

BLOG REPORT

Gen Z & Alpha Are Here: Your Data & Security Deficit is Their Monetisation Exit



The Data-Driven Future of Sports: Monetizing the Next Generation of Fans

The landscape of sports consumption is undergoing a radical transformation, driven by technological advancements and the evolving preferences of younger generations. Our blog synthesizes insights from recent analyses highlighting the pervasive "second screen" phenomenon and the broader "viewing revolution" among European sports fans.

These trends underscore a critical imperative for sports properties: a fundamental shift towards becoming data-centric organizations. Whilst 'in-stadium' digital immersive offerings have matured in North American sports leagues, the fundamental challenges hindering global fan base monetization outcomes in European football lie in the lack of data maturity and the insufficient adoption of cybersecurity best practices. This is often rooted in a lack of funding prioritization for i) essential technology platforms, ii) operational processes, and iii) skilled personnel, making it difficult to articulate a compelling business case and ROI, leaving many organizations in a precarious status quo 'malaise'.

To effectively engage and monetize Gen Z and Alpha fans, sports properties must secure explicit buy-in and ownership from the C-suite to build robust data infrastructure, implement sophisticated AI and cybersecurity strategies across the enterprise, and confidently leverage diverse data sources, including synthetic data. This transformation is essential for delivering hyper-personalized fan experiences, maximizing customer lifetime value (CLV), and unlocking the vast monetization potential of their global social media fan bases.

This shift is not just about technology, which is actually the easy part of the transformation equation. It's a fundamental organisation and cultural 'pivot' which requires strong, 'hands on' C-suite leadership and a recognition that there are no shortcuts or magical 'AI pixie dust' on the journey to their target state. Based on our private sector insights, we can confidently provide context that many organisations fail. They 'talk the talk' but fail to execute the complex, challenging journey. However, for organisations with effective committed leadership and supportive boards who seek to pioneer data centricity throughout the enterprise, the rewards are enormous.

This blog outlines a strategic roadmap for sports properties, particularly the top 20 European football clubs, advocating for a target revenue mix that embraces digital immersive fan experiences alongside traditional revenue streams. The future of sports revenue demands a decisive pivot towards data-centricity, recognizing that the path of inaction is the path to failure.

The Evolving Fan Landscape: A Two-Screen Reality

The digital age has irrevocably altered how sports fans consume content. The article "80% of Sports Fans Use a Second Screen" starkly illustrates this new reality. The overwhelming majority of fans are no longer passive viewers; they are actively engaging with multiple devices simultaneously while watching live sports. This "second screen" behavior encompasses a wide range of activities, from checking real-time statistics and engaging in social media discussions to participating in fantasy leagues and exploring related content.

This phenomenon signifies a fundamental shift in attention and engagement. Fans are not solely focused on the primary broadcast; their attention is fragmented and fluid. Sports properties that fail to acknowledge and cater to this multi-screen reality risk losing the attention and, ultimately, the

engagement of a significant portion of their audience. This behavior is particularly pronounced among younger demographics, who have grown up in a digitally saturated environment and seamlessly integrate multiple screens into their daily lives.

The Viewing Revolution: Beyond the Traditional Broadcast

Building upon the second-screen trend, ["The Viewing Revolution: How European Sports Fans Are Changing The Game"](#) provides a broader perspective on the evolving consumption habits of sports enthusiasts. This article highlights a move away from traditional, linear broadcasting towards more dynamic, personalized, and on-demand experiences. European fans, particularly the younger generations, are increasingly seeking content that is:

- **Accessible on their preferred platforms:** They expect to engage with sports content on social media, streaming services, and dedicated apps, not just traditional television.
- **Available when they want it:** Live events remain crucial, but there's a growing demand for highlights, behind-the-scenes footage, and other content that can be consumed at their convenience.
- **Delivered in engaging and authentic formats:** Short-form video, interactive content, and user-generated content resonate strongly with Gen Z and Alpha fans who value authenticity and immediacy.

