# SPORT AND ATHLETE SPONSORSHIP

# Last week

- An overview into college sport and the NCAA
- A basic understanding of the transition process between college sport and major leagues
- The financial implications of the NCAA
- A debate involving student athletes wages.



# Today’s lesson

- Sport sponsorship within USA and UK leagues.
- Sport sponsorship within Olympics
- Shirt sponsorship

- Athlete Sponsorship/endorsement
- Athletes case studies

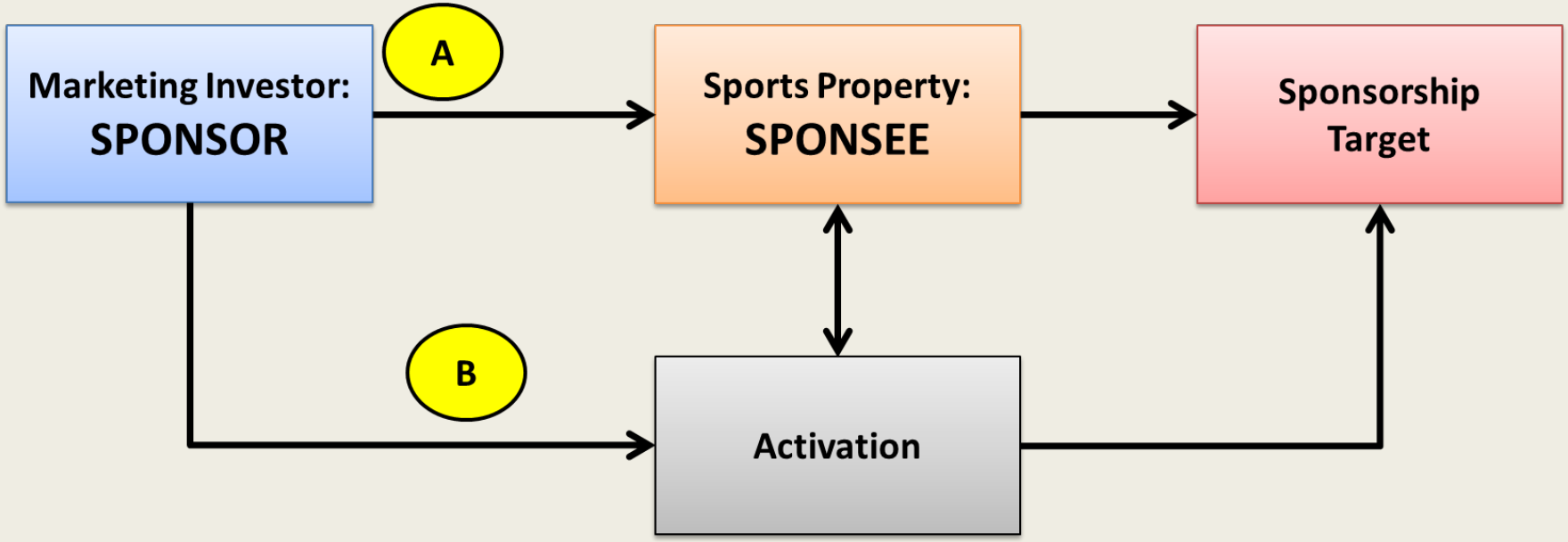


# Sport Sponsorship

- Tripartite Relationship
  - Sponsor
  - Sponsee
  - Stakeholders
- Direct
- Indirect



# DIRECT AND INDIRECT (ACTIVATION) INVESTMENTS IN SPORTS SPONSORSHIP




A: DIRECT SPONSORSHIP INVESTMENT

B: INDIRECT (ACTIVATION) SPONSORSHIP INVESTMENT

# Activation Investment

- With the purpose of deepening the impact of sponsorship with the sponsorship target.
- Samsung and WRU
- Managed to provide 180 fans the opportunity  to watch the game.
- Firstly incorporated in 2014 in Australia
- Used in London Sevens.




https://www.youtube.com/watch?v=IFBaoDPY5Z8

# Olympic Sponsorship

## OCOGs Revenue: The Past Six Quadrenniums

| Source (in USD millions) | 1993-1996 | 1997-2000 | 2001-2004 | 2005-2008 | 2009-2012 | 2013-2016 |
|---|---|---|---|---|---|---|
| OCOG Domestic Sponsorship | 534 | 655 | 796 | 1,555 | 1,838 | 2,037 |
| OCOG Ticketing | 451 | 625 | 411 | 274 | 1,238 | 527 |
| OCOG Licensing | 115 | 66 | 87 | 185 | 170 | 74 |
| **Total** | **1,100** | **1,346** | **1,294** | **2,014** | **3,246** | **2,638** |

## Olympic Games: History of OCOG Sponsorship Programmes

| Olympic Games | Number of Partners* | Revenue (in USD millions) |
|---|---|---|
| Atlanta 1996 | 111 | 426 |
| Sydney 2000 | 93 | 492 |
| Athens 2004 | 38 | 302 |
| Beijing 2008 | 51 | 1,218 |
| London 2012 | 42 | 1,150 |
| Rio 2016 | 53 | 848 |

## Olympic Winter Games: History of OCOG Sponsorship Programmes

| Olympic Winter Games | Number of Partners* | Revenue (in USD millions) |
|---|---|---|
| Nagano 1998 | 26 | 163 |
| Salt Lake City 2002 | 53 | 494 |
| Turin 2006 | 57 | 348 |
| Vancouver 2010 | 57 | 688 |
| Sochi 2014 | 46 | 1,189 |

# Olympic Sponsors



















# McDonald’s Olympic deal

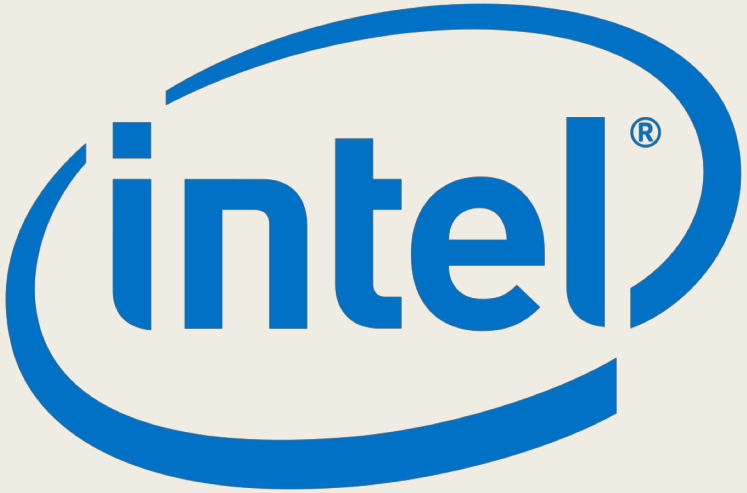


- 2017 McDonald’s stopped sponsorship Olympics after 41 years.
- Reported $100 million sponsorship for every Olympics.
- McDonald’s has been trying to hold down costs as it invests in improving food quality, restaurant service and online ordering to woo back U.S. diners.



