



Market Report

Sports in the Metaverse

Will the Metaverse take Fan Engagement to the next level?



December 2022

Foreword

3.6 billion people watched the FIFA World Cup in 2018 - more than half the world's population. Every four years the world comes together to celebrate a global event - the final alone drew 1.1 billion viewers across all time zones... The World Cup offers people a brief mental escape away from political turmoil, global crises and personal problems. More generally, sports has been a connector for centuries, abstracting competition to a single discipline, regardless of culture, origin, gender, age, and wealth.

This is the power of sports and the reason why we all love it.

And here we are again: December 2022, the FIFA World Cup in Qatar. Everyone is cheering for their favourite national team and eager to see who will be the next world champion. Although there have been mixed views in the run-up to this particular World Cup, in this report we want to focus on the phenomenon of sport itself and its unique power to inspire crowds that will never change.

However, the way we consume sports and engage with clubs, teams, and athletes has changed drastically over the last decade. With this report we want to reflect on the more recent developments, identify the role of web3 and blockchain technology in this evolution, take a stand on where we are today and how the next world cups might already look different in four or eight years from now.

On the business side, we have seen the emergence of large sports empires - brands, applications and investors - that benefit from greater geographical reach, but also from the ability to transform sports brands into something much bigger, lifestyle brands. The sports segment is rapidly catching up with established industries and emerging as a group of innovation-driven players. This environment invites entrepreneurs to take the area of sports entertainment and fan engagement to the next level.

Let's go - the world is watching!

Sports Metaverse Sponsor:



LootMogul is an athlete-led sports metaverse that is powered by virtual real estate, training academies, blockchain games, meta shops for athletes, and brands with in-real-life (IRL) rewards.

1. **Athletes own land, studios, stadiums, and experience hubs to generate lifetime royalties by engaging with fans through Learn&Earn and Play&Earn models.**
2. **Fans engage with their idols to learn new skill sets, earn rewards and gain access to real-world VIP events & limited edition merchandise.**

LootMogul is expanding the web3 community by bringing web 2 gamers and sports fanatics to the metaverse.

LootMogul has currently signed up **200+ professional athletes as well as 16 sports leagues from NBA, WNBA, NFL, MLB, UFC, etc.**, under a two-year contract. Additionally, LootMogul is in the process of onboarding 1.5M+ high-school and college athletes. LootMogul's total reach through players is 80M+. LootMogul is live, generating significant monthly revenue, and is cash flow positive.

Goldman Sachs & McKinsey expect Metaverse commerce and gaming to reach \$5 and 8+ trillion, respectively, by 2030. **LootMogul is uniquely positioned to capitalize on this opportunity with their focus on Sports, Commerce, and True-In-Real-Life (TIRL) rewards for fans, athletes, and brands.**

You can find more info on the company's traction, company news, and community growth here: [!\[\]\(e474458956c9a37fbf9586ddb60a7fa1_img.jpg\) Corporate News](#) [!\[\]\(4d1d3f2547aeece54bb6babd23f4121b_img.jpg\) Community](#) [!\[\]\(ec45aa71601db5755c5e2662ad427708_img.jpg\) Press Releases](#)



SPORTS METAVERSE
AND WEB 3.0,
CREATED BY ATHLETES FOR ATHLETES

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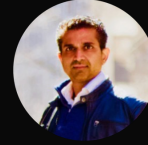
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A huge thank you to each and every one of you!

About Us

web3 Studios (“w3s”) is an investment banking firm exclusively focused on companies building the open economy.

Founded by Blackstone and McKinsey alumni, we provide a full spectrum of financial advisory services to DAOs and web3 organisations :

- **Mergers & Acquisitions:** Execution of buy- and sell-side processes, acquisition strategy & market intelligence
- **Financing:** Structuring and execution of growth capital raising and financing processes
- **DAO Finance:** Strategic financial advisory services for DAOs

We are on a mission to establish institutional-grade financial services in the web3 world.

Want to become part of our journey?

- **Open Roles:** We are hiring - reach out directly and become part of the w3s family!
- **Fellows:** Apply to our top-talent program for students, graduates, and young professionals leaping into web3.

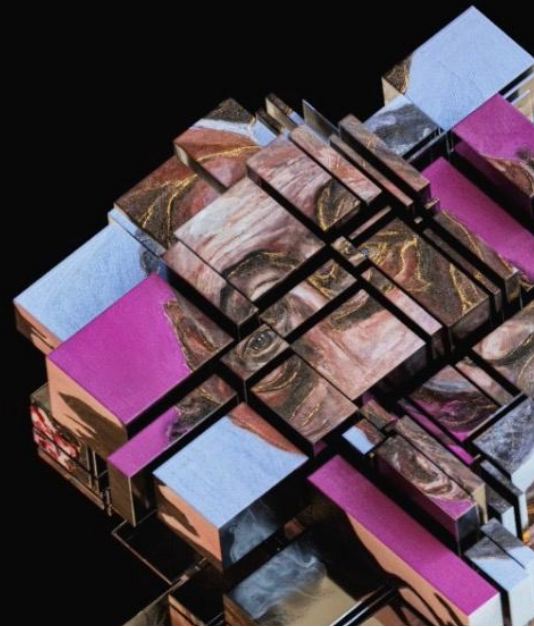
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Executive Summary

The more time we have spent researching and exploring the sports metaverse space, the clearer our conclusion became: sport as an industry is at an inflection point in terms of commercialisation and fan engagement. The intersection with web3 and NFTs is set to benefit disproportionately from this trend and be the catalyst for future growth.

