

NIELSEN SPORTS

# HOW CLUBS AND LEAGUES CAN WIN GEN Y & Z

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# NIELSEN ENTERTAINMENT

MUSIC



BOOKS



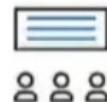
SPORTS



GAMES



MOVIES



ESPORTS



7:00 a.m.

Starts the day listening to **music** from Pink on Spotify.

8:30 a.m.

**Reads** the new **thriller** by Arne Dahl on the way to work.

1:15 p.m.

An hour of **jogging** through the forest on lunch break, then a quick look at the OneFootball **app to check** whether ManCity has finally made a deal for Messi.

7:45 p.m.

**Plays** five rounds of Candy Crush **on his smart-phone** on the train to the movies.

8:30 p.m.

Watches the new Avengers film at the **movies**. Disappointing. Plans to stick with Game of Thrones night with friends next week.

10:30 p.m.

Back home. **Turns on Twitch to watch** one last round of League of Legends and forget about the movie.



## COMPREHENSIVE UNDERSTANDING OF FANS

We analyze consumption and media usage within your target groups across all channels – including entertainment

# MILLENNIALS ARE COMING INTO THEIR OWN

**GEN Y BORN 1981-1995**



## MILLENNIALS HAVE GLOBAL STRENGTH IN NUMBERS



**24%**

Global population

A photograph of two young men sitting on a light blue sofa in a living room, playing video games. They are facing a large television that displays a soccer game. The man in the foreground is wearing a yellow baseball cap and a brown and white striped long-sleeved shirt. The man behind him is wearing a light blue t-shirt. The room has a modern aesthetic with a wooden console table under the TV.

## Beyond Millennials

### Gen Z: A new generation of consumers

**BIRTH YEAR:**  
MID 1990s TO END 2000s

**CURRENT AGE:**  
10 TO 25 YEARS OLD

# GEN Y & Z WANT TO WATCH WHAT THEY WANT WHENEVER THEY WANT

vs. Baby Boomers (~1945 - 1965)...

**2x**

Pay a provider for online programming

**2.5x**

Plan to cut the cord



**1.3x**

Agree...  
Watching time-shifted programming better accommodates my schedule

**~2x**

Agree...  
Watching video programming on my mobile device is convenient

## GEN Y & Z TOUGH TO REACH VIA TRADITIONAL MEDIA MIX – BUT SPORTS & ENTERTAINMENT CAN BE IDEAL LEVERS

*“Please entertain me. I need it short and sweet. Then I may share big time.”*

*“I want to make the world a better place.”*



*“I cherish unique events and will share my special moments.”*

*“Connect me, involve me.”*

# COMMERCIAL COMPETITION IS INTENSIFYING



**Fan Attention Time**



**Fan Spending**



**Media Rights Spending**



**Sponsorship Spending**

## **Esports and Gaming**

- Explosion in options globally

## **Peak Content**

- 400hrs uploaded to YouTube every minute
- 80m Instagram posts per day
- Netflix launched 1,000 new original titles in 2018
- Etc...

## **Developing Market Property Boom**

Raft of new properties in India, China, Thailand, Japan and others.

## **Old Sports, New Formats**

- UEFA Nations League
- MotoE World Cup
- GolfSixes
- Etc...

## **Major International Events**

550 in 2018

## **Women's Sport**

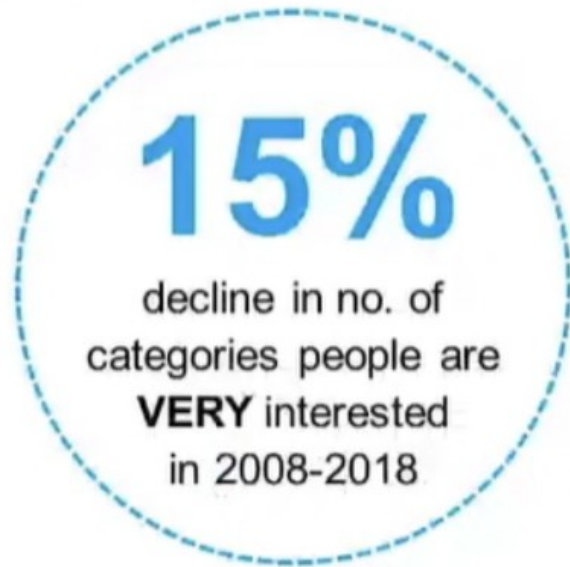
- W Series
- Women's UEFA Euro, Champions League
- Women's AFL