- One week later IOC signed Intel

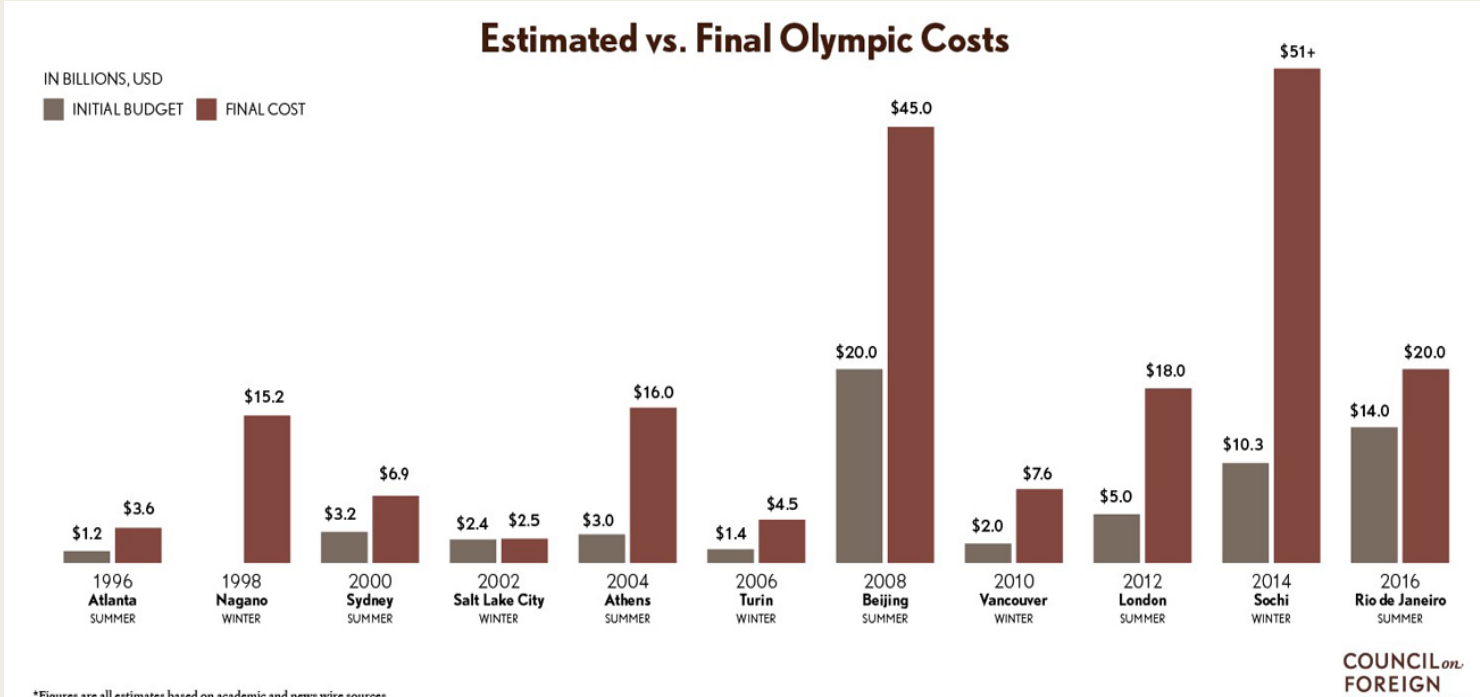
as an official sponsor until 2024



# Tokyo 2020 Olympics

- Tokyo sponsorship deals near $3 billion (47 sponsors)
- Bid budget (2013) = **¥829 billion (US$7.3 billion)**
- Current budget (2019) = **¥1.35 trillion (£9.4 billion/$12 billion/€10.6 billion)**

- Lewis (2018) argues that the budget does not reflect the true cost of the event and puts the spend at around $25 billion.
- 80% of the $25 billion is taxpayer money.
- The rest ($5.3 billion) is divided:
  - $1.7 billion from the IOC
  - Rest from **sponsors**, merchandising and ticket sales.



# USA Sponsorship

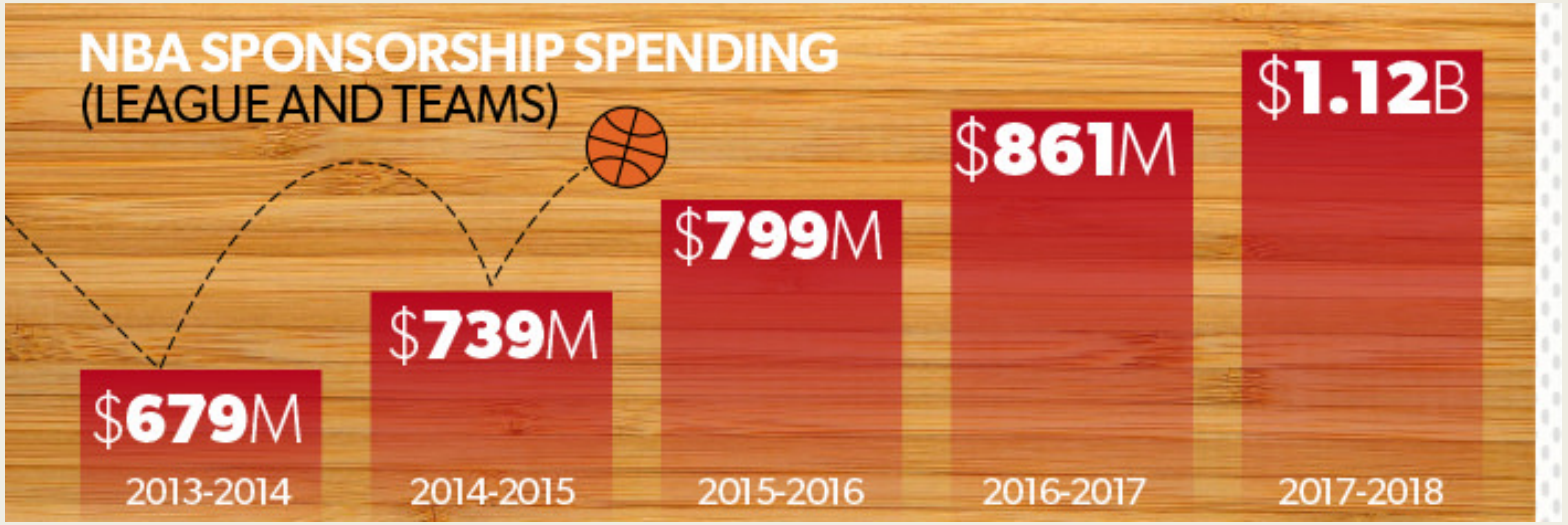
| | 2016 SPENDING | 2017 SPENDING | INCREASE FROM 2016 | 2018 SPENDING *Projected* | INCREASE FROM 2017 *Projected* |
|---|---|---|---|---|---|
| **SPORTS** | $15.7 BILLION | $16.26 BILLION | 3.6% | $17.05 BILLION | 4.9% |
| **ENTERTAINMENT** | $2.22 BILLION | $2.29 BILLION | 3.2% | $2.4 BILLION | 4.8% |
| **CAUSES** | $1.99 BILLION | $2.05 BILLION | 3.0% | $2.14 BILLION | 4.4% |
| **ARTS** | $962 MILLION | $993 MILLION | 3.2% | $1.03 BILLION | 3.7% |
| **FESTIVALS, FAIRS AND ANNUAL EVENTS** | $878 MILLION | $903 MILLION | 2.8% | $936 MILLION | 3.7% |
| **ASSOCIATIONS AND MEMBERSHIP ORGANIZATIONS** | $604 MILLION | $616 MILLION | 2.0% | $635 MILLION | 3.1% |

