

Changing the Game: What Sports Leaders Can Learn From their Global Counterparts



In bringing together fans across the globe to support their favorite teams and athletes, sports teams drive competition while also building community and camaraderie. And that emotional appeal translates to significant business revenue—in 2022, the global sports industry revenue amounted to nearly [\\$487 billion](#), and is estimated to be worth over \$623 billion by 2027, a growth rate of almost 30% over five years. The top teams and franchises in North America and Europe are estimated to [be worth over \\$400 billion](#), which has sparked the interests of major private equity firms looking for potential minority or majority positions across the industry.

Yet while the business of sports is evergreen, many sports organizations are struggling to optimize their revenue opportunities. The growth constraint? Often, it's talent.

Additionally, team and league operating models vary considerably with some being more effective than others. The United States' National Football League is often seen as the poster child for commercial sporting success; however, there are lessons to be learnt from different leagues and teams across the globe.

To gain a better understanding of commonalities across global sports, identify growth areas, and understand talent gaps within the industry, Russell Reynolds Associates

interviewed over 20 leading executives across the global sports market. Through these conversations, we identified several common trends across the global sports industry that executives are observing and actively considering when building up their businesses and fan bases. These include:

- **Increased competition for viewership:** Increased globalization has given consumers new access to a massive range of sports teams and leagues, upping the need for increased marketing and commercial talent to keep pace and drive consumer engagement.
- **The rapidly evolving sports fan:** As markets broaden and access increases, sports leaders are looking for new opportunities to expand audiences, with women and children viewers presenting the biggest opportunity.
- **Digital innovation—the ultimate game changer:** With the demand for 24/7 access to content, sports leaders are focused on digital and technological innovation.

Interestingly, the biggest opportunities in sports are the ones its leaders feel their organizations are least prepared to address. The functions with the most influence over these trends—marketing, commercial, digital, and data analytics—were also perceived to be the least developed in sporting organizations.



Increased competition for viewership

Local sports teams are no longer the only game in town. As consumers gain access to more devices, content, and streaming services, sports teams and leagues are battling it out for attention globally. What's more, sports exist alongside [the largest catalog of streaming content in history](#)—all of which are competing for eyeballs. As Marc Reeves, Global Head of Strategic Partnerships at Fever said, "Sports entities are beginning to stretch their wings and expand what they are. A team is limiting their opportunity if their focus is confined to a fanbase in their small corner of the world. The ability to reach and connect with fans across the globe is where the value of sports lies."

As a result, sports leagues are creating differentiated propositions (such as in-season games overseas, differentiated streaming platforms, and tailored viewing experiences) to appeal to the global market. The National Football League (NFL), English Premier League (EPL), and the National Basketball Association (NBA) are models that leagues want to emulate, as they have all been successful in focusing on their marketing efforts—both locally and internationally—by successfully leverage data, insights, and digital execution.

There lies an opportunity for sports executives to evaluate their marketing capabilities and invest in high quality talent. Soccer players Cristiano Ronaldo and Lionel Messi are the two most followed people on Instagram—at the social media's outset, follower counts and online interactions were used as baseline metrics by most sports teams to measure their reach. However, such measures are now dated in most consumer facing industries; if sports teams are serious about winning fans, they need to push beyond superficial topline numbers and focus on cost of acquisition and customer lifetime value. To do this, they need to talent from industries that have high customer acquisition and churn rates.

As teams evolve how they interact with fans, they are also expanding their global footprints. La Liga, for example, has successfully expanded its presence in North America. La Liga North America—a 50/50 joint venture between La Liga and Relevant Sports—manages media, merchandise, and content for the league in the Americas. Boris Gartner, President at Relevant Sports Group, negotiated media deals to ensure fans in the Americas can view games and content wherever they are, saying, "The current state of media businesses and sports are being challenged. Going forward, it's not just about the product you can deliver, but how you ensure your media partnerships are comprehensive and evolving to meet consumer demand and changing technological landscapes."

The rapidly evolving sports fan

As sports leagues aim for aggressive growth targets and expand globally, the demographics of their core fan bases are evolving. Women and children's increased interest in sports is presenting a new key market, challenging the traditional stereotype of the middle-aged male fan. Moreover, the global reach of sports is expanding, with a significant portion of broadcast revenue coming from international broadcasters. For example, [over 50% of the English Premier League's](#) broadcast revenue now comes from international sources, and this trend is expected to continue. An interviewee from a leading Premier League club shared that almost 25% of their eCommerce revenues now come from purchases in the United States.

