

RACING AHEAD: THE FUTURE OF SPORTS MARKETING

Announcer 00:03

Please welcome the panel on "Racing Ahead: The Future of Sports Marketing," moderated by Michelle Stevenson, executive director, Marketing and Communications, Milken Institute.

Michelle Stevenson 00:29

Morning everyone. Thank you for starting the third and final day of the Asia Summit with us. Very excited to host this conversation. Global sports sponsorships are on track to exceed \$100 billion this year. ONE Championship is now Asia's largest global sports media platform, reaching 400 million homes. The NBA has more than 2 billion fans worldwide, and more than 70 percent of social interactions take place outside of the United States. IBM captures and analyzes almost 10 million data points per year and reaches 30 million fans across a variety of digital and in-person platforms, arenas hosting approximately 140 events a year can reach between four and 6 million people annually, creating a natural demand for retail, dining, and hospitality, and on the eve of the annual night race in Singapore, F1 saw 1.5 billion viewers globally last year. Sports marketing is not just a business function, but it's a cultural force shaping identity, global fandom, innovation, and the bottom line. Very happy to have this conversation today, because I think we've assembled the right people to talk about it. We've got Hua Fung Teh, the cofounder and group president of ONE Championship. Kameryn Stanhouse, vice president, Sports and Entertainment Partnerships for IBM, Sheila Rasu, vice president, Marketing and Communications for the NBA, and Jon Fascitelli, founder and chairman of Seregh. Well, I'd like to get started with you. You were really responsible for bringing F1 to Singapore.

Hua Fung Teh 02:14

I was part of the team, yes.

Michelle Stevenson 02:16

Well, yes. So I'd love to hear from you—first when you were thinking about that, what made Singapore attractive to the F1? How did that partnership come about? And now, 17 years later, can you talk about the impact that that's had?

Hua Fung Teh 02:31

Yeah. How much time do you have? [laughter]

Michelle Stevenson 02:34

The clock has started.

Hua Fung Teh 02:35

Yeah. So just to get some context, from 2006 to 2008 I used to work for Singapore as a Ministry of Trade and a Ministry of Trade and Industry, and basically that was the parent ministry for some of the economic agencies that people are familiar with, like the Singapore tourism board, the economic development board, so that sort of, you know, team of agencies, and, you know, government officials were, at the time, looking to do major sporting events in Singapore. There was a fund that we had sort of constructed called the Tourism Development Fund, and we were basically—you know, I think the thesis was simple. Singapore, at the time, was known as a safe place to raise a family conduct business, but I think there was a realization that it also had to be a fun place, because talent today is mobile and, you know, all big sort of international cities. And Singapore is an international city today, but all big, sort of major international cities have a very, very robust, you know, calendar of big sporting events. It doesn't matter if it's New York, London, Abu Dhabi, Paris. You know, sports is part of the offering of those cities. So, at the time, you know, we looked at a whole bunch of stuff. I was involved in doing diligence on the Red Bull Air Race, the Volvo Ocean Race, so many different things. But Formula One really, really stood out for a few reasons. It was an opportunity to, obviously, generate immense tourism. But, to be honest, it was going to be hard to justify, you know, the funding required for that such a big project without a whole host of benefits that extend beyond just tourism arrivals and receipts. So strategically, obviously, media value is a big part of it. We actually calculated all the countries that the race would be broadcasted in and calculated how much that was worth. We made a deliberate decision to do the event at night. And it was great because Bernie Ecclestone, you know, back then, wanted more Asia races, but he wanted them at the right time zone, so that European audiences could view it. So we were one of the countries crazy enough to say, "You know what, I think we can pull it off." But I think, you know, the broad strategic impact of Formula One has manifested in what you probably see during this week. It's called the craziest week anywhere, you know, on earth, because there's, like, 300-400 events. Everyone's in town. Milken is here, you know, and they've been here, I think, for now, 10 years, right around the race. So it was really, yes, obviously, the tourism and economic benefits were clear, but there's a whole other range of strategic benefits for the country in terms of international branding, international sort of positioning, and also being a convening platform for decisionmakers to come experience the country and do deals.

Michelle Stevenson 05:18

Jon, how important is that type of cultural fluency when you're evaluating a new market, so you can make sure you're bringing something that isn't just value to your partners, but to the community as well?

Jonathan Fascitelli 05:28

I mean, I think we're at an interesting point in time today with social media and TikTok and Instagram and really the homogenization of media consumption. So we're starting to see global trends impact quicker and faster. And we're starting to see the consumption of media really starting to be similar across region and so. As a result, we're seeing just hyperbolic growth in sport and sport and entertainment. And now what we're looking at is watching the infrastructure keep up with that. And so what we at Seregh focused on is sports infra and how do you build the arenas, the stadiums, and what's around it in the GCC in Asia, so that the infrastructure keeps up with the consumer demand. And then, how do you how do you get the content and distribute that through and then how do you integrate it into society and culturally as well? And so we're at a real inflection point right now that we think is a really interesting moment in time, well.

