



6th FIFA Women's Football Symposium

The Business Side of the Game: Financial Principles

Ebru Köksal, CFA
July 3-5, 2015, Vancouver

Contents

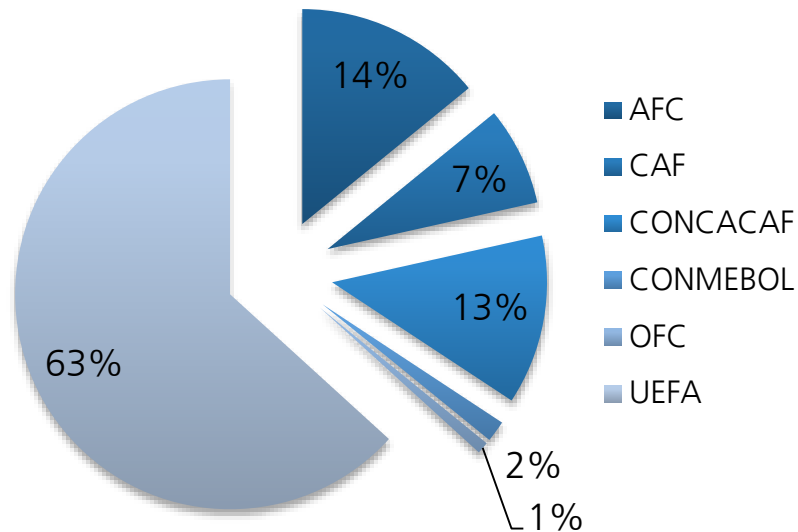
1. How is Women's Football Currently Financed?
2. What are the Biggest Challenges Facing Women's Football?
3. Creating Revenue and Value for Women's Football
4. The Role of Government & NGO's
5. Case Studies: England, Germany, France
6. Key Takeaways



1. How is Women's Football Currently Financed ?

Annual Investment in Women's Football

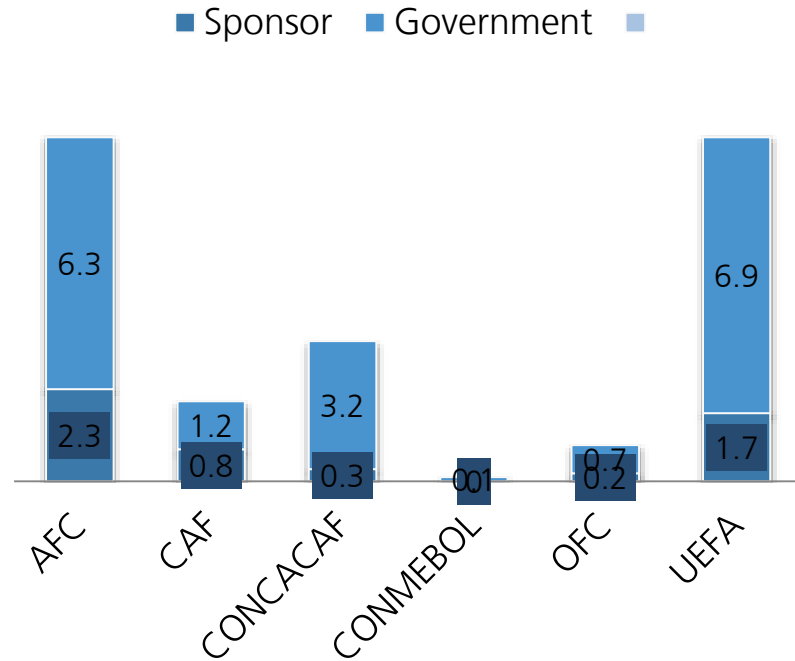
Investment by Confederation



Source: FIFA Women's Football Survey 2014

- Total annual investment by 177 MA's is USD 156 mn, avg of USD 905K per MA.
- UEFA main driver with total investment of USD 99 mn, avg of USD 2 mn per MA.

