

Status Report to the 2022 ISU Congress on the Four-Year Plan 2018/19-2021/22

Committee/Commission:

**ISU Council
ISU Secretariat
ISU Event Managers**

Project/Function/Area of Activity:

Marketing & Event Management

MARKETING

Commercial operations such as the licensing of advertising rights and TV/media rights of ISU Events are under the responsibility of the the ISU President Jan Dijkema, actively supported by the ISU Director General Fredi Schmid and the Marketing and Media Rights Director Pierre Eymann. The ISU recruited two employees in the Marketing Department in 2017 and 2021 respectively, with the aim to further develop branding and data/digital marketing activities. The marketing team is now composed of three employees as follows:

Mr. Pierre Eymann, Marketing and Media Rights Director

Mrs. Cristel Garcia, Marketing Manager employed at 50% for Marketing, and 50% for Speed Skating

Mr. Ian Treseder, Marketing Manager (digital and data) employed at 80%

Market Environment

After slowing sharply in the last three quarters of 2018, the pace of global economic activity remained weak until the end of 2019. Rising trade and geopolitical tensions had increased uncertainty about the future of the global trading system and international cooperation more generally, taking a toll on business confidence, investment decisions, and global trade. Allegations of sexual abuses on young athletes have come to light between 2018 and 2020, rocking sports organizations, including ISU Members Federations, which added to the general scepticism about the sports system. Sports sponsoring spending nevertheless kept on increasing steadily in 2018/2019. The bulk of sports sponsoring investment however concentrated on a few top sports/Events and increasingly on E-sports. This trend, which is not benefiting smaller sports organizations and niche sports, has been confirmed in 2020/2021 and is amplifying. There are also signs of saturation in the sports industry, compounded by growing competition from other entertainment formats (source: PWC's sport survey 2019). Advertising spending is clearly shifting away from TV broadcasters to social media/digital and the gaming industry, and there is an increased dominance from major tech firms (GAFAs) which capture the largest share of the advertising revenues.

The global spread of the coronavirus has crushed hopes for stronger economic growth in 2020 with sports events being cancelled and postponed around the globe, affecting economically sports organizations, broadcasters, events promoters, and athletes. Market disruption has created uncertainty for stakeholders who traditionally acquire sports rights. While the pandemic is not over yet, the war in Ukraine took the world by surprise in February 2022, intensifying uncertainty in the world's economy. No one can predict how the situation will develop, however, advertising and sponsorship spend on small to medium sports properties is expected to keep decreasing in several key markets in the years to come, and this might affect the ISU's commercial activities.

Television/media rights

After more than twenty years of cooperation with the European Broadcasting (EBU), the ISU accepted Infront's proposal to become the ISU's media rights partner for seasons 2018/19 until

2022/23 following a thorough analysis of offers from three major media/marketing agencies. The agreement includes media rights across all territories worldwide except for Canada, China, Japan, Korea and USA. It covers all senior ISU Championships, World Cup and Grand Prix competitions in all ISU disciplines. Infront ensures global exposure for more than 120 events during all four seasons, through both traditional broadcast and digital channels. In order to promote the events further and support the growth of all disciplines, Infront's media rights sales approach includes multiple carve-outs providing the ISU with opportunities to exploit selected media rights through its own platforms. As a consequence, the ISU stopped operating its Skating Channel which was hosted by the Eurovision, and started streaming all ISU Events on the ISU Youtube Channel from season 2018/2019. In 2021, the ISU and Infront decided to extend their partnership until season 2026/27 and reached an agreement as well for the media rights in the Chinese territory.

Cancellations of Events in seasons 2020/21 and 2021/22 required complex negotiations with Rights holders to settle rights fee reduction claims. These cancellations obviously had a strong impact on ISU TV rights revenues, however, the ISU also seized opportunities to extend several TV rights agreements with its faithful TV partners.

The first editions of the ISU Four Continents Championships in Speed Skating and in Short Track, which were launched in 2020, generated very little interest from broadcasters, and the very low participation of top skaters did not improve the situation. On a positive note, increased interest for the Junior Grand Prix Figure Skating and the World Junior Figure Skating Championships translated into new broadcast agreements with a TV partner in Russia in 2020 and 2021. Development of new business opportunities with Russian broadcasters was however stopped with the start of the war in Ukraine in 2022.