Michelle Stevenson 06:41

And so stadiums really can be an anchor in a community. What type of benefits do you see? And also, you know, where can they go wrong?

Jonathan Fascitelli 06:50

Yeah. So when you when you get the content mix right, and you get the venue right, you can have a venue that's activated anywhere from 140 to 200 nights a year. So if you're thinking about an 18,000 to 30,000 plus venue, that's 5-7 million people, like significant foot traffic, and so these folks will come to the venue early for drinks and for dinner. They'll stay late, and it really creates a nice ecosystem around the venue, where you can then develop the retail, the residential, the office, and so you can really build these incredible integrated communities around venue. And so as we see content pick up, as we see infrastructure pick up, these can be the underpinnings of massive developments that can really drive community, can drive vitalization, and can have dramatic impact on not only economy, but competitive advantage. So if you're a Bahrain, or if you're in the GCC, and you're thinking about, "How do you have competitive advantage?" you can leverage sports and entertainment infrastructure. If you're in Asia, you can do the same and so, so it's really just a catalytic moment in time.

Michelle Stevenson 08:08

Sheila, the NBA, is known for building strong local fan bases. What's your approach to tailoring content and experiences throughout the diverse markets of Asia?

Sheila Rasu 08:18

Yeah, so Asia is a continent. It's made up of many different countries, and each country has its own local nuances. I actually, you know, just a note footnote, right? I actually worked on the 2008 inaugural race. So sports industry is very small, but when it comes to sort of tailoring to our fans in each of these markets, it's really a market by market approach. You think about the audience in Australia, they have so many NBA players that are coming through there. What they are interested in is very different from what someone maybe in Japan is interested in learning about the NBA. And so our tough task is to ensure that it's not a one size fits all, but it's kind of localizing that, whether it's through language, it's through the type of content on the various platforms that we post, we even do original shows that tailor to the market. So it's a mix of all these. And then I think to Jonathan's point, it's that inflection between sports and entertainment. It's also looking at language and culture and how we marry the both, so that for them, it's not just a sport, it's a lifestyle.

Michelle Stevenson 09:34

Well, that's a perfect segue. Kameryn, what are IBM's considerations when creating multilingual and multicultural content. Maybe you could talk a little bit about the recent partnership with Ferrari.

Kameryn Stanhouse 09:45

Yeah, I think the one thing that everyone's talking about here, whether it's development engagement center, it's all about the fans. That's really what makes all of this tick, and that's what we're in the business of at IBM and our sports partnerships, is understanding fan engagement and how we leverage IBM technology and data to fuel that. So when we look at partnerships, we have—the technology is central to anything we do. And so [inaudible], for our HP, is one of our newest partners, signed in November of 2025 where we are their data analytics fan engagement artificial intelligence (AI) and IT consulting partner. But the first thing we wanted to look at was, what's the technology solution we're trying to provide for them, and for Scuderia Ferrari, we have 400 million Tifosi. That's their, you know, tried and true fans, right? But they didn't have a compelling platform in which to engage them. And so we started having conversations about, what could that look like if we came in? How can we build something that's really engaging, that gives you must see content that you can't get anywhere else. And so that was the foundation of our conversations, and ended up being the partnership we have today, which we're really proud of, and just tip of the iceberg. But everything we do is about fans and using data and technology to really engage them. I think you mentioned 10 million data points. I think we maybe have left a couple of zeros off of that. Even just looking at our partnership with ESPN fantasy football, we fuel their fan engagement and help fuel the tools that allow people to do drafts and run their league. We deliver 36 billion data points that are customized per person over the course of that 15 week partnership that yes, that basically tell you who you should be trading, who you should be sitting on the bench. What's the media saying about something that may make you want to play them? So there's so much data flying, and that's one of the reasons that technology is essential to sports, because it helps us tell such a compelling story.

Michelle Stevenson 11:36

Is it the data that's really driving the growth of these partnerships, that you're able to provide so much value to your partners and that they can really then think about how they can apply that in so many different ways, both how they develop their internal product, but also how they engage with their fans?

Kameryn Stanhouse 11:51

Yeah, I think the way that we work with our partners is the same way we work with the commercial business partner, right? It's understanding the strategies and goals for the upcoming year and then working with them collaboratively to design, develop, and deliver a first-class experience. This isn't like a one size fits all or something that we just do a couple of weeks a year, like I have offices at Wimbledon, where my team actually sits with Wimbledon year round. I just came from London, where we're actually talking about what the features are for the next year. So it's a truly collaborative effort, and the data is one part of that, but it is really understanding, again, the human element of what fans want and what they're looking for, and what can we create for them that they didn't know they need?

