 96 UFC reaps rewards of China investment with Migu deal
- 102 Asia-Pacific media market stands at crossroads as Disney shuts Fox Sports
- 110 Tokyo sponsors seek alternatives for decimated hospitality opportunity



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AFC resets revenue expectations with FMA as sales drag on

By Kevin McCullagh
Published online 22 Apr, 2021

The first events of the Asian Football Confederation's 2021–24 commercial cycle have begun with media rights coverage gaps in Japan and most of the Middle East and North Africa, and only a couple of sponsorship deals in place for club competitions, as a gruelling rights sales process drags on.

SportBusiness understands that the AFC is set for a significant increase in the value of its media and sponsorship rights in the cycle when all deals are completed. However, the increase will be lower than envisioned when the sales process began in 2018.

The confederation's global media and sponsorship rights agency agreement with Football Marketing Asia, which entailed a massive rights revenue increase, has been renegotiated. The renegotiation was triggered by the impact of the Covid-19 pandemic on the sales process and the match calendar.

The AFC has taken back from FMA the sale of media rights in Japan, and the agency's revenue guarantee to the confederation has been reduced. A renewed agreement with the Dentsu agency for the commercial rights in Japan was announced today (Thursday).

The AFC declined to comment on the details of the renegotiation when contacted by *SportBusiness*,

beyond confirming "that the revised agency agreement with Football Marketing Asia (FMA) was approved recently by the AFC Executive Committee, affirming a collaborative approach with the AFC's exclusive commercial partner for the commercial process and event delivery programme".

The first matches of the 2021–24 cycle began as the AFC Champions League got underway. The first fixtures were originally due to be AFC qualifiers for the 2022 Fifa World Cup and 2023 Asian Cup last September, but these were postponed to this September due to the pandemic.

The AFC is yet to announce media-rights deals in Japan and in the Middle East and North Africa region outside of Saudi Arabia. Media rights for the Mena region from 2021 onwards have always been under the AFC's control, having been carved out of FMA's contract at the start.

Hong Kong is also understood to have missed out on broadcasts of the first matches of the Champions League. An FMA-brokered deal with Disney-owned pay-television broadcaster Fox Sports is being finalised but technical issues related to the television signal have prevented matches being aired.

Securing coverage in Mena is the most urgent challenge for the AFC as the Champions League matches

currently underway are in the West Zone of the competition. The West Zone involves teams from Mena, Central Asia and India, competing in the first round groups A to E.

The Mena sales process has been made trickier by politics, particularly the rift between Qatar and Saudi Arabia. Qatari-owned pay-television broadcaster BeIN Sports had pan-regional rights in the previous cycle. BeIN dramatically scaled back its investment in sports rights in recent years after being undermined by Saudi Arabia-based pirate operation beoutQ, a manifestation of the wider political conflict between the two countries. Saudi Arabia has stepped up investments in sport recently and it is the only Mena market where a deal has been agreed so far, with new state-owned broadcaster Saudi Sports Company.

Matches in the East Zone groups F to J, featuring teams from the Asia-Pacific region, do not begin until June. Japanese viewers are therefore not missing out on any of their teams' matches. The AFC club competitions do not, in any case, attract strong audiences in Japan – the national team matches contained in the AFC rights package are much more popular and are where most of the media rights value lies.

Dentsu has historically managed AFC rights in Japan. Dentsu worked on media rights and sponsorship sales in Japan with the AFC's former global commercial rights-holder Lagardère Sports (now Sportfive).

Renegotiation reprieve

FMA's renegotiation with the AFC is considered to have saved the agency from missing an ambitious original revenue target. The agency is expected to meet the revised targets and turn a profit.

FMA originally guaranteed the AFC a figure in the range \$2bn

(€1.67bn) to \$2.4bn over the eight years – around \$275m per year, taking the mid-point of the range.

In the previous four-year cycle, 2017–20, Lagardère Sports guaranteed the AFC just \$75m per year in a deal that included Mena media rights. That region was the second-most valuable territory for media rights in the last cycle after Japan, accounting for more than 25 per cent of total media-rights revenue.

FMA was to earn a commission on sales up to the minimum guarantee and to share revenues above that with the AFC.

The agency's guarantee has been lowered substantially as a result of the Japan carve-out. The exact size of the reduction is not known but, to give a yardstick, Japan accounted for nearly 40 per cent of media-rights revenue in the 2017–20 cycle.

FMA acquired the rights in 2018 amid much stronger market

“The Mena sales process has been made trickier by politics, particularly the rift between Qatar and Saudi Arabia.”

conditions and after a competitive bidding process against some of the world's biggest agencies. The pandemic was the single biggest factor affecting the sales process. But it was also hit by media-rights markets in Asia that were slumping even prior to the pandemic.

Many industry insiders believe FMA overpaid for the rights and would have struggled to hit its target even without the pandemic. Some expected the deal to collapse entirely.

In interviews with *SportBusiness*, the agency's chief executive Patrick Murphy remained bullish about the project from the start and into last year.

FMA has powerful financial backing which some say made any serious financial problems unlikely. The agency was formed by a partnership between Murphy's Hong Kong-based Fortis Sports agency and Chinese sports marketing group Wuhan DDMC Sports and Culture. The latter is understood to be backed by Chinese conglomerate Wuhan Dangdai Science and Technology Industries Group.

Media-rights gains

Media-rights revenue from the markets under FMA's remit is expected to increase substantially compared to the previous cycle, albeit by less than originally envisaged.

The increase has been secured at



(Fayez Nureldine/AFP via Getty Images)



(Amphol Thongmueangluang/
SOPA Images/LightRocket via
Getty Images)

a time when football rights values have been generally dropping in Asia. Uefa, the English Premier League and the German Bundesliga are among the rights-holders to have been stung by significant declines in rights values in recent sales cycles.

Another positive for the AFC and FMA in the new cycle is that they have secured broader coverage and, it is understood, very significant rights revenue increases in markets outside Asia compared to previous cycles.

Coverage of the opening matches of the Champions League is being provided in many markets under deals that are still being finalised. FMA is understood to have 25 media-rights deals signed and 15 more in the process of being finalised. It expects to do just over 40 media-rights deals in total for the 2021-24 cycle. Several of the deals are for one or two-year terms rather than the full four-year cycle.

Fox Sports is close to a deal covering Hong Kong, Malaysia,

Singapore, Macau and Brunei. SportBusiness understands it to be a one-year deal. Fox had AFC rights in the previous cycle in these territories and several others.

Disney management is pondering the future strategy for Fox Sports in Asia, which it acquired as part of its 21st Century Fox acquisition. As a result, the company is understood to be currently considering only short-term rights deals and extensions.

A deal in India is being finalised involving Disney-owned Star and mobile platform Jio TV. Star also had AFC rights in the last cycle.

In Australia, a deal for the club competitions is still being finalised. Rights for the national team competitions for the four-year cycle have been acquired by Football Australia, the country's football federation. Football Australia has packaged the AFC rights with its other rights, including non-AFC home international matches, and is currently selling them in its

domestic market.

Elsewhere in Asia, deals are being finalised in the Maldives and the Philippines.

Deals have already been announced in Asia in China, South Korea, Cambodia (and Laos), Myanmar, Vietnam, Indonesia, Central Asia, Mongolia, Taiwan, and Bangladesh.

Outside Asia, a deal is being finalised that covers the US, Canada, Guam and the Northern Marianas; another deal is being finalised covering South America, Central America and the Caribbean; and a third deal is being finalised that covers the UK, Italy, the Netherlands and Malta.

Deals have already been announced outside Asia in the Nordics, Russia and CIS territories, Turkey, Southeast Europe, Eastern Europe and the Baltics,

An eight-year global data and video rights deal has also been agreed with Sportradar.

Sponsorship gaps

Sponsorship sales have been hit harder by the pandemic than media-rights sales. It is understood the AFC and FMA are nevertheless set for a significant increase in sponsorship revenue in the 2021-24 cycle over 2017-20.

Only three sponsors are in place for the club competitions so far – Saudi Arabian new city project Neom, video games publisher Konami, and match ball supplier Molten. Several more deals for both club and national team competitions are close to being finalised and announced. Some brands have been reluctant to announce major new sponsorships during the pandemic.

Neom, Konami and Molten's deals also cover rights for national team competitions. Sponsorship deals covering national team competitions only have been announced with Continental and China Mobile-Migu. ♦

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European Leagues pools together international rights to nine top-tier divisions

By Martin Ross

Published online 15 June, 2021

European Leagues, the body of European football leagues, has pooled together the international broadcast rights to nine different leagues and initiated a Request for Proposals from interested broadcasters, telecoms operators and agencies.

SportBusiness understands that the RFP, which has been created with the assistance of the Octagon agency, covers the period from September 2021 to December 2024.

European Leagues has been looking to bring together the international broadcast rights to some of its mid-tier and smaller member leagues since first bringing the data rights to eight leagues together in a centralised deal signed in 2017. That deal – with rivals Genius Sports, Sportradar and Stats Perform – has since been expanded to 16 leagues.

The nine different top-tier leagues included in the international media rights offering include the Danish Superliga, Northern Ireland's Danske Bank Premiership,



Poland's Ekstraklasa, the Slovak Fortuna Liga and the Swiss Super League. All five leagues operate a 'winter' calendar (from July/August to April/May).

The Icelandic Top Football League, the Kazakh Premier League, Latvia's Virsliga and Norway's Eliteserien, all of which run over the spring and summer months, are also part of the collective offering.

Live rights to a total of over 1,500 matches are included in the RFP. Highlights, archive, radio, in-ship/in-flight and news access rights are also included. Data and betting streaming rights are excluded.

European Leagues, which is looking to add more leagues to the centralised media rights offering in future sales processes, aims to increase fan engagement internationally for the leagues and develop a broadcast presence where previously there was none. In doing so, the RFP will encourage flexible content distribution plans covering a greater volume of content across various platforms and that unlock more territories.

Chris Gerstle, head of business development at European Leagues, said: "Bundling winter and summer leagues together provides year-round 'non-stop football', and also greater opportunity for international players to be followed by fans even as they move between leagues. We believe that both traditional and new media players will place a higher value on these rights than they have in seasons past when these leagues commercialised their non-domestic rights individually."

Interested parties must submit their offers by 9pm (CET) on July 12. A question-and-answer period will kick off tomorrow and runs until July 11. An award of the rights is expected towards the end of August.

Rights carve-outs, inventory on offer

In bringing different leagues' international rights together, European Leagues and the constituent rights-holders were faced with untangling the matrix of leagues' existing international deals with third parties in order to find a start point from which rights could be sold.

Some international territories remain excluded for different leagues, notably 37 (mainly European) markets in the case of the Ekstraklasa, where exclusive coverage is showcased on the



league's Ekstraklasa TV OTT platform.

Norway and Sweden are excluded from the Danish Superliga's international territories on offer, with Eliteserien rights not available in Denmark, Finland, Iceland and Sweden until 2023 (after the expiry of the Norwegian league's contract with media group Discovery).

Estonia and Lithuania are excluded in the case of Latvia's Virsliga, while the Slovak Fortuna Liga rights are only available non-exclusively in the Czech Republic and unavailable in Hungary until 2022. Austria, France, Germany, Italy and Liechtenstein are excluded from the Swiss Super League's offering.

SportBusiness also understands that the Ekstraklasa's near-

live highlights rights and radio rights are not available in the RFP. Radio rights to Slovakia and Switzerland's top leagues are also excluded, as are the archive rights to Iceland's top flight.

Rights have been divided up into seven different geographical packages.

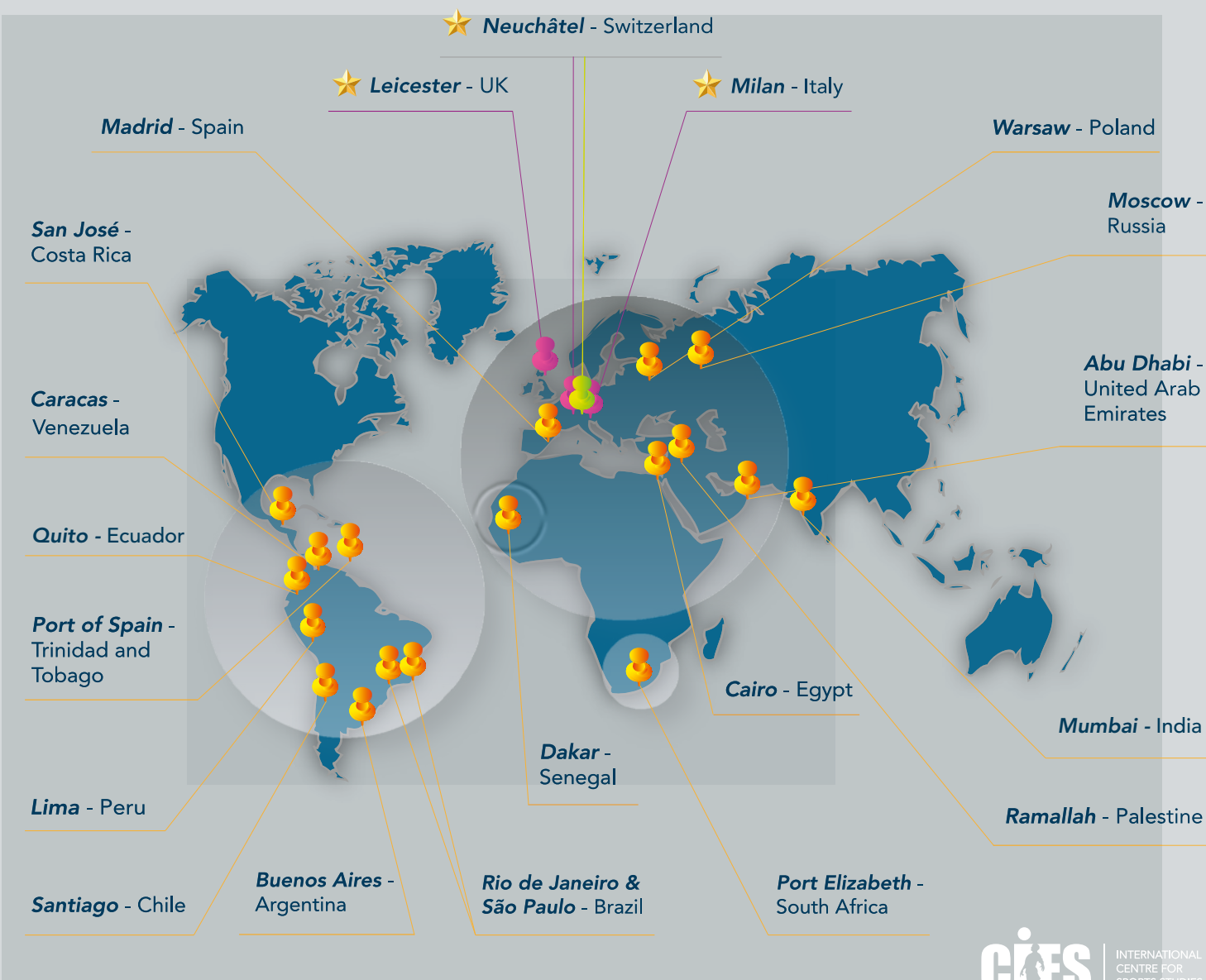
These are: all international markets; Europe (excluding the host nation); the Middle East and North Africa; sub-Saharan Africa; the US and Canada; Central and South America; and the Asia-Pacific.

Bidders are invited to submit offers across all formats, linear, digital and 'other' (in-flight/in-ship, radio, news access).

The number of matches each season and respective contract terms are as follows:

- Danish Superliga: 193 matches, 2021-22 to 2023-24;
- Northern Ireland's Danske Bank Premiership: 228 matches, 2021-22 to 2023-24;
- Poland's Ekstraklasa: 78 matches, 2021-22 to 2023-24;
- Slovak Fortuna Liga: 192 to 197 matches, 2021-22 to 2023-24;
- Swiss Super League: 182 matches, 2021-22 to 2023-24;
- Icelandic Top Football League: 162 matches, 2022 to 2024;
- Kazakh Premier League: 78 matches, 2021 to 2023;
- Latvia's Virsliga: 180 matches, 2021 to 2024;
- Norway's Eliteserien: 240 matches, 2021 to 2024. ♦

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Samson Adamu, Director of Competitions at CAF and FIFA Master Alumnus

ADVERTISING FEATURE

The Nigerian Samson Adamu, Director of Competitions at the Confederation of African Football (CAF), started his professional career in sport right after his graduation from the prestigious FIFA Master in Management, Law and Humanities of Sport, in mid-2009. Then, he founded a sports marketing and events company, which eventually came to launch and organise the Copa Lagos Beach Soccer – an annual event, which became one of the top three events in the international beach soccer calendar. He remained as the main executive in the company for nearly ten years – until 2018, when he joined CAF, in Cairo.

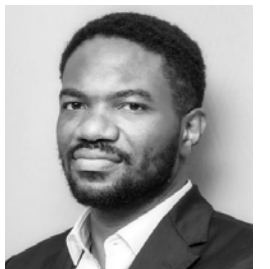
Samson says that doing the FIFA Master was fundamental for his career in sports and what he learned from his own classmates and other alumni was as important as what he learned in the classroom. “I came to directly work with former classmates and alumni, at Kinetic, my agency, and CAF, and I have to say that the comradeship with my fellow students was where the FIFA Master was most helpful to me”, he explains.

Even 12 years after graduating, Samson says that the FIFA Master continues to be an intrinsic part of his life. “Our class, as a whole, remains in touch, mostly through a whatsapp group. Additionally, I am in touch with other FIFA Master alumni almost every day. We are four working at CAF at the moment; there are dozens at FIFA and many more at other confederations, federations, service providers and at CAF’s competitions’ local organising committees... so there’s no way to escape that powerful network”, he concludes, with a smile.

Samson is a man who dreams big. When asked what is his main professional goal, he said, without hesitation: “to make African football truly global, popular and serve as a catalyst to drive social change on the continent”. Enjoy more of the interview with Samson Adamu.

FMA Quarterly What is your job like, as Director of Competitions at CAF?
Samson Adamu To put it in simple terms, my role as the Director of competitions is centred around “implementation”; implementing the competitions regulations, decisions of the executive committee, senior management strategies, match preparations and tournament operations. We (my team and I) manage the operations of around 816 matches yearly

and about 27 competitions across two years. To achieve these, we administer and conduct training for roughly 450 match officials, conduct the drawing of lot events, monitor all the football matches, collaborate with other departments and external stakeholders such as the Member associations, FIFA, other confederations, media, ministries and Local organising committees.



FMAQ What is the thing that you love about your job?

SA What I love most about my job is the opportunity it presents to connect with people of all backgrounds, nations, and professions who are passionate about the same thing on a daily basis. Working in an organisation that manages what a lot of people cherish so much makes up for the long hours and sacrifice it requires. Because of how dynamic football operations are, every day is different which makes it quite exciting.

FMAQ What would you say was the biggest achievement of your career so far?

SA Successfully leading the team that organized the new expanded 24-team AFCON in 112 days between the selection of Egypt as the host and the opening match at the Cairo International stadium in 2019.

FMAQ Why you did the FIFA Master?

SA I was passionate about sports – football in particular - and I wanted to pursue a career in what I loved. The master was one of the best available programmes to learn more about sports, with people who shared the same passion. The possibility of studying in multiple locations in Europe, the modules it offered and its alumni network made it even more appealing.

FMAQ What advice would you give to the current (or future) students of the FIFA Master?

Study as much as you can, take the final project seriously but don’t get obsessed with trying to get good grades. Don’t try too hard with the guest speakers, the relationships you form with your classmates are far more important. Don’t forget to have fun while you are at it!

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New rules allow clubs to wear sleeve sponsors in Uefa club competitions

By Matthew Glendinning
Published online 29 Jun, 2021

European football clubs playing in the first qualifying round of the 2021–22 Uefa Champions League will be the first to display shirt sleeve sponsors thanks to new rules drawn up by European football’s governing body.

With the Europa League qualifiers set to follow in August, Uefa is expecting clubs to take advantage of the new inventory sanctioned under Uefa’s Equipment Regulations issued earlier this month.

According to Article 28 of the regulations, a team in European club competition may now advertise up to “two playing attire sponsors, one of which may be displayed on the shirt at chest height and the other on the left sleeve in the sleeve free zone”.

The regulations go on to say that the sponsor, which can be displayed in an area not exceeding 100cm², should, “in principle”, be a sleeve sponsor on the playing shirt in an official domestic competition.

If there is no domestic competition sleeve sponsor, Uefa insists that the sleeve sponsor for European competition must, at least, have some visibility on the playing kit for domestic

competition.

It states: “If no sleeve sponsor is permitted or used in any official domestic competition, the sleeve sponsor used must be either: another playing attire sponsor (e.g. back of shirt sponsor, short sponsor); or a non-playing attire sponsor used in an official domestic competition.

“If a team has no sleeve sponsor that complies with [the] above, it may replicate the front of shirt sponsor or use the team’s approved playing attire manufacturer as its sleeve sponsor.”

The new move is confined to European club competitions, and in the Uefa Regions’ Cup – a football competition for amateur teams in Europe.

In all other Uefa competitions, sponsor advertising on playing attire is ruled out, while sponsor advertising on shorts or socks remains prohibited. Sponsor advertising is allowed, however, on non-playing attire at Uefa representative team and club competitions.

The sleeve move has been in the pipeline for some time and, according to one football marketer quoted by French sports industry website

Sportbuzzbusiness.fr, will add impetus to the sponsorship market.

Benjamin Deblicker, vice-president, sales for the Sportfive France agency, said: “The main constraint of this new space is that the brand must already appear on the kits in a national competition in order to be displayed as a round sponsor for European matches.



(David Lidstrom/Getty Images)

“We should not open up everything on the jersey but this additional new space for [matches in] Europe is good.”

“We should not open up everything on the jersey but this additional new space for [matches in] Europe is good, it supports the brands that invests

in the clubs and it will create a little more enthusiasm for advertisers and the sponsorship market.”

Teams playing in the first

round of Champions League qualifiers on July 6 and 7 include the likes of Malmö FF (pictured), Legia Warsaw, Dinamo Zagreb and Ferencváros, some of which do not have an existing shirt sponsor.

The major European teams, which are likely to have existing and lucrative shirt sleeve deals, will enter the competition at the group stages in September. ♦

Bold new era begins for US college sports with NIL rule change

By Eric Fisher

Published online 1 Jul, 2021



A bold new era in American college sports has now officially begun as the National Collegiate Athletic Association has formally allowed student-athletes to sign commercial deals utilizing their name, image, and likeness (NIL) rights.

In a move that has quickly developed in recent weeks, the college sports governing body on June 30 voted on an interim policy that will suspend prior prohibitions on monetizing student-athlete rights.

As more than a dozen individual American states have already enacted their own local NIL laws, the new NCAA policy will allow all student-athletes to engage in NIL activities, consistent with local

regulations, without violating NCAA rules or forfeiting their eligibility.

Beginning July 1, student-athletes will be able to engage in activities such as endorsing products, shooting commercials, and being paid for their autograph. For more than a century, such activities had been prohibited as the NCAA has clung tightly to student-athlete amateurism while college sports in the United States developed into a massive industry generating billions in revenue annually.

The change will immediately impact nearly a half million student-athletes across Divisions I, II, and III. For many in that group, there will be little to no material commercial revenue

to be gained given their relative anonymity. But for some, particularly those at the elite levels of their respective sports, the change is set to bring a lucrative new realm to players in US college sports, and individual deals began to be announced within minutes of the new policy taking effect.

“This is an important day for college athletes since they are all now able to take advantage of name, image, and likeness opportunities,” said NCAA president Mark Emmert. “With the variety of state laws adopted across the country, we will continue to work with Congress to develop a solution that will provide clarity on a national level. The current environment – both legal and legislative – prevents us from

providing a more permanent solution and the level of detail student-athletes deserve.”

The latest move from the NCAA on NIL policy follows an accelerating state of actions across various jurisdictions, most notably a recent landmark decision from the United States Supreme Court finding that prior NCAA limits on education-related benefits to student athletes violates federal antitrust law.

That unanimous decision contained a stinging rebuke of the NCAA’s traditional notions of amateurism, with Justice Brett Kavanaugh writing in a concurring opinion, “the NCAA’s business model would be flatly illegal in almost any other industry in America.”

The NCAA in recent days said that its NIL policy would be based on a prohibition of pay-for-play provisions, and that any such commercialization of NIL rights cannot be performance based or play a determining role in recruiting.

“The new policy preserves the fact college sports are not pay-for-play,” said Sandra Jordan, chancellor at the University of South Carolina-Aiken and chair of the Division II Presidents Council. “It also reinforces key principles of fairness and integrity across the NCAA and maintains rules prohibiting improper recruiting inducements. It’s important any new rules maintain these principles.”

Still, the new NCAA policy on NIL rights remains rather vague in several areas, and places a great deal of responsibility on individual schools to ensure student-athlete activity remains in accordance with their respective state laws, and heightens the work for compliance officers that are already quite busy navigating the NCAA’s often-Byzantine rulebook.

Among the local-level

restrictions within the newly expanded NIL laws will include various restrictions on student-athletes endorsing alcohol, tobacco, or gambling products, and using school logos and other similarly copyrighted material.

As a result, numerous universities and conferences have already begun to form on their own more specific provisions. Stanford University in California – which operates one of the largest and most successful athletic programs in the entire country and recently reinstated several sports slated for elimination – quickly moved to create Cardinal Connect, a new campus program allowing students there to take advantage of NIL opportunities, in part by leveraging the school’s extensive alumni network.

“Through our relationships in Silicon Valley, our world-class campus resources, and an unparalleled alumni network, Cardinal Connect reflects our approach to NIL, and will provide students with the best education and opportunities to benefit from NIL,” said Stanford athletics director Bernard Muir.

Meanwhile, many vendors, agents, attorneys, and private companies in the space have also actively sought to position themselves to help student-athletes take advantage of the expanded commercial landscape. Athlete market platform Opendorse notably has signed several major pacts, including ones with Twitter and OneTeam Partners to help enable players to sign various deals using their NIL rights. ♦



3:16 AM · Jul 1, 2021 from Manhattan Beach, CA



Endeavor move for Mailman, Seven League an ‘evolutionary leap forward’ for IMG

By Martin Ross

Published online 8 Jul, 2021



The acquisition of China-based sports digital agency Mailman Group and its digital sports consultancy Seven League by Endeavor represents a “really important evolutionary leap forward” for IMG, according to Adam Kelly, co-president of Media and Events at the Endeavor-owned agency.

The takeover by Endeavor China – exclusively reported by *SportBusiness* in May – was announced today (Thursday) and, as underlined by Endeavor, signals the company’s “continued

commitment to servicing clients in China, Asia-Pacific and beyond”.

Mailman, which acquired Seven League in 2018, will be fully integrated into 1600over90, Endeavor’s marketing services arm, to enhance the services provided to brands. The UK-based Seven League will be integrated into the IMG Media & Events division to broaden out the agency’s digital offerings to rights-holders across rights and distribution, sponsorship sales, client consultancy and broadcast production.

The takeover deal is worth in the region of \$60m (€50.8m) and has received approval from Chinese regulators.

Speaking to *SportBusiness*, Kelly explained that the addition of Seven League would fill a gap in the digital space and create a “holistic and cohesive offering”.

He said: “It’s an area we’ve been exploring in the background for a number of years but we’ve really focused on our core capabilities up until this point. The timing is perfect for us to build out our capabilities and further develop our services in

this area.

“Our clients need this more and more. Holistically, it makes so much more sense for IMG to be expanding into these additional areas and capabilities.”

While Endeavor moved into the live streaming services area in 2018 with its \$250m acquisition of NeuLion, the US-based streaming services company (now known as Endeavor Streaming), it has been Infront, IMG’s rival agency, that has been particularly active in the “digital solutions” sector in recent years. The Switzerland-based agency recently unveiled its new ‘Infront X’ identity for its merged digital and technology operation.

Kelly, who revealed that the Seven League name would remain, said that the company would provide the “glue” that binds together IMG’s rights distribution and brokering, production and sports betting capabilities, while also offering “more in terms of capabilities for digital-focused content production, audience engagement and core functionality”.

He continued: “It really becomes a comprehensive area of partnership and ability for us to truly add value in more areas. That’s everything that we’ve been looking at, certainly under my era in media. [Looking at] how we go from just providing services to adding value for our rights-holders and partners. And how we support them in better understanding their audiences and connecting with their fans.”

Digital work performed by IMG in recent years has been more executory in nature. This has included managing the Serie A YouTube channel with a third-party agency, along with digital execution on behalf of Euroleague Basketball and the Endeavor-owned Ultimate Fighting Championship. A digital

case study on World’s Strongest Man, another property within the Endeavor network, was performed for Facebook.

Kelly remarked: “What we haven’t really gelled is how do you look at the whole and build a holistic digital strategy.

“There’s people out there who can give theoretical advice quite effectively, there’s certain agencies who understand rights execution and how to effectively monetise, and then other agencies who can then execute on the digital transaction side of things.

“We’ve dipped our toes into various aspects of that value proposition in the past. What we’re saying now is we can be a lot more effective in controlling that entire end-to-end spectrum.”



“Injecting IMG’s scale”

While Mailman is a leader in digital media and marketing services in China for sports-related organisations, Seven League is one of the leading sports digital consultancies in Europe. Its clients, many of which are also customers of IMG, include Fifa, Uefa, the NBA, NFL, NHL, Barcelona, Leicester City, Newcastle United, Tottenham Hotspur, England Netball, Sport England, UK Athletics and Twitch. It was founded in London in 2012 by Richard Ayers.

For Lewis Wiltshire, chief executive at Seven League (and Mailman’s EMEA division), the integration into IMG brings “scale”.

He told *SportBusiness*: “What we’re able to do now is help both

our existing clients and IMG’s clients, and frankly every sports rights-holder across the world, to become global media businesses.

We think the industry is at a point where it’s not going to be enough to just be good at digital. Sports rights-holders need to grow media businesses with digital as an absolute engine and powerhouse of that process.

“The moment is right now to inject the digital expertise and excellence into all of the areas that IMG currently offers. But equally, we’re injecting IMG’s scale into all of the areas we currently touch from a digital point of view.”

Wiltshire, formerly head of sport at Twitter and editor of the BBC Sport website, continued: “Digital has come on a journey where it’s no longer a silo. It’s now central to every decision that a sports business takes.