We forecast the sports metaverse space may generate more than \$80bn by 2030.

Sport has entered the entertainment sector and is managed by sophisticated organisations and institutions. To unlock their full potential, they face the following challenges:

- A drastic and fast-paced **evolution in consumption pattern**
- An increasingly **demanding and harder-to-engage fan base**
- A **technological landscape** that is impossible to keep track with

By addressing these core issues, web3 founders and projects have made a name for themselves and created a vibrant landscape, which we have divided in several segments:

Web3 Sports Landscape



Executive Summary

The metaverse itself is a huge opportunity for the world to add a new layer of human interaction to society. For sports specifically, it could create access points and virtual experiences for new audiences. This is not mutually exclusive with the joy of physical interaction of sports, but rather an extension that will allow for more inclusion across the industry. E-Sports is the best showcase for this: following the increased demand in purely digital competitions, especially among the younger generations, the sector has experienced enormous growth. And while the sport is happening entirely online, fans still enjoy gathering in real-world stadiums and see their favourite teams play on the ground.

More generally, sport consumption has dramatically evolved over the last decades and turned a fairly static industry into a rocket ship of technological innovation. Today, certain teams and athletes have more presence in people's daily lives than leading politicians. While the best ways to engage with communities are ever-evolving, the sport community has proven to be a fast adopter, increasingly integrating new elements such as NFTs and web3 apps.

Fan engagement is the holy grail in sports. How to engage fans in the future and how to use the latest technological advancements to take the interactions to the next level remain the key questions. Especially as attention spans and the hesitance to pay for sports content are decreasing among younger generations. We are currently experiencing a phase of phenomenal experiments, from the participation of fans in live events to decentralised ownership of entire clubs, and it will be exciting to see which one of these changes the world of sport forever.

"From the perspective of sports, web3 is a brand extension. It builds upon large existing communities, allows for interoperability between those and opens up new avenues of engagement."



Robby Yung
CEO Animoca Brands



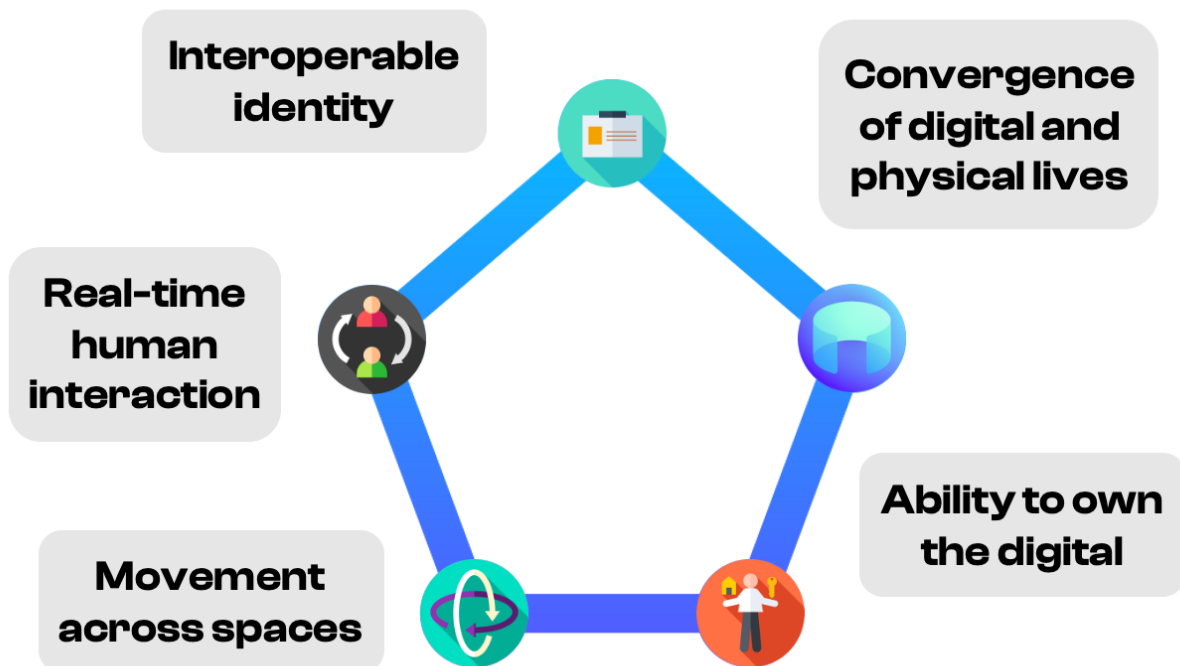
I. Sports in the Metaverse?

1. Recap: What is the Metaverse?

As outlined in our [last report on Digital Identities](#), the philosophical discussion about what falls under the term 'Metaverse' is ongoing. Both knowledge leaders and institutions are scrambling to coin a definition.

The space is advancing so rapidly that we suggested getting comfortable with the idea of the metaverse evolving over time. Nevertheless, industry veterans have essentially agreed on the cornerstones below:

The Metaverse Pentagon



2. Sport is about physical interaction - Why do we need all this anyway?!

By now, everyone has probably come across digital player cards, such as Sorare, or tokenized video snippets, such as NBA Top Shot. The reactions to these new forms of collectibles are often binary - people either hate them or they love them. What significantly influences the level of affection for these digital assets is the question if 'people understand them or they don't'. Because here is the fact - in an ever-digitising world even our long-loved physical collectibles and sports experiences will eventually become digital, at least to some degree.