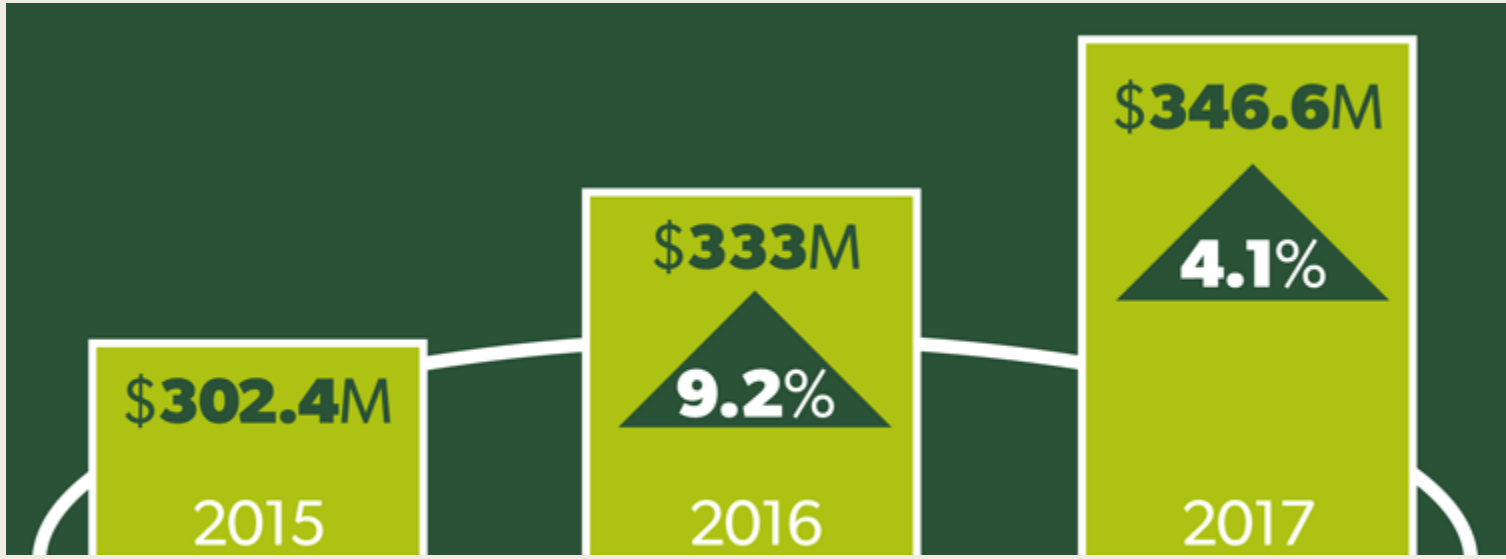
- What sponsors want & where dollars will go in 2018 – IEG

# USA leagues Sponsorship



# USA leagues Sponsorship



# UK Premier League

Lead Partner




Official Bank




Official Snack




Official Beer




Official Ball



Official Timekeeper



# UK Premier League



# Shirt Sponsorship



- Who sponsors the shirts of these NFL teams?














# NFL and Nike sign 8-year contract for uniforms

- The new deal will star once the current one finishes in 2020 and will run until 2028.
- Sponsors all 32 teams with game day uniforms.
- Financial details of the NFL deal have not been released but the deal with the NBA (8 years) was worth $1billion.






# NBA jersey sponsoring

- Eight year contract signed in 2015 for $1 billion, more than triple of what Adidas paid.
- Nike's logo will appear in the game jerseys for the first time in NBA history.
- However, there are 14 teams in the NBA that for the first time ever have signed jersey sponsors.