Michelle Stevenson 12:28

No, that's great. Well, Hua Fung, tech is core to one's engagement strategy. Could you talk a little bit about the business results you're seeing from innovations like streaming, gamification, and fan loyalty programs?

Hua Fung Teh 12:40

Sure, I think, you know, technology has always been at the heart of what we do. One of the reasons is because of all the big, you know, global sports properties, and we're the only ones that were born in Asia, but we're also the only one that was born in the digital age. The company was founded in 2011. The NBA, the UFC, all of the big, you know, Western sports properties that many of us grew up with were started many, many, many years ago, right before you know, when TV was kind of the primary means of consumption, and that was a very passive experience. So, at birth, we were all—the internet was already a thing. So it didn't matter if it was Tencent in China, YouTube, Facebook, in the US or now globally, we made a big bet on all of these platforms very early on. Now, obviously, in the early days, we had to make a lot of our content free. We had to leave a lot of money on the table, because you want, you know, the content, to reach a lot of people. But the way we think about it today, and you know, obviously now it's been more than a decade, is people essentially want to engage with you beyond one, you know, three to four hour fight or three to four hour event. And, in between fights or events, and this is the same for all other sports leagues, there's a lot of dead time, right, that you have to engage with your fans. So technology allows you to engage with your fans with short-form clips, long-form clips, highlights, docuseries. Many of us here on this panel have properties that have ventured into scripted content as well, right? Or unscripted sort of reality content. So all of these—I would say it's content times channel, right? Different types of content that eventually come from the that come from the IP and the channel in which you use to engage them. And obviously, now we're

moving into a Web3 world. So, you know, at ONE Championship, we're doing a lot, you know, in this respect, I was just with my partners yesterday, Sui blockchain, part of Mysten labs. It's also token week, by the way, in Singapore. So a lot of Web3 blockchain stuff happening. Apparently, there's been like 200-300 events, you know, around this, but we're partnering with them on a mobile game that is also developed by Animoca, another big Web3 platform, and this is just yet another way to engage a fan outside of what traditionally is just a live event.

Michelle Stevenson 14:50

We had conversation earlier this week. I don't know who was able to see it, but the business of sport on Wednesday and part of the topic was around that which was so interesting you think of how the, you know, sports originated, is that in-person experience, sitting in the stands, you know, cheering on the team, and now has expanded so much through these digital platforms that, to your point, you have basically, you know, unlimited opportunities to engage. But it's not just with the athletes. It's often with their significant others and then even their pets, right?

Hua Fung Teh 15:23

Yeah, so every single day of the week, every single hour, there was an opportunity to present a piece of relevant content, to let someone play with a mobile game, to wear one of your T-shirts. There's so many ways to engage with fans today.

Michelle Stevenson 15:37

Right. Sheila, what advice do you have for marketers who are looking to kind of create those authentic partnerships in an era when we do spend so much time behind a screen, how does that impact your fan loyalty?

Sheila Rasu 15:49

You know, I think to Hua Fung's point, it is at an interesting stage where you have to be where the fan is. It's not just about the fan coming to you. And that's the tough part, because without data, you won't know where your fans are. So for us, we look at a couple of different ways, you know, we segment our audience. You know, there is something that a core fan wants that's going to be very different from what a casual fan wants, that's going to be very different from what a curious fan wants. And how do we service them on the platform that they are used to interacting with us, not just about the sport, but to your point, it's what's around the sport. So whether it's the fashion, the lifestyle, the food our athletes eat, and also beyond that, it's the music and the entertainment. So, you know, the advice would be, is really understand your fan using data, but then ensuring that you kind of have that gap that you can fill, so that they feel like they're having an authentic connection with you. So, for example, you know someone that is a core fan wants highlights and news and stats and how the stars are doing. They don't—maybe they don't care, maybe they do, about what an athlete wears when he does his tunnel walk out onto the court. For a casual fan, they only care about the lifestyle element, like, who's he dating? You know, who's their dog

or cat or pet or pet crocodile, whatever it is. And that's kind of like, you know, the content we try to feed through social media and the various platforms, but it's not an easy job, I mean, and you don't always get it right. So wouldn't be okay with that.

Hua Fung Teh 17:29

Actually, I want to give Sheila a shot here. Something very interesting the NBA did is they recently organized a big youth tournament in Singapore, okay? And this is all the top high school teams in Asia, coming here, actually, Sheila's old high school was represented in Singapore, ACJC. And think about that, right? So she was able to then engage basketball parents like myself, my kids both play. So all of us are like, now, wow, my kid can be potentially, you know, playing in this tournament one day, maybe they can play Division I. I mean, think about that axis of engagement, right? It's probably not that intuitive, but I would say it got a lot of people pretty into the NBA.