Revenue Sources

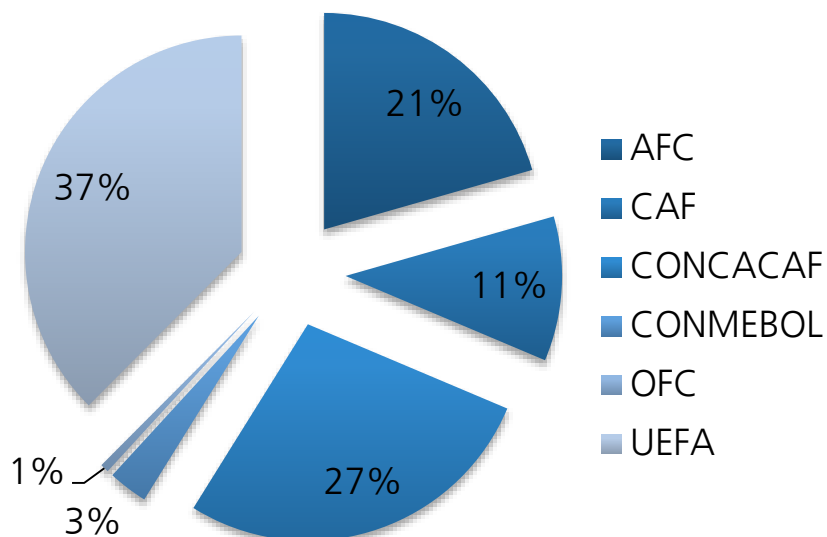


- Sponsors & governments contribute USD 23,9 mn (15% of total).
- State plays a key role in development of WF, contributing 4x more than sponsors.

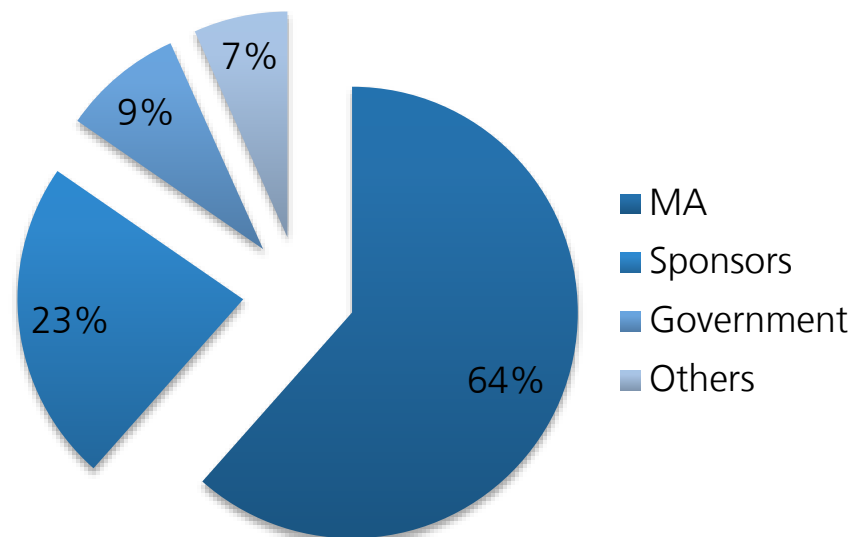
It is a fact that men's football still partly finances women's game!

