



GLOBAL SPONSORSHIP INTELLIGENCE

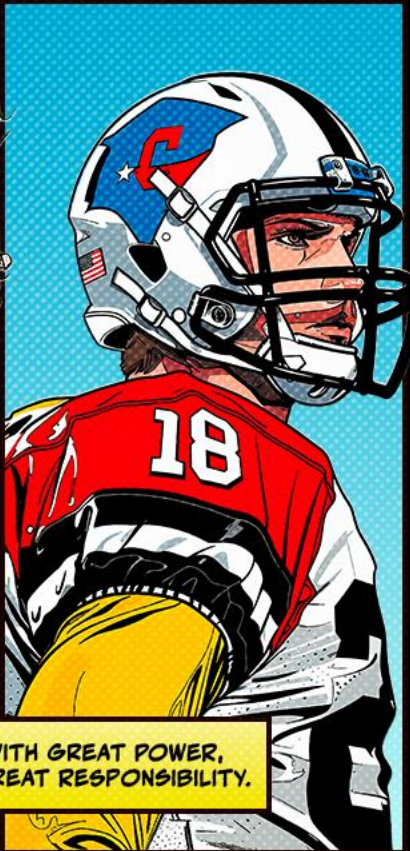
JULY 2024

THE POWER OF ATHLETES

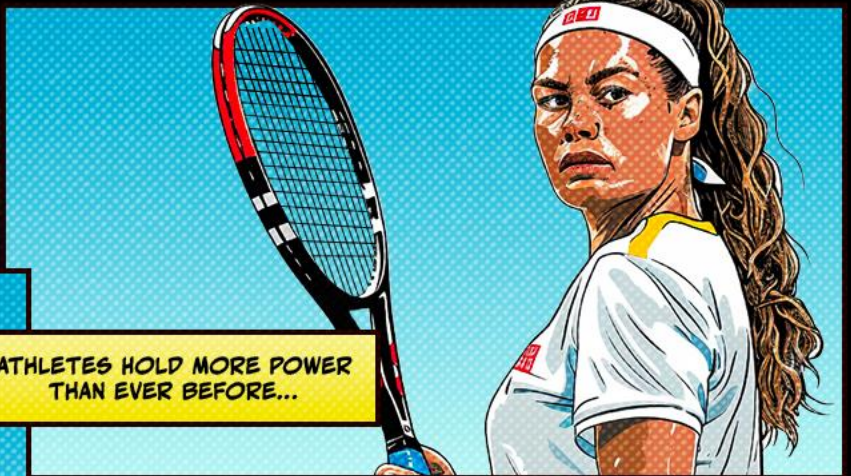
HOW ATHLETES ARE SHAPING GLOBAL FAN BASES



ATHLETES HOLD MORE POWER
THAN EVER BEFORE...



...BUT WITH GREAT POWER,
COMES GREAT RESPONSIBILITY.



We have entered a new age of athlete influence

We are in a period where athletes have immense reach, influence and power.

The combination of athlete owned social channels and a more sophisticated commercial environment is resulting in athletes shaping the sports landscape and being financially remunerated for this influence.

Teams, leagues and events are increasingly looking to collaborate with athletes to develop their own properties. We are seeing long-held commercial models in the USA college sport market and the Olympics being challenged as athletes seek to monetise their name, image and likeness.

In this InTel, we look at the power of athletes. The sway held by athletes and celebrities brings significant opportunity, and risk to commercial programmes. Athletes bring fan bases and open up new audiences, but also take them with them when they go.



Quantifying fan bases is crucial to understand the values of athlete Intellectual Property

INTELLECTUAL PROPERTY VALUATION METHODOLOGY | ATHLETES



FAN BASE SIZE

Turnstile conducts a global proprietary research programme to understand the fan base size of hundreds of athletes.

TURNSTILE IP RATE

Turnstile calculates market IP rates by analysing hundreds of sponsorship contracts and removing the Benefits and Exposure value to identify the IP value.

IP VALUATION

The fair market price for the use of an athlete's Intellectual Property at different tiers of sponsorship.

