

# Trends in the Sports Business (MOEC0613)

## Syllabus

---

### 1. Introduction

Professional sports is one of the most successful industries with a record of extreme growth in industry earnings during the last decades. The industry was especially hit hard by the Covid-19 pandemic, resulting not only in state-funded aid packages for sports clubs but also new strategies to cope with revenue losses in the industry ranging from forming new leagues and threats to leaving traditional league formats to new digital business models.

In this seminar, we want to analyze current trends in professional sports by focusing on several key topics and discussing the findings in a two-day seminar. It is key to understand the economic peculiarities of professional sports, their impact on specific business models for federations, leagues, clubs, athletes, and other key stakeholders that form a crucial part of the value chain. Trends will be identified, analyzed, and presented.

Prof. Dr. Helmut Dietl, University of Zurich, in cooperation with:

- Dr. Carlos Gomez Gonzalez, Postdoc University of Zurich
- Ralph Straus, FEI, Commercial Director

### 2. Application Process

Deadline: February 3, 2022

Form: Apply via this [Google Form](#). Please note that priority will be given to master students of the Business Administration program (BWL)

The number of participants is limited. In the event of excess demand, we will select the participants based on the motivation statements provided in the Google Form. We will notify all students if their application is accepted by February 7, 2022.

### 3. Overview

(i) Introduction: We meet on February 23, 2022, at 12.15 - 14.00 CET (Zoom invitations will be sent) for the introduction to the seminar where you will form groups and select your topic of choice for the paper. Registering of groups and topic choices no later than Sunday, February 27, 2022. Participation is limited; in case of too many applications, we will select participants by February 7, 2022.

(ii) Paper: Students will develop a paper in groups (preferred group size is 2-3, but may vary with the number of applications). You will need to submit the paper on April 21, 2022 (23.59 CET)

(iii) Seminar: The seminar takes place on April 29, 2022, and April 30, 2022 (SOE-E-2 - [course catalogue](#)). Students will present and discuss their papers.

### 4. Assessment

We will grade your papers (60%) and presentations (40%).

## 5. Paper / Presentation

Papers are due by Thursday, April 21, 2022 (23.59 CET)

The paper should not exceed 5.000 words (excl. title page, references, appendix etc.) Please send a PDF version of your paper to [carlos.gomez@business.uzh.ch](mailto:carlos.gomez@business.uzh.ch). The style of the manuscript should follow the current APA scientific guidelines.

Presentations: After submitting your papers, you will be assigned a paper from another group. Please prepare a presentation where you introduce and discuss the paper of your peer group. Your discussion should include the main research question of the paper at hand (and contribution to the literature), how the authors have answered the research question (data and methods), and your assessment of their paper including limitations, implications for policy, and recommendations for future research. A guideline on how to discuss papers will be provided after the introduction session.

## 6. Topics for Paper / Presentation

### 1) Digital Transformation in Sports

Digital technologies have transformed the way in which sports are performed, how sports are consumed, and even created its own sport – eSports. Which sports have been very successful in using digital technologies to change the sport across the dimensions of sports format, events, and fan engagement? Which sports are lacking behind, and why? Can best practices be identified?

### 2) The ROI of an Athlete

New records are broken every year in transfer fees for athletes and their compensation packages, across European Football, the NFL, the NBA, and other properties. Part of the fees may include emotional value, but what parameters can be considered to value the Return on Investment. Is there an economic model that can be applied to various sports, taking for example into account the value generated through merchandising, media rights, ticket sales, social media engagement? What about shareholder value, does the purchase or sales of highly valuable players influence the stock price of the property or its sponsors?

### 3) The Event Lifecycle

Each mega event such as the Olympic Games, the FIFA World Cup, or the Commonwealth Games goes through different phases in its event life cycle. Models for an event life cycle exist but these are mainly geared towards smaller events. Would there be an event life cycle for a mega event? What phases could be identified? Are these phases one-dimensional or could these depend on public sentiment or crises situations? Would the model be non-linear or potentially include additional sub-phases? Are there learnings from e.g. the product lifecycle theory that could be applied to an event lifecycle?

### 4) Fan Engagement

With the digital transformation and the changes in media consumption, sports organizations are exploring new ways to engage with fans. “Fan engagement” has become a key topic in the marketing mix of any sport. If you select a number of sports, what new forms of fan engagement have

developed over the last years? Can you identify changes that are digitally enabled compared to traditional engagement? Can parallels be drawn between sports or are there significant differences between sports? What are the key drivers of these changes, are these mainly driven by the sport, or do external factors such as social networks and/or social networking play a role?