Annual Cost & Revenues of Top Women's Leagues

Costs by Confederation



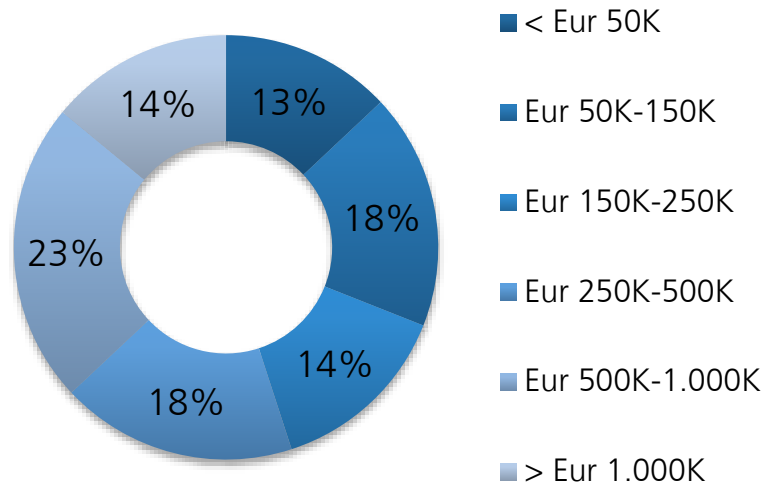
Revenue Streams



Source: FIFA Women's Football Survey 2014

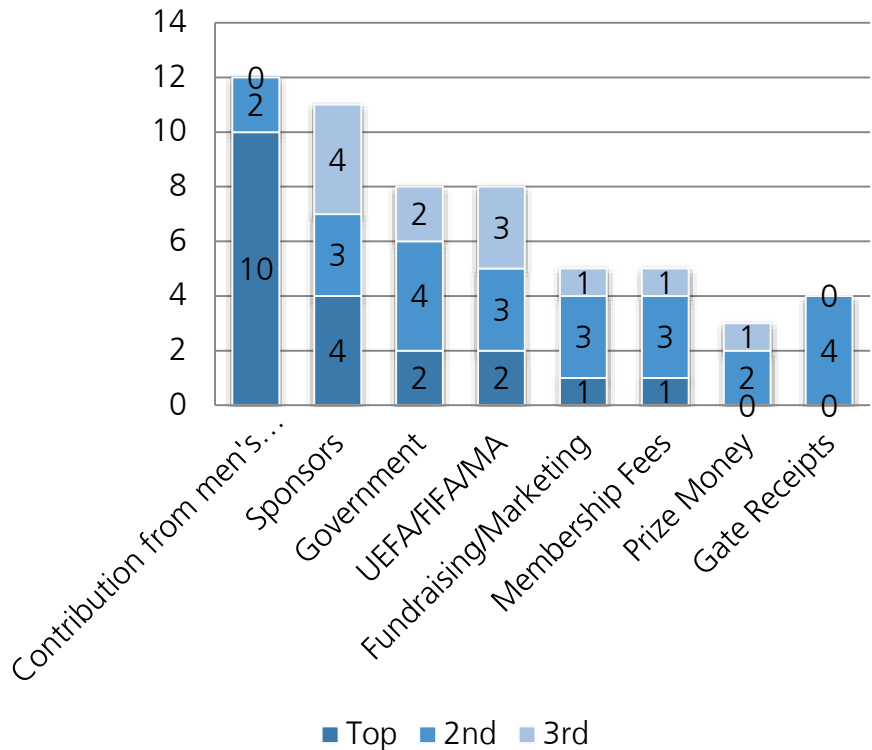
- Total annual cost of operating top national leagues is USD 38,9 mn.
- Wide discrepancy by MA (ranging from USD 1,7 mn for top 20 MA's to less than USD 50K below 100th place, avg, USD 320K).
- The main support for the organization of the top women's football leagues comes from MA's (64%).
- Sponsors provide almost 25% of the funds and governments make up for 9%.

Club Football in Europe



Source: ECA Women's Club Football Analysis, 2014

- The WF budgets of 22 clubs representing 20 countries are evenly distributed, though with a large variance in size.



- Club WF is heavily financed by men's section, while sponsors and grants remain to be an important source as well.

Clubs worried about raising the cost of the competition due to inability to rebalance with ticketing, broadcasting or other tangible revenues



2. What are the Biggest Challenges Facing Women's Football?

Perception of Women's Football



Source: FIFA Women's Football Survey 2014

**Close links between top-level results and social acceptance of women's football.
Need to change perception to support a commercial strategy.**

Challenges, Priorities and Needs

The biggest challenges preventing women's football from moving to the next level are...