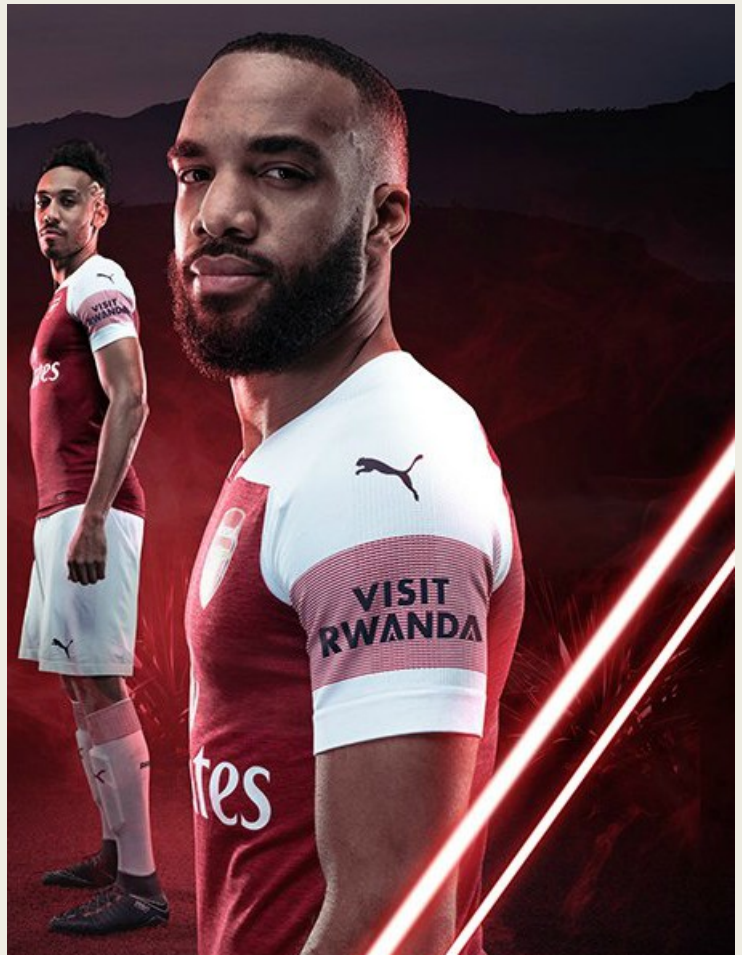





| Team | Sponsor | How Much (per year) |
|---|---|---|
| Atlanta Hawks | Sharecare | $2.5m-$10m |
| Boston Celtics | General Electric | $7m |
| Brooklyn Nets | Infor | $8m |
| **Cleveland Cavaliers** | **Goodyear** | **Over $10m** |
| Denver Nuggets | Western Union Bank | $5m - $10m |
| Detroit Pistons | Flagstar Bank | $5m- $10m |
| **Golden State Warriors** | **Rakuten** | **$20m** |
| Milwaukee Bucks | Harley – Davidson | $2.5m |
| Minnesota Timberwolves | Fitbit | $3m - $8m |
| Orland Magic | Disney | $5m - $10m |
| Philadelphia 76ERS | Stubhub | $5m |
| Sacramento Kings | Blue Diamond Almonds | $5m |
| Toronto Raptors | Sun Life | Ove $5m |
| Utah Jazz | Qualtrics | $4m |

# Premier League Shirt Sponsorship

- Premier League Clubs will rake in a collective £313.6 million in shirt sponsorship deals.
- 9 teams advertising betting and gambling companies
- More clubs are jumping at the opportunity to sign a sleeve sponsor.

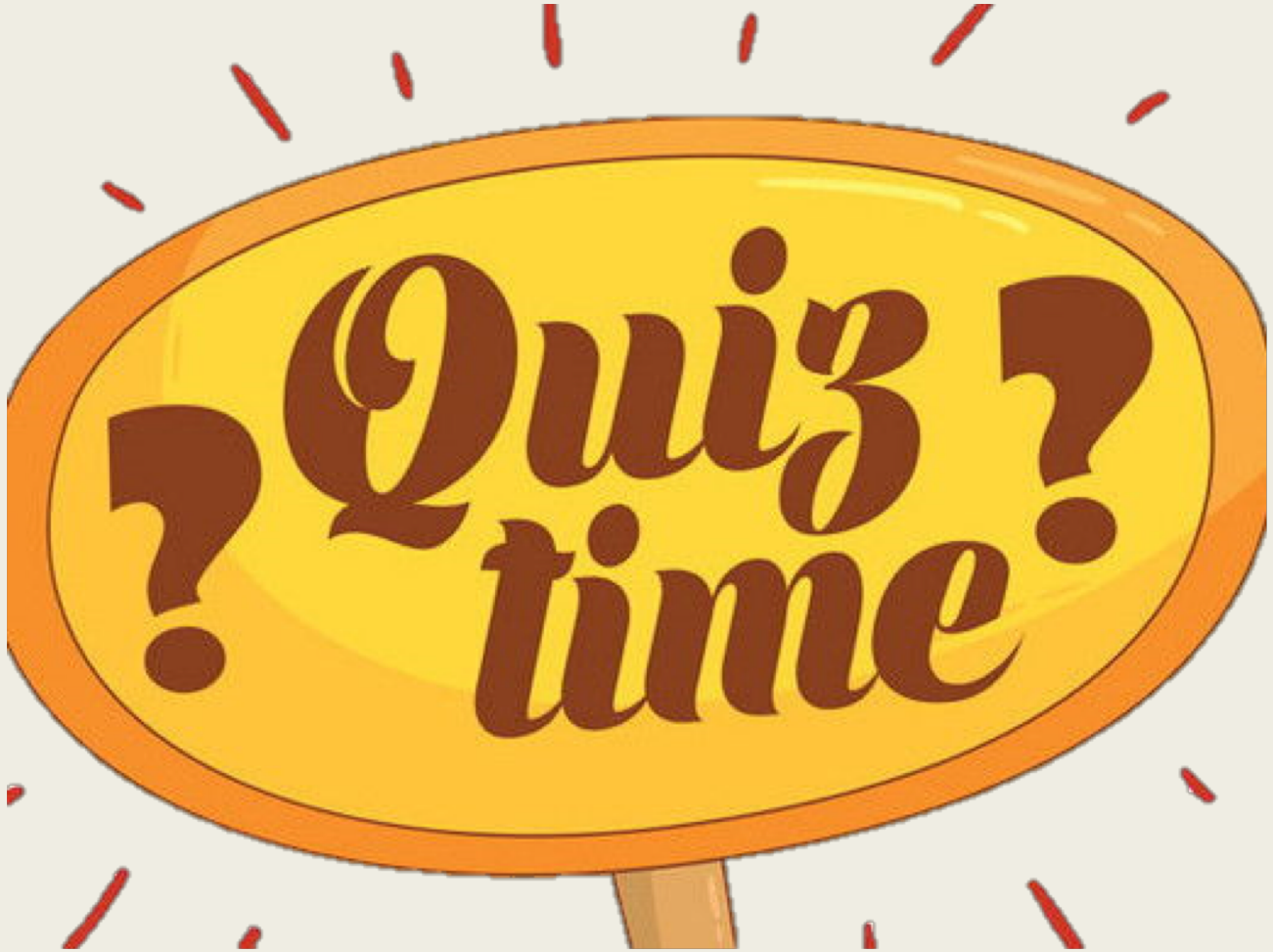


## PUT YOUR SHIRT ON IT: Premier League sponsorship deals for 2013-14

| Club | 2012-13 sponsor | Value / Yr | 2013-14 sponsor | Value / Yr | Change |
|---|---|---|---|---|---|
| Arsenal | Fly Emirates | £5.5m | Fly Emirates | £30m | + £24.5m |
| Man Utd | Aon | £20m | Aon | £20m | - |
| Liverpool | Standard Chartered | £20m | Standard Chartered | £20m | - |
| Man City | Etihad | £20m | Etihad | £20m | - |
| Tottenham | Aurasma | £10m | HP /AIA £13m/£6m | £19m | + £9m |
| Chelsea | Samsung | £13.8m | Samsung | £18m | + £4.2m |
| Newcastle | Virgin Money | £10m | Wonga | £6m | - £4m |
| Aston Villa | Genting | £8m | Dafabet.com | £5m | - £3m |
| Fulham | FxPro | £4.2m | Marathonbet | £5m | + £800k |
| Sunderland | Invest in Africa | up to £20m | Bidvest | £5m | - £15m |
| Everton | Chang Beer | £4m | Chang Beer | £4m | - |
| Stoke | Bet365 | £1.3m | Bet365 | £3m | + £1.7m |
| West Ham | SBOBET | £1.7m | alpari | £3m | + £1.7m |
| Swansea | 32Red | £1.1m | GWFX | £2m | + £900k |
| West Brom | Zoopla | £1.5m | Zoopla | £1.5m | - |
| Norwich | Aviva | £1m | Aviva | £1m | - |
| Southampton | aap3 | £1m | aap3 | £1m | - |
| QPR* | AirAsia | £2.5m | *Not applicable for this exercise* | | |
| Wigan* | 12Bet | £1m | *Not applicable for this exercise* | | |
| Reading* | Waitrose | £500k | *Not applicable for this exercise* | | |
| **Total** | | **£147.1m** | | | |