Sheila Rasu 18:08

Yeah, I think it's about, again, filling that gap, filling that gap, you know. It's you have the base, exposing kids to basketball. At the top, it's like, if you're a good basketball player, what's the next step for you? But the gap was like, kind of that in-between, I'm in school, I'm playing, what's next?

Hua Fung Teh 18:24

New fans.

Sheila Rasu 18:26

Yeah, new fans.

Michelle Stevenson 18:27

Did you find that when in particular, the youth engagement strategy needs to have more offline components to really build that affinity

Sheila Rasu 18:36

Both, actually, I think you need to marry the digital but then also see what that offline experience is that translates from digital or vice versa. So, for example, like, yes, we flew everybody in, but we also livestreamed the entire week. Because, to his point, not everybody got to fly in. Like, you know, let's say I'm a fan, or I'm a relative of one

of the Japanese players. I couldn't go and support because I couldn't get out of town, but I was able to then watch livestream, understand what's going on, and then, you know, chat to the person, encourage them. So I think it's really about how the digital then translates into offline.

Michelle Stevenson 19:15

That's interesting. Jonathan?

Jonathan Fascitelli 19:17

Again, it's the life cycle of a fan. It's the early education and sport, and then the evolution of the child as they get older and they experience the sport in different ways. And so it's particularly in in Asia and in the GCC where the sports infrastructure isn't as developed as somewhere like the United States or Europe, really thinking about the evolution of the fan early adoption, both through digital strategy as well as through the infrastructure. So you need to have the training academies, you need to have the facilities. You need to have a pathway for the young individual to train. And to get good. And then you need the competitions. You need the awareness. And then you need the media, the digital, and the evolution. And then, with that, if you marry it with infrastructure development, you can build the community around it. So you're seeing a manifestation, both digitally and an extension of the experience digitally but you're also seeing a deeper manifestation physically through the right infrastructure, through the right development, etc. Like here in Singapore, you can think about national stadium and how it's positioned and how the assets are around it, and you can think about how that asset can evolve and really become a pillar for community around sports and entertainment. So it's interesting to see the development and how it progresses.

Michelle Stevenson 20:54

Could you expand upon that a little bit, just in terms of what brands should be considering when thinking of partnering with these properties that are now proliferating globally, because there's so many things that you could kind of pick and choose from. What would you say are the kind of the top considerations that you would—

Jonathan Fascitelli 21:11

I mean, increasingly, I look at it as, there's the stay-at-home economy, and then there's the get-off-the-couch economy. So the stay at home is, is the is the is the e-commerce. It's the investing in digital infrastructure and logistics, etc, to service people more at their homes, and then the increasingly—it's what's the draw to get people out of the home and to interact and live entertainment, whether that's sport or entertainment is really a driving force, really a pillar of driving community engagement, interaction, and a common thread that extends past culture through sport and entertainment. And so when I think about it from a brand engagement perspective, I think about all the different ways to associate with the emotional connection that's created with the fan on the one hand, but on the other hand, I think about, how do you engage the fan, where they're going to consume? And so, yes, there's

the digital manifestation of it, but the integrated physical, live experiences is really the most powerful point to engage with the consumer to associate the brand and to and to really have that true emotional connect. And as you think about the venue and the content and the experience, personally, I think the radius is expanding as you look at integrated developments and projects that extend past the arena. And that creates a lot more real estate for the brands to engage, interact, have events, and really create a connection with the consumer.

Michelle Stevenson 22:49

Kameryn, you partner with major sports properties, F1, Wimbledon, the Masters. How do you approach these partnerships that go more than logo visibility? What are you hoping to offer in terms of measurable value, both to your internal stakeholders as well as the fans? Yeah.

Kameryn Stanhouse 23:06

Yeah, so our sports partnerships are really twofold. I mean, I said this before, everything we do is first, like, what's the technology solution we're going to provide for you? Wimbledon, the Masters, US Open, we've been partners with them for 35 years. So it's not just that we are building their app. We've been part of their digital transformation, building their first website, migrating them to social and then understanding how to engage those social platforms. For us, sports are essential, because a lot of people think of IBM as a computer company still, and we sold that business in 2004 so there's —yes, that's true, right? You think everything's bad. So as we approach how we leverage these marketing tools, it's really understanding one, how can we generate awareness by putting our technology in the hands of millions of people worldwide? I love when I have, you know, like my my teenage boy loves watsonx because it helps him draft his fantasy team. Or people who are so enthralled with the Wimbledon app and they're using watsonx to understand the insights to help them stay engaged, right? So it's really creating awareness with those fans, and the branding and visibility to all of that is fantastic, but what are those in-hand moments? And then, for me, like—the end of the day, we're all trying to drive sales, we're in marketing, right? So how can I actually leverage these tools to inspire a client to be like, this is what's possible with IBM. How do I talk to a sales rep that can help me create the solution for my company.