“If you look at the decisions a sports rights-holder takes about rights, that now includes streaming. Decisions taken about membership will now involve digital membership, if you look at their global fanbase that will now be [reliant on] audience acquisition through social media.

“Digital touches every decision they take.”

Mailman and 1600over90

Endeavor said today that Mailman would be fully integrated into 1600over90 to “enhance its expertise in advertising, experiential, communications and sponsorships” for brand clients that include AB InBev, Marriott International, HSBC and Visa.

Mailman Group has more than 200 staff in 50 markets, with offices in London, Shanghai, Singapore and Indonesia.

It was founded in 1999 and began life as a print marketing business. It was acquired in 2007 by Australian businessman

Andrew Collins, the current chief executive, who turned it into a digitally-led business as the digital revolution was taking off in China. In 2016, the group raised \$25m from Chinese investors Yao Capital, Kaixin Capital and WeCapital.

Mailman's core China business provides services including digital strategy and marketing, content production, managing social media accounts, influencer marketing, sponsorship activation, and PR and communications. Its client roster includes US and European rights-holders such as the NHL, UFC, MLB, the LA Lakers, Chelsea, Tottenham Hotspur, Borussia Dortmund and Paris Saint-Germain.

Collins said: "Our mission is to help rights-holders build global digital media businesses; joining Endeavor China is a dream next step. We have built a reputation of connecting fans with sports, and now that we are arms locked with 1600over90 and IMG, we have an enormous platform to drive both the audiences, the brand equity and monetisation for our clients."

Ed Horne, president of 1600over90, described the addition of Mailman Group as "complementary".

He told *SportBusiness*: "Adding their social and digital solutions to our full suite of advertising, branding, experiential, PR and sponsorships is going to create a lot of firepower. Our brand clients have been looking for complete marketing solutions, and by bringing Mailman into the fold, we really believe we'll be able to deliver – not to mention at a global scale."

Asked about the areas in which 1600over90 overlaps with the new additions, Horne replied: "1600over90 has deep expertise in social and digital marketing, but



once again, Mailman's talents in this space will complement what we can now take to clients as a full package of marketing opportunities".

No plans for "IMG Digital" rebrand

Describing the acquisition by Endeavor China as "APAC initiated", Kelly stressed that the digital capabilities brought to the table by Seven League were "absolutely a global priority and very high up the agenda for IMG Media & Events". The IMG interest in Seven League predated the Mailman takeover in 2018, according to Kelly.

In Asia, Endeavor's sports activities include managing the commercial rights to the WGC-HSBC Champions, Asia's biggest golf tournament, through IMG. Endeavor China is now under new leadership after Sum Huang, the co-founder of Asian content provider XG Entertainment, was last month named chief executive. ♦

Endeavor's acquisition in the digital space is also unlikely to lead to any renaming in the short term.

Kelly underlined: "We invested in Mailman and Seven League because we believe in them as businesses. Right now we don't have history and legacy of digital excellence.

"So to just throw 'IMG Digital' onto the market would be ineffective. The Seven League brand is going to remain, we'll be building and working hard on the market to prove this new strategy and digital excellence within IMG is something to watch for now and in the immediate future. Building up that good will and reputation with real meaning."

In terms of knock-on effects for existing staff, of which there are around 50 at Seven League, Kelly said that there are plans to add more resource as opposed to the opposite, with Endeavor and IMG intent on "supercharging" the existing business. ♦

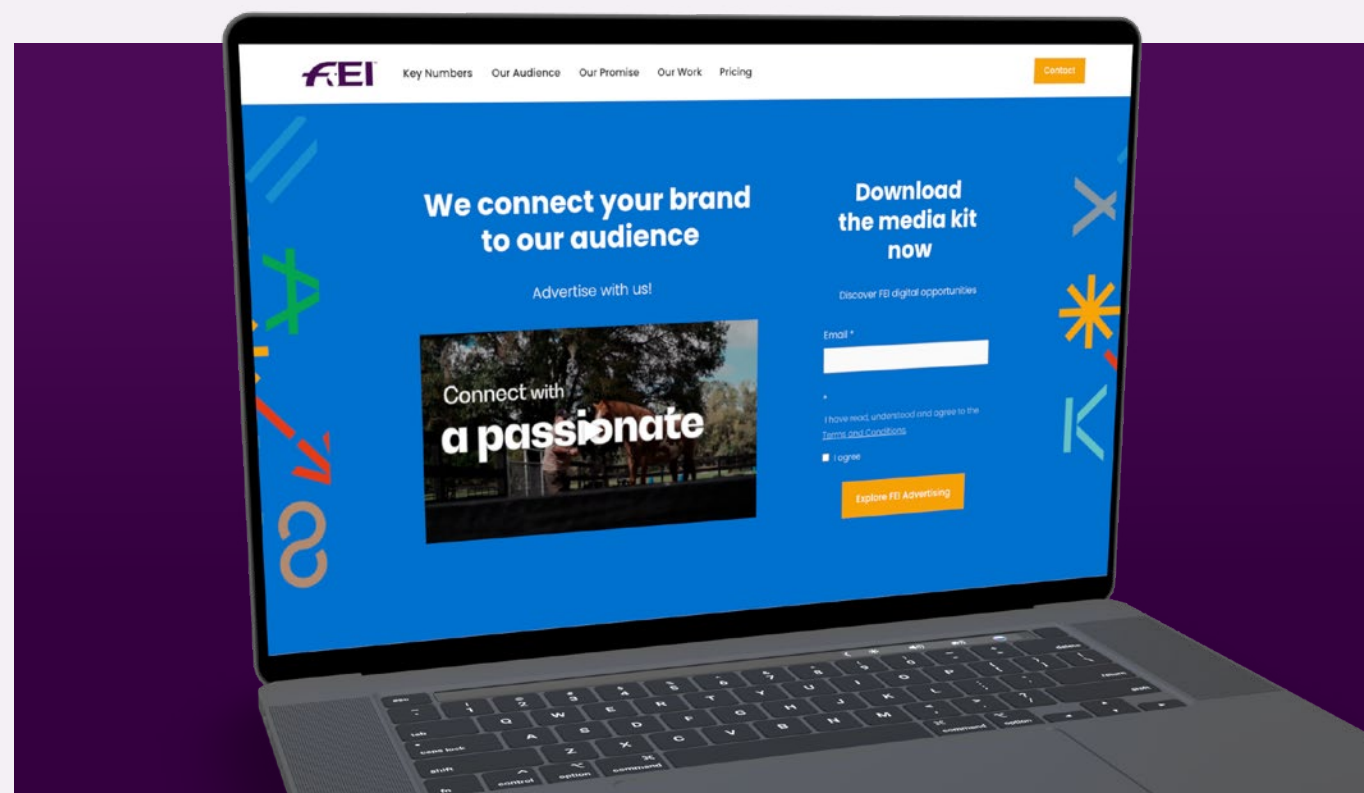
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Let's get digital: Transforming equestrian's commercial landscape

Vanessa Martin Randin, senior manager, media relations and communications at the FEI, explains how innovative digital campaigns are at the heart of evolving commercial opportunities for the International Federation.

The world of sports is slowly getting back on track after months of uncertainty created by the Covid-19 pandemic, which has tested the resilience of the industry on many levels.

With event organisers forced to adapt, commercial teams were challenged to find ways of connecting existing sponsors with fans in the absence of live events, and to provide alternate avenues for brand building and visibility.

In equestrian sport, more than 1,100 international events were cancelled worldwide in 2020, requiring the Fédération Équestre Internationale (FEI) to broaden and develop its existing sponsorship



model and build on its revenue-generation strategy.

Engagement levels

"Traditional models of sports sponsorship give brands broad international reach primarily through in-venue activations and other global campaigns," FEI commercial director Ralph Straus says.

"With digital platform viewing on the rise, many brands are looking for extended opportunities to interact with audiences online as the return on investment can be measured with data on engagement

levels, sales leads or traffic. Digital platforms provide additional avenues for brand awareness along with the flexibility to monitor performance during a campaign and make changes where needed."

In a key development in its commercial strategy, the FEI introduced opportunities for brands to advertise directly on the International Federation's digital channels through standard display advertisements, branded content or other digital activations.

These advertising possibilities have included, for example, displays of static banners to promote the sale of a product, fan activations through quizzes and surveys, or the sponsorship of sport and lifestyle

video series. Brands can produce their own digital content or work directly with the FEI to create a bespoke online campaign.

It is a move that has raised the commercial profile of the FEI and opened the door to conversations with different brands around the world within the first four weeks of its launch.

Traditional sponsorship models in the sporting industry have relied on exclusivity and long-term agreements, the FEI's digital advertising initiative also offers brands with smaller advertising budgets a chance to gain visibility.

'Digital listening'

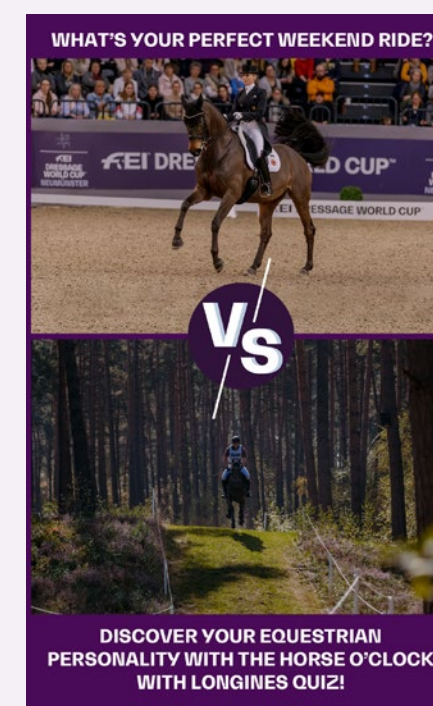
Digital platforms have made it easier for the FEI to listen to the community, understand their specific needs and know the types of content that fans desire.

This 'digital listening' is what convinced the FEI to unveil My Horse World Club in June 2020, a TikTok channel produced for the youth, by the youth. This initiative, which is independent of the FEI brand, was launched with the intention of bringing young people together around what they love most, the horse, and to celebrate the precious horse-human connection.

My Horse World Club provides information on good horsemanship practices, useful tips on horse care and on equine health and wellbeing. Within one year of its launch, the channel generated over 100,000 followers, two million likes and 17 million video views.

"We know that a key driver in our digital growth is the content created around the community's shared passion for the horse," Straus explains. "This is why, even in the absence of live sporting events, we could continue to engage with existing online fans and find new audiences through our lifestyle content and original programming."

The FEI had 280 million video views, and 12 million engagements –



such as likes, shares and comments – across social media channels in 2020, a 30% increase compared to 2019.

A major factor in this growth was #ForTheLoveOfEquestrian, a digital campaign of inspiration and solidarity that the FEI produced for riders, fans, organisers and all other members of the equestrian family during the pandemic.

The video focused on the bond between the rider and horse and was narrated by Hollywood star Kaley Cuoco, generating more than 31 million post impressions, five million video views, and two million engagements across the FEI's social media channels.

A highly engaged audience

With direct access to a large and highly engaged audience on its digital channels, the FEI is in a unique position to assist brands with the creation of meaningful storytelling as well as top quality fan content.

"With digital advertising, it is essential that a brand's content is authentic, relevant and non-intrusive to your audience," Straus says.

"Our digital analytics give us a better insight into the preferences, habits and behaviours of our fans, and with this information we

are better equipped to assist our commercial partners with producing content that speaks directly to the equestrian community."

One example has been the creation of #HorseOClock with FEI Top Partner Longines, a consumer engagement campaign that was run on the FEI's digital channels in July 2020. Fans were invited to complete a fun questionnaire with equestrian related questions to determine the watch that best matched their personality.

The campaign generated high-performing content across Twitter, Facebook and Instagram, resulting in close to 20,000 fans completing the quiz, driving significant traffic to Longines' digital platforms.

Looking ahead

Digital advertising campaigns offer a level of flexibility and originality that also perfectly complement traditional sponsorship methods.

"There are so many creative ways for brands and rights holders to engage with sports audiences and as an International Federation, the FEI is only just beginning to appreciate the reach and creative potential that digital advertising can provide to our partners," Straus says.

"While we have realised that we are only limited by our creativity, it is important to keep in mind that these digital platforms are only a means to an end. The success of any sponsorship model or advertisement campaign is not determined by the technology but by the depth of cooperation with the brand, and the way in which the activation helps engage the target audience.

"It is only by fully understanding a brand's business objectives that you can design an effective campaign with content that is relevant and will speak authentically to a sports audience." ♦

CLICK HERE to access the FEI Digital Sales website

Lumme takes long-term view in the face of Tokyo 2020 setbacks

Timo Lumme

Managing director,
IOC television and
marketing services

Timo Lumme, managing director of the International Olympic Committee's television and marketing services, looks ahead to the Tokyo 2020 Olympics. He says the organisation will continue to adopt its clean sites stadium policy but could allow more branding and advertising opportunities around broadcast coverage of events.

By Matthew Glendinning

With the Covid-19 pandemic waxing and waning globally in new and often alarming ways, the narrative for Tokyo 2020 has changed with the course of the virus.

What was anticipated as a celebration of our collective emergence from the darkness of the pandemic has taken on a different spin, one about resilience, and inspiration through sport and human endeavour.

For Timo Lumme, managing director of the International Olympic Committee's television and marketing services, the long journey to Tokyo 2020 has passed from the postponement stage in March 2020 to the first cancellation of the torch relay in April 2021, the ban on all foreign travellers to Japan in May and then – just days after this interview – the banning of all spectators in Tokyo venues as Japan declared a state of emergency.

As a result of the pandemic, the story around this Olympics, he admits, is not in the control of the IOC or its commercial partners.

"If you zoom out, all the partners very much want to

be able to ride a message of hope and inspiration... [but] I must admit we all thought that perhaps the pandemic would have played itself out a little bit more. We now know more that it is going to be with us, so it's more about living with it and how we manage it.

"Perhaps we were a little bit naïve in terms of how the message could go out that we'd be back to normal, but I think the relevance and impact of the message is still just as strong. Sport has already provided some great moments [in the pandemic] and something for people to cheer about, so let's hope that that's going to be the Olympics."

Operational challenges

If, on a personal level, the reversal of long-term planning has been a source of frustration, on a professional level, Lumme remains pragmatic. "We're knocking the skittles over, we're getting nearer," he says.

"I think we're all frustrated about the state of the world at the moment but the way it translates in terms of the operational day-to-day planning and reacting to events is that we just work as a team. We get on with it."

His cause has not been helped by the political situation in Japan, where domestic questions about Covid management and the vaccination rollout, along with the



(IOC)

prospect of elections in the prefecture of Tokyo and at state level this year, have been a “specific issue”.

That said, in many ways the story of this Olympics is the story of sport writ large since the pandemic struck in March 2020. Like many major sports events, the operational response has been facilitated by “highly increased levels of communication and interaction” with stakeholders and particularly sponsors.

Many of the 14 TOP [The Olympic Partners] sponsors hold operational roles; hence talks have covered everything from the operational side of the Games to “the whole question of how to frame a communications and promotions perspective for the Tokyo Games”.

The complications surrounding the Olympics have also disrupted the sponsorship assets in play, putting pressure

on the IOC to deliver value for its sponsors – another area shared with other rights-holders over the last 18 months.

Lumme says: “There’s a short-term challenge in terms of what is the ROI out of Tokyo, and maybe out of Beijing [for the 2022 Winter Olympics]. Hopefully, by the time Paris comes along, much more normality will return to the world... And, of course, everyone’s had added costs. The Olympic movement, the IOC has had added costs. The partners have had added costs because of the extra year or different types of operations [required], and the organising committee has had additional costs.”

Value mitigation

How the IOC mitigates this lost value, particularly for assets such as hospitality and on-site showcasing, will

play a role in determining the ROI reckoning for the 2017–20, cycle, which has not yet been closed because of the postponement of the 2020 Games.

Lumme declined to comment on whether sponsors could, in principle, be compensated for lost value, although the IOC has previously said there might be some “rescheduling” of payments because of last year’s postponement.

He points instead to the “long term perspective” of the sponsors – not one has dropped out – and the long-term nature of the contracts, which have contributed to overall TOP sponsorship revenue increasing from \$1bn in the 2013–16 cycle, to \$2.3 bn in 2017–20 cycle and \$3bn in the 2021–24 cycle – the latter two cycles being provisional because they have not been closed. Meanwhile,

broadcasting revenues continue to increase, and for the 2017–2020 cycle stand at \$4.5bn.

Nevertheless, Lumme says the IOC has enhanced its asset offering for sponsors where it can, without venturing into short-term fixes that would damage the Olympic brand.

“We are introducing certain new elements, a more enhanced partner recognition in some of the venues, such as media centres, where you’ll be seeing TOP branding. There are various small things that we’re trying to develop with a view to the longer term rather than as a short-term measure.”

And like many sports rights-holders over the pandemic period, the digital offering is carrying a greater proportion of sponsor value than ever before, even if most of the new digital elements for Tokyo 2020 were written into existing contracts.

Lumme says: “There’s vastly more digital inventory from what we call the integration of our partners into Olympics.com [launched in May 2021]. We’ve developed a mass platform where we’re managing the Games platform and apps, which is a big change from Rio where it was still managed by the organising committee.

“The digital direct-to-consumer strategy has evolved from a product – the Olympic Channel – which is now fusing and merging with the Games platform under one address: Olympics.com. That’s a strategic move for us and in many ways we’re at the beginning of the journey. It’s already a robust offering that can be slightly dialled up because of our wish to provide a stronger ROI for the partners.

“We’re garnering a much, much bigger audience at Games time, which should be in the hundreds of millions, and with additional value for sponsors who are integrated into the platform through [campaign] creations, co-creations and collaborations.

“From a business perspective, we can then focus on gathering data and the analytics of data, ultimately growing the audience for future iterations, as well as being able to cater to their specific preferences.”

Innovation

The innovation behind the Olympics.com project is echoed in further IOC broadcast and sponsorship areas that will illuminate Tokyo 2020 despite the challenging background to the Games.

One area of broadcast innovation, Lumme says, relates to 4K and 8K televisions, the next iteration of television technology. Tokyo will be the first Olympic Games to be produced in ultra-high definition (UHD) – or 4K – from the Olympic Broadcasting Services (OBS) world feed, with the closing ceremony to be broadcast in 8K.

“There’s a continuing push for that [technology],” says Lumme. “It’s relatively slow but you are seeing televisions that are adapted to be able to receive at least



The Olympic rings in Tokyo's Odaiba waterfront area in July 2020 (Kyodo News via Getty Images)



The National Stadium, the main venue for the Tokyo 2020 Olympic and Paralympic Games. (Jinhee Lee/NurPhoto via Getty Images)

4K, and, by the same token, we continue to create an environment, from a business-to-business point of view, where broadcasters can do a lot more remotely and that, of course, has been tested to the extreme in Tokyo because of the circumstances.”

Sponsors will play a central role in delivering the remote broadcast – and other – services, says Lumme. “The creation with [TOP sponsors] Alibaba of an OBS cloud now allows a completely different type of delivery, storage and broadcast operation, which is a really big advance...and, of course, in terms of the overall output of the games, everything is now available in most markets because of streaming capabilities, so Tokyo will be the most complete broadcast experience any sports fan can have in the world.”

Other broadcast innovations have been developed with fellow TOP sponsor, Intel. Lumme explains: “We will continue to use TrueView [technology provided by Intel that builds three-dimensional, 360° video from cameras installed high in the venue], which we first launched in Pyeongchang...and in some markets, the US primarily, you’ll see Intel providing us with athlete performance

analytics.”

While some sponsorship activations have been pared down because of the pandemic, Intel drones – the most visible of the firm’s technology-led services – will also be on display. “These had to be introduced by video segments in Pyeongchang because of the weather conditions, but you’ll see them in an impactful way, in physical form, in Tokyo 2020.”

Future trends

Whatever the fallout from Tokyo – financial or otherwise – Lumme is confident in the opportunities that lie ahead for the IOC in terms of new revenue streams and delivering value for Olympic partners.

He says that the clean stadium model will continue in the Olympic context, but the organisation could allow more branding and advertising opportunities around broadcast coverage.

“We still maintain the clean field of play, so there’s no on-screen branding on the field of play or, of course, in venue in terms of perimeter boards; that hasn’t changed. But we continue to review and are in constant

consultation with quite a few of the broadcasters to see how the whole commercial space around broadcast evolves.”

Advertising around the growing Olympic broadcast platform is an area the IOC reviews on a two-year cycle. “If you go back 20 or 30 years, the broadcast sponsorship and the ad spots were a significant value,” says Lumme. “Of course, they were offered in advance to the partners who could buy out their category exclusively in whichever markets they could.

“That’s still the case, but the range of [broadcast partner] inventory has gradually developed so that the sponsors message can be integrated in ways that the eyeballs don’t stray from the screen, so you’re seeing things like split screen where the action continues with a commercial message next door to it.

“We have various iterations of that, with some of those [advertising opportunities] only available to Olympic partners and some open to the market. With some of these streaming services, you can pay more to not receive ads, while others carry ads, so it’s certainly an ongoing consultation.”

Linked to the clean stadium issue is the question of Rule 40, the IOC ruling that sets limits on how Olympians can maximise commercial revenue. In 2019, legal moves to challenge Rule 40 so concerned Lumme that he mooted the possible introduction of perimeter advertising in stadia if athlete endorsements eroded the presence and exclusivity of TOP sponsors at Games-time.

The question of Rule 40 is “always live”, Lumme says, “but for the purposes of the Tokyo Games, I think we’ve gone through a cycle of bedding down a slightly updated version of Rule 40, which I think will play very well.

“Everyone seems fairly satisfied with it, whichever stakeholder side they’re coming from. What we will do is review the data afterwards and see what it shows us, but I would imagine it’s more of a message of continuity rather than any sort of revolution that we’ll see coming out of it.”

LA 2028

If evolution is the watchword for Rule 40, plenty in the sports industry argue that the Los Angeles Games in 2028 could be transformative from a commercial point of view,

“I think the legacy of Tokyo 2020 will be a stronger Olympic movement and Olympic Games”

resetting Olympic finances after the extra costs of Tokyo 2020.

Lumme agrees the US market is “going to be interesting” and hopes it “propels us on to greater things across the board”. However, he is wary of over-exploitation. “I prefer to look at it in terms of how we can optimise, in an appropriate way, the commercial opportunity in the biggest market in the world.

“At the end of the day, we’re not going to do anything to the detriment, ultimately, of the Olympic brand, so we will work very closely with the LA organisers to help and support their commercial programme in this rather unprecedented situation of having four extra years to deliver it.”

One clear area of upside of LA as a host city is in the Olympic hospitality offering, which the IOC took control of in June, when it announced a new global hospitality model for the Olympic Games, appointing a single company – On Location – as the exclusive service provider for the Paris 2024, Milano Cortina 2026 and Los Angeles 2028 hospitality programmes.

“The US market was a very attractive notion for all the [hospitality] bidders,” says Lumme, who describes hospitality as the “fourth major element that has been effectively centralised” after sponsorship, television and media rights, and licencing and merchandising.

The LA Games are also likely to attract new TOP

sponsors, potentially adding to the unprecedented 14 TOPs that were in place at Tokyo 2020.

“New games in new territories will bring new corporate partnerships, maybe initially at the local level, which can then be developed into global partnerships,” says Lumme.

“The key here is to achieve a pricing that will reflect the right value within TOP. There’s been a lot of conversation over the years about the right number [of TOPs], but at the end of the day, it’s more the market [as opposed to targets] that allows us to move into the area of 14 TOPs.

“The technology side is growing, but there are also well-established legacy companies that are reinventing themselves and making sure that they continue to be leaders in their sectors.”

Returning to Tokyo 2020, the destination point of an arduous three-year journey from Pyeongchang 2018, Lumme concludes: “If you pare these [pandemic-hit] Games back to the essentials of the Olympic brand, there’s an increased resonance from the Olympic values of excellence, friendship and respect... and hopefully a stronger sense of global community through sport.

“I think the legacy of Tokyo 2020 will be a stronger Olympic movement and Olympic Games, with a continually developing TOP programme, which is changing and evolving to meet the needs of our corporate clients.” ♦



Queensland sets blueprint for revival of mass participation events

The successful delivery of IRONMAN Cairns last year set a benchmark for other events to follow.

In times of Covid-19, mass-participation events (MPEs) have arguably been the most challenging to keep on the calendar.

Organisers not only have to contend with the headache of spectators potentially flouting social distancing rules across a large area that is difficult to control but, by their nature, such events usually rely on competitors to congregate from across the country, continent and world in a dense area.

Even if it is unwarranted, the label of a so-called “super-spreader” event can be difficult to shake off, which is why MPEs may expect to face the longest road to recovery in the gradual return to the “new normal” in sport.



However, even before global vaccination roll-outs began to lead to restrictions being eased, Queensland in Australia provided the setting for a groundbreaking event that arguably created a blueprint for the revival of MPEs over the following months.

‘Race-cation’ appeal

In late September, IRONMAN Cairns took place, having been postponed from its original June date.

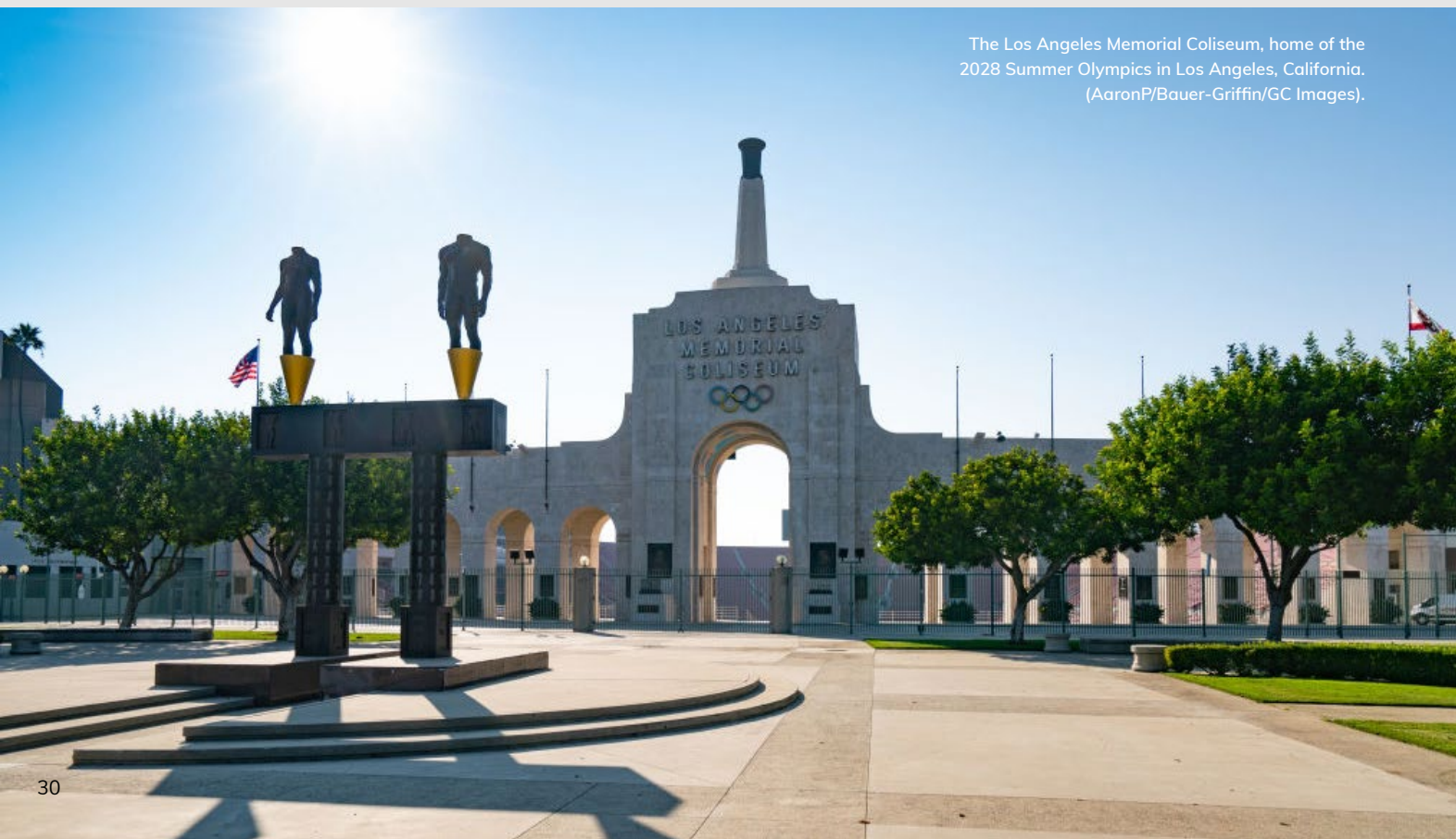
The triathlon event mainly comprised Queensland-based athletes due to inter-state and international border closures at

the time. However, in a state as sports obsessed as Queensland, the participation roster soon filled up, ensuring the gathering was considered by many as the most significant event on the schedule in the MPE space since the start of the pandemic.

“Traditionally IRONMAN Cairns has been very well attended by international and interstate athletes, so with border closures in place this did pose a challenge to the viability of the race,” says Rebecca Van Pooss, IRONMAN’s Head of Operations, Oceania.

“While state borders may have been closed in Australia, the 2020 event was well attended by intrastate athletes. We know our athletes love IRONMAN Cairns as it was voted the

The Los Angeles Memorial Coliseum, home of the 2028 Summer Olympics in Los Angeles, California. (AaronP/Bauer-Griffin/GC Images).



number-one IRONMAN in the world in 2018, so the appeal of the Tropical North Queensland ‘race-cation’ after the lifting of the initial Covid-19 lockdowns proved particularly enticing.”

After a miserable few months for sport and society due to the pandemic, the opportunity to combine a sporting event with a getaway was enticing for many.

“We host our events in naturally stunning Queensland regions which are popular tourism locations,” Van Pooss says. “Our events work hand in hand with the tourism industry in that we provide an opportunity for our athletes to travel to these regions for a race, but encourage them to extend their stay in the region post event and partake in the many tourism experiences these regions have to offer.

“Our athletes not only get to race, but also have the opportunity for a vacation in a beautiful destination. Placing our events in host locations that offer attractive post-race stays and activities, not just for our athletes but for their family, is critical in the success of our events.”

Confidence

Confidence was boosted by community transmission of Covid-19 in Queensland being largely brought under control by July last year. However, ongoing mass-gathering restrictions meant there were still significant hurdles for the event’s organisers to overcome.

