7 DIGITAL TRENDS IN SPORT

Seven League
accelerating digital performance

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INTRODUCTION

When the pace of change is quicker than ever, how does your organisation stay up-to-date?

There are social media accounts you can follow, tech industry newsletters you can subscribe to, conferences you can attend. All of this is hearing about technological developments second hand … but it's better than nothing.

The other option is to ask Seven League to do all of that for you via the Digital Briefing that we send many of our clients each month. What's more, because we're media, marketing and technology hybrids who are closely connected in the tech community, we get to hear about new developments before they do the blog/newsletter/conference rounds.

We know the stories behind each development and what's coming next. That's what makes the Monthly Digital Briefing essential for Seven League clients.

The briefing is tailored for each specific client - we track every major development in digital and tell our clients how we think they could affect their business in the future.

However, it's the end of the year and we're feeling festive so we decided to summarise all those hours of tracking tech developments from 2018 into 7 key trends.

We'll explain how these 7 trends impacted the sports industry in 2018 and how they will change the direction of clubs, leagues, teams, federations and players in 2019.

We hope you can take the time to catch up on what you may have missed and make sure you're ahead of what's about to happen.

Richard Ayers
Seven League CEO

TREND

1

ATHLETES BECOMING MEDIA

WHAT HAPPENED IN 2018

In 2018 top-tier athletes took a leap forward as media brands in their own right, **going direct to consumers** via social media and newly formed platforms, rather than relying on their clubs and sponsors.

The back end of the year saw the launch of OTRO, a digital platform focused on new content from players, endorsed by the likes of David Beckham, Lionel Messi, Neymar and Luis Suarez.

The launch followed a year in which multiple high-profile pieces from The Players' Tribune did the rounds, including **emotional stories** from Romelu Lukaku and Ian Wright which focused on the hardships these players had to endure before they became stars. Then there are the likes of Uninterrupted (co-founded by LeBron James), Religion of Sports (co-founded by Tom Brady), TraceMe (co-founded by Russell Wilson and with investment from an impressive list of names), all of which are trying to tell athletes' stories in new engaging ways.

Clubs and leagues have long known that it's player content that moves the needle, but what we're seeing now is a **new flavour of execution**, long-form text and video, presented on beautifully laid out mobile-friendly templates that tells more emotionally-charged personal stories in the athletes' own words.

The Players' Tribune is also innovating with using athletes to open **new revenue streams** beyond traditional display advertising. Although slightly hamfisted in its execution, it packaged a new content stream called 'unexpected heroes' for the launch of Amazon's original series *Tom Clancy's Jack Ryan* utilising Ronda Rousey, Joel Embiid and Richard Sherman.

Athlete workouts also became ubiquitous on social where many took a lead from LeBron James who is well-known for posting his gym and workout routines. Athletes without LeBron's cache are realising that developing their media personas and associated digital content is a key career pillar.

HOW WILL IT AFFECT SPORT IN 2019?

With new independent platforms giving athletes alternative outlets to build their brands and boost their income expect the **tension between clubs and athletes** to increase. Players are becoming more aware of the value of access and no-one controls access better than the players themselves.

Social media teams in clubs have long understood that getting player access can be a difficult dance that involves informal requests, favours and luck. Clubs are getting savvier about **building in content commitments** into player contracts but until these are more formally defined and negotiated it will be relationship building and having personable, relatable content makers that make the difference between a player giving of his/her time or not.

PLAYERS ARE BECOMING MORE AWARE OF THE VALUE OF ACCESS AND NO-ONE CONTROLS ACCESS BETTER THAN THE PLAYERS THEMSELVES.

"We will help connect the global athlete community to each other — and to fans."

Jeff Levick, chief executive at The Players' Tribune, in a SportsPro article (December 2018)

TREND

2

VOICE IN EVERYTHING

WHAT HAPPENED IN 2018

Machine learning is powering greater improvement in **speech recognition** and, as with search before, it is improving the results for voice queries. In 2018 Google showcased its impressive Duplex technology which enabled a machine to speak directly with a sales assistant to make a restaurant booking and a hair appointment.

The smart speaker market is maturing and is only really a stepping stone to a **whole ecosystem of voice-enabled devices** from cars and fridges, to televisions and clothing. Google's Assistant and Amazon's Alexa still drive the market in the West.