Sports at the forefront of innovation



SONY



Sony x Manchester City
Development of the Etihad Stadium in the Metaverse



ROBLOX



Roblox x AELTC
Digital recreation of Wimbledon's Centre Court



Meta



Meta x Liverpool F.C.
Digital sportswear clothing line for Meta's Avatars Store

“Athletes are increasingly engaged in the tech sector whether as investors, founders, ambassadors, or consumers. Web3 applications have the ability to further this trend while leveraging the athletes' large audiences. That's what we do at Origins for our portfolio companies, Stadium Live being one of them for example.”



Blaise Matuidi

Soccer World Champion &
Founder of Origins Fund



Major technology companies and sports brands have long recognized this and are increasingly experimenting with bridging the sports experiences into the digital era. We have seen many clubs and organisations working on digital recreations of their stadiums to overcome physical constraints and tap into new audiences - literally everyone in the world who is connected to the internet, which is about 60% of the total population today.

At the end of the day, none of this is about trying to replace the physical interactions needed to play soccer, tennis, or basketball: **it is about extending the reach of those physical events and developing new forms of engagement for fans.**

3. E-Sports

E-Sports as long-established metaverse application



Dota 2

Release: **2013**
 Studio: **Valve**
 # Players (MAU): **14.5m**
 All-time Prizes: **>\$280m**



League of Legends

Release: **2009**
 Studio: **Riot Games**
 # Players (MAU): **150m**
 All-time Prizes: **>\$90m**



Fortnite

Release: **2017**
 Studio: **Epic Games**
 # Players (MAU): **250m**
 All-time Prizes: **>\$80m**

Humans' desire to compete, however, does not stop in the real world. This is demonstrated by the incredible rise of e-sports. Still underrepresented in many parts of the world, an active form of 'Sports in the Metaverse' has long since arrived. Professional athletes compete live in popular games, filling stadiums and reaching viewer numbers just like other major sports events.

The sheer popularity of these games is simply overwhelming: for example, just over 200 million people watched the last **NFL Super Bowl** - that's less than **Fortnite's** number of players every month.

"NFTs and web3 are interesting technologies to enhance fan monetization while the Metaverse is already there, called videogames. A consistent combination with clear fan value will make a big difference for community building and e-sports."



Ralf Reichert

Chairman at ESL FACEIT Group



II. From Dinosaur to First Mover - Is rapidly evolving consumer behaviour leading sports into the metaverse?

Clearly, nothing has been untouched by the disruptive effects of the internet, but the hyperbolic rise that the sports industry has experienced over the last two decades is unparalleled. Arguably, this was driven by the rather modern approach of running sport organisations like every other for-profit organisation - a movement more familiar to fans in the US and one that has recently begun to sweep the European club landscape as well. Of course, this is not without controversy: large sections of fan groups resist the commercialization of sports clubs and competitions; something that has also triggered backlash for web3 projects in the space.

1. The exponential development of sport experiences

Evolution of Sports Consumption



For centuries, the spectacle of a sport event has been as simple as it can be - you go to a stadium, pay the entrance fee, take your seat and enjoy the athletes' performances. In many ways, going to see your favourite soccer team on the weekend is not different from attending the **first olympic games in ancient Greece 776 BC**. Truth be told, in terms of ticketing and entrance controls, we have not really made any real progress in the almost three thousand years since then.

But really until the **first live sporting event broadcast on radio** - reportedly a boxing match in Pittsburgh in 1921 - there were simply no other ways to experience sporting events.

"Future generations of sports fans will have significantly more immersive experiences than their predecessors as web3, AR, VR, and other digital technologies mature and become widely adopted. The ownership of unique digital assets that enhance and expand the fan journey in both digital and physical spaces will enable higher levels of individual customization, engagement and community across sports fandom."



Scott Lawin
CEO of Candy Digital



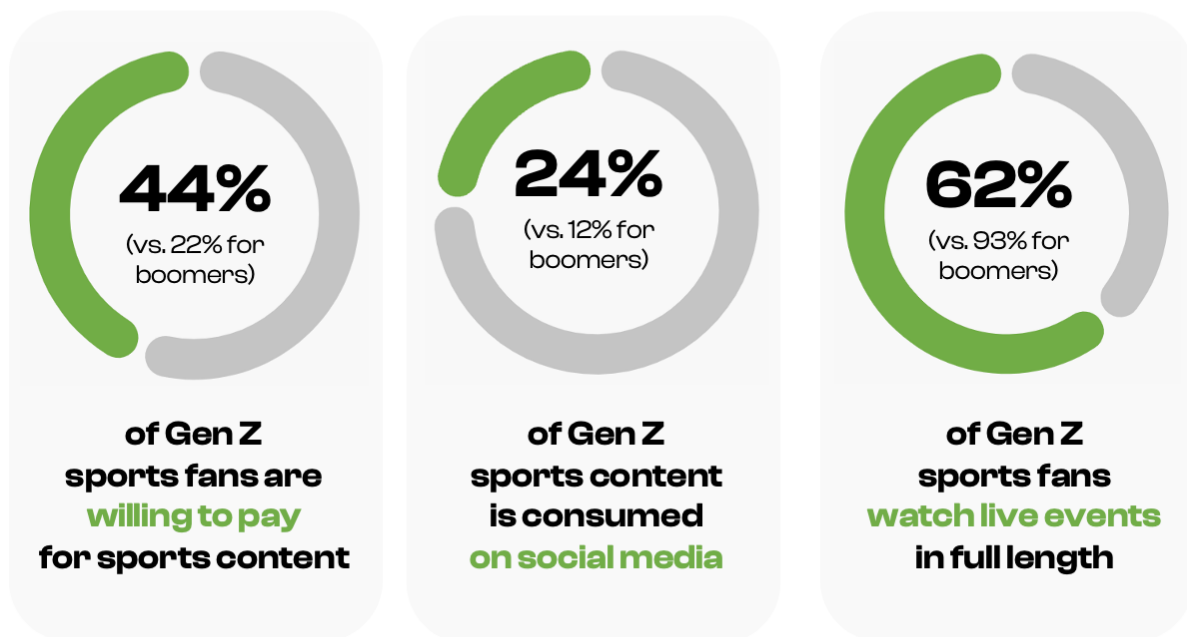
In **1939 TV took over** - a revolution. People were now able to follow sport events live, irrespective of their geographical location and ability to pay for venue access. Still, it's hard to imagine today that only one generation ago fans were bound to television or radio broadcasting times. In addition, for many years not everyone was able to afford a TV, so that large groups of people had to gather to be able to catch a glimpse of an event.