To tackle the operational challenges, close cooperation was required between IRONMAN, Tourism and Events Queensland (TEQ) and relevant Queensland Government agencies including Queensland Health.

“The partnership we have with TEQ and the Queensland Government is our most valued,” Van Pooss explains.

“The unwavering support of TEQ and the Queensland Government over this period has resulted in the



successful delivery of many events. The focus has been on retaining events as an important pillar to Queensland, navigating the pandemic and limiting the negative economic impact to regions that rely heavily on the tourism industry.”

TEQ, in conjunction with the Department of Tourism, Innovation and Sport and the Queensland Tourism Industry Council, led the development of an Industry Framework for Covid-19 Safe Events in July 2020. The Framework provided

a pathway for event organisers to develop suitable COVID Safe Event Plans to enable events like IRONMAN Cairns to proceed in a manner that ensures the health and safety of event participants, officials, spectators and the general public.

Operational changes

The Framework outlined the required organisational and operational changes to enable the event to be approved by Queensland Health and established clear directions on



aspects such as people density and physical distancing, personal hygiene and event cleaning.

“The main alterations to the operations of events centred around athlete movement to meet density restrictions, maintaining physical distancing, reducing physical touch points and increasing hygiene and cleanliness,” Van Pooss adds.

For example, check-in times were pre-booked to spread out the arrivals of athletes, while social distancing measures were introduced at the

outset of the race with separate starting areas, during the race with aid stations becoming self-service, and after the race with the usual massages prohibited.

“By far the biggest challenge was discouraging spectators to congregate in areas of high interest such as the start areas and finish lines,” adds Van Pooss, before outlining the other key challenges in staging the event.

“Traditionally we would have IRONMAN staff from Australia and New Zealand helping us deliver

the event. However, that was not possible due to travel restrictions, Fortunately we have a strong contingent of Queensland-based staff that helped us deliver the event.”

Encouraging signs

The area’s tourism attributes were once again pushed to the fore when IRONMAN returned to Cairns in June 2021, with the event branding including the Great Barrier Reef, which sprawls just off the Tropical North Queensland coast.

In April 2021, Queensland Health relaxed restrictions on outdoor events, which allowed organisers to bring back some elements of the event that were removed for the 2020 edition.

This year, for example, athletes were once again presented with medals and towels at the finish line, while there was a DJ and big screen at the end of the race, as well as hosting functions, information sessions and athlete massage. However, enhanced cleaning, hygiene measures and monitoring of athlete density within enclosed spaces remained in place, suggesting that some of the protocols developed in the early stages of the pandemic are likely to stay for some time to come.

In spite of the ongoing challenges, though, there are encouraging signs regarding the appetite for IRONMAN – and possibly for MPes in general, following the example set in Queensland.

“We’re witnessing strong domestic demand across all our MPes,” Van Pooss says. “I believe this is a result of an inability to travel internationally and having more confidence recently to travel interstate, the increase in people being more active over the pandemic and setting physical goals to achieve, and the increase in disposable income. Most importantly, people are looking for activities to connect to others for social and mental wellbeing.” ♦

Women's pro leagues hit key inflection point

One of the foremost axioms emerging out of the Covid-19 pandemic was that the public health crisis and the disruption it brought accelerated many industry trends that were already in development prior to the start of 2020.

Gig economies, remote work, streaming networks, and widespread videoconferencing, for example, were all elements already present in global business and consumer circles that, of course, have hit entirely new levels of prominence and importance over the past 16 months.

Much the same can be said of major professional women's sports, which for years have been tagged as a next big thing in the sports business but have now truly arrived and are reshaping the industry by the day.

Headlines are now arriving constantly about new deals and business developments that typically were just the province of major men's pro sports.

The Women's National Basketball Association's Phoenix Mercury striking a 15-year, landmark sports betting deal with Bally's that has been branded the largest team sponsorship in women's sports history, following a league-level pact in that emerging space with PointsBet. Fellow WNBA franchise Atlanta Dream finding a new ownership group led in part by two women, one of which being former star player Renee Montgomery, joining new investors for the Las Vegas Aces. The league, celebrating its 25th season this year, increasingly looking at franchise expansion.

And the groundswell isn't limited to women's basketball as the National Women's Soccer League completed major sponsorship deals with tier-one corporate giants such as Mastercard and Nationwide, media agreements with CBS Sports and Twitch, and landed high-profile team owners such as Natalie Portman, Serena Williams, and Naomi Osaka, is expanding to Los Angeles and San Diego after recent debuts in Louisville and Kansas City, and has started talks with players for its first collective bargaining agreement.

Over at National Women's Hockey League, executives there have finished efforts to have all its franchises controlled by local owners.

No longer an afterthought in the sports industry, women's pro leagues are now enjoying some of the strongest audience,



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revenue, and franchise growth anywhere.

"The momentum around women's sports, and specifically the WNBA, in leading that movement has me really pleased as to the progress we're making," said WNBA commissioner Cathy Engelbert earlier this year. "But we can't let up, so I do think we're in a thrive mode now."

The core reasons behind the meteoric growth for these leagues lie foremost within their own inherent attributes, elements such as quality competition, competent leadership, and effective long-range planning that were generally in place

prior to 2020 but were further exposed to broader audiences by the pandemic.

Another key element over the past year, however, has been a sharply heightened level of trust and collaboration between league and team executives and players, allowing them collectively to respond when larger issues such as racial and political unrest in the United States has required powerful, unified statements and actions. And those responses have been resonant to the point where these leagues are now widely considered much more progressive on social matters than most of their male counterparts.

"We were just trying to show what's important to us and it also ended up being a microcosm of what our country can be like, both in advocacy and 'ally-ship'," said Nneka Ogwumike, Los Angeles Sparks forward and president of the WNBA Players Association.

Now with strong winds at their backs, leaders in women's pro sports are seeking to close the audience and spending gaps between themselves and the men's leagues. Engelbert earlier this year in an opinion piece attacked the "circular logic" that has kept media coverage and corporate spending in women's sports down to less than 5 per cent of comparable measures in men's sports.

"One solution to narrow the disparities is to transform the valuation models that are spreadsheet-driven, are based on decades-old quantitative metrics, and that rarely yield a favorable answer for women," she wrote.

How and when those disparities get narrowed look to be one of the most transformative developments in the sports industry over the next several years. ♦

CVC offer validates Gaudenzi's vision, but WTA/ATP merger complicated

In an interview with *SportBusiness* last June, the ATP Tour's new chairman Andrea Gaudenzi called on the numerous stakeholders in tennis to park their self-interests and adopt a more collective mindset. Drawing on his background in the music industry, the Italian suggested the success of companies like Spotify showed tournament organisers would make far more money if they pooled their media and data rights.

At the time, it appeared Gaudenzi's immediate focus was on dealing with the fragmentation in the men's game. Asked if he would like to see the ATP consummate

a long-rumoured merger with the women's WTA Tour, he said pre-existing commercial contracts made this complicated. He added that a better short-term position would be for the two organisations to consider micro aggregations in areas such as social media while he committed to explore more ambitious, tennis-wide cooperation in the longer term by convening a bi-weekly 'T7 working group' that would include the ATP, WTA, the four Grand Slams and global governing body the International Tennis Federation.

The news, then, that one of the most active private equity companies in sport, CVC Capital Partners, has tabled a \$600m (£506m) bid to pool the commercial aspects of the men's and women's tennis tours, will test exactly how fast and how far Gaudenzi – and the sport more widely – want to take his reformist agenda.

The CVC bid has all the opportunistic hallmarks of its £365m deal to acquire a 14.33-per-cent minority stake in a company managing the commercial rights to the Six Nations rugby tournament. In that deal, the PE firm saw the Covid-related financial struggles of the home rugby unions and used the carrot of a cash injection to overcome their famous intransigence. Although tennis has suffered significant financial problems of its own during the pandemic, achieving consensus among its disparate factions would likely be an even greater challenge.

Firstly, there would be questions about the size of each tour's shareholdings in any merged entity. The ATP generates nearly three times the revenue of the WTA, so it's hard to imagine it agreeing to a 50-50 joint venture. In the same way, it's difficult to see the WTA's stakeholders voting through



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a minority stake in a joint venture that would crystallise its status as a smaller undertaking.

This also raises the thorny issue of prize money. Equality demands female players should be paid the same as their male counterparts but if the WTA were contributing a smaller proportion of overall revenues for a combined tour, would the ATP be expected to make up the shortfall, or would male players be expected to take a pay cut to achieve pay parity?

As Gaudenzi suggested, there is also the small matter of both tour's pre-existing commercial agreements. IMG markets the

global rights for ATP Masters and ATP 500 tournaments, the ATP Cup, and many ATP 250 events, while the WTA has a 10-year joint venture with the DAZN Group that expires in 2026. In November last year, DAZN's former stablemate Stats Perform finalised a six-year deal for the women's tour data rights. In an early indication of the difficulties in getting the two tours to collaborate more closely, sources within the men's tour say the ATP proposed bundling its data rights with the WTA before the latter decided to go it alone and strike the Stats Perform deal.

Although subsuming the existing contracts into the new entity would not be an insurmountable task, some think Gaudenzi has enough of a challenge getting the ATP's own stakeholders to agree before attempting anything more ambitious. His job as ATP chairman is to outline his vision before getting the tour's board of directors to vote on any change. With three player representatives and three tournament representatives, there is a delicate political balance that needs to be struck. As his predecessor Chris Kermode discovered, if either group thinks one has been favoured ahead of the other, he is likely to pay with his job.

Where Gaudenzi's strategic vision proposes incremental collectivisation building toward closer alignment with the WTA and the Grand Slams in the future, CVC's calculation is that a \$600m cash injection will be enough to silence the warring factions and shortcut to the next stage. But when elements of the PE company's offer are so similar to the plan already outlined by the Italian, some question the wisdom of involving a third party at all. As one insider put it: "We've had his vision validated by CVC, so it's clearly not bad. Do we want to hand it over to a nanny because we can't babysit ourselves?" ♦

Coping with disaster

The Japanese are renowned for their stoicism. It is often traced to the natural disasters that frequently strike the country. A particular spirit is considered to be required to cope with the destruction, move on and rebuild.

The sports industry, and the wider world, will need to invoke some of this spirit in the months and years ahead, as we seek a way beyond the pandemic.

This month's Olympics in Tokyo were supposed to be a shining symbol of re-emergence. The theme of global re-emergence after the pandemic would be layered on an existing, powerful re-emergence theme. Tokyo 2020 was to definitively mark Japan's recovery from its worst disaster since World War 2 – the earthquake and tsunami of 2011.

Tokyo 2020 was also to be a landmark for the Japanese and Asia-Pacific sports industries. The Games were driving development within Japanese sport. Domestic leagues were revamping, becoming more commercially savvy. The \$3bn (€2.5bn) domestic sponsorship sales process stunned the world. Ripple effects were hoped for throughout sport in Asia-Pacific.

Japan's capabilities as a major sports event host were in little doubt. The 2019 Rugby World Cup gave a taste of what was to come – the host nation got fully behind the event and visitors were bewitched by the welcome and atmosphere.

This month, the athletes will give their all and amazing, inspiring sporting stories will be written. But Tokyo 2020 will be a shadow of what could have been, crippled by pandemic restrictions.

Last week, Fukushima prefecture shelved plans for a showcase of its rebuilding efforts. Speaking for a nation, and maybe the world, governor Masao Uchibori told reporters: "I'm not going to lie – I resent this novel coronavirus."

It is clear the road back to business-as-usual for the sports industry, or rather a still-unclear 'new normal', will be longer than many of us anticipated.

International sports events across Asia-Pacific are still getting postponed and cancelled through to the end



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of this year. Tentpole events that underpin large amounts of business have dropped off the calendar, including Formula One and MotoGP grands prix, ATP and WTA Tour tournaments, Rugby Sevens World Series stops, major badminton and table tennis tournaments, and more. Asian Football Confederation World Cup and Asian Cup qualifying matches and club tournaments are just about hanging on. Domestic leagues continue to suffer postponements and cancellations.

Vaccination drives are now clearly fundamental to the lifting of restrictions and the return of sport. But much of Asia-Pacific, including developed markets, lags well behind the US and Western Europe in this regard.

SportBusiness's Apac headquarters Singapore stands out, and is on course for around 50 per cent of the population to be fully vaccinated by the end of this month. Some richer Apac markets are notably further behind. Australia had less than eight per cent of its population fully vaccinated at the time of writing.

One would expect the richer nations to catch up. There are bigger questions over the likes of India, Thailand, Indonesia, the Philippines and Vietnam – burgeoning sports economies and significant event hosts in recent years. Given their big populations and slow rates of vaccination, their sports ambitions could be curtailed for some time to come.

This summer's Olympics will not be the triumphant festival of re-emergence we hoped for. Neither, I expect, will it be the Covid-super-spreading disaster some sections of the media and cautious medical establishment fear.

Tokyo 2020 will likely provide a compelling television sporting spectacle and a lift for sports audiences around the world, akin to that for football fans from this month's Uefa Euro tournament.

Perhaps we can also glean from Japan some ideas for our personal, professional, regional and national re-emergences further down the track. Patience. Stoic acceptance of fate. Appetite for rebuilding. These virtues often associated with Japan look certain to be useful in the coming months and years. ♦

The future's still bright for mass participation events

In a year of horrific headlines, the mass participation events industry has faced its own unique test of endurance. The combination of a compressed summer event season, limited industry-specific support and changing guidance has pushed many events beyond commercial viability. However, with each new piece of data suggesting the vaccine roll out is delivering there is reason for optimism as we look to a post-pandemic world.

The growth of the well-being industry has been well documented, with high-profile, digital-focused solutions grabbing the headlines with startling valuations. The stock of at-home fitness company Peloton was reported to be trading at a higher rate of projected revenues (8x) than Apple (6x).

However, with limited leisure options in the last 18 months, many rediscovered the simple joy of movement and outdoor exercise. Although stubborn demographic inequalities persist between those on lower incomes compared to high earners, outdoor activity in the UK outpaced expected growth by 82 per cent between March and May 2020, according to Strava – the app and tracking platform that connects millions of runners and cyclists online.

Furthermore, while running, cycling and indoor workouts saw a 1.5-to-2x rise in uploads to Strava, uploads of outdoor walks increased by 3x, suggesting a widening of engagement to more accessible pursuits away from the competitive worlds of carbon fibre and lactate thresholds.

As we emerge from the restrictions of the pandemic, we are seeing those who have been brought into the world of exercise through virtual and digital communities looking to meet up in the physical world. Now is the perfect time for brands, companies and events to engage with this new audience as they embrace their new active life.

The travel industry is rightly pushing for any opportunity to get back to 'normal'. However, the reality is that even when the immediate threat of Covid recedes, the much larger challenge of climate change will take its place. Already there are talks of short-haul flight bans in Germany, BA pulling out of Heathrow and prices inexorably rising.

The challenge is that the events market was becoming increasingly international, with people willing to travel to showpiece events around the world with cheap flights often



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costing less than the celebration meal at the end. However, with air travel never likely to look the same again, eyes have turned to the landscapes of the UK, where active challenges are ideal replacements for mini-breaks.

The debates around remote working are often framed in terms of well-being and engagement. However, it is undeniable that the overhead savings are a huge consideration for large organisations. Like all cost-cutting it comes with long-term risks and there is a growing group of companies saying the human interaction

that comes with in-person contact is key to their future success.

The days of forging relationships through hundreds of small interactions around the coffee machine may be over, so companies are now looking for ways of fast-tracking engagement of their teams.

Shared physical challenges can forge lifelong bonds in a matter of hours. Preparing for a challenge also unites people behind a common purpose in the months before an event as they get fitter and potentially raise hundreds of thousands of pounds for charity. You put all those business benefits into one package, and you have a hugely valuable asset.

Heineken UK, for example, have been at the forefront of this with their sponsorship of the Race to the Tower and Heineken Race to the Castle trail events. This year, more than 300 employees joined 1,400 other runners and walkers as they took on a 100km event along the Northumberland coast. In doing so they brought their colleagues together in a Covid-safe endeavour that encapsulated all they stand for as an organisation.

We are spoilt in the UK by the number of events to take part in, with grassroots organisations putting on hundreds of events each weekend. However, there are a limited number of premium assets to match the demands of the corporate market.

As budgets are loosened again, there are lots of options for organisations to create their own events. However, demand for the top assets is high as shown by Tata's recent announcement of a six-year title deal with the London Marathon.

There is an opportunity for companies to emerge from the pandemic with sponsorships in place that showcase culture, raise money, engage employee and clients, and attract talent. But as restrictions lift, the race to secure them is now on. ♦



When sport meets social audio

The social audio sector has enjoyed unprecedented expansion over the past year. However, what are the implications for sport?

Social audio has been cutting through the airwaves for sports fans with increasing prominence in recent months.

The rapid hockey stick growth of the sector has left many sports properties, publishers and media platforms scrambling for a clear strategy in arguably the hottest technology start-up space in the first half of 2021.

Clubhouse

Most observers would agree that Clubhouse is the reason why social audio (LiveCast) has become a new media phenomenon and part of the mainstream conversation.

In September 2020, Clubhouse reached 10,000 users and joined the iOS App Store. By the turn of



the year, the number of users had reached more than 1.5 million. By the start of February, it had rocketed to about six million – and by then some 32 other platforms had sprouted up worldwide to try to secure a slice of the action.

It is a crowded space currently, including the likes of Chalk, Fireside, Logcast, Discord, Soapbox and Locker Room, which was acquired by Spotify earlier this year. In June, Spotify launched its new live audio app, Greenroom, on iOS and Android. Having been built on Locker Room, Greenroom gives users the opportunity to host conversations about sports, as well as music and culture. Social giants

have also invested in this area, with Facebook's Live Audio Rooms, and Twitter Spaces, which hosts weekly 'power rankings' conversations from Major League Baseball and Major League Soccer.

Meanwhile, the NBA and the NFL are among the major leagues to have established a presence on Clubhouse, with the latter having used the platform extensively around the 2021 Draft in late April. For a platform like Clubhouse – which has now surpassed 15 million downloads, even though it is still invitation-only and only became available to Android users in May – such a position of influence in reaching fans is impressive.

However, the broader growth shows that organisations, publishers and rights-holders – including in

sport – can leverage social audio or even build their own social audio platforms to engage with their fans directly, as illustrated by the recent launch of the SoundOn by Rogers Media.

Why now?

Many observers have been asking: what has made social audio so popular – and why now? A heightened focus on digital interaction during the pandemic has certainly played a part, helping to accelerate adoption.

Whilst social audio enables users to expand on the written word or pictures that drive social networks, it stops short of the face-to-face exchanges that some find to be intrusive or an uncomfortable, self-conscious experience. Specifically, social audio can provide company without requiring complete attention and can work particularly well in a variety of hands-free scenarios, from gaming to driving to cooking, allowing the listener to get on with everyday life.

In an industry such as sport, where the 'live' concept is so important, social audio allows users to listen and air contributions in real time – a type of live podcast that can also serve as a fans' forum. Moreover, the technology to provide low latency real-time audio at scale is also still relatively new.

Rather than one-directional broadcasts, social audio enables two-way micro-channels to be created, fulfilling a different purpose in a passionate area such as sports fandom.

Why does sport need social audio?

The onus is now on the rights-holders to catch up with the consumer trends and try to win back fans who may have turned to other forms of entertainment during the pandemic.

From a short-term perspective, engaging more closely with followers

and drawing them back into the conversation is a priority for rights-holders. With a long-term viewpoint, though, social audio can bring about profound changes in the industry by owning the data that can drive significant monetisation opportunities. Additionally, social media can break down barriers that can exist between fans and their sports clubs or leagues, by bringing them closer to the action, without the need for a 'middle man' such as Facebook.

Like many rapidly emerging markets, consolidation will ultimately provide long-term structure and support for growth, but there are numerous fundamental aspects of social audio that should provide solid long-term foundations. For a start, low production costs and high media efficiency, with availability across all hands-free scenarios, should ensure its durability as a platform for real-time engagement. More broadly, the continuing popularity of audio sports consumption illustrates the undiminishing power of the voice.

There are thought to be about two million podcast publishers active worldwide, while radio

stations remain popular globally, despite technological innovations that have led to other sectors of the media dwindling. At a very basic level, match commentaries remain an intrinsic part of the game-viewing experience, even though they have evolved.

Real-time audio allows anyone to add commentary to a live match. Whilst commentary production costs for live broadcasts have traditionally been relatively high, bringing fans into the broadcast space allows for different opinions to be aired at a lower cost, engaging a younger audience. Bringing fans from around the world into the mix to provide reactions and comments to the action on the screen in real-time has helped to reduce production costs, whilst enhancing the appeal for younger viewers.

The nature of social audio makes it easy for people to participate in a direct and intimate fashion, with easy-to-use technology and multiple touchpoints enabling efficient feedback. With social audio, real-time conversations enable instantaneous responses and rebuttals to points of view, enhancing the community feel amongst a group of fans.





As a result, many fans, including those who have been unable to attend games live in person since the start of the pandemic, have relished the opportunity to dive into this new digital space, presenting an intriguing prospect to sports rights-holders who are hoping to reach them. Furthermore, there is always an important space for amplifying the voices of those who do not attend games.

“As sport is all about opinions and passion, social audio is a perfect vehicle for sports fans to give their views,” says Brighton Shi, Senior Product Marketing Manager at Agora, which specialises in providing real-time engagement-powered social audio and social video.

“Gen Z and millennials want to be part of the story and not just passive viewers. Therefore, bringing them into the sports conversation should help them to become engaged by sports in the long term. Social audio is giving them something they want that traditional sports media do not currently offer. It can increase

fanbases and bring fans closer to the stars.”

Canvassing fans' opinions

Social audio is also giving sports rights-holders the chance to elevate their coverage by offering a real-time voice to proceedings. Fans' opinions can be canvassed easily, helping to boost stickiness on the platforms, as well as activate commercial partnerships and increase awareness and attention.

Furthermore, of course, such new media platforms can also increase engagement with younger fans.

The big question though is how the social audio space will develop in the coming months and years, and what impact its evolution will have on the global business of sport.

“Agora is empowering some major broadcasters and sports rights-holders to add social audio that will allow fans to talk about their interested sports topics in a closer, but much larger community worldwide,” Shi adds. “Most importantly, it will be a great way for rights-holders to win back their fans and have fan engagement via

their own platforms, rather than leaving the fan engagement to traditional social media.”

In a sector that has grown so quickly, accusations of being a ‘fad’ are inevitable. Furthermore, whilst many of the social audio apps are currently free, it remains to be seen what kind of consumer-facing monetisation opportunities may emerge. Tipping has been an increasingly popular approach for content driven by users across a range of social platforms, while the likes of advertiser-funded and ‘freemium’ models are among the options on the table.

However, in an industry that is underpinned by opinions and passion, it is already clear that social audio is the perfect vehicle for engaged fans to congregate – and now it is time for sport to start listening. ♦

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Sports NFTs look to establish staying power

- Blockchain-backed digital collectibles have taken global sports industry by storm
- Nearly every major sports property has made a NFT release or is planning to do so
- Emerging technology still grappling with a wide range of issues

By Eric Fisher

There have been plenty of technological promises in and around the sports industry over the past 20 years that have failed to live up to the initial hype.

Short-lived efforts such as the ill-fated Mobile ESPN service and the National Basketball Association's attempt to use a synthetic microfiber composite basketball, each quickly coming and going more than a decade ago, immediately come to mind. And the jury still certainly remains out on whether virtual reality video will become the truly powerful mass medium in sports advocates have touted it will be.

Now, nearly halfway through 2021, many of the same questions of staying power and long-term business prospects are surrounding the latest rage in sports technology: non-fungible tokens (NFTs).

Digital assets that are backed by blockchain technology, NFTs offer a particular level of ownership and exclusivity for sports fans compared to many other types of collectibles by conveying a clear, traceable chain of ownership. And those attributes have since increasingly captured the attention of sports industry executives and operators around the world.

Inspired in large part by the National Basketball Association's influential work starting last year with Canadian-based developer Dapper Labs, which recently closed a \$305m (\$260.2m) funding round to aid its accelerating NFT ambitions, a bevy of other sports leagues, athletes, and teams, have since made their own NFT releases.

Among the wide range of entities entering the NFT fray in recent weeks are Major League Baseball, Major League Soccer, Bellator, Serie A, and the French Football Federation.

But those entities are far from alone. And unlike other flash-in-the-pan technological innovations in sports, senior executives see clear long-term potential from NFTs and are proceeding with deal-making in the space with no overt concern or reservations.

All told, more than \$2bn was spent globally on



NFTs during the first quarter of 2021, according to data from NonFungible.com, a total more than 2,100 per cent higher than fourth quarter of 2020. Numerous individual NFTs transacted for eye-popping six- and seven-figure sums.

Since then, some NFT advocates are suggesting the market for the digital collectibles is now already in a post-boom period, with the number of unique user NFT “wallets” declining by roughly a quarter since April, according to NonFungible.com. But data from that entity also suggests the overall NFT market is still growing in size, and those users that have remained with the technology are particularly active with it, each attributes that have impressed sports industry executives.

“What we’re looking to do is build something that lasts for the long term, and to really take physical collectibles and bring them to the digital world,” said Kenny Gersh, Major League Baseball executive vice president of business development, on the SportBusiness Finance Weekly podcast. MLB recently aligned with the newly formed Candy Digital on NFT projects, and is also working with longtime trading card partner Topps on NFTs releases.

“What that ultimately is going to be, we don’t know for sure, but we know that there is a strong desire for fans to have mementoes, whether they’re bobbleheads, or trading cards, or other things, and that the younger generation has moved into this digital realm and that’s how they interact with items and sports and experiences. So we think there’s a lot of potential there, long-term potential, and we’re trying to avoid burning out too fast,” Gersh said.

New York-based attorney Ed Schauder, a 30-year veteran of the industry and head of the sports law practice at Phillips Nizer LLP, said NFT-related work is now taking up roughly 20 per cent of his total professional time, up from nothing in late 2020.

“Leagues are all beginning to mark their territory, and collectors getting more picky,” Schauder says. “But this

space is definitely here to stay. You’re going to ultimately see college sports get into this, too.”

A new level of engagement

On a certain level, there is something perhaps more than a little ridiculous about collectors paying more than \$550m for digital collectibles embedded with NBA game highlight video that is freely accessible on a wide range of other platforms.

But that expenditure, representing a sales total that NBA Top Shot reached earlier this year, represents not just a volume of digital goods that were transacted, but a level to which fans wanted to engage with that otherwise ubiquitous video.

By placing those video clips on the blockchain and conveying the notion of ownership and scarcity, what was otherwise commonplace becomes unique and rare. By doing the same with other digital assets such as photographs, works of art, text, or music, sports-related NFTs have also ventured beyond core fan demographics into art collectors and other non-traditional interest groups.

And while that collector notion has inevitably attracted some consumers simply looking to strike a quick profit



An example of recent street art-inspired non-fungible tokens (NFTs) offered by Major League Soccer. (MLS)

from NFTs, and that this isn’t just a flash in the pan,” said Chris Schlosser, MLS senior vice president of media, last month. “But as we make our first big step into this space, we really want to lean into what’s unique about MLS, and that’s our fan culture. We really want to celebrate the passion and energy fans bring to our league.”

As the sports-related NFT space continues to evolve, there remains a wide variety of hurdles that still must be overcome in the process of fully establishing its own staying power. Among them: reconciling and addressing the heavy environmental impact and greenhouse gas emissions that cryptocurrencies powering NFTs require to work; and dealing with the inevitable licensing, copyright, and intellectual property issues and establishing

where fair use doctrines end; and ensuring fans remain comfortable with the volatility of the space.

And for college sports to play a meaningful role in this area, it will require greater clarity in the rapidly developing world of name, image, and likeness (NIL) rules in that segment of the sports industry.

“There are still significant legal and IP issues that have to be worked out around a lot of these NFTs,” Schauder says. “There are also elements around securities laws, depending on how they’re presented and sold, that will come into play. Since we’re still so early in all of these, it will be interesting to see whether regulators get increasingly involved.”

Still, many executives at the highest levels of the sports industry remain rather convinced of the long-term potential of NFTs, and that digital collectibles will not soon go the way of past failed technological innovations.

“There’s not really a day that goes by where we don’t see new developments in this space,” says National Hockey League deputy commissioner Bill Daly. The league is still actively evaluating potential plans with regard to NHL-related NFTs. “We do think it’s likely here to stay...and I certainly see us playing a part in that marketplace.” ♦

by flipping a NFT in short order, sports-related NFTs in many circles have also still conveyed a core notion of fandom also inherent to physical sports collectibles.

But instead of a physical trading card, game-used jersey, or other collectible item that could end up collecting dust, NFTs instead offer an enhanced level of interactivity.

“The trading card world has always had people who are in it for the flip game and there’s that element that’s existed in our category. And the same can be said for NFTs, and we recognize that element exists,” says Jason Howarth, Panini vice president of marketing. The prominent trading card company has been increasingly active in the NFT space for 18 months and recently introduced a pack-based NFT card product. “But at our core, we’re still very focused on the fandom and the engagement and the connection to the athletes. That still what drives this more than anything else.”

MLS employed a similar mindset with its recent entry into the space, turning artistic posters highlighting a pair of nationally televised matches into NFTs that made an overt point of tapping directly into the energy of the league’s supporter groups and street art culture.

“We think there are many long-term opportunities

Sinclair heightens push for regional direct-to-consumer offering



A map of the Bally Sports regional sports network footprint controlled by Sinclair Broadcast Group. (Sinclair)

- Prominent regional sports network owner plans to introduce a direct-to-consumer offering in the first half of 2022
- Live streaming sports offerings in the US largely have been limited to national-level programming or authenticated content requiring a cable or satellite subscription
- Developing effort follows landmark naming rights deal with Bally's Corp. and introduction of new mobile app

By Eric Fisher

The financial and corporate pressures for Sinclair Broadcast Group's regional sports network business are quite real, and, in many respects, growing.

Unresolved carriage battles that include several streaming services such as Hulu, YouTube TV, and Dish Network; company debt from the RSN operations that now exceeds \$8.1bn (€6.75bn); and accelerating, industry-wide cord-cutting that greatly threatens the Maryland-based company's traditional television business.

But Sinclair is now aggressively advancing its plans to introduce a direct-to-consumer offering for its RSNs in the first half of 2022.

