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The Future of Sport 2024

Seizing the moment

Deloitte Sports Business Group
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CONTENTS

- 01** FOREWORD: SEIZING THE MOMENT
- 08** EVOLVING GLOBAL MARKET
- 12** PACE OF DIGITAL
- 16** NEXT GENERATION
- 20** TRUST
- 26** DELOITTE BUSINESS SPORTS GROUP

Download the Future of Sport 2023 report
<https://deloitte/futureofsport23>.



SEIZING THE MOMENT

Welcome to the second edition of the Future of Sport, analysing the leading forces for change shaping the evolution of the industry. Since publishing our first report in 2023, innovation has continued at pace, fuelled largely by investors and innovators introducing new formats, content and platforms with the aim of challenging the status quo.

In 2023, we identified six forces for change shaping the future of sport: Evolving Global Market; Pace of Digital; Next Generation; Diversity, Equity & Inclusion; Health & Wellbeing and Environmental Sustainability & Climate Change.

Over the last 15 months, we have explored these trends with a broad range of sport and entertainment industry leaders, from those at the forefront of disruption, to clients taking their first steps in their transformation journey.

The analysis included in this report reflects the key points raised during these conversations, alongside roundtable events and the results received from our Future of Sport Survey. The survey was completed by more than 100 senior leaders across 20 countries and 27 sports, from organisations including rights holders, international and national governing bodies, agencies, technology companies, government, and investment firms. Smaller groups were then surveyed on how individual forces for change were impacting their organisation.

Positively, most leaders are feeling hopeful: 55% of those we surveyed said they feel more optimistic about the future growth of the sports industry than they did last year.

This optimism stems on action. From the focus groups hosted to discuss the survey findings, we heard that many leaders' optimism originated from implementing initial changes and realising clear benefits.

What's clear is that every transformation is different. Stakeholders across the industry will need to assess what the future of sport means to them, define their next steps and create a culture where evolution and innovation is the norm, or risk being left behind.

Transformation is now a necessity to stay in the game

The sports industry continues to experience profound change, as complex market dynamics increase competition, strain finances and disrupt operations.

But there is a sense of optimism, one driven by the benefits that come with an ever-globalised industry, presented with opportunities to engage new audiences like never before. Now is the time for organisations to start playing their role in **the future of sport**.

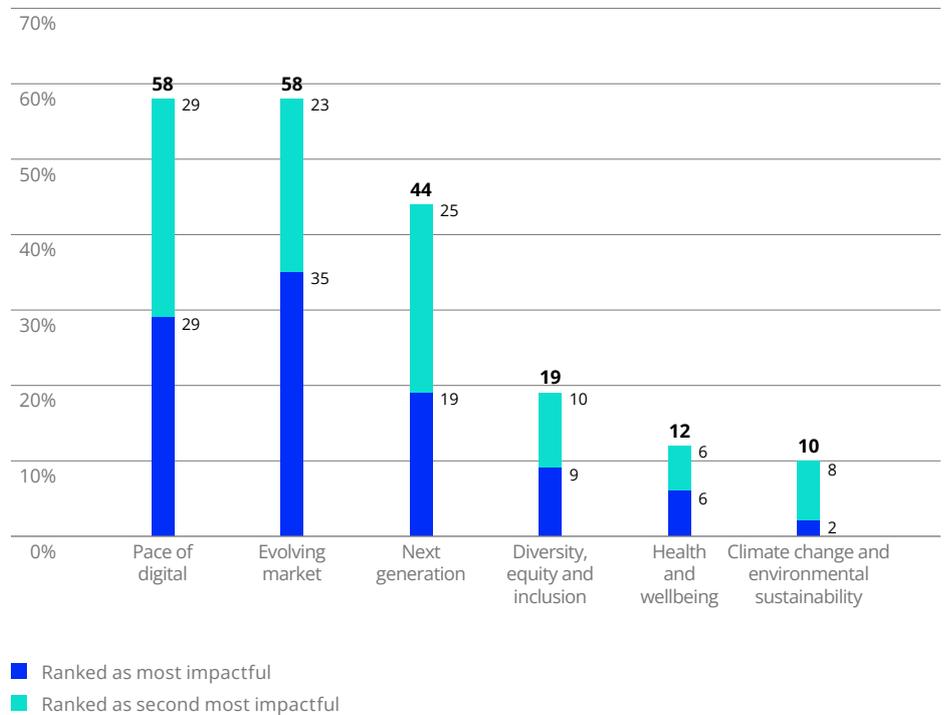


The 'big three' dominate current impact

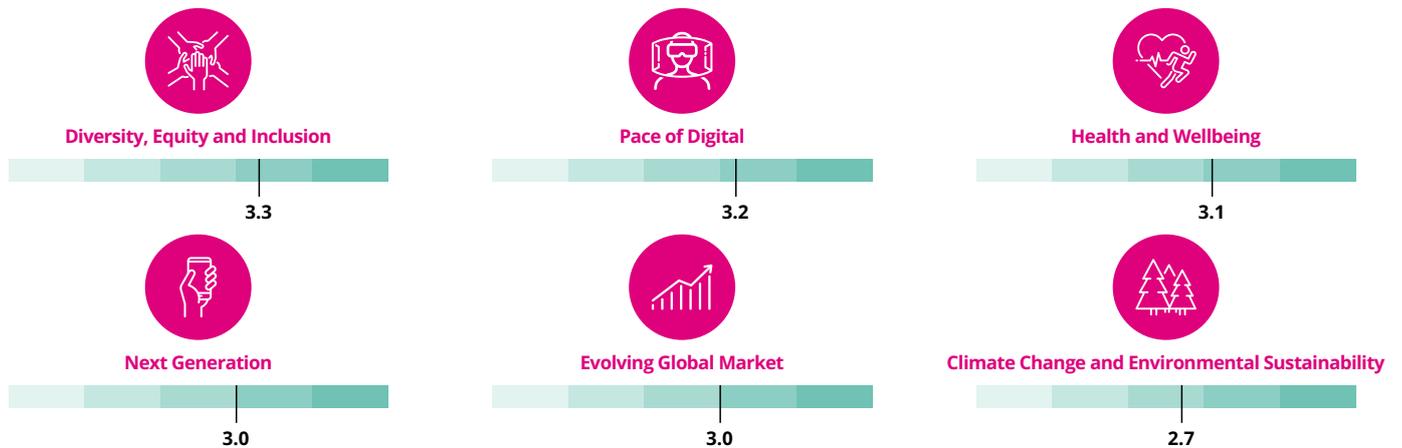
Leaders identified the Evolving Global Market, Pace of Digital, and Next Generation as the **most impactful force for change** (accumulating 83% of the 'most impactful' responses, when we asked leaders to rank the trends on the impact they were currently having on their organisation). This reflects the more direct impact of these forces on day-to-day operations, as organisations grapple with increased competition, new digital-first operating models, and emerging consumer groups with divergent demands and preferences.