Let's face it - sports today is more than a live event. Not only are we able to watch all the events at our own convenience **on-demand**, which was a game changer for a couple of years, but the prevalence of social media and the attention boost for athletes through the media has allowed people to constantly consume their favourite sport in a variety of ways. **It is all around us - any time, any place, on any device, and in any shape or form we want.**

2. Generational patterns shaking up the industry

Let's look at the root causes of all these developments - is it really only the commercialisation of sports by businessmen or is it simply a reaction to changing consumer behaviour?

Gen Z Sports Consumption



Source: PwC Factbook

The answer to that question is certainly not black and white. However, it is undeniable that the next generation of sports fans has massively different consumption patterns that are likely to intensify over the next decade: **Gen Z fans, for example, have a much higher willingness to pay for sports content**, likely driven by the sheer endless availability of content and the expectation to pay for premium pieces of it.

It is also no surprise that **consumption is moving away from TV, radio and magazines to social media** for younger generations. It will be interesting to follow how that will drive adoption for sports content in the metaverse - the massive push from social media platforms will certainly act as a tailwind.

"We know that the older generations are still consuming the full event in a more traditional experience. For the younger audience you need to be more innovative and keep delivering them content in new and fresh ways that fit with how they naturally want to consume their favorite sporting moments."



Luis Vicente

Chairman of Apex Capital and
Advisor to Socios.com & RealFevr



The lower attention span of Gen Z is probably a phenomenon we have all been experiencing in our day-to-day lives. The interesting part though is that it also applies to something like a live sports event - does this mean the appeal of travelling to a live event that you are anyways not going to watch the whole time is diminishing and we'll see empty stadiums in the future? Well, it's probably not that drastic, but it certainly paints a future where the ability to come and go as one pleases gains in importance - wait, isn't that what the metaverse would enable?

3. Crypto as the modern financier of sports entertainment

It seems like the crypto industry more broadly has recognized the potential of engaging sports fans as users and identified the segment as an **attractive place for marketing and sponsorships**.

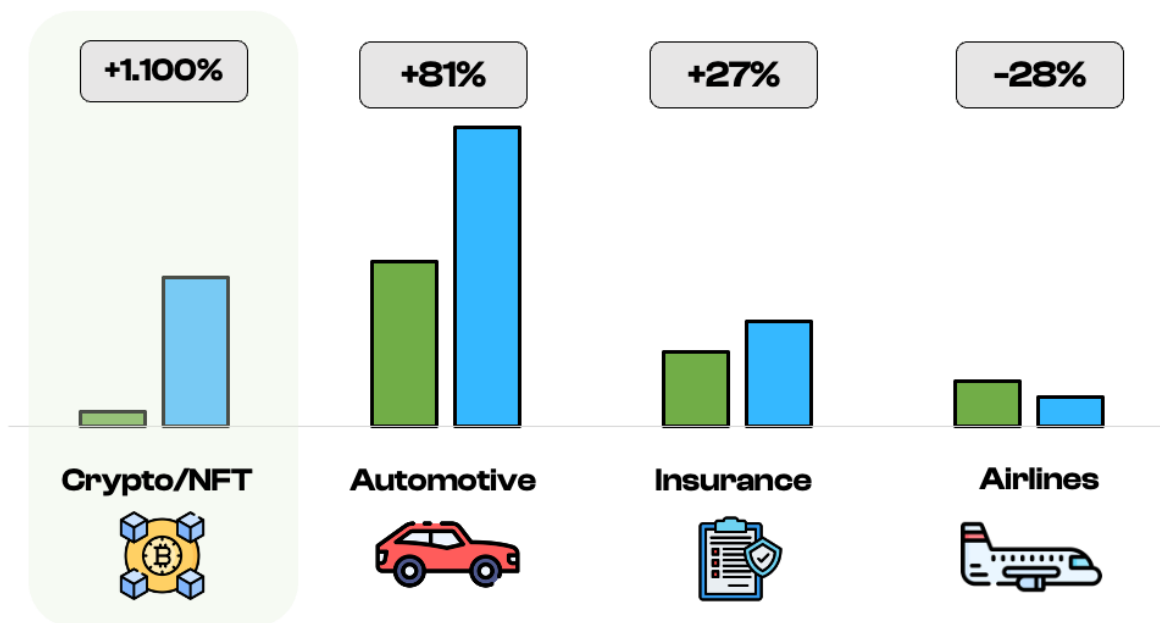
Certainly driven by the explosion of prices after the Covid crash and the bullish market sentiment around blockchain applications - some would call it 'hype' - crypto giants have entered into massive sponsorship deals.

