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The Pandemic & the Global Sport Industry

HOW WILL WE SUSTAIN?



DIAGNOSIS



DIET



EXERCISE



Diagnosis

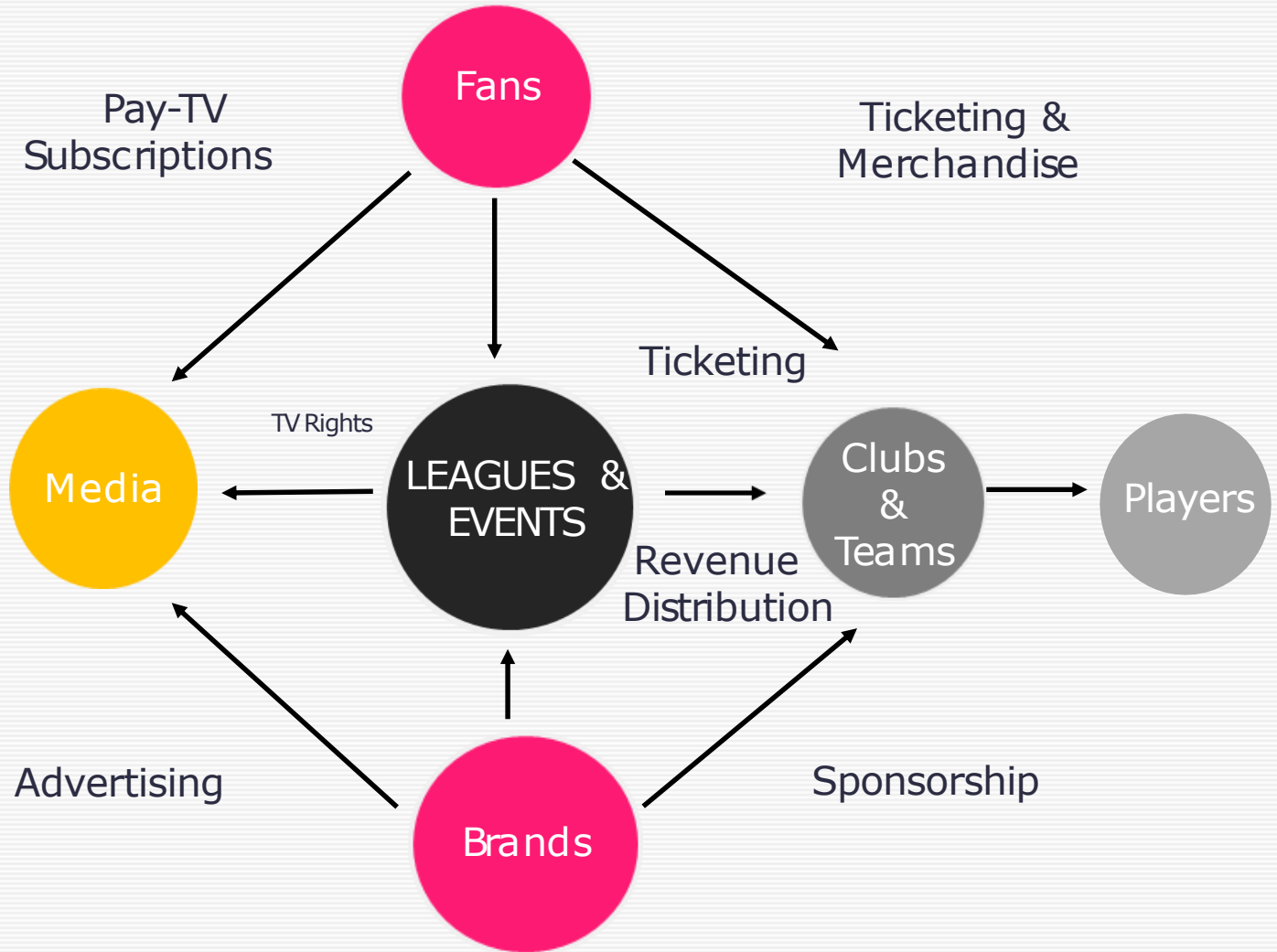
- Euro2020 postponed to prioritise the finishing of domestic leagues. FIFA assists WHO with 'Pass the Message'.
- The Olympics postponed to 2021 with NBC having already sold \$1.2 billion of advertising.
- The majority of national/domestic sporting leagues and competitions postponed with the French and Dutch leagues cancelled.
- The top 5 European football leagues been put on hold has cost a combined maximum of €4.14bn in lost revenue.





