

Sports Other than Cricket also Bound to Contribute to the Sports Economy in India

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[Abstract: The Discussion Note titled 'Shaping Up Sports Economy in India through Commercialisation of Cricket' analysed why and how Cricket had become the pacesetter in the development of the sports economy in India. Encouraged by the success of the Indian Premier League in Cricket, the federations of other sports like Hockey, Football, Kabaddi, Badminton, Tennis, etc., proceeded to form professional leagues of their respective sports and the results have been encouraging. With the support of committed television broadcasters, it has been possible to increase the fan base and viewership of all games for which leagues have come up. Corporate firms are showing great interest in forging partnerships with such federations and becoming franchises of teams constituting the league in order to grow their businesses and increase their brand value. Increase in viewership of other sports is encouraging as it demonstrates the affinity to sports other than cricket. Encouraged by these developments, many sports goods companies have established stores to sell their products. Sports economy of India is now looking beyond cricket.]

In the Discussion Note titled 'Shaping Up Sports Economy in India through Commercialisation of Cricket' (hereinafter DN 2014/01) it was analysed how the game of Cricket had become the pacesetter in developing the sports economy in India.¹ Further, another discussion note titled 'Economic Potential of Women's Cricket Waiting to be Exploited' analysed why and how women's cricket was not able to contribute to sports economy of India.²

Foremost prerequisite for a particular sport to become commercially viable is that it should have a strong fan base, which depends on the extent to which the sport can ignite passion and glory associated with it, especially in the context of India's competitiveness and performance in the sport in comparison to other

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¹ Sardana, M.M.K. (2014), 'Shaping Up Sports Economy in India through Commercialisation of Cricket,' ISID Discussion Note DN2014/01, February.

² Sardana, M.M.K. (2014), 'Economic Potential of Women Cricket Waiting to be Exploited,' ISID Discussion Note DN 2014/02, March.

nations. The momentum to the commercial viability of a popular sport will be spurred using information technology, which can increase the reach of the sport from beyond the stadium to the comfort of homes, clubs and offices of the patrons. For a sport that fulfills the criteria of a strong fan base and of reaching a wider audience, corporate support and sponsorship would flow as they would like to cash in on the fan following of the sport to build their brand value and also exploit the sport itself for greater commercial gains by becoming partners in sporting events.

DN2014/01 traced the popularity of cricket in India to the country's unanticipated victory in the 1983 World Cup and further to India's surprise win in the T20 Championship in 2007 on the eve of the launch of the Indian Premier League (IPL). Over the years, IPL's success has not only enriched the Board of Control of Cricket in India (BCCI), but also has rolled out lucrative career options for professional cricketers at all levels of the game, even outside the format of IPL. Corporate firms have found the medium of IPL and other formats of Indian Cricket a viable platform for building their brand values. Both individual corporate firms and celebrities have become "partner franchises" of the IPL along with the BCCI in order to profit from the game.

In parting, DN2014/01 had pointed out that encouraged by the success of the IPL, Hockey India League (HIL) had been organised by Hockey India with Corporate sponsorship and also mentioned about an initiative towards a football league. It was visualised that IPL had set examples (i) for other sports to turn towards commercialisation and (ii) of professionalism for their players so as to help them choose from satisfying career options.

Not surprisingly, the years 2013 and 2014 saw the emergence of potentially successful leagues, including HIL for Hockey, Indian Badminton League (IBL) [later named as Premier Badminton League (PBL)] in Badminton, pro Kabaddi League (PKL) in Kabaddi, Indian Super League (ISL) in Football, Champion Tennis League (CTL) and International Tennis League (IPTL) in Tennis. In the years to follow, professional leagues such as the Premier Football I-league for men's football clubs, Women's Kabaddi Challenge (WKC) and Pro Wrestling League (PWL) came into operation in

India by the end of 2016. All these leagues are generally owned by respective national level federations (bodies) and have the backing of sponsors and franchise partners from amongst the corporate world and well-known celebrities. Besides, there are plans afoot to start a Table Tennis League and an Athletics League.³ Rise of sporting leagues bears testimony to the fact that many sports other than cricket have a committed fan base rooted in different regions of the country and there are moments of national pride and glory which the sports persons of such sports bring for the country because of their match winning efforts.

As in IPL, both international and domestic players of respective sports participate in the auction process where they are picked up by individual franchises for their teams. Usually the players manage to get priced above their reserved prices and the bidding amount is lucrative enough to set an example for future players that sports is emerging as viable career option.

