
Branding and IP in Sport

Trends and opportunities

Creating a National Strategy

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Today's agenda

1. Strategic context – trends in sport and sport business
2. Brand analysis and recommendations
3. Sponsorship opportunity mapping
4. Licensing opportunity mapping
5. Towards a national strategy

Strategic Context

Critical Trends/Observations on Sport

- The active lifestyle is being challenged by the demands of modern life
- Decreasing participation in sport (incl. volunteerism) in society
- Advent of extreme and adventure sports
- Sports tourism
- Lifestyle sport and recreation
- Internationalisation presents significant opportunity in emerging sports markets such as the BRICs and Middle East
- Governance of sport and the behaviour of its stars is under increasing scrutiny by the media and major sponsors

Strategic Context

Critical Trends/Observations on Sport

- The perceived value of sport and major events continues to increase leading to a greater level of competition on a global scale
- Investment in sport has increased significantly in 'competing' countries
- The coaching profession is on a continual path of innovation, staying abreast of global 'best practice' is challenging and costly
- Digital connectivity means that 'intellectual property' previously held by a few is now available to the masses, often for free

Strategic Context

Critical Trends/Observations on Sport

- There is an emerging trend towards the convergence of sport, recreation and entertainment
 - This presents a dilemma for governing bodies in terms of balancing the notion of sporting excellence with the commercially lucrative concept of blending entertainment into the sporting experience

Strategic Context

Critical Trends/Observations on Sponsorship

- Sponsorship remains a key driver of growth in sporting revenues, accounting for nearly 30% of the global sports market (43% in AsiaPac)
- There has been a noticeable shift from small-scale, fragmented sponsorships as major brands consolidate spending and refocus on the big picture
- The market has evolved significantly in recent years, major sponsors are looking for more than basic logo placement and real estate
- Sponsors are seeking opportunities to create and foster genuine engagement with new audiences that will deliver a halo effect on their own brand perceptions

Strategic Context

Critical Trends/Observations on Sponsorship

- Social Media provides sponsors with an opportunity to develop a two-way conversation with fans, thus enabling enhanced brand management opportunities
- There is intensifying pressure for more sophisticated measurement techniques to demonstrate ROI on sponsorship

Strategic Context

Our Objectives

- Increase off-budget revenues through greater engagement with sponsors and potential licensors
- Assume a leadership position as pre-eminent high-performance sports
- Build greater recognition and understanding in sports brands
- Strengthen competitive positioning on a regional and global scale
- Identify further knowledge and innovation research partners
- Monetise the research and knowledge base through smart partnerships
- Build a greater public profile through an increased focus on content & publishing
- Strengthen prominence related to CSR activity

Brand analysis

Recommendations for national sports positioning

Critical success factors

- Long-term view of the development of sport
- Globally competitive
- Complementary - local, provincial and national initiatives
- Emphasises the 'power inside' model of sport in terms of research, science, technology and innovation
- Directly linked to business imperatives
- Accessible for consumer markets
- Future-proofed – the only way to stay relevant
- Aspirational for all stakeholders, including athletes

Commercial Activation

Commercial landscape

Corporate Partnerships

- Positioning around ‘the future of sport’ can leverage partners that are known for their:
 - High performance
 - Innovation
 - Research and development
 - Commitment to technology
 - Competitiveness
 - Leadership position
- Rather than adopt a ‘scattergun’ approach to partnership activation, we need to develop a clear articulation of the brand fit with potential market segments

Commercial landscape

Market segmentation – high performance



Commercial landscape

CSR

- There is increasing focus on CSR around the globe – last year alone, 5,500 organisations released sustainability reports, up on 800 from a decade ago
- Employers are seeing CSR as a major differentiator in attracting and retaining employees
- There is an expectation that Government agencies will deliver on CSR outcomes – winning support from business advocates
- CSR principles can help to frame business partnership opportunities – common values and objectives

Commercial landscape

Licensing – opportunities

- New category opportunities are reasonably limited under the existing positioning and the industry has a tendency to stick to core offerings
- The most appealing potential commercial initiatives relate to services that are able to share high performance sports expertise with the grass-roots sport participant
- The opportunity to innovate/grow should be linked to knowledge/technology i.e. consumer training aids, performance enhancing/monitoring
- In the area of sports nutrition, there is potential to develop and market a range of products targeted specifically at females