DIET

- Every part of the sporting value chain has been affected.
- Global sports sponsorship deals alone represented almost a **\$46 billion industry** last year.
- In TV, brands put almost **\$20 billion toward sports-related programming** last year, with about \$17 billion (85%) spent around live sporting events.
- Brands also put close to \$1.2 billion toward digital advertising.



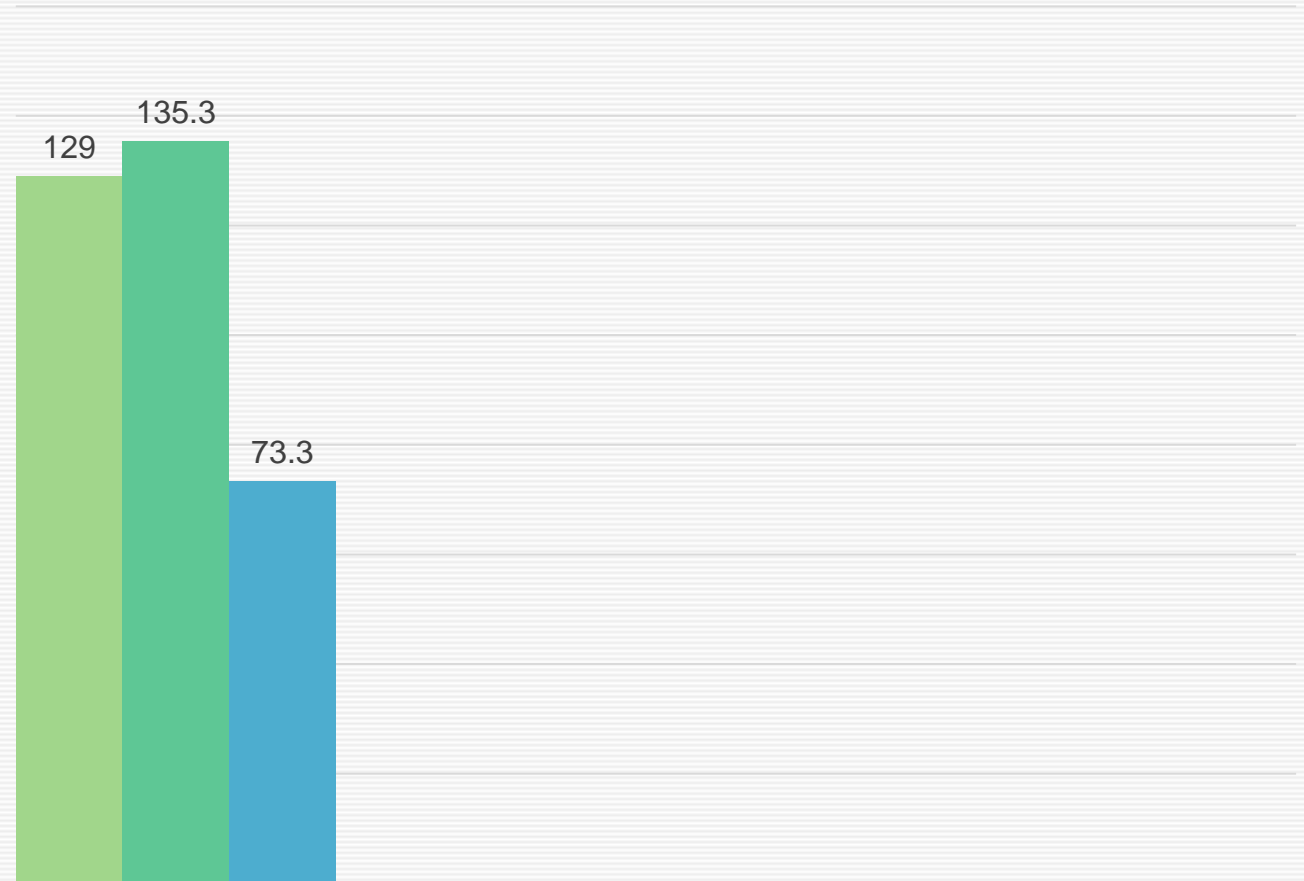


Diet