## PUT YOUR SHIRT ON IT: Premier League sponsorship deals for 2018-19

| Club | Sponsor (nationality) | Value 2018-19 | Industry | +/- from 2017-18 |
|---|---|---|---|---|
| Man Utd | Chevrolet (US) | £47m | Cars | - |
| Man City | Etihad (UAE) | £45m | Airline | +£10m |
| Arsenal | Fly Emirates (UAE) | £40m | Airline | +£10m |
| Chelsea | Yokohama (Japan) | £40m | Tyres | - |
| Liverpool | Standard Chartered (UK) | £40m | Banking | +£10m |
| Tottenham | AIA (Hong Kong / China) | £35m | Insurance | - |
| West Ham | Betway (Malta) | £10m | Gambling | - |
| Everton | SportPesa (Kenya) | £9.6m | Gambling | - |
| C Palace | ManBetX (Malta) | £6.5m | Gambling | - |
| Newcastle | Fun88 (China / IoM) | £6.5m | Gambling | +£0.5m |
| Southampton | Virgin Media (UK) | £6m | Telecoms | - |
| Wolves | W88 (Thailand) | £5m | Gambling | n/a |
| Bournemouth | M88 (Gibraltar) | £4m | Gambling | +£0.5m |
| Leicester | King Power (Thailand) | £4m | Duty Free | - |
| Burnley | Laba360 (Malta) | £3m | Gambling | +£0.5m |
| Cardiff | Visit Malaysia (Malaysia) | £3m | Tourism | n/a |
| Fulham | Dafabet (Philippines) | £3m | Gambling | n/a |
| Watford | FxPro (UK) | £3m | Forex finance | - |
| Brighton | American Express (US) | £1.5m | Finance | - |
| Huddersfield | Ope Sports (Malta) | £1.5m | Gambling | - |
| **TOTAL** | | **£313.6m** | *(Up from £281.8m)* | |


?Quiz time?


TIME FOR A BREAK

# Athlete Sponsorship

- Sponsorship is a marketing tool used by business where they pay for some or all the costs involved in a project in return of recognition.
- Endorsement is when an athlete publicly state that they ‘recommend’ or ‘suggest’ you try a particular product because they think it’s good.



# Top 10 Athletes by Endorsement Income for 2018






| Athlete | Endorsement |
|---|---|
| Roger Federer | $65 Million |
| Lebron James | $52 Million |
| Cristiano Ronaldo | $47 Million |
| Stephen Curry | $42 Million |
| Tiger Woods | $42 Million |
| Phil Mickelson | $37 Million |
| Rory McIlroy | $34 Million |
| Kei Nishikori | $33 Million |
| Kevin Durant | $32 Million |
| Usain Bolt | $30 Million |