Priorities and goals for the next ten years

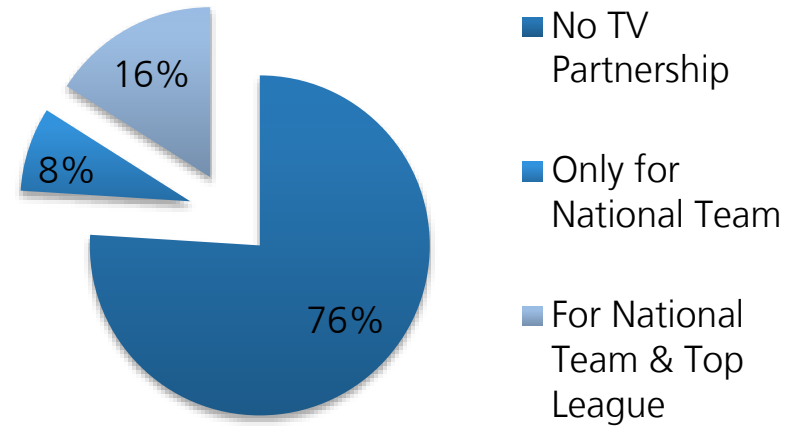
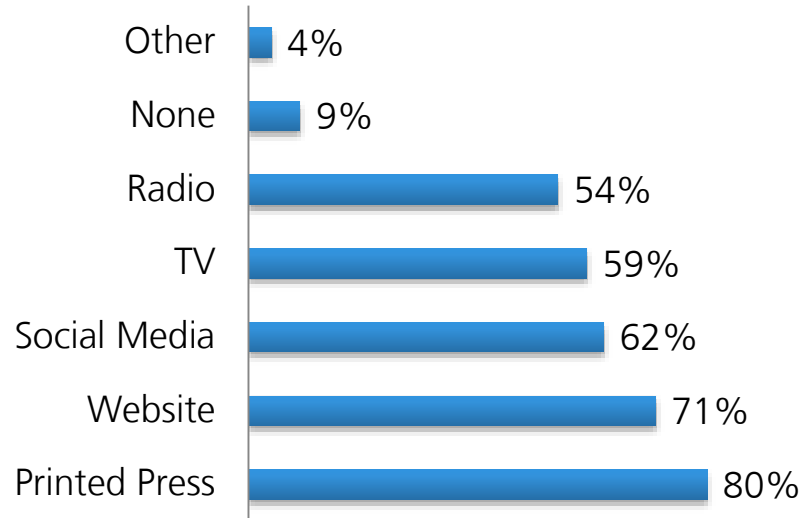


Source: FIFA Women's Football Survey 2014

- The need for increased investment is considered as the biggest challenge preventing women's football from moving to next level.
- Most competitive MA's put emphasis on quality of their players, less-developed MA's focus on quantitative aspects.

Most urgent needs identified as funding (8.7), promotion, advocacy and awareness (7,7) and technical expertise (7,7)

Media Coverage



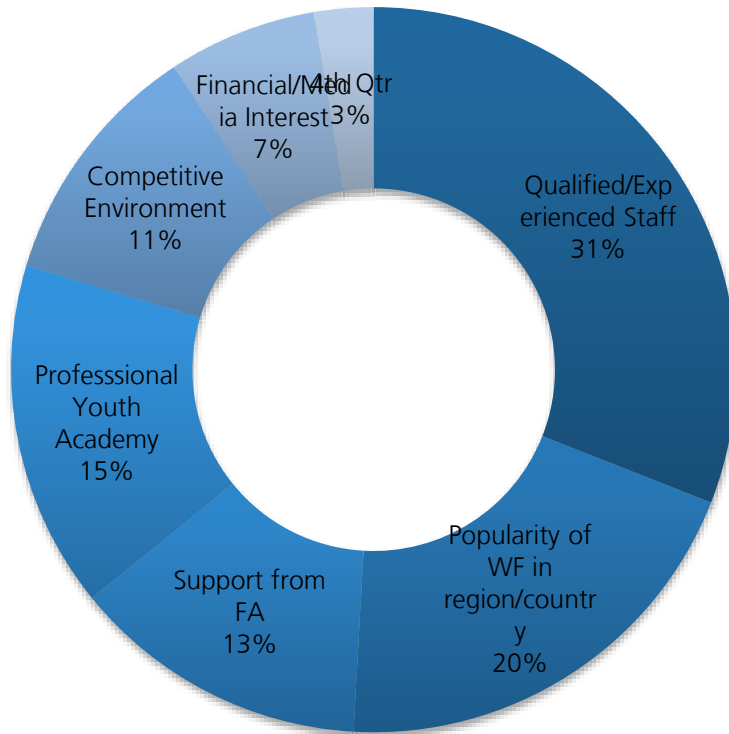
Source: FIFA Women's Football Survey 2014

- In 92% of the MA's, WF is promoted by at least 1 platform.
- WF is promoted by print media in almost 80% of the MA's.
- 74% of the most competitive MA's have a contractual partnership with a TV Channel compared with 9% for less competitive.

