

Non-Cricket Sports in League of Their Own

IPL's success has had a positive rub-off on other sports with 5 new leagues in past 18 months. And the low-risk, high-return propositions have no dearth of sponsors, reports **Bhanu Pande**

Batting on a Different Pitch



World Series Hockey

Sport: **HOCKEY**

Launch: 2012

Promoter: Nimbus Sports & Indian Hockey Federation

No. of teams: 8 city-based teams

Indian Wrestling League

Sport: **WRESTLING**

Launch: 2013

Promoter: Leisure Sports Management (supported by Indian Wrestling Federation)

No. of teams: 6



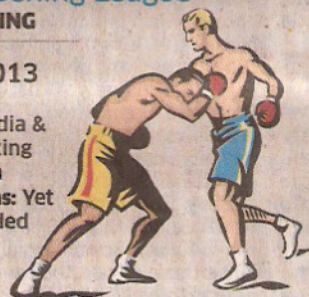
Indian Boxing League

Sport: **BOXING**

Launch: 2013

Promoter: Percept India & Indian Boxing Federation

No. of teams: Yet to be decided



Premier League Soccer West Bengal

Sport: **SOCCER**

Launch: 2012

Promoter: Celebrity Management Group (CMG) & Indian Football Association

No. of teams: 6 city-based teams



Indian Basketball League

Sport: **BASKETBALL**

Launch: 2013

Promoter: IMG & Indian Basketball Federation

No. of teams: Yet to be decided



I-League (Erstwhile National Football League)

Sport: **SOCCER**

Launch: 2008

Promoter: All India Football Federation

No. of teams: 14 clubs



i1 Super Car Series

Sport: **CAR RACING**

Launch: 2013

Promoter: Machdar Motorsports

No. of teams: 9 city-based teams



If Pepsi's latest commercial, 'change the game', prods people to switch from cricket to football, it hints at a fundamental shift in the way the cola major plans to use sports as a brand-building platform. It feeds off — and feeds into — a fundamental change happening in the Indian sporting landscape.

Inspired by the success of the Indian Premier League (IPL) in cricket, almost every sport with some following in India is launching a city-based, professional league. Five new professional leagues have been announced in the last 18 months and, word is, two others are being revived. "The Indian sports consumer is looking for entertainment, diversion, passion and emotion," says Shaileendra Singh, joint managing director, Percept India, which is behind the Indian Boxing League (IBL). "League sport will ensure that."

But for leagues to become a permanent fixture, something only the IPL has managed so far, paramount is drawing sponsors and advertisers. If the initial response is any indication, sponsors of many hues are warming to them. Hero Motocorp is making big investments in hockey, the Mahindra Group in basketball, and the ongoing World Series Hockey (WSH) has Bridgestone and Vodafone among its sponsors. "Those chasing cricket will have to move to a life beyond it," says Sanjay Sharma, head of JK Motorsport. "The canvas has to enlarge for brand marketers as cricket won't continue to enjoy the status it does." Besides cricket fatigue and the gathering momentum of other sports, there are three reasons why marketers and sponsors are gravitating towards these new leagues.

LOW-RISK INVESTMENT

The new leagues offer a low-cost proposition. Unlike cricket, they don't have to put a lot at stake. CVL Srinivas, chairman of Starcom MediaVest India, a global communication & media services group, says while sports is a good medium for brands to connect to the youth, the most popular of them, cricket, poses an entry barrier for many advertisers. "Many advertisers today see cricket as overpriced," he says. "Emerging new leagues could give them an opportunity to enter sports in some way at a much lower cost."

Four years ago, when Bridgestone considered IPL as a medium for brand communication, it was put off by the price tags for premium rights. For example, DLF pays ₹40 crore per year to be the title sponsor of IPL. So, Bridgestone made a modest entry into cricket as a co-sponsor of IPL team Mumbai Indians. The decision to become the title sponsor for the ongoing World Series Hockey (WSH) came easy. The investment was low: Bridgestone is paying ₹2 crore per year in a three-year deal. And it gives the tyre company an opportunity to target North India, a market where hockey is popular and where Bridgestone was weak. "South India has always

been our strong market and our association with Mumbai Indians is good enough to deliver there," explains Vaibhav Saraf, GM (sales & marketing), Bridgestone India.