Michelle Stevenson 24:26

Oh—I was just going to ask, what would be an example of one of those solutions that you kind of surprised someone with?

Kameryn Stanhouse 24:32

Well, I think one of the great examples of an actual commercial sports property is our partnership with Sevilla FC. So they're a paid customer. They are not a partner, but they're using an AI scout engine that we built for them specifically that allows them to input all of the data from their scouting reps to then figure out who the right team to draft is. So as we think about player development and equity, about who's getting time and who's actually being

seen, rather than just writing a check to the biggest player. That's been one of the ways of, you know, sports has inspired how we can actually create a business out of this. And I say—as many of us, our inboxes are full of different companies that want us to partner with them. But first question is always, what's the technology solution that you need? And if you can explain that to me, then we can have a conversation. But to what everybody else was saying, too, we think about fans and the different types of fans. So much of this has changed with generations, right? So you think of your families like my dad likes sports. He watches a game. He maybe watches a little bit ESPN, but he's done with it, right? But the way that my brother engages, who's much younger, he is watching the sport, he's listening to radio, he is in all of the apps, figuring out what's happening, he's following his favorite players, understanding what shoes they're going to buy. So it's really this—you're like 24/7 content stream that us as marketers have a huge opportunity to be able to tap into. So while the branding and logos on the field and on the media, broadcast rights are great for me, for the essential fan of like, the older generation, I'm able to integrate into those other places that are much more authentic to the next future of my customers—

Michelle Stevenson 26:08

It's the whole ecosystem.

Kameryn Stanhouse 26:09

Yeah, of understanding the whole ecosystem and how when I'm constructing a deal, we're looking at the multilevel ways that we can engage with people that's not just slapping a logo on something, but it's having them touch, feel our technology, but also be integrated into all of the other things that make them understand our brand.

Michelle Stevenson 26:26

No, that's fantastic. Hua Fung, sports like Formula One and ONE Championship were once considered niche have now gone mainstream, in large part because of smart marketing. Can you kind of talk about, from a business standpoint, what's driven that growth?

Hua Fung Teh 26:41

Yeah, you know, it's interesting. People tend to think of martial arts, in some circles, at least, as niche. But it's not that niche actually. Think about it—martial arts has been practiced for thousands of years, in particular, in Asia, if you think about big martial artists—Bruce Lee, Jackie Chan, Jet Li—these have been, you know, popular cultural icons, right? For a long time. I think what happened was we basically took, you know, an art that in Asia was largely participation-based, because it wasn't a big sort of commercial league to consolidate and organize everything, and we just sort of saw that as an opportunity. Obviously, the UFC had done quite a bit in the West, but they weren't that active in Asia. You know, at the time the company was founded, so I think that's the first point, martial arts actually, on a participation basis, since in 2011, was already widespread. Every single Asian country has a martial art, and we're talking about thousands of years of history, right? But I think in terms of, you know, marketing and

building the brand—to be honest, there's no shortcuts, right? You need to make sure you have a great product. You then have to make sure you have good athletes. Some of these are, you know, sort of organically raised. Some of them are acquired. And then you need distribution, country by country, platform by platform. And eventually, you know, when you have a certain scale and size, and your audience is at a certain, you know, growth rate and size, you know, monetization starts happening very aggressively. But I would say that one of the key calls we made was to, basically have our content on many, many channels, in many, many formats. You know, Web1, Web2, and now Web3, so that it's very, very accessible. And the type of content, obviously, is important. We talked a lot about this, right? There's obviously the physical experience, like what Jon is doing. You have the live events that all of us are familiar with. But, in between that, how do you engage with a game, a piece of short-form content highlights someone you know, one of our fighters walking their dog, you know, cooking their lunch. These are all things that we've all sort of made inroads into. And I mean, look at what Formula One has done with drive to survive. And now the Formula One movie. And all of us have had projects in that sort of realm as well. So to be honest, it's sort of staying in front of people. It's like life consistency, right? You want to stay in front of people, but in different formats and different sort of genres.

Michelle Stevenson 28:56

Yeah. I'd love for you to talk about that a little bit more, because I think you have really made storytelling key to ONE Championship. And I'd love to know just a little bit about how you've seen that impact the way that fans engage with the fighters and the matches when they have this emotional connection with them now.