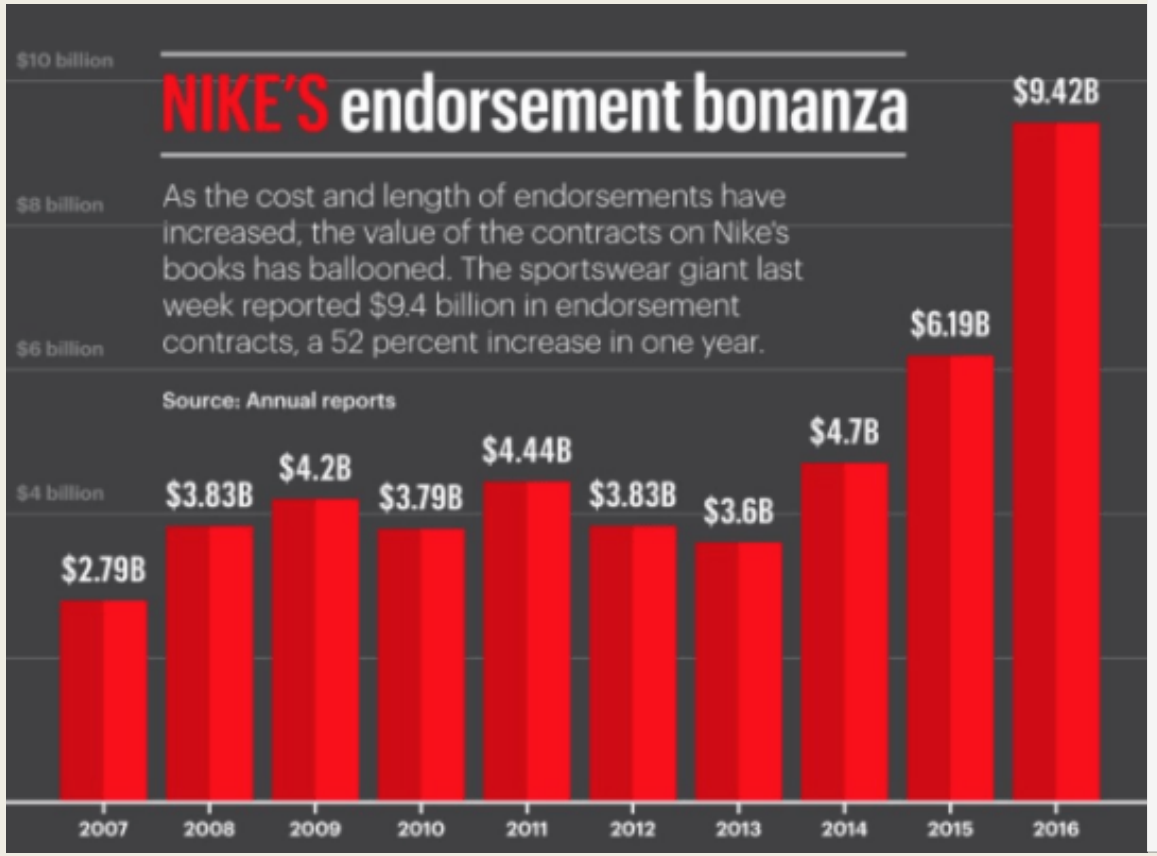


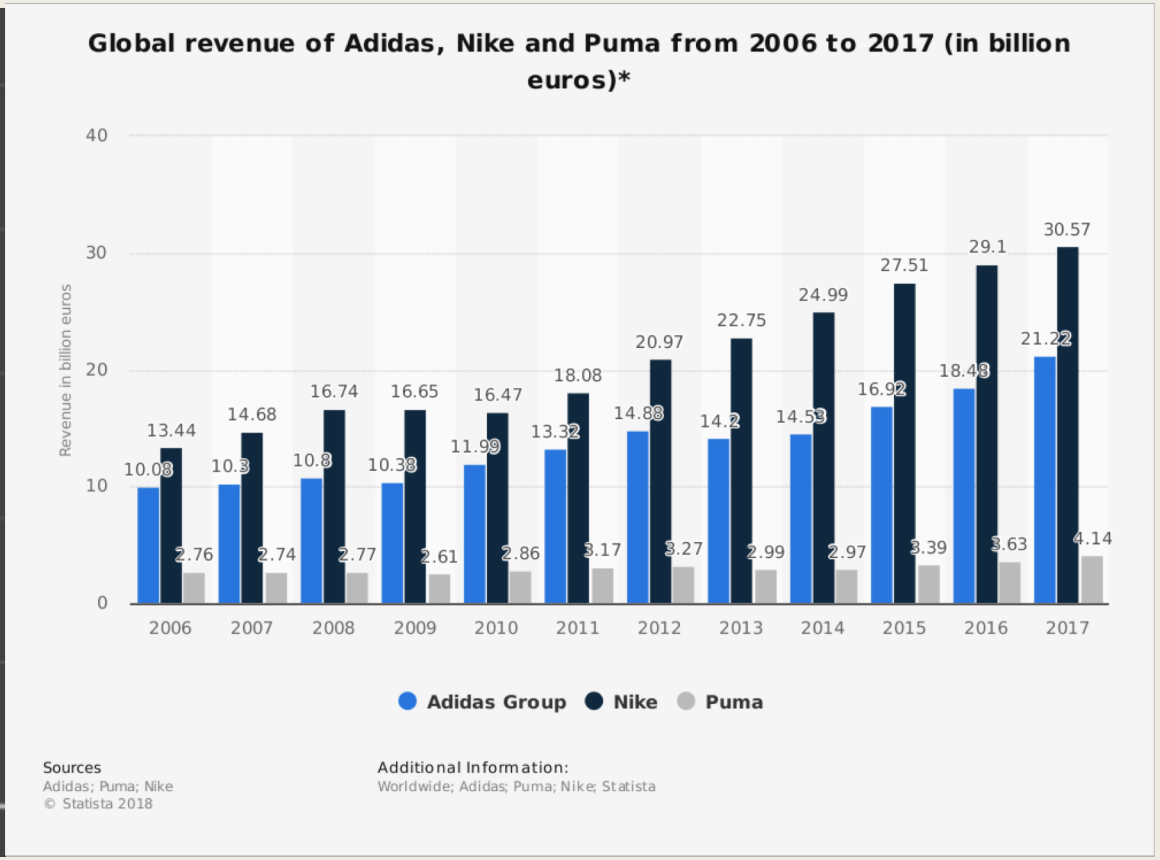







# Nike Case Study



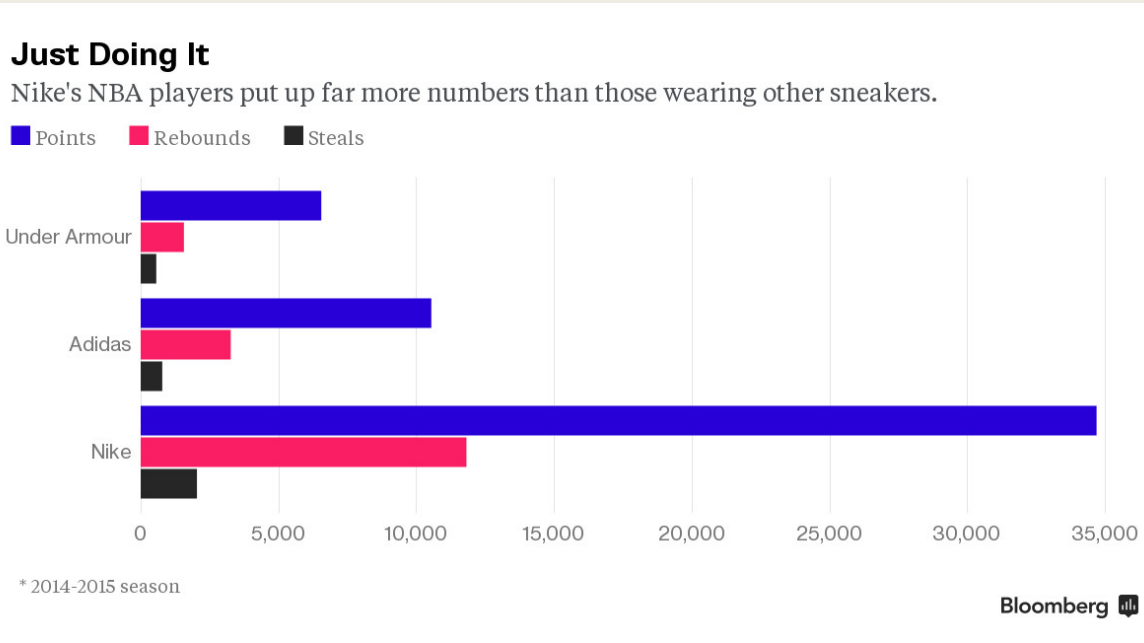
# Nike and performance statistics.