The changing landscape has prompted both established sports brands and newly formed teams and leagues to focus on engaging fans worldwide. In addition to the game-day experience, there is a growing emphasis on other factors that contribute to the overall fan experience. This includes sports betting, enhanced facilities, experiences in and around the stadium, and digital engagement. By offering a comprehensive fan experience, organizations can maximize revenue potential from each fan.

Peter O'Reilly of the NFL highlights the importance of fan engagement and the various elements that contribute to it. The goal is to create an immersive experience that extends beyond simply attending a game, incorporating elements such as betting, stadium amenities, and digital interactions. This holistic approach to fan engagement helps drive revenue and build a loyal and diverse fan base.

As teams and leagues strive to capitalize on the commercial opportunities presented by their evolving fan bases, the need for robust data and analytics capabilities is growing. This includes leveraging data to drive merchandise sales, ticketing strategies, and media sales. However, many sports organizations are facing a talent gap in this area. Paul Barber, CEO of Brighton & Hove Albion Football Club, said, "Everything now sits on an IT platform—from digital access to the stadium to ticketing, merchandise, and all communications. However, we do not knit that data together very well, as its difficult to convince owners to invest in these roles."

The ability to collect, analyze, and interpret data is crucial for sports organizations to make informed decisions, optimize revenue streams, and tailor experiences for their fans. Bridging the talent gap in data and analytics is key to unlocking the full potential of data-driven strategies in the sports industry.



Sports fans are predominantly male—even for women's sports. There's a growing market around female fans, and there's a unique opportunity as women's sports grow to continue to increase the female fan base."

Marla Messing

CEO, Women's National Soccer League



So, which leagues are doing this well? Again, many of our interviewees are looking to the NFL as the league that's been most successful in engaging their evolving fan base.

The NFL, despite its historical focus on a male fan base, is now recognizing the importance of targeting women consumers for long-term revenue growth. However, there is a significant underrepresentation of women in executive leadership positions within the NFL and other major sports organizations.

Research has shown that only 30% of the executive leadership positions in NBA and NFL teams are held by women. This underrepresentation is also evident in other leagues, with only 25% of executive leadership positions in MLB and NHL held by women. In the Premier League, women make up just 15% of executive leadership positions among the teams.


While progress has been made on the field of play to promote gender equality, there is still a notable disparity in the representation of women in the executive rooms of sports organizations. This discrepancy highlights the need for increased diversity in leadership positions, ensuring that women have a seat at the table and a voice in shaping the future of sports.

By promoting gender diversity in executive leadership, sports organizations can benefit from a broader range of perspectives, insights, and experiences, ultimately driving innovation and better serving their diverse fan bases.

Digital innovation—the ultimate game changer

Like most consumer-facing industries, digital and tech innovations are a major focus for sports leaders. Sports teams that utilize new media avenues like AI and gaming are successfully using these tools to monetize their fan base. Yet the sports industry's relative capabilities on these topics remains nascent compared to other sectors.

Among global leaders, there is a consensus on where to look for inspiration. "From a product perspective, if you're not



Women are a huge and rapidly growing driver of engagement and growth in sports. That has been the cause for quite a while, but with the expansion of flag football and its introduction into the LA28 Olympic Games, female fans and players will help fuel the game of football globally. Female fans and participants are a huge focus of the NFL and our clubs and should continue to be a major focus of sports across the globe.

Peter O'Reilly
EVP, Club Business, International & League Events,
National Football League

looking at the NFL for inspiration, you're crazy. They do TV, media, digital better than anyone," said Volleyball World's Finn Taylor. The NFL has expertly monetized fans through digital engagement in a way that's unique and highly successful. As they've expanded their fan base globally, they've innovated their media reach, expanding direct-to-consumer viewing options to accommodate for fans outside of local markets.



