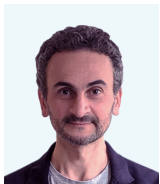


A large crowd of people is running a marathon on a tree-lined street. In the distance, a sign for 'Vittel' is visible. The scene is overlaid with a blue digital grid pattern.

SPORT'S DIGITAL & DATA TRANSFORMATION GUIDEBOOK 2023-2024

N3XT SPORTS

FOREWORD



MOUNIR ZOK
N3XT SPORTS CEO

Throughout 2023, we saw a significant increase in sports organizations pursuing digital transformation initiatives. At N3XT Sports, our client roster continues to grow. Whereas we welcomed new clients at a steady pace prior to the Covid-19 pandemic, we have seen these numbers double year-on-year ever since.

As we reflect on the year, the industry continues to evolve at a rapid pace. At the beginning of the year, we identified audience retention, data simplification, and technology integration in our *2023 Digital Trends in the Sports Industry* report as three key areas for optimizing the sports organization's digital ecosystem.

As part of its evolution, sports bodies are exploring new ways digital transformation can serve the evolution of their business. Among the most popular drivers for digital transformation, rights holders are migrating their organizational data to improve workforce productivity, scale their

owned and operated direct-to-consumer (D2C) product portfolios, and leverage fan intelligence to inform and personalize content.

For example, the latest automated production suites provide rights holders with new ways to develop generative content for segmented audiences, while many International Federations (IF) now distribute personalized video via their own over-the-top (OTT) streaming platforms. Meanwhile, digital transformation is also shaping how rights holders capture and manage first-party fan data via their digital touchpoints, including the consolidation of user information and internal resources for optimizing employee workflows, while making customer data easier to access and understand.

While the Paris 2024 Olympic and Paralympic Games is a major milestone on the sporting calendar, sport's governing bodies are taking a deeper look at how they can evolve their current digital infrastructures, and ways first-party data collection can help drive audience growth and retention, post-event. The Olympic Movement is preparing for the first truly digital Olympics and has led

international and national federations to expand, not only their D2C portfolios, but also their understanding of their internal frameworks and how digital transformation can serve their entire ecosystem.

Since the beginning of the year, our team at N3XT Sports has been working with some major players in the Olympic industry, including the International Olympic Committee (IOC) and international governing bodies like United World Wrestling (UWW), Union Cycliste Internationale (UCI), Fédération Equestre Internationale (FEI), World Triathlon, and more. Our client portfolio keeps growing as sports entities seek to improve their digital capabilities. This year has been our busiest yet, reflecting the industry's increased focus on digital transformation after Covid-19.

Digital transformation is a big part of what we do, and we've taken on some challenging projects in sports business development. Our work involves creating and implementing digital strategies that add value, optimize business operations, and boost D2C and digital revenue streams. We take pride in thoroughly auditing our clients' digital inventories and products, providing

updated digital frameworks and information systems that fit modern ways of working.

We're committed to helping sports organizations thrive in the digital age. Our consulting team works closely with clients to embrace digital transformation, adapt to change, and stay ahead of the game. Together, we're paving the way for a digitally empowered future, and we're excited to continue onboarding more clients and taking on transformative projects.

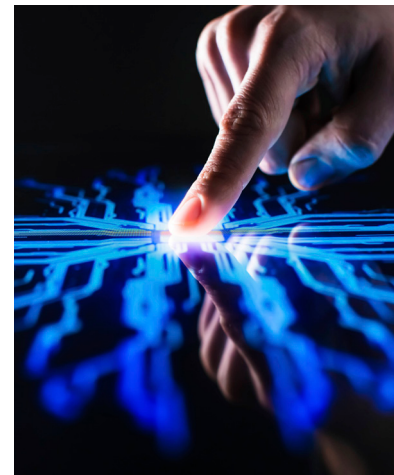


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1. DIGITAL STRATEGY

'Our team is cloud-only' | Why technology integration is a must for the evolving sports business

Spanning sport's collection of domestic and international competitions there is a bounty of different strategies for technology adoption and digital transformation. Its differentials can be traced to the individual rights holder's business objectives and how its existing digital framework uniquely drives audience growth, customer retention, and a healthy return on the entity's technology investment. In response, there are a number of rights holders leveraging their digital transformations in order to optimize productivity across departments, highlighting areas of the business where technology integration can drive cost savings.

According to N3XT Sports' Chief Executive CEO Mounir Zok, this holistic approach is indicative of a "growing awareness" among sports executives for the cost benefits of digitalization, including how a more "tactile" digital transformation strategy helps to raise operational efficacy and employee performance. Albeit a challenge felt by other digitally focused sectors, too, our *2023 Digital Trends in the Sports Industry* report cites a much lower change-management maturity

among sports businesses. This is despite sport owning a comparatively higher speed to market when it comes to innovation, highlighting a disconnect between the desire for delivering customer-facing applications and the industry's ability to integrate technologies into their current digital infrastructure.

"It is important to think beyond the fan/customer-facing opportunity and ensure that any new activity can be administered by the employees," explains Motasem El Bawab, N3XT Sports' Chief Information Officer (CIO). "By implementing the right combination of technologies and software solutions within a data-driven business model – including a customer relationship management (CRM) capability – sports properties are able to enhance the employee experience (EX), too. This, in turn, caters for a higher digital maturity among their workforce, strips out unnecessary workflows or bottlenecks, while allowing the organization to continue to augment its digital assets and propel their speed to market."

At the center of sport's ongoing digital transformation, the IOC is among a handful of global federations benchmarking the benefits of technology integration across its entire stakeholder ecosystem. With a heavy focus on

the digital transformation of their respective organizations, recent years have seen the Olympic Movement, in collaboration with the International Paralympic Committee (IPC), turn attention to the cloud orchestration of its technology systems during the Summer and Winter Olympic and Paralympic Games.

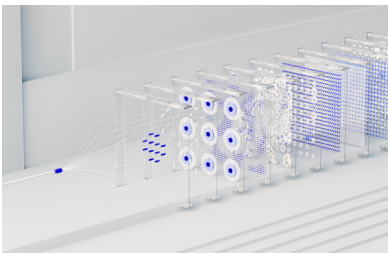
For example, the IOC's and IPC's dedicated information technology (IT) partner, Atos, oversaw the migration of all critical applications during the Tokyo 2020 Olympic and Paralympic Games in the Atos cloud. Among its benefits, the migration to the cloud helped to reduce the number of IOC's physical servers in operation during the Games to 130, down from 250 at Rio 2016, and contributed to a 50 percent reduction in technology staff required on the ground with many able to work on the event remotely.

At the time, IOC President Thomas Bach said that the partnership "has been truly instrumental in connecting, securing and digitally enabling the Olympic Games [...] to all stakeholders worldwide, while decreasing the environmental impact of our IT operations [...] and helping us to connect digitally with all our fans around the world". Elsewhere, Olympic Broadcasting Services (OBS) adopts Alibaba's

cloud technologies to bolster and optimize the IOC's Games broadcasts via the OBS Cloud, for example, including the ability for faster, remote production and post-production using fewer resources.

The role of cloud adoption extends to the IOC's and IPC's other stakeholder partners, too, and sees the Los Angeles 2028 Olympic and Paralympic Organising Committee (LA28) adopt a "cloud-only" ecosystem. This was emphasized by David Michael, LA28's CIO, who highlights in our *Digital Roadmap 2030* report the importance of cloud adoption for delivering the Games in 2028 and aligning its stakeholders, including the City of Los Angeles.

