

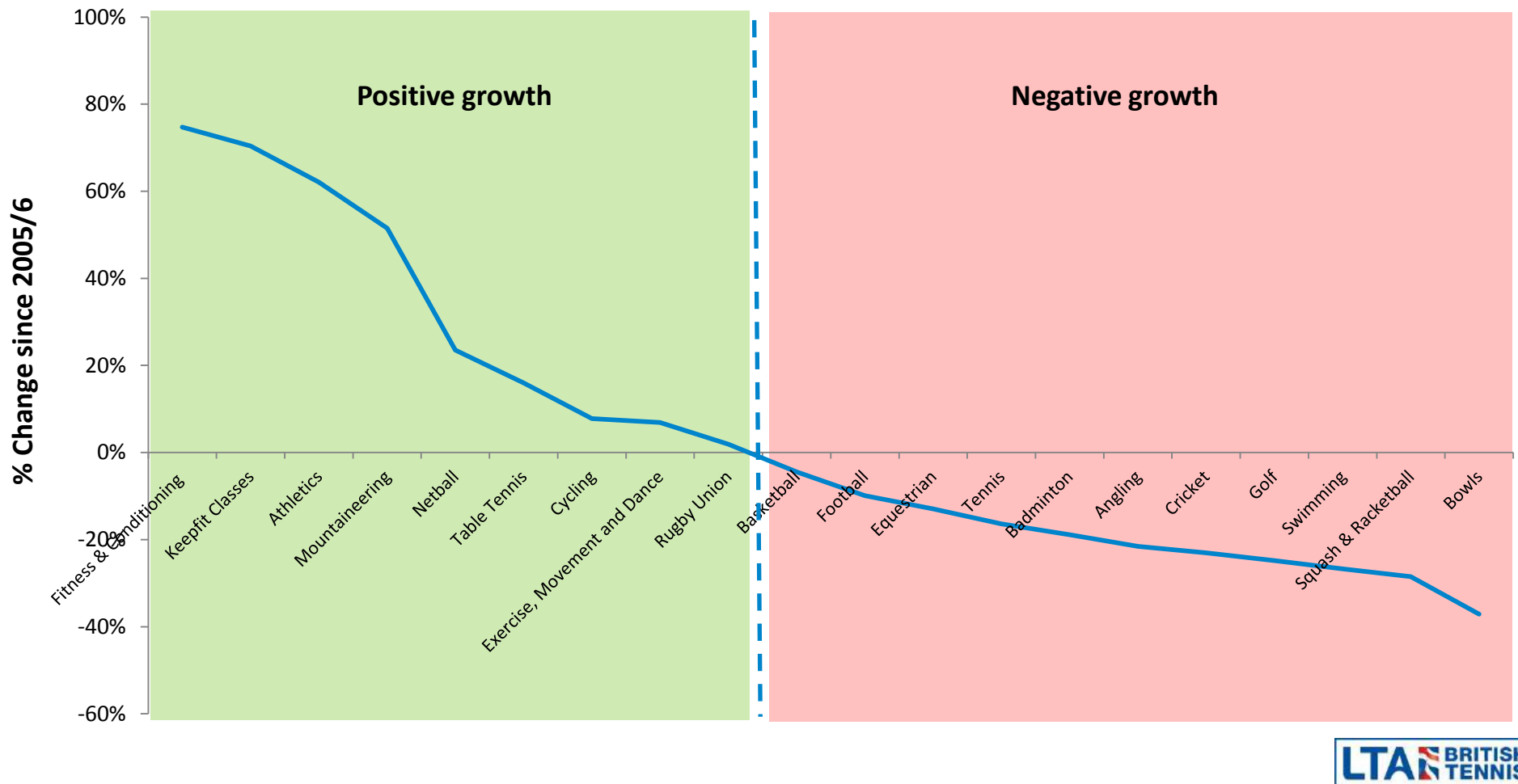
Understanding the Market: Sport, Activity, and Behaviour in a Changing World

Paul Burditt
Head of Insight and Strategy, LTA

What are the current trends in tennis?

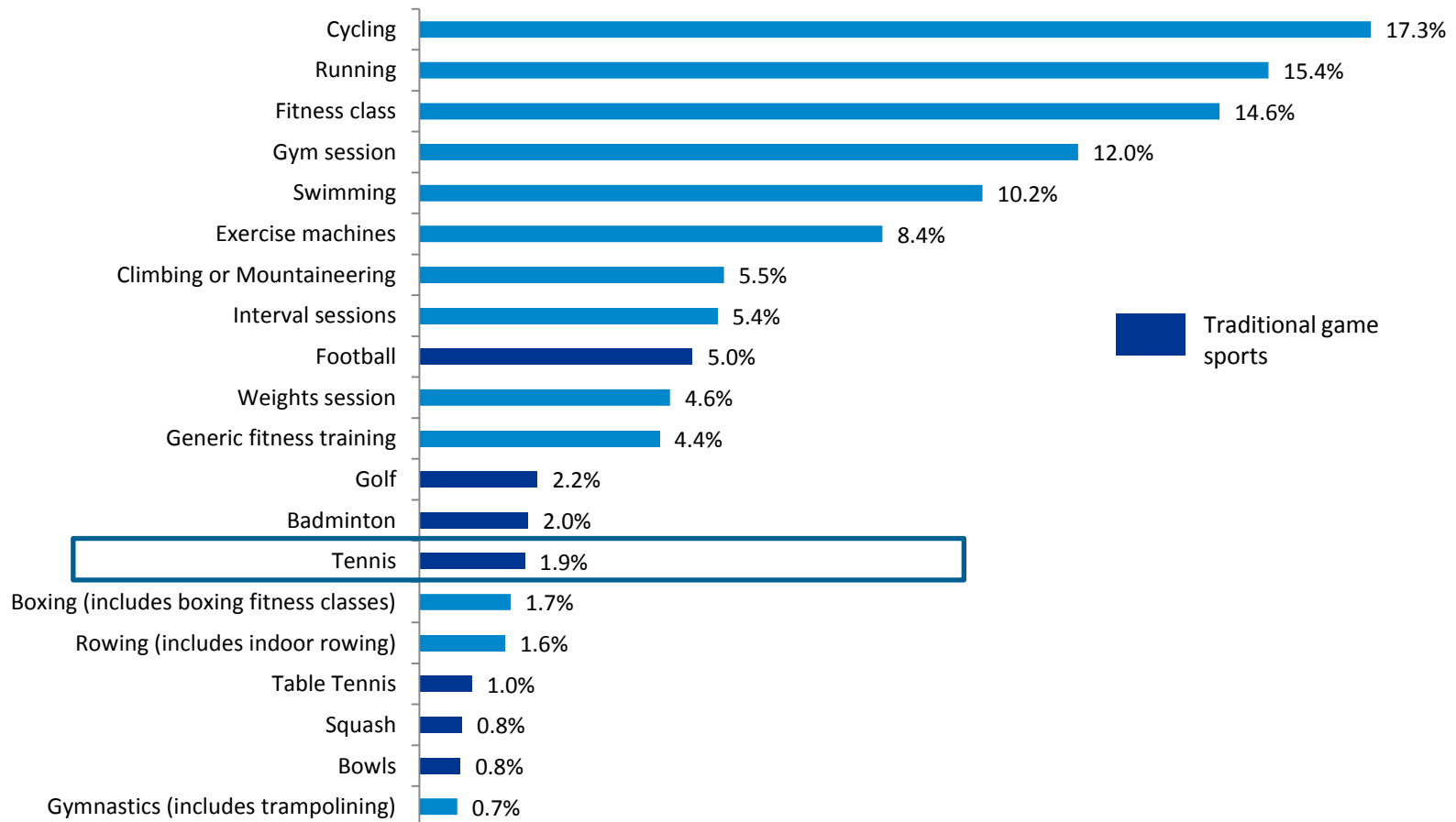
Tennis comes from a challenging position in participation - but we were not unique in decline

England Monthly Participation: % change among the top 20 sports/activities
(2005/6 vs 2014/15)