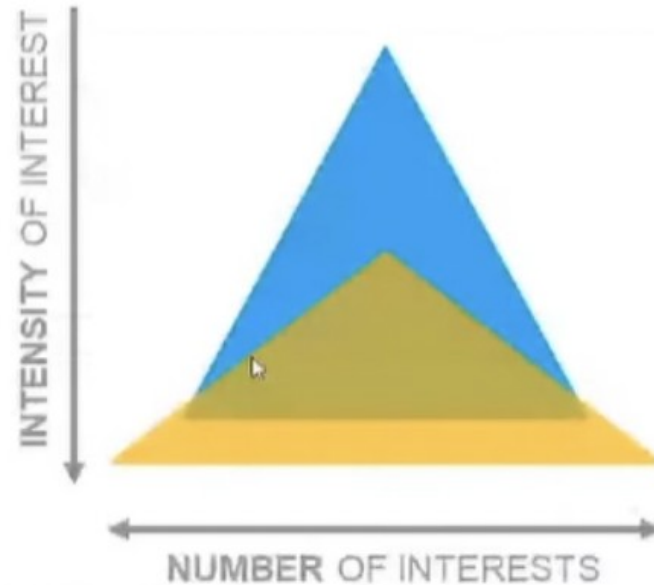
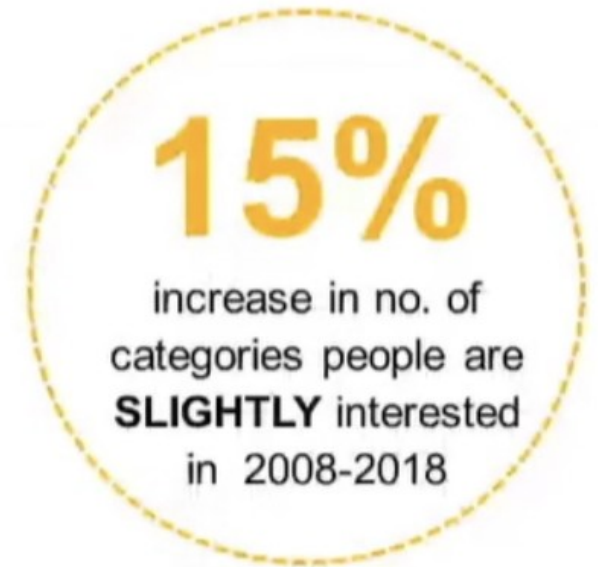
# NO SURPRISE THAT CONSUMER ATTENTION IS FRAGMENTING