01

ATHLETES MOVE FAN BASES

Across sport, marquee signings have the power to quickly move fan bases



55%

The LA Dodgers share of MLB fans in Japan following the acquisitions of Shohei Ohtani and Yoshinobu Yamamoto.

Up from <1% in 2023.



+239%

Year on Year uplift in the French fan base of the NBA's San Antonio Spurs.

Born in the suburbs of Paris, 'Wemby' was selected first overall by the Spurs in the 2023 NBA Draft.



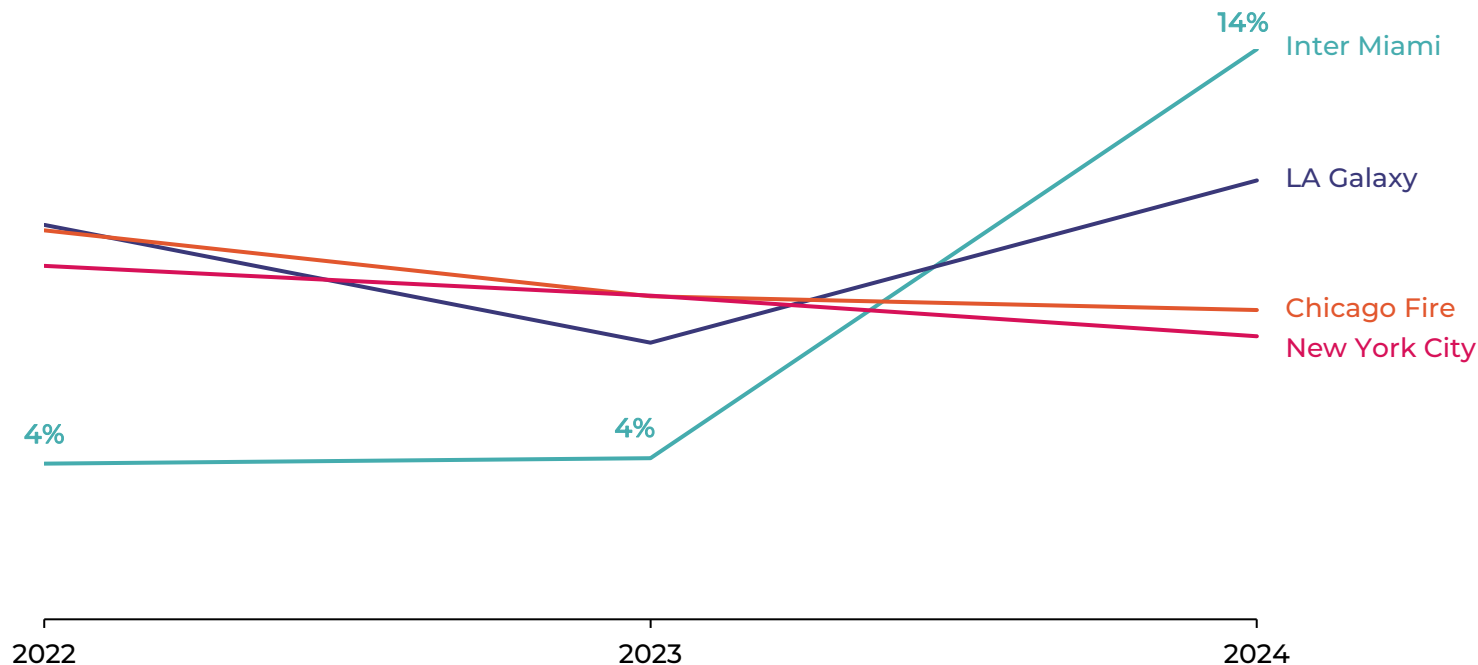
6%

% of the Brazilian population that follow Saudi Pro League side, Al Hilal SFC.

Neymar, one of the most high-profile players in the sport, signed in August 2023.