"Understanding the wants and needs of your fans and stakeholders is [...] very important," Michael explains. "Only then can you ensure what you're delivering is going to help on their journey. The first thing to consider is that we don't have what's often known as 'technical debt' – infrastructure which is out of date and old-fashioned. As a startup, we can truly leverage the cloud. While others build systems which are 'cloud-first', our team at LA28 are 'cloud-only', meaning that everything we do is with the vision to drive efficiencies and innovate."



Centralized consumption | How digital-service integration boosts data collection

Digitalization is helping rights holders on multiple fronts, namely the adoption of user-facing digital products that help to increase direct-to-fan connection and engagement. However, digital transformation also serves the optimization of operational processes, where – by enhancing the employee experience (EX) – better data access fosters better decision making, workforce collaboration, and therefore an entity's ability to innovate and deliver digital products/services that heighten the user experience (UX).

While, nowadays, there is an onus on direct-to-consumer (D2C) media and the role of mobile-supported, over-the-top (OTT) content production for widening an organization's fan engagement, data ownership is also identified as a key factor for building and retaining audiences and is, in turn, one of the drivers for OTT adoption among federations and their regional stakeholders, in addition to generating and augmenting new revenue streams.

Within the Olympic Movement, United World Wrestling (UWW), the Olympic wrestling body, launched its dedicated UWW+ multi-tiered, over-the-top (OTT) service as part of an upgrade to its digital inventory and data-management systems. The subscription service made its debut at the 2023 UWW World Championships, held in Belgrade, Serbia, and was hugely influential in achieving record digital viewership for the tournament.

Behind the platform's success, N3XT Sports supported the integration of UWW+ within the revamped UWW website and mobile app, connected by a unique web login functionality that adopts the International Federation's (IF) first ever single sign-on (SSO). The integration will assist UWW's digital fan strategy in the build-up to the Paris 2024 Olympic Games.

This demonstrates how, by connecting an organization's digital and data touchpoints via a single application, such as an owned OTT streaming service, the rights holder makes it easier to consolidate the collection and extraction of first-party user data via a unique user login. Therefore, while fan data can help rights holders to personalize digital fan experiences, how data serves the employee and internal decision making also requires a digital product portfolio that is optimized for data collection and tracking via a centralized database.

For example, whereas a marketing manager wants to identify the user journey via a

customized marketing funnel dashboard, the technology and data team should also be able to access the data via the data lake itself. Therefore, considering the array of data demands across a sports organization, by integrating its digital services in a way that promotes cross-departmental data governance, the rights holder is able to enhance dataflow via a centralized touchpoint which serves both the user and employee experiences in tandem.

When developing a unique content offering that enables the rights holder to widen its fan engagement capability in local and overseas markets, an OTT streaming product is conducive to capturing and updating audience data during its evolution; via a platform that supports the entire user journey, from the consumption of live sport to the purchase of tickets and merchandise and testing new digital experiences.

As sports organizations seek ways to grow their fan base and capture audience data via their own digital products/services, albeit the highest industry standard, there is no need for rights holders at the beginning of their digital transformation journey to replicate the aforementioned models or to own a streaming function straightaway.

Whatever their fan engagement strategy, owning a reliable CRM system that connects every one of its digital touchpoints provides the groundwork for sports properties to begin

to scale their digital product portfolio without generating data silos. The simplification of the data-collection pipeline is therefore the first, vital step for striking this balance, and will make it easier for rights holders to segment digital content strategies for retaining subscribers, and to eventually adapt and consolidate their digital product portfolio in response to consumer demands and technology trends.

"Investing only in user acquisition without fixing user retention is throwing money down the drain," explains Motasem El Bawab, N3XT Sports' Chief Information Officer (CIO). "Audience and customer retention must be a primary focus for sports properties. This can be achieved by sustaining customer satisfaction via a combination of best-in-class user experiences, including a state-of-the-art retention engine through active content management and personalized communications to each segment."



2. DATA TRANSFORMATION

Data simplification | How to avoid data disparity at a time of peak digital adoption.

Simplifying the flow and storage of data is a fundamental challenge for any organization seeking to optimize their digital operations. Outside the sports industry, major manufacturers and retail companies adopt enterprise resource planning (ERP) solutions to help manage the capture and processing of data leveraged from the sale and distribution of products, as well as the management of the company's finances.

This is also the case for the digitalization of sports properties integrating new technologies into their digital frameworks. As rights holders seek to improve the digital fan experience, including the implementation of customer-facing, mobile-supported, fan-engagement platforms, ERP providers are often called upon to help the organization manage its product/service integration and automate the operational processes and data journeys they entail.

Cited in our *2023 Digital Trends in the Sports Industry* report, a survey carried out by Panorama Consulting Group (PCG) across multiple industries found that three in four (74.8 percent) organizations quantify productivity

and efficiency as an expected benefit of ERP, followed by a reduction to IT maintenance costs (62.6 percent), operating and labor costs (50.4 percent), and customer experience (CX) improvements (58.8 percent).

By comparison, only four in ten (42.7 percent) identify access to real-time data as a benefit of ERP. This is indicative of the challenges of data disparity inside organizations where there are too many services working in tandem and may prove to be counterintuitive if technology adoption is having a negative impact on the employee experience (EX).

Wherever there is modernization, complexity often follows. Therefore, while the integration of digital applications (and the software solutions to support them) is a natural step for sports entities undergoing digital transformation, scaling an organization's digital footprint also puts the entity at risk of creating data silos that disrupt dataflow, whereby data complexity can damage operational efficiency and the company's bottom line, as well as the rights holder's understanding of the fan journey via its customer-facing platforms.

"Nowadays, data isn't the challenge anymore – we have the technologies and software

solutions to be able to manage Big Data, and even the disparity of unstructured data," says Henri Saab, Solution Architect at N3XT Sports and for Lausanne-based digital consulting firm, TowardsChange. "Therefore, it's important for sports organizations to simplify their data framework into a single system. It doesn't matter what you want to do – whether it's to launch a mobile application or perhaps a marketing portal or to automate your business processes – a centralized, modernized system allows you to do all of that, and more, while optimizing employee productivity."

Focusing on the individual benefits of a digital product and overlooking their impact on the entire organization and ecosystem will only benefit the organization in the short-term. In order to maximize the use of data and to avoid adopting solutions that may impact the organization further along the line, Saab identifies three aspects of an organization that executives must consider before adopting technology solutions into its digital ecosystem:

1. Change management maturity is generally "very low" in sports business, so sports properties should work to understand how technologies will serve the EX.
2. Data complexity can be damaging to

operational efficiency and the bottom-line, and therefore means sports organizations can save on costs by simplifying their infrastructure.

3. Speed to market is comparatively higher in the sports industry, placing organizations in a unique position for innovation. Quality data governance will help scale a digital inventory that serves customer demand.

"Sports organizations will often adopt technologies for individual needs or business objectives and not whether they add value to the business," Saab continues. "As a result, they end up selecting different cloud-based solutions aligned to their different departments. By taking this approach, sports organizations are prone to creating complex digital architectures, based on multiple data sources, and contribute to their own data disparity."

"The necessary step for sports organizations to take is to really simplify their digital ecosystem. This places more onus on building a customer relationship management (CRM) capability that ensures data is extremely well located, and a foundation for scaling digital acumen and to meet one's future technology needs without damaging dataflow."