1

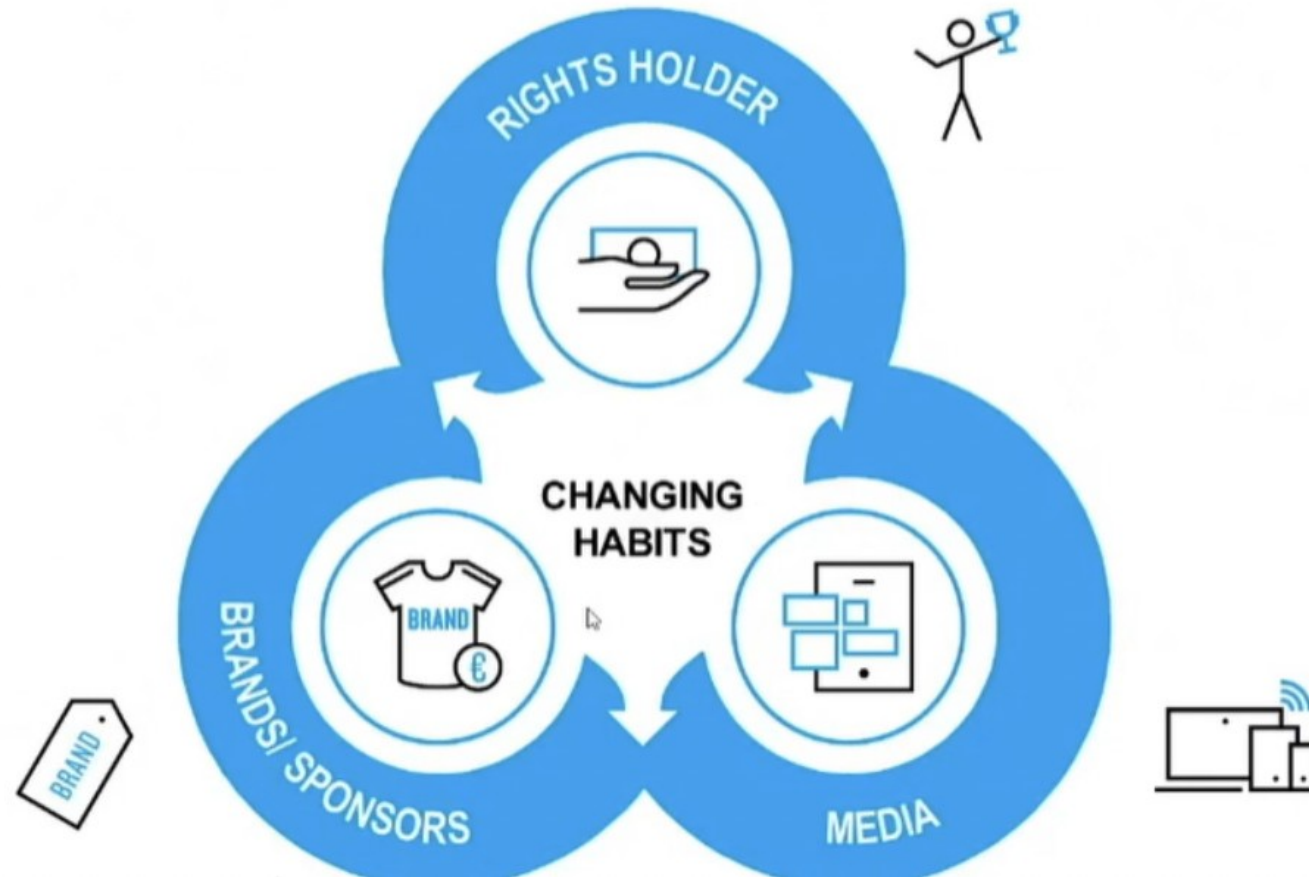
People are **intensely** interested in fewer things