Following Lionel Messi's move, Inter Miami has quickly become America's favourite MLS team

FAVOURITE MLS CLUB | % SHARE OF MLS FANS IN THE USA

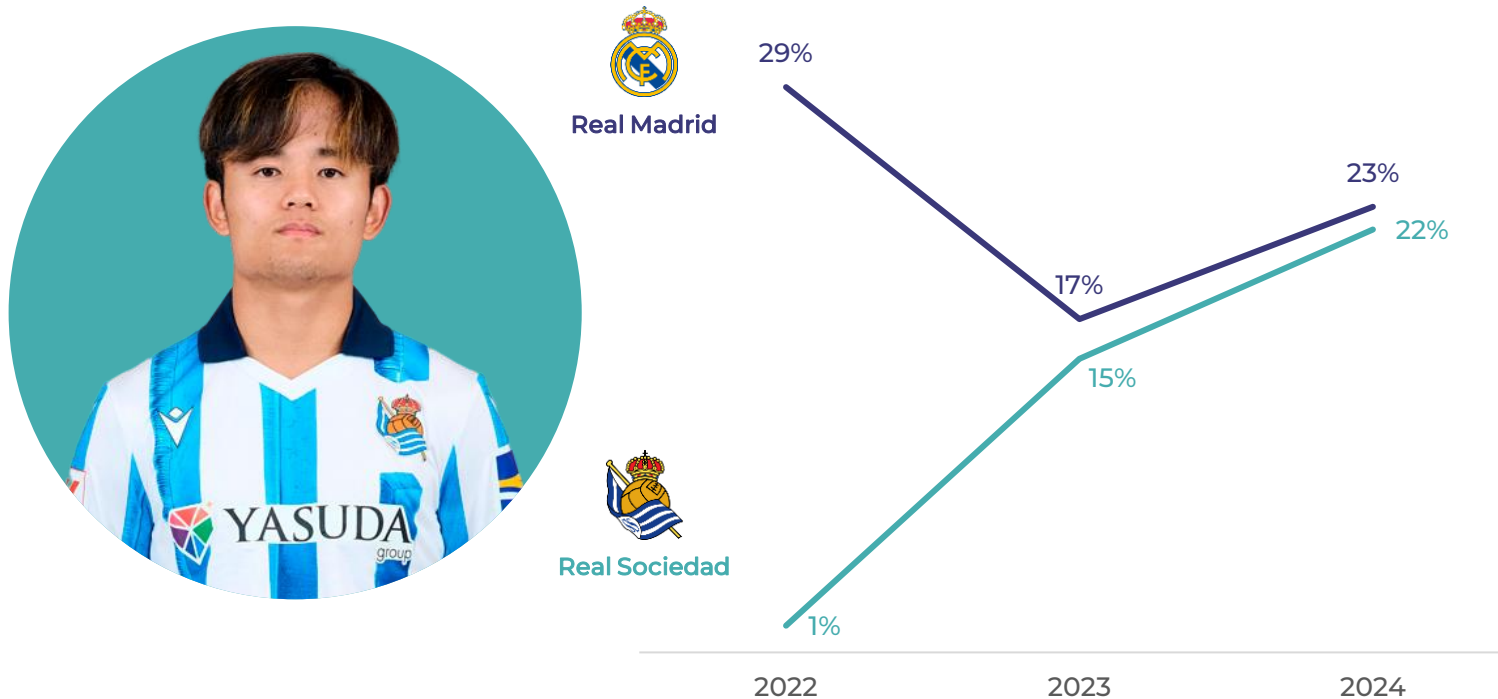


- Messi's move to Inter Miami in July 2023 coincides with 225% growth in the Inter Miami fan base between the first half of 2023 and the first half of 2024.
- Messi's move has also catapulted Inter Miami to 7th on the list of America's favourite overall soccer teams behind only the top sides from the English Premier League and LaLiga.
- Turnstile's USA research program took a recent pulse check on America's favourite current athlete. Messi ranked 4th behind only basketball's LeBron James and Stephen Curry and Chiefs' Quarterback Patrick Mahomes.