Similarly, a 10-second spot on IPL cost ₹4.5 lakh, but just one-tenth on WSH. "Returns in non-cricket sports would be much lower," qualifies Srinivas. Even then, the cost value equation works just fine for Bridgestone. "Even if our return on investment (RoI) from WSH is ₹10 crore worth of media mileage, we are happy," says Saraf.

Besides Bridgestone, the other principal sponsors of WSH are Vodafone and Imperial Blue (Pernod Ricard India). "We evaluate all sponsorship proposals on a cost per reach and level of consumer engagement possible," says Anuradha Aggarwal, senior vice-president-consumer insights & communications, Vodafone. "The WSH was efficient on both." The early days of WSH have seen modest to half-filled stadiums. "Hockey is still not a proven

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sport, we are building it," says Yannick Colaco, chief operating officer of Nimbus Sports, the promoter of WSH. "Some leagues in the past haven't delivered, which is likely to make sponsors and advertiser sceptical for any new league." Colaco claims the league has booked 15 brands on-air in the first week. He expects this number to increase to 40-50 by the time the tournament ends on April 2, yielding ₹50-60 crore from sponsorship and advertising revenues. "WSH is not here to topple cricket, but we hope to make it a strong number two property before we enter the second season," he says, adding that marketers will have to have "realistic expectations" during early days and come in with a "long-term vision."

PROOF OF CONCEPT

One factor that gives the new leagues a greater chance is how they are structured. They follow the IPL model, which is city-based and essentially pays for itself by riding on a big TV rights sale. "IPL has proven that city loyalties exist, which has prepared the ground for other professional sporting leagues to take off," says Darshan M, CEO of Machdar Motorsports, promoters of i1Super Car Race Series. In Premier League Soccer, Uro Infra Realty, a Kolkata-based real estate company, was the highest bidder for a franchise — ₹25 crore for Team Barasat over 10 years, or a franchisee fee of ₹2.5 crore per year. Each team can spend up to Rs 12.5 crore on players, which means Barasat (Uno Infra) will spend a total of ₹15 crore a year.

Now, 50% of the central revenues — essentially, the sale of TV rights and central sponsorships — would be equally divided among the six franchisees. In return, each team gets ₹2.5 crore as match rights fee for its five home

Nimbus Sport Plans to Raise ₹50 cr from WSH

Mumbai: Nimbus Sport has managed to raise over ₹18 crore from television advertising and on-ground sponsorships from its World Series Hockey 2012 event. "We plan to raise ₹50 crore from TV advertising and on-ground sponsorship. That is our target for the first year of WSH 2012, which began on February 29 and ends on April 2," Nimbus Sport COO Yannick Colaco said. — PTI

matches. Then, each team can have eight sponsors, apart from ticketing and hospitality rights in home matches. "Considering the league will be broadcast in 50 countries other than India, it won't be a problem for franchisees to recover their investment," predicts Bhaswar Goswami, executive director, CMG, the promoter of PLS.

The new leagues have learnt from the failure of the past. For example, the Indian Cricket League (ICL), promoted by Zee, died because it did not have a buy in from the Indian board that runs cricket in India and so could not draw the best of the current players. The new leagues are either taking the boards of their respective sports along (soccer, boxing and basketball) or are working towards it (hockey). Another learning is spreading it out. Premier Hockey League (PHL) — India's first sporting league event launched in 2005 and WSH's predecessor — was discontinued in 2008. "Any successful league the world over has had two fundamental elements: multiple ownership and multiple match locations," says Colaco of Nimbus. "PHL ignored both." PHL teams were all owned by ESPN and all matches were held in Chandigarh. By comparison, WSH has eight franchisee teams playing in eight cities.

WHEN FRAGMENTATION WORKS

Sports promoters and marketers say sports like soccer and wrestling have a significant regional following, and brands can tap that. "For instance, a brand that wants to target audience in soccer-crazy West Bengal may want to ride the PLS," says Indranil Das Blah, chief operating officer, Kwan Entertainment & Sport Solutions. Aggarwal of Vodafone sees a fragmented market as more of an opportunity rather than a threat. "Marketing investments are fixed and need to deliver maximum RoI," she says. "If local fragmentation delivers a higher RoI, marketers like us will not have any problem going regional."

Similarly, Colaco points to how motor sports can target auto brands, be it cars, tyres, lubes or accessories. However, eventually, feels Srinivas of Starcom, leagues will have to make a national impact. "To sustain, they'll have to become pan-India properties," he says.