- Pre-Covid-19, projections were that the global sports industry* would grow by 4.9% year-on-year to reach \$135.3bn in 2020.
- But as of 20th April 2020 it is projected that it will generate just \$73.7bn in revenue in 2020, \$61.6bn less than pre Covid-19 predictions.
- Projections have also indicated that just 26,424 of the 48,800 sporting events scheduled prior to Covid-19 will likely go ahead**.

TOTAL GLOBAL SPORTS REVENUE (IN USD BILLION)

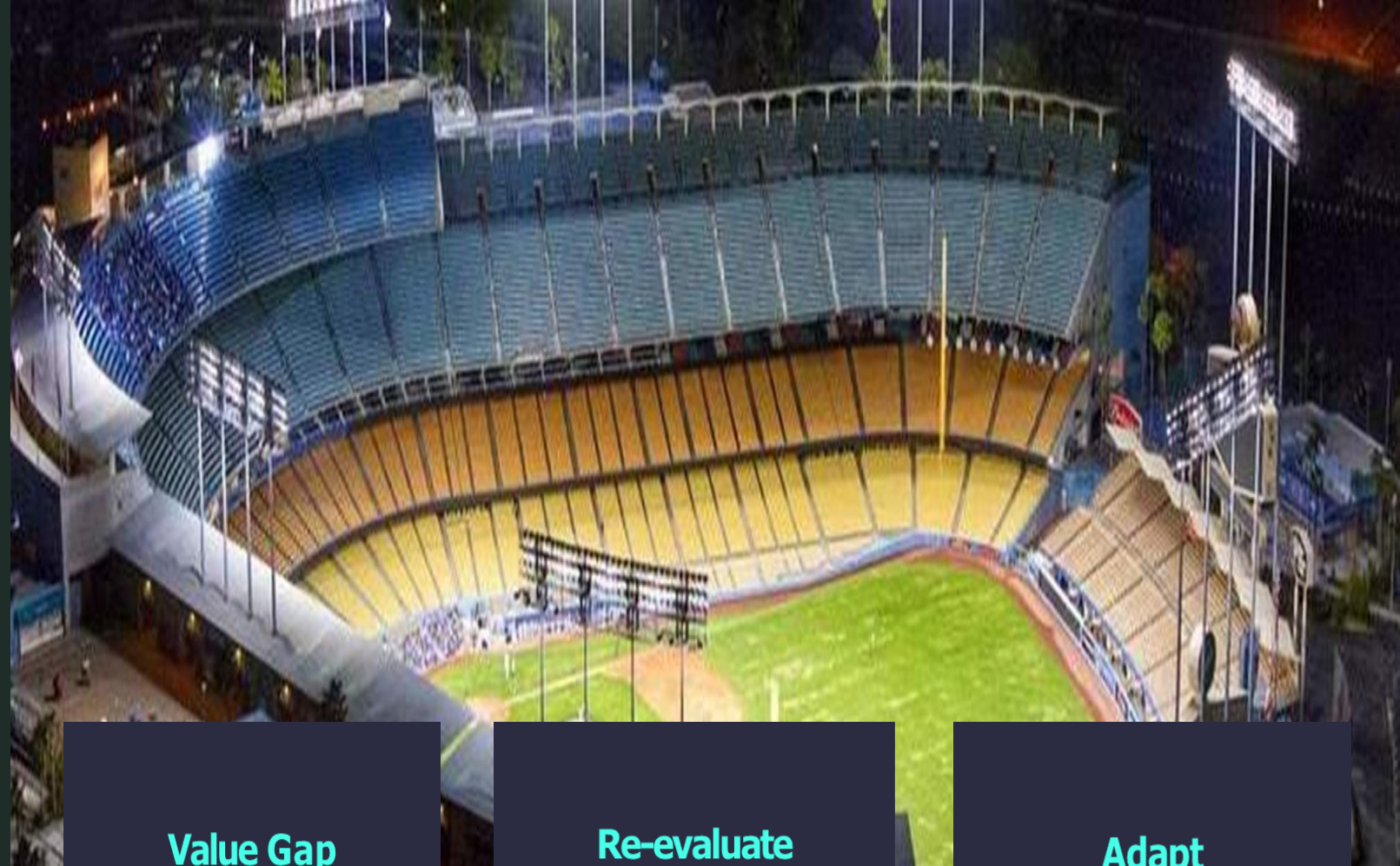
■ 2019 ■ 2020 (1) ■ 2020 (2)