This "viewing revolution" demands a paradigm shift from sports properties. They can no longer rely just on traditional broadcasting deals. To stay relevant & capture the attention of future generations, they must embrace a multi-platform content strategy that caters to the diverse consumption habits of their fan base.

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Digital Darwinism in Sports: Lose the Analogue Mindset and Wake Up to Monetising Gen Z and Alpha Fans



Our thought leadership article: [Digital Darwinism in Sport: Lose the Analogue Mindset and Wake Up to Monetising Gen Z and Alpha Fans - TIAKI](#), highlights the shift from an "analogue mindset" to a digitally native approach is no longer optional; it's existential.

Our analysis describes how the traditional sports viewing experience is being fundamentally reshaped by the digital expectations of Gen Z and Alpha, who demand instant, personalized content.

Sports properties must abandon outdated, historical approaches and embrace personalized, short-form content and immersive digital experiences to capture these new audiences.

Adapting to this digital shift is crucial for sports properties to unlock new revenue streams and remain relevant in the evolving sports landscape.

Data Has Become The 'Social Currency' to Attract, Engage And Retain Sports Fans

In this evolving landscape, data is no longer a peripheral asset; it is the lifeblood of successful sports properties and the 'social currency' to engage Gen Z and Alpha fans. To effectively navigate the complexities of multi-screen engagement and the viewing revolution, these organizations must undergo a fundamental transformation into data-centric entities. This requires more than just collecting data; it demands a strategic and holistic approach to data management, analysis, and utilization across all aspects of the business.

C-Suite Buy-in and Ownership: Setting the Tone from the Top:

The transition to a data-centric model cannot be a siloed initiative. It requires explicit buy-in and active ownership from the highest levels of the organization, starting with the C-suite. The Chief Executive Officer (CEO) and other key executives must champion the importance of data in achieving strategic objectives, from fan engagement and monetization to operational efficiency and competitive advantage. This top-down commitment will ensure that data becomes a core pillar of the organization's culture and decision-making processes.

Building a Secure Data Infrastructure at Scale:

A data-centric organization requires a robust and secure data infrastructure capable of handling vast volumes of data from diverse sources. This includes investing in technologies and processes for data collection, storage, processing, and analysis. Crucially, security must be paramount. With increasing data privacy regulations and the potential for significant reputational damage from data breaches impacting fans and athletes, sports properties must prioritize cybersecurity at every stage of their data journey. This includes implementing robust security protocols, investing in talent and technology, and fostering a culture of security awareness across the organization. Cybersecurity is no longer an irritating cost item, that's a reactive low agenda item. It cannot be a non-strategic item that is considered only post breach or post non regulatory compliance audit. It can no longer be delegated to middle management. If CEOs continue to stubbornly pursue such out-dated complacent mindsets, then it's certain their businesses will become victims to a cybercriminal attack.

4. Monetizing Gen Z and Alpha: A Data-Driven Approach

Gen Z and Alpha consumers represent the future of the sports fan base. However, their digital native status and distinct consumption preferences necessitate a fundamentally different approach to engagement and monetization. Generic marketing campaigns and traditional outreach methods are unlikely to resonate with these digitally savvy and authenticity-seeking demographics.

The Power of Personalization: Exceeding Expectations:

To capture the attention and loyalty of Gen Z and Alpha fans, sports properties must deliver hyper-personalized experiences that exceed their expectations. This requires a deep understanding of individual fan preferences, behaviors, and consumption patterns, which can only be achieved through the effective collection and analysis of data. By leveraging data insights, sports properties can tailor content, offers, and interactions to individual fans, delivering value that resonates with their specific interests and

needs. This includes providing content on their preferred platforms, at their preferred times, and in formats that align with their consumption habits (e.g., short-form, authentic video).

The Strategic Deployment of Data, AI, and Cybersecurity:

Achieving hyper-personalization at scale requires the effective deployment of data strategy, AI strategy, and cybersecurity strategy across the enterprise.