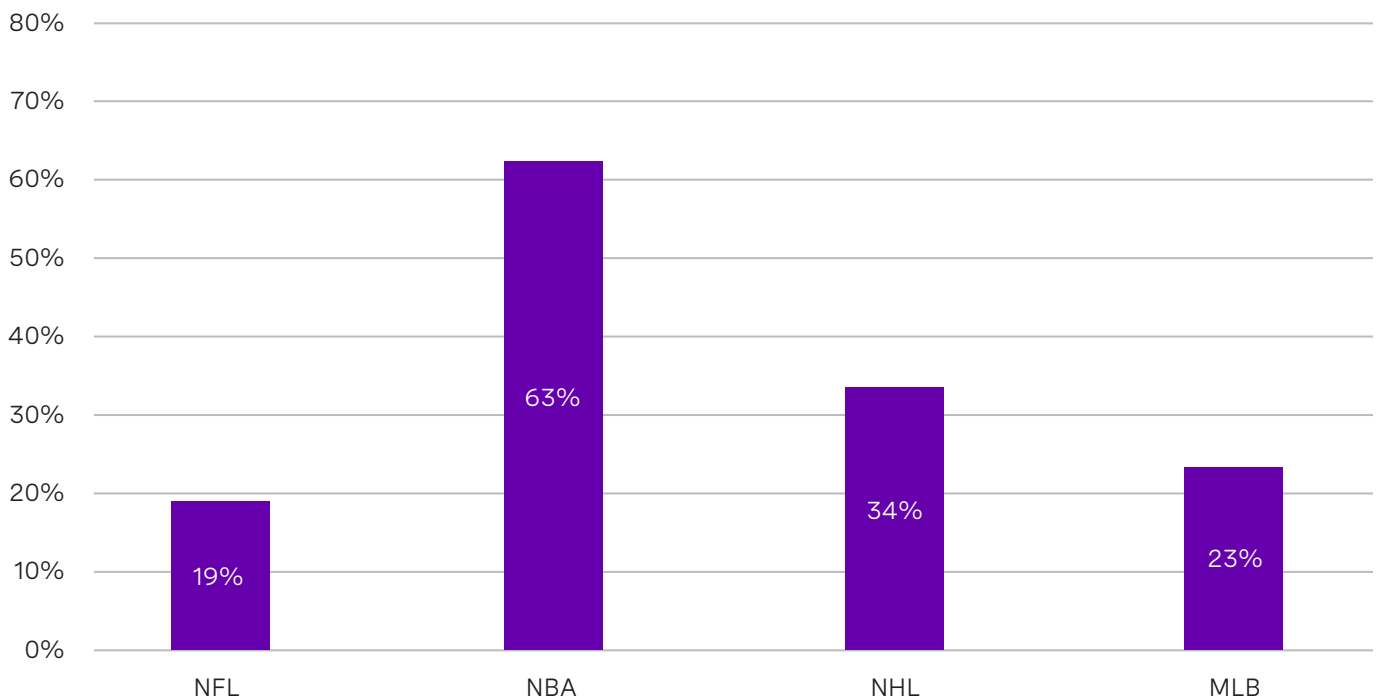
In today's world, a person can consume content on demand anywhere in the world, any way they want. And this is the prevailing way that Gen Z & Gen Alpha fans are choosing to connect with, and consume, their chosen sports. Organizations that are able to innovate digitally to engage fans in new and meaningful ways will be the biggest revenue drivers."

Marc Reeves

Global Head of Strategic Partnerships, Fever

Hiring digital talent in any industry is hard, and sports is no exception. But to remain competitive, sports organizations need to invest in digital and technology functions. The idea of hiring a technology leader (chief technology officer, chief information officer or chief digital officer) is still a long way from many teams' minds. Looking across the four major US sports leagues, just 35% of teams have a recognized technology leader. While the NBA is far outpacing their counterparts, with 63% of teams having a tech leader on their executive team, the majority of teams across leagues have yet to invest in this type of talent. (Figure 1).

Figure 1: % of US sports teams with a technology leader across leagues



Source: Russell Reynolds Associates proprietary analysis, March 2024.



Raising the bar: What's next for the business of sports?

Reevaluate marketing, technology, and analytics

strategies: As the business of sport evolves, successful organizations will be those that can best monetize on the ever-evolving fan. In order to do this, teams and leagues need to evaluate their talent, especially those in marketing, data analytics, and digital roles. Customer lifetime value and customer acquisition cost are both metrics that businesses outside of sports heavily emphasize. While the idea of fan acquisition may not sit comfortably with the hardcore sports fan, teams and leagues need to focus on core marketing and commercial metrics to win the competition for viewership.

Look to other industries for top talent: Traditionally, hiring in sports has been predominantly from within the industry. However, as organizations look to up-level their digital acumen, these companies should look to data-rich industries, like consumer technology. As Peter O'Reilly said, "The mindset that you have to be in the sports industry to take on big leadership roles at a sports organization is changing. At the leadership level, it's about people who can cut across the industry and have experience working in complex business environments."

Reassess executive compensation structures:

Historically, the sports industry has attracted talent who are motivated by their passion for sports versus a high paycheck. This can be extremely positive, as talent remains committed and energized. However, as talent needs expand and evolve, organizations may need to reassess their compensation structures to align with market expectations. Players in many sports are notoriously well paid, yet often the leaders in the executive suite are left behind their peers in non-sporting industries.