Performing at a competitive level is key for attracting interest from national TV networks

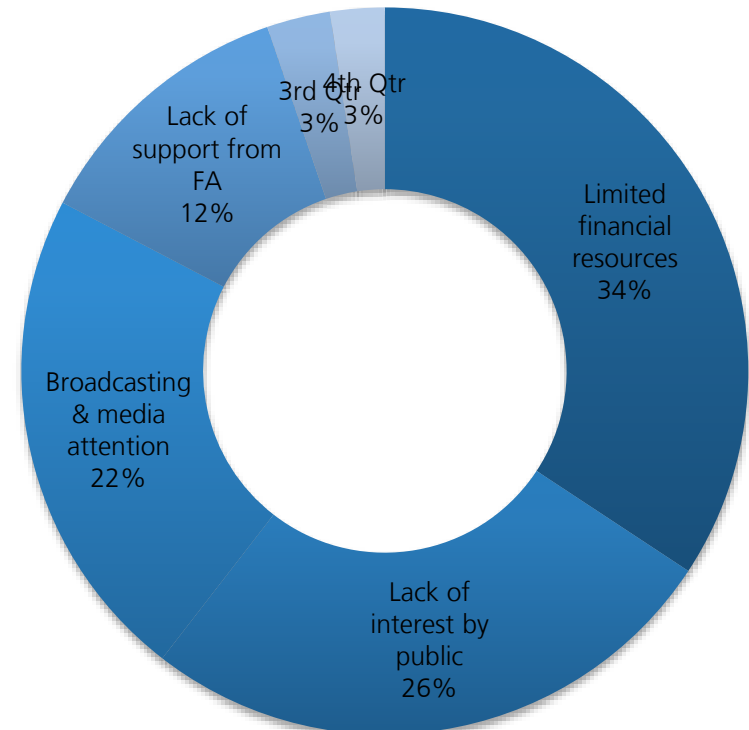
Critical Success Factors & Constraints for Women's Club Football in Europe

Critical Success Factors



- Qualified staff, popularity of WF and existence of a professional youth academy are seen as most critical success factors.

Constraints



Source: ECA Women's Club Football Analysis, 2014

- Limited financial resources, lack of public interest and broadcasting/media attention are the main constraints for growth CWF.