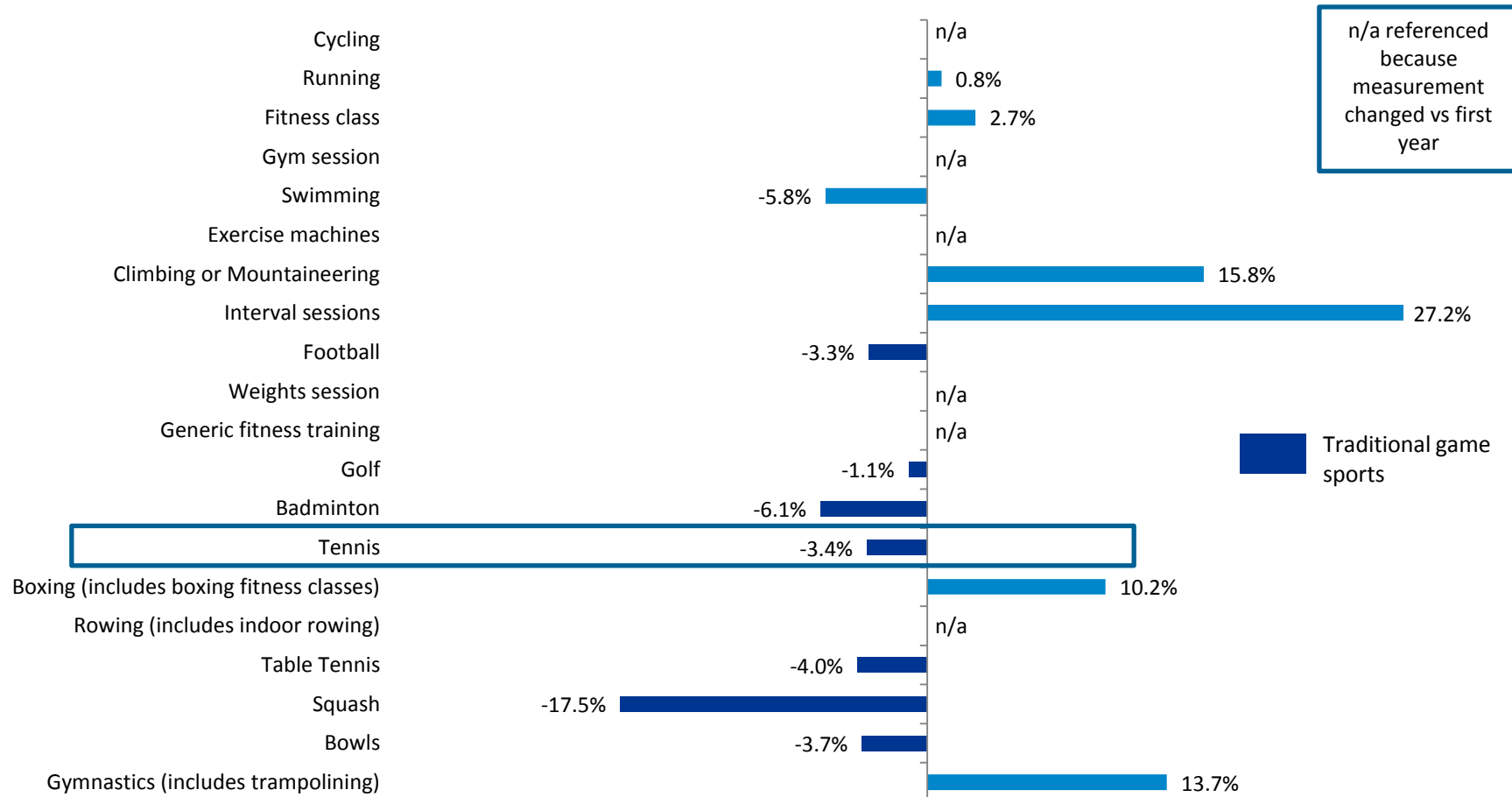
Despite that, tennis remains the 4th biggest traditional sport, behind badminton

ACTIVE LIVES SURVEY: England 2x Monthly Participation 16+: TOP 20 ACTIVITIES Year to November 2017



But the trend continues: traditional sports see YoY decline; individual sports take market share

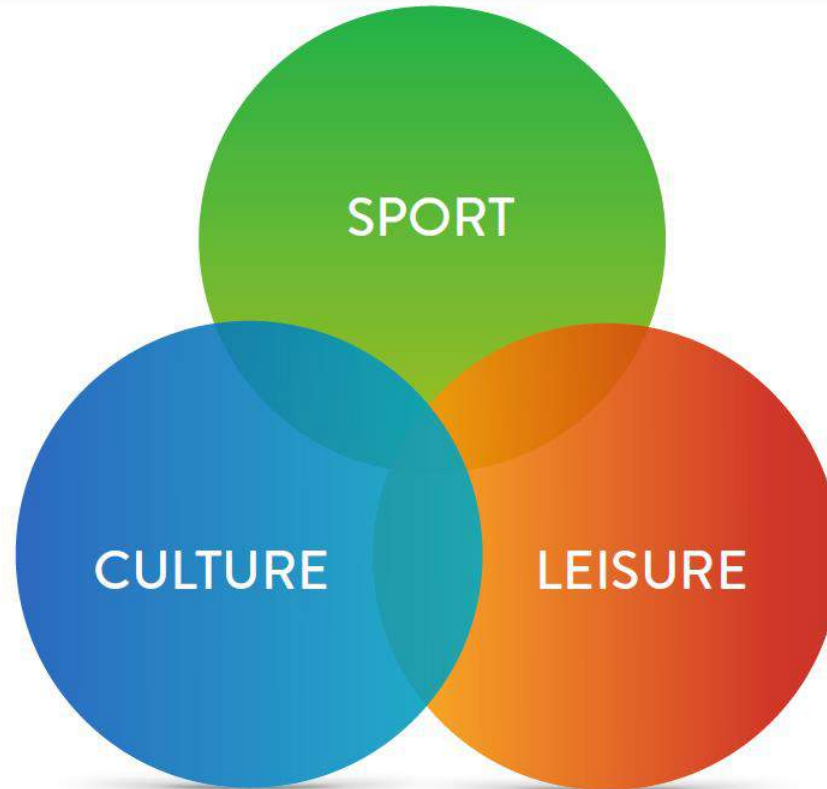
ACTIVE LIVES SURVEY: England 2x Monthly Participation 16+: TOP 20 ACTIVITIES Year to November 2017 - % change YoY



Insight: Paul Burditt

So what's happened?

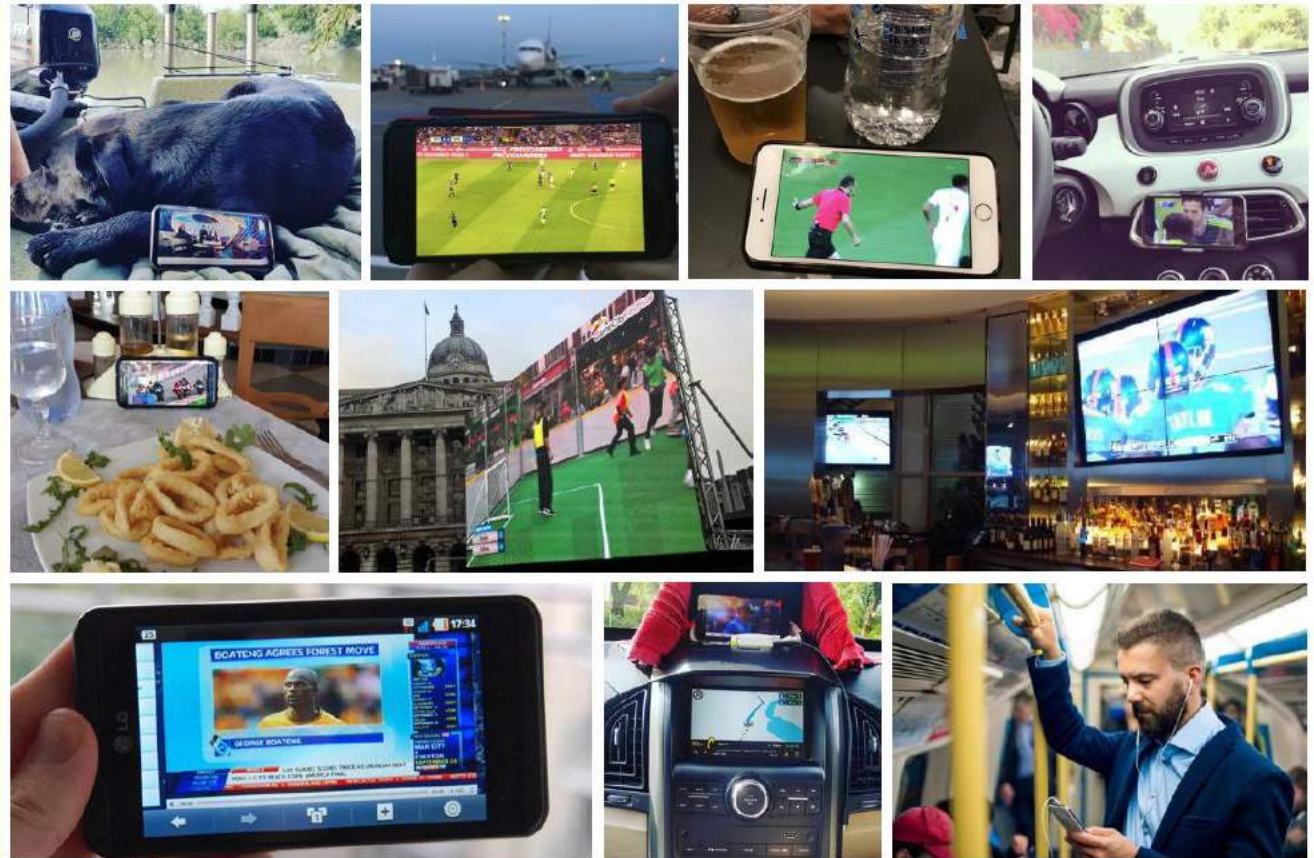
An underlying and changing context...which has changed the way people think and feel about sport...