Stakeholders are recognising an immediate need for change as new challengers enter the market, bringing with them digitally-advanced innovation. As more capital flows into the sports sector from both new and existing investors, the need for agility to keep pace with innovation will be crucial to stay relevant.

Rank the 'forces for change' on the impact they are having on your organisation now (%)



Maturity index: Average leader response for how their organisation is responding to each force for change



1 = Not yet started 3 = Progressing 5 = Market leading

A platform for purpose

Although these 'big three' are centre stage, leaders recognised a qualifier for the success of these forces: Trust. This new force, introduced for the first time in this 2024 report, underpins the 'big three', and explores how leaders are continuing to protect the reputation and sporting integrity of their organisations, while reacting to the societal issues which resonate with their fans, players, workforce and partners.

Sports organisations are more frequently factoring Trust themes into their decision making, leveraging their place at the epicentre of society to drive change.

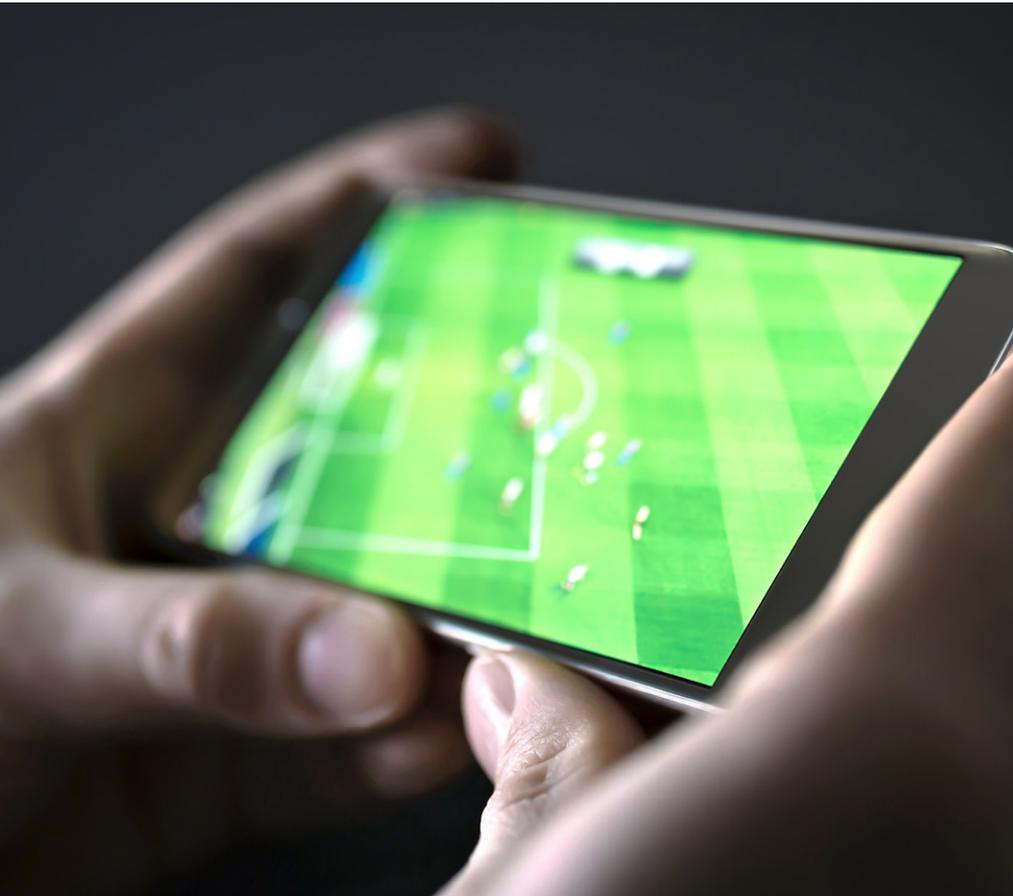
Leaders across sport must act vigilantly to garner trust across stakeholder groups. Those that fail to act may be trumped by challengers who act swiftly, to take on the issues affecting fans, players, workforces, partners and more.

It starts at the top

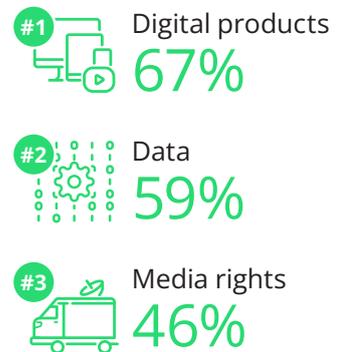
To drive a culture that reflects a positive outlook towards transformation, leaders across sport must embrace change and the disruption it presents.

Recognising how key industry trends are impacting their organisations is the first step. Leaders must then act to implement change in a structured, efficient and collaborative manner. We've moved beyond novel, one-off initiatives.

AS MORE CAPITAL FLOWS INTO THE SPORTS SECTOR FROM BOTH NEW AND EXISTING INVESTORS, THE NEED FOR AGILITY TO KEEP PACE WITH INNOVATION WILL BE CRUCIAL TO STAYING RELEVANT.



What do you expect will be the fastest growing revenue streams in the next five years? (Top three)



Shifting balance of power

Leaders signalled a shift of the balance of power in sport with investors (including institutional investors and sovereign wealth funds – 58%) expected to be the most impactful stakeholder in sport over the next five years, followed by tech giants (46%), fans (46%), and athletes (41%).

As industry dynamics continue to evolve, there will be additional opportunities for stakeholders to step in and disrupt legacy models in the market. A new profile of investor (including athletes themselves), as well as the impact of intensified private and sovereign-wealth investor interest is reshaping the landscape.

NOW IS THE TIME FOR ORGANISATIONS TO START PLAYING THEIR ROLE IN THE FUTURE OF SPORT.