People are **generally** interested in more things

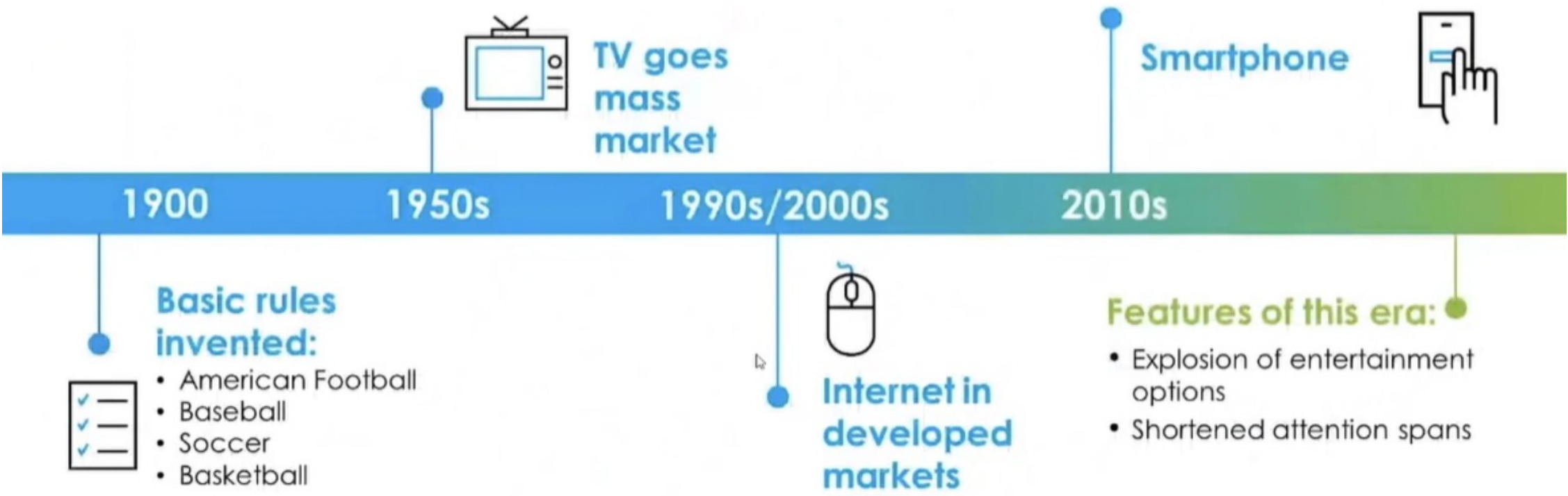


# WHAT DOES THIS MEAN FOR KEY PLAYER IN SPORT BUSINESS?



# MAJOR SPORTS ARE RELYING ON 100-YEAR-OLD FORMULAS

Will they remain compelling to modern audiences?





# BIG3 HAS PLAYED TWO SUCCESSFUL SEASONS



- Started 2017
- Founders J. Kwatinetz & Ice Cube
- 8 teams
- 14,000 avg attendance
- 1<sup>st</sup> team to reach 50 points wins
- 14 seconds shot clock
- 2-, 3-, and 4-point shots possible
- Ex NBA stars as players and coaches
- Nancy Lieberman 1<sup>st</sup> female coach to win a men's pro sports league
- TV coverage on CBS and Fox Sports

app hopin to is sharing your screen. Stop sharing Hide

# HOW TO RESPOND TO THE CHALLENGE

**SHARE  
YOUR  
STORY**



**ADD  
BENEFITS**



**USE THE  
NETWORK**



**GIVE  
CONTROL**



**CUSTOM  
ADS**



# AXA WITH SERENA WILLIAMS



# AIRBNB AND THE IOC

- Airbnb: TOP Partner of IOC, 2020-28 worth est. \$500m
- Key deal features:
  - \$28m of accommodation for athletes
  - Promotion of sustainable travel
  - Support IOC with refugee support



Worldwide Olympic Partner



## CHANGING HABITS MAY PROMPT REPACKAGING OF MEDIA

NBA-Turner OTT offer lets fans buy live game streams starting in:

**2nd**  
QUARTER  
**\$4.99**

**3rd**  
QUARTER  
**\$2.99**

**4th**  
QUARTER  
**\$1.99**



“ The decision is a product of both ‘supposition and sentiment data’ drawn from fan behavior, with **younger audiences showing less commitment** to monthly and even ‘per-game’ packages. ”

*Turner, quoted by SportsPro Media,  
December 2018*





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FAN DEVELOPEMENT

# NIELSEN SPORTS PROPOSES TO IDENTIFY DEVELOPMENT POTENTIALS IN FAN MANAGEMENT AND SUPPORT THEIR UNLOCKING

Challenges and solutions

## QUESTIONS



- What fan potential do you have?
- Into what target groups can those potential fans be divided?
- What characterizes these target groups (e.g. their attitudes, interests, leisure time behavior and demographic features)?
- What potential does each target group have?
- How can target groups be prioritized?
- What strategies and measures can be used to work on target groups, to win them over, develop and retain them?
- What are the structural and systemic prerequisites and how do they need to be further developed for successful fan management?

## APPROACH



Nielsen Sports offers a 4-step **strategy**:

1

**STATUS QUO ASSESSMENT**

2

**QUALITATIVE FAN EXPLORATION**

3

**QUANTITATIVE FAN EXPLORATION**

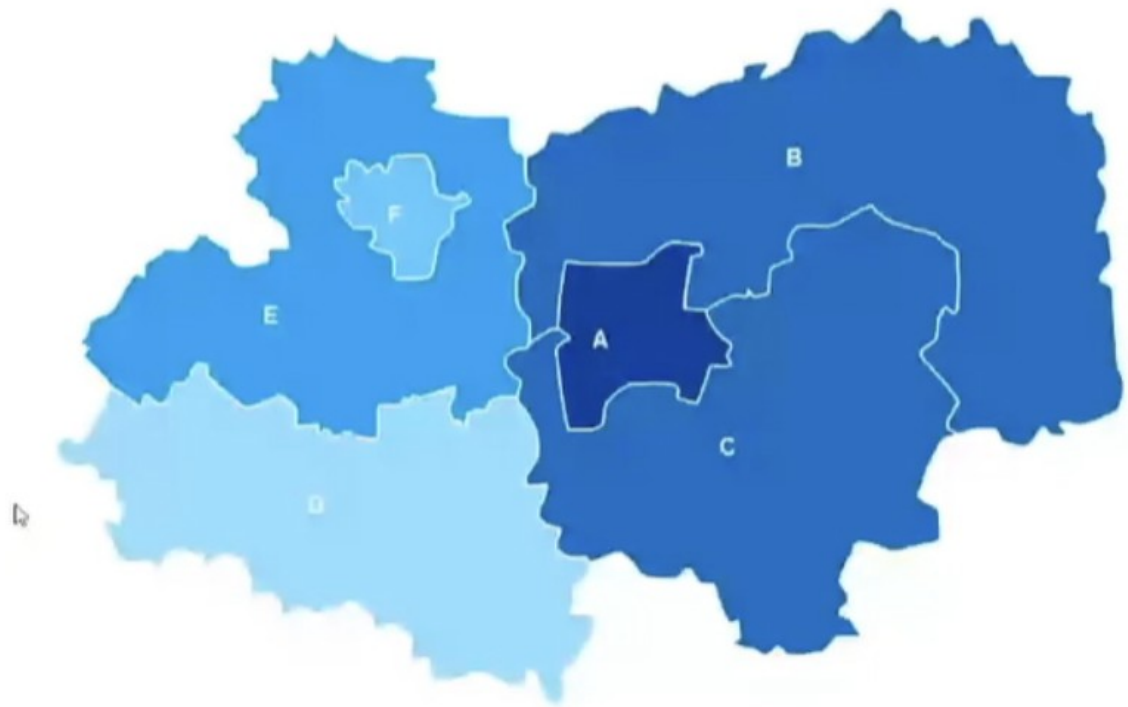
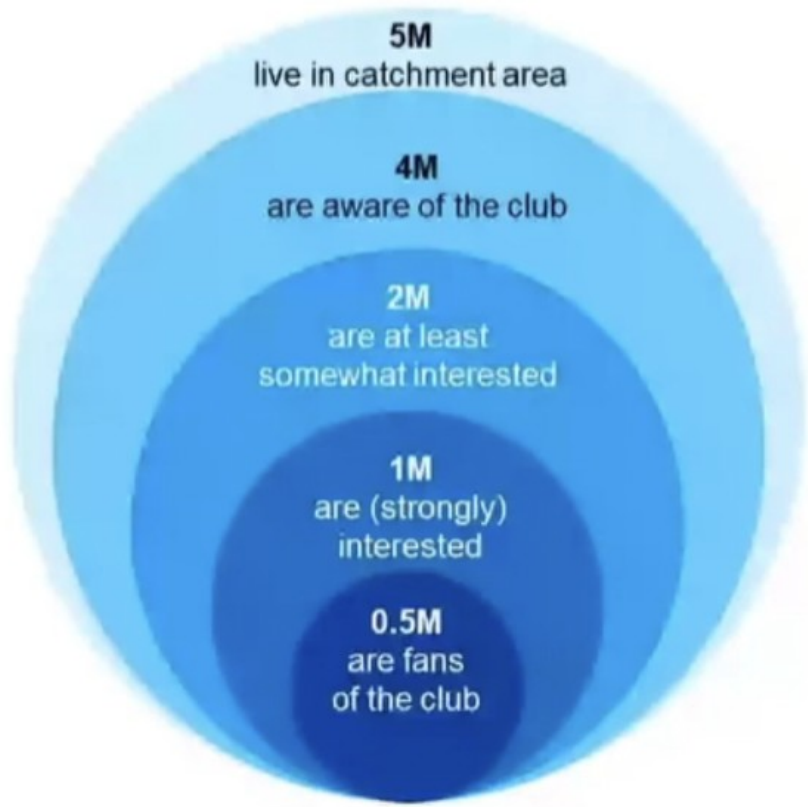
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**CONCEPT OF FAN DEVELOPMENT**

# CALCULATION OF POTENTIAL & ITS GEOGRAPHIC DISTRIBUTION

Illustrative project results (1/6)