Web3 taking over Sports Sponsorships



New sports sponsorship deals by brand category

■ 2019 ■ 2021



Source: Nielsen Sports Sponsorglobe

Crypto.com is leading the way with sponsoring events like the **FIFA World Cup** or **Formula 1** and stadium names like the \$700 million commitment for 20 years' worth of naming rights for the former Staples Center, home of the **L.A. Lakers**. Crypto companies are battling for users in this early phase of 'onboarding the mainstream'.

"As an industry, we are all working toward bringing the next billion users into web3. NFTs and applications in the sports sector are set to become catalysts for mass adoption."



Johnna Powell
Global Co-Head at ConsenSys NFT



III. Market Overview

1. Web3 Sports Landscape

The technical developments around AR/VR, tokenization, and certainly the hype for NFTs over the past two years have enabled new categories to emerge. But more broadly the push for newer audiences and interconnectivity in sports is becoming a catalyst for fan engagement and virtual reality experiences, all together the 'Sports Metaverse'. In the below we want to focus specifically on the web3 aspects and players therein:

Web3 Sports Landscape



Moments

Moments are, simply spoken, short video clips of specific situations, such as a goal, a slam dunk, or a celebration turned into tradeable digital assets in form of NFTs. A new concept that does not really have an 'older brother' in the physical, traditional collectibles space. Hence, critics question the long-term viability of these products and the actual collectible value. But, it's also a fact that the sheer availability of video content we have today is a new phenomenon itself and that 'owning' parts (you don't necessarily own the time stamp nor commercial rights to it) can have value within a fan community, especially if it is able to generate strong platform effects. Time will tell.

The launch of the basketball moment platform **NBA Top Shot** developed by **Dapper Labs**, the team behind **Flow Blockchain**, has been category-defining. It had taken the sports world by storm reaching over \$224m worth of NFT trades in February 2021. In the meanwhile, Dapper has rolled out similar products for **UFC Strike**, **NFL All Day**, and **LaLiga Golazos**.

Soccer media company **OneFootball** has also entered the market with their product **Aera** covering **Italy's Serie A**. Ahead of this world cup **FIFA** has further partnered with **Algorand** to make memories from previous world cups available to fans.

In other sports segments, **FanCraze** is targeting the cricket market and Tom Brady's **Autograph** is working with individual athletes like **Tiger Woods**.

A vibrant, blue-toned image of a soccer crowd celebrating. In the center, a hand holds up a soccer trophy. The text 'FIFA COLLECT' is prominently displayed in white, with a blue dot matrix logo between the words. Below it, the tagline 'Official. Digital. Collectibles.' is written in white. The background shows fans cheering and rain falling.

FIFA[®] COLLECT
Official. Digital. Collectibles.

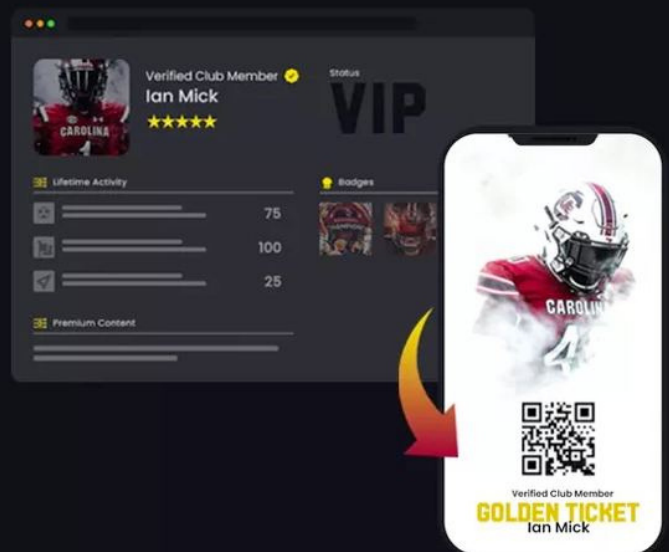
Trading Cards / Games

If you are a European soccer fan, I am sure you will remember that feeling of going to the grocery store for the first time after the **Panini** sticker album for the World Cup or the next season was released! If you are an American baseball fan, I am sure you remember that feeling of opening a pack of **Topps MLB trading cards** excited for the rarity of your draw.

Well, those feelings have now entered the digital age! After the concept was successfully tested by players like **EA Sports** with **FIFA Ultimate Team**, web3 native solutions came to market - most notably **Sorare**. The French startup, valued at \$4.3 billion in its last announced funding round, has disrupted the soccer collectibles market at an incredible pace. First to market, now they have been able to secure partnership deals with all the major players in the soccer industry and are now expanding to additional sports, such as baseball.

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However, these player cards (represented as NFTs) do not solely have collectible value. In fact, most platforms pair this with a strong gamification angle rewarding players and collectors for successfully using their collectibles, such as the Fanatics-owned US giant **Candy** who has partnered with **MLB** or Indian cricket-focused team from **Rario**.

Wearables / Fan Gear

Clearly, the desire to showcase your fandom does not stop in the physical realm either - and what better way could there be to express your support than with a jersey of your favorite club for your avatar? This is the thesis around which **The Football Club** and **Fancurve** have designed a product offering exactly this to fans.