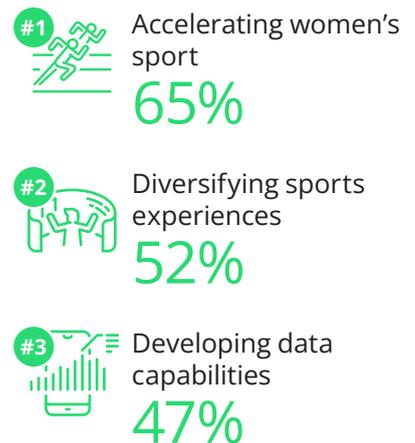
Diversification is key

It is no longer an ‘if’, but a ‘must’, for sports organisations to diversify revenue streams and gain increased control over their business. In relation to revenue, leaders predicted that digital products (67%) and data (59%) will be the fastest growing revenue streams over the next five years, a tell-tale sign of the digital revolution underway across the industry.

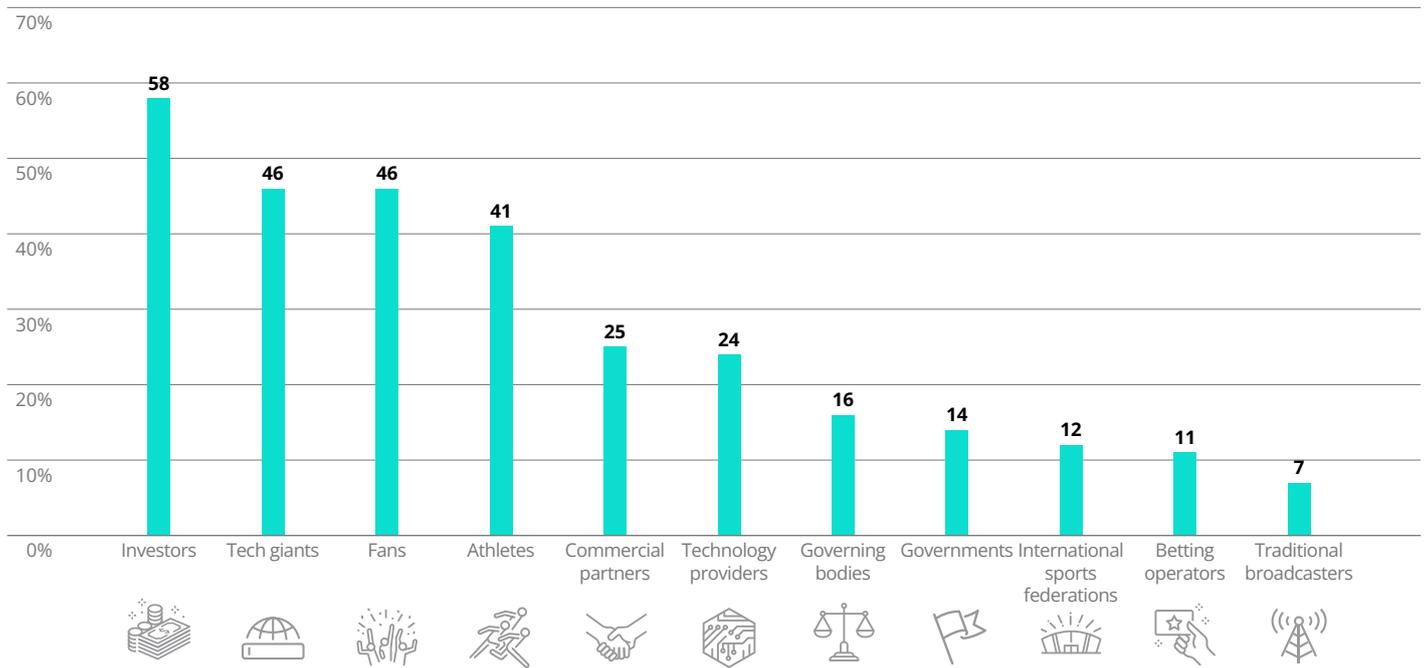
When considering the growth of the sector, women’s sport (65%) was selected as the greatest overall growth opportunity for the industry, followed by diversifying sports experiences (52%) and developing data capabilities (47%).

A comprehensive market analysis, combined with a robust data strategy, can lay the foundations for leaders to better target their investments as they explore new ways to grow revenues, fanbases and participation. In developing personalised digital experiences, sports organisations can reach new demographics and unlock opportunities they have previously not been able to reach.

Which do you think present the greatest growth opportunities over the next five years? (Top three)



Which stakeholder type will have the biggest impact on shaping the sports industry over the next five years? (%)



LEADERS SELECTED WOMEN'S SPORT AS THE GREATEST GROWTH OPPORTUNITY FOR THE INDUSTRY.



FUTURE OF SPORT 2024

FOUR FORCES

FOR CHANGE



EVOLVING GLOBAL MARKET

Increased competitive intensity across the sport & entertainment market is driving fundamental reform as organisations seek to remain relevant.



PACE OF DIGITAL

The proliferation of new technologies is setting new standards for consumers, creating opportunities for organisations that adapt and risks for those that don't.



NEXT GENERATION

Legacy business and fan engagement models are being disrupted by the emergence of younger generations with radically different consumption preferences.



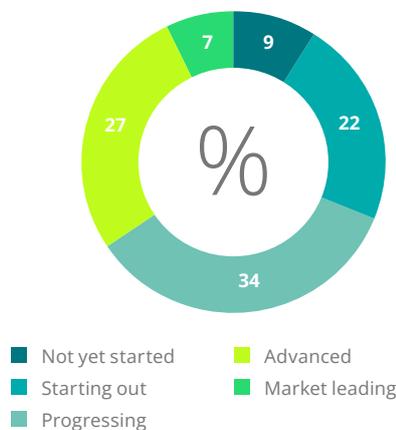
TRUST

Organisations and individuals are being challenged to act with purpose and integrity to protect their reputations and build stakeholder trust.

SPORTS INDUSTRY LEADERS IDENTIFIED THE EVOLVING GLOBAL MARKET AS THE MOST DISRUPTIVE FORCE FOR CHANGE

The sports market is dynamically evolving as its convergence with entertainment and maturation as an asset class drives **intensified investment** activity. This is **accelerating polarisation** as leading properties leverage their brand power and financial might to diversify and grow globally, securing increased share of revenue and fan loyalty. This is fuelling **radical reform** as sports organisations adapt to retain relevance in an increasingly competitive marketplace.

