

Sports and Entertainment

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INSIGHT MEDIA SPORT AND ENTERTAINMENT

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Disruption continued across the Sport & Entertainment partnership landscape in 2017, and 2018 will be no different.

This disruption will include exciting growth in eSports, women's and disability sports along with the 'scheduled' disruption of the year's two largest global sporting events – the Winter Olympics in PyeongChang in February and the FIFA World Cup in June 2018.

Continued growth forecast

Sport & Entertainment will continue to grow and grow at a faster rate than the advertising industry as a whole. The sector's growth is expected to exceed 4% in 2018, totalling £49bn globally. This will continue a trend which has seen steady and similar growth (+4% vs -4.5%) since 2009. Sport partnerships will still account for just over 70% of the total market,

followed by entertainment (music) at 10% and cause and charitable related partnerships at 7%. Whilst sport will continue to drive the growth, cause and charitable related partnerships saw the highest growth across the category in 2017 at 4.7%. Social responsibility will continue to become more prevalent and impactful in partnerships. Sport organisations will benefit from readymade corporate social responsibility and grass-roots programmes which brands will be able to leverage with limited resources and costs.

Growing role for content owners

2018 will see content owners taking control of their content and demanding a larger share of the conversation. Sport clubs, athletes, music stars and intellectual property owners or rights holders will need to be treated like content owners. A football club will need to be briefed in the same way that Sky Sports, C4, Facebook and YouTube are briefed. They have exclusive access to content which consumers crave and importantly engage with. Brands must capitalise on this shift within the market, while rights holders should adopt flexible, shorter-term ways of working as they look to maximise their owned content. Brands must not allow archaic rights holders to sell badging rights. We have moved on! eSports is a great example of the above. Whilst eSports is effectively a highly targeted partnership buy, the market hasn't been able to commercialise its growing following and dwell time. eSports gamers are gaming for over nine hours per week and watching 30+ hours of gaming content on Twitch or other gaming channels. This offers brands an excellent opportunity to capitalise on a highly engaged audience if they can strategically identify the right partnership channel.

Seek diversity

Brands will need to diversify their plans to capitalise on great value for money partnership opportunities across all Sport & Entertainment platforms, particularly in eSports, women's sport, and disability sports which are offering brands a less cluttered environment. Brands should adopt a less tribal, multi-club content strategy rather than a polarising, one-club badging exercise. Brands which do this will see greater impact in markets which aren't currently cluttered and align themselves with the growing popularity of these sports.

Technological disruptions

Technology will continue to disrupt and develop the industry. The Nike NBA Connected Jersey has kick-started plans for all merchandise to become connected, letting brands and organisations serve personalised and relevant content to end users – the fans. Sports fans will continue to demand highlights and updates in real time, even for events not broadcast live. English Premier League (EPL) rights will be settled in 2018 for the 2019 -2022 cycle, providing greater access for fans domestically and internationally. Across all sport we will continue to see Over-The-Top (OTT) platforms competing with traditional broadcasters for rights – this will undoubtedly apply to the EPL in 2018. With the right advice, 2018 will bring brands with a clear strategy more accountability and impact from their partnership investments.

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