The ISU kept developing initiatives in consultation with broadcasters to improve TV viewers' experience in all ISU disciplines: I-stats graphics (jumps measurement) were introduced at the World Figure Skating Championships 2019 and have been made available at the Grand Prix Final 2019. In Short Track, Referee's video replay reviews including infringements' description are now provided in the international live TV signal. In Speed Skating, the ISU mandated its results provider to improve consistency in the delivery of timing and results to ISU broadcasters at World Cups and Championships. TV graphic packages, including intro, promo videos for all disciplines were produced in 2018. New ISU sports videos and a new graphic package including ISU intro, bumpers and wipes were delivered in season 2019/20. In 2021 the ISU produced TV Directing guidelines for Speed Skating in cooperation with Infront's TV consultants and experienced TV directors, with the objective to improve the quality and consistency of TV production at ISU Speed Skating Events. Similar TV directing guidelines for Short Track and Figure Skating will also be produced in 2022 and 2023.

Advertising rights/Sponsoring

In Figure Skating, the advertising rights for ISU Championships and the ISU Grand Prix of Figure Skating Final have been handled by the agency IMG for many years. Sponsoring revenues from ISU Figure Skating Events remain stable mainly thanks to the popularity of Figure Skating Events on Japanese television. Nevertheless, the cancelation of the World Figure Skating Championships 2020 and the Grand Prix Final 2021 severely impacted ISU's sponsoring operations and revenues.

In Synchronized Skating advertising rights at ISU Championships are released to the organizing ISU Members.

In Speed Skating the agency House of Sports acquired a substantial portion of the sponsoring inventory at ISU Speed Skating World Cups and Championships for season 2018/19 until 2021/22. As to the Title sponsorship for ISU Speed Skating Events, the ISU mandated a specialized sports marketing agency to review ISU sponsorship proposal, develop sales tools and prospect potential new sponsors. Despite the involvement of several marketing agencies,

and the continuous dedication of the ISU President, the ISU could not sign a new Speed Skating Title sponsor. It is worth mentioning that ISU's Speed Skating sponsoring activity is very much dependent on the Dutch market, where there is already plethora of sport sponsorship offerings by third parties, including in Speed Skating.

In Short Track the ISU agreed on a long-term partnership with Audi for the title sponsorship of the World Cup series. Audi's requirement to have one Event per season in its main target market (China) could however not be fulfilled in season 2018/19, and the entire agreement was therefore cancelled. Another sponsor decided not to renew its partnership for the same reason. In the same season no World Cup could be organized in the other main Short Track market (Korea) either, despite strong domestic sponsors' interest. The cancellation of the World Short Track Championships 2020 in Seoul due to the spreading of the coronavirus also led to the cancellation of sponsorship agreements. These unfortunate incidents ruined the ISU's Short Track sponsorship plans for the period 2018 to 2022. Short Track is a niche sport and the ISU's sponsoring activity fully depends on ISU Members' ability to host quality Events in a few strategic markets. Most ISU sponsoring inventory at ISU Events benefited the Organizing Members, which could make it available to their local sponsors and providers.

With COVID-19 hitting most countries in seasons 2020/21 and 2021/22, the uncertainty about cancellation of ISU Events and the late determination of hosting venues for the Short Track and Speed Skating World Cups, new prospects refrained from engaging in an international sponsoring program.

In addition to reviewing its sponsorship products and media distribution, the ISU therefore took the initiative to invest in a digital marketing infrastructure (see below paragraph) with the objective to propose new benefits to commercial partners, and in the long term develop new sources of revenue.

Digital marketing and fan engagement

In 2019 the ISU decided to engage in the process of developing a more data-driven and future-proof marketing strategy. The ISU's objective is to grow audience on its owned platforms, increase fan engagement through personalized communication, and gain a deeper insight into ISU fans. These developments aim at enabling the ISU to propose new benefits and deliver additional value to ISU partners and sponsors.

A key component for such a strategy is the development of a fan database, and to a reasonable level, marketing automation capability. As a first step, the ISU mandated a specialized company to conduct a data assessment in 2020. The second phase of the project took place throughout 2021 and consisted in the following:

- Data warehouse and Marketing automation implementation
- Development of Marketing strategy and processes
- Licensing e-mailing and dashboard platforms
- Automated Journey's implementation
- Insights that drive acquisition and retention of ISU newsletter's subscribers

It is an ongoing process for the ISU to become digitally mature and build direct-to-consumers capabilities. The ISU will continue developing this activity and evaluate on a regular basis the level of investment and technology that is necessary for the ISU activity vs the return on investment.