The direct-to-consumer notion is hardly a new one for the company, as Sinclair has previously alluded to such plans. In a May 5 quarterly earnings call with analysts, however, the company was more explicit than before about its intent to offer regional sports content over-the-top, which would differ materially from American sports streaming that to date has largely been either national-level programming or authenticated-basis delivery that still requires a cable or satellite subscription.

"One of the bigger opportunities for our sports business is going direct-to-consumer with our regional sports content," said Chris Ripley, Sinclair president and chief executive. "It is no secret that consumer cord cutting and the dropped distributor carriage of the RSNs have left many people scrambling for a way to watch their favorite local team.

"It is imperative that Sinclair be able to fill that void and provide consumers the sports programming they desire most in a way they choose to access it through [multichannel video programming distributors] or digital means," he said.

Ripley did not specify key details such as planned price

Sinclair Broadcast Group
president and chief executive
Chris Ripley (l) (Sinclair)



point or an exact debut date for the over-the-top offering beyond early next year. But he insisted the financial upside by embracing this route would easily compensate for issues that also would be encountered.

“The intent is to complement the accessibility of the programming currently available through traditional ways of distributors carrying the programming,” he said. “Consumers make the choice on how they watch the games and we and the teams desire to make the programming as accessible as possible, something that today unfortunately is not ideal.

“We believe that ultimate the incremental revenues from direct-to-consumer will likely more than offset the loss of revenue from churn of subscribers of traditional distributor platforms. And much like the authenticated viewers who currently subscribe to the RSNs, the direct-to-consumer viewer will benefit from the upgrades that are making to the digital viewing experience,” Ripley said.

Making such a heavy push on offering regional sports content direct-to-consumer will also undoubtedly rankle major cable and satellite distributors that already have been paying heavily to carry the RSNs and are facing their own consumer pushback regarding those costs.

But Sinclair already has rights in many instances to do

this, and leagues such as Major League Baseball have been openly encouraging of its media partners developing new direct-to-consumer offerings.

“We have direct-to-consumer rights really for the vast majority of our teams,” Ripley said. “We are in discussions with the leagues and the teams on enhancing some of those rights to make the product even better. So that’s what’s going on right now. I don’t see that as a threat to timing.”

Second half of a strategy

Sinclair’s efforts to enable direct-to-consumer offerings represent the back half of a broad strategy to fundamentally reshape its RSNs holdings and how they connect with viewers. After initially purchasing the networks from the Walt Disney Co. in 2019, the company began to actively consider the potential of a corporate naming opportunity for those media assets, a notion traditionally limited to physical assets such as stadiums and arenas.

That initiative ultimately landed on a landmark 10-year deal finalized last November with casino operator Bally’s Corp. and estimated to be worth \$85m in naming rights fees along with warrants and options for Bally’s equity,

and Sinclair at the end of March formally debuted the new Bally’s naming for 19 RSNs.

The Bally Sports name is now fully in use and a new Bally Sports-branded mobile application, built in partnership with Bruin Sports Network-owned Deltatre, was recently introduced into the market to take the place of the prior Fox Sports Go that offers authenticated live viewing.

As a result, Sinclair’s direct-to-consumer plans then represent a fuller realization of its intent to create a much more personalized and interactive viewing experience, one that also includes a heavy focus on gamification.

“It’s a virtuous cycle where the more [fans] participate, the more they watch, and is a dynamic that simply does not exist today in live sports viewing,” Ripley said. “Once you have the attention of an engaged viewer, incremental monetization opportunities become significant. This is another aspect of the business’ potential revenue generation and so far it’s totally untapped.”

That notion of untapped opportunities also applies to what Sinclair sees in the total addressable market in a direct-to-consumer universe.

“At the end of 2020, we had 52 million RSN subscribers, of which approximately 35 million households are unique,” Ripley said. “The 35 million households represent less

than half of the total subscribers possible in the RSN teams’ geographic territories, meaning the total number of addressable subscribers under the direct-to-consumer model is theoretically more than double.”

While this direct-to-consumer development effort accelerates, Sinclair remains under sizable financial pressure. For the fiscal quarter ended March 31, 2021, the company reported a net loss of \$12m compared to net income of \$123m in the same period a year ago. Revenue declined during the quarter by 6 per cent to \$1.5bn.

And while the Dow Jones Industrial Average is up more than 13 per cent for the year to date, Sinclair’s stock is largely flat for the period, rising less than 3 per cent since January.

But the rollout of the new app and development of the direct-to-consumer efforts also represent a significant push by Sinclair to expand its geotargeting of advertising.

“We’re going to be able to unlock each impression from those video views. In the past, it was sold more of a share of voice and was not geotargeted,” said Rob Weisbord, Sinclair president of broadcast and chief advertising and revenue officer. “Through our Sinclair Sports Group, we have a dedicated digital team selling every single impression which will unlock that value.” ♦



Part 1

How Edmonton's sporting heritage supports the city's Fifa World Cup bid

Edmonton has established a reputation as a reliable host of major sporting events over the years, with a passion for sport that helps to define the city's identity.

Edmonton's impressive heritage in hosting major events requires little introduction to many in the international sporting community.

From the 1978 Commonwealth Games to the 2001 World Championships in Athletics to the ice hockey season's pinnacle, the Stanley Cup Playoff, just last year, Alberta's capital city has a track record that stretches back generations in terms of delivering memorable events.

Situated east of Alberta's impressive Rocky Mountains,



Edmonton is North America's northernmost metropolitan area with a population of more than one million. However, sporting pedigree has arguably played as big a role in defining the city's identity as its thriving gas and oil industry, which has helped to drive its continued growth as a hub of business, retail,

art and culture.

After all, this is the home of the historic world champion women's basketball team, the Edmonton Grads, and the five-time Stanley Cup-winning Edmonton Oilers, where the legendary Wayne Gretzky starred during the 1980s.

Now, Edmonton has set its sights on securing host city status during the 2026 Fifa World Cup, which will be staged across the United States and Mexico, as well as Canada.

Growth

Edmonton has certainly been at

the forefront of the unprecedented growth of football in Canada by playing a central role in staging the sport's biggest occasions in the country.

With its 56,000-capacity Commonwealth Stadium setting an attendance record that still stands from the 2002 Fifa U-19 Women's World Championship, the city built on the momentum by hosting key matches during the 2007 Fifa U-20 World Cup and the 2014 Fifa U-20 Women's World Cup, before setting another crowd benchmark at the opening match of the Fifa Women's World Cup 2015.

"There's a reason why Edmonton is ranked third in the country and 33rd in the world as a sporting host destination," says Janelle Janis, director of Edmonton Events, who explains how Edmonton was one of two cities that became NHL hubs during the pandemic, due to its capabilities. "It is because we truly believe in harnessing the power of partnerships to achieve great things together, and that is exactly what happened with the NHL hub city here in Edmonton."

Strategic partnerships

Edmonton Events is a strategic partnership between the City of Edmonton and Explore Edmonton, the city's destination marketing organisation, that dates back to 2012. Together, they are the primary driver of attracting major sport and cultural events to the city, with the partnership ensuring that priorities are aligned, deliverable and measured.

When a bid is being weighed up for a major event, three key pillars are considered: the economic impact and potential return on investment; the opportunity to raise the profile and reputation of Edmonton; and the possible sport and social benefits that can be achieved in the community. Edmonton Events is involved throughout the whole process, from the bidding and

negotiation stage to the delivery of the event.

Promising a "one-stop shop", event organisers have access to various levels of support from both the city and Edmonton's destination marketing organisation. This support spans areas such as securing the necessary funding, garnering local political support, building and enhancing the event marketing plan, connecting with local sponsor leads, sourcing local suppliers, designing a comprehensive sustainability plan, and building and executing on sport and social benefits as part of legacy plans.

Governance structure

Edmonton's experience as a major event host has underlined the importance of collaboration, as well as adapting if required, to refine the bidding and hosting process.

Earlier this year, Edmonton's governance structure was revised to feature two leadership committee levels – the Champions Committee and Bid Leadership Committee – ahead of a planned venue visit by Fifa delegates in November.

The Champions Committee features business and community leaders who will be engaged during the visit to demonstrate that there is widespread support for Edmonton's candidacy. Chief Billy Morin, Enoch Cree Nation, is the chair of the Fifa Champions Committee and Tim Adams is the vice-chair of the Fifa Champions Committee, as well as Free Play founder and executive director.

The Bid Leadership Committee guides the preparations for the venue visit by Fifa delegates to ensure that Edmonton demonstrates effectively why the city should be selected as an official host city. The committee includes staff from City of Edmonton staff, who have a lead role in the venue visit, as well as Explore Edmonton, plus representatives from Edmonton International Airport, Edmonton Police Service, Emergency

Medical Services, Alberta Soccer Association and each of the proposed training sites.

Other committees have also been established to enable the successful development and delivery of responsibilities ranging from logistics to content development and communications.

Unprecedented audience

According to Maggie Davison, interim chief executive at Explore Edmonton, hosting Fifa World Cup matches could be transformative for Edmonton and Alberta, helping to showcase the city and region to an unprecedented audience.

"This is a global stage unlike anything we have ever seen before where we can feature the multicultural talent of Alberta artists and performers as we programme around the 80 matches in the competition," Davison says.

"With one in five Canadians being born outside the country and with the power of the world's number-one sport as the anchor, we will use 2026 to celebrate Alberta's diversity and inclusion by coming together in a celebration of sport, culture and connectivity. It will be one big celebration that uplifts us all and showcases an Alberta that's proud, inspiring and united."

Figures from multiple surveys illustrate growing levels of support for the bid.

In spite of the pandemic, a poll in August 2020 found that support for Edmonton's bid to host Fifa World Cup games had actually increased from 77 per cent from 71 per cent two years earlier.

Furthermore, in an open-link survey that was available on the City of Edmonton's website for anyone to take, 94 per cent were supportive of Edmonton being named a host city for the tournament.

For a city steeped in sport, it is clear that the appetite from locals for the Fifa World Cup is stronger than ever. ♦



Part 2

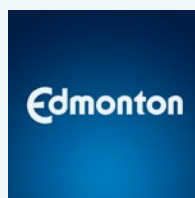
What can fans expect if Edmonton hosts 2026 Fifa World Cup matches?

Edmonton's sustainable approach has built a ready-made infrastructure to provide visitors with a memorable experience.

If it secures one of the host city spots available for the 2026 Fifa World Cup, Edmonton is keen to deliver an event experience that extends beyond football and showcases the city's energy, lifestyle, culture and numerous attractions.

The capital of Alberta has become known as Canada's 'Festival City', bursting with creative talent and innovation. Advocates of Edmonton believe it is not only an inspirational place to live, but also one of the most welcoming places on Earth.

Over 50 annual festivals means there is no shortage of excitement for visitors, who will also be able to experience the glory of the northern lights from local dark sky preserves or cruise through North America's



largest stretch of urban parkland.

Football fans travelling from across the globe can therefore expect a warm welcome if they land in this northern metropolis in just under five years' time.

"For a month in 2026, Edmonton will be electric, crackling with the shared love we have for the Beautiful Game," says Maggie Davison, interim chief executive at Explore Edmonton. "People of all different perspectives, backgrounds and ages, will come together to celebrate

soccer's greatest achievements at the Fifa World Cup 2026.

"Over 34 days, the energy coursing through the city will spark spontaneous community activities. Neighbours will connect with neighbours, teams will challenge teams, and the people here warmly welcome visitors to this very special place."

Commitment

The Edmonton Events partnership between the City of Edmonton and Explore Edmonton allows Edmonton to tap into support from both organisations. Designed to take the city to the next level, the Edmonton Events' Major Sport and Cultural Attraction Plan was created in 2018 and approved by Edmonton's

City Council, demonstrating a commitment to attracting and hosting successful events.

The City of Edmonton side of the Edmonton Events partnership brings with it the expertise of the organisation's Civic Events team, which serves as the main point of contact for all civic services needed to host an event in the city, providing a seamless approach to event delivery by working collaboratively and in a coordinated fashion with all civic services.

With one expert Civic Events Liaison assigned to each event, rights-holders and local organising committees have a dedicated point of contact to work with on civic services such as bylaws, environmental impact assessments, fire, police, transit, and even finding the right event location.

Explore Edmonton has also collaborated with Edmonton International Airport, Edmonton Destination Marketing Hotels Ltd., Oilers Entertainment Group, TRAXX Transportation services and other major venues in our city to certify Edmonton as the first and only Canadian destination to obtain the GBAC STAR health and safety accreditation.

One of the most important commitments Edmonton has made to its internal sustainability unit at Explore Edmonton is to have a qualified Emissions Specialist on staff to provide expert support to events that are interested in tracking and reducing event specific emissions.

There is also a recognition that sustainability requires a tailored event approach, with the expert helping event organisers to make the right connections for them in the community and ultimately help design a comprehensive sustainability plan from the outset.

Passion for football

Sport is at the heart of Edmonton's culture. The city has professional

teams in ice hockey, football, soccer, basketball and now baseball, and five of the Edmonton's major post-secondary institutions have their own sports programmes.

Facilities-wise, ICE District, in the heart of downtown, is a 25-acre sports and entertainment hub with condos, retail space, a public plaza, a five-star hotel and the state-of-the-art Rogers Place arena, where the Edmonton Oilers play NHL games in front of 18,000 passionate fans.

There is also a baseball stadium in the middle of the city's river valley, and the Edmonton Expo Centre, which hosts Canada's largest indoor volleyball tournament, comprising more than 60 courts. Hawrelak Park will host the World Triathlon Championship Finals this August, and a Redbull Crashed Ice course has been built down the side of the river valley.

But football in particular has a special connection to the City. Having been frequently cited as a key catalyst in the growth of women's football in Canada – the nation team is currently ranked eighth in world – the city now wants to use its experience in hosting and developing soccer to play a pivotal role in the continued development of the men's game.

"Edmonton has a rich history in hosting successful FIFA events," says Maggie Davison. "The 2002 Fifa U19 Women's World Championship, the 2007 Fifa U-20 World Cup, 2014 Fifa U-20 Women's World Cup, and the 2015 Fifa Women's World Cup were all hosted right here in Edmonton – and Canada Soccer even considers us as the birthplace of women's soccer in our country."

The city's Commonwealth Stadium, the largest open-air stadium in Canada with almost 60,000 seats, is a proven venue for international football matches, and has attracted world record attendances for women's and youth soccer. Fifa can be sure that

matches held in Edmonton in 2026 would similarly capture the enthusiasm of Edmontonians.

Celebration

Edmonton is not a city where sports events come and go, and are quickly forgotten.

"This event won't just be five games in our city; it will be a month-long celebration that will invite thousands of visitors into our community so they can experience first-hand what it is that we as Edmontonians love about this city," said Janelle Janis, director of Edmonton Events.

"What I'm most excited about and what drives me every day to keep working on this bid is that it's so much more than just a soccer tournament. Newcomers to Canada, marginalised groups, young girls and boys, adults and master's players – soccer is one of the most inclusive sports people can play and there is room for everyone to be a part of the beautiful game, but they need to have access to it.

"If Edmonton hosts the FIFA world cup in 2026, it will be done with purpose. A purpose to build tangible legacy plans that support incredible programs like Free Play, that engage thousands of young people across our city to be more active, to feel more connected and to give kids a chance to play who might not otherwise get to. If we host the FIFA World Cup in 2026, it won't be about building fancy new stadiums, it will be about helping that five-year-old who just wants to play soccer."

Edmonton has projected that the anticipated economic impact on the region would be \$475m, if the city hosts a month-long Fifa Fan Fest and four matches. Fans may come for the football, but with a vibrant city centre and 17 hours of sunlight during the summer months, it is anticipated that they will find plenty of other things to do during their time in the city. ♦



Part 3

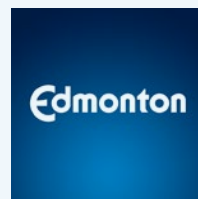
What will be the legacy if Edmonton stages 2026 Fifa World Cup games?

The impact of football's biggest tournament on the development of the sport in the city, region and Canada would be significant, given previous successful Fifa events.

If Edmonton succeeds in staging fixtures during the 2026 FIFA World Cup, the legacy impact on football in the city, region and Western Canada is set to be highly significant.

The city's love for the beautiful game runs deep. Local professional men's club FC Edmonton competes in the Canadian Premier League, while Edmonton's own Alphonso Davies stars on the global stage for Bayern Munich in Germany.

Having hosted the 2002 Fifa U19 Women's World Championship, the 2007 Fifa U-20 World Cup, 2014 Fifa U-20 Women's World Cup, and the 2015 Fifa Women's World Cup Now, the city feels better prepared than ever to take the next step in using football as a catalyst for long-lasting progress, on and off the field.



"For the last 20 years we have been building momentum as a great host city", says Maggie Davison, interim chief executive at Explore Edmonton. "With each Fifa event, we saw greater success, we set higher attendance records, brought greater economic impact to our region and fostered the pride of fans across Alberta. Now we have the opportunity to take that energy and host the largest sporting event in the world."

With Edmonton being one of Canada's youngest and fastest growing cities, the prospect

of hosting matches of the Fifa World Cup 2026 presents unique opportunities in a variety of areas.

Long-term planning

Long-term planning is always at the heart of decisions made relating to whether to bid for and host a major event in Edmonton. The World Cup is no different.

Away from football, the tournament will be leveraged to inspire greater sustainability and cultural understanding.

For example, Canada's Truth and Reconciliation Commission outlines in action number 91 that states where major sports events take place in Canada must ensure that the territorial protocols are respected and the indigenous communities are engaged in the planning process.

In addition, as part of the event, ISO 20121 provides a recognised framework for identifying the potentially negative social, economic and environmental impacts, so those delivering the tournament can focus on providing amazing football-related memories for many years to come.

In a sporting sense, the growth of football in Edmonton and Alberta is ready to accelerate.

"It is about planning and fulfilling a legacy that lasts well into the future, which is why we have built into our budget a \$5m legacy fund on top of what Canada Soccer and Fifa will contribute. We will work with all stakeholders to plan the most meaningful impact for children and youth in our province," said Janelle Janis, director of Edmonton Events.

"We want to support initiatives like Free Play that put our most vulnerable kids on a team and gives them a sense of belonging. We have started engaging with Indigenous groups, social agencies like End Poverty Edmonton, and other priority populations to determine how we can work together so this event benefits more than just soccer players."

Inspirational

Being named as an official host city for the 2026 Fifa World Cup would allow Edmonton to inspire citizens locally and around the

world by sharing stories such as that of Edmonton's own football star, Alphonso Davies.

In partnership with FIFA and Canada Soccer, Edmonton is leveraging the tournament to grow the game exponentially and ensure that even more remarkable soccer stories begin in Edmonton and across the country.

Edmonton has also vowed that community facilities will be enhanced through capital investments at the training sites. Meanwhile, as North America's first Human Rights City, Edmonton continues to embrace initiatives to protect and advance the rights of Indigenous people, new Canadians, LGBTQ communities, and other groups. This will be incorporated into the Fifa World cup hosting plan.

As one of the most inclusive sports, Edmonton's bid leaders believe there is room for everyone to be part of the beautiful game, but they need to have access to it. This is why Edmonton is exploring options to invest in a local legacy fund to target and inspire priority populations in our city, especially marginalised children and youth, to access and participate in the sport.

The right timing

As part of Edmonton Events' Major Sport and Cultural Attraction Plan

that was approved by City Council in 2018, Edmonton will look to host a mega event once every 20 to 30 years.

In terms of infrastructure plans, many of the stadium upgrades were planned before the World Cup became a bidding opportunity. Therefore, timely stadium investments will ensure facilities remain relevant for years to come.

Edmonton's bid leaders believe that being named an official host city for the World Cup will allow all three crucial boxes to be ticked on the checklist, covering the areas of economy, reputation and social that typically influence the events the city is considering.

A healthy return on investment is projected, although the impact on football will stretch long into the future. The branding opportunity is priceless, and the community benefits are meaningful and far-reaching.

It is the potential impact of the tournament on football in Edmonton and the wider region that offers the greatest hope to many.

Edmonton hosting games during the biggest football tournament on Earth in just under five years' time would represent a long-term triumph for the sport across the region and country. Edmonton has an existing appetite for football and the experience required to deliver an outstanding fan experience. ♦



McConaughey's star power helps Austin FC make immediate MLS splash

Hollywood actor Matthew McConaughey has helped bring significant awareness and credibility to Austin FC both locally and nationally (MLS)



- Expansion club has set a number of MLS business records ahead of entry into league
- City's demographic shift, excitement for first major league sports team fuels excitement
- Hollywood actor playing major role behind scenes to maximize growth opportunities

By Bob Williams

Austin FC is primed to become one of the most commercially successful Major League Soccer expansion teams in league history thanks to the excitement of Austin, Texas, finally becoming a major league sports town and the immense star power provided by minority owner and noted actor Matthew McConaughey.

The metrics speak for themselves. Ahead of the team's inaugural game on April 17, a nationally-televised fixture against LAFC at Banc of California Stadium, Austin FC has already secured 15,500 season-ticket holders for its

20,500-seat Q2 Stadium. A further 15,000 fans are on a waiting list.

In 2019, Austin FC broke the league record for the most season-ticket membership deposits, with the club securing deposits for over 45,000 seats. That mark was subsequently topped by St. Louis City SC last year.

In November, meanwhile, Austin FC broke the 24-hour sales record for an inaugural jersey debut on MLSSStore.com.

The club has secured around 30 commercial partners already, including a stadium naming rights deal with Q2 Holdings, a principal jersey deal with Yeti, and agreements with the likes of Netspend, Captain Morgan, H-E-B, Heineken, SeatGeek, St. David's HealthCare,



MLS commissioner Don Garber (center) congratulates Austin FC majority owner Anthony Precourt (Austin FC)

Little City Coffee Roasters, G&G Outfitters, FVF Law and Fairmont Austin.

In February, Austin FC announced English-language broadcast television partnerships with KXAN (NBC Austin), KVBO (MyNetwork TV), and KNVA (The CW Austin). All three local television stations are owned or operated by telco Nexstar Inc.

As well as constructing a state-of-the-art \$260m venue at McKalla Place – which it is hoped will stage international soccer games and third-party events such as concerts going forward – Austin FC has also opened a \$45m premium training facility, the St. David’s Performance Center.

The highly-ambitious club has also revealed it will consider adding a National Women’s Soccer League team to its portfolio in the coming years, which would share both facilities.

With the club having almost seamlessly navigated the financial effects of the Covid-19 pandemic, the fervor within the city of Austin and within MLS itself about the imminent arrival of Austin FC is palpable.

“This is a city on the rise which marries perfectly with a league on the rise. There is so much energy and pent-up demand in that city,” MLS commissioner Don Garber said at his annual pre-season press conference this week.

“I could not be more pumped up to see Austin coming in this year. It looks like Austin, it feels like Austin, it reflects the culture of community. I’m excited for them and hats off to [majority owner] Anthony Precourt who has done a wonderful job,” Garber said.

Controversial beginnings

Garber disclosed this week that he had been talking with elected officials in Austin for around 10 years about potentially putting an MLS team in the city.

The process by which Austin ultimately secured an MLS team could not have been any more controversial, however.

In October 2017, former Columbus Crew owner Precourt sent shockwaves throughout Columbus, Ohio, and MLS circles when he announced that he was exploring relocating the team to Austin.

“Despite our investments and efforts, the current course is not sustainable,” Precourt said at the time. “Soccer is the world’s game, and with Austin’s growing presence as an international city, combined with its strong multicultural foundation, MLS in Austin could be an ideal fit.”

The proposed move had the backing of MLS itself, a league which was not known for allowing teams to relocate but was unhappy with the Columbus Crew’s consistently poor business metrics.

For a long period of time it appeared that Columbus Crew, one of the league’s founding teams, would go out of business. But thanks in large part to the city’s passionate “Save the Crew” movement and the threat of legal action, a solution was eventually found in January 2019 in which Precourt was allowed to switch his league investment to Austin, and new owners of the Crew were brought in, including Jimmy and Dee Haslem, who own the National Football League’s Cleveland Browns.

“Out of crisis comes opportunity,” Garber told reporters this week. “I remember during all of the

challenges we had in Columbus and how complicated that was, believing that we would get through it and get out on the other end that would be positive for every stakeholder...positive for the fans in Columbus and ultimately in Austin, positive for the cities and positive for our league.

“It wasn’t easy. We took a lot of shots from a lot of people and there was a lot of tension in that process but almost everyone involved showed leadership...I know that everybody who went through this feels really, really good about the outcome. It’s the most complicated thing that I’ve ever had to chart through,” Garber added.

Unsurprisingly, many Columbus Crew fans remain bitter towards Precourt and, as much as everyone in the league wants to put this issue behind them, matches between Columbus and Austin FC promise to be extremely testy affairs for years to come.

The two teams’ only game of the 2021 regular season will be held on June 27 at Austin FC’s Q2 Stadium.

A rising city for a rising league

There are three principal reasons why Austin FC has proven so successful so far and why the league was so keen to launch a team in the Texas capital.

First, there is the fact that Austin FC has become the first major league pro sports team in the city’s history. The lack of competition in the marketplace and the local excitement of finally becoming a major league sports town has resulted in widespread support from civic leaders, the business community and sports fans.

“As we assessed the landscape, we had a theory that as the first-mover to this very successful environment and

having the distinction of being the one and only major league property in its respective market, we thought the predicting indicators were very favorable,” Austin FC president Andy Loughnane tells *SportBusiness*.

“Pleasantly, all the results have exceeded those expectations. The commercial viability and long-term outlook of Austin FC is foundationally strong, with favorable health indicators,” Loughnane says.

Second, Austin’s demographics have significantly changed in the past decade, becoming younger as well as more multicultural and tech-savvy as the city has rapidly expanded in population, perfectly suiting MLS’s core audience.

Austin is now the 11th largest city in the United States and ranks 29th among the country’s largest metro areas, with estimated 2.3 million residents. Austin was also the fastest-growing major metropolitan area in the country for nine straight years, from 2010 to 2019, with around 169 people added per day.

It was the largest American market without a major league sports team until the arrival of Austin FC.

The growth has been fueled by the burgeoning tech industry, with both large and small tech companies, most notably Apple, increasing their presence in the city. The market is also the home of multinational giant Dell Technologies Inc.

Austin has, in turn, become more affluent and gentrified while it is also becoming more diverse: Austin’s Hispanic population has grown from under 24 per cent in 1990 to around 35 per cent today.

“MLS has talked a lot about being the league for the new America and I think Austin represents the new

Austin FC executives mark the opening of Q2 Stadium (Austin FC)





Austin FC's ownership comprises of (left to right) Marius Haas, Matthew McConaughey, Anthony Precourt, Eduardo Margain, and Bryan Sheffield (Austin FC)

America,” Loughnane says.

Third, Austin has had a known affinity for soccer for a number of years, with the city being one of the top-five television markets in the US for the 2018 FIFA World Cup and 2019 FIFA Women's World Cup.

The Austin Aztex played in the United Soccer League before folding in 2015, while USL Championship club Austin Bold began play in 2019. It remains unclear if the city is big enough to house two professional soccer teams.

“The fondness for soccer is native to Austin and the attractiveness of the sport and groundswell of the community support that has been organically generated as the club continues to evolve is helping form a new layer of fans who are new to MLS and the sport,” Loughnane says.

“By having meaningful relationships with established organizations that are doing good in the community... we hope that we will also open new doors to new fans,” he says.

Why pandemic did not delay launch

A number of MLS expansion clubs delayed their entry

into the league by a year due to the pandemic, including Charlotte FC which was due to enter the league in 2021 alongside Austin FC.

Austin FC, however, was so far along in its plans to successfully start in 2021 that no thought was put into pushing back the team's entrance into MLS.

“We have very strong and very committed club owners and from day one they have set a course for us to be ready in 2021,” Loughnane says. “When the Charlotte announcement was made, we had already brought on our jersey partner, some founding partners, we had already built our staff to great extent, we had signed a player by that point, we had strong ticket sales...all of the progress and the pent-up demand in the marketplace allowed us to continue on the pathway to launching in 2021.”

Austin FC is looking to further monetize Q2 Stadium, which will stage its first MLS game in June, by holding international soccer events, including potentially this summer's Concacaf Gold Cup, and concerts going forward.

The stadium, which can potentially be expanded by a further 1,500 seats, has been specifically designed to host

concerts, including configuration that allows for easy load-in and easy load-out, a rigging grid and top-end LED lights.

The arrival of a NWSL team, if it happens in the coming years, would also help fill in dates at the venue and expand the club's overall opportunities.

“We're very intrigued with the idea of developing the best possible plan to explore the creation of a new women's team to compete at the top level of women's soccer and play home matches in front of a sold-out crowd at Q2 Stadium,” Loughnane says.

“Our mission is to build a soccer club, the arrival of Austin FC has demonstrated that Austin is capable of developing a major league sports identity and it wouldn't surprise me if the next addition to the Austin sports landscape was a women's soccer team at the highest level,” he says.

Capitalizing on McConaughey's superstar power
A major factor behind the club's huge profile – locally, nationally and even internationally – is the presence of Hollywood actor McConaughey as its so-called Minister of Culture and minority investor.

“Soccer is the world's game, and with Austin's growing presence as an international city, combined with its strong multicultural foundation, MLS in Austin could be an ideal fit.”

In August 2019, Texas native McConaughey, who attended the neighboring University of Texas at Austin before becoming a global star, became one of four local investors joining Austin FC's parent company, Two Oak Ventures, which is controlled by Precourt.

He was joined by technology entrepreneur Eddie Margain, president and chief commercial officer of Dell Technologies Marius Haas, and local energy executive Bryan Sheffield.

“Matthew as the Minister of Culture for Austin FC is somebody who is very representative of the values of this region. Importantly, he is somebody who people draw inspiration from, he is somebody that people look up to, he is a person who carries voice, influence and, more importantly, great ideas,” Loughnane says.

“Does he widen our audience? Yes. As an owner of Austin FC, Matthew McConaughey delivers an important voice to help grow our audience,” he says.

McConaughey – who is best known for movies such as *Dazed and Confused*, *The Wolf of Wall Street* and *Dallas Buyers Club* – is actively involved behind the scenes at Austin FC, as well as being one of the public faces of the club. It is a role he clearly cherishes.