Leaders' perception of organisational maturity in responding to the 'Evolving Global Market' trend (%)



Proportion of leaders that ranked 'Evolving Global Market' in the top two forces for change (%)





“AS A COMPETITIVE (BUT AMATEUR) FEMALE ATHLETE, IT IS FANTASTIC TO SEE WOMEN’S SPORT FINALLY GETTING THE ATTENTION IT DESERVES. THE RECORDS UNDERPIN WHY WOMEN’S SPORT IS EMERGING INTO A DIFFERENTIATED AND EXCITING INVESTMENT OPPORTUNITY, ALBEIT THERE IS A LOT OF HARD WORK TO BE DONE ALONGSIDE INJECTING CAPITAL TO DELIVER THE COMMERCIAL POTENTIAL AND ENSURE WE CREATE FINANCIALLY SUSTAINABLE BUSINESSES.

AS AN INVESTOR DRIVEN BY BOTH FINANCIAL AND IMPACT, THE OPPORTUNITY TO INVEST IN WOMEN’S SPORT REALLY STANDS OUT; SPORT HAS THE POWER TO INSPIRE, UNITE, BRING JOY AND ULTIMATELY LEVEL THE PLAYING FIELD IN SOCIETY.”

Nicki Boyd, Managing Partner of Sphera Partners, an organisation on a mission to accelerate women’s sport and deliver superior financial returns, while contributing to equality in society more broadly.

OVER THE LAST YEAR, WE HAVE SEEN:

01. Intensified investment

As sport has matured as an asset class, the relentless investment which has transformed the sector has intensified.

Major investors are competing ferociously to acquire premium and super-premium global properties, driving surging valuations and record-breaking deals. The reported \$6bn acquisition of the Washington Commanders in 2023 broke the previous transaction record of \$4.65bn for the Denver Broncos, for example. While in July 2024, Willow Bay and Bob Iger acquired a stake in the NWSL's Angel City FC at a reported record valuation for a women's franchise, \$250m.

Major sports entertainment brands have also explored mergers to build global scale, headlined by WWE and UFC's reported \$21.4bn merger to form TKO.

We have also seen significant deal flow as smaller investors explore the market via deals in less prestigious properties, high-growth tertiary sports, and sport-adjacent assets; with an ongoing focus on creating integrated portfolios.

The profile of investor interested in sport is also changing, as spiraling values drive a consortium effect. This has created an opportunity for new buyer types to enter the market including celebrities and athletes who bring an entertainment factor to deals and open up new commercial opportunities. For instance, with part-owner Michael B Jordan designing preseason kits for AFC Bournemouth FC, a club he is a partial owner of, and the creation of in-house ventures such as the NFL's "32: Equity", global leaders are able to increase their relative financial power.

02. Accelerating polarisation

Polarisation in sport is accelerating as the leading global properties command an ever-increasing share of global fans and revenues. Over the last year, we have seen the NFL, NBA, and Premier League secure new media rights deals which have widened the gulf between them and smaller leagues.

Leading global properties have leveraged their global appeal and financial might to consolidate their dominant position, engaging in aggressive transformation to reposition as entertainment giants.

We have seen brands invest to create new physical and digital assets that diversify their revenue streams. For example, Manchester City have invested heavily to develop a new on-campus entertainment district; Formula One launched F1 Arcades; and Real Madrid completed its transformational Bernabéu stadium redevelopment – creating new revenue streams which will enable greater on-field investment.

Leading sports entities are also investing heavily in global growth, leveraging in-market fixtures and events, strategic partnerships, and localised content to reach and captivate international audiences. Over the last year, we have seen the US 'big four' leagues seek to grow their foothold in Europe, whilst major European properties continue to target the US and Asian markets.

50%

OF LEADERS EXPECT INCREASED COMPETITION FROM AND POLARISATION TOWARDS LEADING GLOBAL PROPERTIES TO BE ONE OF THE MOST IMPACTFUL EVOLVING MARKET TRENDS.

03. Radical reform

A wave of radical reform is sweeping across sport as properties compete to gain or retain relevance in an increasingly congested market.

Disruptive properties, such as LIV Golf, are challenging traditional sports that have been slow to innovate, leveraging new formats, structures and funding to acquire and exert global influence over their targeted sports. This is driving traditional sports to innovate, leading to the creation of new IP – for example, Rory McIlroy and Tiger Wood's new indoor golf league, TGL.

We have also seen dynamic change in competition structures as brands look to unlock new long-term value by increasing their inventory of best-vs-best fixtures, as seen in the UEFA Champions League expansion. This activity is driving increased value for major properties, but often comes at the expense of tradition, seen for instance in the NCAA football landscape, where lucrative media rights deals are driving conference realignment as traditional powerhouse programmes seek to optimise revenue generation opportunities.

Challenger brands are also adopting innovative commercial models including equity and partner-supported revenue share to attract stars and capitalise on growth, as seen with Lionel Messi's Inter Miami move.



EVOLVING GLOBAL MARKET



OVER THE NEXT FIVE YEARS, WE EXPECT:

- **Consolidation across sports and rights holders** to provide further opportunity for investors, with the objective to simplify the consumer experience.
- **Intensive focus on revenue diversification** as leading properties invest in global growth, entertainment-focussed real-estate, direct-to-consumer propositions, and integrated adjacent businesses.
- **Tech giants increasingly seeking to play in sport**, leveraging their global reach and financial might to create new sports IP and acquire the rights to existing products.
- **Increasingly disruptive competition reform** – often at the expense of tradition – as legacy and challenger organisations seek to create ‘winning products’ that take market share.
- **Global sports competitions and teams lowering barriers to investment** to attract capital and fund growth initiatives, trading control to improve their long-term relevance to fans and partners.
- **More leagues/teams establishing venture capital businesses**, as owners seek new ways to capitalise on sport; investing in key partners and leveraging the portfolio to grow in adjacent sectors.

55%
**OF LEADERS EXPECT
 INCREASED INVESTMENT /
 M&A ACTIVITY TO BE ONE
 OF THE MOST DISRUPTIVE
 EVOLVING MARKET TRENDS.**

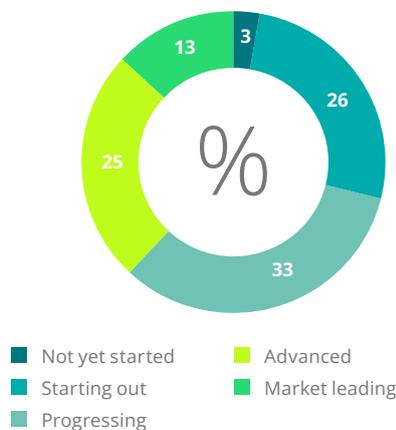
KEY CONSIDERATIONS

- Sports conglomerates will need to focus on reviewing operations across organisations to identify synergies and drive transformation across the portfolio.
- One of the key measures of success for a sports organisation will be ‘market value’ as this showcases their continued relevance in the market.
- New skills will be required if sports organisations are looking to have more joint ventures or potentially acquire / incubate start-up organisations to drive growth.