Digital agility | The role of agile project management in sport's data transformation

As rights holders seek to simplify their dataflow and centralize digital touchpoints, some of the principal challenges for executives is deciding which objectives to prioritize, the timeline for developing their digital and data frameworks, and the types of solutions they should be adopting in the first instance.

While traditionally project management offices (PMO) have consulted organizations on existing projects with clear timelines and deliverables, more sports businesses want a PMO that affords them the ability to scale their digital offering going forward; both as a bona fide direct-to-consumer (D2C) entertainment provider, and also as a digitally driven service provider to its partners, with the support of a robust customer database.

"These complex implementation projects require a more agile methodology," explains Lara Ammar, N3XT Sports' PMO Director. "Agile project management works to prioritize the lists of features an organization wants to adopt and to meet each of its objectives in time and to budget, without impeding the entity's ability to scale its digital infrastructure or adapt to new digital solutions.

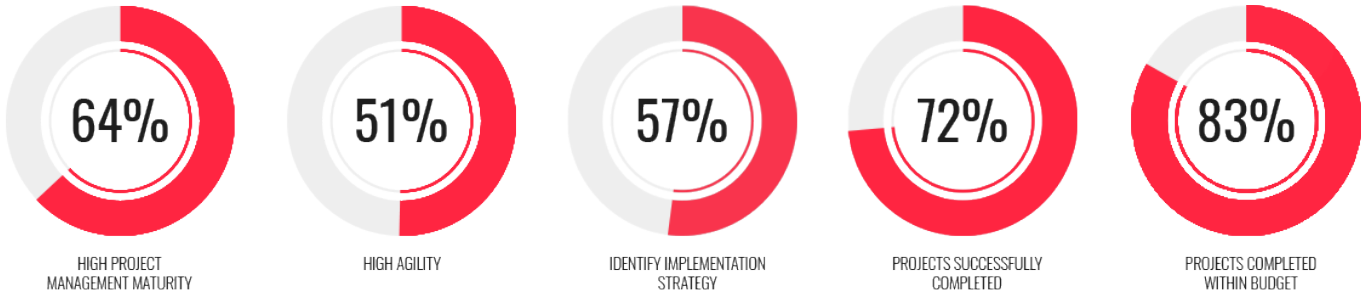
"We do this by breaking each project into what we call 'sprints', which are usually executed over a two-week period. This allows the PMO to demonstrate to the client how and when key objectives are met at the end of each sprint. Our project managers have the Professional Scrum Master and the Disciplined Agile Scrum Master (DASM) certifications. While many sports organizations do not have a PMO or project manager in place, it is our role at N3XT Sports to guide the delivery of these projects, while also working to educate the organization's workforce on how to use the digital tools it adopts."

Change management is therefore an important role within agile project management, so to develop a customer's understanding of their own digital infrastructure and how to source and implement new technologies as part of the organization's long-term digital strategy. For example, as part of United World Wrestling's (UWW) digital transformation, N3XT Sports led 150+ workshops and interviews with several of UWW's internal departments covering more than 90 attendees and 18 stakeholders during the first phase of UWW's digital transformation project. In doing so, this allowed for a smoother implementation phase, whereby UWW and N3XT Sports achieved a successful project flow without impeding on the federation's ongoing operations, while laying the foundations and knowledge for the next phase of UWW's digitalization.

In order to align the client's expectations for their digital transformation and the necessary tools and resources required to meet

their business objectives, it's important to understand the steps they will need to take. Where sport's properties are faced with multi-phased projects over a number of years, by taking an agile approach to their management, this will make it easier for entities to adapt to changes to their business structure, industry trends, and stakeholder demands.

"Most sports organizations are not yet implementing this type of approach," says Martin Mancero, Project Manager at N3XT Sports. "More vendors and service providers are using an agile approach. Therefore, educating the sports industry on how that works is hugely valuable. While this is still a learning curve for organizations, we put the structures in place that are not yet established across sports organizations and provide guidance to help them to translate their objectives into clear processes designed to meet their strategic goals."



BENEFITS OF INTERPERSONAL SKILLS FOR PROJECT MANAGEMENT

Source: Project Management Institute (PMI)

One step to manage change successfully is for the PMO to identify a project manager within the organization undergoing alterations. In doing so, the project manager not only helps to navigate the organization's ongoing digital transformation but acts as an advocate for change across the wider business.

In turn, by implementing standardized processes and strengthening communications between stakeholders and the PMO, this lays the groundwork for the entity's overall growth, while collecting data and learnings from ongoing projects will no doubt aid the organization's governance and compliance and reduce unnecessary delays and costs associated with the implementation process.

"This is particularly true of the Olympic sector," Mancero continues, "whereby International Federations (IF), national federations, and National Olympic Committees (NOC) are able to break down their multi-year roadmaps, for example, into digestible, actionable steps that can be tracked over time. It is best practice to have clear documentation and to ensure that the organization is keeping a record which provides data and insights into how to distribute workload and for identifying opportunities for improvement to the organization's digital frameworks."

Although a complex endeavor, digital adoption doesn't have to be a complicated process. N3XT Sports' project management team provides a mix of solutions tailored to the individual client's

needs. Whether they are taking on a multi-phased project at one time or have devised a project list that requires a hybrid approach, whereby the PMO is able to adopt an agile methodology (including sprints) for select workflows, there is no one project management solution, but an array that sports organizations can choose from, giving them greater flexibility.

For example, the N3XT Sports PMO works closely with the Spanish Field Hockey Federation (RFEH) to guide the national body on several concurrent projects, including the implementation of: (1) a modern information and competition management system; (2) a club management tool; (3) an updated website; and (4) the creation of a customer relationship management (CRM) tool that serves the federation's multiple stakeholders. The RFEH cites digital transformation as one of four strategic pillars in its 2022-2030 strategic plan, for which it has adopted N3XT Sports' agile methodology to deliver on some of its project workstreams.

"Our main objective or goal, as the RFEH's outsourced digital transformation manager, or technology expert, is to help the federation's project management team meet its objectives," explains Andrea Merle López, Project Manager for N3XT Sports. "The role is to inform and guide the client team to complete the multiple workstreams. No matter the approach, it's important for one person to have a complete overview of the entire project, to ensure every milestone within each workstream is being met within time and to budget."



3. DIGITAL AND DATA GOVERNANCE

Artificial intelligence | Exploring how OpenAI & machine learning serve sport's data revolution

At the heart of any business strategy, the organization's ability to extract and analyze its consumer data is paramount for establishing strong customer relationships. This starts with understanding the internal processes that inform the customer-facing products, the services the business should be investing in, and extends to the technological solutions the workforce

chooses to integrate in order to meet its objectives.