Developing a National Strategy for IP and Sport

1. Recognition of role of sport in social and economic development
2. National IP office leadership role
3. Public and private sector stakeholders collective vision for national framework
4. Mapping exercise – using IP for value creation in sport
5. Legal experts to determine benchmarks, legal considerations and cross-jurisdictional cooperation
6. National IP office to provide education, training and management support for implementation

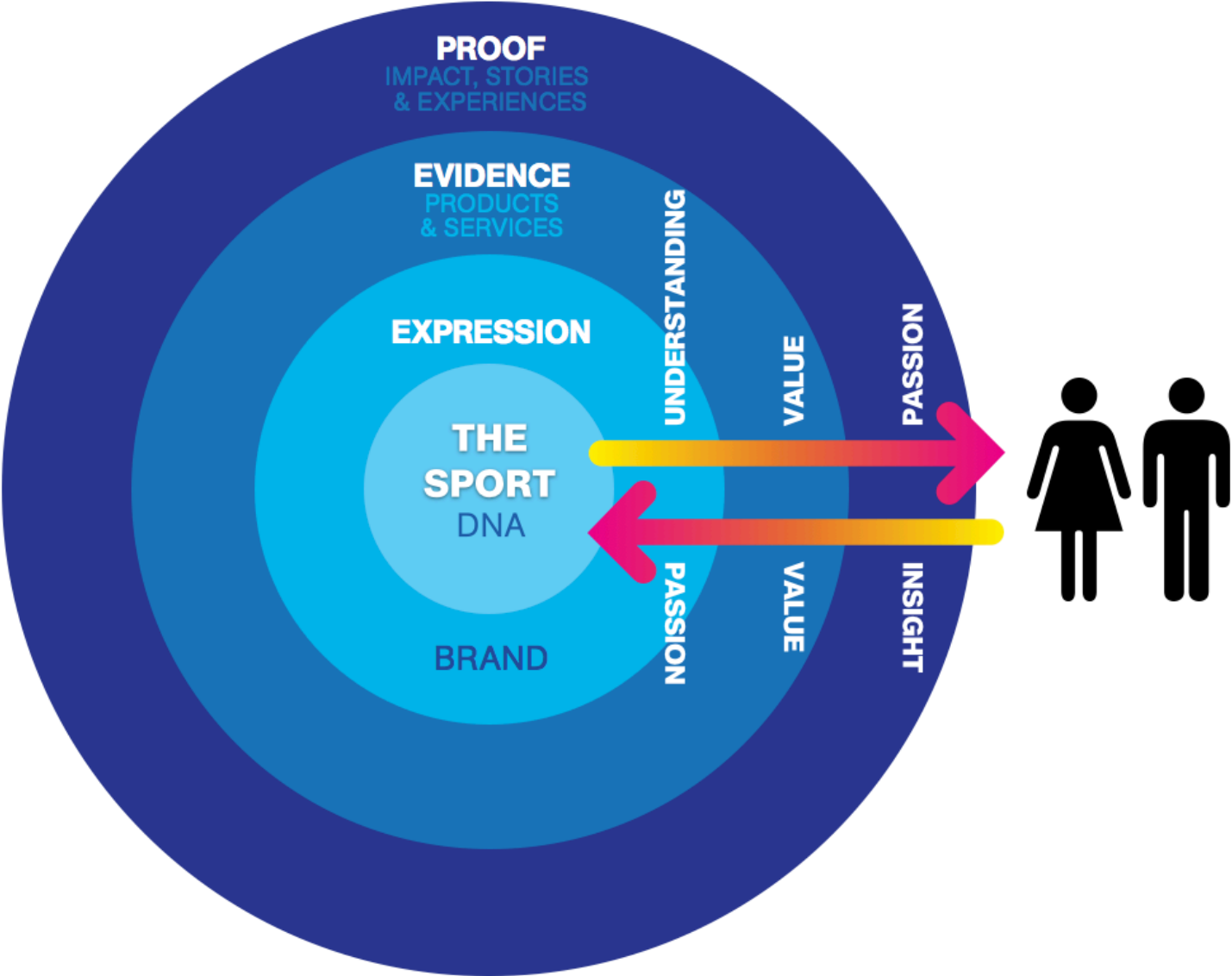
National Strategy

1. Collective vision and voice – single plan
2. Generate economically valuable assets
3. Commercial development within the sector