Source: Turnstile Global Consumer Research

Athlete power extends beyond global superstars

REAL SOCIEDAD | % SHARE OF JAPANESE LA LIGA FANS



Source: Turnstile Global Consumer Research

- The impact of fan bases is not limited to the world's global sporting stars.
- Takefusa Kubo is a rising star but not yet in the top echelon of world footballers. Despite this, Kubo has had a significant impact on the Japanese fan base of Real Sociedad.
- Since joining the club in 2022, Real Sociedad's share of Japanese La Liga fans has increased from 1% to 22%.
- This share of Japanese fans is now similar to Barcelona's who have had an average league finish of 2nd over the past 5 years, compared to Real Sociedad's average finish of 6th.

The impact on sponsorship values is significant

A change in fan base size can have a considerable impact on sponsorship value.

The 14pp increase in the LA Dodgers Japanese fan base that followed the acquisitions of Shohei Ohtani and Yoshinobu Yamamoto is worth an additional \$4.3m in IP value to the team on a typical major partner sponsorship deal.



↑ **\$4.3m**

Projected increase in
IP sponsorship value

Turnstile



02



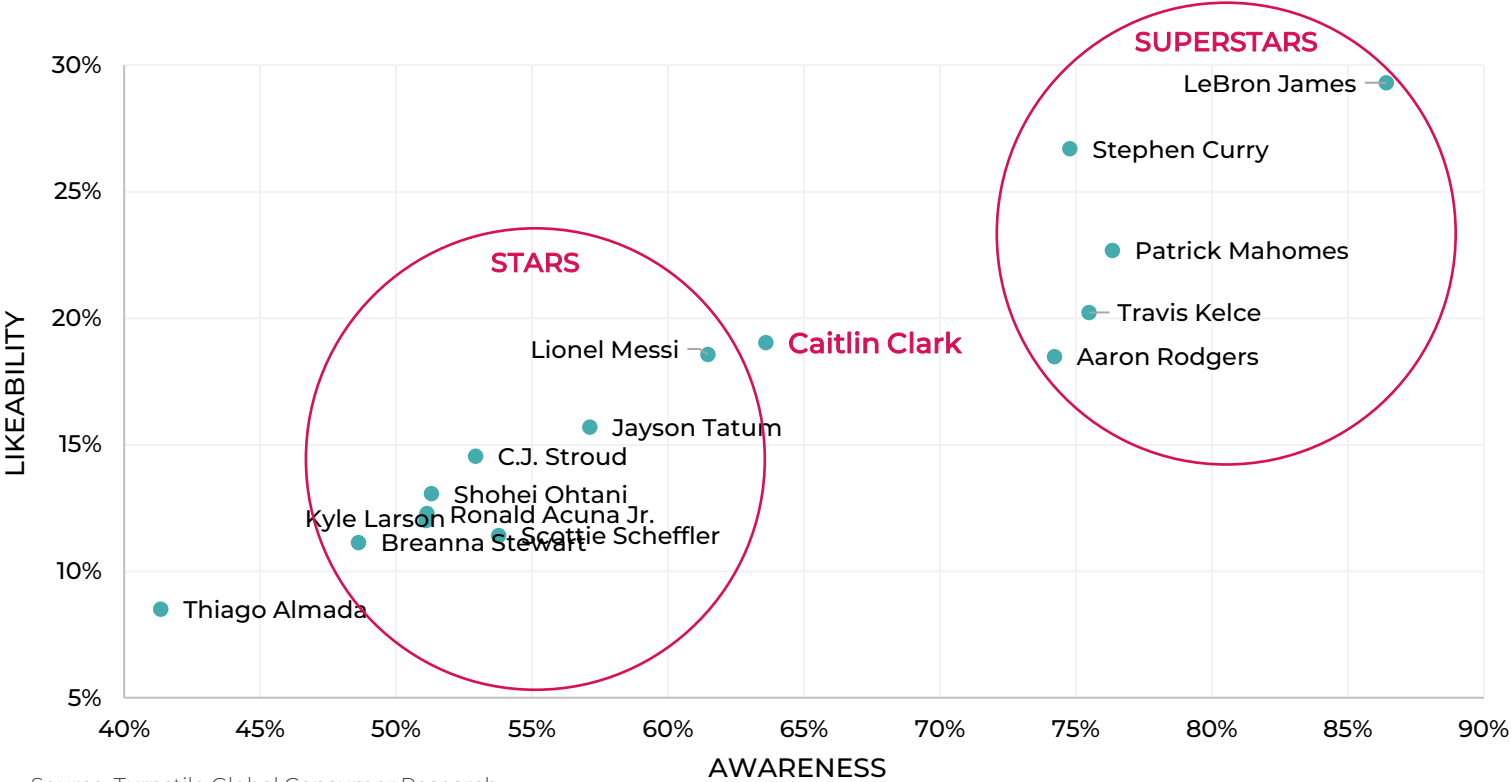
ATHLETES BUILD BRANDS

Caitlin Clark, taken #1 overall in the WNBA draft, signed an eight-year, \$28 million sponsorship deal with Nike in April 2024.



Clark’s appeal already eclipses a host of her more established peers

AWARENESS X LIKEABILITY | SELECTED ATHLETES | USA POPULATION



- Clark, a first-year rookie out of college, has spearheaded unprecedented interest in women’s basketball in the USA.
