

IS VIRTUAL REALITY THE NEXT BIG THING IN SPORTS?

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Let's start with a history of Next Big Things

1920 - RADIO



The dawn of sports media industry

1st radio broadcast of a boxing match Jack Dempsey vs. Billy Miske

Live sports enjoyed away from the actual venue

"The radio craze will die out in time."
Thomas Edison, American Inventor, 1922

FOR THE FIRST TIME EVER

THE GUY WAS WRONG

1937 - TELEVISION



As seen on venue!

TV broadcast of an Arsenal vs Arsenal Reserves on the BBC

Live sports watched from the comfort of your sofa

"Television won't be able to hold on to any market it captures after the first six months. People will soon get tired of staring at a plywood box every night."
Darryl Zanuck, 20th Century Fox, 1946

1980s - VCR



Whenever you want

Mass market diffusion of the VCR

Sports broadcast recorded and watched whenever you want

"I say to you that the VCR is to the American film producer and the American public as the Boston strangler is to the woman home alone."
Jack Valenti, MPAA president, testimony to the House of Representatives, 1982

1994 - INTERNET



Sports go digital

With the Tour de France coverage, VeloNews is one of the first websites to cover a sporting event

Fans instantly access sport content and interact with leagues, teams, players

"I predict the Internet will soon go spectacularly supernova and in 1996 catastrophically collapse."
Robert Metcalfe, co-inventor of the Ethernet, founder of 3Com, 1995.

2005 - ONLINE VIDEO



The new broadcast

Major League Baseball season on espn3.com

Sports video consumption moves from the TV screen to somewhere interactive, the internet

"There's just not that many videos I want to watch."
Steve Chen, CTO and co-founder of YouTube expressing concerns about his company's long term viability.

2007 - MOBILE DEVICES



Whenever you want

The iPhone opens the door for all kinds of mobile coverage for sporting events

Sport content reaches fans everywhere they are

"There's no chance that the iPhone is going to get any significant market share."
Steve Ballmer, Microsoft CEO, 2007.

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Here comes a new revolution



VR
As if you were there!

People **experience** sport from the comfort of their sofas, or from wherever they want, whenever they want

FOR THE FIRST TIME EVER

How cool is it?



The venue experience

+



The comfort of the TV/digital experience



= FANS PARADISE

Technology is ready



Consumer



Production

There are a number of VR headsets available on the market at very reasonable prices and most of them connect to your smartphone, computer or game console.

There are a number of cameras available to either capture 360 or spherical video in high resolution (full HD and above) and 3D.

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Business opportunities

A projection to show the potential of VR in sports



NFL venue ticket price **84** avg*



\$19m avg* NFL TV rights revenue per game

Let's suppose



1 NFL virtual reality ticket



is sold for the **25%** of a venue ticket

= \$21 per NFL VR ticket

If you sell



900,000 VR tickets



13 NFL stadiums*
*avg attendance 68,400

You earn **\$19m**

Matching the avg TV rights revenue

Does 900,000 VR tickets sound like A LOT?

MAYBE if compared to the average attendance of an NFL game

ABSOLUTELY NOT if compared to the average TV audience of an NFL game

68,400

17.6 m



If everyone* who watches the Super Bowl bought a VR ticket

over 100 million people

it would generate a **\$2.1bn** revenue

Who's gonna have all this money?

BROADCASTERS (extension of the TV rights)

LEAGUES AND FEDERATIONS (new rights category)

TEAMS (extension of the venue)

GAME IS ON

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So, is VR the Next Big Thing in sports?

YES!

Taking the risk of being

THE GUYS WHO WERE WRONG

here's a bold statement:

"In 2018 people from all over the world will feel the Russian breeze while supporting their National football team from their own sofas."



delatatre