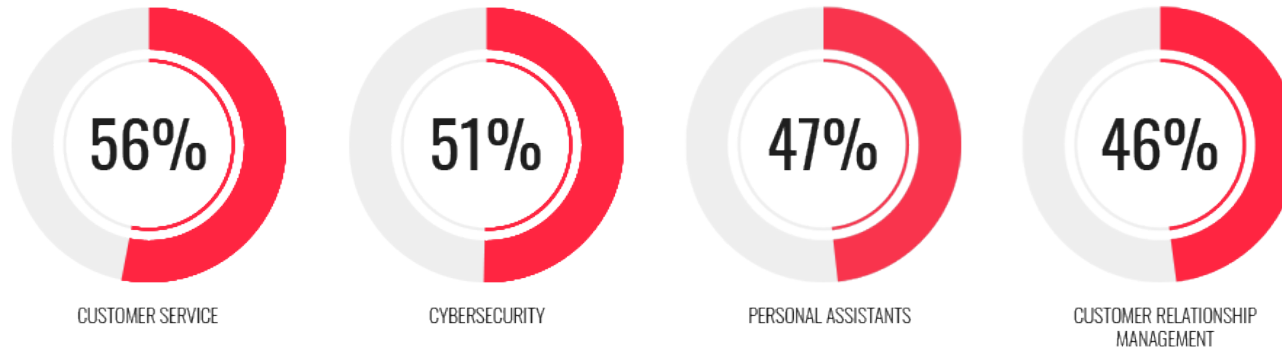
One of the roadblocks to achieving this level of operational efficacy is data disparity – whereby the employee's ability to do their job is hindered in some way by the quality of resources and information available to them. Increasing the level of data quality that a company owns is therefore a bold and necessary step towards improving both the employee (EX) and customer experiences (CX) in tandem.

Artificial intelligence (AI) plays various roles in helping an organization boost the CX. According to a Forbes Advisor survey – covering multiple industries – close to three in four businesses (73 percent) currently use or plan to use AI-powered chatbots, whereas three in five (61 percent) leverage AI for email campaigns, for example, and more than half (55 percent) to personalize their service offering.

While instant messaging and other automated communications methods are

popular tools for businesses to adopt, there are several other ways machine learning tools can improve operational processes, too, by making data analysis more accessible to the workforce, leveraging functions such as data dashboards and AI-powered personal assistants.

These functions adopt a “garbage in, garbage out” approach, says Motasem El Bawab, N3XT Sports’ Chief Information Officer (CIO) – designed to simplify the organization's data-collection capability by



MOST POPULAR BUSINESS USES FOR AI

Source: Forbes Advisor

removing redundant data sets. “With human-like prompts,” he says, “you can ask the data any question you’d like, and the AI will be able to deliver you the relevant insights”.

“Our team at N3XT Sports is currently working on the mission of making data more accessible and understandable to sports properties,” Mota continues. “Now that OpenAI and machine learning models are becoming mainstream, they no longer require a heavy computational workload. In years gone by, organizations required a lot of processing power to be able to implement machine learning models into their digital framework – whereas, with the different cloud solutions available to sports properties today, it’s becoming much easier to use them.

“For example, you can apply AI to analyze your database, manage and optimize data storage, and to single out a process that you require amongst hundreds of thousands of data points. In addition, it also gives you greater visibility of the database itself. For instance, if you build an application for the database, you don’t necessarily need to be a coder or understand structured query language (SQL) – with the use of AI, employees can assess the data themselves, at a granular level, by using the right prompts. So, it no longer becomes about querying the data through code, but asking the right questions.”

Such is the quality of the machine learning

software available on today’s market, in principle, AI-powered solutions can be applied to any computational system inside an organization and adapted to serve departments at every level of the company’s wider operation. As sports properties become more digitally independent and better equipped to manage first-party data, their existing customer-data service providers are adapting, too – providing built-in AI functions that can be tailored to their client’s needs.



For example, the US technology giant Microsoft has a long-term partnership with OpenAI around the research and development (R&D) of advanced AI technologies ready to go to market. This

includes the new AI-powered experiences available via Microsoft’s Azure OpenAI Service, which helps developers to build AI-optimized infrastructure and tools. As OpenAI’s cloud provider, Azure also powers all OpenAI workloads including the creation of API services.

“At the API level, these models can be integrated into any system, internal or external,” Mota expands. “If we take a CRM system, for example, you can use AI to

recommendation engines and to personalize the UX.”

Machine learning capabilities can have a dramatic effect on productivity levels and customer satisfaction if deployed appropriately, Mota suggests. Nevertheless, in order for AI to maximize the return on an organization’s customer relationship management (CRM) or technological investments, sport’s entities must first assess their digital maturity to discover where AI can prove most effective or otherwise implement a data strategy if they do not yet own one.

For example, Salesforce launched Einstein GPT – billed as the world’s first generative AI tool for CRM – and can be applied to multiple areas of a business, including for sales, service delivery, content marketing, product recommendation, data analytics and data management, and fast-track automation to improve the UX.

“The principle of AI is to enhance the UX – and, in the case of sport’s digital transformation, simplify dataflows,” Mota says. “Therefore, your level of digital maturity needs to be at a level where you have some sort of data-collection strategy via the organization’s digital touchpoints. This doesn’t have to be connected by a single sign-on (SSO), but your data needs to be accessible somehow, either via API, or queries. This would obviously make the adoption much easier.”

Going inside the fan funnel | 3 simple steps for sports organizations to establish a fan journey

The “fan journey” can sometimes be regarded as a loose term – something the sports industry uses to help rights holders and sports organizations differentiate their casual supporters from the fanatics and to identify the types of digital assets required to capture and convert new fans.

Behind the scenes, the reality is that all fans are unique; it’s the detail in the data that connects them. All the while, fan intelligence helps rights holders decide on how to personalize their digital content campaigns based on customer preferences and habits, and go on to develop a clear digital strategy designed to grow and retain their respective fan bases.

As with developing any business strategy, internal decisions need to be made with the customer front of mind. So, for sports organizations looking to establish a fan journey, or commonly known as the fan funnel, the first question you need to ask yourself is whether you know your fan’s attributes – what is it that they like, what they don’t like, and the consumption behaviors they demonstrate. Based on that, if you have a good set of data, you can start to define at which stage your

fan base converges, which platforms are best equipped for engaging them, and how they fit to your fan funnel.

It sounds simple – however, if you don’t first have the dataset, or the digital touchpoints to capture fan data, you will need to look closer within the few channels you do leverage and make certain assumptions based on the content that performs well and what your gut tells you. In our *Olympic Digital Transformation Report 2023*, N3XT Sports research shows, for example, that 21.8 percent of the International Federations (IF) represented at the Paris 2024 Olympic Games do not yet collect first-party fan data via their platforms, while half (50 percent) do so via a diverse digital inventory.

Nevertheless, while the reality is that there are many sports organizations which are unclear on how to measure the fan journey effectively, it’s worth highlighting that there are other ways for them to analyze fan behavior based on their existing digital channels and to go on to leverage these findings to expand their own digital offering while widening the fan funnel over time.

By defining their customers and the different types of fans, sports organizations create what the industry refers to as either a “channel matrix” or

“channel strategy”. This outlines what the organization should be doing across each of its digital assets and, equally, what is missing from each of these platforms. This might, for example, require an examination of the organization’s Facebook channel versus the website to see where they can work together. While they are among the most common platforms sports organizations usually adopt, these act as the first two sensible steps any entity can take in their data transformation.

By taking this simple step, this allows your organization to prioritize tasks for each platform and assess which one will have the most impact on engaging the customer or fan, versus the one which will help convert them into loyal fans thereafter. This, for those organizations that do not yet have a diverse digital inventory but are looking for ways to augment the fan experience, helps to define: (1) each stage of the fan funnel; (2) what their purpose should be; and (3) where they should sit on the fan journey.

