

A stylized world map in a light blue color, centered on the Atlantic Ocean, serving as a background for the text.

# #SPORTBIZ

**WEBINAR  
SERIES**



# Sports Industry, a global overview

COVID-19 economic impact and challenges.

Amir Somoggi



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- EXPERT TALKS
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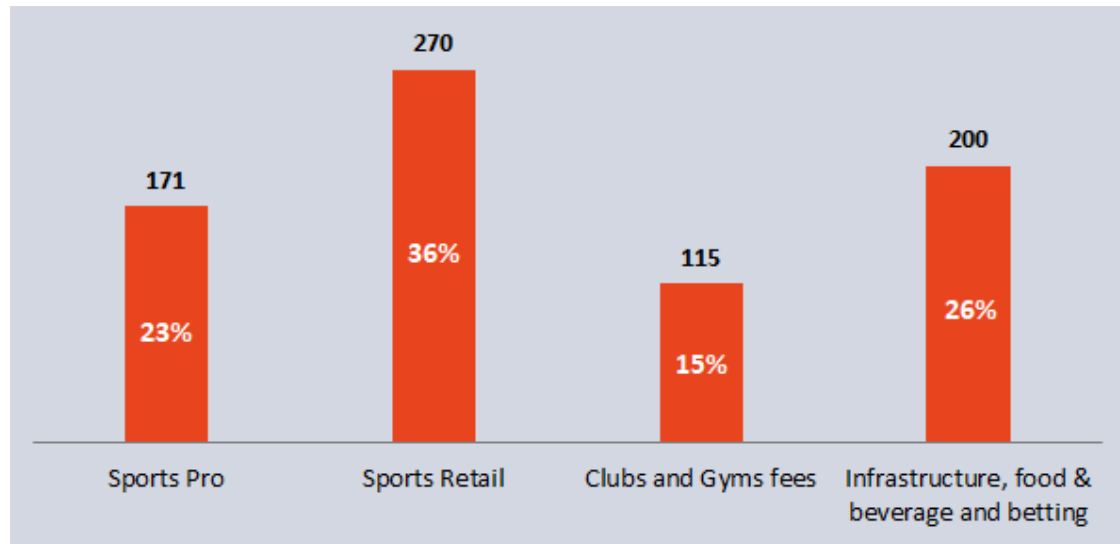
## Content

- **Global Sports Industry**
- **Football, the global game.**
- **Coronavirus economic impact on sports.**
- **Challenges and new trends.**

# Global Sports Industry

Global sports market = US\$756 billion annually.