- **Data Strategy:** This encompasses the overall vision for how data will be used to achieve business objectives. It includes defining data governance frameworks and data operating models, establishing data quality standards, and identifying key data sources and analytical capabilities.
- **AI Strategy:** Artificial intelligence (AI) and machine learning (ML) are crucial for analyzing vast amounts of fan data to identify patterns, predict behavior, and automate personalized interactions. This includes using AI for content recommendation engines, targeted advertising, dynamic pricing, and personalized communication.
- **Cybersecurity Strategy:** As sports properties become more reliant on data, a robust cybersecurity strategy is essential to protect sensitive fan information, maintain trust, and comply with data privacy regulations. This includes implementing security controls, conducting regular audits, and training employees on cybersecurity best practices. Essential when the AI-augmented cybercriminals can now exponentially increase complexity and volume of their attacks.

Leveraging Diverse Data Sources: Unlocking Deeper Insights

To gain a comprehensive understanding of their fan base and deliver truly personalized experiences, sports properties must be adept at leveraging various data sources.

The Confidence to Utilize 3rd Party and 2nd Party Data:

While 1st party data (data collected directly from fans) is invaluable, 3rd party data (data aggregated from various external sources) and 2nd party data (data shared by trusted partners) can provide valuable contextual insights and expand the understanding of fan behavior and preferences. Chief Commercial Officers (CCOs), Chief Data Officers (CDOs), and Chief Marketing Officers (CMOs) must be confident in navigating the complexities of these data sources, ensuring compliance with privacy regulations and utilizing them ethically and effectively to enrich their understanding of their target sports audience.

The Strategic Use of Vast Amounts of Synthetic Data:

Synthetic data, artificially generated data that mimics the statistical properties of real data, presents a powerful opportunity for sports properties. It can be used to augment existing datasets, overcome 1st party data scarcity challenges, and develop and test AI models without compromising the privacy of real fan data. CMOs can leverage synthetic data to train their marketing models, simulate campaign scenarios, and identify optimal targeting strategies before launching outbound marketing campaigns, thereby maximizing conversion and attention.

Embracing Customer Lifetime Value (CLV): A Long-Term Perspective

Historically, sports properties have often focused on short-term gains, such as individual ticket sales or sponsorship deals. However, to achieve sustainable growth and maximize the value of their fan base, they must fully embrace the concept of Customer Lifetime Value (CLV). CLV represents the total revenue a customer is expected to generate over their entire relationship with the sports property.

By focusing on CLV, sports properties shift their focus from transactional interactions to building long-term relationships with their fans. This requires understanding the factors that drive fan loyalty and engagement, investing in personalized experiences that foster deeper connections, and actively working to reduce churn. A data-centric approach is key to maximizing CLV, as it enables sports properties to identify high-value fans, understand their needs, and tailor offerings to cultivate lasting relationships.

Converting Social Media Fans to Monetisable Assets: The First-Party Data Imperative

Many sports properties boast massive social media fan bases. However, the challenge lies in effectively monetizing these followers. While social media provides valuable reach and engagement opportunities, it often lacks the rich first-party data necessary for personalized marketing and direct revenue generation.

To bridge this gap, sports properties must implement strategies to convert social media followers into accurate first-party data. This can be achieved by:

- **Acquiring Fee-Paying Fans:** Offering exclusive content, early access, discounts, or other premium benefits in exchange for paid subscriptions or memberships.
 - **Offering Value Propositions:** Providing valuable content, experiences, or services that incentivize fans to share their data willingly. This could include personalized content recommendations, interactive games, or exclusive access to behind-the-scenes content.
 - **Ensuring Low Churn Rates:** Once fans are converted to first-party data sources, it is crucial to maintain their engagement and loyalty by consistently delivering value and personalized experiences. High churn rates undermine the efforts to build a valuable first-party data asset.
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The Gen Z and Alpha Fan Monetization Paradox in Global Sports



Our thought leadership article: [The Gen Z and Alpha Fan Monetization Paradox in Global Sports - TIAKI](#), highlights the challenges the global sports industry faces in capturing the attention and spending of Gen Z and Alpha fans due to their fragmented consumption habits across digital platforms.

