



GAME WITHIN THE GAME

Challenges and Opportunities in the 2020 Sports Ticketing Landscape

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Prepared for:

Maple Leaf Sports and Entertainment

Prepared by:

Chris Kelly

Principal, WithinScope Inc.

chriskelly@withinscope.ca

416-770-0917

Zoom Meeting ID: 768-490-145

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INTRODUCTION

In 2017-2108 we released a Sports Ticketing Report that shared best practices in three categories: 1) Pricing 2) Personal Seat Licenses 3) The Secondary Market.

In 2020 teams are facing a new set of challenges, and with them, opportunities to innovate and drive revenue-generating loyalty from fans. This report will focus on three categories which four weeks ago we adjusted to recognize the current reality of COVID-19. Our originally intended categories of 1) Attendance 2) Revenue and 3) Season Ticket Holders, became **1) Attendance Retention 2) Revenue Protection and for 3) Season Ticket Holders**. This report also features an **Appendix** with league-by-league ideas on how to counter the Secondary Market and protect the Season Ticket product.

WHY READ FURTHER?

In short, because we've done what you don't have time to, which is research and conduct interviews with more than 150 teams across the NFL, NBA, MLB, NHL, MLS, MiLB, AHL and ECHL in order to uncover some of the best ideas, solutions and approaches to the challenges in the 3 categories listed above.

JOIN OUR VIRTUAL DISCUSSIONS ON ZOOM

In addition to this report you're also invited to join our **WithinScope Virtual Discussions on Zoom**. In the midst of a public health crisis, with new decisions, direction and data arriving daily, these discussions will allow teams to connect and discuss the evolving landscape in real time.

Teams who were interviewed for the 2017-2018 and 2019-2020 reports will have the first option to join the discussions, which will be 15-20 minutes in length, and cover topics that have emerged as priorities. In addition to content covered in this report, these discussions will prioritize issues directly related to the impact of COVID-19. Each chat will involve a maximum of 4 other teams and follow an agenda for which teams will be asked to share ideas and potential best practices to address the topic.

Topics and time slot options will be sent out during the week of **April 7th and will start April 13th**

SUMMARY REPORT

NOTE: Challenges and potential solutions related exclusively to COVID-19 are contained in a separate WithinScope Report, “**A Whole New Ballgame**”. The Challenges and Solutions contained here are more all-encompassing. We’ve kept things tight in this report, but if you’d like more information on any ideas or solutions listed below please reach out to me (Chris Kelly) directly.

ATTENDANCE

Challenges: Ticket cost. Reduced interest. In stadium secondary costs. Food quality. Congestion and Traffic. Game start times. Day of the Week. Time of Year. Weather. Opponent. Star player injury. Ticket availability awareness.

Potential Solutions:

Ticket cost: College rush tickets. Kid’s tickets. Tiered variable price. Loaded F&B value tickets. Corporate Sponsor priced seats. GPA awarded tickets. Last-minute digital. Non-transferrable, group, corporate or charity discount. Flash sales. Monday to Wednesday student nights. Mid-week vouchers with Season Ticket Holders purchase.

Reduced interest: Super Hero Night. Concert night. Fireworks. Bobble Heads. Auction. Jersey. Kids Day. Player autograph events. Stadium surface time. In seat prizes. Making it a dual charity or association event.

In-Stadium Secondary costs: Loaded F&B tickets. Thirsty Thursdays. \$5.00 special items days. Kids eat free. All-inclusive family packs. Friday foodies. Discount menu items/stations. Discount hot dog days. Allow fans to bring in outside F&B.

Congestion and Traffic: Preferred parking lots. Uber and Lyft pick up stations. Police support to open up traffic lanes pre and post-game. Frequent Traffic report updates to Season Ticket Holders on game day. Signage to direct visitors. Staggered entry times based on ticket status.

Food Quality and Experience: Higher tiered food station options. Express lanes. In seat service.

Time of Game: Stagger weekend start times to attract young families. Afternoon midweek school events.

Time of Year, Day of the Week and Opponent: Variably and Dynamically price down. Target price sensitive groups.

Weather and Star Player Injury: Dynamically price down when unexpected conditions emerge.

Ticket Availability: Hire a convention and conference ticketing rep to target visitors. Market to driving distance weekend audience. Sell tickets thru opponent’s ticket department with a healthy revenue share. Put box office reps on the street outside the venue with iPads to compete with street brokers.

REVENUE

Challenges: Gaining more of the existing ticket value. Creating new inventory. Attracting the single game buyer.

Potential Solutions:

Gaining more of the existing ticket value: Friday to Sunday box office premium. Dynamically price every game. \$2.00 box office bump on game day (minor league). Sell Flex packages that include Upper and Lower Bowl tickets. Cap Season Ticket Holder numbers to protect the box office yield. Expand the number of price categories and tiers (potentially re-scale the stadium configuration to adjust under-priced tickets). Create extra wide seats and charge a premium for Row 1 and aisles. Place box office reps on the street to sell vs brokers. Sell partial seasons at higher yield than full seasons. Surcharge broker tickets.

Creating new inventory: Tier the club section to service high end clients and create scarcity. Revenue share with charity ticket partners. Jersey auctions. Pre-load F&B value on tickets. Convert inventory to club tickets. Dynamically price F&B and parking to match ticket tier for single game buyers. Recall broker tickets. Retain Season Ticket Holder preferred locations when not renewed. Up sell meeting rooms as inventory for corporate groups. Look for dead space to convert into hospitality and non-action facing ticket inventory to sell.