Sports Industry revenues— 2018- US\$ billion



Source: Sports Value

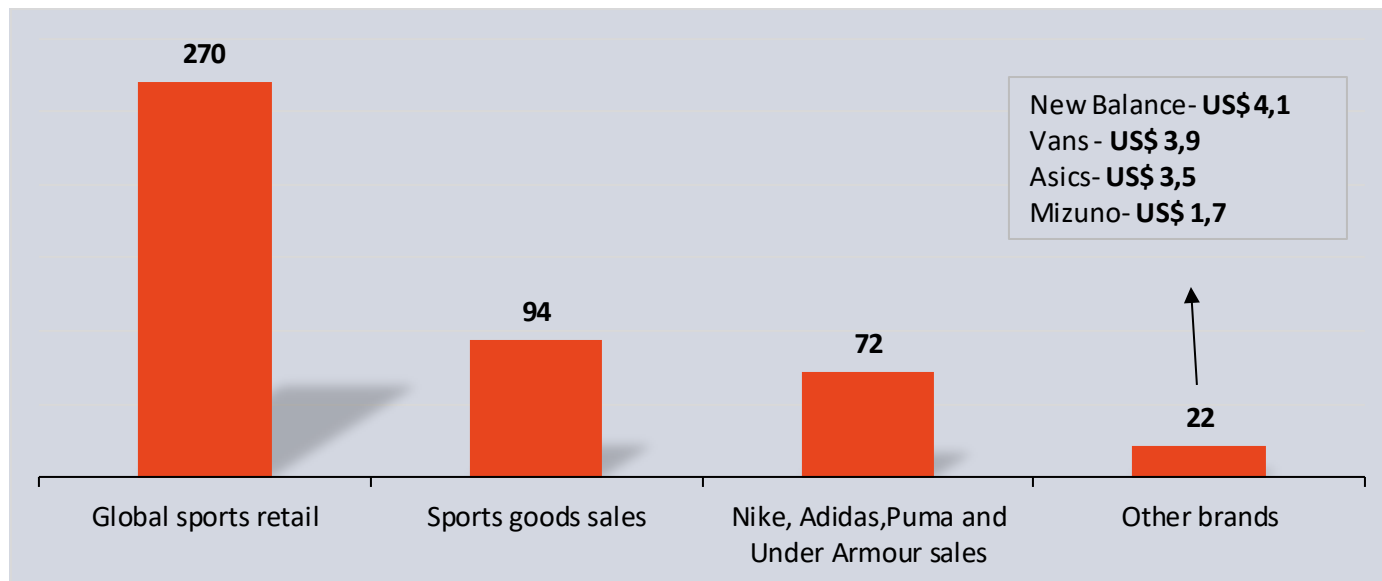




## Global Sports Industry

Sports retail in US represented for 50% for all global sales.

Global sports retail sales- 2018- US\$ billion



Source: Sports Value



# Global Sports Industry

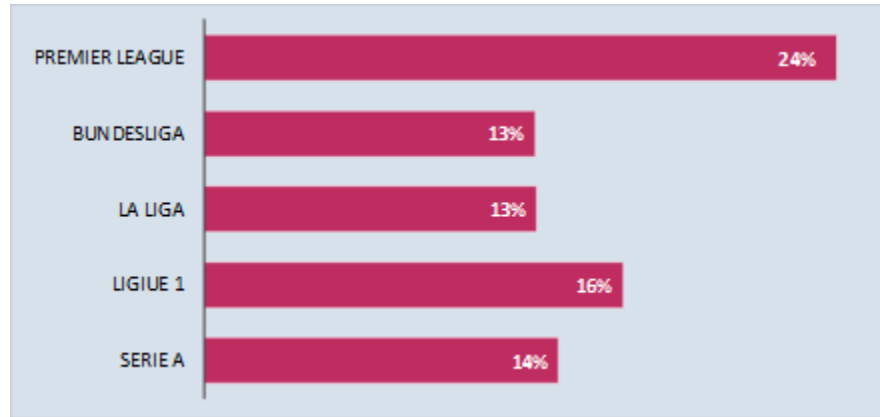
## Global sports revenues

US\$ 70 billion in marketing

USA= US\$ 32 billion

Europe = US\$ 20 billion

Jersey sponsorship / total commercial income



Source: Sports Value

European teams generate more than US\$ 7 billion annually in commercial revenue.



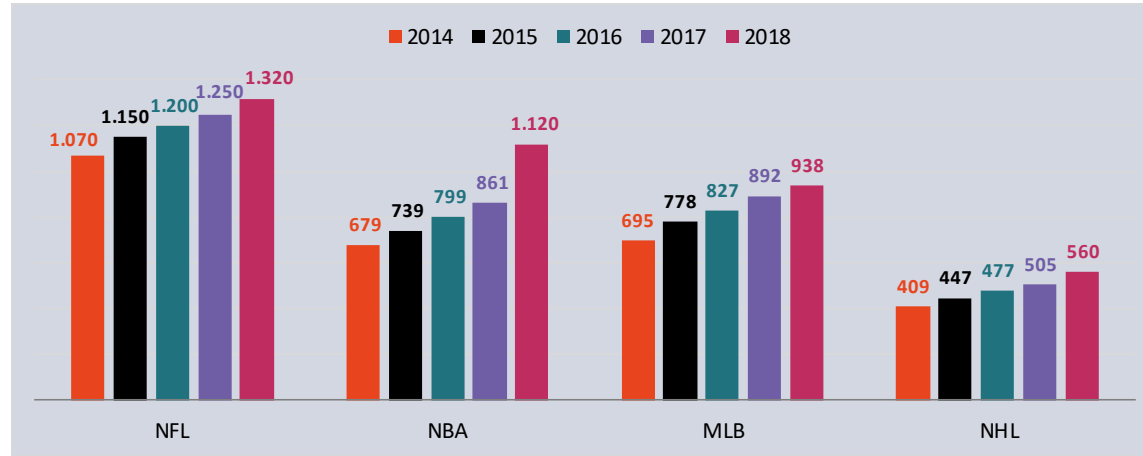


# Global sports revenues



## Global Sports Industry

### Sponsorship revenues in US Leagues -US\$ billion



Top 4 Leagues generated US\$ 3,9 billion in 2018.