Sports properties struggle to acquire meaningful first-party data from these digital natives, hindering their ability to establish profitable engagement models.

The esports industry, with its data-centric approach and direct digital engagement, serves as a contrasting example, highlighting the importance of investing in data infrastructure and personalized offerings to effectively monetize younger fans.

Delivering Hyper-Personalized Experiences for Gen Z & Alpha: On Their Terms

As highlighted earlier, Gen Z and Alpha fans have distinct expectations for their digital experiences. To effectively engage with these demographics, sports properties must deliver hyper-personalized experiences that align with their preferences:

- **On Their Platform:** Content and interactions must be available on the social media platforms, streaming services, and other digital channels where these fans spend their time.
- **When They Want It:** Real-time engagement during live events is important, but so is the availability of on-demand content that can be consumed at their convenience. Pre-game and post-game content is becoming critically important.
- **How They Want It:** Short-form, authentic video content, interactive polls and quizzes, user-generated content, and immersive experiences (e.g., augmented reality) resonate strongly with these generations.
- **With Short Form Authentic Content:** Gen Z and Alpha fans value authenticity and immediacy. Polished, overly produced content often falls flat. Short, engaging, and authentic content that feels genuine and relatable is far more effective.

Avoiding Generic Approaches: The Authenticity Test

One of the biggest pitfalls for sports properties attempting to engage Gen Z and Alpha fans is the deployment of generic marketing campaigns and inauthentic content. These digitally savvy consumers have a highly developed "authenticity radar" and will quickly disengage from brands that they perceive as inauthentic or out of touch.

Personalization must go beyond simply addressing fans by name. It requires a deep understanding of their individual interests, passions, and values. Content and messaging must feel genuine and relevant, reflecting the authentic voice and values of the sports property while resonating with the individual fan. Failure to meet this authenticity test will likely result in these valuable demographics moving away in protest, seeking more genuine and engaging experiences elsewhere. Digital loyalty is ruthlessly transient and can shift in a 'heartbeat'.

The Fundamental Challenges: Data Maturity, Cybersecurity, and Funding Prioritization

While the technology for delivering digital immersive offerings has matured, as evidenced by successful deployments in North American sports leagues over the past few years, European football clubs face fundamental internal challenges that hinder their progress towards effective monetization of their global fan bases. The primary obstacles are:

- **Lack of Data Maturity:** Many sports organizations in Europe suffer from a lack of data maturity. This includes underdeveloped data strategies, fragmented data silos, poor data quality, and a

shortage of skilled data professionals. Without a solid foundation of data management and analytics capabilities, it is impossible to effectively understand fan behavior, personalize experiences, and measure the ROI of digital initiatives.

- **Insufficient Adoption of Cybersecurity Best Practice:** The increasing reliance on digital platforms and the collection of vast amounts of fan data make cybersecurity a critical concern. However, many sports organizations lag in adopting industry best practices for protecting sensitive information. This exposes them to significant risks, including data breaches, reputational damage, and legal liabilities, ultimately undermining fan trust and hindering monetization efforts.
- **Lack of Funding Prioritization:** A significant underlying cause of the data maturity and cybersecurity deficits is often the lack of funding prioritization for building the necessary technology platforms, operational processes, and upskilling personnel. Sports organizations may struggle to allocate sufficient resources to these areas, particularly when faced with competing priorities and the perceived challenges of articulating a clear and compelling business case and ROI for these investments.

Consequently, many European sports organizations find themselves "stuck in a rut," clinging to the status quo despite the clear trends in fan consumption. This inertia is a dangerous path, as it risks alienating the next generation of fans and failing to capitalize on the significant revenue opportunities presented by digital immersive experiences. The success of North American leagues demonstrates that the technological barriers have largely been overcome; the critical bottleneck now lies within the organizational readiness of European sports properties.

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Protecting the Digital Fan Goldmine: Safeguarding Immersive Revenue in the Age of AI Cybercrime



 **TIAKI**

In our separate Blog Report, [Protecting the Digital Fan Goldmine: Safeguarding Immersive Revenue in the Age of AI Cybercrime - TIAKI](#), we highlight 5 potential AI attack vectors and the potential impact on the top 10 European football clubs, and their fan base of 2.3 billion social media followers.