Exercise

The Sport Industry Players should use this time to look at core strategic tasks review & value analysis



Value Gap

How can you analyse the 'industry value gaps' that have been created by Covid-19

Re-evaluate

How can you re-evaluate and optimize sport management strategies on adapting to the changes as the value gaps presents

Adapt

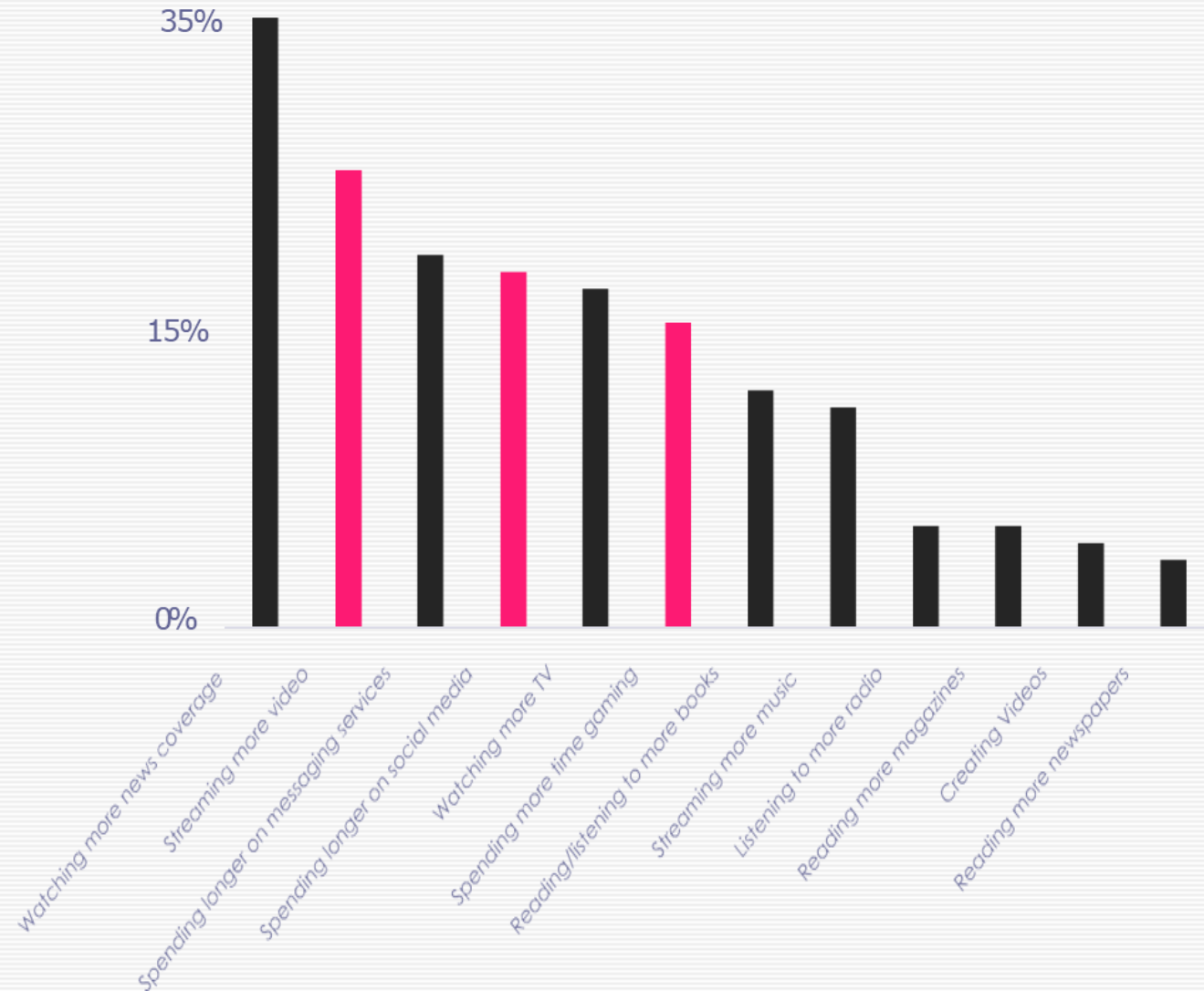
How can you adapt current sport related activity going forward?



