



The Future of Sport

How sport will return post
COVID-19




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A new Era or Arena?

- The suspension of live sports has been an unprecedented scenario to rights holders, broadcast partners, sponsors, worst of all, fans.
- Fans want to get back to normal
- But will 2020 feature grassroots sports let alone the top-tier professional leagues?
- Recent surveys have shown that fans are highly concerned that live event attendance will jeopardize their health
- With these concerns in mind, **Square Consulting** has canvassed the world of sports and live events to understand the potential scenarios that could reunite fans with sports

Fans will need strong assurances that leagues are focused on their safety



Anxious to get back
up-and-running, some
leagues have
considered creating
sequestered, fan-free
environments to shield
their players and keep
them healthy

Immediate Impact: The Bubble has Burst

- Areas with less dense populations, and lower incidence of COVID-19 could play host to an entire league
 - EPL considered moving balance games to China but quickly abandoned the idea
- This radical step could bring live sports back quickly
 - Rescuing networks and media rights partners
 - Engaging fans from home
- But will fans enjoy a quieter game without real-time fan reaction?
- How important is the ambient experience?
 - Would a penalty shoot-out generate the same excitement without cheering fans?

Immediate Impact: The Bubble has Burst

- Viewership research done during recent spectator-less Australian Football League games has shown...
 - Large audience drops in the second half of game telecasts suggesting the spectator-less game offers less compelling content the longer fans watch
- Maintaining social distancing within stadiums and requiring empty seats between attendees is being considered
- But it presents incredible logistical challenges in selling tickets and separating fans, as well as financial consequences for operating events at lower capacities
- Potential to erode fan confidence in the safety of and create negative impressions of the on-field product

But with live events occurring more frequently than business or vacation travel, are fans ready to adopt these inconveniences on a regular basis?



Long Term Implications: Security and Safety 2.0

- People have made dramatic changes to their daily behaviors in the recent past
- There has been general acceptance of enhanced security at the airport
 - The inconvenience of earlier arrivals and longer lines have become routine because we want to see new places, vacation on the beach, and visit our loved ones
- Security at events has been increasing but could be poised for a more fundamental transformation
 - The days of arriving at the stadium right before kick-off could quickly become a thing of the past
 - Fans in the near- future may need to arrive early and pass through a combined security / health and safety screening to get to their seats

Long Term Implications: Security and Safety 2.0

- Live sports attendance has been in decline for several years
 - Creating more barriers to entry could push fans past a tipping point
- There is a difficult balance to strike between ensuring the safety of a live event and nudging already distracted fans to engage with the ever-growing entertainment options available to them

A person is seen from behind, wearing a red shirt, with their arms raised in a celebratory gesture. They are standing on a green field, possibly a sports field, with a bright light source behind them, creating a strong backlight effect. Confetti is falling all around them, and the air is filled with a hazy, celebratory atmosphere. The overall mood is one of triumph and achievement.

The Future: Championing the 'new normal'

Sport 2.0

- With the future of live sports unclear, fans and leagues alike are searching for expertise to deliver the confidence that events can be kept safe
- During this crisis, **there is an opportunity for a new group of experts to lead the charge in securing the health and safety of players and fans so all can enjoy the live experience**
- Four emerging areas may offer compelling solutions to the problems currently faced by live events

Four!

- Whatever paths are taken to restore live sports; what is clear, is that now is the time to redefine what it means to be safe at live events
- Sports has survived many crises before, including wars and pandemics

Area	Opportunity	Expertise
Advanced Logistics	Smart allocation of tickets to incorporate social distancing or the development of reservation systems that can optimize stadium entrances and mitigate the impact of additional screening	AI / Data Science Event Management
Health - screening	Testing to provide advanced medical clearance or non-invasive real-time screening to certify fans as healthy or non-susceptible to COVID-19	Health Sciences / Bio-Technology
Enhanced Event Certification	Establishment and use of best practices to designate venues, teams and events as compliant with new regulations and protocols that ensure events as COVID-19 safe	Health Sciences / Event Management
Increased Remote Fan Engagement	Innovation in the format and features that a broadcast or digital streaming experience brings to fans	Digital Production / Enhanced Live Streaming



Disrupt or Die

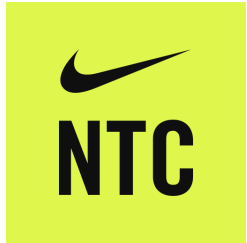
How sponsors can adapt...
And win hearts



Don't Switch off the Lights

- Relocate resources (people, budgets) to push brand messaging linked to consumer concerns
- Going 'dark' should not be an option
- Invest in digital wisely
 - From 'performance driven' to 'purpose driven'
- Use sponsorship assets creatively

Leveraging Existing Rights via Digital



Extended free trials and additional at-home workouts on their apps



Live streamed a 'digital fan viewing party', held after the postponement of their game against Schalke 04

Incorporated 12 official commercial partners in China and digital broadcaster PP Sports through adverts, cross-platform promotion, jersey auctions, and branded content



Now the lead sponsor for five of the most popular gaming organizations



Became the first major Oly sponsor to offer to extend its Tokyo 2020-focused athlete sponsorships into 2021 - 96 athletes across 27 sports

Rolled out a digital campaign - 'Do Your Part like an Olympian' - which saw several of the brand's Olympic and Paralympic ambassadors - create a series of videos encouraging fans to #StayHome and observe best practices when it comes to personal hygiene

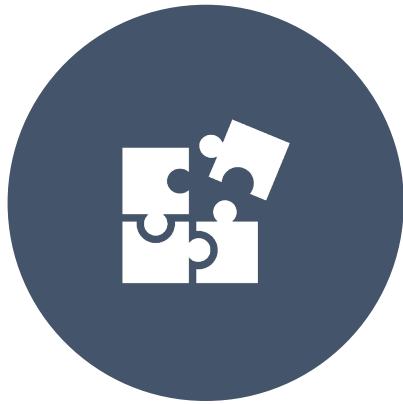
Leveraging Core Business Strengths

- Stella Artois: Running a social media campaign to raise funds for small businesses affected by Covid-19: "There is always an after" (to a crisis)
 - Asking people to purchase vouchers to use at small businesses to help local bars, restaurants survive the pandemic's financial impact
 - The brand promises to double the credit of the voucher by matching the value of the purchase for when consumers can use these credits after the public health emergency subsides
- Taj Hotels: Allocated hotel rooms across India for front-line medical workers as well as complimentary meals
- Diageo:: Donated up to 2m litres of alcohol used in gin and vodka to make hand sanitiser for healthcare workers combating the coronavirus outbreak



DIAGEO

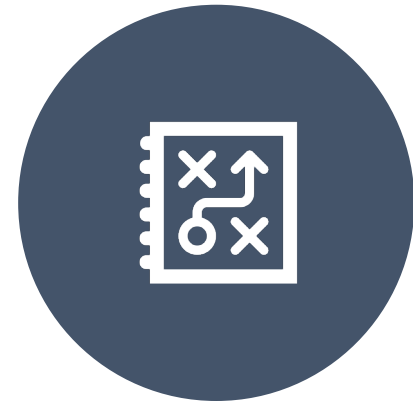
What is the 'new normal?'



ADAPTABILITY



RESILIENCE



AGILITY



If you fail to prepare, you're prepared to fail

Mark Sptiz



Thank you.
And stay safe

Square Consulting
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www.sqconsulting.in

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