- A dozen games into her WNBA career and Clark already finds herself in rarefied territory among US favourite athletes.
- Her rise in profile is even more impressive considering it has been achieved without the same strength of platform (e.g., the NBA and NFL), as some of her peers.
- Clark is also emerging at a time when the nation’s favourite NBA stars, LeBron James and Stephen Curry are reaching the latter stages of their careers, and the next ‘face’ of the NBA, and basketball in the USA, is far from clear.

The deal with Clark delivers Nike immediate and longer-term audience opportunities

CAITLIN CLARK FAN BASE ANALYSIS | USA POPULATION



THE IMMEDIATE MONETISATION OPPORTUNITY

The overlap between Nike brand loyalists and Caitlin Clark fans stands at over 30m people and provides an immediate market to monetise for Nike.



THE NIKE ACQUISITION OPPORTUNITY

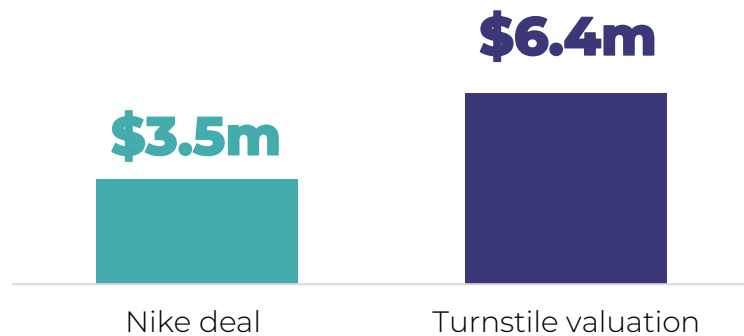
Clark offers Nike an incremental audience acquisition opportunity of almost 12m people in the USA. This is an audience that is not currently loyal to Nike and could be influenced by the endorsement of Clark.

Despite a record deal, Nike has acquired Clark at a good price

Clark's reported 8-year, \$28m deal with Nike equates to \$3.5m per annum. By comparison, at today's rates and for a single-year deal, Turnstile values a partnership with Clark at \$6.4m.

Turnstile is consistently seeing that women's properties take at least two contract cycles to achieve a fair market price. This is typically caused by the fact that current pricing baselines for women's properties are low.

Sports Apparel Deal | Annual Value (\$)