## USA OLYMPIC MEDALS BY SNEAKER BRANDS

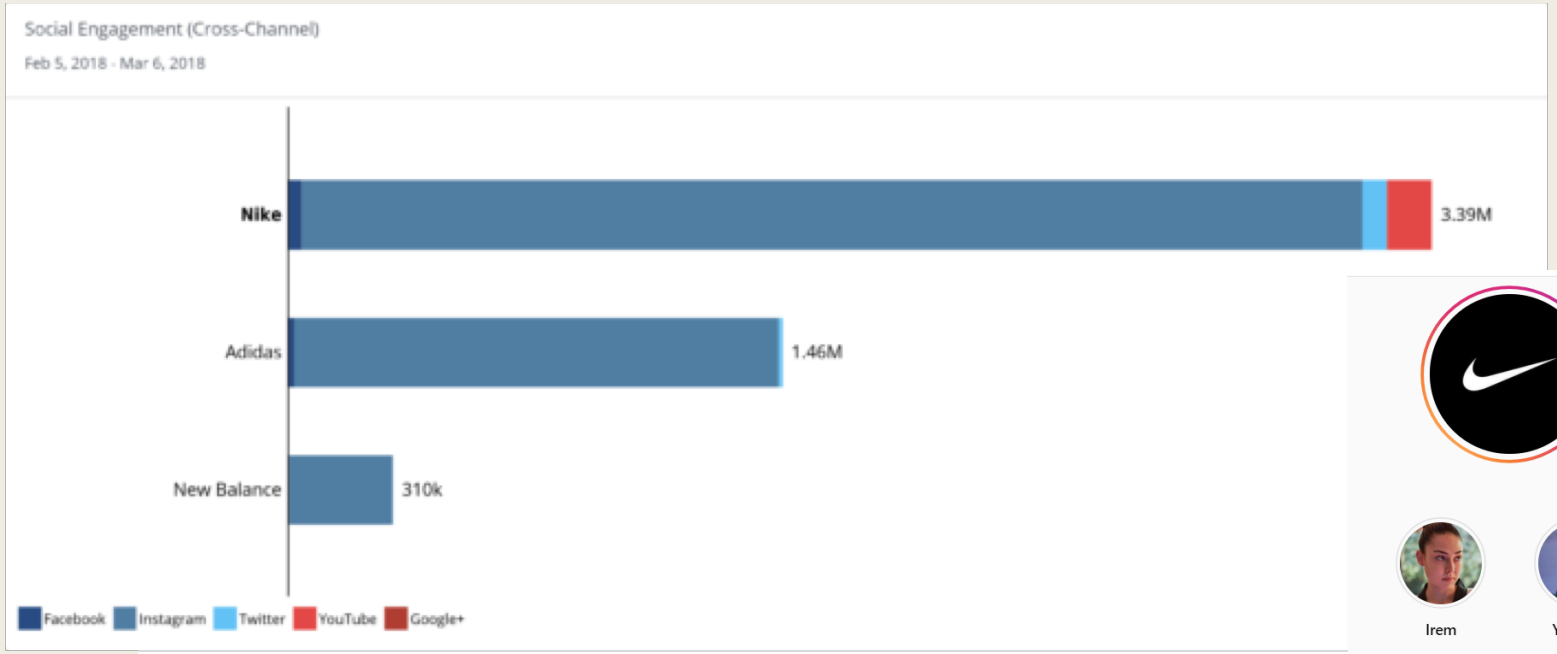
Rio2016

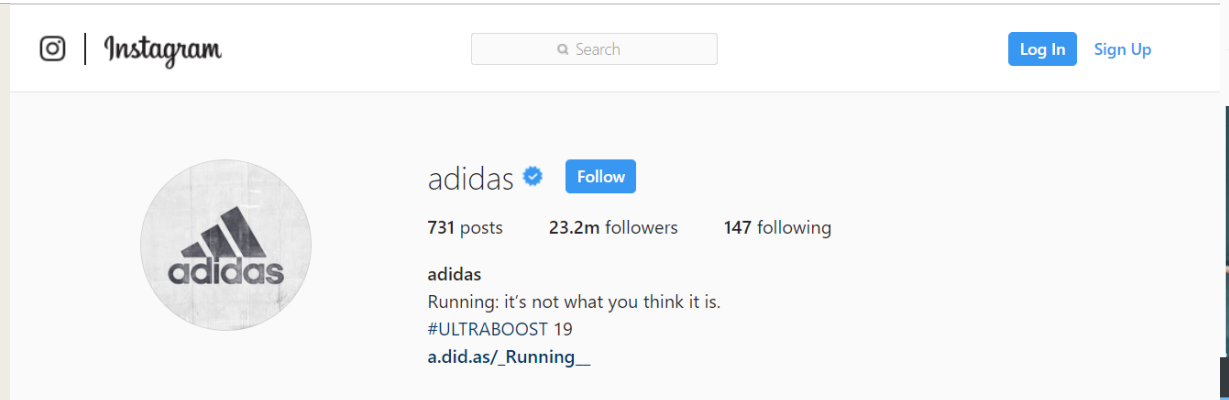
| COMPANY | G | S | B | TOTAL |
|---|---|---|---|---|
| NIKE | 44 | 11 | 24 | 79 |
| UNDER ARMOUR | 9 | 5 | 3 | 17 |
| NEW BALANCE | 8 | 1 | 3 | 12 |
| ADIDAS | 4 | 1 | 4 | 9 |
| ASICS | 2 | 1 | 6 | 9 |
| MIZUNO | 1 | 2 | 5 | 8 |
| REEBOK | 2 | 2 | 0 | 4 |
| JORDAN BRAND | 2 | 0 | 1 | 3 |
| SKECHERS | 0 | 0 | 1 | 1 |
| SPERRY | 0 | 0 | 1 | 1 |
| ANTA | 1 | 0 | 0 | 1 |