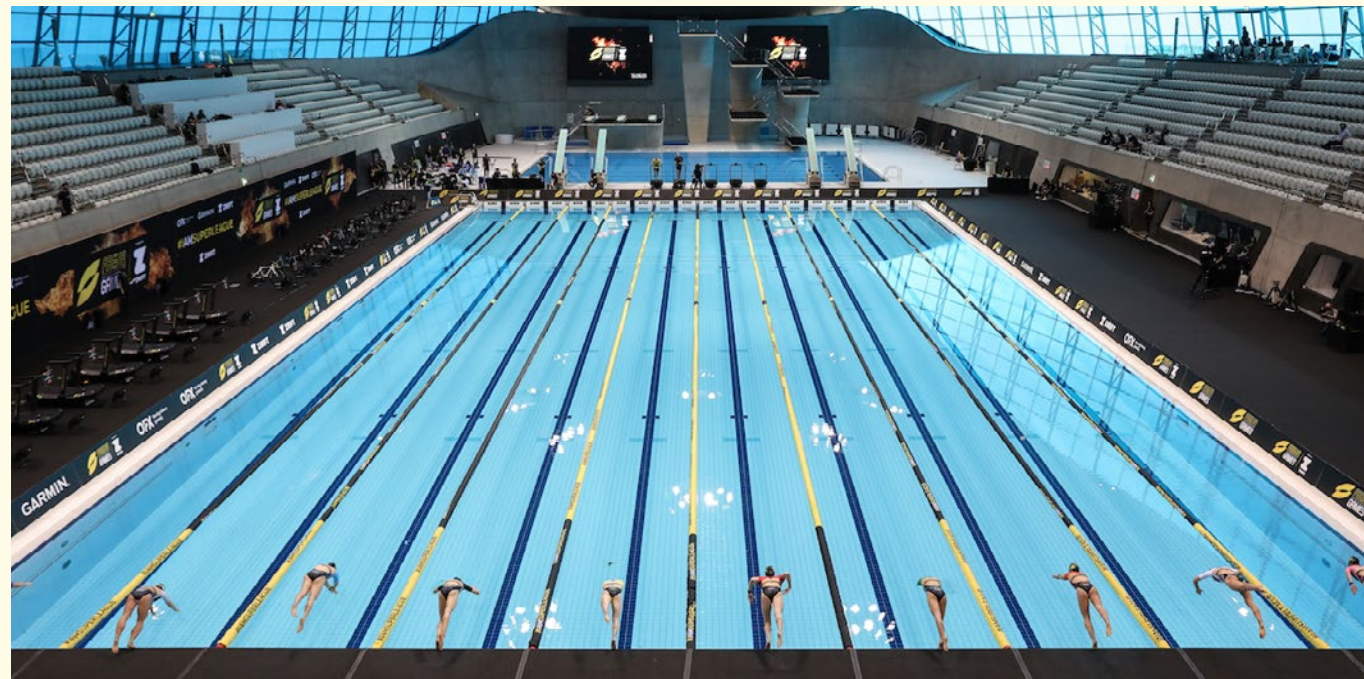
“Why did I become an owner? I'm into making legacy choices now. I'm not interested in being a mascot. I don't mind being out there as the face of some things but I'm interested in more than just being a mascot,” McConaughey told reporters this week.

“I've always dreamed of being in at the ground level and helping build a team. It's here in my backyard. It's something I would have been involved with anyway so I wanted to get in at the ground level,” he said.

McConaughey's involvement came principally through another Austin FC owner, Eduardo Margain.

“When the idea came to me, it was, ‘Absolutely. I'm in. How much can I get in?’,” McConaughey said. “That was the challenge: how much can I get in because I wanted to be in more. The challenge now is where to back off.

“Now I need to sit back and let the pros do what they've been hired to do and do what they do well. Now the fun starts, now we play,” he said. ♦



Arena Games driving Super League Triathlon's virtual expansion

Super League Triathlon is set to expand the Arena Games concept after a successful launch last year.

After the Covid-19 pandemic stopped sport in its tracks in March last year, rights-holders and event organisers were forced to reimagine their output to keep fans engaged.

How, if at all, could events be staged during a pandemic? How could events keep followers engaged with no spectators in attendance?

For Super League Triathlon, the solution was the Arena Games – an amalgamation of real-life and virtual racing. Details of the launch were first announced in July last year ahead of the inaugural race in the Dutch city of Rotterdam the following month.

Zwift progress

With the backing of online cycling platform Zwift, Super League Triathlon was able to create a fresh event concept that combined



traditional competition with an innovative digital element.

The Arena Games includes the three triathlon disciplines, with the 'swim' segment taking place in an Olympic-sized pool. The 'bike' and 'run' legs use poolside Tacx smart trainers and self-powered treadmills, with athletes competing in front of a screen that shows the entire field in virtual form.

Although the pandemic accelerated the adoption of a virtual race format, it is a concept that has been under consideration for some time.

"I first had the idea after attending the Host City conference in Glasgow in 2018," says Super

League Triathlon chief executive Michael D'hulst. "Zwift were talking about the work they had been doing around virtual races in cycling and it seemed to me there was an opportunity in triathlon as well."

"I spoke to Zwift about the concept and they were keen, so we began to discuss top-line ideas and then the conversations accelerated when Covid struck and indoor racing became so much more important."

Covid-secure

The events are held in Covid-secure bubbles, with social distancing rules having been in place for last year's meet in Rotterdam. Each event features 10 males and 10 females, tallying with Super League Triathlon's commitment to delivering a gender-equal product.

The first event was held at Rotterdam's Zwemcentrum and

formed part of the city's Summer of Esports festival. The event received broadcast coverage in 162 territories across 42 channels, and the success of the inaugural Arena Games led to further events in London and Rotterdam earlier this year.

"The feedback has been incredible," says D'hulst. "This format has been refined as we have gone along, which when you are innovating with so much tech is an incredible feat from all involved. The athletes weren't sure what to expect, but have loved it, as have the stakeholders who have got incredible exposure."

"Our event in London produced great viewership numbers with the BBC and also internationally with 5.9 million viewers over 277 hours of global broadcast and another 8.5 million on digital with impressive engagement, which supports the commercial viability of the concept. For Zwift also this is a great opportunity to integrate their virtual world into a real-life event and build towards a new format of triathlon raced by the best athletes in the world."

Digital impact

Total digital impressions for the Arena Games currently stand at nearly 15 million, with about 8.5 million video views. The events are having an impact on fans, too, with 87 per cent of viewers surveyed after the London event stating that they were more inspired to participate in physical activity.

Thirty-two per cent of viewers said they were more likely to visit London after watching, while 68 per cent of people who had not visited Rotterdam before said they were more likely to do so.

The athletes themselves have also been impressed, with four-time world champion and Ironman world record-holder Tim Don having praised the "exciting, entertaining, quick, sharp and aggressive" format of the Games. "This could be part of

the Olympic Games," he said.

The consensus, then, is that the Arena Games have a long-term future, beyond the pandemic.

"I am very confident that the SLT Arena Games are here to stay," says D'hulst. "It reaches and engages a new audience, the athletes like it, and it adds a completely new and innovative dimension to our sport. It fits so well with the trend we see with sport in general to introduce and support esports variations."

"Triathlon, as an Olympic sport, has that same drive to align with the International Olympic Committee. Any event that in its inception phase can reach 15 million people digitally, have more than 300 broadcasts and be so heavily talked about in the media shows great potential. They say Covid-19 has expedited certain trends in different aspects of life. This is one for triathlon events."

The Arena Games also introduced its first para races this year, supporting para-athletes whose race opportunities have been limited in the lead-up to the Paralympic Games in Tokyo. Youth and junior races are also being explored.

Hosting opportunities

D'hulst envisages the Arena Games expanding from a one-off event format to a race series in 2022. With this in mind, Super League Triathlon is actively looking for new hosts who want to leverage and embrace the concept, with D'hulst planning for

the series to take place in the first quarter of next year.

"Our top priority is always finding hosts whose values align with ours," he adds. "Our modern selection process is based on shared goals and talking to hosts who are looking to showcase themselves as innovators, promote equality in sport and an active lifestyle."

"We are taking expressions of interest now for 2022 and plan to announce our SLT Arena Games calendar after our Championship Series in September. We want to partner with hosts who not only have the core technical requirements but are willing to invest in inspiring audiences."

"The most basic requirement is a venue with a swimming pool and the space and technical aspects we need for the sporting spectacle and production. As we come out of Covid-19, we also want the opportunity to host spectators."

"We want hosts who are committed to running a safe event and want to work creatively with us to maximise exposure. Obviously, there is a sharing of costs financially to be considered, but Super League Triathlon always remains responsible for delivering the event so there are no additional risks for host cities."

With Covid-19 restrictions beginning to ease, there is every hope that when the series takes place next year, audiences will be engaged in-person, as well as from afar. ♦



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The view from

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Inclusion in the Olympic Games remains the holy grail for even the most established sports



(Matt Roberts/Getty Images)

- Federations pay up to \$500,000 to campaign for inclusion in Games but can earn tens of millions
- Ability to reach younger, digital audiences becoming the litmus test in IOC valuations
- Wider media exposure following a Games draws in new categories of sponsors

By Frank Dunne

August 3, 2016. Fernando Aguerre is searching for his family. He is overcome with emotion and needs to hug it out. The Argentinian businessman and president of the International Surfing Association has just heard that the International Olympic Committee has accepted the ISA's application to be included in the Olympic Games, starting from Tokyo 2020.

Surfing joins sport climbing, skateboarding, baseball (softball for women) and karate as sports which will be completely new to the Olympics in the Tokyo Games, which begin on July 23. "In one giant stroke, [IOC president Thomas] Bach achieved what hadn't been achieved in decades: a revolution of the Olympic programme," Aguerre would later say.

Nick Matthew is incensed. He can hardly contain his frustration. The former world number one squash player has just heard that his sport has been rejected by the IOC and will not feature at Tokyo.

"Skateboarding didn't even have a national governing body when it was chosen as an Olympic sport," he tells the Daily Telegraph. "It shows a massive disconnect from the IOC on the actual infrastructure of the sport. It has to be made accountable. It seems like there is this criteria, it has to be the pinnacle, governed in the right manner, gender equality and good anti-doping, truly global. All these things squash has, and we have improved. We should have been part of the Olympic movement years ago."

Transformational

The joy and pain in those reactions are understandable. Inclusion in the Games can be transformational for a sport – commercially and in terms of grassroots participation – so not making it into the programme cuts deep. For the Tokyo Games, 26 new sports made their case to the IOC. Of these, eight were shortlisted. Five were chosen.

Once the Games are under way, the competition between athletes becomes the focus. It's easy to forget

“World Rugby estimates that the total new funding which has come into the sport from National Olympic Committees since Rio is about \$35m.”

the battle a sport has had to go through to be there in the first place. Campaigns can take years and cost an international federation between \$100,000 (£84,000) and \$500,000 to mount.

The economic impact is not on the same scale as that of a city winning the rights to host an edition of the Games, which is measured in the billions, but successful federations talk of inclusion in the Games as being a ‘game-changer’ for their sport.

The immediate benefit of inclusion in the Olympic Games is the exposure during the two weeks of the event on a global, mostly free-to-air broadcast platform. The medium- to long-term benefits to a sport include:

- A share in the IOC’s centralised pot of commercial revenue
- Funding from National Olympic Committees
- Increased media exposure for the sport’s regular season competitions
- A stronger negotiating position with existing sponsors and ability to attract new brands
- Inclusion in school and college curricula around the world
- Increased participation at grassroots level.

The Rio 2016 effect

Rugby sevens was one of the sports which featured for the first time at the Rio Olympics in 2016. A study conducted by Nielsen Sports on behalf of World Rugby, the sport’s global governing body, in November 2016, found that the number of rugby fans in the key markets of France, Japan, the UK, Australia, Germany and the US had grown by 16.83 million due to the sport’s inclusion at Rio. The increased reach of the sport was particularly marked among women and the 18–24 age group. The research showed that Rio 2016 was the sevens event with the highest levels of engagement on social media up to that point.

World Rugby estimates that the total new funding which has come into the sport from National Olympic Committees since Rio is about \$35m. Alan Gilpin, chief executive of World Rugby, told *SportBusiness* that inclusion at Rio had also led to an “uptick” in

commercial revenues around the sport’s flagship competition, the HSBC World Rugby Sevens Series.

In September 2018, *SportBusiness Sponsorship* reported that HSBC had renewed its long-standing sponsorship of the competition at an uplift of somewhere between 11 and 33 per cent, taking the value of the deal to between \$10m and \$12m per season. The new deal runs from the 2019–20 season to the 2022–23 season.

Golf is already one of the richest sports in the world. Annual media-rights revenues for the sport stand at between \$1.2bn and \$1.5bn. Annual sponsorship revenues for the four majors – the PGA Championship, the US Masters, the US Open and the Open

Championship – stand at around \$425m. Nevertheless, golf had fought for years to make it into the Olympic programme, eventually featuring at Rio for the first time since 1904.

Not everything went according to plan. The defections of many of the world’s top golfers were greeted unsympathetically by the sports media, especially in the US. As one golf industry executive put it: “It’s clearly an issue for golf. The tours are where these guys make their living and the calendar doesn’t really seem to allow for the Olympics, unless you’re prepared to make a pretty big sacrifice.”

The claim was strongly rejected by IGF executive

director Antony Scanlon, who told *SportBusiness* that golf’s return to the Games after 112 years was “an outstanding success”.

Sport, format or discipline

The net impact of inclusion in the Games can be very different according to whether the sport is entirely new to the games, whether it’s a new format in a sport which is already included, or whether it is a new discipline in an established Olympic sport which already has multiple disciplines in the Games.

For new formats or disciplines, one of the key questions is whether commercial rights are sold on a standalone



(Bob Thomas/Popperfoto via Getty Images/Getty Images)

basis or bundled in with the rest of the rights to the sport. Basketball has been an Olympic sport since 1936 but the 3x3 format will be included for the first time at Tokyo 2020. Fiba, basketball's world governing body, sells the commercial rights to its 3x3 events separately from those of the rest of the competitions it organises. Biathlon has been an Olympic sport since 1960 but the mixed relay event only featured in the programme for the first time at the Sochi Games in 2014. The rights to the biathlon mixed relay are bundled with the rights to other events run by the International Biathlon Union,

making it more difficult to identify a precise commercial benefit from inclusion.

The IBU told *SportBusiness* that the immediate commercial impact was limited. "Our disciplines that are admitted to the Games are well established in our calendar already and thus part of our general media and marketing agreements. I think this is a lot different from first-time Olympic sports like 3x3 or karate."

However, there was still a financial benefit and a chance to broaden the appeal of the sport. "The addition of the mixed relay was important from a sports perspective

as it was an additional chance for our athletes to win medals, especially for smaller biathlon nations who don't have that many world class athletes. Thus, this also meant an increase of their funding opportunities. From a participation point of view and the overall competitive health of the sport it was important."

The inclusion of the mixed relay event also gave the IBU an opportunity to demonstrate that it was "an advanced gender-balanced sport on the pitch", something that is increasingly central to the IOC's thinking about what is in and what is out. ♦

Impact of inclusion ►

In the following section, federations from four of the sports recently added to the Olympic programme talk to *SportBusiness* about the impact on their sport of being included in the Games.





(Mark Kolbe/Getty Images)

Rugby

Rio was not just a game-changer for sevens but for rugby as a whole

World Rugby chief executive Alan Gilpin explains how Rio helped broadening the fanbase of the sport and outlined World Rugby's hopes for Tokyo, Paris and beyond.

It was a long-standing ambition and campaign of World Rugby to get rugby sevens admitted into the Olympics. Sevens is an incredibly high-octane, vibrant, exciting format of the game and is therefore the perfect format of the sport for the Olympic Games, which is looking to attract a more youthful audience.

When that decision was made in 2009, it was a game-changer for the sport. It provided an immediate opportunity for sevens programmes to access NOC support and funding, but beyond that, to get the sport in schools, especially in those countries where only Olympic sports can be added to the curriculum.

Rio was the first Games for sevens, and we knew we had to take the opportunity. The Rio Games was a

fantastic platform, with great coverage which allowed us to get to new fans in new markets – emerging markets where developing new platforms is so important to us. Certainly, Fiji winning their first ever Olympic medal in any sport and the success of the women's competition created a huge buzz.

There are emerging rugby markets like India, Brazil and Germany, where we had fantastic TV audiences for Rio. In those types of markets, rugby sevens is the driver of the new interest that we can then convert with fifteens and other events and other formats of the game.

In Japan, we had a massively successful Rugby World Cup in 2019. We've now got a really excited Japanese rugby audience that grew enormously through that

“The Rio Games was a fantastic platform, with great coverage which allowed us to get to new fans in new markets.”

tournament. After a long hiatus due to the pandemic, Tokyo will be an amazing reawakening of an Asian audience for us, that we will continue to build on going forward. We've got the Korean men's team and the Chinese women's team in Tokyo for the first time. Along with Japan, they are two really powerful commercial markets for the sport. And the same thing will happen with France. The Paris Games in 2024 will follow the Rugby World Cup in France in 2023. We're already starting to talk about what that opportunity means.

The genesis of the NBC TV deal for rugby in the US lay in the fact that we were going to be in the Olympics. We have also seen an uptick in terms of the commercial value of the HSBC World Rugby Sevens Series because of a snowball effect from the Olympic Games and more nations being more competitive, like the men's Kenya and USA teams or the women's teams of Brazil and Japan.

It's difficult to put a number on the impact of Rio on

our overall television and commercial revenues but it will certainly translate into better commercial outcomes for us. We will have a precise number on that in time because we know for our broadcasters and partners that Olympic inclusion is very important. And the more established the sevens competition becomes in the Olympic programme, the more we can take advantage of that platform in conversations with broadcasters and partners.

The increasing visibility of sevens in more global markets will mean more brands want to be involved. We've got this fantastic explosion in the growth of women's rugby at the moment, and the sevens events are a big part of that story. It also means younger fans have come into the game too. So this broadening of the audience attracts different sorts of brands as well. It isn't just occurring in the UK, France, New Zealand, Ireland and South Africa. It's occurring in the US, in Brazil and in Asia. And that's important to us. ♦

World Rugby chief executive Alan Gilpin





(Marcelo Endelli/Getty Images)

3x3 Basketball

Inclusion of 3×3 at Tokyo will grow grassroots basketball

Fiba's secretary general **Andreas Zagklis** explains why 3×3, the hip, urban format of the sport is a perfect fit for the Olympics in the digital era.

In 2007, Fiba offered 3×3 when the IOC asked for a new youthful discipline to be played at the 2010 Youth Olympic Games (YOG) in Singapore, where 3×3 became a resounding success. Since our early days, 3×3's motto has been 'from the streets to the Olympics'. The Olympic inclusion on June 9, 2017, has brought a new chance for new countries to win medals in basketball, an additional legitimacy in the sports business ecosystem and an unrivalled platform to expand our community of players, organisers and fans.

After Singapore in 2010, 3×3 was considered a hit again with record attendances at the next two YOG editions in Nanjing and Buenos Aires. In fact, in 2017, 3×3 became the first-ever new YOG discipline to be included in the

Olympic programme.

3×3 has been played in the streets since basketball was created. However, one of Fiba's main achievements in recent years has been to design a set of rules for a fast-paced, spectacular and drama-filled game, tailor-made for a young urban audience in the social media consumption era.

In two hours, a fan gets to watch around six games of 3×3 with 12 different teams, with their different styles and cultures. On average, 25 per cent of the games will be decided by just one basket. And if the games are not that close, they will be over in no time when the best team scores 21 points.

Fiba views 3×3 as a way to break the barrier between

sports and entertainment. There is non-stop music. The MCs and the DJs have a leading role.

The events are set in city centres with some of the most iconic urban backdrops. Other urban disciplines, like breakdance or BMX freestyle, are integrated in our running orders between the games. 3×3 events are more than sporting events; they are authentic urban culture festivals.

The impact has been noticeable ever since 3×3 was added to the Olympic programme in 2017. The Olympic dream has provided an additional incentive for new players, national federations, national Olympic committees and organisers to get involved in 3×3. On top of the season earnings on the Fiba 3×3 professional circuit – over \$2.5m (€2.1m) overall in 2019 for the men's Fiba 3×3 World Tour and the Fiba 3×3 Women's Series launched on the same year – several elite players have received funding from their national Olympic committee to specialise in 3×3.

Besides the elite level, we expect the number of grassroots players to continue to grow after the Olympics. 3×3 is a simple, easy and accessible game. With the billion eyeballs on the Olympics and 3×3 this summer, we expect more people to play 3×3 in the streets and in grassroots events on [Fiba digital platform] play.fiba3x3.basketball.

One of the particularities of 3×3 is that Fiba not only manages the world competitions. It also developed a free app for people all around the world to organise and manage grassroots tournaments and a digital platform where thousands of organisers and millions of players can interact.

Fiba has managed to build a strong and engaged community of fans around 3×3 on social media of close to three million on all platforms combined. In 2019, Fiba for 3×3 alone led all international federations for most total views, shares and interactions per post on Facebook in the yearly report of Burson, Cohn and Wolfe. Not only do we expect the numbers to rise with Tokyo 2020, we also envision the traditional media coverage will increase. Our Fiba 3×3 Olympic Qualifying Tournaments have shown a new-found interest from Olympic broadcasters and the mainstream media.

Finally, a new generation of organisers has invested in 3×3 events and more partners have joined us after the Olympic announcement. We expect these opportunities to rise significantly as sports industry leaders watch a spectacular 3×3 event in Tokyo and some of our best athletes become national and international stars after winning Olympic medals. ♦



Andreas Zagklis, secretary general, Fiba (FIBA)

“Fiba views 3×3 as a way to break the barrier between sports and entertainment.”



(Jaewon Lee/SOPA Images/
LightRocket via Getty Images)

Case Study: How Sportradar delivered the OTT launch of K League TV

Sportradar has supported the launch of the Korea Professional Football League's new over-the-top platform, K League TV, providing free live and on-demand coverage of all matches from the K League 1 and K League 2 divisions, as well as behind-the-scenes content, highlights and interviews.

Sports fans have always been willing to pay a premium to enjoy real-time sports entertainment, whether the action has been viewed in-person at a stadium or at home via a paid-for media channel.

Dylan Chuan, Sales Director, Audiovisual, Sportradar, and Doojin Sa, Head of Broadcasting, Content and Distribution, K League, explain how the project was delivered at the start of 2021, and outline the future development of the groundbreaking platform.

Background

Dylan Chuan: "We signed a multi-year partnership with the K League in 2019 with the aim of expanding their international reach, and K League TV is one step in this long-



term, multi-pronged approach. Understanding their goals is key, but so is having an extensive global network, experience in helping rights-holders reach a broader market, and regional experience.

"In spite of the pandemic, 2020 was a very rewarding first season with the K League, given the huge interest from global broadcasters. The broadcast footprint alone through terrestrial and online platforms grew 10 times from the 2019 season.

"Moving into the second season of our partnership, we began to discuss a global OTT platform for K League fans and Koreans worldwide to watch all K League 1 and K League 2 matches

live, as well as video on demand, highlights, clips, interviews and other content. It didn't take long to conclude that this platform needed to be ready for the 2021 season."

Objectives

Doojin Sa: "A primary goal was to take K League content to countries where there are no rights agreements in place, but there is high sports consumption. For the first stage of the rollout this season K League TV is free to access in territories not covered by media-rights deals.

"We are working with Sportradar to provide our content and services in a variety of languages. At the moment we are focused on English, with plans to expand that offering. All match feeds are available on the

platform with two matches per round available with English commentary.

"For now, we only have video content, but the goal is to make K League TV an international communications hub and expand to offer diverse content, such as articles in English. There is also the opportunity to produce unique content for the platform covering, for example, international players who ply their trade in the K League, providing relevance to fans from different countries.

"Sportradar is responsible for technical parts of developing and running K League TV, while the K League is in charge of all administrative and operational activities."

Delivery

Doojin Sa: "Once the commercial and administrative processes were outlined, we worked with Sportradar to bring K League TV to fruition. We had several learning sessions from Sportradar to prepare us for operating an OTT platform, and we carried out testing before the official launch as the focus was on making sure the streaming and archived videos on demand could run in good quality without errors. Sportradar supported us day and night, so we were able to launch the OTT service without any major issues."

Dylan Chuan: "It took us roughly two months to plan, formulate the backbone and execute the implementation of the OTT platform. However, we are still in the early phase of implementation as there are further plans to scale up and develop the platform to provide even more content, adding more marketing and features to it.

"From the operational side we had a clear goal to launch the platform before the new season at the end of February. To fulfil this goal, we had a kick-off workshop with the K League and a dedicated team was assigned to work on the development of K League TV.

"The team included the account and customer experience manager to organise the processes, workflows and day-to-day operations, and to be a point of contact on OTT-related platform development and maintenance topics for the K League, as well as a project delivery manager and development team – including a designer and engineer – to be responsible for the technical aspects.

"The K League's team also played a big role in the development of the platform and we had ongoing communications regarding different product parts related to streaming, designs, the registration process, data compliance and more.

"There is a Sportradar support team available to the K League on a 24-seven basis for any technical or streaming-related questions. Our OTT customer experience team is also in touch with the K League, not only to provide product updates and training sessions for our OTT technology, but also to look after the platform's performance and offer consultation about how we can improve the user experience on K League TV."



(Jung Yeon-Je/
AFP via Getty
Images)

Outcome

Doojin Sa: "K League TV gives the league its own platform to broadcast widely and enhance our brand, giving us a good foundation to develop our OTT offering in the future. We are planning to source more exclusive content for K League TV, enabling greater interactivity with fans.

"League-wide, we believe K League TV could be a major turning point, not only for K League's business plan, but for the domestic sports OTT business. We are looking forward to K League TV attracting more K League fans and activating more overseas people so that they are familiar with football in Korea and will interact via the platform.

"By providing not just audiovisual content, but data and articles about the K League and players, there is the hope that this platform will provide an opportunity to attract more international players so that the league itself can enhance its reputation and ultimately become an 'international league'."

Dylan Chuan: "The platform has been warmly welcomed, especially by Korean fans living abroad. Users in some countries like the US, Canada and Japan – where many Korean people live – previously had difficulty watching the K League in a convenient way.

"Besides managing and running the set-up and delivery of the OTT platform, Sportradar also continues to support, advise and provide ideas in areas like content creation, marketing, communications, branding and basically what it takes to bring the K League's brand to the next level and provide the ultimate fan experience.

"We certainly have the technical and commercial experience to support leagues and rights-holders to develop their own OTT platforms, and this is something we want to continue to do, especially in Asia where the demand and potential is great." ♦



(Scott Halleran/Getty Images)

Golf

Phenomenal broadcast coverage in Rio helped broaden the appeal of golf

International Golf Federation executive director Antony Scanlon explains how Rio delivered record-breaking television audiences, contributing to an increase in the number of national federations for the sport globally.

The International Golf Federation considered that the development of golf worldwide would be greatly assisted by its inclusion as an Olympic sport. The national federation members of the IGF thought that governmental support for the sport would increase significantly as a result, which would enable the introduction of the game to a greater number of people by making it more accessible and affordable. In addition, in countries where there may be little golf shown on television, the inclusion of the sport in the Olympic Games would promote the sport to a new level and this increased exposure should result in increased participation levels.

The key arguments presented to the IOC Session

in Copenhagen, which voted for golf's return to the Olympic sports programme in 2009, were: the universality of the game and the fact that it was played by more than 60 million people in over 150 countries around the world; inclusiveness – golf is a sport that can be played for a lifetime by people of all ages, races and by men and women at the highest levels around the world; professional player participation – commitment of the best athletes in the sport to participate in the Olympic Games and the commitment also given by the professional Tours to not have major championships conflict with the Olympic Games; the core values of golf and its alignment with those of the Olympic movement, such as the long history of participants calling penalties

on themselves – even at the cost of losing competitions.

We achieved phenomenal broadcast numbers across the world during the Rio 2016 Olympic Games and it was watched by a younger, more gender-neutral audience than that achieved for professional golf events. In the UK, the BBC recorded 10.2 million viewers for the final round of the men's competition, smashing the previous highest TV audience of 3.2 million.

Golf was also the seventh most popular sport at the Rio 2016 Olympic Games in terms of fan engagements around the world. When Indian athlete, Aditi Ashok, shot 68 for the second round of the women's event, more than 400,000 compatriots searched for her name on Google, more times than 'Rio Olympics' was searched. 'Golf' searches spiked by 110 per cent during these Games.

Since re-joining the Olympic programme, the IGF national federation membership has increased by 39 per cent to 151 members across 146 countries. We have seen increased funding and resourcing flowing from national governments to our membership that are assisting in the growth and development of grassroots participation and elite performance. Funding from the Argentinian government is enabling their elite amateur players to participate in key international events such as the US Amateur and the South American Amateur championships.

With every championship there are various reasons why athletes are unable to participate, but you never adjust the organisation of the event on the field you have. Rather, you always plan to provide the best possible experience both on and off the field of play for the athletes that do participate. In Rio, we had exceptional athletes participate in both the men's and women's events and we witnessed an extraordinary showcase of the skill and professionalism of our athletes, producing wonderful and worthy Olympic champions, Inbee Park and Justin Rose. By every measure, golf's return to the Olympic programme after 112 years was an outstanding success.

We hope that the Tokyo Olympic Games will grow further awareness, understanding and interest amongst women and youth. But our hopes for Tokyo are much broader than successful golf competitions. We hope these are safe and secure Games that will bring promise and unity to the world. We hope our athletes will transcend our sport and inspire and touch all those who watch these Olympic Games and offer light and a momentary release from the hardships and loss many have experienced around the world due to the Covid-19 pandemic. The world needs these Olympic Games and their significance is not lost on us.

For Paris 2024, we expect to continue building upon

the foundations of success that the Rio and Tokyo Olympic competitions have created and to provide a unique and valuable experience for our athletes that they will treasure for all their lives and to showcase our sport to a wider, broader audience that will inspire many of them to become fans and ultimately participants in our sport.

All sports face challenges with their international calendars with the proliferation of more than 8,400 sanctioned international events by international federations each year. Therefore, it is becoming increasingly challenging for all sports to schedule the Olympic Games and the postponement of the Tokyo 2020 Olympic Games certainly added an extra dimension to this challenge.

Golf, when applying for readmission to the Olympic programme, addressed the calendar issue by gaining a commitment from all the organisers of the golf's major events to not conflict with the Olympic Games. There are many variables that contribute to an athlete's decision to compete at the Olympic Games and the sports calendar cannot be seen as the sole reason. What we will continue to do is organise unique and significant events that occur only once every four years and provide an experience like no other in golf. As with other sports when they first appeared on the Olympic programme, athletes will soon determine the significance of participating at the Olympic Games and the importance of its place in their own personal legacies. ♦

Antony Scanlon, executive director, IGF. (IGF).