In the meanwhile also the sports brand giants, such as **Adidas**, are entering the space. **Nike** for example initially started exploring the field with the acquisition of digital designers **RTFKT** and lately doubled down with the reveal of their community application **.Swoosh**. Web3 project **STEPN** took the market by storm by incentivizing users to be active and rewarding them for running and walking. This gamification mechanism was coined 'move-to-earn' and attracted users to buy digital sneakers based on which criteria rewards would be paid.

"We are currently experiencing the first innings of digital sports fandom and it will be interesting to see how this develops. We do believe that, just like in the physical context, wearables will continue to be an important medium of expression in digital settings."



Ante Kristo

Co-founder and CEO of The Football Company

THE
FOOTBALL
COMPANY



THE
FOOTBALL
CLUB



Fan & Athlete Tokens

Fan tokens are tradeable, interchangeable digital tokens (fungible tokens) designed to provide membership benefits to fan communities of sports teams, bands and other groups. Holders of fan tokens are often entitled to membership perks, such as access to exclusive content, prizes, experiences, and the right to vote on club decisions - for example, fan token holders of **Juventus Turin** were able to vote on and ultimately determine the song for the team's goal celebrations.

The pioneer and stronghold of this category is **Chiliz** with its fan token platform **Socios.com**. With the goal to increase fan engagement and enable inclusion of fans in decision-making processes, they have amassed an endless list of partnerships with clubs, organisations, and leagues across the globe and sports sectors.

More recently we have further seen projects starting to offer tokenized engagement avenues to certain individuals, such as athletes, or simply exposure to their success. Notable examples are **Galaxy**, **Blockasset** or **Royaltiz**.

"As a leader in Sports Centric Metaverse created by athletes for athletes, LootMogul's goal is to provide tools to both athletes and sports brands for engaging with fans in most simplistic manner without the complexities of blockchain and wallets, while ensuring full transparency and accountability.

Web 2.5 approach to onboard sports fans into Web 3.0 and metaverse economy with real life athletes, brands and tangible benefits is a key differentiator for LootMogul."



Raj Rajkotia
Founder and CEO of LootMogul



Metaverse Experiences

In addition to the conventional web3 native metaverse spaces that we have already talked a lot about in our last report - such as **Decentraland**, **Somnium Space**, and **The Sandbox**, there are also some sports-focused start-ups, including **LootMogul**, **SportsIcon**, and **Stadium Live**.

Groundbreaking precedents were further set by **WAGMI United** and **Krause House** - web3 collectives purchasing ownership of entire sports clubs. In early 2022, a group of early NFT adopters including for example **Gary Vaynerchuk** or a contributor to our previous report **gmoney** decided to buy English Football League 2 club **Crawley Town FC** and with that, a legend was born: **WAGMI United**, 'The Internet's team'.

E-sports

As outlined before, professional e-sports organisations and players are probably the best proof point for the excitement of spending time together in digital spaces, basically the metaverse. However, the biggest game publishers are producing the most successful games largely in web2, meaning they are not in and of themselves open and interoperable economies. Some of the largest companies in the e-sports markets, such as **TSM** and **Fnatics**, have already partnered in partnerships with crypto companies or even launched their first NFT drop.

The web3 space lacks maturity and successful breakthroughs to get closer to what we see happening around **League of Legends**, **Dota 2**, and **Fortnite**. Player collectives, called clans or guilds, such as **Yield Guild Games** or **Guild of Guardians**, unite to increase efficiency in playing web3 games. A sign of the existing ability to quickly professionalise once the games themselves are good enough to appeal to the average gamer. Yet, the reality is that it will likely be a few years before the hype around e-sports fully translates to blockchain based gaming.

*League of Legends Tournament Finale
(2021)*



2. Market size: How big will the impact of metaverse sports be?

A \$80bn dollar opportunity by 2030

We expect the economic value of the metaverse sports space to grow exponentially over the next 10 years. This is fueled by a rapidly growing consumer interest in new ways to engage with their favorite sports and teams, as well as sports stars' positive attitudes toward new forms of monetizing their audiences. Big sports brands and investors recognize the potential that metaverse technologies bring to the areas of consumer engagement, retention, and monetization in sports and invest heavily in the space.

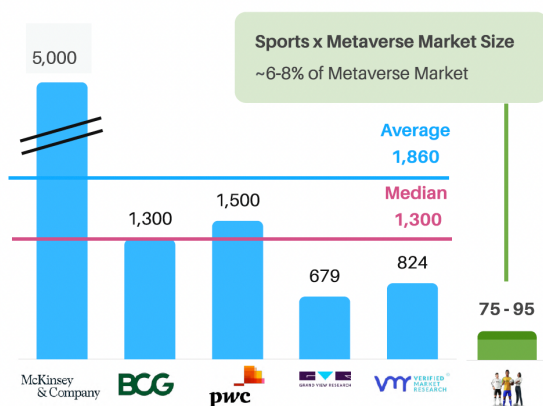
A further underlying growth layer that is particular for a large number of web3-based business models is the accelerated turnaround time in software development due to the open-source nature of web3.