03

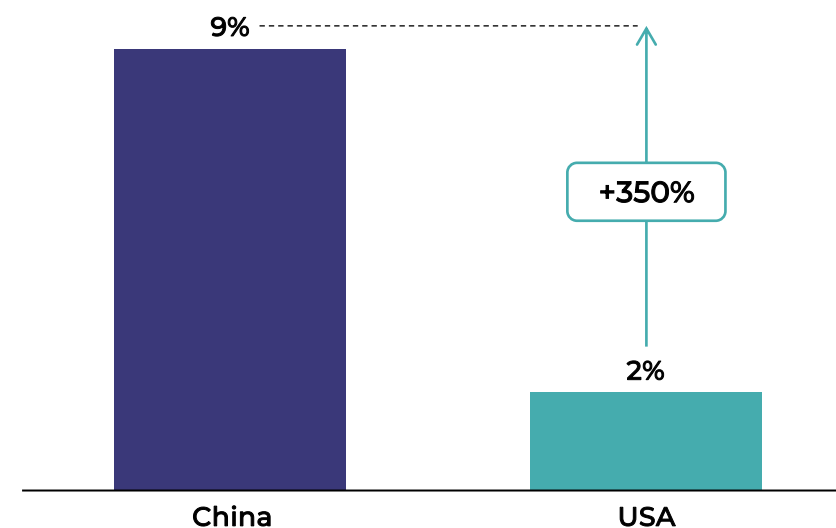


MANAGING LEGACY



Yao Ming & Rockets: A 22-year legacy

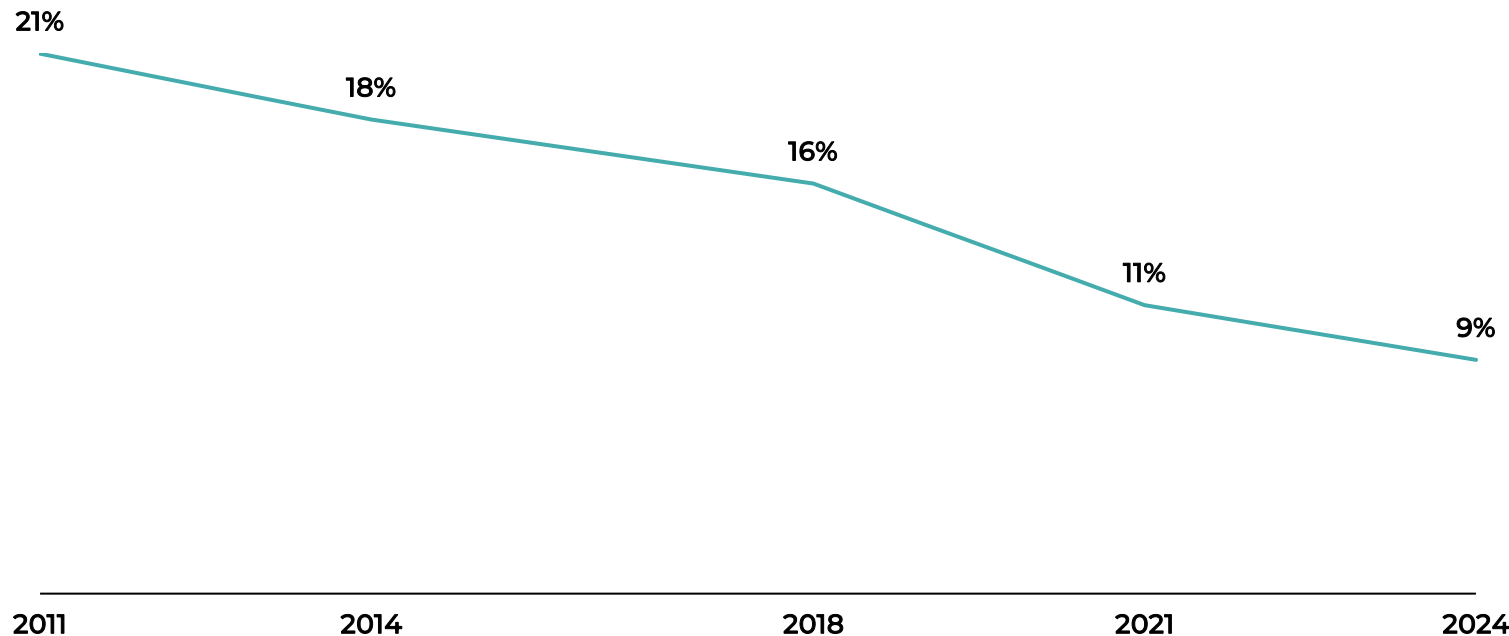
HOUSTON ROCKETS % OF SHARE OF NBA
TEAM SUPPORT | CHINA VS USA



The Houston Rockets retain a significant following in China over 13 years after former Chinese star player Yao Ming's retirement. Yao Ming was drafted in 2002, and 24 years later the impact of this decision is still very evident.