...and a sense that tennis has some distance to “catch-up” with that changing world

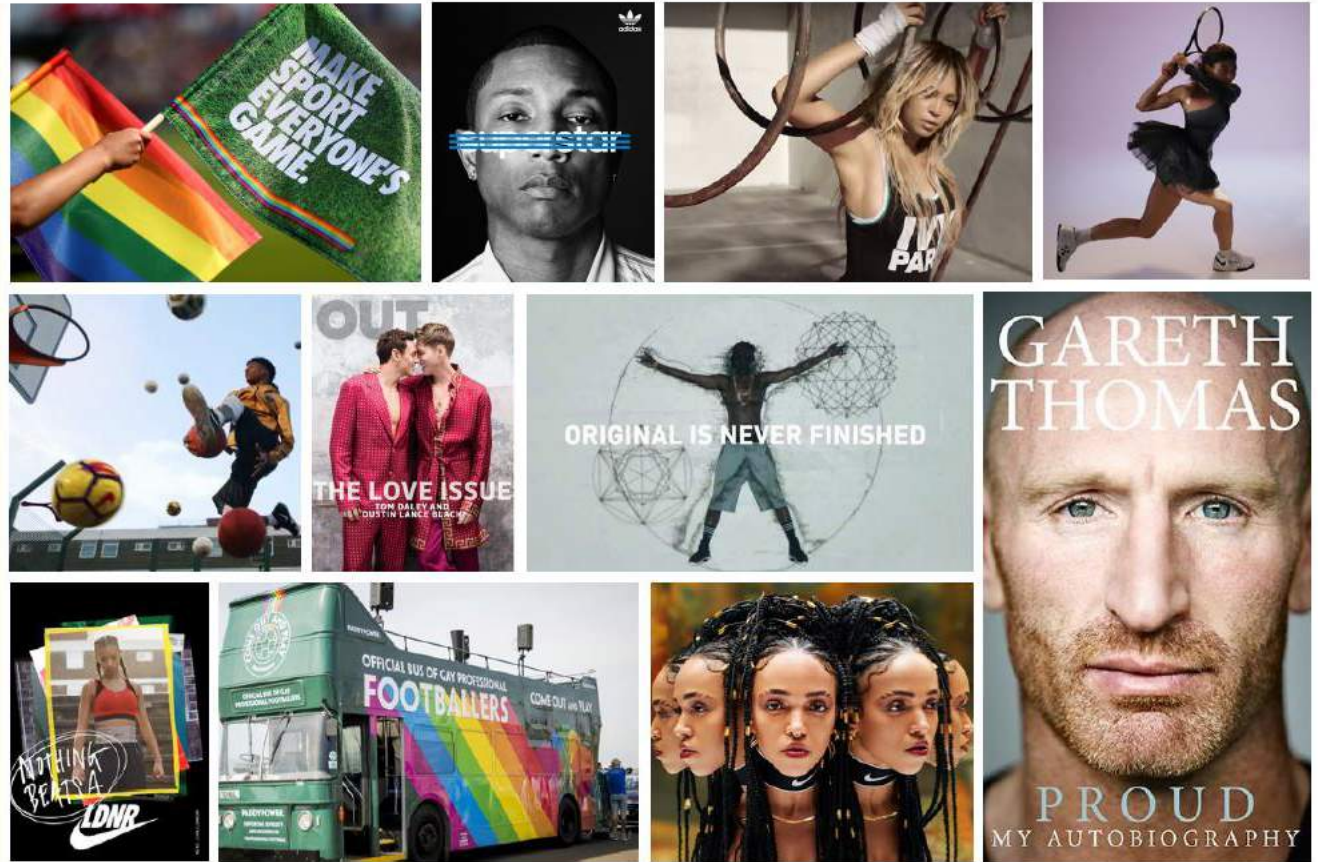
It's always on...and we have to strive for visibility and relevance

MULTI-CHANNEL,
ALWAYS ON,
VIEWER CENTRIC



Sport is becoming explicitly “for everyone”...and we have to make people feel tennis is “for them”

INCLUSIVE,
ACCEPTING,
PROGRESSIVE



The way people play sport is changing...we have to innovate to stay relevant

NEW FORMATS,
BENT RULES



People can choose what they want, when they want, on a seamless online journey

Discover



Plan



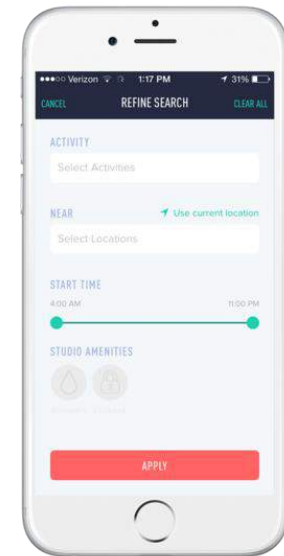
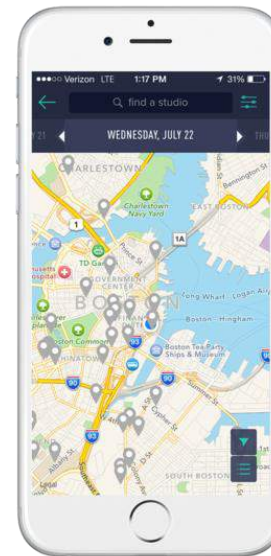
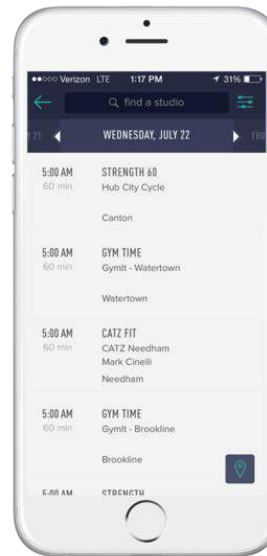
Play



Advocate

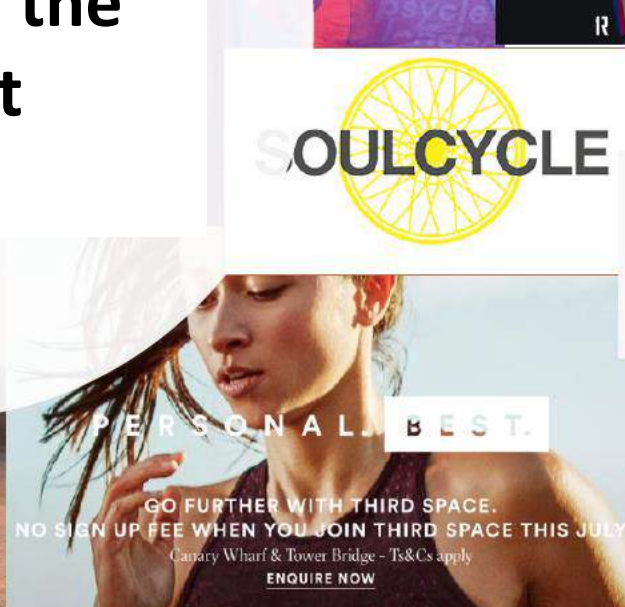
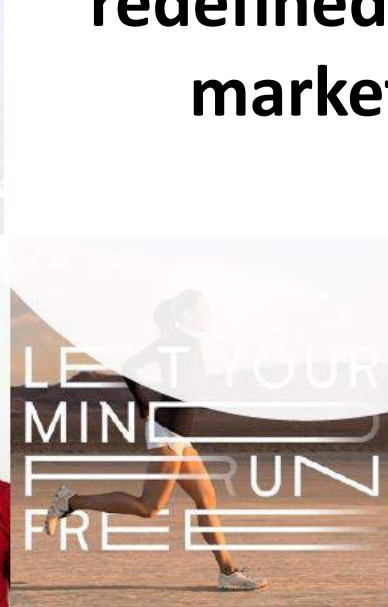
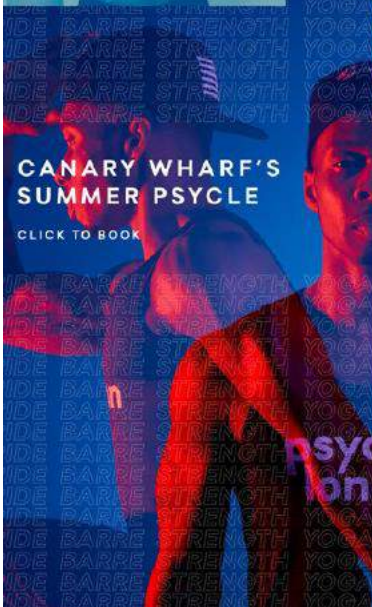
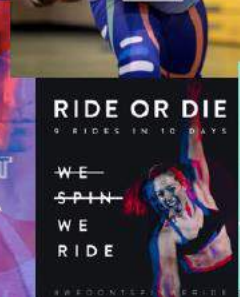
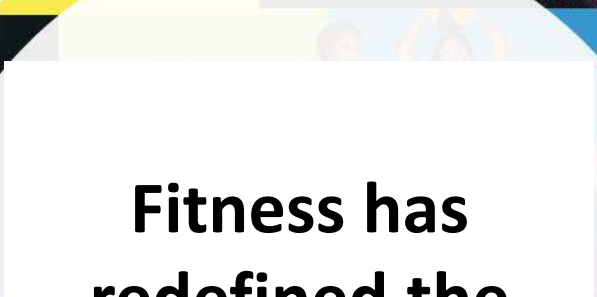
CLASSPASS

"I like how Classpass lets me track which classes and teachers I like, as well as helps me try out new classes easily."