NBA jumped 30% in 2018.

Source: IEG



# Global Sports Industry

## Global sports revenues

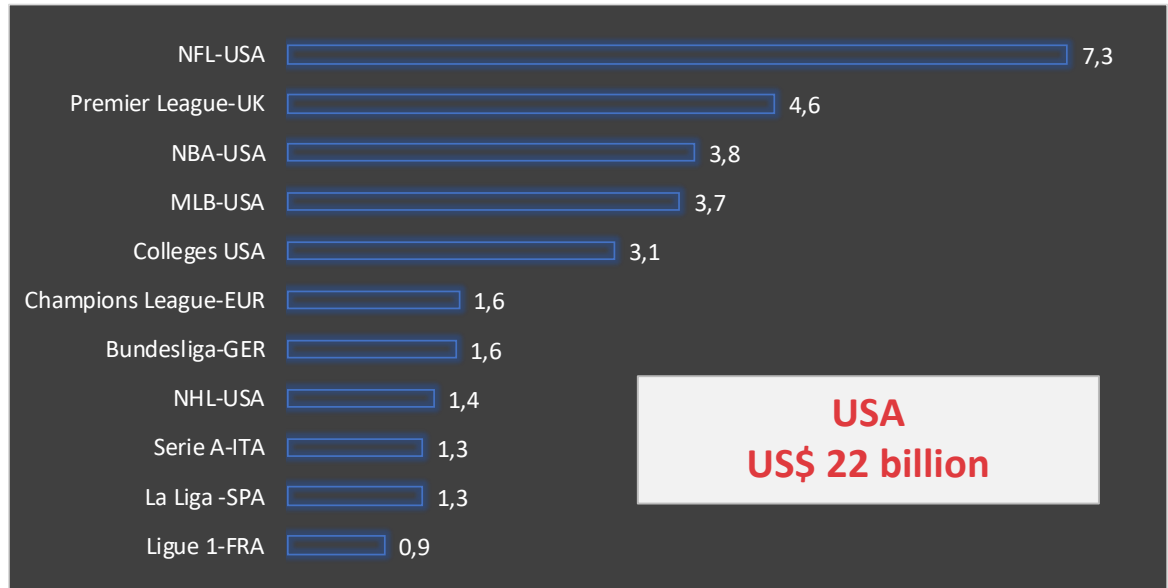
**US\$ 52 billion in matchday**

**EE.UU. = US\$ 32 billion**

**Europe = US\$ 18 billion**



**Global broadcast rights = US\$ 49 billion**





# Football, the global game

More than 3,7 billion people are football fans worldwide, and 1 billion of them are fanatics!