Another key step to aligning fan intelligence with the sports organization’s business objectives is to implement a CRM function that makes it easy to manage the fan journey and meet each individual customer’s needs. However, in order to understand your customer personally, it isn’t enough to

simply integrate a new system without first leveraging the means to ingest and analyze fan data. It is therefore safe to say that a certain level of data maturity or sophistication is required for a CRM function to be truly impactful.

For example, at the top level of the funnel, organizations will own the basic level of data that comes with their website or social media channels. In order to convert fans into loyal customers within your CRM system, it becomes more challenging without other digital touchpoints such as an owned and operated over-the-top (OTT) streaming platform or a dedicated mobile app to engage fans and leverage their personal attributes.

Nevertheless, no matter the data maturity of an organization, whether it collects email data via a newsletter subscription at the early stages of the fan journey or provides an SSO across a diverse digital portfolio, AI can support data management at every level of the fan funnel and serve the rights holder at every stage of its data and digital development, including the evolution of the fan journey. This includes the property’s ability to measure fan conversion rates based on their behavior and to identify the types of content and marketing campaigns that have the biggest impact on audience retention.

4. CUSTOMER & EMPLOYEE PORTALS

Customer portals | A sports executive's guide for tailoring the stakeholder experience

Customer portals can take different forms. By way of example, this might look like a dedicated platform where the rights holder and its rights partners can collaborate on the creation of segmented digital fan-engagement campaigns based on real-time fan data and user insights.

"The customer portal is an innovative way for sports bodies, leagues, clubs, and unions to centralize their digital solutions via a single platform that offers its stakeholders exclusive access to valuable resources and personalized content, and for athletes to stay up to date with their competition data," explains António Gonçalves, Junior Consultant at N3XT Sports.

"Centralizing information in this way offers the customer or client convenient access to their data via an easy-to-navigate, mobile-supported server, while also granting the platform owner a 360° view of its membership base. As a result, the customer portal provides both an improved customer experience (CX) and

optimizes the portal owner's ability to track and respond quickly to customer and stakeholder requests."

While the customer portal provides a convenient location for users to find the information that is relevant to them, it also provides the portal owner with the ability to extract first-party data via a unique member registration that invites its membership base to share personal data upon logging into the portal.

As sports organizations explore new ways to enhance their data-collection capability, member portals of this kind prove not only to be valuable assets for improving the user experience (UX), but are also designed to maximize the extraction and usage of member data. This, in turn, supports the portal owner's knowledge of the stakeholder's unique interests while providing them with a platform capable of adapting and scaling to meet their individual needs.

For example, the Professional Footballers' Association (PFA) enlisted the services of N3XT Sports to provide the footballers' union's members with a modern, data-

driven service. As part of its digitalization process, our team helped develop and implement the PFA's first-ever fully integrated, cloud-based member portal, which both eliminates the use of paper-based processes inside the organization and acts as a direct line of communication between the union, its members, and stakeholders.

"Whereas previously the PFA was reliant on paper-heavy communications and transactions with its tens of thousands of members, the newly designed member portal has turned the union into a paperless operation that both heightens the UX and increases operational efficiencies within the PFA itself," explains Gonçalves. "Since launching its member portal, whereas previously the union relied on paper-based communications with its members, which reduced productivity and data efficiency, the PFA has significantly increased its ability to capture and harness its members' data, and its overall data-analysis capability."

Once communications have been established between both parties, the member portal provides a platform for the service owner to distribute personalized

campaigns to its members. "This might be based on their membership status, for example, or the ability to provide members with access to discounts and special offers for partner products, services, and commercial partnerships," Gonçalves expands.

"It represents a key transition. While websites were always general, informative and abstract, portals are designed to provide a more personalized experience resembling one-on-one conversations, where members have the ability to manage and control their own data and processes. This results in a greater level of customization and tailored functionality. A step forward for many organizations, as it enables them to provide a user-centric experience for their audiences."

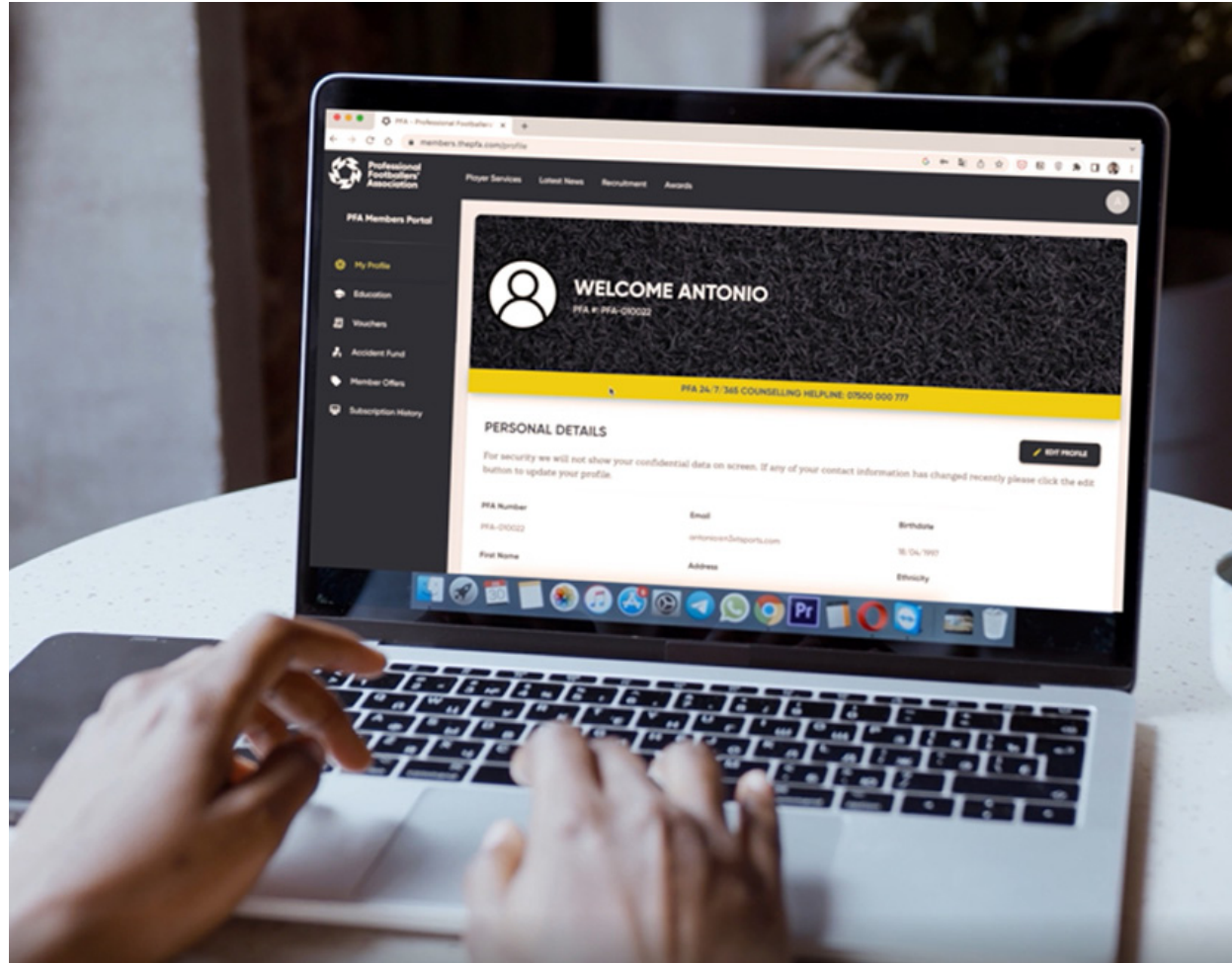
Employee portals | How consolidating operational tech gives control to the sports executive

In its pursuit of a first-class fan experience, the rights holder owes as much to the employee experience (EX) as it does to the customer-facing, digital touchpoints that drive engagement. This extends to the

staff member's ability for personalizing the fan experience using customer data. Given that sport's digital transformation lives and breathes on the digital literacy of its workforce – although change management maturity remains “very low” in sports business – data governance is vital for driving audience growth and retention, meaning that sports properties should strive to understand how technology can serve their workforce, in order to serve the fan.