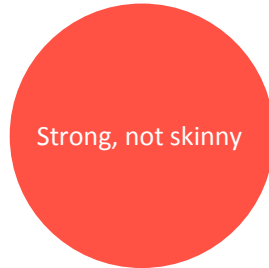


Fitness has changed the way people engage with sport

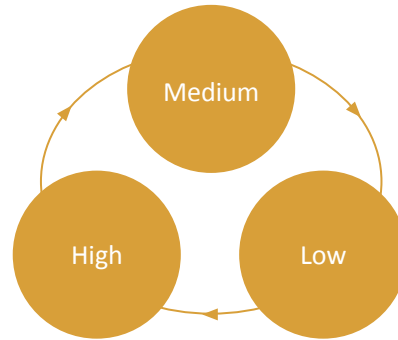
Fitness has
redefined the
market



The paradigm has changed



The quest for a healthy
balanced lifestyle: desire for
physical
& mental strength



Different
Format intensity needs



Different
emotional motivations



One gym, 105 different classes



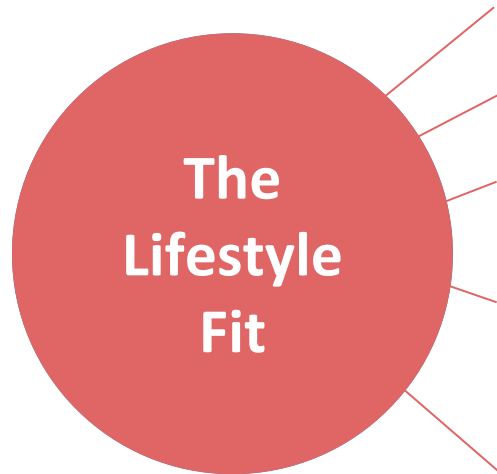
All the most in-demand classes plus
new workshops every month

Wellness – a simpler, holistic consumer perspective – has redefined what people are looking for

[illegible]

discipline

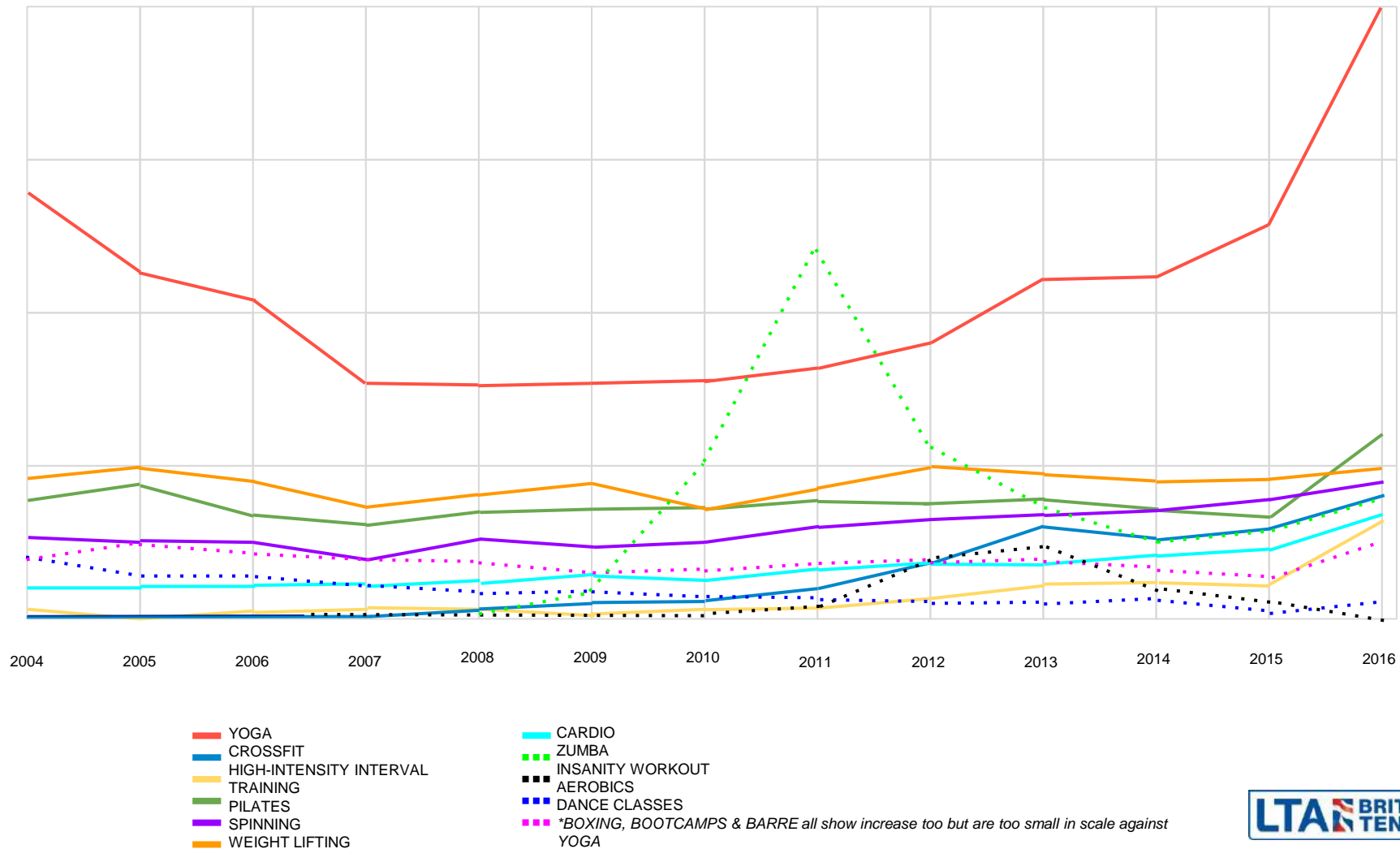
So, we are now selling the benefits of a *lifestyle*, not a product