3. Creating Revenue and Value for Women's Football

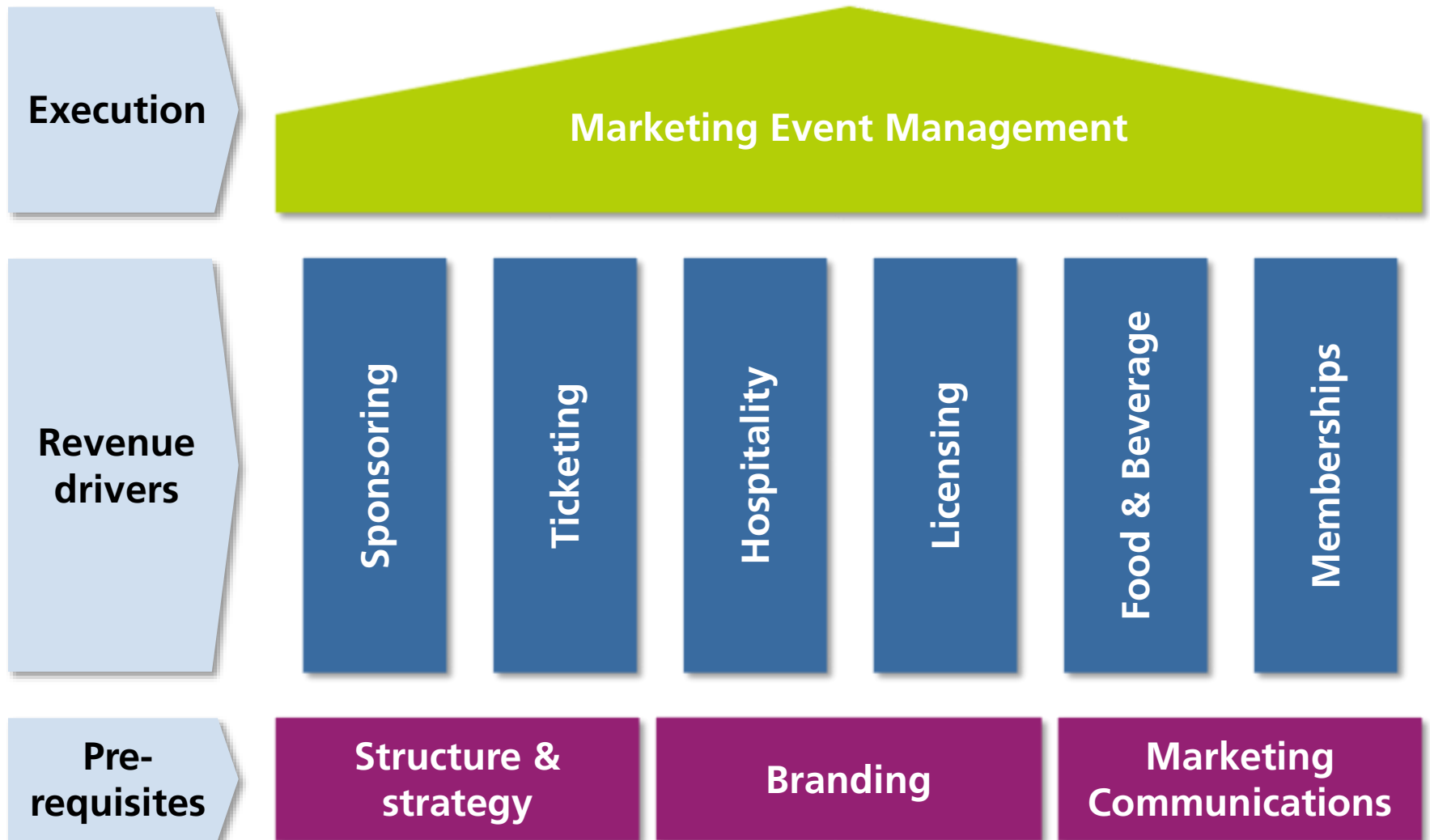
The Importance of Marketing

Marketing is an **enabler to generate revenue** and so facilitate the **sustainable development** of the women's game

Marketing...

- ... helps shape the way women's football is **perceived and supported**
- ... helps to proactively **manage the reputation** beyond supporters and followers of women's football
- ... secures **commercial partnerships**
- ... provides **sustainable and long-term returns**

Potential Sources of income for WF



A WF Representative should be in the EXCO, WF or Marketing Committee

EXCO, WF or
Marketing Committee



- People who can give **guidance in line with overall women's football strategy** so WF department does not operate in isolation
- Potentially **greater networks** and **business contacts** through the people on the committee
- **Access to more experienced help**, particularly if WF isn't the priority of your in-house team

Dedicated WF
Department



- **Complete control** and visibility of the marketing function – **retaining responsibility** for any sales and marketing activity
- **Greater contact** between women's football and its partners – allows you to **build your own relationship networks**

In the top 20 ranked MA's, female representation on EXCO is 13%, compared with 8% on avg and 50% of these MA's have a dedicated WF department vs 32% on avg.

WF strategy should be integrated into every function



- The **strategic plan** sets the **overall direction** in which the organization is headed, where women's football should be clearly stated.
- The marketing plan outlines the overall **marketing strategy** and very importantly **should be aligned with the overall strategy including WF.**

A consistent strategic approach is vital to the creation of value and revenues for WF – therefore all departments have to work closely together

Growing under the wings of Men's Football?

Could sponsors who want to be part of Men's Football be encouraged to buy into Women's Football as well?

HOW CAN EXISTING CONTRACTS BE USED AS LEVERAGE AND SYNERGY BE CREATED?

Financial support



Value in kind



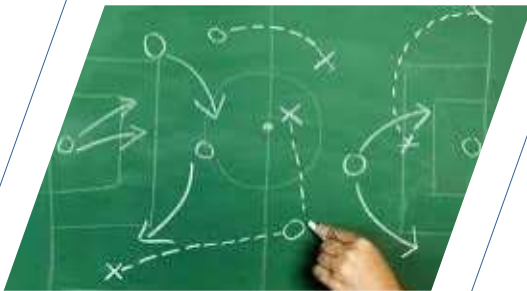
Expertise



Sponsorship is a cooperative relationship and sponsors are very particular about their needs and requirements (reach, exposure, positive brand interaction etc) but once a contract is secured, an internal budget allocation is up to the MA

Three important elements to run a successful WF sponsorship programme

1

Define

2

Sell**FOR
SALE**

3

Manage



How to sell a WF sponsorship – a 7 step approach

1**Define structure****2****Set fees****3****Identify sponsors****4****Develop sales tools****5****Contact sponsors****6****Present to sponsors****7****Negotiate fees and contract**

The Power of Social Media is an Opportunity

Social TV

- 35% of screen time simultaneous use of TV with another digital platform.
- The 2014 World Cup perfectly demonstrated this symbiotic relationship.
 - TV viewing figures broke previous records in many countries, and with 35.6 million tweets, the astonishing #BRA vs. #GER semi-final was the most-discussed single sports game ever on Twitter.
 - The World Cup as a whole was also the most talked-about event in Facebook history, with 350 million people generating three billion World Cup-related interactions.