Ensure your leadership team reflects your

fanbase: Across all major sports leagues, women are underrepresented in the C-suite. As teams and leagues aim to attract more women and families to their fanbase, they need leaders who understand and reflect the broadening fan base. Closing this gap is not about asking women to change; our research finds women leaders are performing alongside (or sometimes even outperforming) their male counterparts. Instead, it requires fixing the systemic barriers to achieve a more stable, profitable, and resilient future for all leaders, their organizations, and the sports teams they love.

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Interviewees

Matthew Hutchings - Former EVP & COO, Kroenke Sports & Entertainment

Bruce Popko - Chief Executive Officer, Major League Pickleball

Peter O'Reilly - EVP, Club Business, International & League Events, NFL

Finn Taylor - Chief Executive Officer, Volleyball World

Marc Reeves - Global Head of Strategic Partnerships, Fever

Garth Lagerwey - President & CEO, Atlanta United

Paul Barber - Chief Executive & Deputy Chairman, Brighton & Hove Albion

Aidan Lyons - Chief Growth Officer, Williams Racing

Anand Kripalu - Former Chairman, Royal Challengers Bangalore

Manoj Badale - Owner, Rajasthan Royals

Sean Bratches - Former Chief Commercial Officer, LIV Golf

Martin Anayi - Chief Executive Officer, United Rugby Championship

Marla Messing - Former CEO, NWSL, USTA

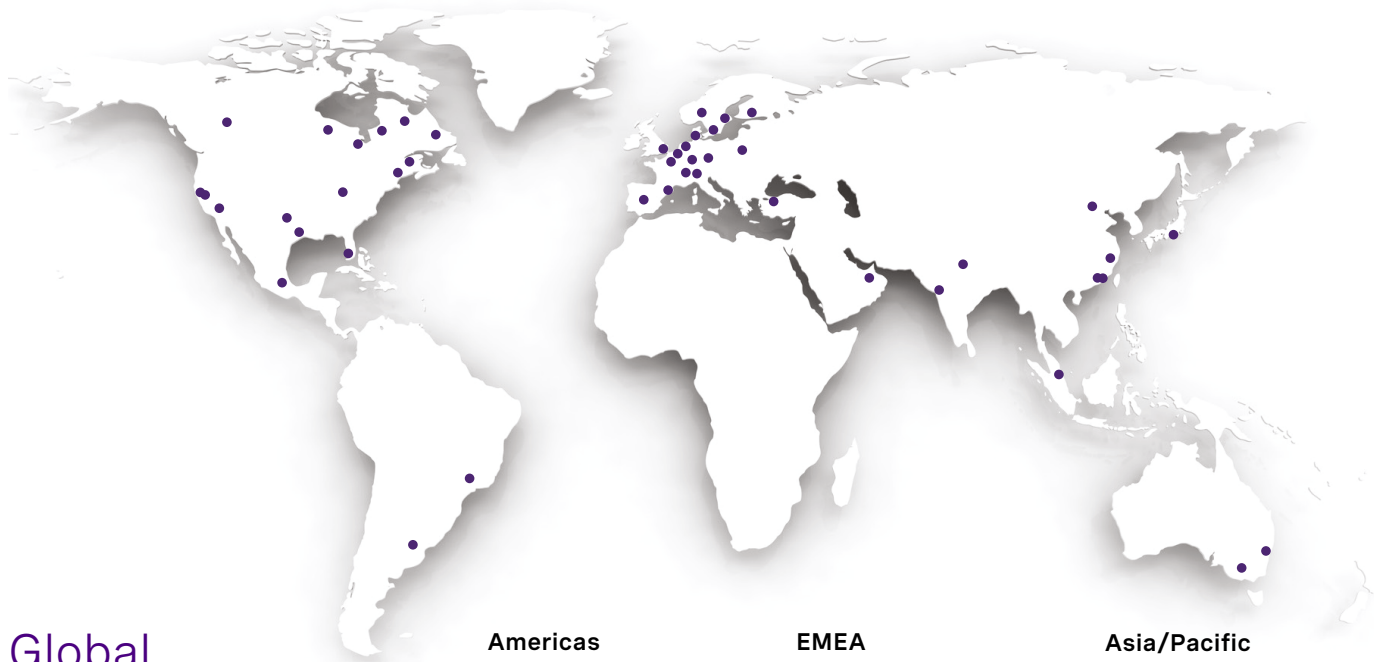
Boris Gartner - President, Relevant Sports Group

Matthew Hutchings - Former EVP & COO, Kroenke Sports & Entertainment

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