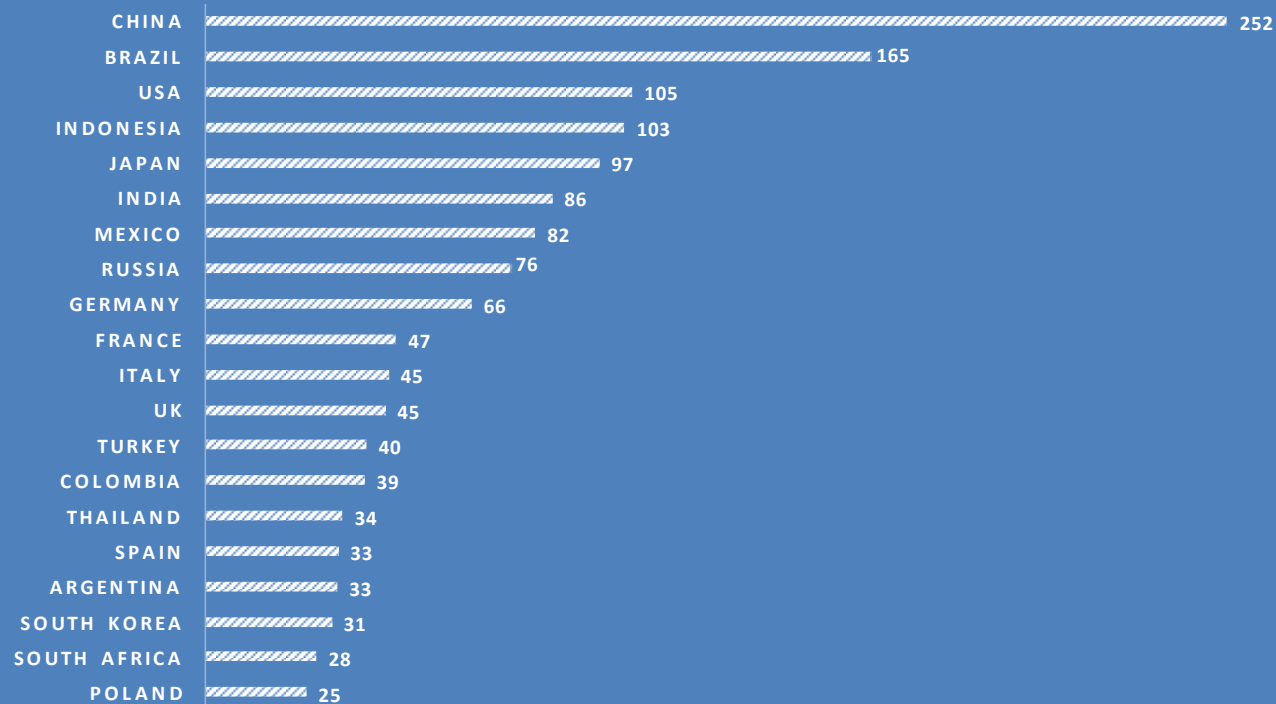
	Market	Percentage of population "interested" or "very interested" in football
1	United Arab Emirates	80%
2	Thailand	78%
3	Chile	75%
4	Portugal	75%
5	Turkey	75%
6	Mexico	73%
7	Spain	70%
8	South Africa	70%
9	Italy	67%
10	Poland	67%
11	South Korea	67%
12	Malaysia	65%
13	Brazil	60%
14	Germany	60%
15	Hungary	54%
16	Russia	52%
17	U.K.	51%
18	France	50%
19	Czech Republic	50%
20	Singapore	49%