Television broadcasting companies sensed that in a country of 1.2 billion people and 800+ channels, the competition to attract viewers may be tough but the one thing that unites the nation—no matter which demographic group they belong to or which dialect they speak—is sports. Television channels have not only increased viewership by broadcasting league matches, but also have increased the telecast time of each sporting event. The two broadcasting leaders—Star India and Sony Pictures Networks India (SPN)—contributed immensely to the growth of the leagues. Both broadcasters televise particular sporting events numerous times, on multiple channels and in multiple language feeds. With the support of powerful committed networks, the business of professional sports leagues has multiplied and heroes have “risen” from amongst the players.⁴

³ KPMG-CII (2016), 'The Business of Sports: Playing to Win as the Game Unfurls,' a White Paper jointly prepared by KPMG-CII, September, p. 38. Available at: <https://assets.kpmg.com/content/dam/kpmg/in/pdf/2016/09/the-business-of-sports.pdf>

⁴ Sharma, M. (2016), 'Sports Genre in India Going Through Positive Winds of Change; Here's Why,' *Financial Express*, October 11. Available at: <http://www.financialexpress.com/industry/sports-genre-in-india-going-through-positive-winds-of-change-heres-why/413849/>

'ISL witnessed an impressive cumulative TV viewership of 429 million in its inaugural season in 2014; its viewership further grew to 26 per cent y-o-y in the 2015 season..... Similarly, the first season of PKL (in 2014) was watched by 435 million people, and its viewership increased 20 per cent y-o-y in its second season and 35 per cent y-o-y in its third season during January–March 2016. PKL has gone a step further to introduce two seasons per year, starting 2016..... Apart from these, there are others such as PWL, which was watched by an average of 31 million viewers per day during its first season in 2015.'⁵

With the rise of multiple leagues, broadcasters are vying to acquire fresh properties to expand and diversify their portfolio by adding new TV channels as well as exploring opportunities in the digital platform. Between 2014 and 2015, sports viewership in India grew by 30 per cent on the back of various sporting events including the ICC World Cup, IPL, PKL and ISL, indicating India's move towards becoming a multisport nation.⁶

Sports viewership in India has attracted a significant share of female audience as well as children. While the ninth season of the IPL had 41 per cent female viewers (including rural), for ISL season 1, women and children accounted for approximately 57 per cent of the total of 429 million viewers. Likewise, women and children constituted half of the total viewership during the second season of PKL. The increasing viewership base across different regions of the country and including all age groups in equal measure attracted large corporate firms to increase their spending on advertising and sponsorship for building their brands. Overall, the kitty of sports monetisation has moved up dramatically in recent years. Corporate firms have realised that their relationship with sports has to be serious and businesslike.⁷

Some of the sporting leagues have taken the initiative to develop a sporting culture at the grassroots. It is in their interest to do so—not only to groom young talent, but also to attract viewers in the long run. Efforts of the sports leagues in this

⁵ KPMG-CII, *loc. cit.*

⁶ Sharma, *op. cit.*

⁷ *Ibid.*

direction will complement the efforts of the government. Some such initiatives, for example, are ISL, HIL and PKL. These initiatives are towards identifying talented players, both boys and girls, of different age groups and to provide them with residential scholarship in order to improve their skills and assist them in making a successful career in their chosen sport. Adequate funds have been earmarked for such purposes by the franchises.⁸

The Indian sports sector, despite its dismal performance at the Rio Olympics, is on the upswing in terms of viewership, sponsorship and participation. Not just Cricket, other sports too are witnessing growing trends. In 2015, the Indian sports sponsorship market grew by 12.6 per cent from the previous year to touch 5,190 crores. On-air sponsorship accounted for 52 per cent of the market and saw the growth of new formats such as the PKL and the ISL which have managed to attract strong viewership. Early success achieved by league-based events across multiple sports indicates a strong potential for Indians to consume sports other than Cricket.⁹

International companies such as Hero, Vodafone and Pepsi are putting their money into sporting events and advertisements that are not related to cricket and are also investing heavily in marketing and promotional activities. This is indicative of the fact that the population has an appetite for other sports as well.¹⁰

According to a survey, India is one of the major sports market in the world with a population of 1.2 billion and a well-established sporting atmosphere. The survey highlights the supremacy of Cricket over other sports but successful hosting of international sporting events such as the IPL, Commonwealth Games and the Indian Formula One Grand Prix has placed India in the list of countries that are witnessing fast growth in sporting events. A number of sporting goods companies are making diligent efforts to push through a number of sports like tennis,

⁸ KPMG-CII, *op. cit.*, p. 42.

⁹ Television Post (2016), 'TV Sports Viewership and Sponsorship Seeing Strong Growth in India,' September 22. Available at: <http://www.televisionpost.com/television/tv-sports-viewership-and-sponsorship-seeing-strong-growth-in-india/>

¹⁰ Sadik, M.D. (2013), 'Move Over Cricket – Time to Change the Game,' Brickwork India, December 19. Available at: <http://www.brickworkindia.com/blog/move-over-cricket-time-to-change-the-game/>

badminton and golf. Many international sporting brands have launched their products in India going by the growing interest among the youth of the country—a population projected to reach 464 million by 2021. With a median age of 27 by 2020, India is all set to be the youngest nation of the world. With such a large youth population and growing health consciousness, sports is undoubtedly a lucrative market—be it cricket or any other sport.¹¹

¹¹ *Ibid.*