The proliferation of smart assistants clearly **increases the number of use cases**. Amazon announced a new Alexa for Hospitality service designed to bring its voice assistant technology to everything from chain hotels to holiday rentals. It has also been working with a number of car companies, including Toyota, Ford, Lexus, BMW and Audi to bring Alexa to vehicles. Amazon Guard (a home security use case) will see the technology built into microwaves and wall clocks.

HOW WILL IT AFFECT SPORT IN 2019?

DISCOVERY: Voice queries will increasingly be how people discover content but unlike search engines, smart assistants deliver one result rather than many. Optimising to be that single result is going to be critical. As SEO was a thing for search engines, **VO (Voice Optimisation)** is likely to be a big part of how sports organisations and all content businesses continue to attract traffic and user attention. We have seen how platforms like Amazon use this to their advantage (if you ask Alexa to add batteries to your shopping basket, it will likely add Amazon Basics batteries over any other brand in the market).

DATA: All the while, these platforms are collecting consumer data and using this to bolster their advertising offering to brands. This places them in direct competition with sports brands whose ability to sell sponsorship packages increasingly relies on their ability to deliver audience insights, backed by data.

DIFFERENTIATION: In sport, voice technologies are being used increasingly to enhance the live hospitality experience. We expect more venues to use smart assistants to let people order food and drink as well as serve up accompanying content and information alongside the game.

VOICE QUERIES WILL INCREASINGLY BE HOW PEOPLE DISCOVER CONTENT.

"At Amazon, we believe voice is the best way to interact with devices in nearly every setting."

Amazon spokesperson on developer.amazon.com/blogs

TREND

3

PEAK
STORIES AND DOCUSERIES

WHAT HAPPENED IN 2018

The **Stories** format pioneered by Snapchat has been universally adopted as the narrative device of the moment. Most successfully leveraged by Instagram, it now appears on Facebook, LinkedIn (called 'Student Voices'), Google via AMP Stories and most recently on YouTube, which has made a seven-day format available to some creators.

Alongside this we've seen a notable rise in fly-on-the-wall **docuseries**, following the success of shows like 'Last Chance U' and 'All or Nothing' (which started with the Arizona Cardinals and most recently followed Manchester City). Sport will see more docuseries in 2019 but like publishers who invested heavily in podcasts (Slate, BuzzFeed) some organisations will overcapitalise and have to scale back. It doesn't make the format a bad one. Documentaries are proven historically to be both cost-effective and impactful, but in a crowded content landscape execution is key.

HOW WILL IT AFFECT SPORT IN 2019?

Both Stories and Docuseries formats require new skills that many sports content teams don't currently have.

Content teams increasingly require **visual storytellers**, whether that's motion graphics experts, video producers and photographers or those who have currency creating successful and engaging social content. It's going to be a tough time for reporters who simply want to file written match reports. Long-form is not dead, but low-value reporting may be.

For docuseries, hire **seasoned documentary storytellers** for the best results and don't forget about distribution - the number of organisations assuming they'll be able to sell a format to Amazon or Netflix is simply not feasible.

With so many platforms and content formats to consider, **analysing the return on investment** you get from different content formats is going to be crucial. Expect more teams to announce that they're dialling down efforts in particular areas on the basis of data and analysis that shows them where their content investments are having the most impact.

> ANALYSING THE RETURN ON INVESTMENT YOU GET FROM DIFFERENT CONTENT FORMATS IS GOING TO BE CRUCIAL.

TREND

4

A RETURN TO COMMUNITY

WHAT HAPPENED IN 2018

What made the internet an exciting place to be in its early days were the vibrant and diverse communities that flourished within chat rooms and on bulletin boards.

As social media platforms grew to prominence we started consuming more feeds and while we could all still comment, like and share, both brands and consumers became broadcasters.

Then some (mainly younger) users retreated to messaging clients like Snapchat where they could communicate out of the public gaze, and so emerged ephemeral media formats like disappearing messages and stories.

We're now seeing a **re-emergence of communities built around passion and interest points**, rather than colleagues, friends and family. Of course, community never went away - shown by the continuing health of platforms like Reddit - but its manifestation on major consumer platforms is undergoing a rebirth.

Facebook's announcement in 2018 that it would reward more meaningful social interactions was certainly a catalyst. Anyone who's joined a Facebook group will have seen how much more prominently group-related posts are now being surfaced in your feed.

HOW WILL IT AFFECT SPORT IN 2019?