Source: Nielsen

## Football, the global game

### FIFA 2014 WC Audiences

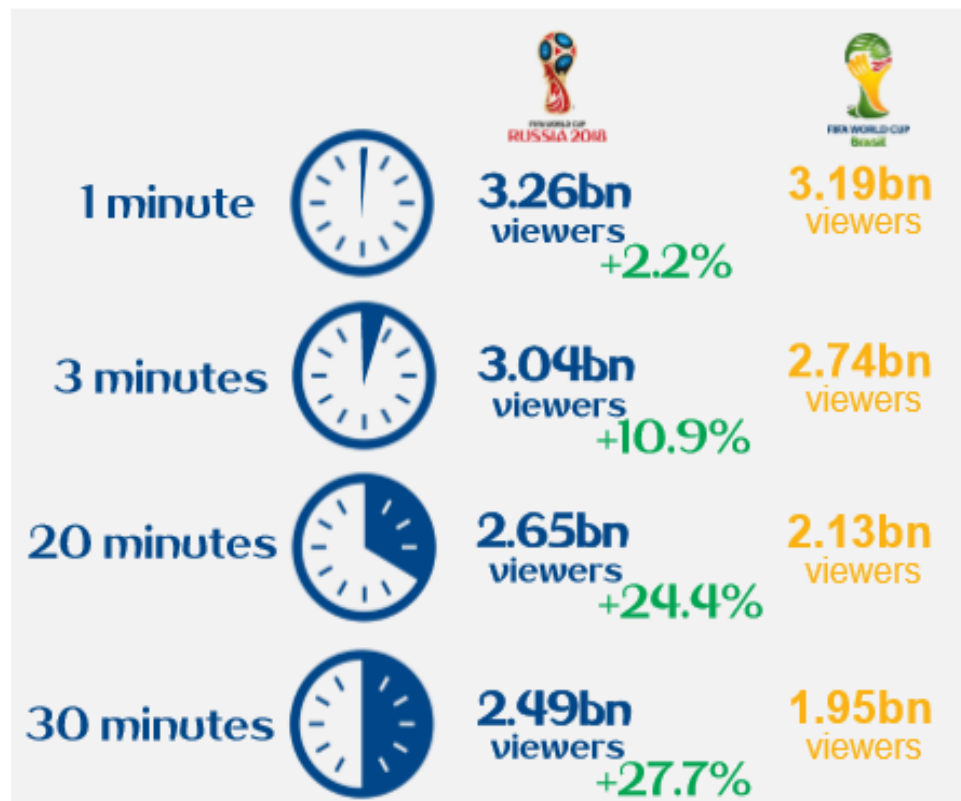


Source: FIFA

# Football, the global game

## FIFA WC Audiences

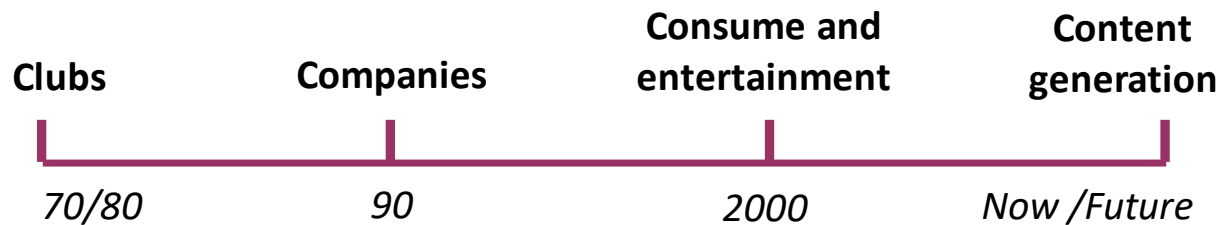
### 2018 and 2014 FIFA WC TV audience





# Football clubs business model

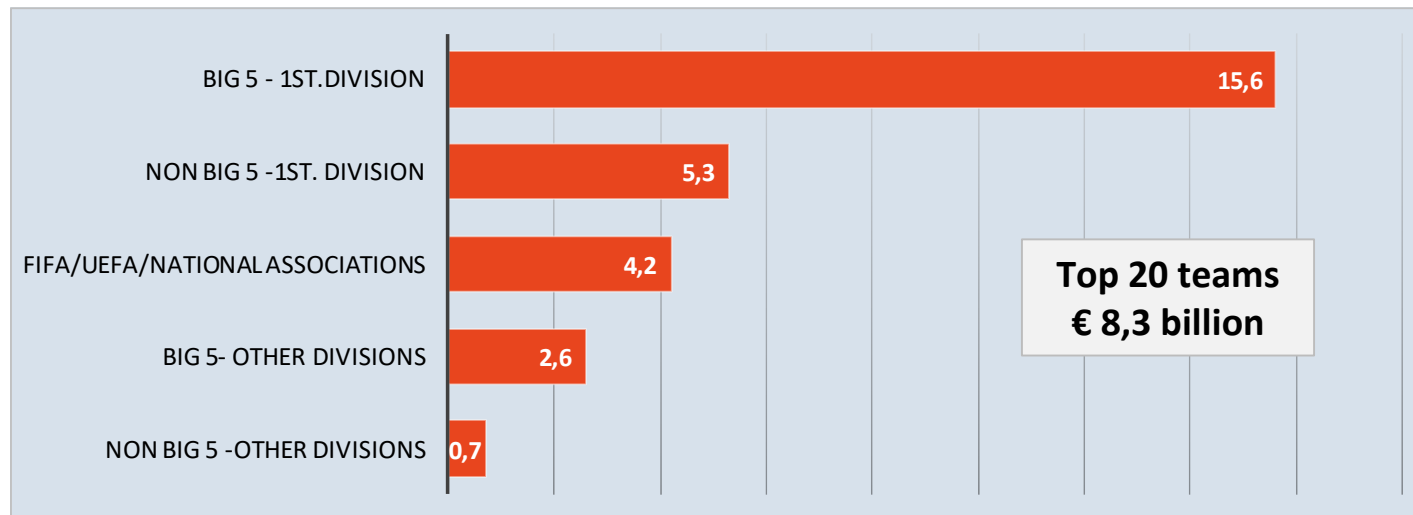
**Football, the global game**



## Football, the global game

In 2017-18 professional European football market generates € 28,4 billion, according to Deloitte.