(Scott Halleran/Getty Images)

Campaigning

How to win a campaign for inclusion in the Olympic Games

Sujit Jasani, managing director of Vero Communications, the global PR firm which helped secure Olympic status for surfing and rugby sevens, explains how to build a winning campaign for Olympic inclusion.

For surfing and rugby, we started campaigning at least three or four years out from IOC decision time. From the beginning, it is important to understand the stakeholder audiences to whom you campaign to seek a positive result. In the centre is the IOC, its president and executive team, and the members, who vote on sports entering Games. They are the ultimate decision-making body. Then there are other organisations that play a role, like GAISF (formerly SportAccord).

To campaign for Olympic inclusion there are all the boxes you have to tick, like having a large enough number of national federations, compliance with WADA's code, a positive record on gender equality,

national federations being recognised by their NOC, autonomy to run the sport, and so on.

Once you have identified the stakeholders involved, it becomes a form of intelligence gathering. You have to understand the direction of travel of the Olympic movement, the IOC and its leadership.

With surfing, there was a sense the IOC wanted to embrace a new audience, a younger audience, an audience that lives and exists online through digital communications and social media. Surfing was in the sweet spot. There was a desire to become more relevant to a younger audience, to appeal to a lifestyle-brand sport. But you need to create a story around it, showing how surfing is embraced by those audiences that the IOC

are trying to reach.

You have to get to understand the process for entry, the metrics of how sports are measured by the IOC; and the process for sports being tested and eliminated from the programme. It's then about creating a compelling narrative as part of your application that goes above and beyond the core details you have to submit.

It is important to create a story which resonates with the Olympic world and that sets you apart. This is critical to winning – developing and expressing powerful messages that resonate with decision-makers to really show your value and benefit to the Olympic movement and the Games. How can you, as a new sport, elevate the Olympic event and brand to new level and help bring new fans and other key stakeholders like sponsors and new host cities to the Olympic party? Part of that is understanding the strengths and weaknesses of the other sports that might be looking to apply to be in the Games. Where can you stand out and be different to them? Of course, it means doing that without negatively campaigning.

Once the campaign officially starts, there is a communication, PR and international relations exercise to be implemented. This can involve taking a native story about the sport and placing it in front of Olympic audiences, so they see the value proposition of the sport. For example, if there's great news announced within the sport, we could help rewrite that as a case study or as a piece of media content for Olympic press, and international journalists that cover the world of the Olympic Games – showing the growth and the positive impact of that sport, highlighting its universality, which is really important. We can highlight the age of the sport's audience, their tastes, what they're listening to and viewing, what they're buying in terms of fashion. It will also be important to promote the sport's world, continental and national championships. It's another way to showcase exciting, fun, cool athletes, demonstrate excellent commercial strength through ticket sales, sponsorship and broadcasting, confirm good governance and integrity practices, and boost the overall brand to Olympic audiences.

Another part of creating a compelling case is through voices, ambassadors, influencers in the sports world, that can speak your narrative, that are superstars

of their sport, and using them in a powerful way to showcase the value proposition that you have. We can also build PR campaigns around the social media output of the athletes themselves and the power of their digital communications to engage audiences. That's very compelling for the Olympic world as they select new sports.

Then there's the practical side, like participating in other multi-sports events such as the Pan American Games, whenever possible inviting stakeholders to watch surfing events to increase appeal and boost interest. There are also corporate events, sports business conventions and conferences, like SportAccord. It can mean taking up speaking roles to talk to the stakeholders and business audiences that attend, networking in an impactful way, trying to meet influential sport business media to get interest and traction. That's where the Olympic decision-makers will read news about your sport. There are also the direct

communications such as memos, presentations, other forms of collateral to Olympic leaders and stakeholders.

While the key message is founded on the value proposition the sport offers the IOC, part of the story is showing how the sport will also benefit from inclusion in the Games. Being in the Games has huge benefits, outside the solidarity payments and funding – there is the platform to showcase your sport, to grow your sport and reach new audiences. Only the Olympic Games offers such a great opportunity. Every four years, sports have a platform to reach millions of eyeballs which maybe in their domestic seasons, or world championships or continental championships, they can't achieve.

There are probably millions of people out there that will be watching surfing on their screens, on their tablets or online in some way for the first time at Tokyo. That's a huge opportunity for the sport. If it inspires new people to take up the sport because they've seen new potential heroes take to the water, and take part in an Olympic surfing competition, that can only help to boost and grow the sport. In whole new areas of the world, it can get people to think about surfing, take an interest in it and maybe even participate. It is also a gender equal competition, so hopefully it will also inspire as many, if not more, girls take up the sport as boys. ♦



Sujit Jasani, managing director, Vero Communications



LaLiga’s Mediacoach harnessing the power of match data

Forming part of the league’s expansive technology offering, the sports data and analysis platform is benefiting a range of stakeholders, including clubs, media partners and fans.

From artificial intelligence-based insights to performance tracking solutions, match data can fuel innovative approaches across the sporting landscape.

However, restrictions to access are often cited as a sticking point in relation to progress.

LaLiga, the Spanish football league operator, has recognised this challenge – as well as the limitless opportunities that are presented by match data for clubs, media companies and fans – and taken the proactive step of democratising access to real-time match data.

Mediacoach, the data analysis and visualisation tool established by LaLiga, is widely considered to be among the industry’s most



sophisticated platforms. The tool, part of the LaLiga Tech ecosystem, has been created in order to capture more than 25 frames per second and track thousands of data points per player, per match. Despite the substantial potential value of the solution, the decision was taken to make the tool available to all participating LaLiga clubs in the top-tier LaLiga Santander and the second-tier LaLiga SmartBank, allowing them all to benefit from the same technology.

Equal opportunities
According to Mediacoach product

manager Silvestre Jos, opening up access to data-driven insights for all clubs can bring major positives from a competition perspective.

“All clubs have access to the same information, allowing them to analyse the opposite team based on their previous LaLiga matches,” he says. “That is very special from a league perspective, because every single club has the same tools. With this solution, we are levelling the playing field for everyone.”

The tool is being utilised by forward-thinking clubs that have already made huge technological strides in an effort to gain a competitive edge.

Granada CF offers a compelling example. In just two seasons, the Andalusian club rose from Spain’s

second tier to achieve consecutive top-half finishes in LaLiga Santander and a European quarter-final in the 2020–21 UEFA Europa League.

Álvaro García, an analyst on the club’s coaching staff who worked closely with Mediacoach during that time, underscores the vital role that data played in the team’s on-field resurgence.

“Granada’s success is in part possible because we are based in LaLiga and have access to Mediacoach,” he says. “In other leagues, this data is not available. It gives you the possibility to increase your chances of winning every game, despite the quality of the opposition. We won a game against Barcelona [in April 2021] in part because of having equal opportunities to access this data.”

The opportunity to tap into a vital, cutting-edge data-based tool that is also recognised by some of the biggest football giants in Spain provides an outstanding chance for smaller teams to upset the odds on the pitch.

Reflecting on how Mediacoach

enabled the club to build for the future during its time in the second tier, García adds: “LaLiga’s democratic approach to data means that in LaLiga SmartBank you have the same access to all the same data as the best teams of LaLiga Santander. This powers you to have equal opportunities to progress on and off the pitch.”

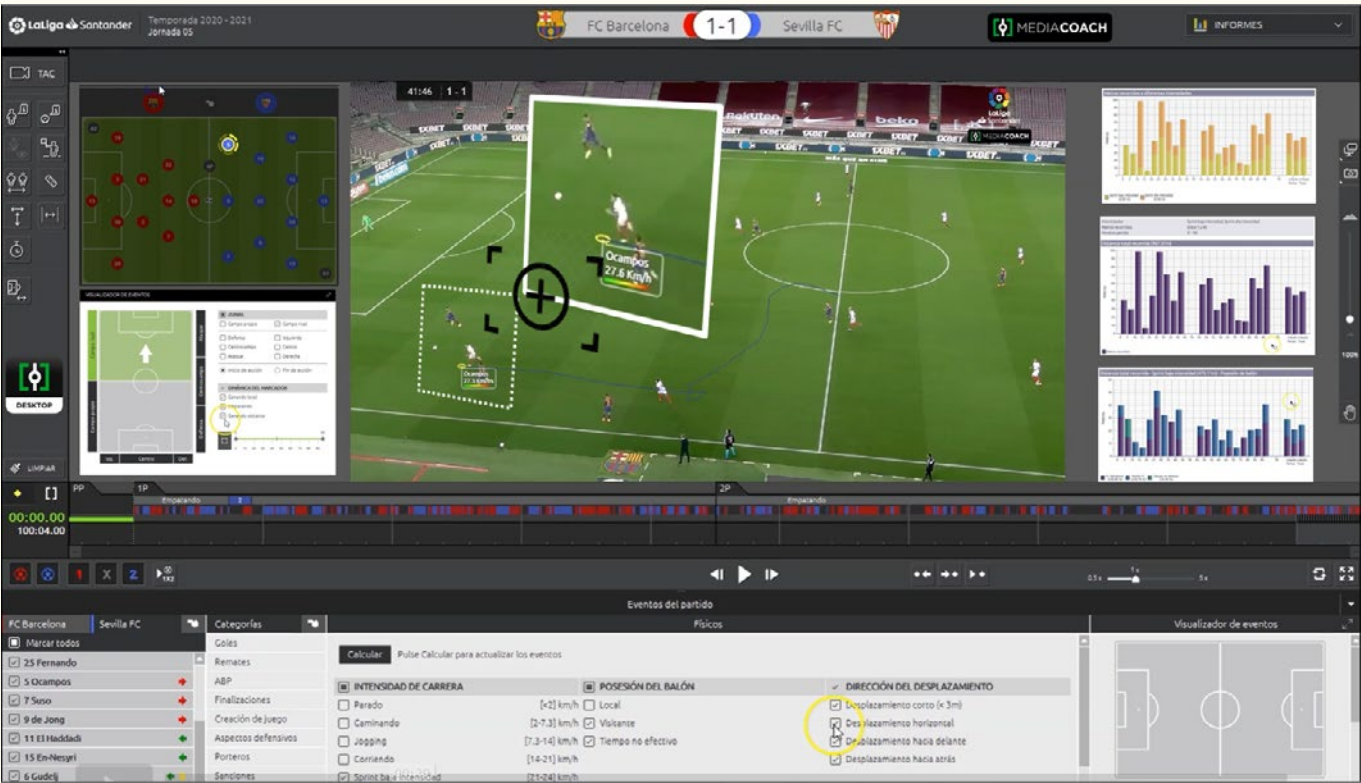
Video data
Aitor Karanka, the ex-Real Madrid coach who also has extensive experience of working in English football, has seen at first-hand how access to such solutions and resources is rarely offered in such a universal way in other leagues. “When I was working [in England], the resources were not the same between the first and second divisions,” he says. “While the quality was still good, there was a big difference between the two and even today you can find a difference. One of the things that LaLiga is doing really well is to provide the same quality of information to every single club.” According to García, Mediacoach

allows each club to focus on the information – and the statistics – that are most relevant to them. “Data needs to be filtered into key performance indicators,” García says. “There are hundreds of pages of data available, but you need to consider the information that is most relevant to your model of play.”

For Karanka, showing key performance data through videos makes the job of coaching players easier. “The best way to convince your players that they can beat [big teams] is to try to show them where the weaknesses of the opponent are,” he says. “With videos, you can teach them and make more clinical insights.”

Jos echoes Karanka’s thoughts about the importance of being able to show players what they can do, by adding: “Video is the key. Having the ability to share this data in a visual way is the quickest way to make an impression on the player. It is an easier to understand the information we are gathering.”

Analysing match data can also help to prevent injuries, by allowing



coaches to boost their understanding of the players’ physical loads at any given moment, allowing them to spot any anomalies and act proactively to maximise protection of their playing staff.

To underline the cooperative approach by LaLiga in relation to Mediacoach, fitness staff at clubs have even suggested adjustments that have been incorporated into the system, providing more data that can fit within their quantification and control methods.

Fabio Nevado, a technical analyst in the Mediacoach team, says: “If you have a player who has just returned from a long injury, maybe you put them on in the 60th minute, but you do not want them to put in too much effort. So, you can monitor them in real time and if you detect some issue or some data that is not right, you can take a decision then. This information helps clubs to reduce the injury risk and helps their players to compete very near to their top performance.”

Media impact

The impact of match data analysis

extends beyond professional clubs, of course.

Over the past quarter of a century, fans have steadily shown a greater desire for accessing performance data during sports coverage. This has been illustrated by the increasing use of data-driven graphics during broadcasts on television, the rise of second-screen usage during live matches and, more recently, the adoption of over-the-top (OTT) platforms, which can integrate such data-based analytics during sports programming.

The continuing rise of fantasy sports and sports betting worldwide have also accelerated the growing appetite for match data amongst fans who are looking to make more informed decisions, as well as supporting their opinion during debates on team tactics with friends.

More broadly, though, research has shown that data-driven visualisations have a bigger impact on sports viewers than pure statistics in numerical form. Where sports media companies can use such data to establish a narrative and context, the storytelling attributes

of their coverage are likely to lead to greater viewer engagement.

To support its media-rights partners, LaLiga has therefore enabled the incorporation of Mediacoach data into coverage of live matches.

The league’s production team accesses the same match data as clubs. However, instead of using it for tactical reasons, the data is superimposed onto the pitch during a game, providing a stunning visual offering for fans. Examples of the visualisations include individual player heatmaps on the pitch or the placing of tactical circles and lines to highlight a team’s changing formation.

“We want to get all the information not only to clubs, but also to fans,” Jos says. “The very best way to deliver information to fans is through broadcasts of our games. We oriented the tracking and event information to include these graphics in live transmissions to help our fans understand how the game is going in every single LaLiga match.”



LaLiga Tech

LaLiga has spearheaded numerous initiatives in media and technology initiatives and there are opportunities for other competitions across sport to use Mediacoach to implement similar solutions.

However, the possibilities do not end there. In May, LaLiga announced an expansion of its partnership with Microsoft to collaborate on developing technological solutions for media and entertainment and to support the commercialisation of LaLiga Tech.

As part of the collaboration, LaLiga will utilise cloud computing service Microsoft Azure, including artificial intelligence and machine learning, for Mediacoach and its LaLigaSportsTV OTT platform, to explore new interactive audiovisual experiences and formats.

As LaLiga’s global Tech and Innovation Partner, Microsoft will leverage and develop tools that can enhance opportunities for sports fans, venue managers and rights-holders. For sports fans, the focus will be on providing data-enhanced match coverage and personalised OTT streaming options, while new experiences such as augmented reality, virtual reality and 3D replays will be created.

Meanwhile for rights-holders,

such as broadcasters and commercial partners, there will be new offerings such as personalised recommendations via the OTT platform using relevant content, games and services.

“We value Microsoft as our technology and innovation partner and appreciate how they collaborate deeply to build innovative solutions aimed at solving business challenges specific to our industry,” LaLiga president Javier Tebas says. “We are moving into a new era in which technology will become the centre of the fan experience and data insights will power the next stage of global growth.”

The collaboration is central to the development of LaLiga Tech, through which LaLiga is packaging its full range of existing technologies into a commercial offering for the sports industry. LaLiga Tech offers a single ecosystem of modular services including match-day statistics and analytics, the next generation of OTT streaming services, and the most advanced content protection services and smart venue access management systems.

LaLiga believes that the growth of LaLiga Tech will help build a new era in sports and entertainment using data-driven technology solutions.

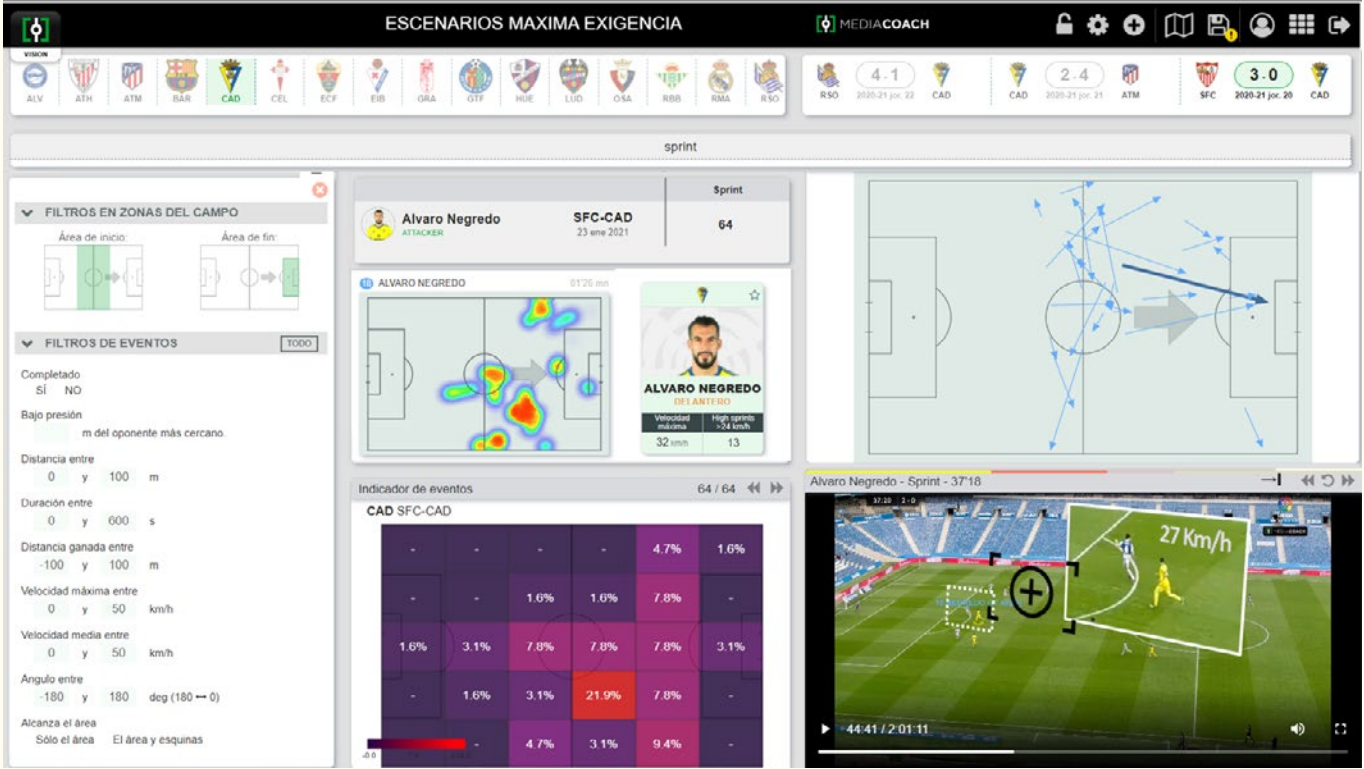
Digital growth

LaLiga also utilises Microsoft Power BI dashboards to provide data visualisations for TV audiences, as well as other channels, such as social media, websites and mobile applications, helping to create more tailored experiences.

As a result, the league operator’s impressive digital footprint is continuing to expand, establishing powerful relationships with fans across the world, as well as in Spain. LaLiga’s family of official apps have had more than 113 million downloads globally, while LaLigaSportsTV, which streams multiple sports beyond football, has more than 1.8 million registered users.

Whilst creating cutting-edge technology, including the use of match data through solutions as versatile as Mediacoach, have already helped to transform experiences on and off the pitch, LaLiga is keen to keep pushing the boundaries.

“Data and analysis are an inevitable part of football,” Jos adds. “For live transmissions, we will certainly see new developments in the coming seasons, as well as within clubs. The technology is evolving at such a pace that the opportunities are endless.” ♦



Late deals help BOA to negotiate Tokyo delay but one eye fixed on Paris 2024



Andy Anson,
chief executive,
British Olympic
Association

- BOA 'more like a media channel' for sponsors in the build-up to the Olympics
- Paris 2024 will be nearest thing to a home games for Team GB sponsors
- Organisation has 'ruthlessly' identified new licensing categories

By Ben Cronin

British Olympic Association chief executive Andy Anson's exalted career in sport and business has seen him work for celebrated brands like Manchester United, the Walt Disney Company and Channel 4. But he believes his new employer's 'Team GB' identity can more than hold its own in this sort of company.

The BOA introduced the brand name in 1999 for the Great Britain and Northern Ireland Olympic team, and over the following 20-year period it has built up some enviable equity.

It helps, of course, that the rebrand coincided with a dramatic improvement in the British outfit's performance at the Summer Olympics. From the nadir of Atlanta 1996, where it won a single gold medal, the team has improved to the point where it ranked second in the medal table at the 2016 Rio Olympics with 27 golds. But above all this, Anson believes fans, and by extension sponsors, are drawn to the down-home modesty and accessibility of its successful athletes.

"People like and respect the athletes that are part of Team GB – they like their humility and the fact that they can resonate with normal people," he tells *SportBusiness*.

“We do a lot of internal research [with Nielsen] about the most loved brands in the UK and we’re always second after the NHS [the UK’s National Health Service].”

Though Team GB is never likely to knock the NHS off top spot, and nor would Anson want it to, he believes both were brands people rallied around during the UK’s first Covid lockdown. He points to the fact the BOA’s #IsolationGames, in which Team GB athletes performed their sports in domestic settings in support of the British Red Cross, was the second most popular piece of content on TikTok in Europe last year.

Restrictions

Anson is speaking to *SportBusiness* just as the BOA team is heading out to a Tokyo Games that will be his first Olympics since succeeding Bill Sweeney in May 2019. He is anticipating a ‘complicated’ experience, both for athletes and his commercial team.

At a typical Games, the team would expect to host sponsors at its British House base in the host city, as well as provide them with the normal tickets and hospitality. The ban on international spectators means the BOA is planning a more scaled-back version of the headquarters and has prevented all but the most essential sponsors from attending. But Anson argues most of the commercial problems presented by Covid-19 are surmountable.

“[Sponsors] tend to activate throughout the period between Olympic Games then build up with intensity as we head towards the Games. And a lot of the activation now is done on social and digital media platforms anyway,” he says.

“Sponsors and partners tend to use Team GB athletes as their brand ambassadors, and use Team GB IP [intellectual property] to build those activation programs for the Games... I think the good thing about the sponsor deals with Team GB is we don’t have a stadium – we’re not a football club, we’re not a big tournament. In the build up to the Games we are almost like a media channel.”

The number of deals agreed by the team since the Games were postponed bears testimony to this. The early signs were worrying when Starling Bank pulled out of an agreement on the day Tokyo 2020 was rescheduled. But since then, the BOA has welcomed Go Daddy, Yoplait, Camelot, Randox Health, Birds Eye and Salesforce into its portfolio.

Health and staff engagement

With the Games taking place under strict health and safety restrictions, the nature of some of the brands and their activations has inevitably changed. In June, Randox Health – the UK’s largest Covid-19 PCR testing provider – agreed a two-year deal under which it will provide Covid-19 testing for Tokyo and the Beijing 2022 Winter

Games. Camelot, the company which operates the UK’s National Lottery, signed a deal in March that saw it carry out a review of operations covering Covid-19 mitigation measures, the use of hygiene technology and the team testing regime.

In addition to the focus on digital activations, Anson says sponsors like estate agent Purple Bricks, house builder Persimmon Homes and bed retailer Dreams have tended to build staff engagement programmes around their partnerships. For snack food brand McVitie’s, which had hoped to run competitions for customers to win tickets to the Games, the BOA is planning a series of events in the UK to make up for the lost rights.

“We’ve got events for sponsors, events for some of our

fundraising patrons, events for friends and family going on back in the UK while we’re all in Tokyo,” he says. “We’re keeping a team back here to run that, so that sponsors can still feel a part of it. Some of that will involve brunches, watching the Games or watching an element of the Games with retired athletes in attendance to advise and bring some flavour to the event.”

Enhanced database

Perhaps the most eye-catching and strategically important deal agreed since the Tokyo postponement is with global CRM company Salesforce. Under the agreement, the firm will support the BOA in its strategy to enhance its fan and athlete databases and CRM

capabilities over the next four years.

Anson, who played an important role in building the central marketing database held by Manchester United when he was the club’s commercial director between 2003 and 2007, believes the “meaningful cash deal” will bring overdue investment in the BOA’s data capabilities.

“One of the sad things that happened after London 2012 was there was a fantastic database with everyone who had applied for tickets after London 2012,” he says. “And that database was never really owned by a single entity after London 2012 and so all that great data that could have been used for grassroots sports and for the commercial side of sports – and for getting people engaged in attending sports events and watching Olympic sports – was frittered away over time, and it doesn’t really exist anymore.

“At [Manchester] United, when I left, we had something like seven and a half million names. They’ve taken that to a new level now in terms of the size of that, but there were seven and a half million names on that database around the world. That enables you to market everything you’re doing and enables you to communicate with fans; it enables you to bring your sponsors to your fans in a more intimate way.”

Paris 2024

The late addition of brands like Salesforce shows the delay to the Tokyo Games wasn’t all bad for the BOA. One of the advantages was that it condensed the event calendar to the point where the BOA was effectively selling the opportunity to appear at three Olympics in three years (Tokyo, Beijing and Paris) rather than the usual four.

Asked if this was a factor in getting so many deals over the line in the space of the last year, Anson says the proximity of Paris 2024 has proved to be the biggest draw for sponsors.

“I’m not sure that rescheduling alone was enough to make people make that decision [to sponsor]. I think that the excitement around the Paris Games in three years’ time now is significant. It is the nearest thing we’ve had to a home games where we control the rights.

“When the London 2012 Games happened, LOCOG [the London Organising Committee] took over the whole marketing of the commercial rights of anything to do with the Olympic rings in the UK. With Paris, we’re in control of the commercial programme ourselves. It’s a day trip to go and watch a Games for people, so that becomes a big commercial opportunity.”

Licensing

Aside from the increased sponsorship opportunities, one of the ways the BOA plans to exploit this is through an expanded portfolio of licensed products and a larger distribution network. Anson’s time at Manchester United



“*I’m not sure that rescheduling alone was enough to make people make that decision [to sponsor].*”

and Disney, as well as his stint at UK e-retailer Kitbag prior to its acquisition by US giant Fanatics, means he has taken a keen interest in the segment since joining the BOA.

Led by licensing manager Paul Ellis, he says the BOA has brought a more disciplined approach to licensing, ‘ruthlessly’ going through categories to identify meaningful deals. Agreements with Brompton Bikes and men’s clothing brand Ben Sherman, as well as the usual kit supplier deal with Adidas, complement a children’s-market-facing deal with the Peppa Pig cartoon.

“When we get to Paris, the chance to step this up is meaningful because I think we can see significantly more pop-up retail going on around Paris,” says Anson. “If you think about railway stations around King’s Cross and St. Pancras, where people are departing from, there [will] definitely [be] pop-up retail stations there.

“Because the time zone is more appropriate, we will definitely have fan parks around the country for Paris, and they will have retail offerings. We will work hard to get our product into more distribution and then, hopefully, we’re going to have a sizable Team GB House in Paris and there will be retail opportunities in there.”

More immediately, Anson says the BOA hasn’t given up on selling licensed products in Tokyo and has created a retail space in an Aston Martin dealership that adjoins the British House complex in the city. This will now target the local population rather than international visitors.

“I don’t think probably any other Olympic Committee is doing it, but we’ve decided to stick with that because we’ve got such a unique and broad array of products to offer,” he says.

Rule 40

The exploitation of licensing will not be the only respect in which the different national associations competing at this year’s Games benchmark themselves against each other. Following a ruling by Germany’s cartel office, which found the International Olympic Committee’s Rule 40 marketing restrictions were ‘too far reaching’, most of the major NOCs have had to update their guidelines surrounding the extent to which their athletes can promote personal sponsors during the Games. Many will be watching their rivals closely to see if they have struck the right balance.

One of the first tasks Anson had to deal with as the incoming chief executive was to revise Team GB’s stance, extending the pre-Games period when athletes could promote their sponsors and increasing the number of times they could thank them in the ‘blackout’ period during the event.

At the time his appointment was announced, a BOA spokesperson told *SportBusiness* that Anson’s strong record of athlete engagement while he was chief executive of the ATP World Tour in Europe had been an important factor in the recruitment process.

When previously critical Team GB athletes like sprinter Adam Gemili declared themselves to be ‘pleased’ with the changes, the BOA was perceived to have dealt adroitly with a difficult challenge – at least for the time being.

“The Germans relaxed the rules completely and that caused massive concern within the IOC,” he says. “I have

to say it was it was dealt with really well by the [Team GB] athletes, the athletes commission and ourselves, and I think we came up with a solution that worked. And I am very respectful of the need of the athletes to go out and raise money for themselves commercially.”

He adds: “I think it helped that I’ve worked with Manchester United, where Cristiano Ronaldo had a massive deal with Nike, for example, and other people had massive deals with Adidas. And still we managed to get players to do great activations for our partners.

“I think football has definitely shown the way in that regard with a three-player rule, for example. So as long as you use three players you can do things with your sponsors, and that sits alongside individual players really going out and aggressively marketing themselves.”

Asked if he thinks the IOC should review its clean sites policy in the face of the erosion of athlete marketing

restrictions, he suggests a compromise would be for it to borrow from the more discreet commercial strategy of the All England Lawn Tennis & Croquet Club, organiser of the Wimbledon Championships.

“I think we’ve all got to strike a balance that works. Even Wimbledon, which is the purest of environments, has Rolex on the court and Slazenger on the court. And yet, it still feels somehow hallowed as an environment.

“I think we’ve all got to move forward but hold our brands dear to us and protect them to the extent that we need to. I don’t think there is that much pressure on the IOC’s commercial models from athletes doing big deals because there are not many of them around for three or four Olympic Games who really have a long-term impact. I think there’s a happy balance to be struck for the IOC, for the NOCs, for the athletes, and I don’t think we should be overly restrictive.” ♦





(Hector Retamal/AFP via Getty Images)

Stats Perform report highlights sports media tech opportunities

Stats Perform's 2021 Fan Engagement Report has underlined how industry operators are continuing to fine-tune their strategies due to the pandemic in order to satisfy evolving expectations.

The sporting world has already adapted significantly due to Covid-19, but few in the sports media sector can claim to know with any real certainty what the industry's landscape will look like in a post-pandemic world.

According to Stats Perform's 2021 Fan Engagement Report, though, the technological evolution in sport is set to accelerate, given the ongoing challenge of attracting and retaining enthusiasts in an ultra-



competitive entertainment space.