We anticipate more teams and leagues launching Facebook groups but these will work best when the rationale of what connects people in a group has been properly thought through. Don't just start a group around your brand name: **think why those people need to connect.** The NFL's group for fans in the UK works well because it connects a defined group of fans, with a separate identity and needs, around their passion point.

We're slightly biased (because we run it) but we believe FIFA's Fan Movement, a global community of over 400 football fans in 44 countries which launched alongside the 2018 World Cup, is one of the best examples in sport of the resurgence of communities online.

Beyond Facebook, we see communities flourishing on a host of other platforms and many will be driven by creators (Patreon, Spotify, YouTube). But beware, communities succeed (particularly at the early inception stage) when they are regularly and consistently seeded and moderated, and that takes hard work and specialist community management skills.

> DON'T JUST START A GROUP AROUND YOUR BRAND NAME: THINK **WHY THOSE PEOPLE NEED TO CONNECT**.

TREND

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OTT: FROM PRODUCTS & PIRACY TO CONSUMERS & CONTENT

WHAT HAPPENED IN 2018

2018 was an inflection point for the **fragmentation** of the sports broadcast market. Facebook and Amazon made meaningful sports rights acquisitions; DAZN announced more partnerships in more markets and has been rapidly expanding its team; new propositions from existing stalwarts emerged, like GolfTV from Discovery and ESPN+ from Disney, which now boasts more than a million subscribers; and multiple clubs, leagues and federations announced their intention to go direct-to-consumer with an OTT offering.

Only services that can operate at scale (Facebook, Hotstar) can sustain an **ad-funded model** that will recoup big investments in sports content, so many of the services that are launching are choosing to do so with a subscription-based business model. From a consumer perspective, this has frequently meant paying more for multiple services for a comprehensive sports offering.

The issues preoccupying much of the discussion in this vibrant OTT ecosystem surround **piracy** (very reminiscent of the music industry in the Napster era), **product performance** (buffering, latency and actually getting it to work - issues with the B/R Live paywall page for 'The Match' between Phil Mickelson and Tiger Woods saw Turner returning pay per view fees to viewers) and which rights are being carved up and served on which platforms and who will win the battle to get which rights. These are all extremely important discussions to be having but are reflective of an industry that is still building its products and has been used to doing operating business to business.

HOW WILL IT AFFECT SPORT IN 2019?

As the technology improves and more competitors emerge, discussions about latency will be replaced by conversations about user **attraction, conversion and retention** and the development of popular **new content formats** and associated user benefits.

Marketers will increasingly be called upon to make a success of what the technologists have delivered. Organisations that are making their first forays into selling direct to consumer (D2C) will have to hire new people who understand metrics like user cost-per-acquisition (CPA), churn and lifetime customer value (LCV). The winners will be those who get the technology, the content and the marketing right.

THE WINNERS WILL BE THOSE WHO GET THE TECHNOLOGY, THE CONTENT AND THE MARKETING RIGHT.

TREND

6

INTERACTIVE CONTENT OVERTAKES IMMERSIVE CONTENT

WHAT HAPPENED IN 2018

2018 felt like the year **virtual reality (VR) promised much but didn't fulfil the hype**. The technology grappled with challenges around low device penetration, compatibility and platform issues, the fact that headsets can be isolating and a lack of experience in how to tell a good VR story.

While the Winter Olympics in VR was underwhelming, there were **some interesting applications of augmented reality (AR)**, for example, StubHub launched an AR immersive app upgrade for the Super Bowl, but the format is still waiting for the camera mapping, processing power and hardware (probably glasses) to hit the consumer market before the use cases become really interesting.

After years of hype Magic Leap shipped a product and opened 'creator portal' for AR app developers. Facebook also launched Oculus Venues but neither has really made an impact in the sport landscape.

In the meantime, we've seen a marked **trend towards making live sport broadcasts more interactive.** Facebook's Watch Party allows users within a group to watch content together and Eleven Sports recently announced its 'Watch Together' feature on its OTT platform that enables fans to watch live action together with friends and family in the same online space at the same time.

HOW WILL IT AFFECT SPORT IN 2019?

With Facebook pushing both Groups and Watch we would not be surprised if sports viewing doesn't necessarily become more immersive, but more interactive.

Sports organisations have taken note of how younger audiences are consuming live video streams, particularly gaming content, on platforms like Twitch. There will be a **greater effort to own more of the 2nd screen activity** and broadcasters will experiment with text feeds that run alongside the game.