Revenues- € billion



Source: Deloitte

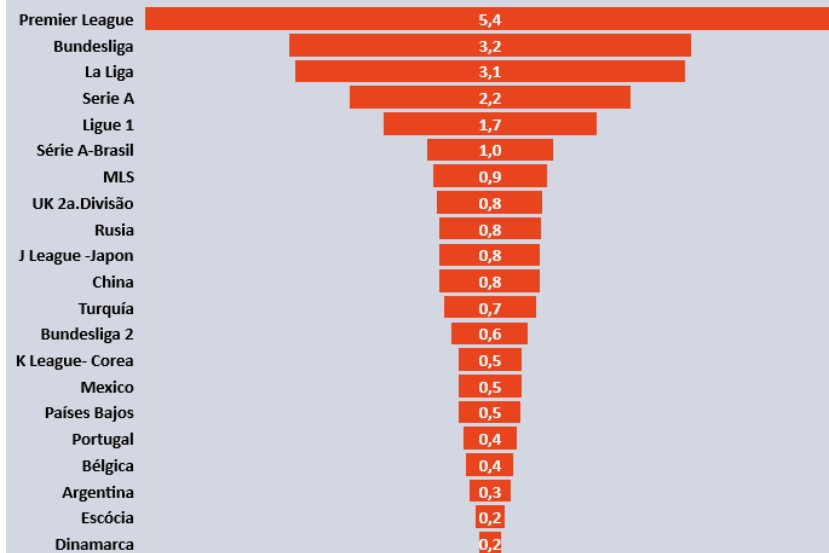
Globally professional football generates around € 36 billion.

# Football, the global game

## Emerging football markets with big future potential:



## Football leagues worldwide revenues-€ million



Source: Sports Value

### Challenges

- Game quality.
- Global audience.
- Legal Safety.
- Household spend in football .





# COVID-19-Coronavirus economic impact



## Sport as an important economic sector

### Coronavirus economic impact

Leagues, teams, sponsors, investors, media are suffering with COVID-19 's crisis.

Competitions being cancelled or extended.

Matches with closed gates and leagues deciding to simply paralyze their activities.



### Sports Industry indirect and induced effect

By Sports Value calculations, for every US\$1 generated directly with a professional sports league, can reach up to US\$ 2,5 produced in indirect and economy-induced effects.



## Losses will be inevitable

Matchday revenues -By League- US\$ million



Source: Sports Value

**Coronavirus  
economic  
impact**



## Coronavirus economic impact

### Losses will be inevitable

According to **Forbes**, the big professional sports leagues will lose **US\$ 5 billion** in revenues.

**KPMG** predicted that Top 5 European Leagues will lose other **US\$ 4,5 billion** in revenues.

**Losses = Gate receipts, broadcast rights, product sales and sponsorships**

**Sports Value's prediction show that professional sports sector will lose more than US\$ 15 billion with COVID-19.**

**9% of all Sports Pro revenues.**

**2% of global Sports Industry .**



## Challenges and new trends

## How to work on this environment?

The world is in lockdown!

- People are enclosed in their homes.
- Digital environment will be a fundamental response to this confinement.
- For work and leisure.
- Brands need to exploit this high unique home audience.



### Global

4,6 billion people are connected in Internet.

3,8 billion in social media platforms.

US\$ 3,5 trillion e-commerce sales in 2019.