Exercise

- With a lot more time on their hands and no live sport to watch on linear channels, fans are still as passionate and hungry as ever for sport and are turning to video content to get their fix.
- This increase in demand has led to leagues opening up their archives across owned and social media channels, launching virtual competitions and events, and athletes providing challenge and workout content
- In-house media teams at leagues and clubs across all sports have been quick to pivot and harness the immediacy, flexibility and interactive nature of social and video streaming platforms to experiment and drive engagement with fans while the interruption to the calendar goes on.

Media Consumption Increase due to Covid-19 Worldwide 2020



Virtual sports events and competitions have filled the void on consumers need for that live sporting fix



NFL 2020 VIRTUAL DRAFT

NFL smashes Draft viewership records with 2020 virtual event - total average US audience of 8.4m across all linear channels and digital streaming platforms (+35% increase from 2019). The NFL used TikTok to draw 580m views of a #GoingPro challenge to engage younger fans.



FORMULA 1 VIRTUAL GRAND PRIX SERIES

Featuring current F1 drivers, celebrities and other sports stars, Formula One's debut eSports Virtual Grand Prix pulled in 3.2m online viewers across YouTube, Twitch and Facebook



E-PREMIER LEAGUE

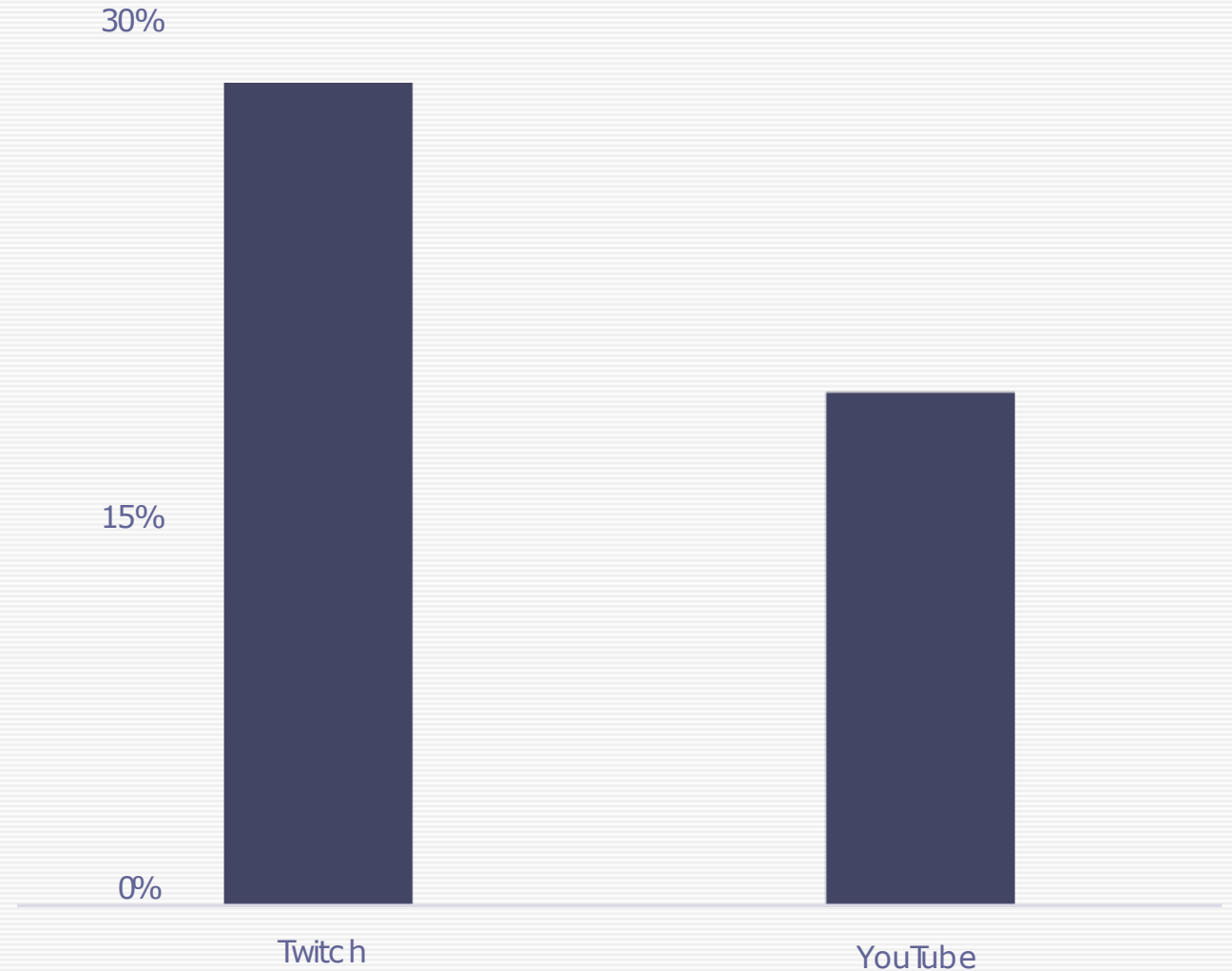
The inaugural e-Premier League Invitational netted 150 million viewers, which saw football stars represent their clubs virtually on FIFA. Alongside being broadcast on Sky Sports and social platforms like Facebook & YouTube, the tournament was live streamed on game streamers like Twitch.