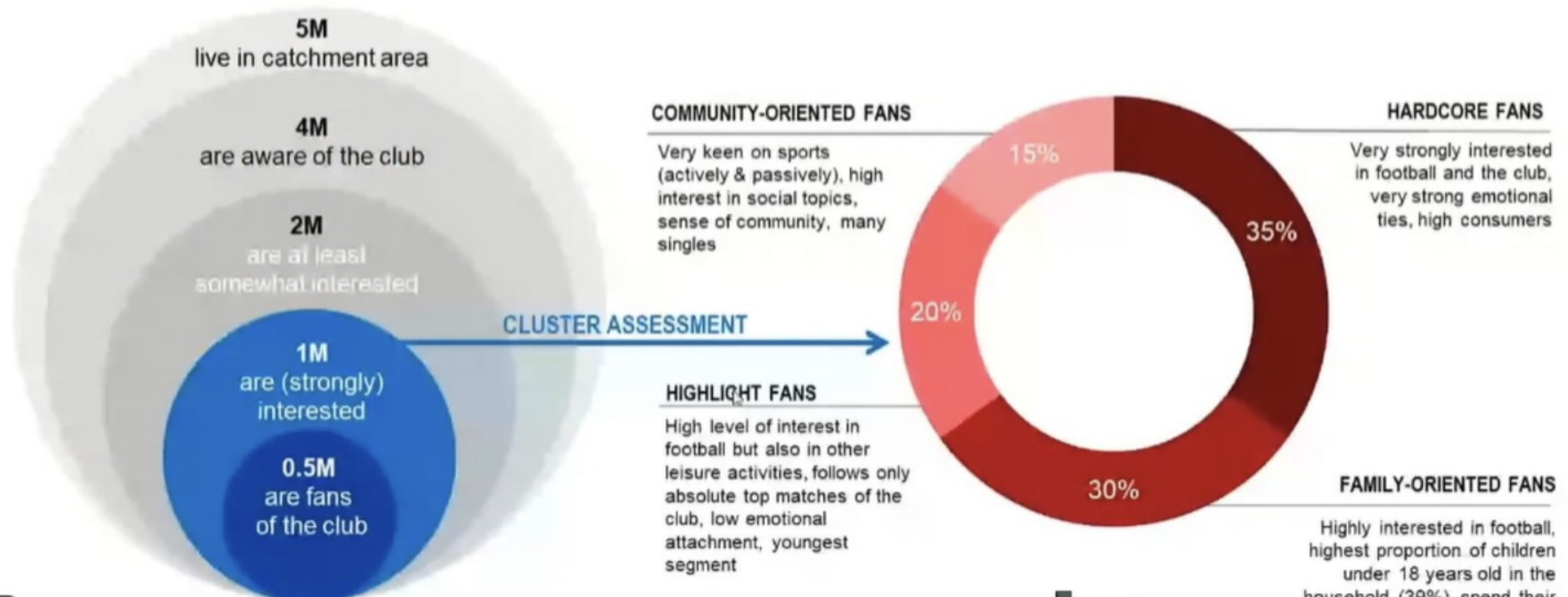
*Illustrative data*



# CHARACTERIZATION AND SEGMENTATION OF TARGET GROUPS

Illustrative project results (2/6)