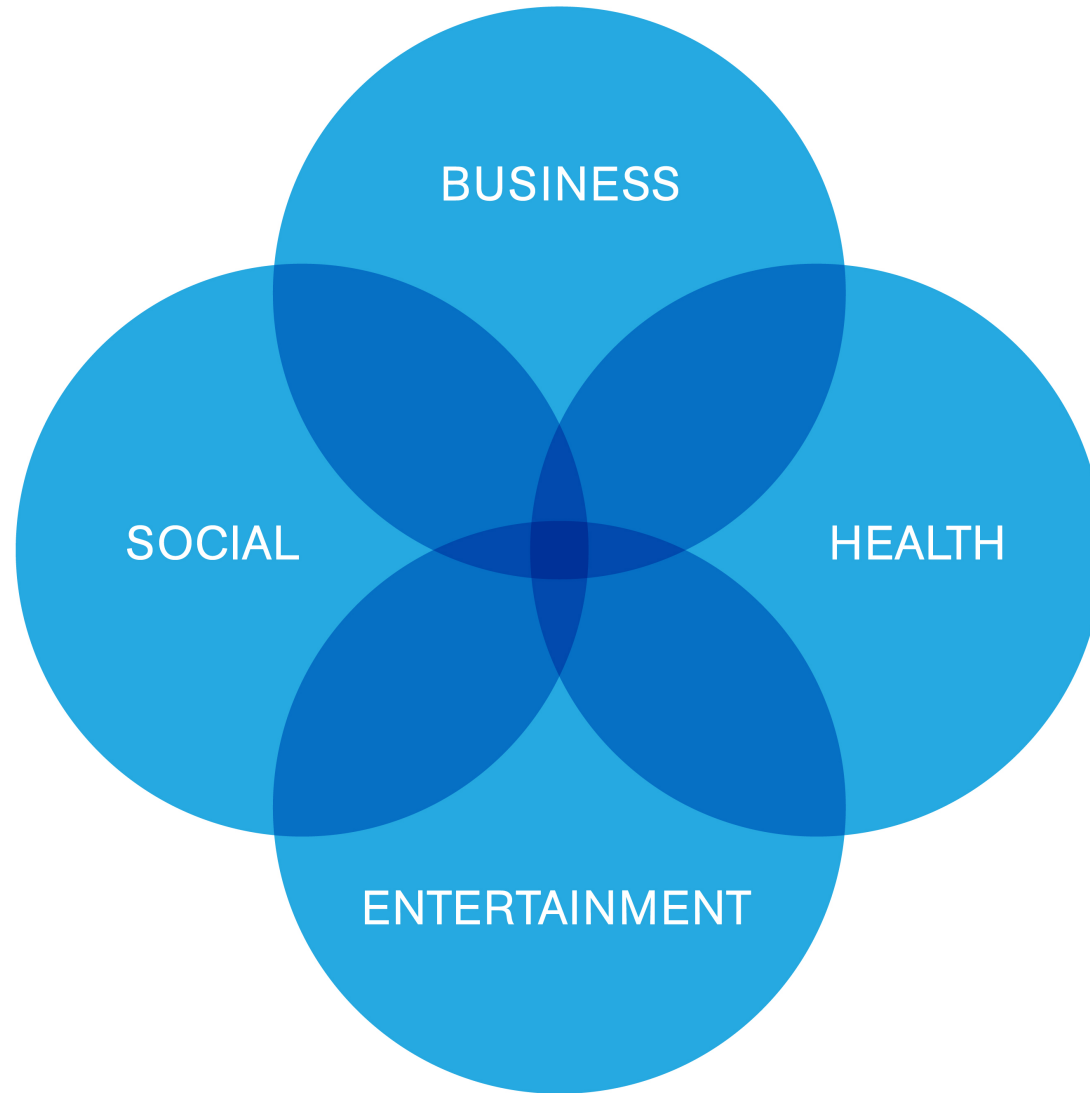
Objectives – growth engine

1. National identity and pride
 2. Community health and well-being
 3. Economic success
 4. Media value
 5. Tourism
 6. New investment
 7. Public-private sector collaboration
 8. Entrepreneurship and innovation
 9. Cultural vitality
