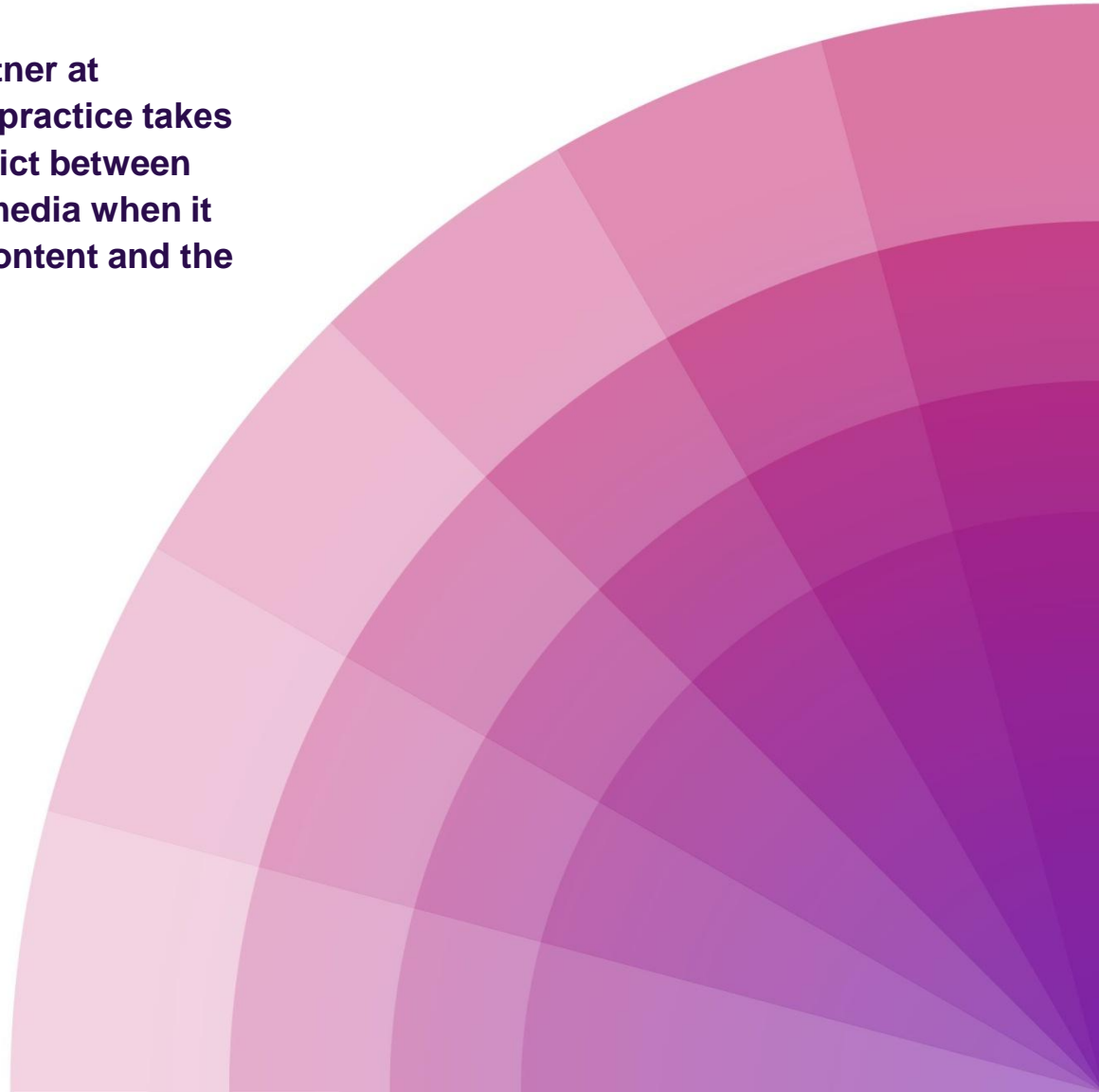


# CONTENT OR CONVERSATION: WHERE WILL THE SMART MONEY BE WHEN FIFA HITS BRAZIL IN 2014?

Stuart Cain, Managing Partner at Mindshare's global sports practice takes a look at the growing conflict between rights holders and social media when it comes to controlling the content and the conversation within sport.

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I have a confession. For the first time in 12 years, I didn't watch the FIFA World Cup Final in the pub. Some might call this apathy, but I'm putting it down to the digital revolution. Instead of struggling to see the TV whilst talking rubbish with anyone that would listen at the bar, I spent the entire game at home, watching it on my own but still engaged in inane banter with seven friends through Facebook on my iTouch. One of these was even at the game, posting from the terraces via his Blackberry. So, waking up next day without a headache it suddenly struck me. If a bunch of forty-somethings spend the game engaging digitally then it's no longer the preserve of spotty early adopters. It's just as mainstream as TV, radio and print – so stop calling it new media. Secondly – and more importantly – the growth of social sites and their increasing use during 'must watch' events will increasingly leave brand owners in a quandary: do they chase the content or the conversation?

It's reported that over 700 million people watched the 2010 FIFA World Cup Final on television, which still makes it the World's biggest sporting TV broadcast. A reported 894 million watched the Beijing Olympics Opening Ceremony in 2008 but I would call that entertainment! Historically, it's the size and appeal of this audience to sponsors and broadcasters eager to sell advertising that has led to combined TV and sponsor incomes exceeding \$3.2 billion for the 2010 FIFA World Cup. However, much of this is based on the old-fashioned communications model. Show people a logo enough times and they will remember it – awareness. Be seen to be part of the consumer's passion and they might feel an affinity for the brand – engagement. However, this model is increasingly being challenged as the audience moves online, making it much easier to quantify and engage in the conversation, which potentially puts a brand at the heart of the debate and allows for positive interaction.