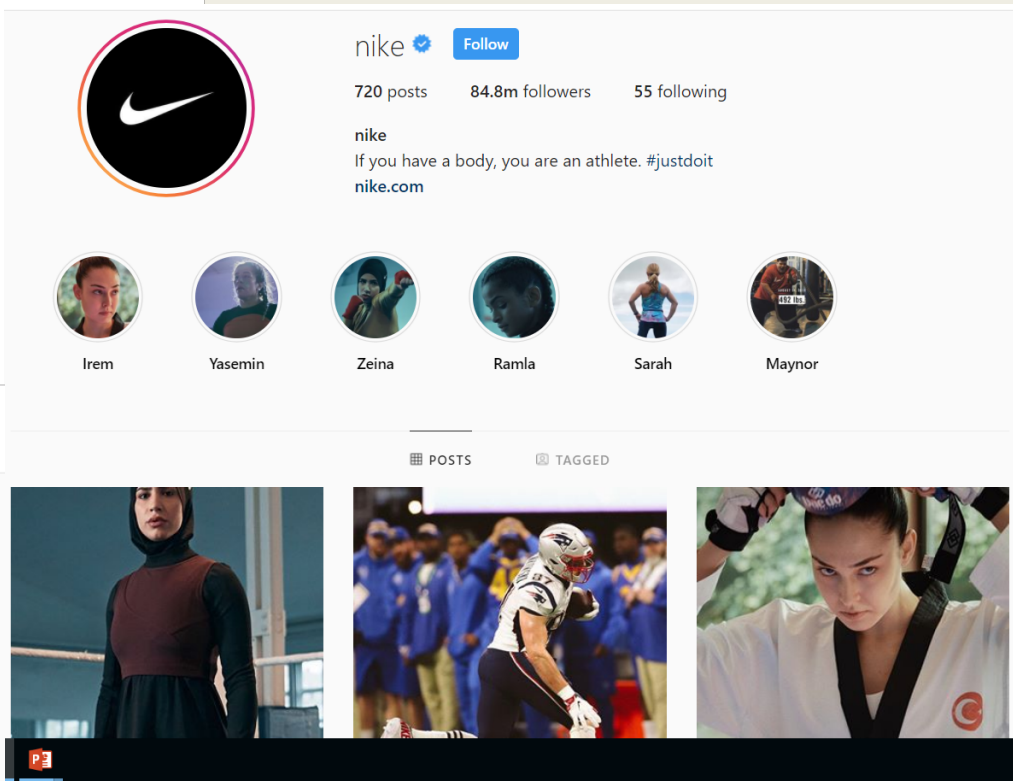
COMPLEX



# How does Nike just do it?





kingjames • Follow

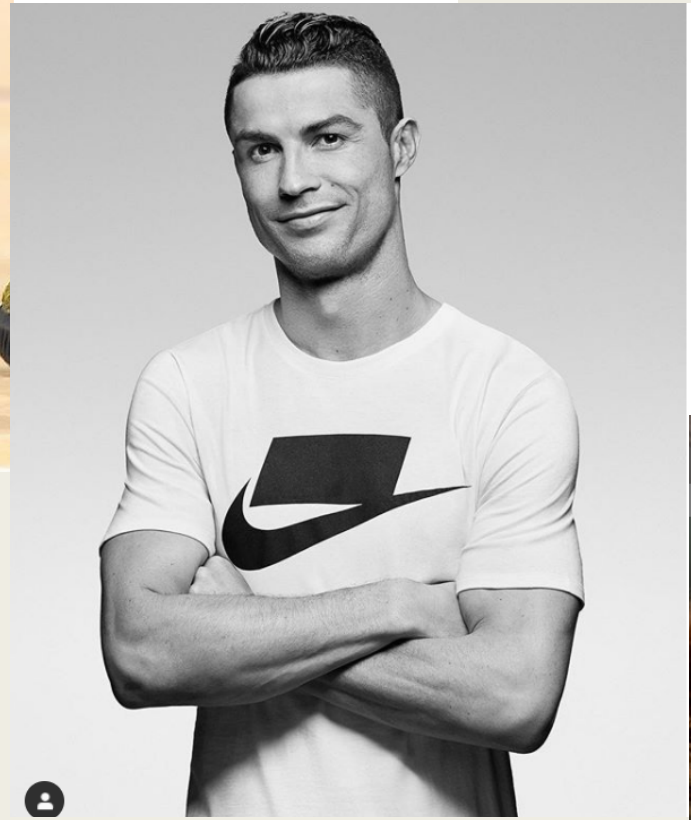
**kingjames** B•B•Z•S is the clique!! #JamesGang 👑 P.S. I'm not even gone mention that colorway XVI. 🤦‍♂️🤷‍♂️😉

Load more comments

**walaebakr** P.s my name is Sadiq

**younggod_rockafella** 🔥🔥🔥🔥🔥

**younggod_rockafella** 🌊🌊🌊🌊🌊🌊



cristiano • Follow

Paid partnership with **nikesportswear**

**cristiano** Challenge the rules by making your own. #nikesportswear #nikesportpack

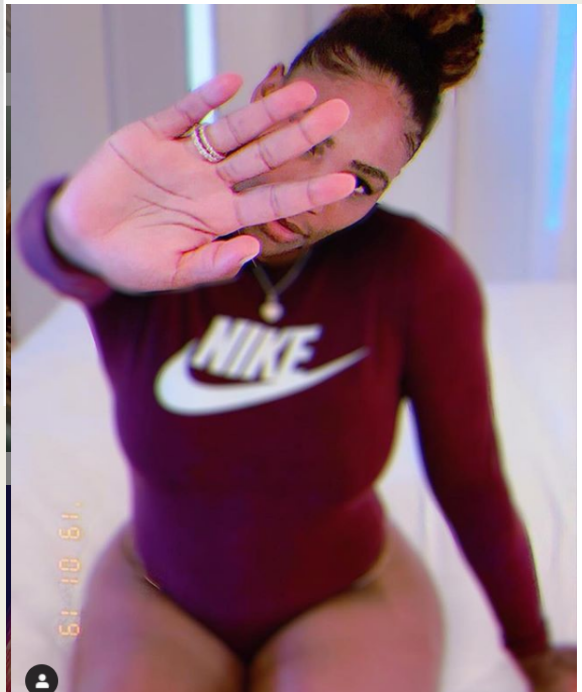
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**maks_kisko** Крут ✌️😀👍

**jack_senggollan** 😍🤘

**aminaabubakar944** I like you forever




serenawilliams • Follow

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**dcb_1966** Looking good 💯👍

**ruffhouse_tiqi** 🤦❤

**i3arned.it** THICC

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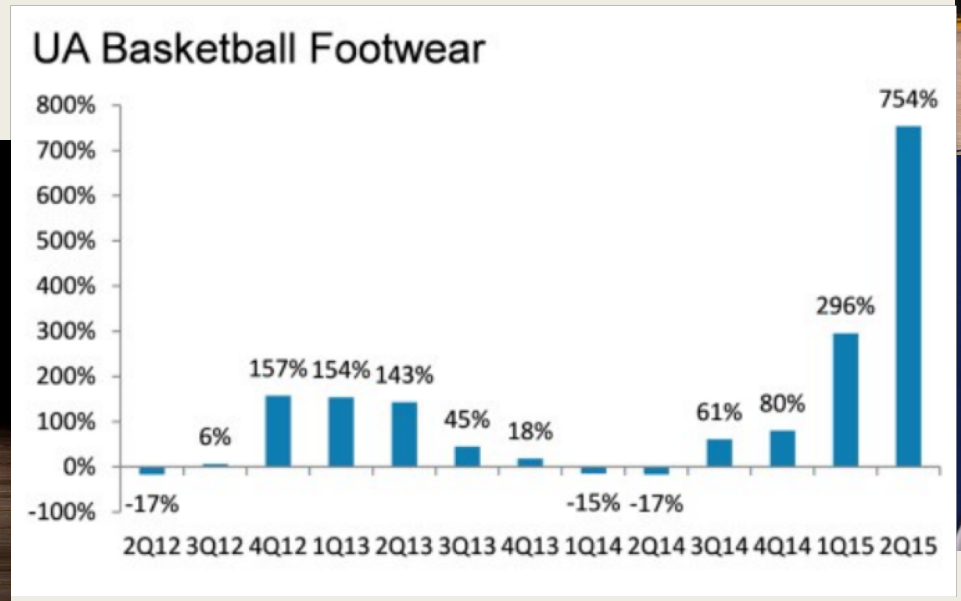
# Case Study – Stephen Curry

- Golden State Warriors – sponsored by Rakuten and Nike
- Stephen Curry just signed a sponsorship with Rakuten and Stephen Curry is endorsed and sponsored by Under Armour
- Under Armour signed Curry for $4 million per year back in 2013.
- Curry has a contract until 2024.










# ANY QUESTIONS?



# Case Studies Presentations

- Pip – Jonathan Davies
- Charlotte – Messi
- Zaid – Ronaldo



