

Engaging the next generation of sports fans in video games and virtual spaces

The search for the elusive next generation of fans has become a key challenge for the sports industry. While a period of on-field or on-track success used to go a long way to securing the lifelong allegiance of younger fans, those same fans are now far more difficult to find, engage and keep hold of.

Younger generations have grown accustomed to consuming bite-sized content across an array of digital platforms such as YouTube, TikTok and Twitch rather than watching full games on linear TV.

To do so, they very often use their smartphones rather than large-screen devices. In fact, *around 85%* of people use a mobile device whilst watching TV, with their attention split between devices. The digital revolution and the way in which young people consume content has created a conundrum for the industry: how can sports clubs find, nurture, and engage the Gen Z and Gen Alpha audiences that hold the key to their future commercial and sporting success?

Shifting loyalties

According to a 2023 report by WPP the media landscape is changing faster than ever, consumer impatience is at an all time high, and the sheer volume of content available means people are interested and subsequently disinterested faster than previous generations. I don't have the hard data, but I'd wager that Fabrizio Romano's X (Twitter) page captured more attention than Sky Sports' Deadline Day Live as the Premier League transfer window *slammed shut*.

Gen Z's dynamic behaviour can be characterised by rapid trends and diverse preferences within a single platform and demographic (GWI 2023). The rise of short-form content on platforms like TikTok, Instagram Reels, YouTube Shorts, and Snapchat Spotlight, coupled with extremely sophisticated algorithms, has revolutionised engagement.

For sports teams and brands, this may take the form of extreme tribalism or, on the other hand, make loyalty a passing fad. Arguably, we're in an era where fandom follows individual superstars first and foremost, meaning attention and possibly even club loyalties can easily be transferred.

Case in point: When Cristiano Ronaldo joined Al-Nassr in Saudi Arabia, the club's Instagram following stood at around 800,000. Today, it's more than 19 million. And I bet very few of us gave Inter Miami a second thought before Leo Messi arrived.

As sentiment and trends swiftly fluctuate, continuous monitoring and adaptation is needed. The need for continuous and hyper targeted messaging to fans and potential fans is more necessary than ever. You'd think that larger clubs with more resources would automatically fare better here, but a UK Football League Fan Engagement Index highlighted that Premier League clubs performed significantly worse than their lower league counterparts in their ability to keep their fanbase engaged.

Gaming revolution

One of the answers to this challenge lies within the realm of video games, a market that's projected to generate a staggering \$187.7M from player spending in 2023 and engage with an estimated 3.38 billion gamers worldwide. This immense audience represents an unparalleled opportunity for sports clubs to extend their reach to existing and new fans and engage with them in innovative and impactful ways. According to market research firm Newzoo, U.S. Gen Z consumers spend 12.2 hours per week playing games – more than they do consuming broadcast TV, subscription services, news and podcasts.

The world's most popular sports are a big draw in gaming, with franchises like FIFA (now EA Sports FC) and NBA 2K enabling fans to experience the thrill of playing as their favourite teams and sports stars. These sports games not only offer an avenue for immersive gameplay and the ability for consumers to directly engage with their favourite clubs, but they also provide an ideal platform for in-game, or 'intrinsic in-game', advertising – which integrate brand messages into the virtual environments. Examples include ads shown on pitch-side hoardings or track-side billboards, just like in real life.

In-game advertising technology allows sports brands to closely track and swiftly adapt to fan behaviours. For example, players could receive in-stadium advertising which is directly relevant to their age, location and preferences, while fans of Manchester United who play as the club in-game could receive messaging with discounts on official merchandise when they win a tournament. Crucially, gaming is the antidote to fragmenting attention, demanding active concentration and inputs from the player, unlike most other forms of entertainment.

An immersive and social future

Non-gaming virtual spaces also hold incredible promise for fan engagement. With augmented reality (AR) and virtual reality (VR) technologies developing rapidly, sports clubs and teams can create unique experiences that bring fans closer to the action. AR technology is already available on smartphones, while an IDC report put global shipments of AR and VR headsets at 8.8 million in 2022. With Apple entering the market with its mixed reality headset Vision Pro, and the Meta Quest 3 on the horizon, the technology could become a major platform in future for immersive experiences for sports organisations.

A recent survey by Deloitte revealed that the future of sports fandom will hinge on clubs and brands alike captivating younger fans with personalised and interconnected digital experiences. Take Manchester City's collaboration with Sony and HawkEye to build the world's first football stadium inside the

metaverse, or NBA's partnership with Meta's Horizon Worlds which enables fans to virtually attend games, sit courtside and interact with other fans around the world, all in real-time. The same brand also partnered with Google Pixel to offer a 3D game day experience within its mobile app.

Offering live broadcasts in VR is another way sports clubs and leagues can not only deliver a hyper-personalised experience for each fan, but also make watching games from a distance a social event. An estimated 61% of Gen Z fans say they watch live sports with other people, compared to 53% of Generation X and 48% of Boomer fans (Deloitte, 2023). Meanwhile, around half of Gen Z fans say they have used social media while watching live sports, either to read comments and opinions or to interact directly with others, reinforcing the significance of these platforms as crucial touchpoints for fan engagement.

Forging new and lasting connections

The future of sports fandom lies at the intersection of video games, virtual spaces, and social media. The potential to create personalised and immersive experiences through these mediums is unprecedented - thanks to their enormous and often highly engaged audiences - and offers sports clubs exciting new ways to connect with a new generation of fans.

But while embracing these mediums presents an array of opportunities, they also need to be handled with finesse. To effectively engage the next generation of sports fans, clubs must recognise that authenticity and relevance are key to success. Audiences, particularly the younger Gen Z and Gen Alpha demographics, are inherently attuned to disingenuous efforts.

As we venture into this new frontier, sports organisations must be willing to innovate through new experiences to forge lasting connections that transcend generations and shape the future of sports fandom.

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