Branding and corporate identity

The ISU further developed the new ISU corporate identity, delivering a consistent look and feel across a range of applications and platforms, for both print and digital environments. This includes the creation of logos and branding guidelines for all ISU projects and initiatives. Venue branding material in line with sponsoring guidelines was elaborated for ISU Events in Short Track and Speed Skating with the objective to present a consistent look and feel and ensure correct use of ISU's and sponsors' logos.

This activity was particularly important during the pandemic as no spectators could attend ISU Events, for instance during the 2021 Speed Skating Events held in the Heerenveen bubble. The ISU therefore designed and produced plastic sheeting to cover the parts of the tribunes that were the most visible on TV. These plastic sheets featured ISU patterns, logos and hashtags and are therefore re-usable for future Events if needed.

An ISU Figure Grand Prix re-branding project has been initiated in consultation with the Grand Prix Organizers.

EVENT MANAGEMENT

Event management is performed by the respective Event Managers in each discipline with the support of the ISU Secretariat, Sports, Marketing and Media departments.

Figure Skating

Mr. Wieland Lüders leads the ISU Event Management team, to which were added 2 part-time Assistant Event Managers, Ms. Julia Degenhardt and Mr. Hirohiko Saso in May 2019. Training throughout the season 2019/20 ensured that the tasks could be shared and divided among the ISU Event Management Team, together with Ms. Patricia Mayor from the ISU Secretariat, in an efficient way. In order to increase the Regional Assistant Event Managers (RAEM) positions, new RAEMs were recruited through an application process at the end of 2019. Due to the difficult Covid-19 times, their training in the season 2020/21 was limited; however, this training accelerated in the season 2021/22.

In order to keep the ISU Figure Skating Events on a high level and coordinate the increasing demand and expectations from spectators, commercial and TV partners, a constant ISU involvement is essential. The ISU Event Manager continued to support the ISU Council with the ISU Event application and allotment process and worked out a new, modified ISU Memorandum for Figure Skating with the help of the ISU Secretariat. The implementation of new technologies, such as the ISU Event App, made it possible to change and improve several processes during an Event, with Skaters, Team members, Officials and Organizers benefiting from it. The focus of sustainability was brought into the events and the ISU Event App helped to reduce a lot of waste of paper copies. Support was also given to the Result Service Provider, ST Sportservice, to develop and program a new calculation software, a new Skating Archive and an ISU Portal to be able to fulfil all technical and relevant needs of today – on site and in the preparation phase of an event.

The Event presentation for public and TV spectators has improved; Skaters' presentation with lights and music, entertainment during breaks with moderators, videos, light and sound as well as spaces in the public concourse for merchandise, promotional items and athlete meeting spaces, contributed to make a memorable experience for spectators. The Event Management Team continues to promote and raise awareness for Organizers to come up with ideas for how to entertain spectators and to think of new initiatives on how to promote the Event and Sport.

With regards to technical developments, TV broadcasters have a wider range of possibilities for showing Figure Skating to audiences. Close cooperation and communication were kept with the TV partners, especially on site, in order to allow the best possible broadcast –keeping in mind the Skaters' routines at an event. The TV production of the Junior Grand Prix has been greatly improved by working closely with the production team on site. Many conversations took place to improve the quality of the TV production of these events for the viewers – at home and inside the venue.

Since Covid-19 appeared in Spring 2020, the ISU Event Management Team worked closely with the ISU Medical Commission on plans to determine how to continue hosting events in the safest way despite the pandemic. The Event Manager together with the other members of the

Covid-19 Working Group worked during the last 2 years on strategies and policies, not only on how to make events happen, but also, on how to make the conditions of the competitions and for Skaters as fair as possible. During these difficult times, when events were cancelled, postponed or travel restrictions prevented certain ISU Members from participating, flexibility and adapting to continuously changing conditions was essential. Due to these constant changes in the countries' Covid-19 policies, often ad-hoc solutions and decisions were needed. During this time period, problem-solving oriented work became more important than ever.