The sports data and analytics company polled more than 150 different sports media and sports-related organisations from a variety of industries, regions and verticals to discover how they have reacted to the Covid-19 challenge and what their expectations are for the coming year and beyond.

The insights gathered through the results underline the scale of change on the horizon.

Changing times

It is little secret that sports media companies, as well as leagues, event operators, clubs and other rights-holders, have pivoted more to digital channels to engage with fans over the past year-and-a-half, given the increasing use of stay-at-home devices in times of pandemic-related restrictions.

However, many organisations appear to have only scratched the surface in terms of technological innovations.

Nearly three-quarters (72%) of respondents said that their organisation is looking to invest in new technology this year – a figure that unsurprisingly rocketed to 93% of tech leaders, followed by representatives of the broadcast, betting/fantasy, digital media and then social media segments.

This appetite tallies with a study released earlier this year by Grand View Research that found that the expansion of the sports technology sector is showing no signs of slowing down, in spite of many organisations having to deal with squeezed budgets due to lower revenues due to Covid-19.

As outlined by the Stats Perform report, there has been a clear shift in focus on technology-related expenditure from reaching fans and keeping them on a platform in 2020 to monetising content and

connecting experiences across platforms in 2021.

Coverage challenge

The research broadly found that the breadth and depth of coverage in sport remain critical factors. However, other aspects play a crucial role in fan engagement.

“With the abundance of sports content in circulation, the need to cut through the noise has never been higher,” the report stated. “Whilst content producers can rely on quality and uniqueness to mediate this risk, personalisation offers the chance to cut through that noise.”

From a content perspective, 26% of respondents highlighted in-depth statistics and analysis as the most valued factor by customers, followed by 25% who cited a need to provide a unique voice or perspective. Perhaps surprisingly, ease of access and affordable pricing lagged behind on 17% and 9% respectively.

The report added that digital

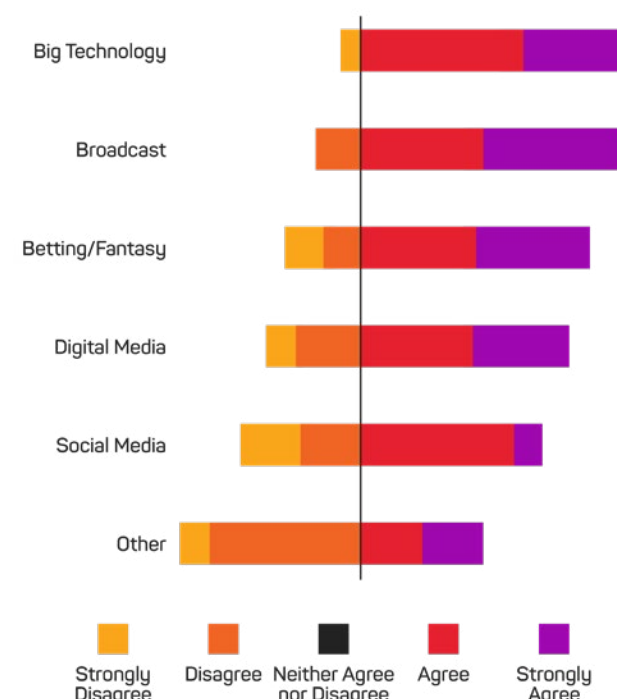
transformation has created a new breed of sports fan, with digital media becoming the primary driver of fan engagement. As a result, “content creators must create experiences which reflect their expectations”, with the 2021 sports fan being more globally connected, knowledgeable and tech-savvy than ever before by embracing new technologies and data-driven content.

'Always-on' content

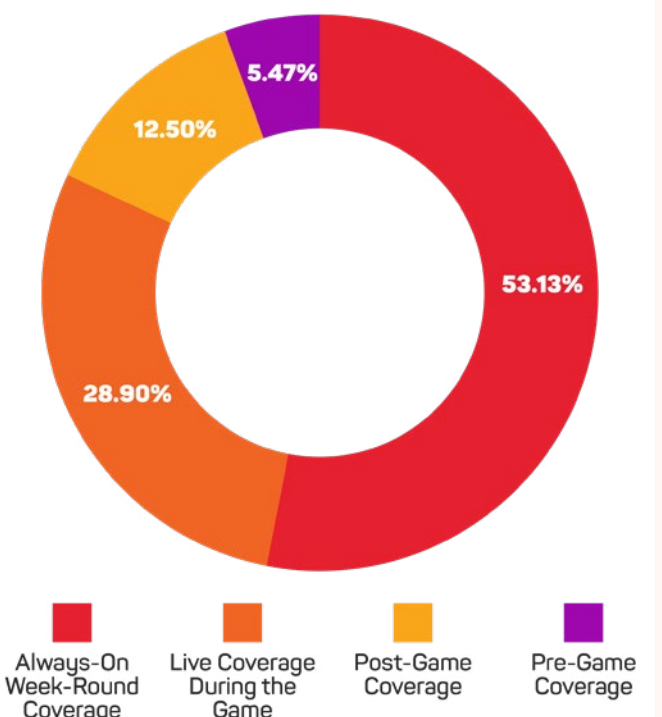
More than half (53%) of respondents underlined a growing opportunity to respond to demand for ‘always-on content’, with digital media prioritising such content over live content.

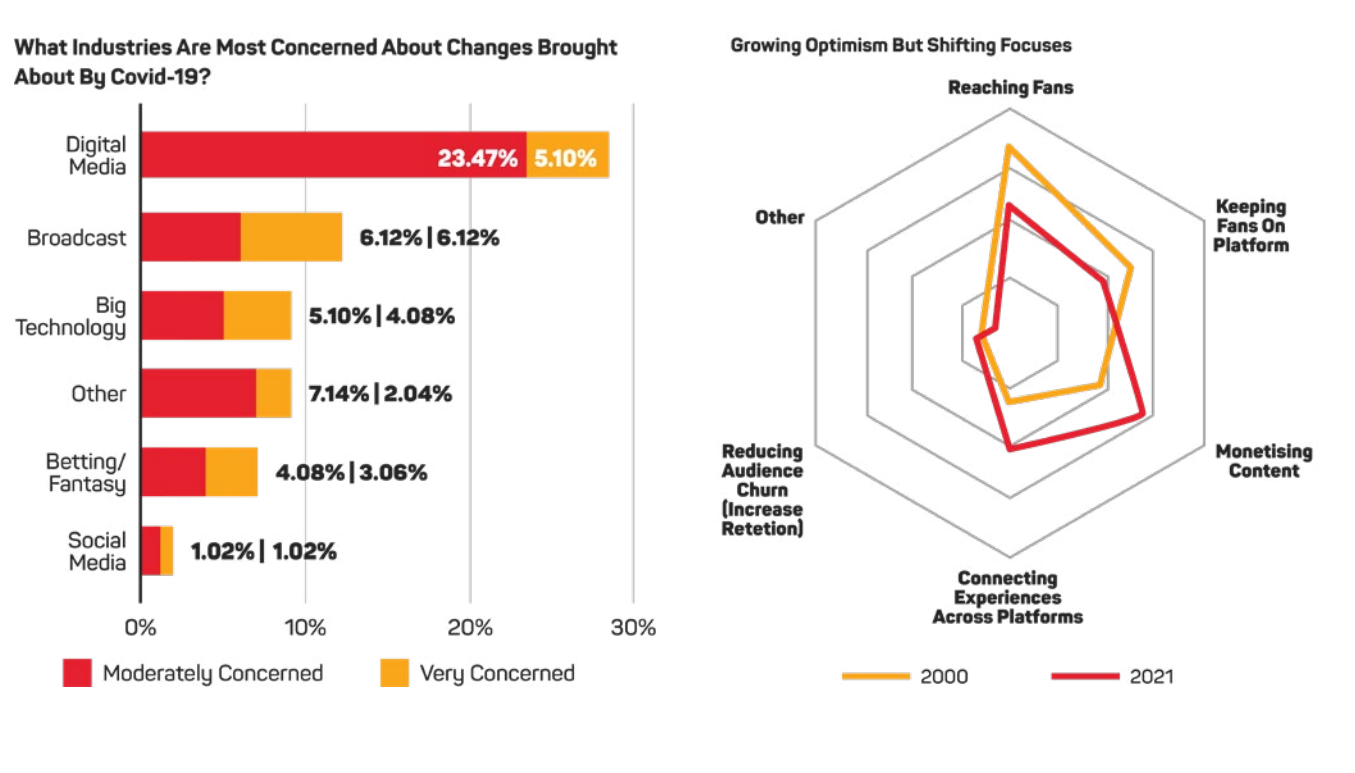
However, this demand has been driven by evolving behaviours from sports fans and, from a broader perspective, respondents from digital media expressed more concern about changes brought about by Covid-19 than any other vertical in the study.

My Organisation Will Invest In New Technology This Year



Emergence of Always On





When asked what they saw as the biggest threat to their organisation in 2021, an overwhelming majority of respondents aired concerns about budget cuts, followed by subscriber cancellations in a distant second place.

Consumer expectations are also changing in other ways. For example, 40% of respondents said that they were facing increased pressures from fans to demonstrate moral and social responsibility.

Significantly, 61% of those who participated in the study said that their organisation is moving in a different direction than was initially planned for 2021, while 74% disclosed that Covid-19 has given them new insights into the future of sports and sports media.

Esports

One such direction that has become increasingly prominent in the industry is esports. Facing an unexpected dearth of sporting action in the second quarter of 2020 due to the pandemic, many sports properties – from Spanish football’s

LaLiga to the Formula 1 and IndyCar motorsport championships – launched esports competitions.

For many sports organisations, such a move has been irrevocable due the level of interest generated, even with the return of live sport and, gradually, spectators in stadiums. Given that context, it is inevitable that esports will continue to be viewed as a vehicle to drive engagement with new generations of fans.

In the report, esports was cited as the most common new addition amongst respondents when discussing an increase of coverage and growth potential, with half of those polled saying that they were looking to break into coverage of competitive gaming this year.

Half of the respondents who identified esports as a growth opportunity were from digital media, followed by broadcast and the betting/fantasy sectors. The study noted that esports viewing figures are expected to reach 646 million in 2023 – double the total in 2017.

Positive signs

After a tumultuous period for the industry, encouragingly, nearly 84% of respondents said that they feel optimistic about the future of sports media, with the highest level of confidence coming from the digital media sector.

There appears to be a clear sense from industry stakeholders that, having weathered an unexpected storm for a year-and-a-half, opportunities as well as challenges lie ahead in the months and years to come.

“What shines through from the research is that there is a continuing sense of confidence underpinned by fan demand for content,” the report added.

“The next 12 months promise to bring excitement, innovation and a period of real change in sports media.” ♦

To read the full report, [CLICK HERE](#)

The view from
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UFC reaps rewards of China investment with Migu deal

- UFC bucks media-rights market trend with fee increase
- Investments in training facility, talent and content underpin agreement
- APAC SVP Kevin Chang explains background to deal

By Kevin McCullagh

The Ultimate Fighting Championship bucked powerful trends in the Chinese media-rights market to achieve a significant increase in its rights value, in a deal announced last month with streaming platform Migu. It was a remarkable achievement. Media-rights values in China are correcting sharply after years of overspending by ambitious streaming platforms. In the last six months, deals for the domestic football league and the English Premier League have been terminated after the buyer failed to make contracted rights fee payments. A host of others have been renegotiated downwards in value. The market is, as one insider put it last week, “a graveyard”.

The UFC was helped by the timely emergence of a Chinese world champion – women’s strawweight Zhang Weili, now a major star in her home market. But the promotion is not just riding a fortuitous wave of popularity. In the past few years, it has made significant and carefully targeted investments in its presence in China. The Migu deal will involve further investment in content specially designed for Chinese audiences.

These investments, informed by a strong understanding of the local market, paved the way for the latest deal.

Kevin Chang, the UFC’s senior vice-president for the Asia-Pacific region, told SportBusiness last week that China is a top priority for the promotion in terms of international expansion. The Migu deal, he said, “is one of the most significant international deals we’ve done as a company, because China is the most important international market for expansion.

“Our vision is to be a global, iconic sports brand, and undisputed champion of combat sports. There’s not really any way to achieve that goal without China.”

“We’ve turned the corner”

The UFC has been working to build its brand in China for a decade. It ran its first event in China in 2012, UFC Fight Night 48 in Macau, which featured two Chinese fighters, as well as a Korean and a Vietnamese, on its main card.

Khaled Desouki/AFP
via Getty Images

But it was 2017 before the promotion really began to take off in China, with the sold-out UFC Fight Night 122 at the Mercedes-Benz Arena in Shanghai being a milestone. After local fighter Li ‘The Leech’ Jingliang defeated American Zak Ottow to make it five wins in a row for Chinese fighters on the night, the crowd began chanting “China power”, one of The Leech’s mottos. In that moment, Chang says, “it really felt like, ‘we’ve turned the corner’.”

In 2019, the UFC opened its Performance Institute (PI) in Shanghai, a \$14m (€12m) training facility and talent academy for Chinese and Asian fighters. The facility is three times the size of the promotion’s existing PI on home ground in Las Vegas.

In 2020, the promotion agreed a deal with the Chinese Olympic Committee to open up the PI to Chinese Olympians preparing for the Tokyo and Beijing 2022 Olympic Games.

The message was clear: the UFC was investing in China and in Chinese athletes, and not in a superficial way.

Chang emphasises that the main target of the investments is producing Chinese fighters that will sustain the UFC’s audience in the country.

“The most significant investments that we’ve made, and that we will make, in China are the millions we’ve spent to establish the Performance Institute, and the millions that we’re going to spend operating it and paying for our UFC Academy [which is housed in the Performance Institute]. In order to create the IP that we’re talking about with Migu, and to grow the brand with local talent, we need the platform and we need the credibility. And it starts with the PI and the team of experts there.”

Content investment

During the course of the Migu deal the UFC is committing to producing an Asia-focused version of Dana White’s Contender Series at the Shanghai PI. The Contender Series is a TV show that follows the fortunes of young prospects through training and testing as they strive to win a UFC contract. It is also pledged to bring more live events to China and to run offline fan events throughout the country, such as watch parties and meet-and-greets with local and international stars.

In a unique aspect of the Migu deal, the UFC will create bespoke health and fitness content for the Migu Fitness app. This is designed to align with Chinese government goals of getting sport to contribute to public health and fitness.

Chang says: “We studied what’s happening with sports reform here in China, what the government is looking for. The government’s sports development plan came out in 2014, and it was a really broad document that everybody was putting their own interpretation on.

Over the years, the government has streamlined that into something that is very tangible, saying exactly what they want to see.

“We feel like our PI can help accomplish the mission within that plan of making sports a bigger part of people’s lives, making physical fitness a bigger part of people’s lives, and doing things in the educational system to make that happen amongst youths.”

Migu is the video streaming arm of giant state-owned mobile telco China Mobile. State-owned enterprises in China generally align their activity with government strategies and policies where possible.

No skimping

Chang says the UFC’s investments in China reflect a broader approach within the company not to cut corners when it comes to re-investing in its product and business.

“If Dana [White, UFC president] walks into an event and he doesn’t have his ears blown off by the audio,

or he’s not seeing a really clear picture on one of the screens, he’s going to say, ‘Spend the money, put it up there – make it right’,” Chang says. “All the way from that to what we did with Covid-19, and the health and safety procedures that we took to ensure that we can put on events properly – there was no skimping there. And the same goes for this deal.”

The size of the investment that the UFC is making in China mean it is unlikely to be breaking even in the market yet. But it is attempting to play a longer and, it hopes, ultimately more lucrative game.

The NBA is held up as the best example of long-term investment in brand development in China that has paid off for an overseas rights-holder. The American basketball league also had luck in the emergence of a great talent – Yao Ming in the 2000s – that turbo-charged its fanbase and business in the market. The league’s NBA China subsidiary now generates hundreds of millions of dollars per year in revenue.

The UFC has clearly read the NBA’s playbook, and developed it for the current era and its own circumstances.

The level of investment the likes of the NBA and, to a lesser extent, the UFC are making in China sets them apart from many other rights-holders. Many properties were able to generate rich profits from the market without putting much back in during the extraordinary boom in media-rights values in the last seven years. Those days are now over and a different approach is required, Chang says:

“I think the days of rights-holders coming here and offloading their rights to somebody, and then leaving the market for three-to-five years and coming back to do another deal with the expectation that their rights value is going to be higher....I think those days are behind us. The properties that come in really do need to pay strong attention to how to grow, and develop, and invest in China.” ♦



“If Dana walks into an event and he doesn’t have his ears blown off by the audio, or he’s not seeing a really clear picture on one of the screens, he’s going to say, ‘Spend the money, put it up there – make it right’”

Kevin Chang, UFC’s senior vice-president for Apac. (UFC)



Post-Covid monetisation of fan engagement

Developing your own social audio or social video layer provides numerous monetisation opportunities during sports coverage, whilst giving fans the control they crave. In association with Agora.

Sports fans have always been willing to pay a premium to enjoy real-time sports entertainment, whether the action has been viewed in-person at a stadium or at home via a paid-for media channel.

However, the growth of over-the-top (OTT) streaming in recent years has presented significant monetisation opportunities for sports rights-holders and media companies that have had to contend with a relentless behavioural shift away from traditional television consumption.

The latest research by We Are Social and Hootsuite found that, on average, seven out of every 10 internet users worldwide between the ages of 16 and 64 watch online streamed content every month. This translates into a significant revenue stream in sport and the wider entertainment sector.

Looking beyond the pandemic, here are some revenue opportunities



open to sports organisations via **real-time engagement**-powered **social audio** or **social video** layers.

Betting

Many sports rights-holders have already embraced sports betting as an opportunity to monetise their offering and engage fans. A 2019 survey by GlobalWebIndex found that 60% of US sports fans are more likely to watch a game if they have placed a bet on it.

The worldwide growth of in-play betting over the past decade has fuelled further opportunities via real-time engagement (RTE) platforms. However, the ultra-low latency and feed synchronisation on offer from providers like **Agora** is essential in order to maintain the integrity of placing wagers via an OTT service by allowing viewers to bet any time

during the game, alongside friends who can be anywhere in the world.

With so-called rapid markets being increasingly common during sporting events – enabling bets to be placed at short intervals and in relation to events that are seconds away from happening – viewers can discuss and place wagers to enhance gamification and social elements.

Tipping

There has been a surge of interest in tipping for content creators across many different digital platforms in recent years, with voluntary donations via a virtual “tip” jar becoming increasingly common on platforms that thrive on user-generated content (UGC) or professional UGC. The likes of YouTube, Twitch and TikTok already provide this functionality while to Vox, Twitter and Soundcloud are developing similar offerings.

Putting the viewer in control can

reap financial rewards for the rights-holder or the OTT platform, which can share in the tipping revenue directly. This is illustrated by Patreon, which gives fans the chance to support financially the work of publishers with regular donations, and is expected to distribute more than \$1bn to content creators this year.

The trend for voluntary financial contributions has led to the growth of platforms like WeShowUp, which invites viewers who have reserved a digital “seat” for an online comedy, theatre or entertainment show to “pay what it’s worth afterwards” rather than splash out up-front for a ticket. Other virtual concert platforms like Kumu – which is powered by Agora and is now the No.1 app in the Philippines – have also grown substantially.

In the context of a sports match shown via OTT, a tipping function can be used at various stages of the event by, for example, providing access to a pre-game or post-game talk show or a virtual tailgate party, allowing viewers to mingle digitally with others face-to-face in real time. Audience members will often tip to be mentioned on screen, or just to show their appreciation for the content.

Putting the viewer in charge can appeal to their basic desire to enjoy a more personalised experience. Research in 2020 by Verizon Media found that about one-third of sports fans are looking for more control over their live viewing experience.

Furthermore, introducing tipping as a reward mechanism for engaging viewers can lead to two-sided marketplace “network effects”, driving value that will lead to greater interest in the service and the creation of more high-quality content.

VIP premium subscriptions

In North America alone, between 2021 and 2026, revenues for subscription-based video on demand and advertising-based video on demand services are projected to

increase by 35% to \$54.4bn and by 140% to \$32.6bn respectively, according to Digital TV Research.

However, the growth of live interactive streaming – also known as social audio or social video – has introduced an extra layer of RTE that presents an even more powerful proposition, as illustrated by the growth of social audio apps like Clubhouse and Locker Room.

Aside from basic subscription, sponsor and advertising-related income, there are opportunities to open up other income channels. Via interactive and live-streaming technology providers such as Agora, for example, rights-holders are given the option of charging viewers additional fees for ‘VIP’ access to special features on their own platforms as opposed to the usual social media networks like Facebook and YouTube.

Unique camera angles, interviews and exclusive behind-the-scenes footage, as well as ‘talk shows’ that are driven by UGC – providing virtual access to key figures and the opportunity to pose questions to them – can all be enabled as add-ons. This tallies with a broader trend that has seen mobile game operators, for example, enjoy significant financial benefits from users paying for so-called “skins” and additional features.

Ecommerce powered by AI and big data

With social video and OTT-based RTE, the integration of social media features into a rights-holder’s streaming platform generates numerous data feeds and data points.

Big data can build a detailed picture of a viewer’s habits, behaviours, interests and motivations, with artificial intelligence-driven algorithms providing highly targeted recommendations for advertising, promotions and customisable subscription offerings, as well as instantaneous ecommerce opportunities.

For example, viewers tuning in to watch a sporting contest have the opportunity to buy – at the click of a button – relevant products from the action, such as the playing kit or equipment on show. In addition, opportunities to make certain products available during such coverage can provide added value to sponsors who are also able to offer viewers their products and services.

Rights-holders can make a commission on every item purchased via this method and can also make their own services available for upselling, with the algorithms ensuring such offerings are relevant to the fan.

“This type of content recommendation engine is beneficial to all parties, considering the fact that the products and services presented to the viewer tally with their tastes, preferences and motivations,” says Brighton Shi, Senior Product Marketing Manager at Agora.

Real-time monetisation

Therefore opening up new revenue streams with fans through RTE, focused around tailoring the fan experience and adding a social layer, all with the aim of personalising the output, is an exciting development for the sports ecosystem.

Research from Deloitte has shown that, across all sectors, customers are more likely to consider paying a premium for a customised VIP product or service.

Grasping this opportunity by deploying a variety of monetisation methods across social audio or social video sports coverage when fans are in “buying mode”, having often paid to access the basic coverage, can generate significant income for a rights-holder whilst delivering an enhanced viewing experience. ♦

To learn more about how real-time engagement can help with your business, email: shiliang@agora.io

Asia-Pacific media market stands at crossroads as Disney shuts Fox Sports

- Disney exits sport in Asia-Pac with closure of 30-year-old pay-TV channels
- Host of rights-holders face a tougher market, unless a new player emerges
- Former icon of Asia-Pac industry fell victim to pay-TV disruption

By Kevin McCullagh

The sports media rights market in the Asia-Pacific region stand at a crossroads following the exit of longstanding pan-regional player Fox Sports Asia.

The shuttering of Fox Sports Asia by owner Disney could be the latest in a series of deflationary blows to rights fees.

Or it could be an opening for a new player to shake up sports broadcasting in the region and shore up declining rights values.

Sellers will not be holding their breath that a new player will spur a return to significant rights fee growth. But it would help fill a large gap in the competitive landscape left by a former giant of the Asian business.

Disney announced it was shutting Fox Sports Asia along with its other pay-television channels in Asia-Pacific at a 'townhall' meeting of staff at its Singapore headquarters on April 27. The 18 channels operated by Fox Networks Group in the region will be switched off on October 1, drawing the curtain on a 30-year-old pay-television business. Disney acquired the channels as part of its takeover of 21st Century Fox in a \$71bn deal that closed in 2019.

Fox Sports Asia is present in around 20 markets around the Pacific rim, with the most important and valuable being Hong Kong, Indonesia, Malaysia, Singapore, Thailand and Taiwan. The Taiwan channels were shut last year.

Disney is understood to be exiting sports broadcasting in Asia-Pacific completely for the foreseeable future. Its video entertainment business in the region will be totally focused on its Disney Plus streaming platform, which does not carry any sport. Much of the general entertainment and movie content on the Fox pay-television channels will find a new home on Disney Plus, but there is no place for sport.



(Bryn Lennon/Getty Images)

Most of Fox Sports Asia’s sports rights deals end this year. Disney is exploring options for offloading the deals that run beyond October 1. The most significant that run further are for Formula One and MotoGP, both running to the end of 2022.

Most of Disney’s distribution deals with pay-television platforms also end this year, with a few exceptions that it must now find solutions for. Astro in Malaysia, for example, has a deal for the Fox Sports Asia channels – separate from the other Fox channels – that runs through to the end of 2022.

Some of Fox Sports Asia’s rights-holder and distribution partners had been forewarned about the closure. But none will have been completely surprised. The business has been in sharp decline since the takeover by Disney and in more gradual decline since well before that.

All its senior sports acquisitions staff were let go since the Disney takeover. No significant new rights acquisitions were made. Short-term renewals were agreed for some rights properties and other significant properties were dropped. Rights sellers were frustrated in recent years at a lack of clarity from the company regarding its direction in sport. In the biggest forewarning of what was to come, the Taiwan arm of Fox

Sports Asia was shut last year.

Disney also withdrew the Fox Sports brand from Japan and South Korea last year. It had operated a jointly-branded channel in Korea with local broadcaster JTBC, JTBC3 Fox Sports, since 2015. In Japan, it had a mixed sports and entertainment channel, Fox Sports Entertainment.

Rights market impact

Fox had not competed at the very top end of the market for premium rights for many years. But it was still an important player for a swathe of strong, second-tier properties.

Without the emergence of a new pan-regional player, and perhaps even with one, sellers that had deals with Fox are facing falls in revenue and challenges securing exposure in Asia-Pacific, industry insiders say.

Fox’s most valuable properties are Formula One, MotoGP, the four tennis Grand Slams, and the four golf Majors. Other significant deals include rights for Asian Football Confederation events, Italian Serie A football and the UFC.

The IMG Media agency is among the most affected sellers, being responsible for several of Fox’s biggest deals including MotoGP, Wimbledon, the tennis US Open,

golf’s British Open, the UFC, and the Italian Serie A.

Some pay-television platforms spoken to by *SportBusiness* hope to cherry-pick the most important rights from the Fox portfolio and drop the rest. With a major competitor out of the way, they expect to pick up the rights at a discount. Some expect to make savings on production too – Fox produced and distributed content from a relatively costly base in Singapore.

Risk-laden opportunity

This buyers’ market picture could change if someone emerges to fill Fox’s shoes with a pan-regional service. Industry insiders say a number of companies are sniffing around the rights being dropped by Fox but no one has yet emerged with serious intentions of a pan-regional play. It would be a risky venture, requiring a large amount of capital, and would face the same headwinds that killed Fox Sports Asia. But some economics would favour it.

For a start, the Fox portfolio represents a rare opportunity to acquire a large amount of premium sports content in a fell swoop. As one industry insider said to *SportBusiness*: “As a new entrant, you usually have to wait for rights to come up one-by-one and then outbid incumbents.”

Although some pay-television platforms look forward

to cherry-picking content, the departure of Fox Sports nevertheless leaves a significant gap in their sports offerings. They will need to make adjustments, either by acquiring replacement content or by reducing their prices to consumers.

Additionally, some platforms do not have their own channels or production resources and so need pre-packaged content like that supplied by Fox Sports Asia.

Even for platforms that can create their own content, in some cases it makes more sense for a third party “to do the heavy lifting”, as one industry insider put it. For example, Fox Sports Asia provided high-quality productions of expensive events like the Wimbledon tennis championships that the individual platforms are unlikely to replicate.

There is also a global trend towards the creation of new, sports-specific streaming platforms, and investment cash willing to back such ventures.

Going solely direct-to-consumer with an Asia-Pacific sports streaming platform could be even more risky than relying on pay-television affiliate fees. One of the major challenges for a streaming business in Apac is that large swathes of the region are low-income, developing markets with low credit-card penetration. Significant credit-card penetration in a target market, representing



(Brett Carlsen/Getty Images)

the ability of large numbers of consumers to reliably pay for a service, is a crucial foundation for D2C streaming businesses.

Sports streaming pioneer DAZN has used both models in different markets around the world, going purely D2C in some and being distributed as pay-television channels in others.

Several sports video platforms already operate in multiple territories in the region and are in theory candidates to step into Fox's shoes, including beIN Sports, DAZN, Premier Sports, and Aser Ventures' Eleven Sports and LIVENow. There are also a couple of multi-territory streaming platforms in the region that have been expanding in recent years, including Viu and Tencent's WeTV. However, for any of them it would require a dramatic change in strategy to attempt to replicate even some of Fox's business in the region.

“ *This buyers' market picture could change if someone emerges to fill Fox's shoes with a pan-regional service.* ”

Write-off

Fox Sports Asia ultimately fell victim to the macro decline in the global pay-television business. As in other parts of the world, pay-television platforms in Asia have suffered declining subscriber bases in recent years. Fox's revenues come from distribution deals with the platforms based on cents-per-subscriber fees. Platforms agitated

for discounts in the fees at recent renewals and were expected to continue to do so going forward.

Disney's global response to the challenges facing pay-television has been to focus on its streaming business, rolling out Disney Plus to take on head-to-head the competitors like Netflix that have squeezed the linear business. In the US, it is also building its sports streaming platform ESPN Plus. But outside that market its streaming activity is almost entirely focused on non-sports content, with the exception of Hotstar in India.

Some industry insiders are surprised that Disney has written off a business it would have paid a significant amount for in the 21st Century Fox takeover, albeit it was a relatively small part of the overall deal.

Other industry insiders are less surprised at Disney's decision, given the challenges facing Fox Sports Asia.

Many insiders are hopeful Disney and ESPN will eventually return to the Asia-Pacific sports video market.

There is belief that the strength of the ESPN brand and the ability and ambition of its management could provide a strong basis for a comeback.

Fall of an icon

Fox Sports Asia, and its previous incarnation ESPN Star Sports (ESS), was an icon in the sports pay-television business in Asia-Pacific during the industry's golden period from the mid-1990s through to the mid 2010s.

The rise and fall of Fox Sports Asia and ESPN Star Sports mirrors the fortunes of the broader pay-television business. There was stellar growth from the 1990s through to the 2010s. But in the second half of the latter decade the business was increasingly squeezed by digital disruption and the rise of streaming. The massive changes wrought in business and in consumer habits by the rise of the digital world have claimed many scalps. Fox Sports Asia is now among them. ♦

(Javier Soriano/AFP via Getty Images)





(Daniel Rasmussen at 'VisitCopenhagen')

Copenhagen overcomes Euro 2020 trauma to 'bring all of Europe together'

A special atmosphere of inclusivity in Copenhagen helped to inspire one of the key stories of the UEFA European Championship.