“By implementing the right combination of technological solutions, sports properties are able to enhance the EX, too,” explains Motasem El Bawab, N3XT Sports Chief Information Officer (CIO). “This, in turn, caters for a higher digital maturity among their workforce, strips out unnecessary workflows or bottlenecks, while allowing the organization to continue to optimize its business processes and explore new digital revenue streams.”

This approach can be achieved in several different ways. Among them, the centralization of employee resources is shaping the sports executive's toolkit. While several best-in-class sports entities are consolidating their fan experiences into a fully integrated direct-to-consumer (D2C) platform – designed to give users access to their entire digital portfolio – some properties are also providing a similar experience for their employees.



In order to digitalize organizational workflows, the sports organization traditionally sees its departments adopt different software solutions and technologies selected to perform various roles within their respective fields. However, while this puts organizations at risk of disrupting productivity, by mixing non-compatible software solutions, this has led sports properties to re-think their digital framework and how the technologies they choose help to optimize their employee output without creating data silos.

According to António Gonçalves, Junior Consultant at N3XT Sports, our team “prioritizes the needs of employees when

implementing a digital transformation within a sports organization”, adding: “We don’t just focus on how it benefits the customer-facing product. To achieve this, one approach is to create an employee portal that serves as a centralized platform for all the tools and resources required by employees in the organization. This process starts with addressing each employee’s professional needs.”

Unlike customer portals, which allow an organization’s client base and stakeholders to proactively manage and customize their own data by centralizing their respective workflows, in contrast, employee portals work to consolidate an organization’s

existing resources into one interface – acting as a universal hub for the entire workforce.

“By consolidating all of the new tools that the workforce uses in one place, it not only works to make the EX more friendly, but also to assist in the evolution of the business,” Gonçalves says. “By giving its people the best tools to support their unique ways of working – based on the individual elements of their business – it allows the employee to re-define how the wider organization operates as a complex, multi-functional entity.”

By way of example, the PFA’s employee portal consolidates multiple employee applications, including the union’s players’ directory and subscriptions, communications and marketing assets, a shared employee calendar, as well as tools for member development, including apps dedicated specifically to the PFA Business School, Education, Youth Advisory, and unique Membership Offers.

Patrick Coyle, the PFA’s Chief Operating Officer (COO), says that the rollout of the union’s first-ever employee portal has helped transform the way in which its employees communicate having become 100 percent paperless, as well as their ability to assess their membership base in more granular detail, including how their interactions with the members inform the PFA’s ongoing client initiatives.

“The employee portal has not only enhanced the way that the PFA operates internally, but also provides our staff with direct access to the PFA’s first-ever fully integrated members portal, which acts as a direct line of communication between the union and our members,” Coyle explains. “By gaining a unique understanding of the PFA’s 5,000 members who play for professional clubs in England and Wales, as well as about 50,000 former professional players, our team is better equipped than ever to meet their needs and enhance the members’ experience on and off the football pitch.”

Updated members’ data is made available to every PFA staff member via dashboards integrated within the employee portal. While giving everyone inside the organization invaluable insights into the PFA’s customer base, user trends, and demographics, N3XT Sports and the PFA first drew upon the EX before deciding how to best integrate its member and employee functionalities.

“Where a sports organization has multiple employee tools, but no portal to access them, that’s where the operational process becomes disjointed and unorganized,” Gonçalves continues. “Therefore, involving the employees – and bringing them along the digital transformation journey – is fundamental to optimizing the operational process and to gain their buy-in into the solution.”



Patrick Coyle,
Chief Operating Officer
Professional Footballers' Association

“Whereas, historically, the PFA has been heavily reliant on ‘old fashioned’ paper communications, with the limitations that involves, our collaboration has transformed the way in which our organization collects, shares, and analyzes membership data – granting our members a better user experience through the member portal, and more resources for our executives to best meet their needs.”

5. INDUSTRY BENCHMARKING

Digital Breakdown | The sports industry's comprehensive Rugby World Cup fan-data guide

There is a lot that can be learnt from how major sporting events serve their

stakeholders and help bridge the gap between the brightest stars and emerging talent. When the underdogs rub shoulders with the game's elite, it represents a rare chance to test themselves against the best in the business; to see how far they have

come and what needs to be done to fulfill their potential.

For national team competitions such as the men's Rugby World Cup, there is no greater achievement for the game's "smaller"

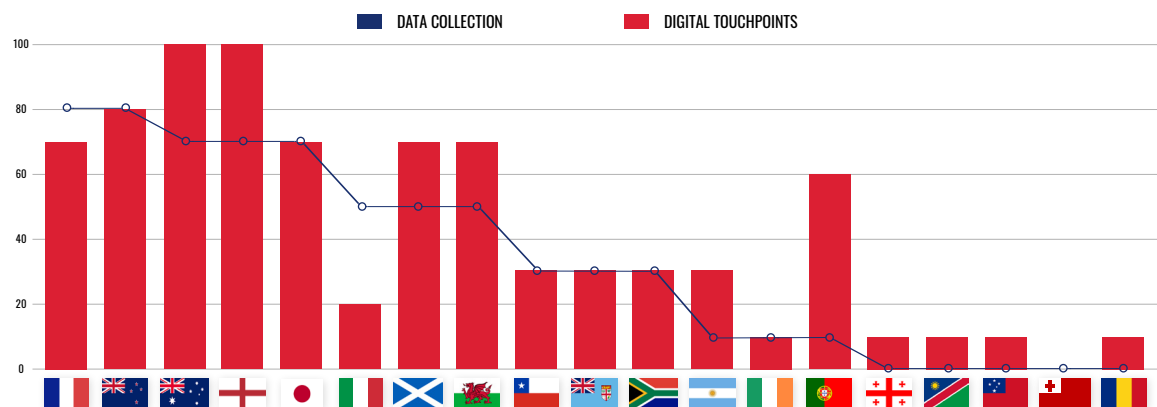
nations than to topple a tier-one giant. While the France 2023 edition was perhaps the most competitive yet, there is scope to close the gap off the field, too, and how the sport's respective unions augment their digital portfolios to leverage fan data.



According to proprietary research carried out by our team at N3XT Sports, 25 percent of the member unions represented at this year's Rugby World Cup do not collect first-party fan data via their own digital touchpoints. By comparison, findings published in our *Olympic Digital Transformation Report 2023* show that 218 percent of the International Federations (IF) whose sports will be on display at next year's Paris 2024 Summer Olympic Games do not collect first-party fan data either, while – in contrast – all 32 member associations (MA) represented at last year's men's FIFA World Cup, in Qatar, collect fan data from at least one digital touchpoint.