The Rockets' share of fans in China has eroded, falling to less than half in the period after Ming's retirement

HOUSTON ROCKETS | % SHARE OF NBA TEAM SUPPORT IN CHINA



- When Yao Ming retired in 2011, Houston had a 21% share of NBA fans in the Chinese market.
- Maintaining this level of share was always going to be difficult and in the 13 years following Ming's retirement, the share of Chinese fans that support Houston has dropped to 9%.
- With such a large proportion of the global fan base emanating from China, this erosion will have a significant impact on the Intellectual Property value of the Rockets' sponsorships.

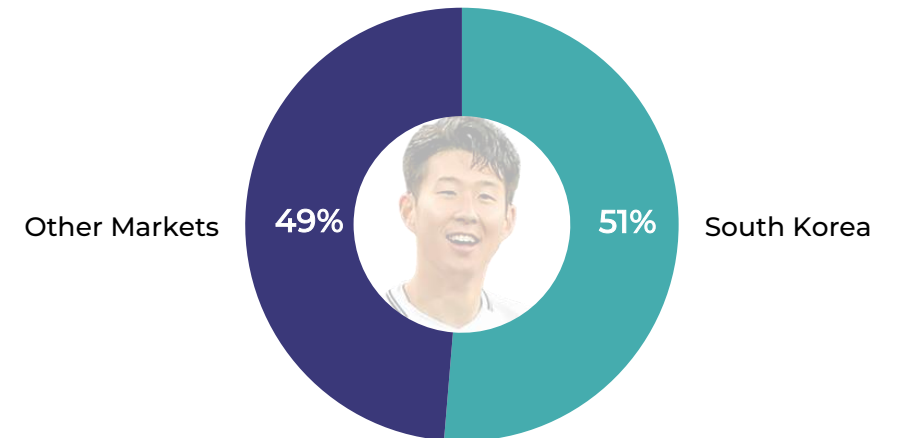
Source: Turnstile Global Consumer Research



Tottenham face a similar challenge with Son

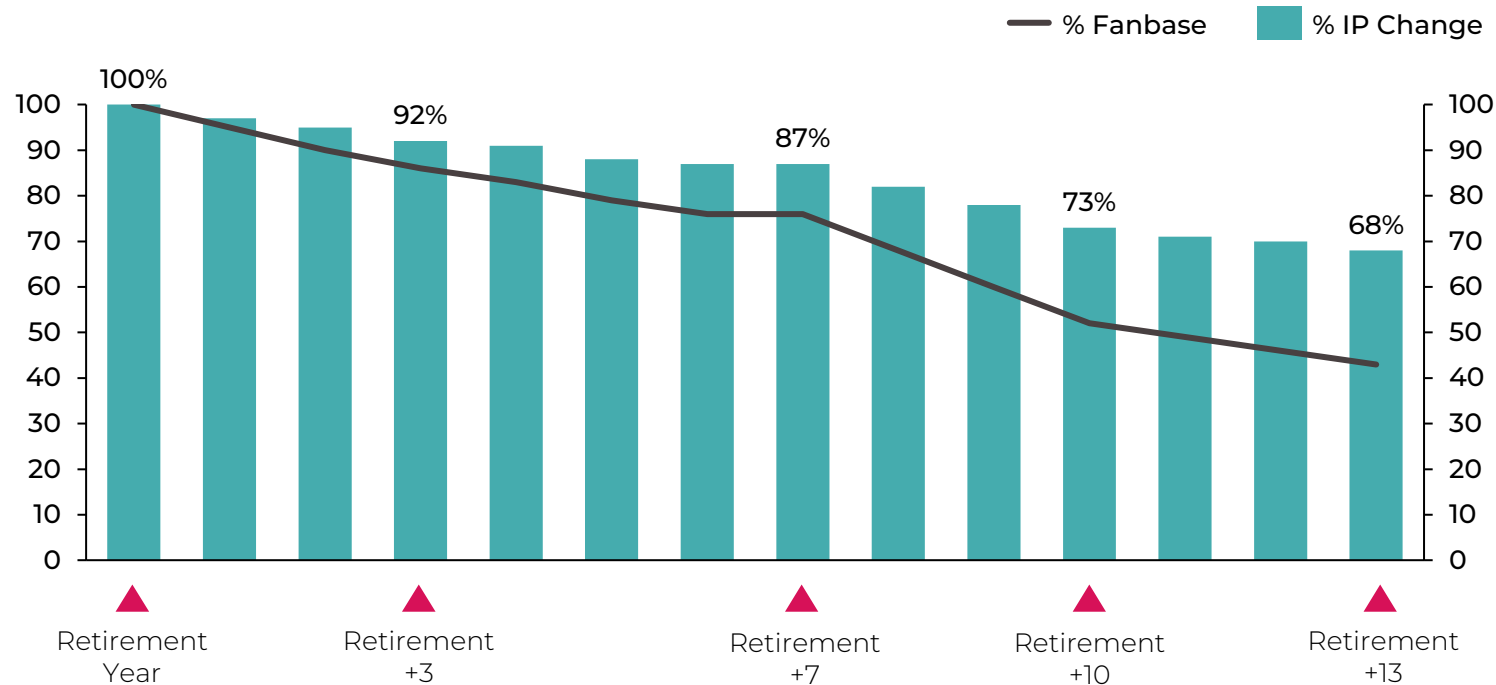
Heung-Min Son has brought a significant fan base to Tottenham Hotspur since joining the club in 2015. South Korea now accounts for over 50% of the club's global fan base and this impact is magnified by the relative affluence of the South Korean population.