The sporting world has already adapted significantly due to Covid-19, but few in the sports media sector can claim to know with any real certainty what the industry's landscape will look like in a post-pandemic world.

Of the 11 cities across Europe that hosted matches during the recent Uefa European Championship, it was Copenhagen that stirred the emotions of football fans like nowhere else.

On June 12, just 41 minutes into the first of four tournament matches at the city's Parken Stadium, Denmark's Christian Eriksen collapsed moments after sprinting for the ball. The Inter Milan midfielder had to be resuscitated



on the pitch as fans in the stands and viewers at home watched on in shock.

Thankfully, Eriksen was saved by medics, and although Denmark went on to lose that match against Finland and the subsequent home game against Belgium, Kasper Hjulmand's side rallied to defeat Russia 4-1 in the final group fixture in a sizzling atmosphere that what sampled by captivated viewers across media platforms and channels worldwide.

In adversity, Denmark's displays were arguably one of the stories of the tournament – and there is little

doubt that the special atmosphere in Copenhagen had helped to propel the team, who ultimately bowed out at the semi-final stage.

Atmosphere

Parken Stadium was able to welcome around 23,000 fans to the Denmark v Russia match, with a similar figure attending Spain's thrilling 5-3 extra-time win against Croatia on June 28 – the last game staged at the venue during the competition.

"It was a traumatic experience that brought people together in Denmark, but it really felt like the whole football world stood together in support and created a rare experience of internationalism, connecting people and creating a

bond of universal respect," says Lars Vallentin, senior manager at Wonderful Copenhagen, the official tourism organisation of the Capital Region of Denmark.

"We went on to lose against Finland and Belgium, but both the team and the country seemed more united and suddenly everyone was ready to create a new football fairytale."

The togetherness and inclusivity witnessed in the aftermath of the opening fixture at the stadium, extending through to the conclusion of the tournament in the city, were common themes of Copenhagen's Euro 2020 campaign. Visitors to the city's Football Village fan zone were able to watch the yearly LGBTI+ tournament, Pride Cup, as well as the Danish national deaf team and other events.

Inclusivity and sustainability

The staging of the Pride Cup during Euro 2020 inspired the passion and community feel that permeated through the screens of the worldwide audience tuning in to see the matches at Parken Stadium. Furthermore, those fan-focused events came ahead of Copenhagen hosting the combined WorldPride and EuroGames events from August 12-22.

For Vallentin, LGBTI+ inclusivity and sustainability are two of the main areas of focus for Copenhagen in the months and years ahead, with sport acting as one of the key vehicles.

"Copenhagen is a world-leading city within sustainability and LGBTI+ rights," he says. "The city aims to become CO2-neutral by 2025 and we have pioneered diversity by being the first to allow registered same-sex partnerships."

"For Copenhagen, sustainability is the core of everything that is done, and it plays an integral role in the events in the city. Most importantly, the whole energy infrastructure of the city is greener than most

cities. Commuting is done by bike, the driverless metro or even the electric harbour buses for the scenic traveller.

"Whenever we host events, we want to integrate the sustainable solutions of the city, creating a more sustainable event, but also sending people home with new experiences of how things work here. It could be by inspiring people to take the bike, or maybe the clean harbour is something other cities could replicate, and the same goes for the energy sector with the many wind turbines surrounding Copenhagen."

Showcasing the city

Vallentin feels that Copenhagen was "craving a celebration" after the Covid-19 lockdown, and with Denmark having dealt with the pandemic relatively well compared to other nations, the city was already "relatively open" by the start of Euro 2020. High testing numbers and the rollout of a COVID-19 passport proved key to ensuring the infection rate remained low throughout the tournament.

Copenhagen is currently running a wide-ranging inclusivity programme promoting football, with a particular focus on girls, social minorities and "more mature players". For Wonderful Copenhagen, Euro 2020 presented a perfect opportunity to showcase the city's efforts.

"The city organised many events in the Football Village. There have been football tournaments specifically targeting girls, and the city hall square has been decorated with a large grass patch and ball leading into the exhibition of memorabilia from other tournaments," says Vallentin.

"But really, not much needed to be done. Copenhageners were ready to celebrate and everywhere around the city there were flags hanging out the windows and people wearing football jerseys. Eriksen's incident created a national shock making the

Euros seem pointless and irrelevant, but as he was brought back everyone could exhale with relief and all the emotions, tension, and anxiety from this created the basis for a huge positive burst of energy and love running through the streets of Copenhagen."

A reinforced brand

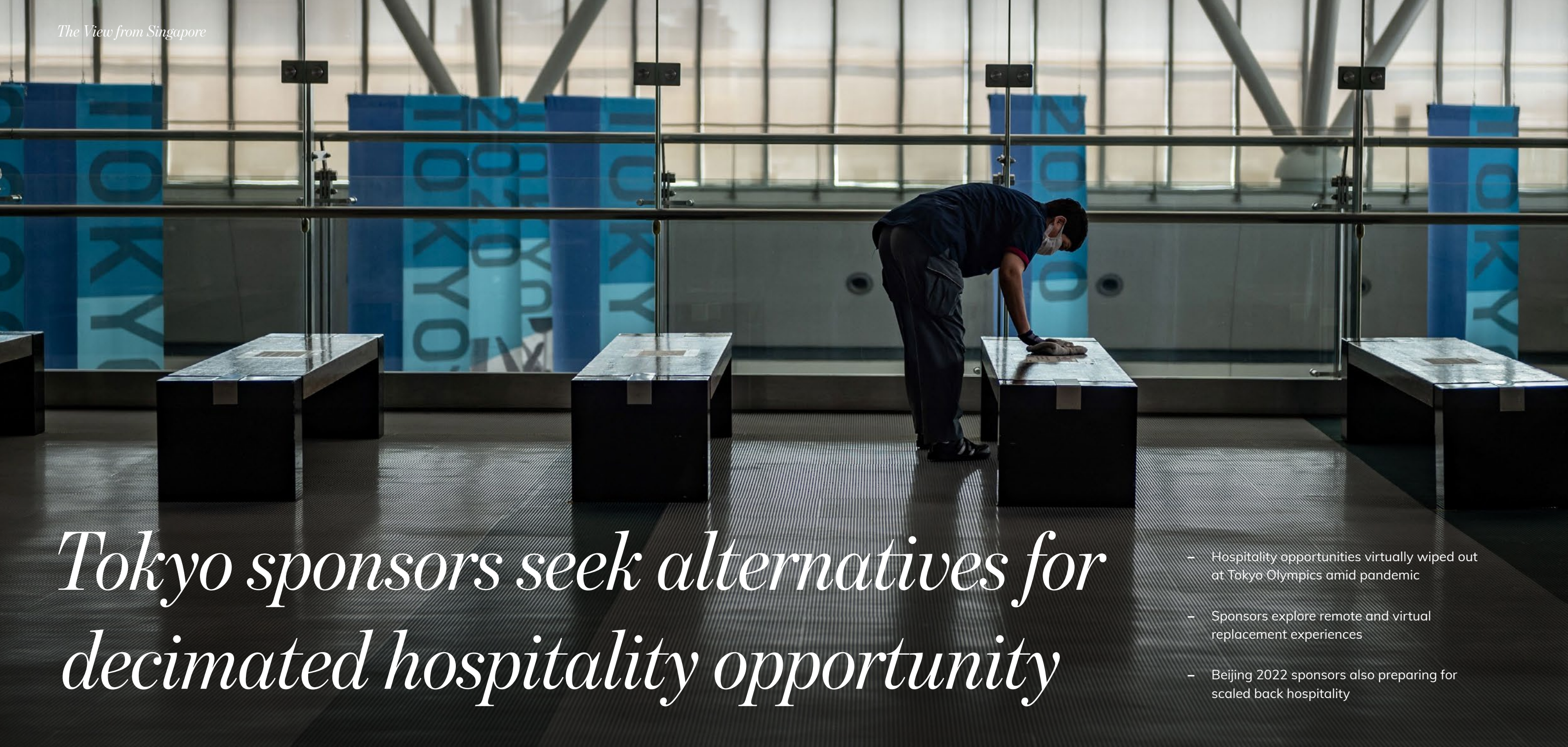
If Euro 2020 had taken place without any travel restrictions in place, more overseas fans would have been able to experience the unique Copenhagen atmosphere in person rather than through their screens. Vallentin, though, believes the tournament still provided Copenhagen with an "amazing" platform.

"Copenhagen has reinforced its image as a lively and safe destination, where people love to celebrate their sporting heroes and where events are well organised, and the party is in a loving atmosphere," he says, outlining the 'hygge' feeling of comfortable contentment that runs through the city.

"One of Copenhagen's core strengths is the people and our way of being. It's a city with more bikes than cars and a hugely exciting gastro and beer scene. Copenhagen is ranked as Monocle's most liveable city and is one of the happiest places in the world."

This year, Denmark may not have matched the success of its shock Euro 1992 title triumph. However, on and off the pitch, this was a tournament to remember, and especially for Copenhagen.

"This tournament shows what a great mobiliser sport can be," says Vallentin. "The drama and tragedy followed by success on the pitch and camaraderie did not only bring the Danish team closer together; it was a real shared experience with tears and relief that brought the whole country together – and for a little while it felt like it brought all of Europe together." ♦



Tokyo sponsors seek alternatives for decimated hospitality opportunity

- Hospitality opportunities virtually wiped out at Tokyo Olympics amid pandemic
- Sponsors explore remote and virtual replacement experiences
- Beijing 2022 sponsors also preparing for scaled back hospitality

(Philip Fong/AFP via Getty Images)

By Kevin McCullagh

Sponsor hospitality at the Tokyo Olympics has been pared back to the bare bones amid the pandemic and public negativity about the Games, according to industry insiders.

International Olympic Committee sponsors are exploring remote alternatives to onsite hospitality, with elements such as AR and VR experiences, and specially-created meals and gifts delivered to hospitality recipients abroad.

Lessons learned from these challenges could be employed again soon, with hospitality at the Beijing

2022 Winter Olympics, just six months after Tokyo, also expected to be heavily disrupted by the pandemic.

Best in class, usually

The Olympic Games usually features some of the most sophisticated sponsor hospitality programmes in world sport. In normal times, sponsors' guests are flown in from around the world for several days of sport and hospitality, as well as immersive product showcases by brands. The biggest sponsors can spend in excess of \$10m on a hospitality programme at an Olympic Games.

Visa, for example, gave its visitors at Rio 2016 rings with RFID technology that could be used to make payments at a specially-created merchandise store.

Buyers did not have to interact with cashiers – they were able to simply pick up items they wanted and walk out of the store, with Visa technology in the rings managing the purchases.

Nicholas Bruce, vice-president, head of consulting and research at Nielsen Sports in Asia, says: "The hospitality programmes are amazing, not just because of the hotels and the sport you get to see, but also the way in which brands integrate their products and showcases. As a result, it's a really strong b2b platform." Nielsen has worked with a host of Olympics sponsors, past and present.

Most Tokyo sponsors decided months ago, if not last year, that flying in international guests was going to be impossible.

Ricardo Fort, the sponsorship consultant that has previously led the global sponsorship teams of Olympic TOP sponsors Visa and Coca-Cola, says: "For international guests, [there will be] none. For domestic guests, very little. Most companies cancelled their hospitality programmes long ago, concerned the Games could be postponed again or cancelled. Very few managed to recoup their investments."

The hospitality focus was set to switch to Japan-based clients and customers, but as the pandemic dragged into this year and public sentiment around Tokyo remained negative, many of these plans too were put on ice.

Tokyo organisers and the Japanese government have said that up to 10,000 spectators will be allowed into

“If you watch the TV now, there are no campaigns, no advertising, really supporting the Olympics.”

venues to experience the Games live – although there have been jitters in the last week that spectators could be shut out completely. Theoretically, the door is open for in-venue hospitality. However, there is nervousness among sponsors about carrying out and communicating any such plans.

“They are afraid of negative backlash from the public,” says Ken Maki, agency director at Octagon in Japan.

Public opinion polls in Japan have suggested a high degree of concern about the pandemic risk posed by the Games. Negative press coverage about an Olympics in the months leading up is nothing new, but Tokyo has suffered more than usual due to the pandemic.

Nervousness about public perception has meant Olympic sponsors are holding off on any type of activation within Japan, not just hospitality.

“If you watch the TV now, there are no campaigns, no advertising, really supporting the Olympics,” says Maki. “That’s very rare, less than 60 days to the Games. That’s very strange.”

Spectator limits at venues and fears about public perception are not the only challenges for hospitality. Current Covid restrictions in Tokyo include early closing times for restaurants and bars, and restrictions on serving alcohol after 7pm. Citizens are advised not to go out

unnecessarily and to avoid crowded places. Government advice lists ‘social gatherings with alcohol’, ‘long feasts in large groups’, and ‘conversations without a mask’, as risky situations that citizens should beware of. The measures are clearly not conducive to hospitality activities.

A range of companies have been affected by the scaling back of hospitality activity. These include local and international agencies that specialise in hospitality and have been working with Tokyo 2020 sponsors. Japanese firms involved include tourism agencies JTB, KNT and STH Japan; international agencies involved include iLuka and GMR.

Then there are all the suppliers behind the hospitality experiences. Ricardo Fort says: “On the ground in Japan, all suppliers of the hospitality industry – hotels, transportation companies, staffing agencies, events agencies, etc – are suffering too.”

Alongside sponsor programmes, hospitality tickets are available for sale to non-sponsors and the general public. An official website to buy these tickets for Tokyo 2020 is currently live. Prices range from around ¥60,000 (\$540) for a day’s worth of taekwondo events, up to ¥2.7m (\$24,000) for a bundle of days including the opening ceremony and three evening athletics events at the Olympic Stadium. The website says tickets include “the finest food and drinks from around the world providing an opportunity for you and your guests to experience the Games in an unrivalled fashion, whilst putting measures in place to manage the health and safety of our hospitality attendees”.

Alternatives sought

Industry insiders expect some hospitality to take place at Tokyo, although it will be small fraction of normal activity at an Olympics.

Bruce says: “I think there will still be some hospitality. But it’s not going to be anywhere near the same scale as it would have been if the pandemic hadn’t happened...It’s a shame. It’s a lot of hard work from a lot of people.”

Some sponsors are waiting until the last minute to see whether they can salvage any onsite hospitality, but Ricardo Fort says their ability to execute plans will be limited:

“These programmes take months of planning and contracts with hotels, transportation companies, staff need to be signed in advance. It is impossible for an international sponsor to react during the Games. Local sponsors might be able to do it, but I will be surprised if it happens.”

Some sponsors plan to give hospitality tickets away to employees within Japan, should they become available, to leverage the opportunity for employee engagement.

Some are working on remote alternatives, including augmented reality and virtual reality experiences within which they can deliver some of the media and messaging they would have delivered via onsite, physical installations. They are also considering some of the more innovative elements of remote hospitality that have been tried in the last year, such as food and culinary experiences delivered to guests overseas, and virtual meet-and-greets with athletes.

No one expects these virtual experiences to be long-term replacements for in-person, onsite hospitality. But if they work, there are obvious opportunities for brands and rights-holders to add them to toolkits for future sponsorships.

“This is a great opportunity for brands to try different things,” says Bruce. “In future, do they need to bring guests in from around the world? Maybe not. And if they do, can they also do more of: ‘We’ll send you a hamper, we’ll send you a personal chef, we’ll send you a VR headset, we’ll run a really premium event in-market rather than getting you to travel halfway around the world’...?”



The Olympic Rings are reflected in the window of an empty restaurant on January 22, 2021 in Tokyo, Japan. (Carl Court/Getty Images)



It is unclear how long the hospitality sector will have weather the current restrictive conditions.

Sponsors and their agency partners are already preparing for scaled-back hospitality at the Beijing 2022 Winter Olympics. Chinese government restrictions on international travel, which continue to cause major events to be cancelled in the country, are expected to mean less inbound travel.

“The situation won’t change drastically, we expect,” Maki says, referring to the Covid restrictions in China. “I think that’s going to continue and international guests are not really travelling to Beijing to watch the Games.”

Octagon is working with sponsor clients to create remote experiences for the event.

Maki says: “We are trying to create video-oriented, VR and AR content so guests can feel that they are inside the stadiums, hotels or showcasing venues, so they can taste the event. At the same time, we will send out physical gifts or a physical element, such as cuisine related to China.”

Uptick expected

The Tokyo organisers, sponsors and other stakeholders are betting and hoping that, once the Games get underway, public sentiment will turn positive. Maki expects this to happen once media attention turns to the exploits of athletes, rather than the Organising Committee.

“Once the event kicks off, I think the public will support the athletes, especially after they have prepared

for five years for the events,” he says. “Gradually, I think, opinions and sentiment in Japan will change. I think it will take time, but I believe it’s going to change.”

This could open the door for sponsors to execute some late hospitality plans.

There are other potential upsides amid the disruption. Japanese companies have traditionally had a rudimentary approach to sports sponsorship, Maki says. They have now been forced to think more deeply about ROI and different ways of activating in order to get value from their deals.

“People were just spending money to support events,” Maki says. “They didn’t think about how they activate the sponsorship, how they leverage the sponsorship. Now they have to really consider ROI. I think it’s about time for this change of perception on sponsorship in Japan.”

The exploration of remote, virtual and other alternative ways of delivering hospitality is one part of this.

It is another case of the pandemic’s disruption spurring innovation within the sports industry. Nevertheless, a return of the in-the-flesh sports hospitality experience is clearly critical for the sub-sector.

The central value of sports hospitality experiences, industry experts say, lies in the opportunities for sponsors to forge deep relationships with customers and partners, by spending time in each others’ company at a compelling event. It is a unique and powerful value proposition that cannot be fully replicated virtually. ♦



“The pandemic will be part of our photographic content” | Uefa and Getty plan for Euro 2020

Ahead of Euro 2020, **Paul Murphy, Uefa digital image expert**, and **Paul Gilham, Getty Images senior director**, describe the relationship between the governing body and its official photographic agency, and how this year’s event will set new benchmarks in the speed of image delivery

What services is Getty delivering for this year’s tournament?

PM: Getty Images are providing Uefa with photographic services as the official photographers for the tournament. This service allows Uefa to capture the full aspect of the tournament, from editorial to commercial to operational content. The Uefa photographers will be at the heart of the action to capture every aspect of Uefa Euro 2020 as it takes place in 11 cities across Europe. This service allows Uefa to provide still image content to its member associations and other stakeholders. Getty Images are also sending photographers for Uefa to squad ‘access days’ where Uefa will gather

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content of every player ahead of the tournament.

PG: As the official photographic partner to Uefa (a position we’ve held for 18 years), our focus is to work with Uefa to develop their visual strategy and deliver against their goal of the Euros being a fan-led tournament. This includes consulting with them on creating differentiated content which will drive engagement among their diverse fanbase (such as the player portrait series we are developing), as well as being able to deliver a flexible operational framework which

ensures comprehensive stand-out coverage – not only of the action on the pitch, but of the team trainings, behind the scenes content and of course of the fans and local activity outside the stadiums. Our priority is to deliver distribution at speed, so we have an editing team spread across Europe who will be working around the clock to ensure the visuals are pushed out through our global distribution platform, with priority images sent out in real time.

How has the pandemic changed Uefa’s photographic requirements?

PM: The most noticeable impact

of the pandemic concerns logistics and what it takes to stage matches. However, when the whistle blows it's all about football on the field and for this there is no change in photographic requirements. We have adapted our protocols onsite and do not have photographers travelling internationally from venue to venue. With all that considered, the actual requirements are the same as they would have been before the pandemic.

Would it be accurate to say Uefa will need more photographic content for digital activations (designed to mitigate the loss of live activations)?

PM: Not necessarily as Uefa would always endeavour to capture digital content of live activations for our stakeholders involved.

Will crowd limits make it difficult to position the Euros as a fan-led tournament?

PM: Uefa Euro 2020 is welcoming fans back to the stadiums. What we always see loyal and dedicated fans dressed in their national colours at Uefa Euro tournaments. These always make for very strong images and really capture the emotion and atmosphere of the tournament. Every fan is a participant in this tournament and, together with Getty Images, we will capture countless images of fans enjoying the month of football they have been waiting such a long time for.

Would it be accurate to say most sponsors have an interest in fan-led photography (i.e putting themselves at the heart of fan passion)?

PM: Sponsors have a wide variety of requirements and like most stakeholders they want to showcase the full extent of the tournament. The fans are a very important factor in football and of course sponsors would like to have access to images that showcase this.



Paul Murphy, Uefa digital image expert

Will Uefa seek to minimise references to the pandemic in the photography, or is important to have a historical record of the fact the tournament took place under these conditions?

PM: It is important to us to showcase how the tournament took place. Every detail is important. We will capture behind the scenes content of the protocols that have been put in place. It is important content, not only for historic or archive purposes, but for live storytelling to show how Uefa together with the host cities and each LOS put on this major tournament given the challenges everyone has faced during the pandemic. The pandemic is part of our current everyday life and therefore will also be part of our photographic content.

PG: Along with our dedicated Uefa photographers, we will also have a number of our editorial photographers covering the matches and telling the story of the European Football Championships. Our aim is always to remain objective and to cover the action as it happens, so the images we capture will provide an accurate historical record for us to look back on in years to come.

How difficult is it to coordinate a photographic operation across 11 different host cities?

PG: It's definitely a challenge, but one we are accustomed to since over the last 25 years we regularly provide large-scale photographic operations

for our partners – including Summer and Winter Olympic Games and Fifa World Cups. What is more challenging is doing this during the pandemic. Luckily, we have a network of talented photographers based across Europe, which makes co-ordinating the logistics a lot easier. In some cases, such as in Germany, our photographers are able to drive over to the stadiums. In other cases, we have followed the local country guidelines carefully to ensure our photographers can safely fly over and isolate where necessary.

Of course, it's not only ensuring we have the right photographers in place but also having the necessary technical set-up. Back in 2018, we shifted to editing remotely, so we already had the infrastructure in place. Our servers are set-up so that our editors, spread across England, Sweden, Spain, the Netherlands and Germany, can edit the photos in real time and ensure they are fed through our global distribution platform – with the priority images photographed, edited and sent out in real time. Having this remote set-up in place helps massively when it comes to organising the operations during the pandemic, as it ensures we can seamlessly deliver the same standard of service while limiting the need for travel and additional people on the ground.

PM: We are fortunate at Uefa to work every season with matches and events across 55 National Associations. So, we have much experience in delivering photographic operations across Europe. We have the benefit of working with a global organisation like Getty Images which is helping us achieve our goals in this area. Unlike the most recent Euro final tournaments we do not have photographers travelling to multiple venues, so this has in fact simplified our approach to Euro 2020. We have more photographers involved but individually they are shooting less games than they would have in 2016, or 2012 for example.

How are player portraits used?

PM: The player portraits are a gold standard series of content. The teams allow us to come to them before the start of the tournament to capture a multitude of content. This photography is what Uefa uses throughout the entire tournament to help tell the story of the Euros. It is a huge body of content, which means that we do not need to ever send photographers to team basecamps during the tournament, which is something I'm sure the teams themselves appreciate. The portraits will be used as standard headshots on Uefa's native and social platforms, the teams and players and our broadcast partners will also use them. Keep an eye on matches in the official Uefa Euro 2020 app and you will see some of this content take over your screen as goals are scored. Portraits are also used as part of match graphics when goals are scored. The images are available to media via the Uefa collection on Getty Images.

PG: Together with Uefa, we were keen to create portraits that differ from the standard portraiture you see at tournaments and drive greater engagement among their diverse fanbase. We realised that we could create a lot of content for Uefa in a short amount of time if we were strategic in how we planned the player portrait sessions.

We are tapping into our talented network of photographers based around Europe to capture the different team's portraits. This involves intricate planning to ensure the images delivered all have a consistent look and feel. We've drawn up floor plans, specified exact colour gels and will have our photographer project manager (Michael Regan) online during each shoot to provide live feedback and ensure quality control. Although it's been quite a logistical feat, we know this type of content drives incredible engagement for Uefa, especially on social.

Why is it important to emphasise the cultural heritage of players in this photography?

PM: We have taken a creative approach to our portrait sessions with each team. We are shooting on two backdrops: one is consistent across all 24 photoshoots and is a backdrop with official Uefa Euro 2020 graphic details. This set of images is Uefa Euro 2020-specific and homogenises the content across all shoots so taken as a set it's clear to see each team and player was shot as part of the same series. The second set of images is specific to the cultural heritage of the country. The project leader from Getty Images Michael Regan proposed designs to Uefa which were not only visually stunning backdrops but also something specific to each team. These images resonate so much more, the players interact well with it. It is specific to them and their team and their national identity. These players are representing their nation at Uefa Euro 2020, they have been selected from their entire population to represent their country and for this we found it important that we made a series of specific images which really mark their heritage, where they are from and the people they are representing.

What other sorts of differentiated content can we expect for this year's tournament and how is technology helping to deliver this?

PM: At Uefa Euro 2016, the photography team of Uefa together with the incredible team of professionals at Getty Images were able to get photography from the moment it happened to fans' screens as fast as 29 seconds. That season's Champions League images were averaging around 15 minutes. This set the tone for things to come. At Uefa Euro 2020 this 'fast path' of images will also take center stage in live match content on Uefa's native and social platforms. Integrating this fully with our digital asset

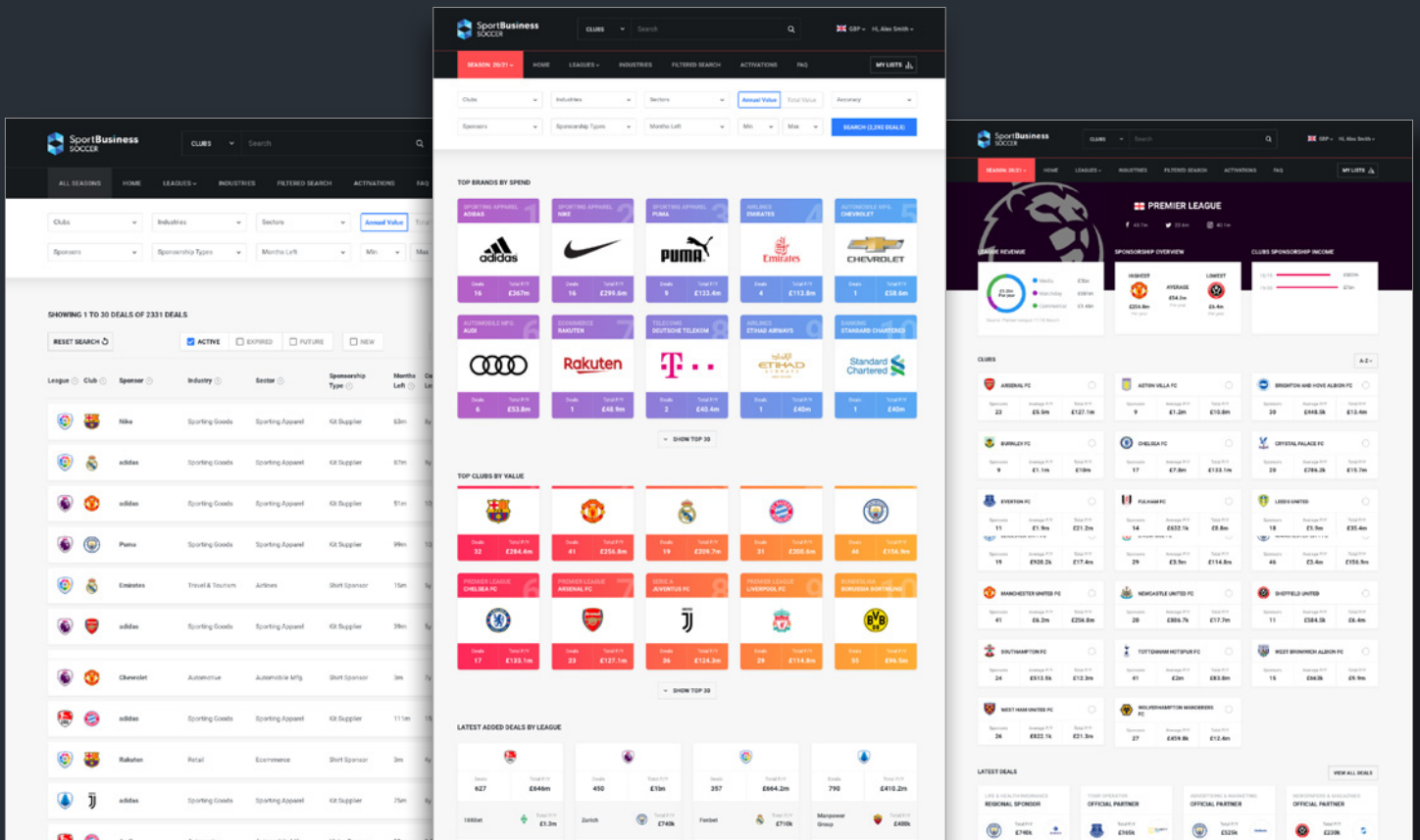
management (DAM) and other tools will allow us to get this fast stream of images to other stakeholders, such as the teams and in some cases players, in record breaking times. This means fans all over the world will get truly live still image coverage of Uefa Euro 2020. The greatest advances in technology will sit in the background for 2020, while in 2016 we had seen great advances in cloud platforms to help deliver fast path and camera technologies to deliver quick 360 images, in 2021 the advances will be used by the back-end teams delivering all the photography from various office and work from home conditions. Getty Images' internal platforms and Uefa's DAM platform will make all of this content flow quicker than ever.

PG: For each match, we will be sending around three photographers (more for the finals) to ensure we capture the action from every angle. For the semi-final and final matches, our photographers have installed remote cameras and net cams which they'll be operating, alongside photographing with their hand-held cameras, to enable a variety of perspectives.

As the official photography partner to Uefa, we are the only photographers allowed behind the scenes, which gives us the opportunity to capture the stories happening off-pitch as well, such as the tunnel line-ups. We are also the official team photographers for England and Italy, which means we are embedded with the teams capturing exclusive in-camp photography, such as trainings, behind the scenes content and match action.

Of course, covering the events happening outside the stadium will be equally important, especially in delivering against Uefa's aim of the Euros being a fan-led tournament, and so our network of photographers and videographers across Europe will be closely documenting the fan celebrations and local activities. ♦

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