SPORTS INDUSTRY LEADERS IDENTIFIED THE **PACE OF DIGITAL** AS THE SECOND MOST DISRUPTIVE FORCE FOR CHANGE

The explosive pace of digital development is transforming sport, as **emerging technologies** create new ways to play, follow, engage, and operate. This is **raising the bar** for sports organisations as key stakeholders expect their digital interactions to meet or exceed their experiences in other consumer-facing industries. In response, sports entities are **going digital**; revising their operating models to integrate and embed digital capabilities across all aspects of their organisations.

Leaders' perception of organisational maturity in responding to the 'Pace of Digital' trend (%)



Proportion of leaders that ranked 'Pace of Digital' in the top two forces for change (%)





“WE ARE IN THE MIDDLE OF UNDERGOING A LARGE DIGITAL TRANSFORMATION, WHICH IS FOCUSED ON CREATING THE ABILITY TO DIRECTLY ENGAGE WITH FANS, VOLUNTEERS AND PLAYERS IN A MORE PERSONALISED AND DYNAMIC WAY.

THIS IS FUNDAMENTAL TO OUR STRATEGY OF KEEPING RUGBY UNION RELEVANT FOR THE FUTURE GENERATIONS. DEVELOPING THE RIGHT CAPABILITIES NOW SHOULD ALSO ENABLE US TO RESPOND QUICKLY TO CHANGING EXPECTATIONS AS CUSTOMER NEEDS INEVITABLY EVOLVE IN THE YEARS TO COME.”

Rory Price, Executive Director, Strategy & Transformation of the RFU, the national governing body for rugby union in England.

OVER THE LAST YEAR, WE HAVE SEEN:

01. Artificial Intelligence hits the mainstream

Generative AI exploded into public consciousness in 2023, heralding a new world of innovation and efficiency. The sports industry has been quick to explore its on and off-field potential. We have seen strong early use cases emerging in content creation and management, chatbot-driven customer engagement, and on-field innovation.

For example, in 2024, Google announced that its multi-year partnership with Liverpool FC led to the creation of TacticAI – an on-field tool providing tactical suggestions and enhancing corner routines to support the club's world class coaches.



85%

OF LEADERS EXPECT AI TO BE ONE OF THE MOST IMPACTFUL TECHNOLOGY TRENDS OVER THE NEXT FIVE YEARS.

02. In-house incubators drive R&D

Leading sports properties are sourcing and working with cutting-edge tech start-ups to pilot solutions advancing key strategic sporting and business priorities.

Notable examples include NBA Launchpad and the MLS Innovation Lab (launched in 2024 with six partners), which select start-ups following an assessment process, and offer them access to league expertise, the opportunity to test their products in live environments, and the lure of league investment and long-term strategic partnership.

03. Tech partnerships gain increasing prominence

Rights holders are increasingly partnering with tech firms to enhance fan engagement and on-field performance.

These partnerships give rights holders access to cutting edge technologies and capabilities that would be challenging to develop in house, while giving leading technology brands the opportunity to demonstrate their latest products in high-pressure professional sports environments. For example, Globant's 2024 deal with F1 will focus on improving fans' digital experiences, with an immediate focus on the critical pit wall system.

LEADERS EXPECT BIG DATA (68%) AND FIRST OR ZERO PARTY DATA (56%) TO BE AMONGST THE MOST IMPACTFUL TECH TRENDS OVER THE NEXT FIVE YEARS.

04. Investment in data capabilities

Sports organisations are increasingly investing in developing robust data foundations as they seek to improve their ability to acquire and activate first-party data. This has been amplified over the last year, as major web browsers have 'gone cookieless', reducing the availability of third party data which has driven sport customer insight over the last two decades.

Organisations which have invested in data are benefiting from significantly improved fan/customer insight, enabling them to develop and deliver increasingly personalised fan and partner activations, in order to improve customer conversion rates.



PACE OF DIGITAL



OVER THE NEXT FIVE YEARS, WE EXPECT:

- **Artificial intelligence will be embedded as a new team-mate**, driving improved business efficiency, creative innovation, and on-field tactical invention at the highest levels of sport.
- **Data will become currency for sports properties and athletes**, with fan and customer insights driving highly-personalised direct-to-consumer targeting and elevated business-to-business propositions.
- Enhanced data and digital capabilities will **underpin transformative sports entertainment developments**, providing seamless connected customer experiences and advanced targeting capabilities.
- Leading sports entities will **increasingly adopt the tech incubator model**, providing start-ups the opportunity to field-test products in a high-pressure environment.
- **Augmented reality will become mainstream**, delivering ultra-personalised broadcast and content experiences tailored to individual fans' preferences.
- The democracy of technology will enable **more use cases to be tested across grassroots** and semi professional sport.

74%
OF LEADERS EXPECT THE GREATEST BENEFIT OF IMPROVING THEIR DIGITAL CAPABILITIES TO BE IMPROVED FAN ENGAGEMENT.

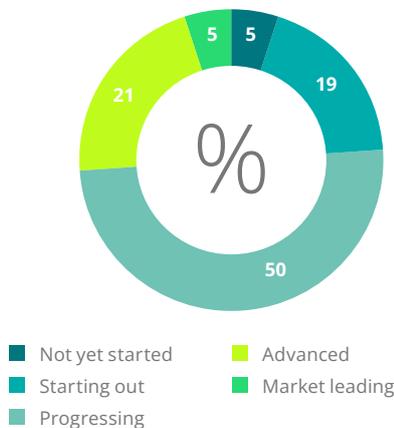
KEY CONSIDERATIONS

- Digital transformation isn't a one-off activity; sports organisations will have to continue to invest in digital and data, and associated capabilities, to stay relevant within the future of sport.
- There will be an increased focus on digital products and engagement at the C-Suite level, as Chief Digital / Innovation / Tech Officers put digital change on the agenda.
- Outstanding digital capabilities are driving the acceleration of polarisation in sport, as leading sports organisations invest heavily to create best-in-class experiences, attracting an ever-greater share of fan attention.