Connected Youth of Today

- With smartphone the center of their digital world, 16-24 year olds claim to spend 155 minutes per day accessing the internet via their smartphones and only 101 minutes spent watching TV.
- Among 35-45 year olds, the equivalent figures are 118 minutes for both smartphones and TV.

Source: Digital & Media Predictions, Milward Brown



4. The Role of Government, NGO's and CSR

Title IX of Education Amendments 1972 - USA

No person in the United States shall, on the basis of sex, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any education program or activity receiving Federal financial assistance.

- Enactment of Title IX had a big impact on the development of WF in USA as it required some level of equal expenditures at university level on Men's and Women's sports.
- This led to increased scholarships for the women's programs as well as large investments in facilities, new programs, etc.
- This in turn motivated many young girls and their families to pursue the sport at young ages.

In MA's where WF is integrated into the school system (59%), such policies can prove to be very powerful for the medium term.

Gender Equality in Sport - Proposal for Strategic Actions 2014-2020 - European Commission

*Many women are today still unable to find the right environment in which to develop their full potential. In some countries, **women lag seriously behind men in access to sport**. There are many factors at play within the sport sector itself which can hamper the participation of women - for instance the **lack of coaches which create a gender friendly and safe sport environment, no interest from decision-making boards, often dominated by men, for sustainable gender equality policies leading to concrete changes...***

*Androulla Vassiliou
EU Commissioner for Education, Culture,
Multilingualism, Youth and Sport*

4 priority areas identified for concrete action plans at national and European Level

-
- Equal representation and gender sensitivity in decision making,
- Equal representation and gender equality in coaching and teaching in sport,
- The fight against gender violence in sport and the role of sport in preventing gender violence,
- The fight against negative gender stereotypes in sport and the promotion of positive role models and the role of media in this perspective.

Public Awareness & Dissemination

Qualitative Monitoring

“Gender Budgeting”

Women In Sport

- Established in 2013 and funded by the charity through membership fees, the Women's Sport Network provides members with opportunities to **connect, meet, share experiences** and **discuss key issues** affecting women working in sport.
- We're **transforming sport for the benefit of every woman and girl** in the UK. By drawing on our unique insight we will **champion the right of every woman and girl** in the UK to **take part in, and benefit from, sport**: from the field of play to the boardroom, from early years and throughout her life.
- **WE WANT WOMEN TO BE IN, AND INEQUALITY TO BE OUT.**

This Girl Can

- This Girl Can is a national campaign developed by Sport England and a wide range of partnership organisations.
- It's a celebration of active women up and down the country who are doing their thing no matter how well they do it, how they look or even how red their face gets.

CSR/Corporate Well-Being Projects – “Girls on the Pitch”- TURKEY

- Put “Girl Power” as highlight, use **football as an instrument**
- Main goal **empowering women**
- Highlight **team work**
- While women play, **men support them**
- Make presentations to HRs/possible players to **encourage participation**
- Raise funds for **social responsibility project**
- **200% Growth in 2 Years**
- Youth Cup & Istanbul Cup
- 3.500 Spectators
- 847 Players
- 1.000.000 interactions in social media
- 24 Corporate Teams
- 16 Build Your Own Teams
- 16 High School Teams
- **Total 56 Teams**

***“if you take the courage to play on the field,
another women out there will benefit from it”***



CSR/Inclusion Projects – “Soccer Mom’s League”- GUAM

Moms emulate kids' talent in Soccer Moms League

*For many mothers who play in the **Docomo Pacific GFA Soccer Moms League**, the recognized athletic talent of their children oftentimes precedes them, creating certain expectations from teammates and opponents alike.*

*“When I first joined my team in the league, I would feel a little intimidated when some of my teammates would tell me, wow, your daughter is such a good player, maybe she got it from you and they would think I knew how to play,” said the Momsters’ Dee Shippey, mother of three soccer-playing children, including Franshay Shippey, IIAAG Girls High School Soccer League championship match MVP and youth national team player. **“I actually never played soccer before until I joined the Soccer Moms League. I always tell others that the passion my children have to play the sport are really from them and I just support them when they play.***