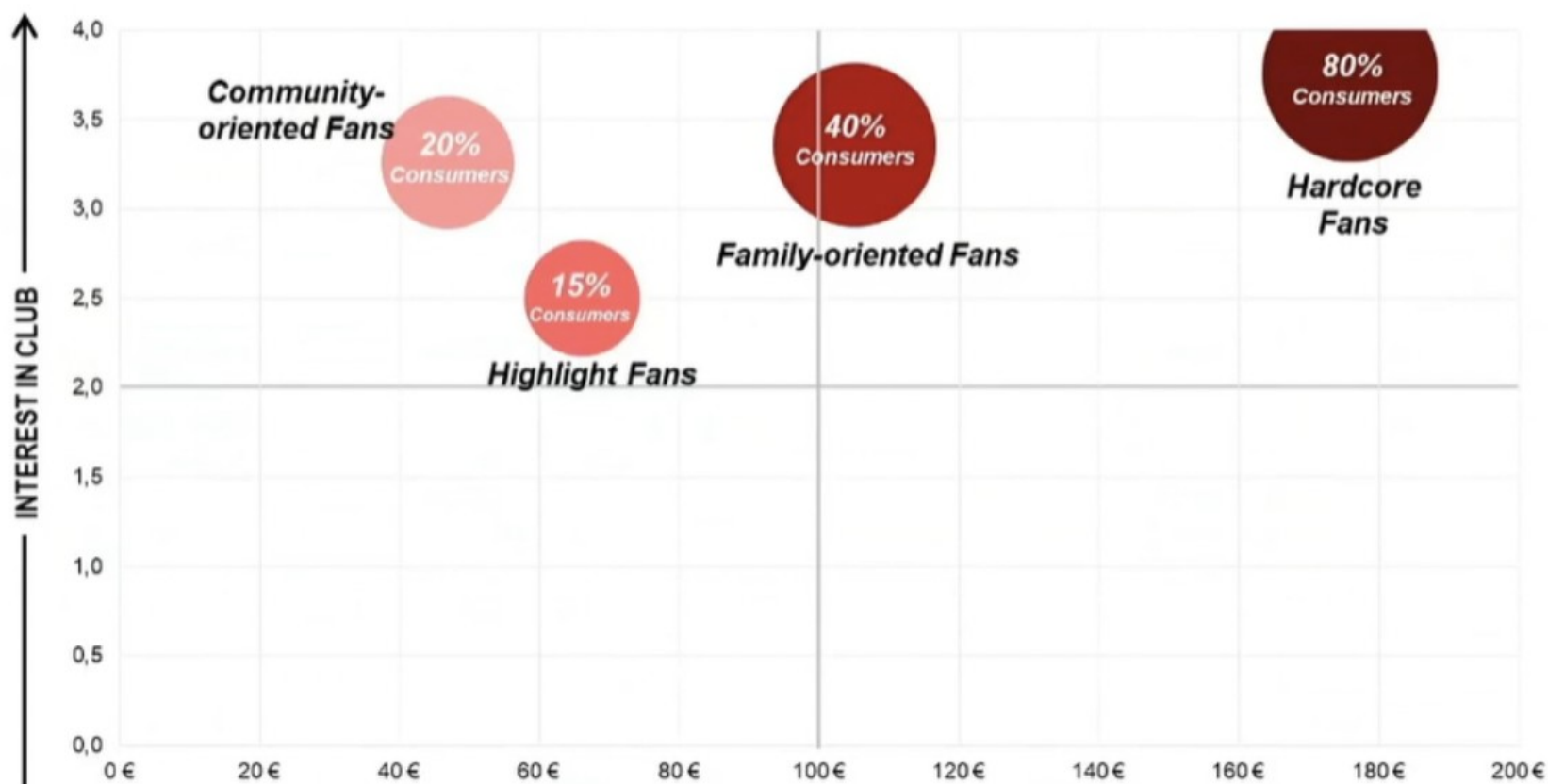
*Illustrative data*



# PRIORITIZATION OF TARGET GROUP SEGMENTS ACCORDING TO CLUB INTEREST AND EXPENDITURE

Illustrative project results (3/6)

Illustrative data



## FAMILY-ORIENTED FANS

- Large group with highest economic potential of attracting new consumers

## HIGHLIGHT FANS

- Smallest segment with (very) high potential of attracting new consumers

## HARDCORE FANS

- High number of consumers in this segment, growth potential lies primarily in consumer development