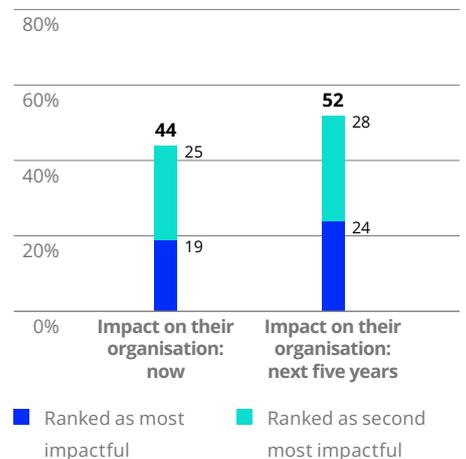
SPORTS INDUSTRY LEADERS IDENTIFIED THE **NEXT GENERATION** AS THE THIRD MOST DISRUPTIVE FORCE FOR CHANGE

The next generation of fans bring **new expectations** on content, experiences, and purpose that challenge organisations to innovate and diversify their offerings. As a result, sport is increasingly **converging with entertainment and pop culture**, drawing sports brands into competition with adjacent industries for fan attention. This is driving a wave of **exploration** under a test and iterate model. Sport is experimenting with new ways to reach, engage, and monetise the next generation.

Leaders' perception of organisational maturity in responding to the 'Next Generation' trend (%)



Proportion of leaders that ranked 'Next Generation' in the top two forces for change (%)





“WE HAVE SEEN TREMENDOUS GROWTH ACROSS THE WNBA OVER THE PAST FEW YEARS. AS NEW FANS INTERACT WITH THE LEAGUE, WE ARE MEETING THEM WHERE THEY ARE BY REDEVELOPING OUR APP TO PERSONALIZE THE EXPERIENCE, TELL THE STORIES OF OUR PLAYERS AND PARTNERS, AND FIND INNOVATIVE WAYS TO BREAK THE MOULD.

THE WOMEN OF THE WNBA DESERVE THIS SPOTLIGHT, AND WE WILL CONTINUE OUR WORK TO BRING MORE REVENUE AND MORE FANS INTO THE LEAGUE TO SUPPORT THEM.”

Cathy Engelbert, Commissioner of the WNBA.

OVER THE LAST YEAR, WE HAVE SEEN:

01. Dynamic content evolution

Sports organisations and athletes are radically innovating their content as they seek to secure the loyalty and attention of Gen-Z / Alpha fans.

We have seen an explosion in short-form, vertical, and live-streamed video delivering authentic, unfiltered content which bring fans closer to the action. For example, the 2023 T20 Cricket World Cup in India broadcast live matches in vertical format for the first time, as the ICC tailored their content to India's mobile-first audience.

The Juventus Creator Lab positions creators to work with club staff to inspire the next generation; whilst the MLB player marketing programme is developing and utilising its athletes as creators, providing support to grow players' individual brands, and using player-content to engage new fans. We have also seen leading influencers step into the sporting arena as athletes, leveraging the broader popularity of sport to deliver significant pay-per-view experiences.

Leading brands are exploring new ways to reach Gen-Z and Alpha audiences, with the NFL attracting 1.2m viewers on Nickelodeon for its SpongeBob Superbowl LVIII broadcast and 75m visits to its #1 ranked Roblox activation; while the WNBA broadcast rookie sensation Caitlin Clark's debut on Disney+ to increase their reach.

47%

OF LEADERS CITED THE IMPACT OF INCREASING FANDOM OF ATHLETES OVER TEAMS AS A TOP THREE NEXT GEN TREND.

84%

OF LEADERS EXPECT DIFFERENT CONTENT CONSUMPTION PREFERENCES TO BE ONE OF THE MOST IMPACTFUL NEXT-GEN TRENDS OVER THE NEXT FIVE YEARS.

02. Fan engagement is going D2C

We have seen a strong focus on the development of "owned" fan engagement platforms, with brands building direct-to-consumer apps that allow them to acquire and utilise first-party fan data.

This enables sports brands to deliver hyper-personalised fan experiences that drive increased engagement and loyalty. For example, the NBA's League Pass app offers personalisation tools, which supported a 50% increase in subscribers over the last year.

Leading athletes are also embracing direct to consumer mediums including podcasts, Discord, and Twitch to take control of their own narratives, with platforms like the Draymond Green Show providing fans with direct, unprecedented access to star athletes.

03. Collaboration with adjacent entertainment industries

The most innovative sports brands are capitalising on sports' increasing convergence with entertainment to broaden the funnel of fandom; collaborating with leading stars and brands from the worlds of music, gaming, film and fashion to create diverse new entry points which increase sports brands relevance in an increasingly congested global market.

We have seen particular focus on these activations as sports organisations seek to grow their global brand power and relevance in a congested global market. For instance, we've seen events such as 'Vogue World' in Paris blur the lines between sports and fashion; Spotify leveraging the global popularity of FC Barcelona; and the IOC announce the first Esports Olympics. This is bolstered by the emergence of celebrity investors into the sport industry.

53%

OF LEADERS HAVE IMPLEMENTED SOCIAL COMMUNITY EXPERIENCES, SUCH AS FAN VOTING, TO REACH NEXT GENERATION AUDIENCES.



NEXT GENERATION



OVER THE NEXT FIVE YEARS, WE EXPECT:

- Sport will increasingly **meet Gen-Z and Alpha audiences on their native platforms**, exploring new creative capabilities to attract and build affinity with fans at a younger age to increase lifetime value.
- Sports entities will **cultivate fan communities on owned platforms** to increase data acquisition and insight; promote increased fan belonging, connection, and loyalty under an engagement-centric model.
- Sport will **increasingly collaborate with and expand into adjacent industries** to broaden the funnel of fandom; leveraging the popularity of other sectors to elevate their brands with new audiences.
- Athletes will **increasingly develop direct to consumer propositions**, leveraging the decentralisation and diversification of access to tell their stories and build distinct brands that can be commercialised.
- **Flexible monetisation models will emerge** that put the next generation in control of their experiences; enabling them to determine what experiences they access and pay for in a hyper-personalised manner.
- Sports will increasingly **focus on lifetime value over short-term growth**, leveraging engagement-centric models to build fan loyalty and drive longer term relationships.

68%

OF LEADERS EXPECT REACH AND ENGAGEMENT WILL BE A KEY CHALLENGE IN ATTRACTING THE NEXT GENERATION.