### Football fan and shoppers

HIGHLIGHTS ACCESSING SOCIAL MEDIA

67%

ONLINE SPORTS CONTENT

63%

MILLENNIALS- GAMERS WORLDWIDE

60%

GLOBAL POPULATION- BUY ONLINE

25%

## Challenges and new trends

## Teams and idols at social network



### EUROPEAN FOOTBALL CLUBS

#	CLUB	Liga/ Land	Digitale Community	Facebook	Instagram	Twitter	YouTube	SinaWeibo
				Gefolgt Mr. 05.12.2019	Follower 05.12.2019	Follower 05.12.2019	Abonnenten 05.12.2019	Follower 05.12.2019
1	FC BARCELONA	LaLiga, Spain	255.044.023	303.108.200	80.351.453	12.070.580	8.368.957	6.335.228
2	REAL MADRID	LaLiga, Spain	254.644.197	510.675.093	80.917.832	14.254.034	5.229.632	3.607.784
3	MANCHESTER UNITED	Premier League, UK	140.676.064	75.237.739	32.939.913	33.303.294	2.270.488	9.504.830
4	CHELSEA	Premier League, UK	91.646.079	46.041.822	19.731.999	16.800.004	1.479.938	1.588.802
5	JUVENTUS	Serie A, Italy	89.088.324	39.894.790	34.280.647	10.201.893	2.361.931	2.349.079
6	FC BAYERN MÜNCHEN	Bundesliga, Germany	81.369.876	49.911.241	33.148.543	6.976.445	1.309.958	3.981.687
7	LIVERPOOL FC	Premier League, UK	78.627.129	35.431.008	25.507.282	15.236.412	9.432.860	3.038.687
8	MANCHESTER CITY	Premier League, UK	77.929.098	38.318.983	36.286.835	12.475.519	2.170.327	8.479.831
9	PARIS SAINT GERMAIN	Ligue 1, France	77.878.581	38.699.308	25.996.681	9.392.696	2.000.762	1.719.314
10	ARSENAL	Premier League, UK	76.109.334	37.724.205	30.344.271	15.495.422	1.580.588	4.384.348

Big idols have more followers on social media than their clubs.

### FOOTBALL STARS

#	PLAYER	Team, Liga	Digitale Community	Facebook	Instagram	Twitter
				Gefolgt Mr. 05.12.2019	Follower 05.12.2019	Follower 05.12.2019
1	CRISTIANO RONALDO	Juventus FC, Serie A	388.087.609	122.117.634	185.593.777	80.376.198
2	NEYMAR JUNIOR	Paris Saint Germain FC Ligue 1	231.582.647	60.360.324	126.818.666	44.403.657
3	LEO MESSI	FC Barcelona, LaLiga	222.675.603	89.998.180	132.677.423	0
4	JAMES RODRÍGUEZ	Real Madrid, LaLiga	94.350.082	32.229.689	43.665.574	18.454.819
5	GARETH BALE	Real Madrid, LaLiga	88.352.191	28.148.066	42.014.702	18.189.423
6	ANDRÉS INIESTA	Vissel Kobe, J1 League	83.167.650	26.478.206	32.233.623	24.455.821
7	MESUT ÖZIL	Arsenal, Premier League	76.421.414	31.061.309	21.031.017	24.329.088
8	SERGIO RAMOS	Real Madrid, LaLiga	75.314.661	23.403.027	35.409.871	16.501.763
9	MARCELO	Real Madrid, LaLiga	73.272.306	19.764.217	41.794.611	11.713.478
10	ZLATAN IBRAHIMOVIĆ	LA Galaxy, Major League Soccer	70.934.470	26.177.663	38.667.376	6.089.431

Source: Result Sports



## Challenges and new trends

### How to work on this environment?

#### What leagues and teams MUST do:

- Continuous fan engagement work.
- Use digital channels, players and former players/coaches to entertain the fan.
- Use this new content to create new deliveries for sponsors.
- Providing new unique content for broadcast and rights holders.
- Develop leisure and sports activities to parents and their kids at home.
- Create weekly activities to the fans at social network, posting, interacting and exchanging passion.



## Contact



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## Our Services

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### Startups Consultancy

The world's startup ecosystem represents US\$ 1 trillion today. In sports already exceeds US\$ 9 billion and is expected to triple over the next five years.



### Sports Marketing

Sport offers a unique platform for brands enhancement, engagement and consumer loyalty and effective sales expansion.



### Sports Branding

In today's ever-changing world and with increasing consumer demand, branding or brand management becomes even more essential.



### Sponsorships and activations

Sports sponsorship and its complementary activation actions are proven to be the best marketing tool for today.



### Brand valuation

Branding is a fundamental discipline in the global business. Brands are constantly evolving and must be at the heart of every management.



### Sports properties valuation

Sports Value is the first company in the Brazilian market to evaluate sports assets, with its own methodology and extremely consistent premises.



### International Affairs

The rapidly evolving world demands that sports marketing projects have a global character today.