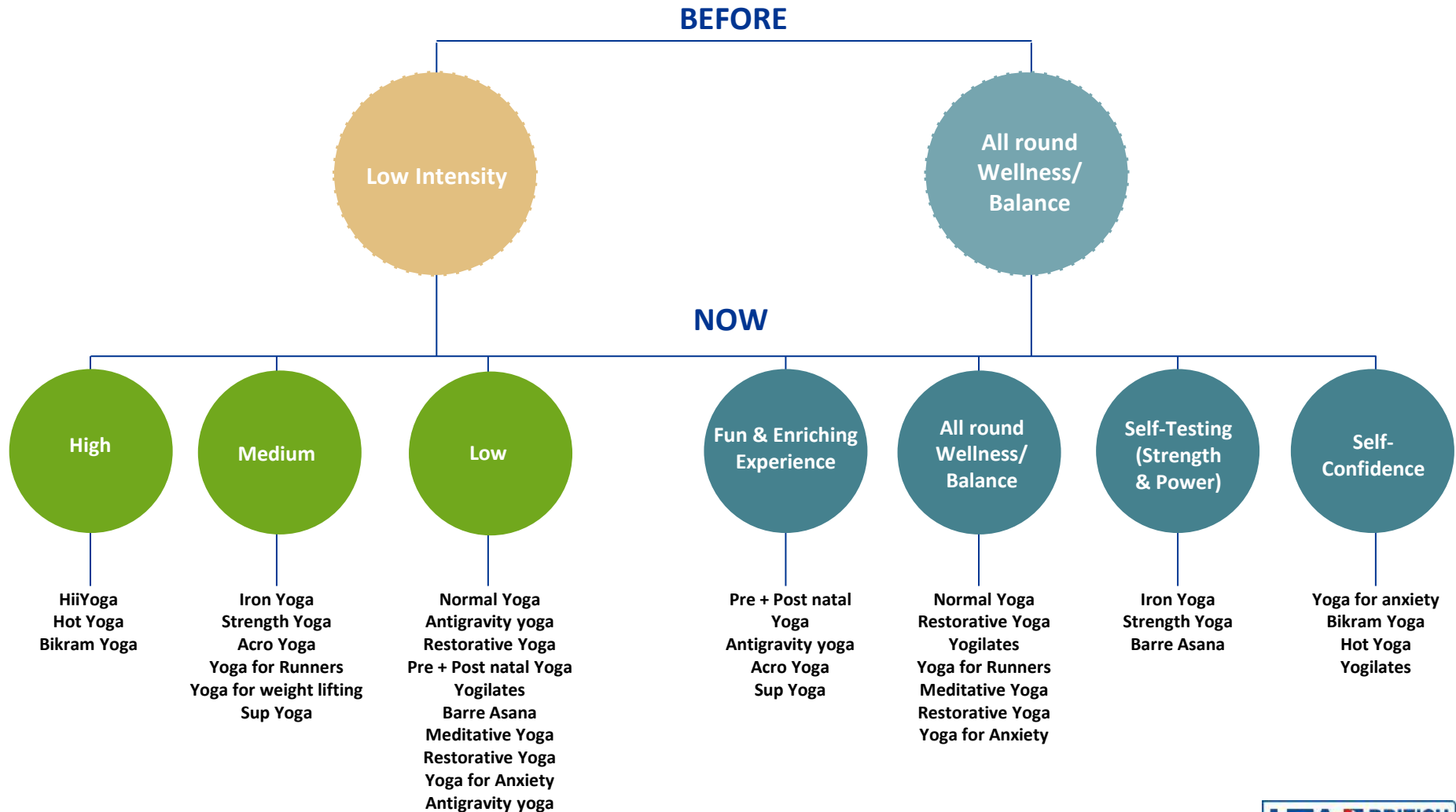
- Fit around busy schedule
- Fit mindset and attitude (*i.e. diet, family*)
- Opportunity to socialise with like-minded people (*i.e. post workout brunch, online*)
- Complementary of other interests and needs (in life and sport) (*i.e.: partnering with brands or other sports that contribute to the same lifestyle*)
- Combination of clothes, food, music, environment, etc.

Yoga, for example, has been at the forefront of driving change in the market...

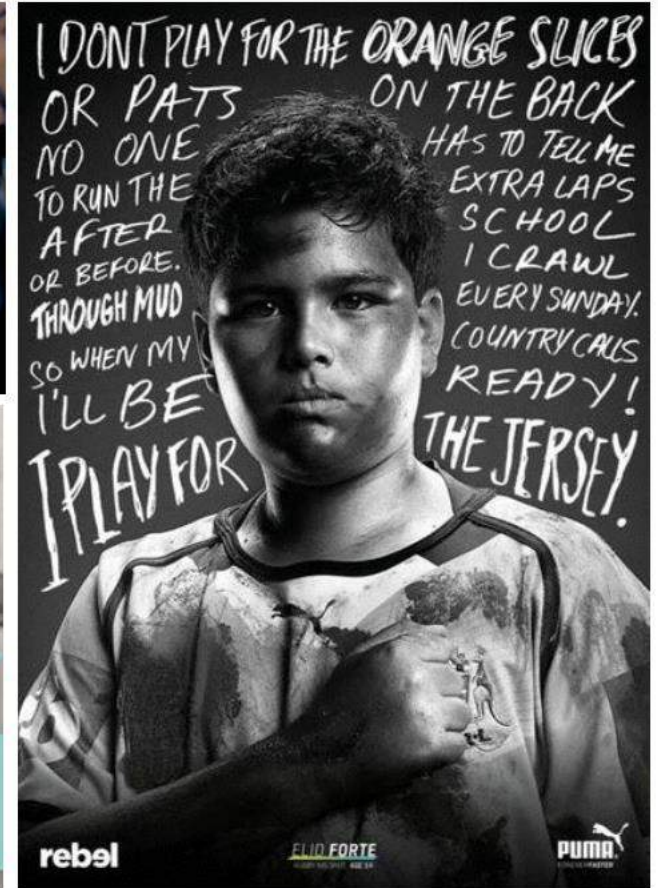
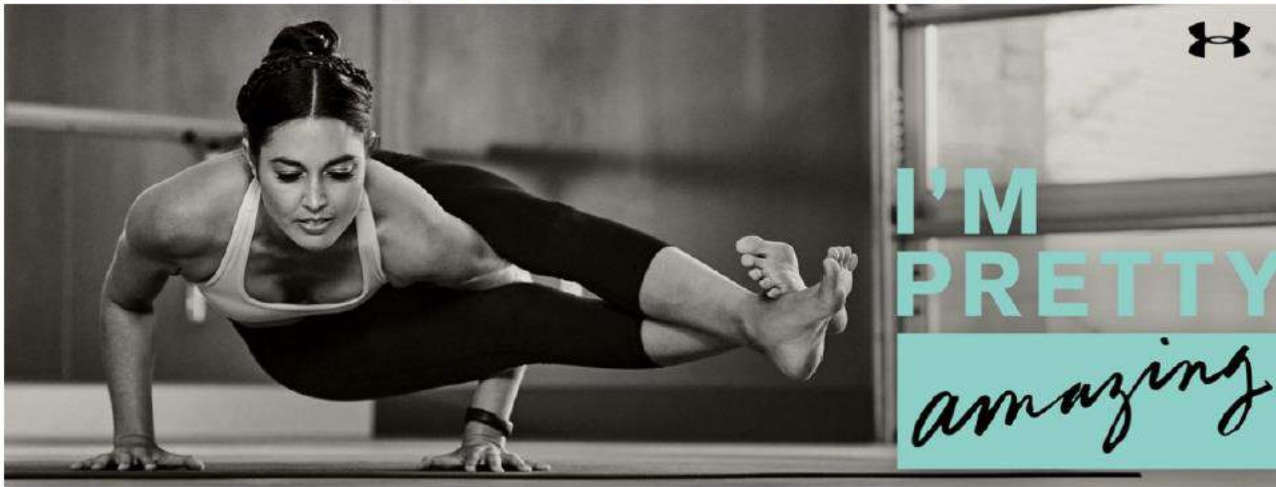
Measuring Success of Group Fitness Classes: Online interest over last decade



...and has diversified to stay relevant : people have felt empowered to drive change and innovate by themselves



Apparel brands are leading the charge: exercise and fashion = athleisure

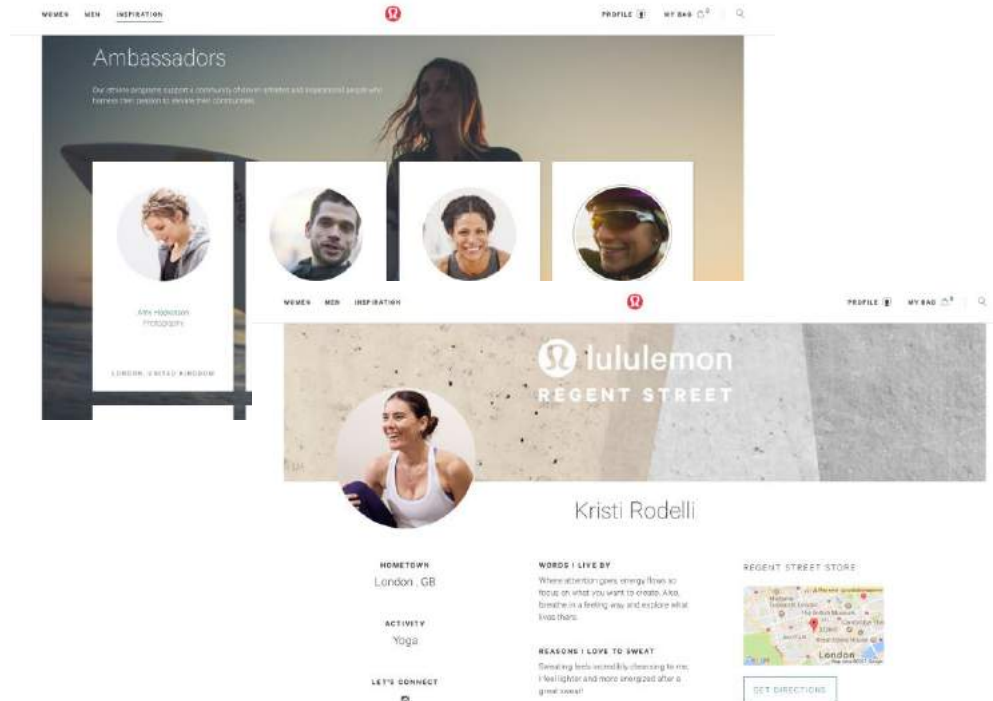
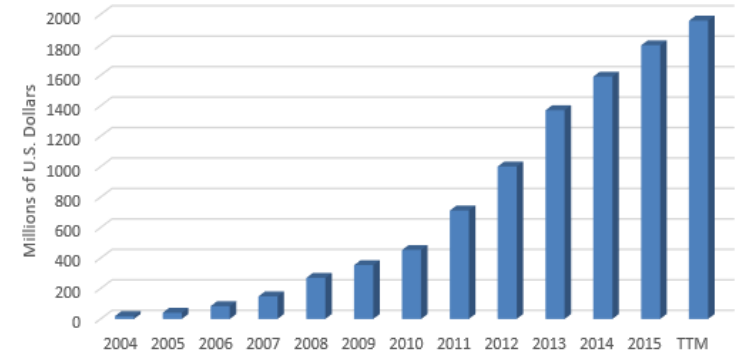