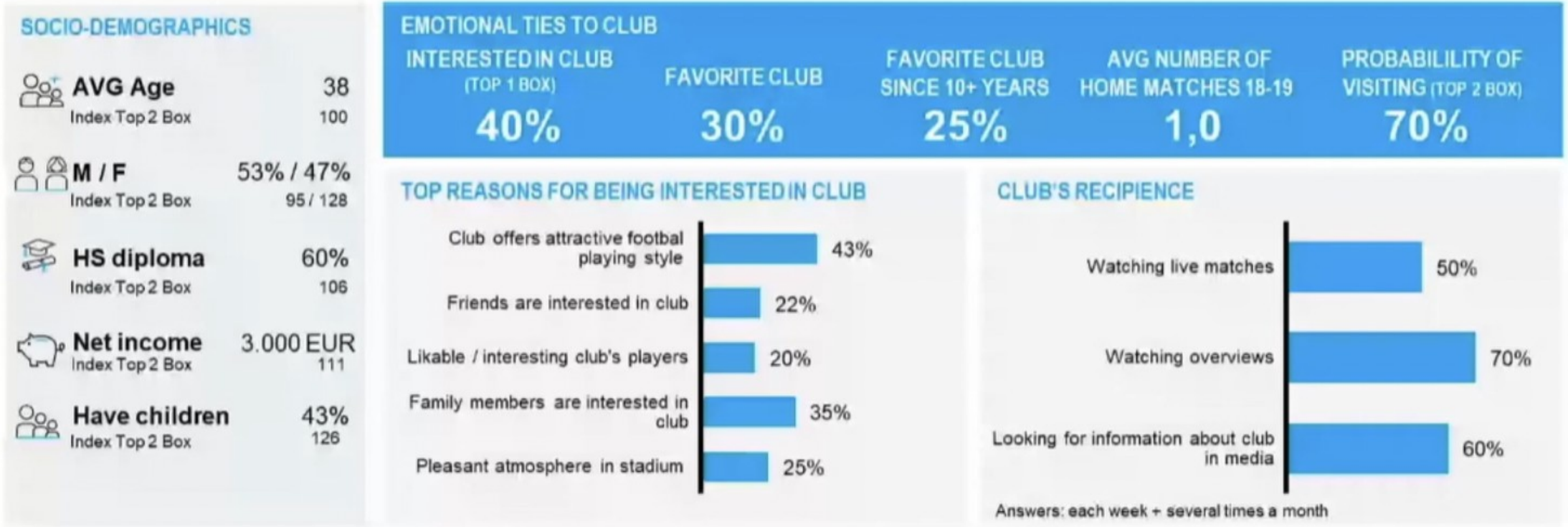
## COMMUNITY-ORIENTED FANS

- Small segment with low consumer share

# DERIVATION OF STRATEGIES AND ACTIVITIES TO ATTRACT AND RETAIN TARGET GROUP SEGMENTS 2/3

Illustrative project results (5/6)







Illustrative d



# DERIVATION OF STRATEGIES AND ACTIVITIES TO ATTRACT AND RETAIN TARGET GROUP SEGMENTS 3/3

Illustrative project results (6/6)

*Illustrative data*

AREA	GOALS	PRIORITY
<b>EMOTIONAL TIES</b>		
 <b>Interest</b>	<ul style="list-style-type: none"> <li>Family-oriented people love to spend their free time with their children, but their favorite club isn't yet big part of their life. High level of interest in leisure time indicates opportunities of establishing new points of contact in the future (e.g. series, doing sports, fashion, music).</li> </ul>	
 <b>Identification</b>	<ul style="list-style-type: none"> <li>Until now, the club has hardly managed that family-oriented people identify themselves with the club. It is very advisable that the club stronger emphasizes such values as "entertaining matches", "pleasant atmosphere" and "social responsibility" in its brand communication.</li> </ul>	
<b>CONSUMING BEHAVIOR</b>		
 <b>Ticketing</b>	<ul style="list-style-type: none"> <li>Very high level of interest in attending sporting events, but averagely visited only 1.0 home matches during the season 2018-19, 45% of the segment is inactive, clear potential for increasing the number of consumers and the number of match visits.</li> </ul>	
 <b>Catering</b>	<ul style="list-style-type: none"> <li>Average spending per home match is higher than in any other fan segment, therefore no special attention - but easy ordering and child-friendly menu are relevant</li> </ul>	
 <b>Merchandising</b>	<ul style="list-style-type: none"> <li>Winning new merchandising customers (55% have not bought any merchandise items in the last 2</li> </ul>	

# COOPERATION WITH NIELSEN SPORTS BRINGS CLEAR BENEFITS FOR YOUR FAN MANAGEMENT

Your benefits



GAIN A COMPREHENSIVE UNDERSTANDING OF FAN POTENTIAL AND FAN STRUCTURE



REVEAL MOTIVES IN DEVELOPING AN EMOTIONAL RELATIONSHIP



OBTAINING STRATEGIES TO REACH THE MOST IMPORTANT TARGET GROUPS



ENSURE EFFICIENT USE OF RESOURCES

