

## SECTION A

### CASE STUDY

According to the Business Research Company, the 2021 global revenue of sports is \$354.96 billion, and the projected value of the year 2022 is \$501.43 billion. This comes to 41.3% projected growth rate, and it is because of the post-pandemic recovery of the industry. But for the pandemic, the \$500 billion projection would have been realized in 2020.

The North America sports industry has a remarkable thriving story, offering benchmarking opportunities to all who want to learn. From sponsorships, media, merchandise, games and promotions, the following stats point to their performance on multiple fronts:

- The industry showed a decline of 15.5% in 2020, but grew by 13.5% in 2021 (Source: The Business Research Company, Research and Markets)
- The participatory segment of sports (the other segment is spectator) is the largest segment of the market accounting for 72.1% in 2020. (Source: Yahoo)
- The market is projected to reach \$83.1 billion in 2023, considering merchandising, media rights (radio and television), ticket and gate revenue, and different kinds of sponsorships. (Source: Statista)
- In 2018, the Media rights market (internet services, radio stations and television channels both live and recorded) accounted for \$20.14 billion of the American Sports industry. (Source: Statista)
- In 2018, the Sponsorship sector generated \$17.17 billion, and is projected to reach \$20.65 billion by 2023 (Source: Statista)
- Gate revenues is the most valuable segment of the US sports market. Ticket sales in North America accounted for \$19.2 billion in 2018 (Source: Statista) With the US having the most stadiums in the world, at least 917 of them across the country, this is understandable.
- Companies pay \$6.5 million for 30 seconds commercial slot on the Super Bowl. (Source: TheStreet). With 112.3 million viewers and a stadium capacity of 100,000 spectators this is understandable.
- Soccer generates about \$28 billion each year (Source: Kearney)
- The National Basketball Association (NBA) teams' market size is worth \$77.5 billion. (Source: Sportico) Starting with 11 teams, it now has 30 successful franchises, each averaging a value of \$2.58 billion.
- 76% of sports organisers use social media to promote their events. (Source: Martech Zone) given that most active fans are on social media, and a lot watch the program on the internet, it is understandable.
- The fitness gear or wearables market is projected to hit \$114.36 billion by 2028. (Source: Fortune Business Insights). This industry generates the most revenue at 15.4% CAGR. In

2020, athletic clothing and equipment industry was worth \$353.5 billion which includes \$36.34 billion value fitness trackers.

- Sports betting, an emerging sports industry trend, has been legalized and gone mainstream in 29 states. Companies expect national legalization soon. (Source: Deloitte)
- Basketball will be the highest paying sport in 2022. (Source: Sports Browser). Yes, football may be making the most money, and paying the most in 2021, but the projection is for basketball to pay the most in 2022.

From understanding of the sport/event industries, their economic impact, and products; distribution systems and strategies; pricing considerations; product/ service management, and promotion; there are key learnings available to Ghana and the rest of the world to benchmark.

According to Statista, Ghana's revenue in the Sports and Outdoor segment is projected to reach \$15.74m in 2022 with an annual growth rate of 14.8% (CAGR 2022 – 2027). Thus, a market volume of \$30.55m is expected by 2027. These projections are based on the popular sports in Ghana – Football, Boxing, Basketball, Athletics, Cricket, and the others. This does not reflect the full potential of the Ghanaian sporting industry, as these popular sports are yet to be fully exploited. Additionally, there are lesser sports that remain untapped and unexploited professionally, hence lopsided.

There is every indication that with superior knowledge, and insights gathered from benchmarking the thriving sports economies such as North America, Ghana can engineer an explosive sports economy, thus owning a significant share of the \$800 billion global revenue projected by 2030.

### **QUESTION 1 - COMPULSORY**

As a Sports & Entertainment Marketing Strategist, you have an appointment to make a business case for government to make hefty investment into the sports sector.

#### **Required:**

- a. Discuss the economic importance of sports and entertainment industry **(10marks)**
- b. Explain how Sports and Entertainment serve as export channels **(10marks)**
- c. Examine the revenue streams you would recommend for Ghana to fully explore **(10marks)**
- d. Discuss media opportunities for marketing sports and entertainment. **(10marks)**

## **SECTION B – ANSWER ANY THREE (3) QUESTIONS FROM THIS SECTION**

### **QUESTION 1**

You are the marketing director of a sports league. You have an appointment with the regional ministers and chiefs of OTI region of Ghana to discuss growth and development of sports in the region. Your task:

1. Discuss the strategies to deepen domestic participation verses international participation. **(7marks)**
2. Discuss what marketing mix in sports and entertainment marketing are pertinent to the growth and development of sports in the region. **(7marks)**
3. What role would you expect from the leadership of the OTI region to ensure success? **(6marks)**

### **QUESTION 2**

You are a Marketing Consultant assigned to immerse the key players of the events industry in events marketing in sports. Your task:

- a. Define and explain the main types of events in the sports and entertainment industry. **(7marks)**
- b. Explain the requirements of successful event management in the sports and entertainment industry. **(7marks)**
- c. Explain the ethical challenges in entertainment and sports marketing. **(6marks)**

### **QUESTION 3**

The Ghana Football Association (GFA) seeks to deepen its knowledge in consumer behavior in order to grow, retain and delight its consumers with carefully curated experiences. As a newly appointed Marketing Director of the GFA, your task:

- a. Examine how audiences and spectators are segmented. **(5marks)**
- b. Examine the buyer behaviour of audiences and spectators **(5marks)**
- c. Examine how customer loyalty impact on sports and entertainment marketing. **(5marks)**
- d. Discuss how culture and time influence their buying behaviour. **(5marks)**

#### **QUESTION 4**

Sports events are fast changing. For curators and creators of sport events, there is the need to understand the global marketing environment, and the drivers of sports and entertainment locally and internationally. As a consultant with a Sports Marketing Agency, your task is to:

- a. Discuss the global marketing environment for sports and entertainment marketing. **(7marks)**
- b. Discuss the drivers of sport and entertainment in transnational and international spheres. **(6marks)**
- c. Recommend areas of competencies required for success in the sports and entertainment marketing business. **(7marks)**

#### **QUESTION 5**

As part of its strategic plans to boost economic activities, Ghana seeks to attract sporting events of international repute. One of the key requirements outlined in bidding documents is the quality of sporting facilities of host countries. As the Team-Lead of the consortium working towards international bids, you have the opportunity to address the issue of sporting facilities with the leadership of the Sports Council and Sports Authority. Your task:

- A. Explain the importance of sports facilities in sports marketing **(6marks)**
- B. Explain how sports facilities affect the competitiveness of sports opportunity bidding and other uses that the facility offers. **(8marks)**
- C. Examine other conducive conditions that will support your overall pitch. (6marks)