Brands are selling this new definition



- Lululemon focuses on the spirituality, yoga narrative and lifestyle, rather than the products. It's about a lifestyle choice.
- Rebranding yoga to be more accessible and relatable to a wider audience
- Brand partnerships: Taryn Toomey x Lululemon clothing line
- Ambassador programme: global, local and hyperlocal
- Free community fitness classes

Lululemon Athletica Inc. Revenue (Millions USD)



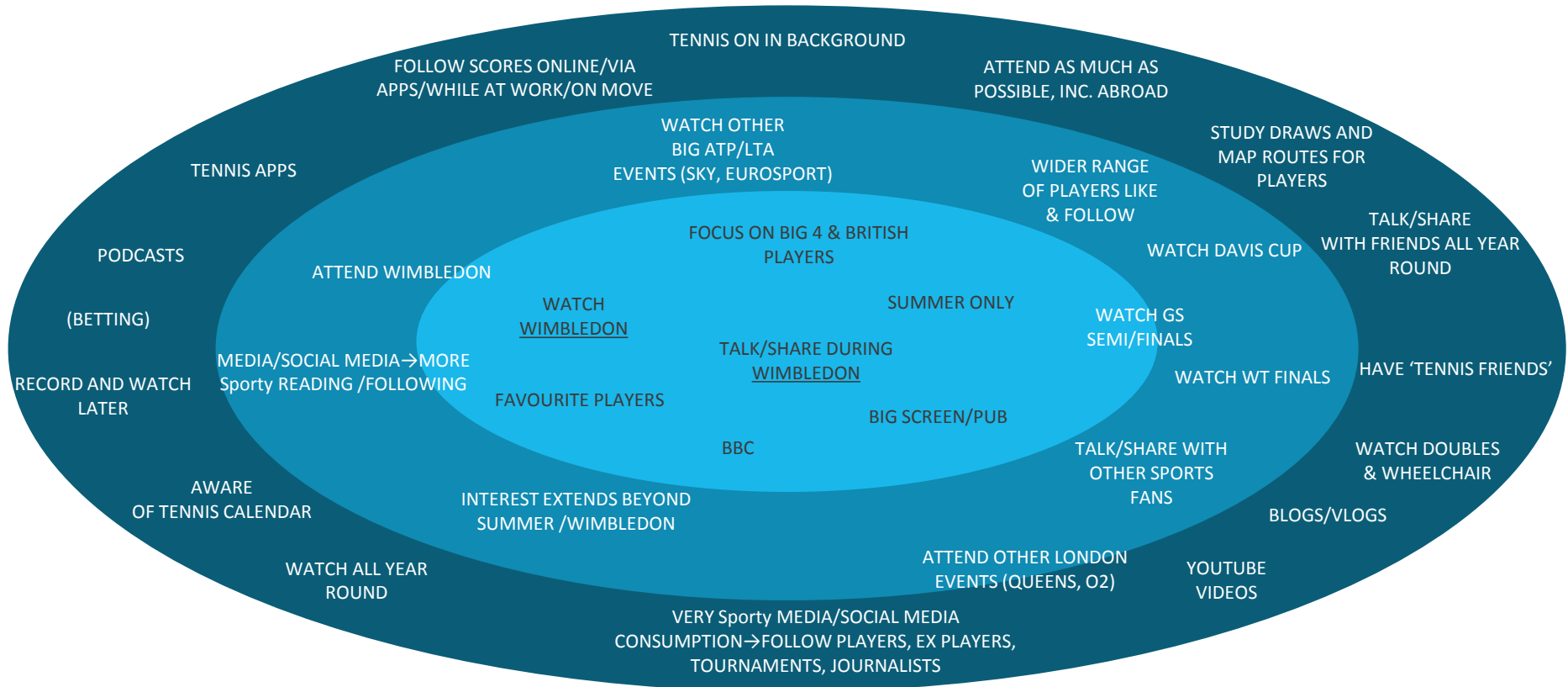
Tennis still has reach and scale

Tennis still has a solid base to grow from

- 4 million people aged 16+ played 1+ times in the last year
 - 1.2 million play monthly
 - 420,000 play weekly

	GB population	People who played 1+ times in the last year
Male	49%	58%
Female	51%	42%
16-24	19%	45%
25-34	12%	16%
35-44	17%	17%
45-54	19%	12%
55-64	13%	5%
65-74	16%	4%
75 and above	5%	1%

Beyond playing, 27 million engage with tennis...20m just during Wimbledon, 7m during the rest of the year



1

HERO WORSHIP

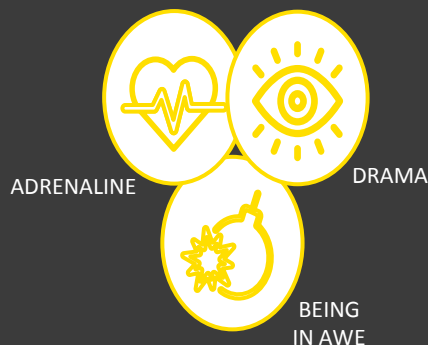
Role models, Sporting rock stars, Rebels – shake things up, Attraction and admiration
In awe of physical and technical prowess, Stamina, all round fitness, Never give up
Nowhere to hide, Individual



2

THE GAME

Tension, drama, excitement, momentum swings, come backs, gladiatorial, epic contests, rivalries

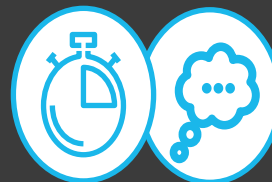


3

ESCAPE

Absorbing/fascinating/addictive. Relaxing, therapeutic

TIME OUT



ESCAPE

4

BRITISHNESS

Uniquely British, Wimbledon, part of British tradition
Supporting British players



5

VALUES

Fair play
Good behaviour
Respect
Not tribal
Played equally by men/women
Sporting



6

RELATIONSHIPS

Big screens, pub, Henman Hill
'With my nan/sister/dad'
Office banter
Watch with my boyfriend
Getting kids involved
RELATIONSHIPS

BONDING



FAMILY

SOCIAL

7

NOSTALGIA

Reminds me of my childhood, history, heritage and tradition

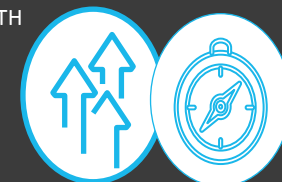


8

PERSONAL GROWTH

Learn about the game
Improve own technique
Technical, Tactical
Players' lives
Gossip