Despite all of the negative impact Covid-19 has had in the past 2 years, it also gave the opportunity to try out new things during events. As an example, during the World Championships 2021, which had to be hosted in a strict bubble environment, local and international media were not allowed to meet Skaters and teams physically. In order to keep the communication and relationship between these important partners, a virtual mixed zone and virtual press conferences were set up. With this, people who cannot join an event for various reasons, can still keep in touch with the athletes and teams. This has proven successful and will continue at events even after the pandemic.

Speed Skating

Since the 2020/2021 season the ISU Speed Skating Events have been led by the new Speed Skating Event Manager Mr. David Broere who is based at the ISU Secretariat. Having a permanent Event Manager embedded in the ISU office has allowed the Speed Skating branch to stabilize and further develop Speed Skating events during the past two seasons. This has allowed the ISU to capitalize on opportunities and to further develop the strong relationships with ISU Members, Organizing Committees and Ice Rinks.

In order to maximize the potential of Speed Skating it was undertaken to review and combine the event memorandums, to begin assessing the minimum infrastructure and event requirements for hosting venues, to further develop the look & feel, fan experience and promotion of events, and to develop event and venue sustainability recommendations. In doing so, efforts have been made to further collaborate and work across disciplines by sharing knowledge and working together, where possible, with Short Track Speed Skating and Figure Skating.

From a technology perspective, the ISU Event App has proved to be a vital tool onsite for communication between all event participants and has been successfully implemented. Development of online site visits, team leader meetings, draw meetings and virtual mixed zone positions have proved successful. Whilst online meetings cannot replace all needs of physical meetings, they have enabled dialogue to continue between all stakeholders and added efficiency in some procedures.

Establishing a longer-term agreement with Sport Computer Graphics as the timing and graphics supplier for ISU Speed Skating has enabled these services to be developed and continuously improved from event to event.

Further onsite and back office development of service levels offered to TV/ Media / Press / Photographers supports the promotion and development of Speed Skating. Indeed, continuous training of new press officers, clarification of press and photographer needs onsite help to improve the overall experience of media at ISU Speed Skating events and in turn increase the attractiveness of attending our events. Renewal of a long-term agreement with Infront is enabling new TV guidelines to be developed and furthering discussions for continuous improvements with TV production and TV Rights Holders.

Close work with the ISU Covid-19 Working Group to manage and mitigate the daily effects of Covid has been a large part of the work carried out in in Speed Skating since the start of the pandemic. We have continuously sought to maintain high level, fair and safe competitions around the world but have often faced challenges of possible cancellation of events, travel restrictions and last minute illness of event participants or Officials. Continuously changing

Covid-19 regulations and guidelines have required ad-hoc solutions to be found onsite and have required the utmost flexibility of ISU Members, Officials and Staff. The costs of Covid-19 have been high, physically, psychologically, and financially.

Short Track

Mr. Hugo Herrnhof is the Event Manager for ISU Short Track Events. Standardization and improvements in the conduct of ISU Short Track Events required ongoing work to keep raising the level of presentation and management of ISU Short Track Events. A continuous close cooperation with the different Organizing Committees through inspection visits and ongoing online and email conversations is key for a successful event hosting. One of the key points was the implementation of a complete new Video Replay system using the TV feeds which as a result requires specific setups, coordination and briefing with the different TV Host Broadcasters. This initiative was essential to provide the Referees with better images, a much faster and accurate evaluation of the infringements and more consistency in the decision-making process. New field of play setups were defined to give a better TV picture as well a better flow of the persons having access to this area. Specific adjustments were made depending on the configuration of the Venues.

The cancellation of several Events (World Championships and World Cups) due to the Covid-19 pandemic has created a series of difficulties in the preparation and hosting of the remaining Events. Extensive online meetings and the elaboration of policies were extremely time consuming but necessary to guarantee the proper planning and preparation of the World Cups and Championships. The ongoing checking, implementation, and adjustments of the measures onsite, as well as the management of positive cases, brought the list of duties at Events to a completely new level for all stakeholders involved, to guarantee a safe environment for all participants. Continuous meetings, reminders, Covid-19 PCR and antigen testing, and controls became the new standard for all Events. Special measures were adapted to guarantee the hosting of the ISU World Cup and Olympic Test Event in Beijing in Fall 2021 including the Olympic Winter Games in close cooperation with the IOC and the Organizing Committee.

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