This is where it gets interesting for brand owners. Do they spend their money on being associated with the content or do they invest in being part of the online conversation through sites such as Facebook, Twitter and YouTube along with a plethora of specialist blogs aimed at covering every demographic imaginable? Obviously, you need to ask the traditional questions about brand fit and consumer relevance before even entering this debate, but over 70 million people are said to have viewed Shakira's Waka Waka video on YouTube with every single viewer measurable by brand owners wanting to engage. Facebook is the same. More than 550 million people globally are now members, including me. Not bad for a company that was only launched in 2004. And if I watched the World Cup Final with one eye on the live feeds then how many other people globally did the same?



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So, faced with the dilemma of investing in ever increasing sports rights with little direct correlation between the event and the audience, or investing in a targeted, auditable, trackable campaign on Facebook or YouTube that puts the brand right at the heart of the debate, what should a post-recession Brand Owner who wants results do? Add to that the fact that online campaigns build communities that can last a lot longer than the six weeks of tournament then there is also much more longevity to be gained by taking part in salient elements of the conversation rather than fighting to be part of the content.

The only caveat to this is the need to understand what it means to try and engage in the conversation. Brands can never 'own' consumer conversations but they can become a credible part of the dialogue. Buying an expensive banner ad campaign on Facebook misses the point – that won't get you in to the heart of the conversation. Castrol, an official FIFA sponsor, has successfully invested in [castrolfootball.com](http://castrolfootball.com) as well as Facebook, YouTube and Twitter, creating content built around their Castrol Index that forms part of people's News Feeds rather than sitting passively on the periphery. Over 60 thousand people are now connected to Castrol Football on Facebook, generating 145,000 impressions daily. People that Castrol can continue to talk with long after people have stopped seeing their perimeter boards in South Africa. However, the creation of content on social sites is worthy of an article in its own right and best left to creative rather than commercial animals.

At the moment, content is still king as detractors will say that there is no conversation without content and this will always be the case. Social sites only exist if people have something to talk about. However, sponsors could increasingly think that they can reach the audience without paying the rights fee if they go direct to the conversation – as Nike have done this year with their successful 'Write the Future' campaign. They've had over 19 million hits on YouTube since May and have more than 1.3m Facebook fans – that's not a bad sized community for them to engage with. If just 10% of those engaging on YouTube are compelled to purchase that's another 2 million sales. Name me a company these days that wouldn't bite your hands off at the prospect of selling 2 million more units.

If Facebook continues to grow exponentially, by the time the FIFA circus reaches Brazil in 2014 there could be up to a billion people engaging socially and it will be even further engrained in everyday life than it is today. If advertisers decide they want to be part of the quantifiable conversation then will they still pay inflated prices to advertise around FIFA World Cup games?



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If sponsors see the value in being engaged in the conversation will they still pay to work within the tight confines of a governing body's rules and regulations? The answer is, nobody knows and FIFA have insulated themselves to a degree by securing multi-tournament deals with many of the 2010 sponsors also signed up for 2014.

Either way, the next few years could be pivotal for commercially ruthless organisations such as FIFA. They can't ignore sites such as YouTube and Facebook but neither will they want to see money flow to these sites on the back of their content which leads to falling sponsor and broadcast revenues.

The solution seems to be in partnerships. If FIFA are enlightened, they will work with social sites to create commercially collaborative joint ventures which put the content and the conversation together allowing for both parties to share in the spoils. However, if they dig their heads deeper in to the Zurich sand then post-2014 they could end up watching as the big money moves to being part of the conversation, leaving the rights owner with the obligation to create content that will always have an audience, but worth less than it has been in recent years. Alternatively, due to the time differences between Brazil and Europe, why not use this as an opportunity to test a new, more collaborative environment where FIFA embraces social media and uses the time lag as an opportunity to re-package content and give people the chance to consume it in bite-size chunks at convenient times? A 7:30pm kick-off in Sao Paulo means the game being shown live on UK television at 11:30pm and not finishing until 1:00am in the morning. So, what's wrong with a FIFA / YouTube highlights package that goes live next day at 9:00am in Europe? It would change the shape of TV deals, but could the sponsorship revenues from brands wanting to be associated with this social interaction outweigh the loss from broadcasters who are really only interested in the live audience anyway?

There are signs that rights owners have at least learnt to turn on their computer. FIFA.COM still has a long way to go, but Sepp Blatter has his own Twitter feed with 52 thousand followers. The IOC has positively embraced YouTube and the NBA are way ahead in terms of social engagement.



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The challenge for FIFA will be whether they can move quickly enough to understand how to harness social conversation and then whether their lawyers and commercial teams can create a framework which benefits all parties and not just the rights owner. Social site owners, sponsors, broadcasters and fans all need to come away from these discussions thinking they've secured something positive.

If they don't then FIFA should look no further than the music industry for a glimpse in to the future. Ten years after pirates started to destroy the record company's business model they still haven't cracked it. If FIFA and the football community want to continue living in the style they've become accustomed then they can't let the same happen to sporting content.

**ends**

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