Hua Fung Teh 29:09

Yeah, I think the good thing is a starting point is already quite advantageous, because sports, in and of itself, is a pretty magical thing, right? All of us have a favorite sport, a favorite athlete. Sports creates these once irreplicable moments in time, right? Be it a big knockout, be it a dunk, be it a goal that are forever etched in your memory. I think if all of us were thinking back, you know, to our youth, or even now, I'm sure you can remember right one of your favorite sporting moments. So with that as a base, then you think about the athletes, the stories, what they had to overcome right to get to that point of scoring that goal. And, you know, we grew up in emerging markets, and what that means is, many of our athletes, you know, do come from backgrounds of poverty, of, you know, family issues, and they've had to sort of fight and overcome the odds to become the champions of the art today. And we want to make sure—and what we do is we make sure that those stories are told through all of the shoulder content that we do in between fights, even at the fight. You know, you have the big sort of screens in the arena. We actually produce a lot of bespoke content for each of the athletes to tell their backstories, because obviously, in the end, it's about an emotional connection. We always say sports, a lot of it is about values, heroes, and stories. That's kind of our internal mantra. Values, what are the values of sports? The values of martial arts: integrity, humility, honor, respect, courage, discipline, and compassion. These are values that parents all around the world want their kids to adopt. Who are the heroes that embody these values and what are their stories? How do they overcome poverty, famine in their home country, to get you know, to the world stage and compete? And we constantly express those stories through all of our mediums.

Michelle Stevenson 30:50

That's fantastic. Jon, do you see that as being a great way of marrying all of this 360 content to the in-venue experience, what Hua Fung is talking about here, with having the screens there showing everything you're not seeing?

Jonathan Fascitelli 31:05

Absolutely, a fully integrated, immersive experience, combined with hyping up the values, the passion the community, creates something really powerful. One of the things that we think about when we think about them for taking that and further integrating sports marketing as we think about the physical landscape so, so what we do is we look at a venue and we look at what we can build around it. And so often we'll do anywhere from \$3-5 billion of development. We'll build thousands of residential units, we'll build retail, we'll build office, we'll build a full integrated community around it, and with our sponsors and our partnerships, it extends. So now everyone knows the naming rights are a key component to the financial proposition of a venue, but also one of the key ways that brands identify with the team sport and entertainment. What we'll do is we'll partner with those brands to do the signage throughout the community. We'll have events that are branded around the community will have store placement and then the integration is now evolving. So we're an institutional manager of capital as well. Our business plan is to deploy \$100 billion developing these projects globally, around the world, and our sponsorship partners who might want to market, who might want to place stores, who might want to sponsor events, will also come to us and talk about, how do they invest their pensions in these projects too? How do they invest capital in these projects as well? And so we're taking kind of a 365 integrated approach to all aspects of the projects and these as a result by aligning the benefits of key stakeholders, first being the fan, the most important, then the surrounding community, then the city, state, sovereign, and then business stakeholders, etc. It's a really powerful mixture that's a real catalyst that can drive just incredible, incredible economic development and competitive advantage for sovereign.

Michelle Stevenson 33:32

Well, and also it allows you to move beyond just the fans, whether it be the hardcore, the casual fans, to other people within the community who then become literally invested in the success.

Jonathan Fascitelli 33:44

Yeah, that's exactly right. It's the first factor, second factor, third factor, benefits of sports and entertainment content, and what that can do for community is [inaudible], both for the one consuming the event, but also for the folks in the community around it.

Michelle Stevenson 34:04

Sheila, I'd like to go back to you. You mentioned some of the kind of collabs the NBA has done in the past, and obviously, music, fashion, even anime. How do you think about the value that those provide? How do you weigh what's going to be effective and what isn't, and what platforms that you want to execute on?

Sheila Rasu 34:24

Yeah. So I guess as an NBA fan, you may be a fan of other things, and as we think about who our fans are, the way we reach new fans could be through many different things, of which one is through collaborations, on tangent lifestyle elements like fashion and lifestyle and entertainment. But we do. We are very picky. We want to make sure that connection is authentic, and we want to make sure whoever we work with has similar values to us. So we've done right now we are. Deep into a lot of music collaborations, and in particular, K-pop. You know, we do think that there is a natural connection between music and sport. And I'll just give one case example, [MS: Please.], like two minutes. So we recently, or a couple of years ago, we signed on a strategic partnership with HYBE Corporation, which is one of the largest labels in the world, and we signed on Suga from BTS. He is one of the BTS members as our NBA ambassador. How this came about wasn't an overnight thing. We worked with him, I would say, over two years before we actually brought him on as an ambassador. And not many people will know, but to create that authentic connection, you don't want to incur the wrath of the BTS army. I'll just say that right now. But his name, Suga, not many people know actually stands for shooting guard. So not many people know that he's actually a player. He plays. He has his own team. And so, you know, when we started doing the storytelling about why he started coming to our games, why we were doing these collaborations with him, it became very authentic. And the BTS army themselves used digital to surface old videos of him playing basketball. And so we didn't have to tell the story. We seeded it, but they started telling the story. And so, because then it became authentic, like he was a true NBA fan, for us to create content with him, you know, have him appear at our events. We even did a merch collab with him, which sold out its initial release. You know, it was authentic, even in the merch collab, where we said, okay, he was doing a US tour in six different markets. We did a collab with the six different teams in those markets. And so it was really strategic. It was very, how do I say, pinpointed to who we wanted to reach. And, you know, now we're preparing for their for their comeback, because they've just come out of the army. For those of you who don't know, just through some of those connections, we feel like we bring in a new audience, that casual fan, who may not have thought about being an NBA fan, but because one of their idols is a fan, maybe they'll be an NBA fan.