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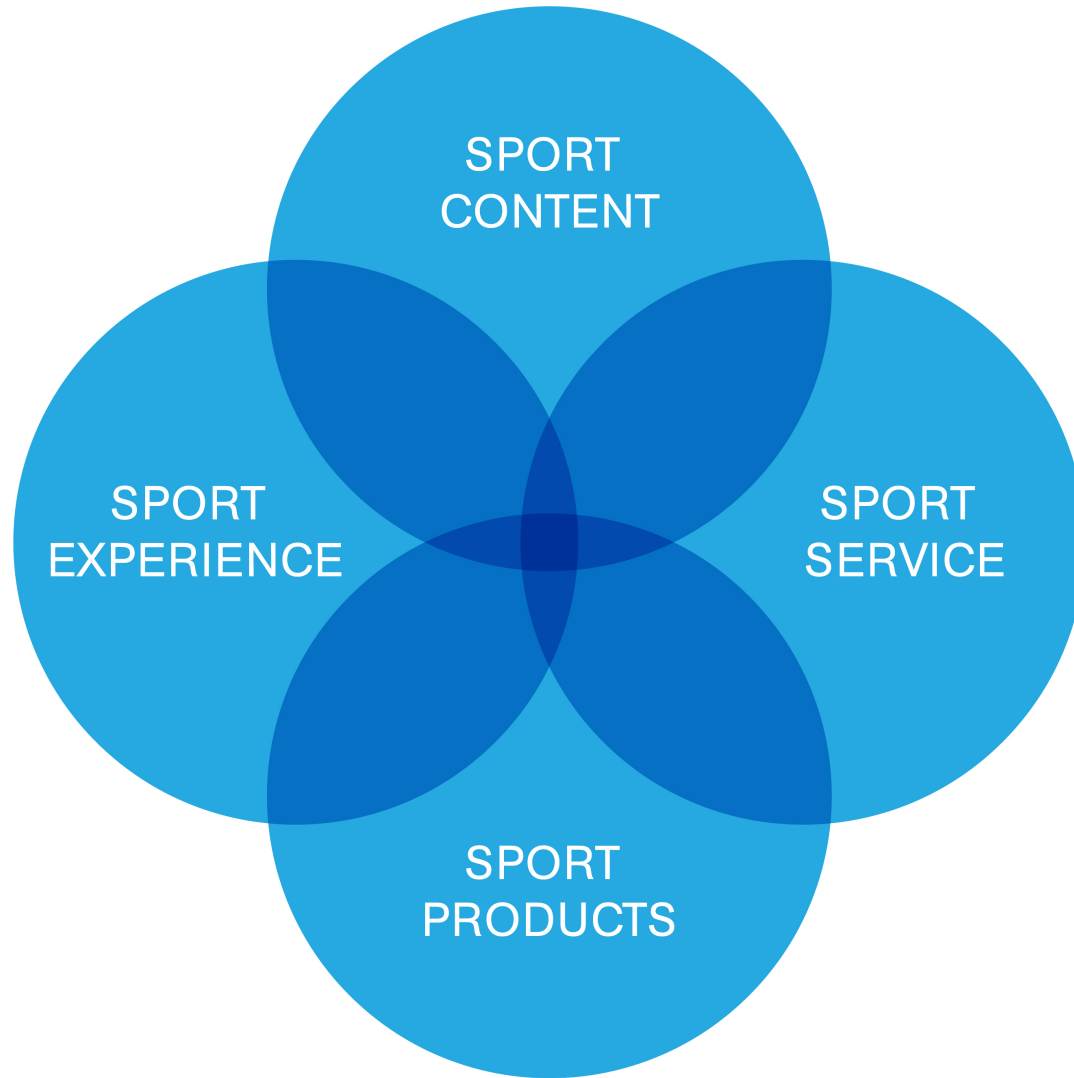
Don't forget the customer!



WHAT ARE THE VALUE DRIVERS OF THE SPORTS INDUSTRY?



WHAT ARE THE ELEMENTS OF THE SPORTS INDUSTRY?



Commercial
potential
across
different
markets

Checklist for Mapping IP of National Sports Industry