Attracting the single game buyer: Exchange a gift to obtain the contact information from your group attendees. Incentivize your Season Ticket Holders to list on your secondary channel. Retain super premium inventory exclusive to your pricing chart to sell to your A list clients.

SEASON TICKET HOLDERS

Big Picture: Before the advent of a recognized secondary market, scarcity and the ability to profit were the dominant drivers to obtain Season Tickets. Today, although scarcity no longer exists, the secondary market for sports Season Tickets is a multi-billion dollar industry in North America...and it currently resides outside the control of most teams.

Challenges: Upfront Cost. The headache of putting seats to good use. Too many games. Undesired seat locations. The Secondary Market offering games on a per need basis, in preferred seat locations, often below the Season Ticket Holder per game cost.

Potential solutions:

Upfront Cost: 10-60% discount from box office price. Payment terms across the season. Pay as you play playoff tickets, including F&B concession credit included in ticket payment.

Too many games: Team run Season Ticket Holder partners program. Buy back games. Recognize STH ticket partners with STH benefits. Ticket exchange for merchandise. Experiences or upgrades. Rookie orientation to teach Season Ticket Holders usage.

Headache of placing seats to good use: Ticket exchange credit for games Season Ticket holders can't use. Credit value impacted by the opponent and runway before the request.

Undesired STH seat locations available: See counter the Secondary Market below

Secondary Market: Today, if your Season ticket per game cost remains below the secondary market price your attendance and capacity goals should be fine. That said, this also means you're contributing to the multi-billion dollar North American sports secondary market. **For per-league ideas on how to counter the Secondary Market see Appendix below.**

CONCLUSIONS

The ideas and best practices captured in this report reflect programs currently in activation for North American teams to attract fans and retain revenue for the primary market. The biggest adjustment for most teams has been that the Secondary Market has eliminated scarcity, location and, often price, as the key drivers for obtaining Season Ticket Holders.

This new reality has created a situation which requires teams to create Season Ticket Holder value exclusive to the seat location in order to arrest the emerging trend of corporations and fans buying on a per-need basis, often last minute at the event's best price.

At WithinScope we believe that high-value intangibles (listed in the appendix and not transferrable) can replace price to secure Season Ticket Holder retention and deter brokers. For a future discussion, the inability for most Secondary ticket providers to refund their COVID-19 clients is why teams should gain control of their profitable secondary market.

Chris Kelly

chriskelly@withinscope.ca

APPENDIX: BENEFITS AND IDEAS TO COUNTER THE SECONDARY MARKET, BY LEAGUE

Solutions to counter the Secondary Market are all about enhancing the Season Ticket Offer (experiences and value exclusive to the seat location and price) to recognize that teams can't be held hostage to matching the secondary market price. Our WithinScope Master List contains more than 200 ideas and for this report we've included our Top 10 from each league. It should be noted that due to COVID-19, and its negative impact on the existing Secondary market players, we expect that teams should have more control over their own secondary markets going forward.

Major League Baseball

Post Season at STH rate. Additional tickets at STH rate. 20% discount to buy team bucks. All promotional giveaways. Member Happy Hours. Batting Practice. STH Lounge. Family Day on the Field. Suite invites from the front office. January Semi-Formal Party with players. Additional opening day tickets at STH rate. Exchange dates, including past games. MLB TV.

Major League Soccer

Vote on Team Initiatives. Member Viewing Parties. 25% savings on additional tickets. Referral bonus (gift cards, upgrades, renewal credit). Resell with no fees on SeatGeek. Move STH location when buying additional seats. Comp Away tickets. Upgrade at STH rate. Pub Partner Deals.

National Basketball League

Upgrade credits. Ticket exchange to carry over to the following season. Pay as we play playoffs. Account credit when downgrading tickets. Mock Draft Party. Post-game shoot around. Last minute discount upgrades. STH names in Championship banner. Express Service Box Office.

National Football League

Price Freeze every other year followed by 3-5% increase. Priority for away tickets. Fast lane concessions with preferred F&B pricing. Draft day party. NFL Red Zone. VIP Tents during training camp. Lanyards. Fire Sale or gifting of perishable merchandise. Member appreciation game. Away watch parties.

National Hockey League

60% Box office discount. Bonus voucher for future games. Upgrade credits. Free concessions in the club level. Ticket exchange for experiences. Buy back up to 8 games. Exclusive rights to additional playoffs at STH rate. 50% off Stanley Cup tickets. Free parking after 5 years. Monthly open practice. Spend back F&B credit. Add up to 3 partners to account. Attendance Tracker for rewards. Vacation exchange Tickets. Name on seats.

Minor League Baseball:

Name on Seats. Comp playoff tickets. Extras for midweek games. "Pick up seats" party with F&B. Game Used Gear raffle. STH refills cup. League Pass to see away games. Trip to see MLB team. GM Breakfast. Winter Party. Fireworks on the Field. Pre-sale for biggest games at STH rate. Name on the Dugout.

Minor League Hockey: AHL and ECHL

Seat Plate. 2 rounds of playoffs. Additional tickets at STH rate. Shoot for seats. 3 Tiers of STH's - Adults, Sr and Child. Unused Ticket redemption. All giveaways thru Member entrance. Early entrance. Away game vouchers. 10 ticket vouchers. Training Camp access.