Among the Olympic IFs preparing for next year's Olympic Games, World Rugby is one of the two most digitally mature governing bodies on the bill; matched only by FIFA – football's governing body – while both also own a sophisticated data-collection

DIGITAL PRODUCT AND DATA COLLECTION SCORES (PER MEMBER UNION)



capability. This is unsurprising considering the popularity of their respective sports globally. Nevertheless, while rugby union's major tournaments have rarely been hosted outside its traditional markets, digital transformation within its member unions has room to connect new fans with the sport in emerging regions, while for many, it is still in its infancy.

For example, albeit the vast majority (95 percent) of unions competing at France 2023 own a dedicated website, our research shows that 30 percent do not collect fan data via a web login or newsletter subscription. Meanwhile, 60 percent do not collect fan data via a mobile app and 55 percent do not own a customer-facing

mobile platform. This highlights a challenge for the sector and its ability to consolidate its digital and data touchpoints.

"While a popular sport within its traditional markets, rugby union's digital transformation has the potential to galvanize fan engagement and audience retention globally – by optimizing the collection of fan data at both international and regional levels," says Kris Brackmann, N3XT Sports' Business Development Coordinator. "Similar to other major tournaments such as the Olympic Games and FIFA World Cup, rugby union's elite show a mixed digital and data maturity. With guidance, national federations can develop a digital roadmap that serves audience retention

and commercial growth at all levels of the game."

Each respective federation is assessed on its customer-facing owned and operated digital touchpoints, including whether they collect fan data via: a web login / newsletter (1pt); an official mobile app (1pt); ecommerce (1pt); ticketing (1pt), an over-the-top (OTT) streaming subscription (2pts); and whether: the member union utilizes a single sign-on (SSO) for every data touchpoint (3pts); and/or integrates a women's product into its data strategy (1pt).

According to our research of other sports and competitions, mobile presents the best opportunity to diversify a sports

organization's data-collection capabilities via an omnichannel experience. This is expressed clearly by Hisham Shehabi, N3XT Sports' Chief Operating Officer (COO), who says that organizations can "strengthen" the digital literacy of their workforce – and not only the fan experience – by adopting digital solutions that consolidate their data-management systems.

Therefore, considering that 75 percent of France 2023's member unions collect fan data, of which the majority do so via multiple digital touchpoints, it's clear that the game's stakeholders recognize the importance of collecting fan data via different avenues, though have yet to find the means to centralize their digital inventory. Mobile adoption is a key step to combining these functions – just as World Rugby has proven with its updated France 2023 RWC mobile app – albeit mobile data appears to be greatly underutilized across the rugby ecosystem.

Among the digital touchpoints in which member unions collect first-party fan data, the majority assessed do so either via a web login / newsletter (70 percent) or an ecommerce platform (55 percent). Of the less popular data touchpoints, 30 percent of the member unions utilize their own ticketing portal to collect fan data, all of which have a unique characteristic: they own multiple data touchpoints, including a web login / newsletter signup, a mobile app, and an ecommerce platform.

This tells us that, although ticketing data is leveraged by fewer member unions, it always sits within a more diverse ecosystem wherever it's utilized. What's more, of the member unions that collect data from ticket purchases, all but one nation integrates the women's product into their own ticketing platform. As the rugby union sector seeks to grow its fan base and D2C capabilities, the women's game is a pivotal piece for driving engagement. While it is clearly a source of data and revenue for member unions that handle their own ticketing, at the time of writing, only 25 percent of the member unions assessed leverage women's rugby to collect fan data.

Digital Edge | Re-defining cricket's fan-data boundaries in time for the LA28 Olympics

The International Olympic Committee's (IOC) decision to feature cricket at the Los Angeles 2028 (LA28) Olympic Games is perhaps the clearest indication of the sport's growth potential. IOC President Thomas Bach welcomed cricket's introduction onto the Olympic roster, citing the game's "growing popularity, particularly in the T20 [short] format" as an attractive proposition.

Greg Barclay, Chair of the International Cricket Council (ICC), cricket's global governing body, said that the Olympic Games will present a "massive shot in the arm" for the sport,

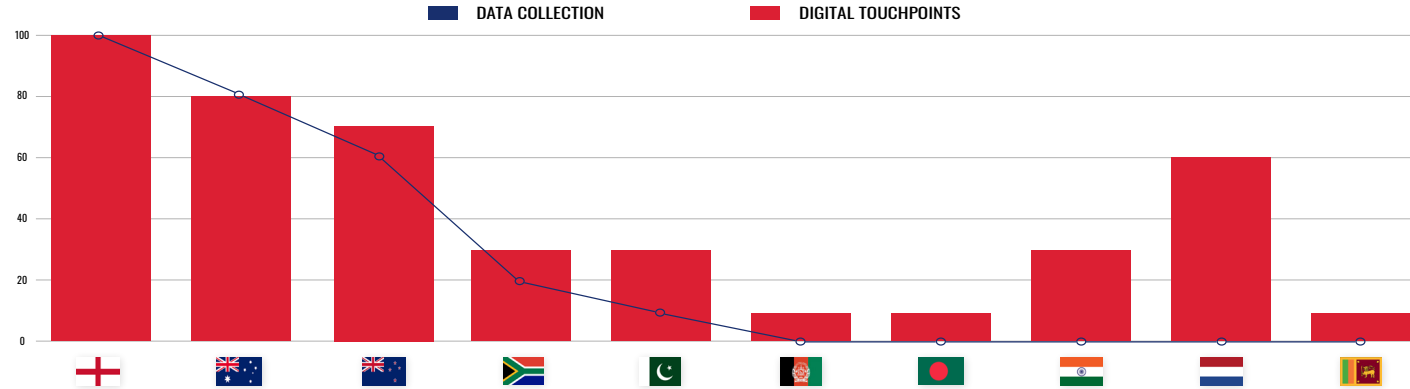
having highlighted its Olympic inclusion as a "central plank of growing cricket globally". This is outlined in the ICC's *Global Growth Strategy*, published in November 2021, which highlights digital transformation as a key pillar for driving interest in both men's and women's competition.

The IOC's announcement came amid the men's one-day international (ODI) Cricket World Cup, held in India between October and November, which saw ten national teams go head-to-head in search of the biggest prize in men's cricket's 50-over format (a longer version than the 20-over game coming to LA28). India is home to the Indian Premier League (IPL), one of the world's biggest T20 franchise tournaments,

and cricket's largest domestic fan base. Meanwhile, the Indian Cricket Board (BCCI) continues to be a pioneer for the game's increasing commercial appeal.

India's national cricket body founded the IPL in 2008 and has been a benchmark for other domestic short-form cricket competitions, including the inception of Australia's Big Bash League (BBL) in 2011 and English cricket's The Hundred, launched in 2021. While fan engagement sits at the heart of the BCCI's commercial strategy, compared to its counterparts in England and Australia, there is still however a notable difference in the way each respective cricket board leverages first-party fan data to drive engagement, as well as a huge opportunity to maximize

DIGITAL PRODUCT AND DATA COLLECTION SCORES (PER CRICKET BOARD)



the sport’s growth potential in its regional markets.