> WE WOULD NOT BE SURPRISED IF SPORTS VIEWING DOESN'T NECESSARILY BECOME MORE IMMERSIVE, BUT MORE INTERACTIVE

TREND

7

THE LOCALISERS ARE WINNING

WHAT HAPPENED IN 2018

In 2018 the sports bodies with the most ambitious global expansion goals were the ones doing the most specific, **locally-differentiated work in key markets**. This means building data-light products for key emerging markets, it means localised content, a presence on-the-ground and it often means different business models.

Netflix, which for a long time had a near-standard global pricing strategy, chose to introduce localised pricing to capture a bigger market share in emerging markets. Bayern Munich launched a light version of its website for fans in markets where data speeds and cost still play a part in daily content consumption choices (large sections of Africa, the Middle East and Asia with massive sports-hungry populations).

This followed Amazon's launch of a 'lite' Android web browser app in India and the news that Alibaba's UC Browser is overtaking Google's in some emerging markets.

Google AMP (accelerated mobile pages) entrenched itself as the best standard for building fast-loading web pages but has still not been widely adopted across sports teams' websites.

HOW WILL IT AFFECT SPORT IN 2019?

While operating a localised digital strategy introduces both cost and complexity there are now enough compelling case studies to prove its value. Having a **trusted partner on the ground**, whether it's a single agent or a proven agency like Mailman in China (who in 2018 invested in Seven League with a vision to create the world's leading digital sports agency), we see more sports bodies with global ambitions appointing trusted partners in their target markets.

We expect to see more clubs and leagues operating content channels that are **centrally coordinated and locally-flavoured** and we anticipate greater adoption of standards like Google AMP and further data light products being released.

We also expect to see more sports organisations trying to monetise the audiences they've built in non-core markets. This will mean experimenting with **new partnerships and business models** (think tie-ins with telcos and platforms, leveraging p2p payment technologies and signing local market digital sponsorship deals).

"A local strategy is not country led, it's people led. Although countries have dominating forces, behaviour, language and culture – it's the people that drive the strategy. Organisations which understand these local forces will balance resource properly, prioritise the approach and become truly global."

Andrew Collins
Founder and CEO Mailman group

ABOUT SEVEN LEAGUE

Seven League is a digital consultancy specialising in sport. We work with sport's biggest global brands to ensure their on-field excellence is matched by world-class digital performance. We help them grow and engage audiences, increase commercial value and champion tech innovation. It's futureproofing in an ever-changing digital landscape.

In September 2018 we began a new era by entering into a partnership with Mailman, China's leading digital sports agency. With this partnership we're committed to building the world's first global digital sports consulting business. Empowering the world's most ambitious sports organisations, teams and athletes to build success everywhere.

We aren't consultants who tell you how it should be done, leave you a PowerPoint and walk away - we use our content, production and technology experience to make sure we help you deliver, or we simply deliver for you.

SEVEN LEAGUE, ACCELERATING DIGITAL PERFORMANCE FOR THE BIGGEST NAMES IN SPORT.

We've been lucky enough to work with the following clients in 2018:

GOVERNING BODIES, LEAGUES & TOURNAMENT ORGANISERS

UEFA, Premier League, NBA, FIFA, Bundesliga International, Ryder Cup, Horse Racing Ireland, England Hockey, Great British Racing, World Boxing Super Series, The FA, England Netball *and more*

TEAMS, CLUBS AND VENUE OWNERS

FC Barcelona, Green Bay Packers, Newcastle United, Leicester City, Juventus, Tottenham Hotspur, MCC, Celtic, Ascot Racecourse, Watford, York Racecourse, Fulham, AS Monaco, Paris St-Germain, Everton *and more*

BRANDS, MEDIA & ESPORTS

Gfinity, O2, Riot Games, Eurosport, Laureus, Infront, The Climate Coalition *and more*

OUR SERVICES

BUSINESS TRANSFORMATION

Digital Audit (performance review)

Strategy development

Commercial valuation

Monitoring, reporting and benchmarking

Embedding specialist staff

Localisation (products, resource, language, content)

Research, analysis and insight

CONTENT

Commercial valuation of content

Content Mix analysis

Planning and process

Production (video, audio and imagery)

Community management (inc. running social media channels in multiple markets)

Digital marketing campaigns

Branded content formats (ideas, valuation & production)

TECHNOLOGY

Tech Triage (hand picking the right products for each client)

Project management (website, app, retention programmes)

Strategic partnerships

Vendor management

Procurement (running RFPs)

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