While the metaverse sports space is still subject to high societal, legal, and technical uncertainty - **we forecast the metaverse sports space may generate more than \$80bn by 2030.**

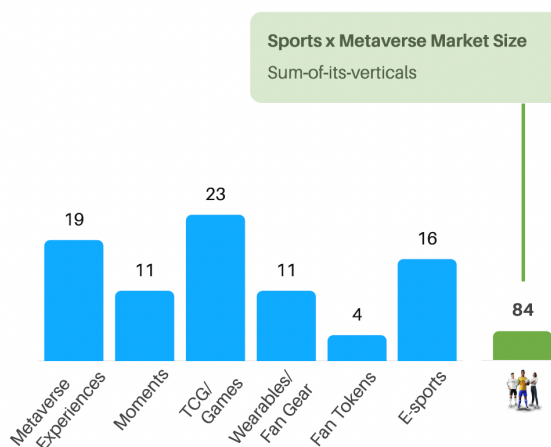


Market Size | Metaverse Sports to have a >\$80bn impact by 2030

Top-down: Metaverse Market Size (\$bn)⁽¹⁾



Bottom-up: Sports Metaverse Verticals (\$bn)⁽²⁾



(1) Source: McKinsey, BCG, PwC, GrandViewResearch, VerifiedMarketResearch, Independent Market Experts

(2) Source: Deloitte, Market Decipher, Crunchbase, Independent Market Experts

Details of the market sizing analysis

With everything we do at web3 Studios, we take a 10-year time horizon, so what is most relevant to us is what the space will look like in 2030.

To triangulate our market size number, we took a three-pronged approach:

- 1. Top-Down based on metaverse market size:** We analyzed the metaverse market size estimates from leading firms in research and consulting, and took the average assumption as a baseline for the entire metaverse pie. Based on expert interviews with knowledge leaders in the space, as well as alignment with rough market benchmarks on the share of sports verticals in the metaverse, we estimated the share of the metaverse sports space in the overall metaverse market. **This approach results in a market opportunity of \$75 - 95bn by 2030.**
- 2. Bottom-Up based on composing metaverse Sports verticals:** We looked at the components of the metaverse sports space we previously defined. For each vertical, we leveraged average market size estimates from leading companies and pressure-tested those with experts, i.e., the metaverse sports space size is the sum of its parts. **This results in a market opportunity of \$84bn by 2030.**
- 3. Expert Interviews:** The expert interviews were conducted with 14 external experts who run companies in the field of metaverse sports, invest in such companies with growth capital, and conduct research in this field.

By calibrating with knowledge leaders in the metaverse sports space our estimates should provide an indication of how large and relevant the metaverse sports space could become in the future. While this is our best guess, it can hopefully guide strategic decisions for players in adjacent, transforming industries.

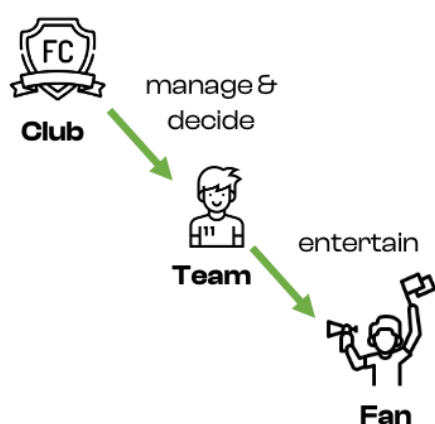


IV. From Passive to Active - Fan Engagement of the Future

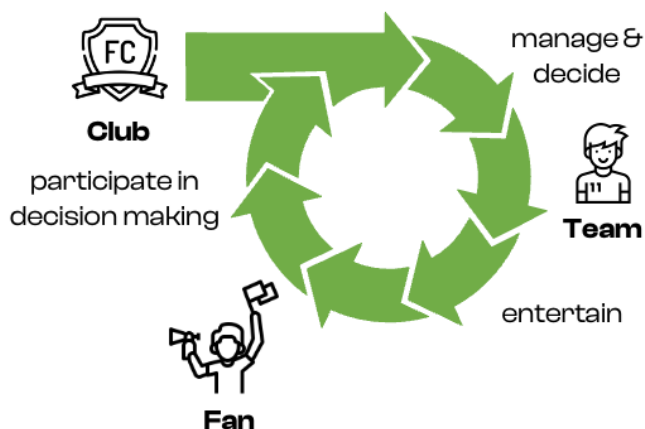
The Modern Fan Engagement Flywheel



Old-school linear fan entertainment



Circular ecosystem between club, athletes and fans



The number of sports fans is staggering - 3.5 billion for soccer, 2.5 billion for cricket, 2 billion for hockey, and the list goes on...

A massive market. And the only way this market has been addressed for a long time is by inviting the audience to watch, listen or experience the actual events or lately, by adding some peripheral content to the offering. We call this '**linear fan entertainment**', where the relationship between organisation or club and the fan is fairly sequential and does not involve any, or at least no significant, feedback loops. This is being put to test with the new opportunity set that web3 projects offer to clubs. Don't get this wrong - a large part of fans have no interest in getting involved in club decision-making or devoting time to their community. But there is no doubt the hard-core fans would love to have a way to at least partially drive the future direction of their favourite team. And from a business perspective, it makes perfect sense - **an active and engaged fan is much better to monetise.**

Just to give an overly simplistic example: the club can decide to acquire one of three basically equal players; including the fans in that decision would not only make them happier but also lead to higher jersey sales and engagement. Web3 communities like WAGMI United (which stands for “we’re all gonna make it”) and Krause House are experiments in this area, happening as we speak in UK soccer and in US basketball.