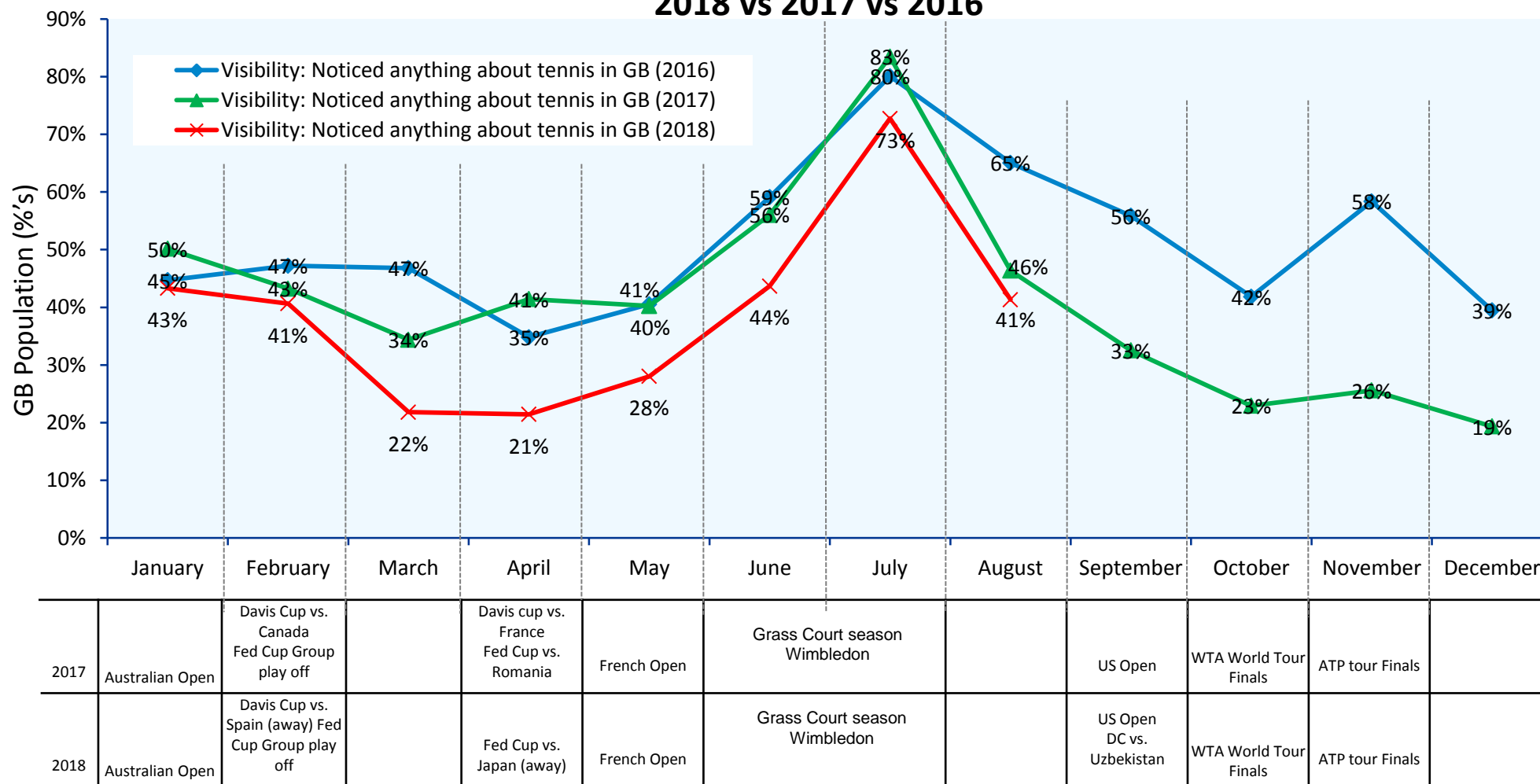
PERSONAL GROWTH



DISCOVERY

The calendar peaks in visibility between May-September, albeit at a lower level than previous years

**Whether seen/heard/read anything about Tennis (in Britain) in the last 4 weeks:
2018 vs 2017 vs 2016**



Players get a huge range of benefits from playing, all of which make the game unique

Social:

Being outside
Spending time with
friends

The Game:

Physical release
Mental release
Satisfaction of progression
Element of competition

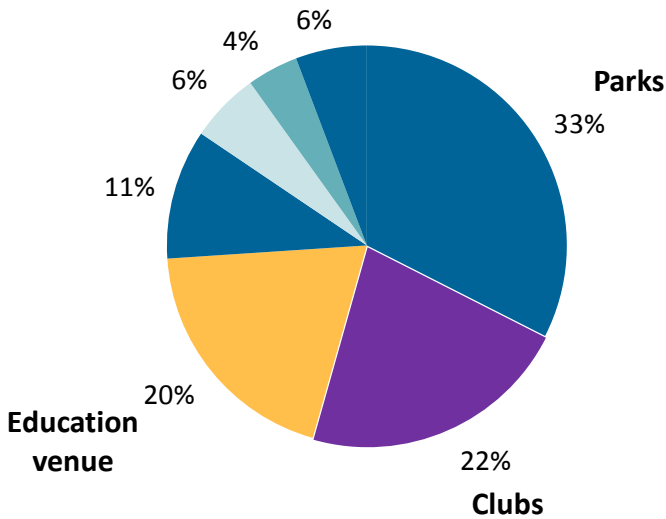


**Clubs are key for growing relevance
and inspiration**

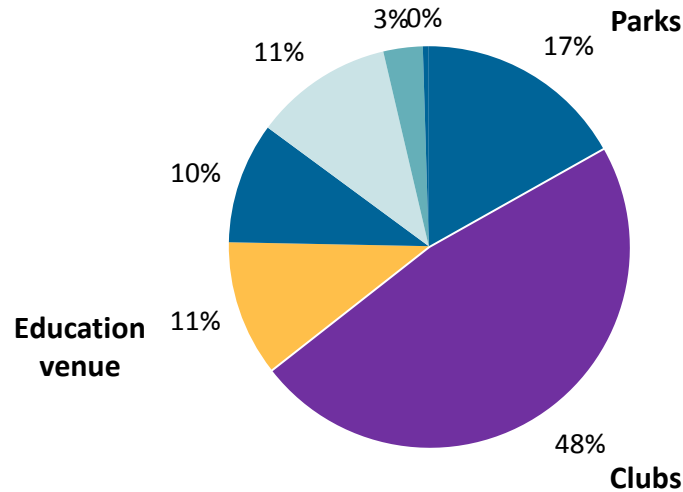
Clubs and Parks the key places people play

Venue played at most by frequency of play

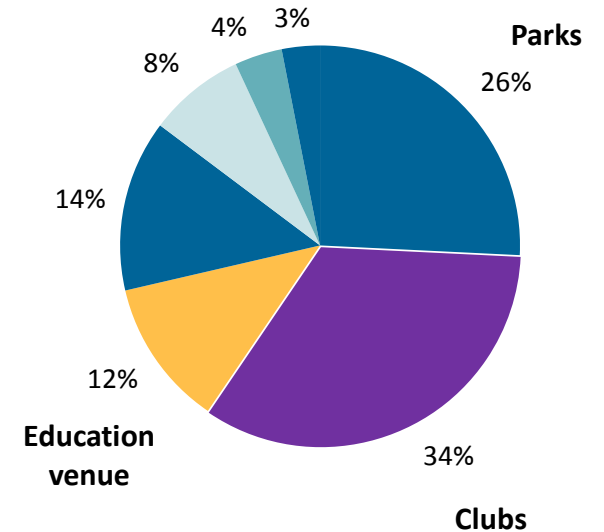
% OF ALL PLAYERS



% OF WEEKLY PLAYERS



% OF MONTHLY PLAYERS



Huge stock of courts across the whole country

Total Number of Tennis Courts in Britain

Total Tennis Courts in Britain*: 23,175



However, many misperceptions of clubs - which have an impact on perceived relevance

Misperceptions abound

Clubs are prohibitively expensive

Clubs don't offer flexible membership options

Clubs are for serious players only, not for "people like me"

Clubs are stuffy – full of codes, rules, elitism and protocol

Clubs are invite only – you need to be recommended to join

Will not "fit in" or be respected

Those who have cancelled membership say it was due to lack of time to devote for the investment required

Clearly an education job to demystify - where clubs are and the membership opportunities they offer