Exercise

- There has been a 27% increase in video streaming worldwide. However, it's not just TV & movies people are streaming. Gaming viewership is up 75%* during peak hours in North America. This is up way ahead of standard web traffic (+20%) and video traffic (+27%).
- Even before the crisis, Gaming was already a bigger industry than music and film combined. Covid-19 has only accelerated this trend with people finding themselves quarantined at home.

Gaming and e-Sports sectors are booming



E-sports have moved front and centre with major blue-chip brands investing in long-term partnerships



BMW – ESPORTS, 'UNITED IN RIVALRY'

BMW has partnered with five of the world's top eSports organisations, with teams competing in League of Legends. The move was most likely agreed long ago, but is a recognition of the growth of eSports, particularly in lights of its growing online reach in the wake of Covid-19



ESL PRO LEAGUE

ESL Pro League, which ran from Mar16 - Apr 12, was the most successful season in the competition's history. Viewership hit a new record of 489,120 concurrent viewers across all platforms. Average audience per minute was 164,494, a 215.5% increase compared with 2019



TRAVIS SCOTT X FORTNITE

Fortnite hosted a psychedelic virtual Travis Scott concert with 12.3M people watching it live.

— There will be an acceleration of the digital age of disruption in sports, driven by three forces :



ACHIEVEMENT
UNLOCKED:
LEVEL UP



Thank
You

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