Michelle Stevenson 37:17

Well, and it sounds like a little bit of that was magic in a bottle. You had the idea, you felt, obviously, that it was going to be successful, that the community was going to respond. But in fact, it seems from that case study that the response was like multiples of perhaps what you had initially projected.

Sheila Rasu 37:36

Oh, for sure, because then through that now we have worked with some of HYBE's other artists like ENHYPEN, who is actually performing this week, this weekend, Friday, Saturday, Sunday. And also LE SSERAFIM, which is a

girl band. So, you know, I think we have, we have a network called Friends of NBA, which is really our creators, our influencers, and celebrities, and they headline some of those.

Michelle Stevenson 37:58

So how does the NBA show up at some of those events then?

Sheila Rasu 38:01

So we integrate by creating cocreating content with them, merch collabs. You know, if you guys saw Le Sserafim—if any of you have been to their concert, we brought them to a Lakers game once, and we got customized jerseys for them with their name on it. Now, when you go to their concert, everyone is wearing that Laker jersey, like literally, 30 percent of the audience is wearing those are wearing those Laker jerseys. How we show up can be literal, but it can be also very subtle.

Michelle Stevenson 38:30

That's amazing. Kameryn, why do you think sports is such a powerful platform for marketers?

Kameryn Stanhouse 38:39

Because it's the one thing that people regardless of and say, we live in a divisive world. Obviously, I live in the US, and things are unique and challenging right now. But regardless of your personal beliefs, you can sit in a stadium and decide to cheer for your favorite, you know, team together. I think I was at the NCAA Women's Final Four University of Texas. I'm from Texas. It's a very interesting place, but you look like the stands, and you can just tell—very diverse opinions, beliefs, people, but they are all die hard University of Texas, Longhorn fans cheering their hearts out for this team, right? And that's such a unique place when you want to stay out of the fray. Sports is a place where people come and have passions and beliefs and can really authentically connect with the brand. So for us, sports is a huge opportunity, and also something we've been doing for a really long time. So I think that's one of the things people don't realize. Again, with IBM, we've been in sports for 35 years, and that's what we stay at. The central fan engagement is, how do we tap into those loyalties and help them deepen them, using all of the data and stats that we can provide and also just making the sports more engaging. One of the things that we released for US Open in Wimbledon this year was our live likelihood to win, which essentially takes our watsonx technology gives a pre match projection of who's going to win, right? Great, healthy debate. The beauty of sports, there's always an argument of like, Sinner going to win, Alcaraz is going to win. Great debate there. But then with every match point, or every point of the match, it actually updates the projection base, taking into consideration the crowd roar at the US Open, what the announcers are saying, the wind, weather forecast, right? All of these things are coming in and giving real time updates point-by-point of the projection. So Anisimova, Osaka, I believe match, it was 50-50, 43-57 every single match. And so just keeping people engaged. But, again, it ties into that deep, deep loyalty, and actually almost fuels it and exit on and it's one of the reasons that we love being able to be part of this ecosystem

and help people tell their stories and help people be a part of that. And it's also about the athletes too, right? I know we're all talking about fans, but none of this exists without athletes. And so one of the things we look at on the data side is how we can actually look at injury prevention, player, health and performance, and enhance that experience. Because, you know, somebody gives us 15 years, 20 years of their life, on the court, on the pitch, what have you, and then the rest of their life, they have subpar level of wellness because they've sacrificed their entire body. And I lived this. My dad was a professional baseball player. My partner is a professional soccer player. My dad has had shoulder issues and elbow issues his entire life. My partner is potentially going to have to get a knee replacement by the age of 40 because she ruined her knees playing soccer. So how do we actually use data to help with that player performance and that player journey, so that they can live their lives, for all of us to enjoy and experience with them together as an athlete, but the rest of their life they can still live a healthy lifestyle and be active.

Michelle Stevenson 41:48

Anyone else want to jump in on that power sport before...

Jonathan Fascitelli 41:52

I just—well, that was so well-put. So I gave a keynote at University of Texas a couple of months ago at the real estate conference, and afterwards, there was an event at a bar around the corner and on the wall in the bar in the middle of Austin, Texas was a big sign for a boxing event in Saudi Arabia. And it just, to me, personifies what's going on globally right now, the shared experience of sports and entertainment is so powerful for community, fan brand, etc, but it's also so powerful for sovereign and how and how society is now thinking about sport, and how to promote sport and sport infra and development, and then how to project it globally, and then translate it back to tourism, to attracting expats, to development for the nationals, etc, is just a powerful tool. And that one sign in Texas, the was promoting a boxing match in Saudi Arabia just kind of spoke volumes to me, and really speaks to kind of the power that the emotional connection with sport has for both society as well as economic development of nation.