Pay-as-you-go, especially, is cited as an attractive model for club membership

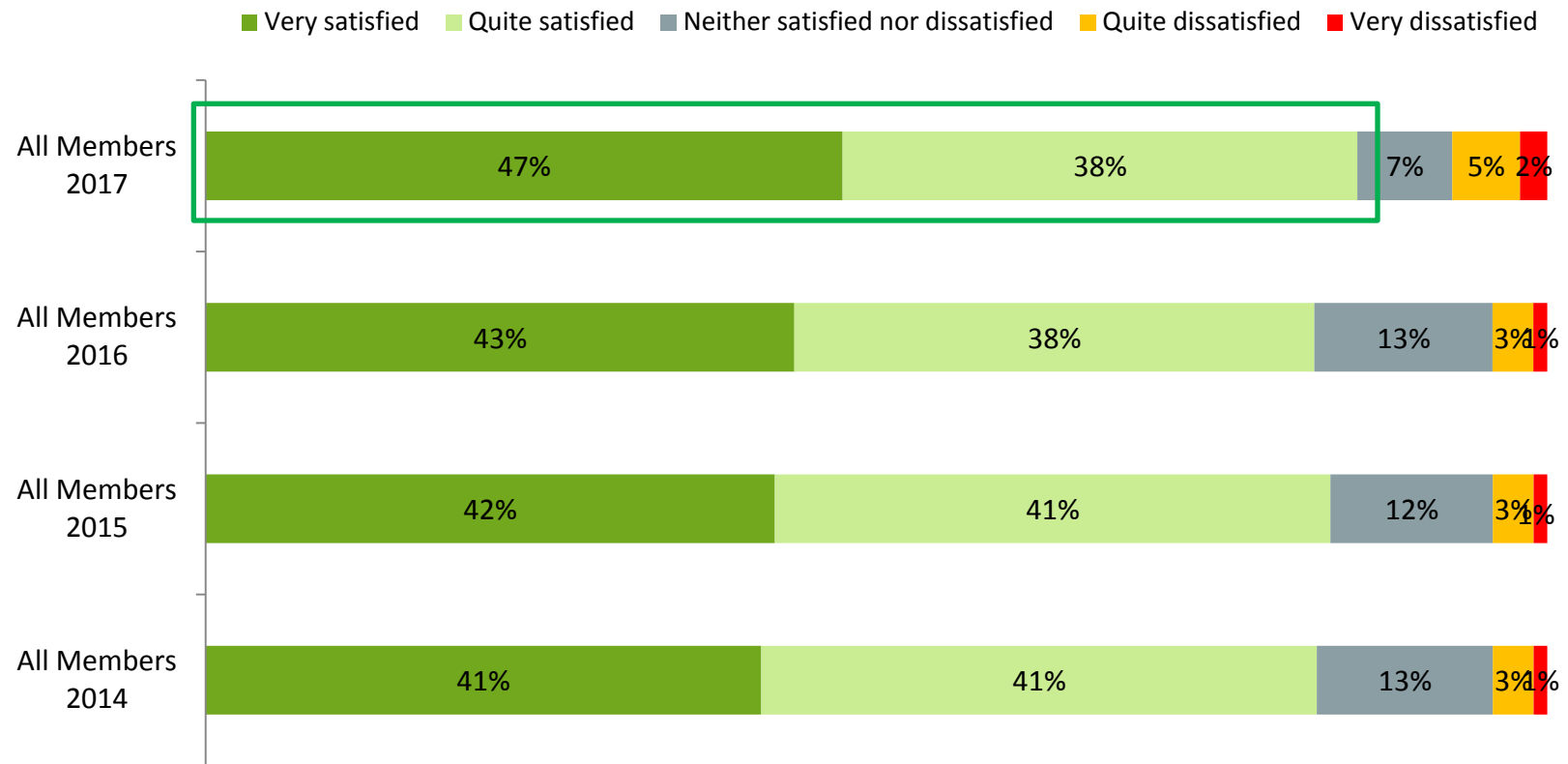
And tennis not seen to be the most convenient option, even among lapsed players...many who need reassurance

Why Lapsed Tennis Players do other sports/activities

- **44%: Easier to organise and take part in locally**
- **33%: Friends and family do the other sport or activity**
- **31%: Better at or more comfortable playing the other sport**

Inside the clubs, however, members say their experience is getting better and better: a real opportunity to grow from

Satisfaction with the overall experience at your club



A real *emotional* sense of belonging to clubs, which builds loyalty, retention, and frequency of visit

73% of club members agree their club makes them feel part of a community

The sense of belonging to something worthwhile.

It's like a second home to me. It's a place to keep fit, have fun, stress-free for a few hours a day/week - keeps me going with everything else in life. I wouldn't want to be without it.

The club is very warm and friendly and open, with a keen ethos on community and encouraging all levels of people to join and play.

But a spectrum of experiences across the clubs with some specific areas members want us to focus on

How welcoming the club is
Court surfaces
Court condition
Ease of getting a court
Coaching
Cost of membership
How well run the club is
Communications

Ease of booking a court
Opportunities to play with different people
Different types of membership available
Opportunities to meet people
Opportunities to get involved
Variety of membership options

Facilities
Number of members
Social scene
Varieties of competition (e.g. box leagues etc)
Club website
Additional/ancillary facilities (e.g. gyms etc)

Some key differences in what different age groups want clubs to prioritise

Top five priorities by club member age

16 to 34	35 to 54	55 to 64	65+
Improve courts (e.g. resurfacing, lights, indoor) or increase number of courts	Improve courts (e.g. resurfacing, lights, indoor) or increase number of courts	Membership Retention	Membership Retention
Run more/different tournaments, box leagues/ladders, and competitions (etc)	Membership Retention	Improve courts (e.g. resurfacing, lights, indoor) or increase number of courts	Membership Growth
Enhance Coaching and Programmes	Membership Growth	Membership Growth	Improve courts (e.g. resurfacing, lights, indoor) or increase number of courts
Membership Growth	Improve, refurbish, or build ancillary facilities (e.g. clubhouse)	Create or enhance the social scene at the club	Improve, refurbish, or build ancillary facilities (e.g. clubhouse)
Membership Retention	Create or enhance the social scene at the club	Improve, refurbish, or build ancillary facilities (e.g. clubhouse)	Create or enhance the social scene at the club

And having *variety* of competition is a key element...

Only attention is given to true beginners/social players and to advanced players. **Players in between are completely ignored.**

All adult social play is doubles – and of variable standard.

It is a lovely tennis club with great members **however they do not promote any competitive tennis at all** which is a shame as. 1) it stops the club gaining new members and 2) demotivates team players.

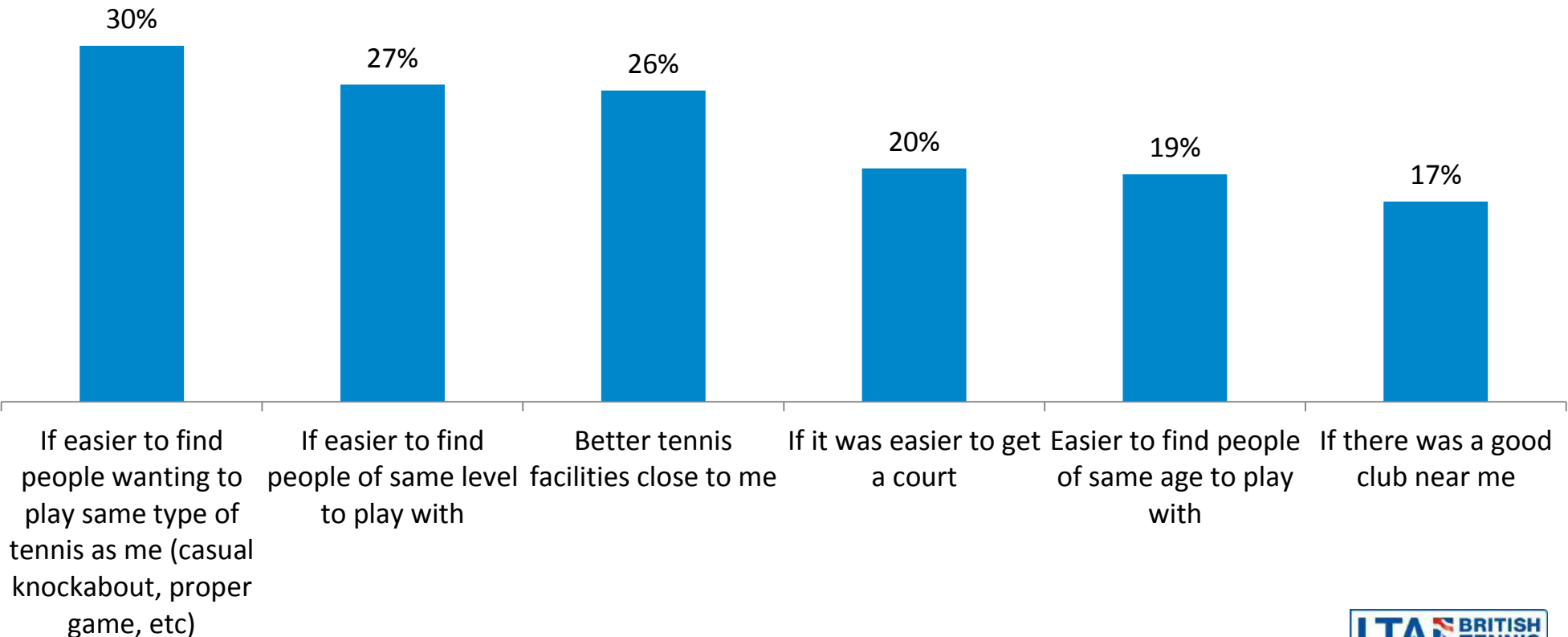
Lack and variety of competition. We run occasional internal leagues but the players competing typically play with each other anyway...

No singles opportunities provided for players that are better than parks tennis leagues but not good enough for County Champs

...as is having ready and easy access to people of the same standard to play with

15% of all lapsed players used to be a member of a tennis club...

Things that would encourage ex-Club members back



**Building on club strengths...meeting
the new challenges of the market**

Summing up in 5 themes: communicating the benefits

1. Maximisation of time

Having an hour and making it count, with easy ways to access and find people to play with

2. Inclusive lifestyle fit

Welcoming and relevant experience, easy routes into tennis, with “people like me”

3. Sport and Life benefit(s)

Variety of options and programmes, communicated clearly, balancing mind and body

4. Seamless and flexible

Easy online journey, ideally with some element of personalisation and options to choose from

5. Emotional belonging and reassurance

Being part of something, with things which make people feel they have made the “right choice”

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