Cricket Australia (CA) and the England and Wales Cricket Board (ECB) demonstrate the strongest data-collection capabilities of the nations which competed in the India 2023 ODI Cricket World Cup and the most diverse digital portfolios. Both cricket boards engage fans via multiple digital platforms, including a dedicated website, mobile app, ecommerce platform, and a livestreaming function made available to their subscribers – underpinned by a sophisticated data-collection capability. The ECB also collects first-party ticketing data for The Hundred men’s and women’s competitions.

Whereas Australia’s and England’s cricket

boards collect first-party fan data via all their digital touchpoints, consolidated by a single sign-on (SSO) function, which allows their subscribers to access every platform via a unique user login, the BCCI, among other cricketing nations, has yet to integrate a web login or data touchpoint across its owned and operated digital portfolio.

This is important since Indian cricket fans have a wealth of options to engage with the sport. In addition to the BCCI website and mobile app, which provides subscription-free highlights and other non-live video content across its competitions, the men’s IPL and the Women’s Premier League (WPL) offer similar experiences via dedicated mobile apps. As the sport prepares for LA28 in five years’ time, there appears to be, on the table,

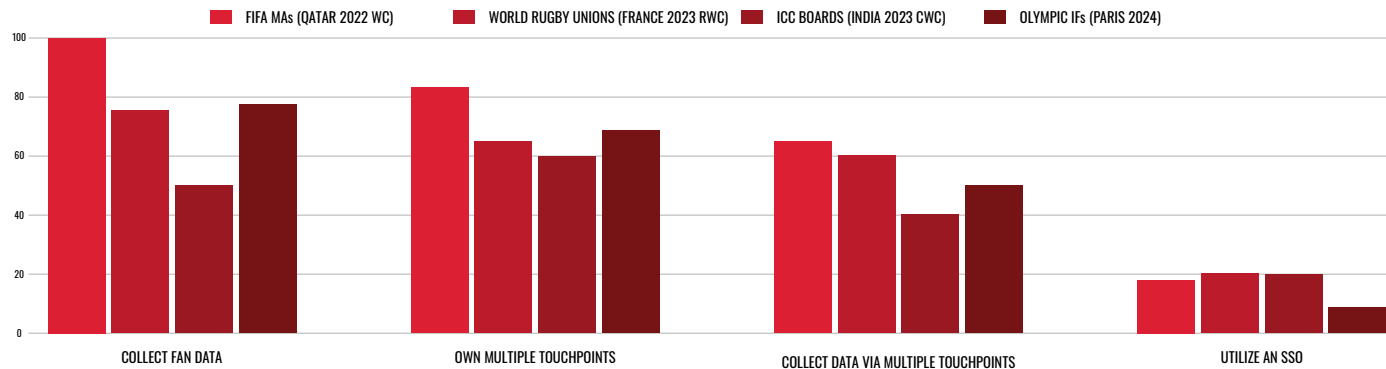
an opportunity to leverage the game’s global appeal via mobile and to seed a new, data-driven age for the modern cricket ecosystem. Aside from Australia and England, there are few national cricket boards that own and operate a diverse digital portfolio, and fewer that collect first-party fan data via multiple touchpoints. For example, New Zealand Cricket (NZC) collects fan data via a digital newsletter sign-up made available via web and mobile, as well as an ecommerce registration and ticketing portal powered in collaboration with Ticketek. NZC is among 40 percent of the cricket boards assessed that own multiple digital and data touchpoints.

Albeit fewer national teams compete in the ODI Cricket World Cup compared to other international tournaments, 50 percent of the

field at this year’s global showpiece do not collect first-party fan data compared to, for example, 25 percent of the member unions on show at the men’s Rugby World Cup, in France.

Notably, the ICC owns a diverse digital portfolio and collects fan data via its dedicated ICC and Cricket World Cup websites and mobile apps, the ICCTV over-the-top (OTT) subscription streaming service, as well as the ICC Official Store, which is run in collaboration with the US sports retailer Fanatics. Although a disparity exists between the digital and data maturity of the national cricket boards, the ICC is well positioned, digitally, to help drive engagement for the sport and its regional stakeholders.

DATA COLLECTION CAPABILITIES ACROSS MAJOR SPORTING EVENTS



6. WHAT'S N3XT?



HISHAM SHEHABI
N3XT SPORTS COO

Despite the absence of fans due to Covid-19 restrictions, Tokyo 2020 heralded a “new era” for the Olympiad and its ability to drive fan engagement digitally. The baton now passes on to Paris as the multi-sport event – with the welcome return of spectators – shines a new light on sport’s digitalization and offers a global platform for truly impactful innovation.

The International Olympic Committee (IOC) has outlined digitalization as an important objective for expanding its audience reach and developing the Olympic sports that will be on show in a year’s time. As we look ahead to the next summer edition, it feels as though there’s a lot more at stake – given that the Olympic Games will not only aim to leave a legacy for the French capital and its bid to become a “smart

city”, but also how digital initiatives serve the growth of the wider Olympic ecosystem. Digital transformation represents a key pillar within the IOC’s *Olympic Agenda 2020+5* and can serve the Olympic Movement in multiple ways.

Furthermore, this Games, more than any other, will adopt new mobility solutions and digital resources that specifically address the sports industry’s carbon footprint. Meanwhile, data analysis and digital fan engagement can help make physical activity more inclusive for inner-city communities. There are many avenues which the Olympic Movement is modernizing, including how it: (1) leverages data analysis to management fan and stakeholder relationships; (2) is used as a springboard for future smart cities; (3) will adopt artificial intelligence

(AI) to personalize and diversify its content distribution; (4) leverages athlete performance data among new fan engagement tools via mobile; and (5) can drive the climate recovery through digital transformation.

Data collection and data analysis underpin the IOC’s digital transformation efforts. It comes, therefore, as little surprise that Paris 2024’s innovation drive places the same level of importance on data capture – whether it’s used for serving public transport, digital fan experiences, stakeholder and venue management, or reducing the event’s environmental impact.

If we can reflect on how AI and machine learning models serve sport’s data transformation, we’re reminded

of N3XT Sports’ mission “to make data more accessible and understandable to sports properties”. For other major events to follow Paris 2024’s lead, understanding how data is currently used across the organizer’s entire digital framework is a fundamental first step towards enhancing operational efficiencies, expanding its digital portfolio, and maximizing its fan data.

Our team at N3XT Sports works tirelessly to develop and implement data and digital transformation strategies across a multitude of sports properties at federation level, competition level, and club level. To find out more about how N3XT Sports can strengthen your data-collection capability, feel free to get in touch with our team. Our goal is to drive the digitalization of the sports industry and our clients.

ABOUT N3XT SPORTS

N3XT Sports is an end-to-end digital transformation agency in the sports industry, bringing world-class expertise and experience to our clients through strategic management consulting and implementation support. We specialize in the modernization and transformation of organizations across the Olympic and professional sports sectors.

We work with our clients and partners to identify and address their most critical challenges, allowing them to achieve a sustainable competitive advantage within the rapidly changing sports landscape. Our clients include leading Olympic, football and basketball organizations, international sports governing bodies, investors, tech companies and government entities.

We invite you to use, share and build upon the insights and statements made in this report.

You are free to distribute the material in any medium or format, including within your organization, to your stakeholders and to students or universities.

You can contact the N3XT Sports team through info@n3xtsports.com to gain further understanding of the insights presented in this report, particularly as it pertains to engaging in the development and implementation of a digital transformation strategy.

This report was produced as part of the N3XT Sports Reports series, made freely available to the sports industry.

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