### **5) Youth Participation**

The participation of youth is high on the political agenda of the IOC and initiatives are planned by most Olympic Federations on how to engage a younger audience, also to counter the decline in physical participation rate across many sports. The IOC included new, more youth focused sports in the Olympic Games such as skateboarding, surfing, and sport climbing to maintain relevance towards a younger audience. Selecting a number of summer and/or winter Olympic sports, which parameters could be used to evaluate the relevance to the youth for these sports? Can trends be identified over the recent years, has there been an increase or decrease? What are sports doing to remain attractive to the youth? Across different sports, can you identify measures that have been taken that have proven to be effective to be relevant to a younger audience? What behavior and/or activities should be avoided by sports organizations which may lead to an increase in disinterest by the youth?

### **6) Social License**

Initially focussing on the mining, oil, and gas development industries, the concept of a “Social License to Operate” is gaining relevance across an increased number of industries, questioning amongst others the acceptance of society to conduct its activities. Also in the sports industry, the topic is gaining awareness, mainly about mega-events and event series such as F1, but also for International Federations it has become a relevant topic as part of good governance. Media and social media accuse some sports organizations of “greenwashing” in an attempt to influence public opinion and acceptance. What would be an appropriate definition for a “Social License to Operate” within the sports industry and what should sports organizations focus on? Can learnings from other industries be applied to the sports industry? How does the “Social License to Operate” impact the economic model, e.g. through sponsorship and fan engagement?

### **7) Blockchain**

Since its first description in 1991, blockchain technology has seen tremendous growth over the last few years and is being applied across many different areas, ranging from cryptocurrencies, Non-Fundable Tokens (NFT) to digital services. According to a 2021 expert survey conducted by PriceWaterHouse, only 8% of sports rights holders have an NFT offering in place with 15% of the rights holders actively assessing opportunities. What new business models could emerge driven by blockchain? How could blockchain technology be disruptive to current practices? What do you consider the opportunities and risks? What areas in the sports sector could benefit most from this new technology?

### **8) eSports**

The FIFA EA game is well known, launched in 1993 under the name “FIFA International Soccer”. Last year, EA Sports generated an estimated revenue of USD 1.5 Billion across the FIFA, Madden,

and NFL Ultimate Team. In 2004, FIFA launched the FIFA Interactive World Cup, one of the first eSports tournaments, currently known as the FIFA eWorld Cup. Also in other sports gaming has become an intrinsic part of the revenue and fan engagement strategies. Recently the IOC has included gaming in the Olympic Agenda 2020+5 (Recommendation 9, Encourage the development of virtual sports and further engage with video gaming communities as a tool to engage with a younger audience.). Which parameters define the success of a sports organization in gaming looking at quantitative (e.g. revenues, number of players) and qualitative factors (e.g. brand awareness, sports education)? How is gaming/eSports organized within different sports organizations, e.g. as a stand-alone department, within the digital department, or outsourced? What are the critical success factors for a successful eSports strategy?

### **9) Sports Sponsorship**

With the changes in the media landscape and the developments in digital technology, how companies engage in sponsoring has changed. A development that has seen an acceleration during the Covid-19 pandemic. Where traditionally sponsorship evolves around brand visibility, recently many other forms of activation have become an intrinsic part of the sponsorship mix, such as experiential marketing, fan engagement, and media partnerships. Also, how companies measure the return-on-investment has evolved, developing from pure media value to social media engagement and direct sales. What do you see as the key developments over the last 2 decades in sports sponsorship and what are the changes in how the effectiveness of sponsor engagement is measured? Could you identify best practices and do these possibly differ between sports?

### **10) Social Issues**

Many consider sports leagues and clubs as a laboratory to analyze social issues related to the discrimination of minority groups (based on gender, nationality, race, or sexual orientation) and implicit biases. The literature has already explored research ideas about the underrepresentation of women coaches, barriers of minority ethnic groups to participate in sports, racial biases in payrolls, performance evaluation, and referee decisions, or the relevance of sexual orientation and gender identity on players's professional careers. Which are the latest advancements in the field? How can this research be developed further? How do governing bodies, leagues, and clubs tackle these issues?