5. Case Studies: England, Germany, France

The FA Strategy for Women's Football



- 'Game Changer'
- May 2012
- £3.5m additional investment into women's football
- FA's Corporate Strategy
 - Build Winning Teams
 - Football for Everyone
 - Govern the Game Effectively
- **Increase awareness, attendances and credibility** of women's football through the promotion of a **high quality women's football league**
- To make The FA WSL a leading worldwide women's football league by **building a bigger and more loyal fan bases.**

Game Changer 2013-18 Commitments

- **Elite Performance** - Create Elite Performance Unit, develop best players through improved talent pathway, central contracts for England senior players
- **Commercial strategy – distinct programme, clear identity**, financially sustainable, more broadcast, strong partners
- **FA WSL Expansion** – drive playing standards, gain greater exposure, increase awareness, financially sustain semi-professional women's football
- **Grow Participation** – increase no. women's and girls' teams playing football each month

The FA WSL Facts & Figures (2014)



DFB's WF Sponsorship Approach

1) Contracts from General sponsors with DFB:

- Adidas (VIK),
- Mercedes Benz (VIK Transport/Busses/Cars),
- Commerzbank (Partner for all National Teams- men and women) just started a huge advertisement for Women's National Team – with same budget for last years advertising campaign for the men national team

2) Contracts focused on Women's football:

- Allianz (Sponsor and name right holder for the Allianz Frauen-Bundesliga) and Premium Partner for Women's National Teams
- Flyer Alarm – Partner Women's National Team
- Henkel AG – Partner Women's National Teams

3) Event-/Competition-specific sponsors

- Volkswagen for men and women Cup Competitions

4) TV Rights:

- Women's National Team and Allianz Frauen-Bundesliga are part of the main DFB TV-Contract and with relevant revenues from that contracts for the National Team and first league clubs.
- Women's League (1st league) has a second contract with Eurosport where all 12 teams benefit.

FFF's WF Sponsorship Approach

- FFF commercial package is divided into 2 parts: French national teams & French National Cup.
 - 12 brands (Bank, Energy supplier, Betting, Cars, Food & Beverages...)
 - Revenues : 2.5 M€ => 7,5% of Sponsorship revenues
- Within the French national teams package, WNT is **a distinct product**, has a value in every contract and is in FFF's budget.
- A growing interest for sponsors to use WNT image.
- Revenues generated by stadium hospitality at women's matches are increasing as well.
 - 1180k€ for TV rights
 - 428k€ for tickets revenues
- For contracts that are common for men and women, many sponsors decided to activate their rights with the women national French team during the 2015 World Cup (Volkswagen, Crédit Agricole, KFC, etc.)



Athlete Endorsements in WF

- Alex Morgan's yearly earnings reach USD 3 million, 90% of which comes from endorsements.
- After helping her country to the 2011 World Cup final and the 2012 Olympic title, her profile blossomed and the striker now counts Nike, Coca-Cola, McDonald's, Nationwide Insurance and Tampax among her clients.
- She has 4 million followers on social media.



In the US, there are millions of girls playing the sport at a young age, and moms who played the sport are now making consumer decisions or are CEOs or marketing officers of companies.



6. Key Takeaways

Key Takeaways

- Men's football will continue to subsidize/support WF, as success without funds is possibly one-off and not sustainable.
- No right formula of allocating funds from men's section, every MA should evaluate based on its own needs/constraints.
- However, FIFA/Confederation/MA development funds should include a minimum to be allocated to WF.
- Governments are more active in funding WF than sponsors. Work closely with public bodies while developing parallel sponsorship programs.
- Creating further awareness/continuous public interest and changing the way WF is perceived must be a priority for building a brand and a successful commercial program.
- Inclusion of WF in overall MA strategy, communication plan, organizational structure and critical decision making are critical success factors.
- Skip the expensive and hard-to-access conventional media platforms, use the power of social media to attain necessary media coverage.
- NGO/CSR projects could prove to be very powerful for accessing corporates and mobilizing support/resources for WF.

The greater inclusion of women as active participants in football will better support football in its claim of being a truly universal sport.



**THOSE WHO CAN LEAD THIS
CHANGE ARE AMONG YOU!**

Thank you