KEY CONSIDERATIONS

- Fan engagement is not a one-size-fits-all; focus on the next generation must be balanced with maintaining delivery of excellent experiences for current fans with more traditional preferences.
- Tracking the fan / customer lifetime value will be a key measure for organisations over the next five years.
- Engagement with the next generation should be tested and iterated, to understand the impact of new initiatives

INTRODUCING **TRUST** – A NEW FORCE DRIVING CHANGE ACROSS ALL DIMENSIONS OF SPORT

Trust plays an integral role in framing the future of sport, shaping **sports brands' reputations and relations** with key stakeholders; impacting the top and bottom line. As society evolves, brands are facing **increased scrutiny over their actions** on social and environmental responsibility, governance, and integrity, creating new ways to win and – critically – lose trust. In response, sports organisations are placing an **increased premium on purpose and transparency**; building trust with their key stakeholders to protect their future.



“THE LTA IS HOSTING A WOMEN’S TENNIS TOURNAMENT AT THE QUEEN’S CLUB FOR THE FIRST TIME IN MORE THAN 50 YEARS IN 2025. THIS NEW CALENDAR IS AN IMPORTANT STEP IN INCREASING THE VISIBILITY OF OUR SPORT, PARTICULARLY THE WOMEN’S GAME.

OUR GRASS-COURT CALENDAR CHANGES ALSO MEAN THAT EACH VENUE WILL NOW HOST BOTH MEN’S AND WOMEN’S TENNIS, MEANING MORE CHANCES FOR FANS TO WATCH BRITISH PLAYERS IN ACTION CLOSER TO THEM.”

Chris Pollard, Managing Director of the LTA,
the governing body of tennis in Great Britain.

OVER THE LAST YEAR, WE HAVE SEEN:

01. Increased stakeholder activism driving organisational commitment

Key sports stakeholders including athletes, fans, and partners are calling for change on key societal issues including social equity, political extremism, and environmental sustainability.

We have seen stars including Kylian Mbappé take prominent public political positions advocating against the rise of extremism and Tottenham Hotspur's star Amy James-Turner raising awareness of climate change by surveying other players and highlighting their concerns.

This advocacy is pressuring sports organisations into increasingly public roles as champions of change. Over the last year, we have seen organisations sign up to pledges to support purpose-led initiatives, such as more than 70 organisations signing up for Sport England's "Going For Green" pledge.

And, as more organisations publicly commit to support important causes, action must be forthcoming.

02. Heightened scrutiny fuelling regulation and two-way engagement

Increased activism has fuelled intense public scrutiny over organisational and individual behaviours, leading to high profile reviews into key issues including discrimination, equality, and sexism.

We have also seen concern and severe public backlash where administrators and investors are perceived to have acted against the best interests of key stakeholders, often by pursuing financial gain at the cost of tradition.

In response, regulation and governance systems are being strengthened to protect public and fan interests. In 2024, the UK Government introduced a bill to establish an Independent Football Regulator, tasked with protecting fan interests and financial sustainability; and The Premier League launched new Fan Engagement Standards, centred on five key activity themes that promote transparency and trust, with Fan Advisory Boards gaining increased prominence as a mechanism for meaningful two-way engagement.



03. Focus on sporting integrity

As investment in sport and associated financial rewards grow, the sector is facing increased pressure to uphold and protect sporting integrity. In some cases, sport is turning to technology to manage this risk, including the introduction of tech-enabled officiating, enhanced player welfare monitoring and anti-doping/cheating systems.

These systems are designed to reduce ambiguity and build trust. However, success often relies on implementation, as high-profile errors have dominated headlines and eroded confidence in some technologies. Sports are now exploring new ways of applying and communicating the impact of these systems.

39%
OF LEADERS THINK THAT CREATING AND MAINTAINING TRUST-CENTRED RELATIONSHIPS THAT INSPIRE LOYALTY WILL BE A CHALLENGE IN ENGAGING THE NEXT GENERATION.

50%
OF LEADERS SAY IMPROVING FAN UNDERSTANDING WILL BE ONE OF THE BIGGEST BENEFITS TO COME FROM IMPROVING DIGITAL CAPABILITIES.

04. Protecting the future

In some areas, innovation in the sports industry is challenging both governing bodies and international federations on their role and relevancy. Just 16% of leaders surveyed said that governing bodies would have a significant impact on the industry over the next five years, falling to 12% for international sport federations.

These organisations are responding by bringing in new capabilities from leadership down, and refocusing their position and activities within a sport. The tradition and rigour we have seen these organisations build to date has been central to creating trust and must not be forgotten. They will play a valuable role in community outreach, digital adoption and driving sustainability, among other areas.



TRUST



OVER THE NEXT FIVE YEARS, WE EXPECT:

- **Increased regulatory oversight of social, environmental, and financial responsibility**, with strengthened frameworks and targets driving improved standards across the sports sector.
- **A broadening range of executive roles to be normalised**, reflecting and demonstrating sports organisations increased focus on social and environmental responsibility (e.g. Chief Sustainability / Diversity Officers).
- **Renewed focus on fan accountability mechanisms**, as advisory boards create ongoing dialogue and listening opportunities, to inform new behaviours and actions which build trust.
- **Evolution in governance models**, designed to carve-out commercial entities to fast-track decision-making.
- **Increased prevalence of fan-ownership models**, giving fans an enhanced voice on how their favourite sports organisations are run; underpinned by blockchain.

- Sports organisations will increasingly focus on **delivering local impact to build trust in their communities**, investing in transformative sports-led regeneration programmes to catalyse social and economic growth.

Which sustainability initiatives do you think will be most impactful over the next five years? (Top three)



KEY CONSIDERATIONS

- Increasing the diversity and professional background of leadership and board roles will support sports organisations in building trust and protecting the future of sport, but this will need to be balanced with maintaining a strong focus on sporting excellence and experience.
- Many organisations have signed up to government pledges and policies – such as reaching net zero by 2030 – but as we move towards the deadlines set, it will be important to be able to measure progress and demonstrate success.