% OF THFC GLOBAL IP VALUE



If Spurs experience fan base erosion at the same rate as the Rockets, IP value will drop by 25% within a decade

POTENTIAL EROSION OF THE TOTTENHAM HOTSPUR FAN BASE IN SOUTH KOREA USING YAO MING EXAMPLE



- The value provided to Tottenham by Son in South Korea will need to be carefully managed and protected in the coming years as the twilight of Son's career, and a potential departure from the club, approaches.
- If Tottenham's share of Premier League fans in South Korea erodes at the same rate seen in China with the Houston Rockets, the value delivered through Intellectual Property to Tottenham's portfolio of sponsors will reduce by 32% within the next 13 years.
- This level of potential erosion warrants a significant investment of time and resource by the club to minimise the commercial impact.

Source: Turnstile Global Consumer Research

04

ABOUT TURNSTILE

Turnstile

Turnstile has valued the sponsorship rights for some of the world's biggest athletes



Our valuation methodology

Interpretation of this report requires an understanding of the fundamentals of Turnstile's valuation approach.

Unlike traditional approaches, Turnstile looks beyond pure media exposure value capturing the value of all the sponsorship Benefits as well as the value of association, or Intellectual Property.

Our bespoke approaches and data sets are designed to provide a holistic and realistic valuation of every single sponsorship right.

Unlike a media equivalency, a Turnstile valuation does not require arbitrary discounting to bring it in line with a realistic transaction price.

Our valuation is the recommended, fair market price.

STEP	DESCRIPTION
<div>INTELLECTUAL PROPERTY Valuation of the rights to associate with a Rights Holder's brand</div>	<div>Rights include official designations, co-branding, use of brand assets such as logos, etc Turnstile has an unrivalled understanding of the value of Intellectual Property underpinned by our insight into the rates being paid by the market for access to IP and our global fanbase sizing research.</div>
<div>EXPOSURE Valuation of brand exposure on broadcast and OTT channels</div>	<div>Rights include LED, static signage, virtual signage, apparel branding, media backdrops, etc Turnstile's intimate knowledge of global sponsorship industry signage rates and our proprietary research on sponsorship inventory effectiveness delivers exposure valuations that reflect market prices and reward premium inventory.</div>
<div>BENEFITS Valuation of contracted benefits</div>	<div>Rights include ticketing, hospitality, social & digital media, activations, appearances, etc Benchmark prices from Turnstile's unrivalled repository of global sponsorship industry rates are applied to the inventory using our bespoke valuation approaches to capture the value of every single right.</div>

Turnstile

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