Michelle Stevenson 43:25

Well, we're down to our final two minutes here. So I'd love to ask each of you, obviously we've communicated how dynamic sports marketing is. You know what started as a kind of in venue personal experience has now proliferated across platforms, infuses our life. 24/7 as we talked about, from the personal side to, you know, the meals to your off time, I think we may be the first panel at this summit that has not said the two letters, AI. So kind of—

Kameryn Stanhouse 44:00

I actually did say AI. I just said watsonx, that's our AI.

Michelle Stevenson 44:05

Fair enough, fair enough. No, I appreciate that, the cloaking of the term, but I'd love to just go down the line and talk about, I mean, it seems like sports marketing is kind of anything and everything, but what do you think it is going to be five years from now? So Jon, we'll start with you?

Jonathan Fascitelli 44:20

Well, there's no question about it. The underpinning of AI and the ability, the ability to take in large amounts of data and translated it into action, is essential. And obviously Kameryn has done a great job of discussing that. I think that that it just helps you know you're a fan, and that one to one, that one to one relationship that I like to have, whether it's with Matt or with someone else in the audience, AI allows you to automatically do that with your entire— either your entire fan base, or in our case, where we where we have these massive, multibillion dollar development. And we can now get to know the people that go into our shops, that live there, that go into our buildings, that go into our arenas or stadiums. And as we aggregate that data, both at one site as well as across all of our 30 projects globally, we just have a better profile of individual and that allows us to replicate all the benefits of a one to one relationship with one to many and so that that dynamic is really powerful, and then it translates into brand consumption, etc, and in a very unique way, and in a way that is very symbiotic and ultimately, ultimately, is beneficial to us as owner, us as fan, us as community, us as brand, etc, and can create a very symbiotic relationship where, at the at the at the core, everyone's getting what they what they need, in a very economically transparent way through the power of technology.

Michelle Stevenson 46:01

Sheila?

Sheila Rasu 46:02

Okay, I'll try to be quick. So I think it's something I mentioned before, between digital and offline. I think in five years, you're going to see those lines keep blurring in terms of shared experiences through AI, whether it's through how we watch a game, how we experience a game, how we watch highlights. You know, we're already thinking about it at the NBA, where we have Cosm, which you can watch a live game with your friends like you're at a bar, but it's kind of like a shared VR reality, and so you feel like you're in the game. Because for most NBA fans, 99 percent of them will never make it into an arena, because that is just the scarcity of games and tickets. But how do we create that shared experience? And I think digital and AI is going to help us blur those lines where at some point you're not going to be able to tell the difference.

Michelle Stevenson 47:01

That's exciting. Kameryn?

Kameryn Stanhouse 47:01

I think—I agree with those, and I've talked a little bit about how we use data and a but one of the things we haven't talked about, that I think is going to be essential to the future is equity of coverage. One of the things that people may not realize is during Wimbledon, US Open like wheelchair matches are going on, which are incredible to watch, they have no coverage, but with AI generated commentary, we can actually do live radio and match summaries that actually allow somebody's parents or someone to get enthralled with being able to watch a wheelchair match because they're getting the AI generated commentary and coverage. Same thing for us. Open there's 17 different courts, 254 matches that are happening simultaneously. Editorial team of five, no way they can cover it, but with AI generated match reports, we're able to give the editorial team tools that they can go and update some things and upscale their productivity by 300 percent so equity of coverage, I think, is one of the things that are really exciting about what AI can provide as well.

Michelle Stevenson 47:45

That's fantastic. Hua Fung, you have the last word?

Hua Fung Teh 47:48

Yeah, I agree with everything that's said. By the way, I too, would love to be able to watch, you know, a huge fight with my friends, my partners from all over the world in an extended reality, you know, situation. But one thing I think that's very interesting that I'm seeing firsthand because of our partnerships in the web three and blockchain space is basically how web three and blockchain technologies are now enabling a two way connection, a real two way relationship between fan and League, or fan and team or fan and athlete. You know, I think we're going to live in a world where, for instance, you know, after a fight, a fan can potentially pledge a donation right to a charity that an athlete supports in a very transparent and sort of open way on the blockchain. And this way you can sort of track you know where the money because one of the issues with charity today is that sometimes you know where the money goes is not that well documented or well tracked, but with these types of technologies, you're now able to do that in an open and very sort of efficient way. So I think it's just going to open up, you know, avenues for fans to have a real stake right in the outcome, and have a real stake in the athletes' own personal life stories. So that's gonna be really interesting.

Michelle Stevenson 48:53

That's great. That's great. Thank you. Thank you all for being here. Thank you to the panelists, wonderful conversation. Thank you.

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