A Recommended Target Revenue Mix:

Considering the evolving fan landscape, the proven potential of digital immersive offerings in other markets, and the need to overcome internal challenges, this blog provides a **strategic target state revenue mix for the top 20 European football clubs to maximize their long-term growth and profitability**:

- **50% Legacy Revenues:** This includes traditional revenue streams such as matchday income (ticket sales, hospitality), commercial revenues (sponsorships, partnerships), and broadcasting revenues. While these remain significant, their proportion of the overall revenue mix is expected to decrease as digital opportunities expand.
- **15% E-commerce Revenues:** This encompasses online retailing and merchandising, leveraging the global reach of their fan bases to sell merchandise, apparel, and other branded products directly to consumers. A data-driven approach to e-commerce, including personalized product recommendations and targeted promotions, will be crucial for maximizing this revenue stream.
- **35% Digital Immersive Fan Experience Revenues:** This represents the significant growth potential in monetizing global social media fan bases through innovative digital experiences. This includes:
 - **Direct-to-consumer (D2C) content subscriptions:** Offering exclusive content, behind-the-scenes access, and interactive experiences for a fee.
 - **Virtual and augmented reality experiences:** Creating immersive ways for fans to engage with the club and its players.
 - **Interactive fan platforms:** Building dedicated digital communities that foster engagement and provide opportunities for monetization.
 - **Microtransactions and digital collectibles:** Offering virtual goods, NFTs, and other digital assets for purchase.
 - **Personalized digital advertising:** Leveraging first-party data to deliver targeted and relevant advertising within their digital ecosystems.

Achieving this target revenue mix necessitates a fundamental shift in organizational priorities, with significant investment in data infrastructure, cybersecurity capabilities, and the development of compelling digital immersive experiences. Overcoming the current inertia and embracing a data-centric future is not merely an option; it is a necessity for long-term success in global sports.

Conclusion:

The future of sports belongs to those who decisively embrace the power of data and prioritize the digital engagement of the next generation. While technological solutions are readily available, the fundamental challenges of data maturity, cybersecurity adoption, and funding prioritization within European sports organizations must be addressed urgently.

The trends highlighted in ["80% of Sports Fans Use a Second Screen"](#) , ["The Viewing Revolution"](#) and [The Gen Z and Alpha Fan Monetization Paradox in Global Sports - TIAKI](#) are undeniable.

To thrive in this evolving landscape, sports properties must overcome their internal hurdles, foster a data-centric culture driven by C-suite leadership, and commit to delivering secure, personalized, and immersive experiences at scale.

The recommended target revenue mix underscores the critical imperative of embracing digital innovation as a core driver of future revenue. Continuing down the path of the status quo is a path to failure for sports organisations in North America and in Europe; the time for decisive action and strategic investment in a data-driven future is now.

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David is the Founder & Managing Partner at TIAKI, a niche consulting practice helping executive leadership in sport make confident, informed decisions on their risks, investments and business outcomes powered by secure 'data-at-scale'. He collaborates with bold and determined leaders in the sports ecosystem to define their data, AI and cybersecurity strategies to deliver sustainable value.

David's vision for TIAKI is to empower sports franchise CEOs, leadership teams, sports media broadcasters and investors in the global sports industry with strategic advisory frameworks to deliver secure, pioneering digital fan experiences and new ecosystem business models to achieve breakthrough returns.

David has over 20 years of strategy and technology enabled business transformation experience, providing consulting expertise in cloud native technologies, data strategy, digital business enablement and cybersecurity strategy. He is passionate about helping talented leadership teams succeed in securely growing their differentiated business models in the data-driven, digital sports economy.

Based in Stockholm, David previously worked for IBM Consulting, EY, Accenture Strategy and Orange Business. He studied Chemistry at Durham University and holds an MBA from Trinity College, Dublin Business School.