STAKEHOLDER IMPACT
**FORCES FOR
CHANGE**



EVOLVING GLOBAL MARKET



PACE OF DIGITAL



NEXT GENERATION



TRUST



SPORTS ORGANISATIONS



Opportunity to transform and diversify sports and organisations, often with external capital



Risk of losing relevance to fans and partners in an increasingly congested market



New ways to reach, attract, engage, and deliver to fans, players, and volunteers



Quickly being seen as non-negotiable, not doing this may limit growth



Opportunity to attract new audiences and increase the lifetime value of fans



Failing to attract Gen-Z / Alpha leads to marked decline in relevance over time



Opportunity to win fan share by acting in a purpose-driven way, aligned to evolving values



Significant reputational risk if trust is breached, leading to fan and partner flight



INVESTORS IN SPORTS



Global opportunities to deploy capital and create portfolios in sport and adjacent assets



Heightened competition from other investors, inflating values and depressing returns



Opportunity to create value post-investment; investment opportunity in sports-tech



Significant time and investment required to drive the appropriate digital transformation



Value creation in opportunities in adjacent sectors, increasing investment market value



Distribution channels for sport lag behind next generation preferences for engagement, causing declining interest in sport



The right investment strategy and approach will help gain trust from the beginning



Risk of alienating key stakeholders if trust breached through action or language



GOVERNMENTS IN SPORTS



Opportunity to form partnerships with sports investors to drive growth and social benefits



Investors' focus on financial returns risks adversely impacting community benefits



Opportunity to utilise digital initiatives around participation and stadia to support city regeneration



Increased digital initiatives could further the impact of the digital divide on participation and movement



Effectively engaging the next generation in sport could increase participation, driving health and wellbeing benefits in younger populations



Inability to engage the next generation in sport could impact the talent pathway and participation levels



Opportunity to create tangible impact through policy, legislation and programmes e.g. regulations and women's sport



The role of government and arms-length bodies becomes less relevant if not aligned to the emerging trends

DELOITTE SPORTS BUSINESS GROUP

The Deloitte Sports Business Group is a leading advisor to governments, investors, sport governing bodies and organisations. We are focussed on instigating growth in sport; whether that's by supporting business transformation, advising on the acquisition of a sport asset or building strategies to drive social and economic development through sport.

Within the Sports Business Group, our Sports Transformation Advisory practice works with leading sports organisations to devise, design and deliver transformation, to overcome critical challenges and grasp new opportunities.

This team's expertise includes:

- **Strategy:** Advising leaders on the forces for change in sport, to diversify revenues and develop initiatives that drive growth.
- **Transformation:** Establishing programmes to deliver an organisation's strategy and effectively communicate this with their people and peers.
- **Data & Insights:** Working with organisations to maximise the value of data by identifying and activating business insights.
- **Operational Excellence:** Developing and deploying new operating models that set organisations up for future success.
- **Leadership Development:** Supporting the growth of new and established sports business leaders, to identify new ways to unlock growth and spark transformation in their role.

Our recent client work has included:



Working with a **National Governing Body** to deliver a transformation programme, to better connect with players, fans, volunteers, clubs and employees and boost the popularity of the sport across the country.



Defining digital and transformation strategies to support the **Lawn Tennis Association's** 'Tennis Opened Up' vision.



Advising **Knighthead Capital** on the planning, development and impact of Birmingham's Sports Quarter.



Working with a **global sports team** to define their entertainment-led revenue diversification strategy.



Collaborating with the **Department for Business & Trade** to deliver the Women's Sport Investment Accelerator programme.



Supporting a **National Governing Body** to develop a 10-year strategy including achievable ambitions and focus areas, as well as identifying the necessary credentials and management systems required.



Devising **ParalympicsGB's** new environmental sustainability strategy, covering a four-year period through to LA28.



Formulating a data strategy to create a personalised experience for **Team GB** athletes.

GET IN TOUCH

To participate in our future events, discuss how the forces for change may impact your business or sign-up to receive other Deloitte Sports Business Group publications, please email: UKDeloitteSportsBusinessGroup@deloitte.co.uk.



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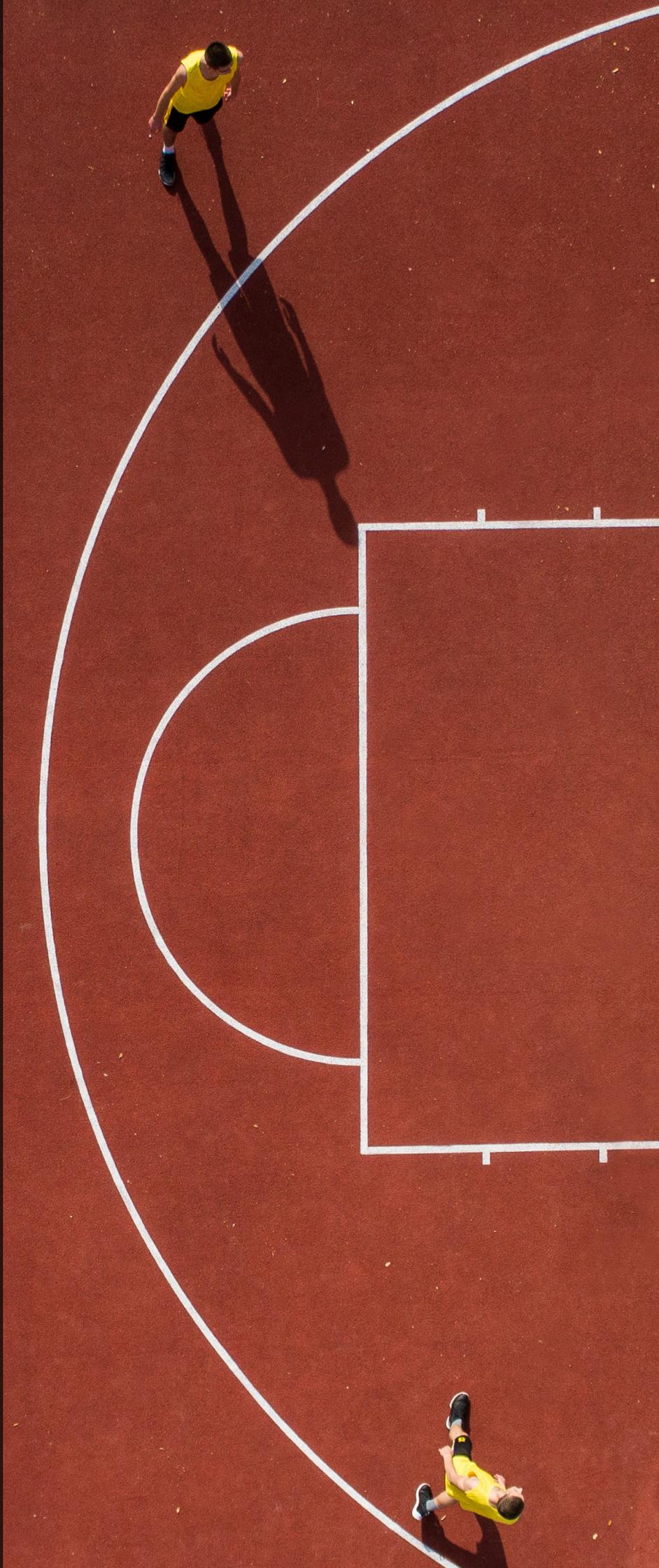
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