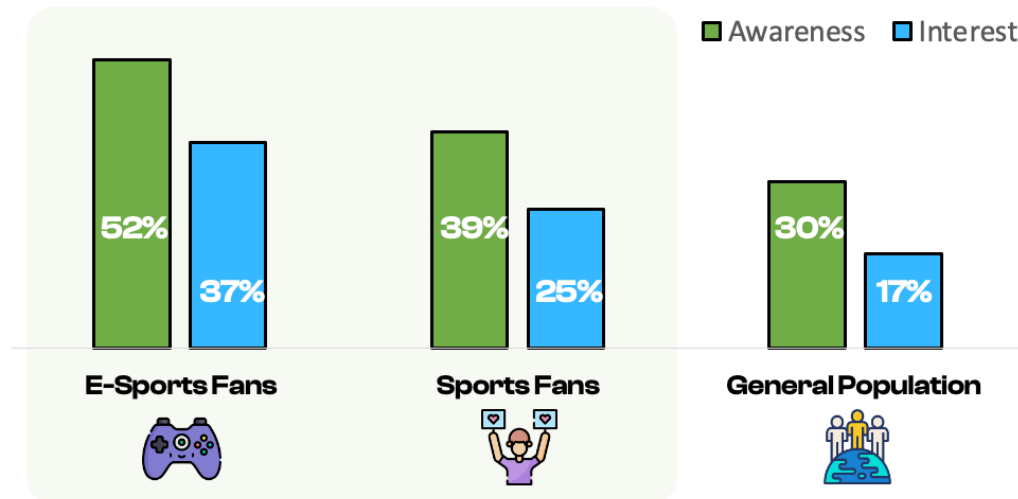
The question then remains how can we enable this active participation and whether we are ready for this yet. In terms of infrastructure, fan token issuer Socios.com has enabled several governance votes to occur via their platform, for decisions such as goal ceremony songs and jersey designs.

More generally, it seems that the emergence of web3 in sports is not only establishing the infrastructure but also growing the idea of giving some power to the fans. When it comes to the industry as such, **the audience has much higher awareness and interest in crypto products than the average population** and seems best positioned to pioneer the integration of web3 applications into daily business.

Sports fan base driving innovation



Awareness and interest in crypto tokens



Source: Nielsen Fan Insights, August 2021

Fan Controlled Football ('FCF') - now rebranded to Fan Controlled Sports & Entertainment ('FCSE') - is the best example of what that could look like. The league has redefined football for the digital age by combining the competitiveness of live sports, the engagement of fantasy sports, and the interactivity of video games into a live-streamed, leaned-in fan experience. FCF made its debut in 2021 and in its first season became the fastest-growing live sports channel on Twitch with nearly 10 million total live views. The team closed a \$40 million Series A funding round earlier this year and lined up four NFT-governed teams: **Bored Ape Yacht Club, Gutter Cat Gang, Knights of Degen, and Team 80KI**

"We have always believed that active participation is the natural evolution of fan engagement. And not just off-the-field engagement. We're bringing fans a lean-forward real-time decision-making experience during the live events themselves. Fans literally call the shots in Fan Controlled Sports."



Patrick Dees

Co-founder and CGO of Fan Controlled Sports & Entertainment (prev. Football)



V. Activity around the FIFA World Cup

The FIFA World Cup has always attracted numerous brands to use it as a platform to reach the entire world - in 2022, the World Cup is heading into web3. The activities offered range from metaverse experiences to technical partnerships to large-scale NFT activities!

"We are extremely excited about the intersection of sports and technological innovation. It will be amazing to follow some of the early developments we are already seeing at the World Cup in Qatar - where we are welcoming the world to enjoy this fantastic event!"



Sultan Almaadeed
Founder & Managing Partner at ENVST

ENVST

Web3 players taking part in the FIFA World Cup



ROBLOX

Multi-year partnership to launch immersive fan metaverse experiences



Algorand

Official blockchain and wallet platform with technical cooperation



VISA

NFT auctions and creation of a fan experience to mint customized NFTs



crypto.com

Exclusive partnership as the only official crypto exchange sponsor



Budweiser

Interactive NFT journey accompanying fans through the whole cup



UPLAND

Multi-year metaverse partnership with gamified experiences

Blockchain partnership with Algorand

FIFA and blockchain technology company Algorand have signed a sponsorship and technical cooperation agreement. Algorand becomes FIFA's official blockchain platform and provides the integrated wallet solution. This led FIFA to launch its own NFT platform, FIFA+ Collect, on the Algorand blockchain. It's already possible to buy World Cup-themed packs of NFTs.

Roblox launching an interactive 'FIFA World'

The leading metaverse platform Roblox, with more than 50 million active users, has also partnered with FIFA. Together, they launched the free-to-play interactive football experience FIFA World. It hosts video content, mini-games, in-game events, and opportunities to earn rewards. Many more immersive metaverse fan experiences are planned in this multi-year collaboration.

Crypto.com all over the screens - again!

Crypto.com has been making waves with a Super Bowl commercial and its \$700 million deal to rename the Staples Center in Los Angeles to Crypto.com Arena. Now the cryptocurrency platform is one of the main sponsors of the World Cup. It is activating its official sponsorship in many ways, among others, by providing opportunities for new and existing users to attend matches during the tournament or win exclusive merchandise.

"No other competition unites countries and people worldwide quite like the FIFA World Cup. We're excited to create a multi-touch web3 experience showcasing fun, innovation, entrepreneurialism and community as the first of many opportunities in the future of football"



Dirk Lueth

Co-founder and Co-CEO of Upland



FIFA goes web3 Metaverse

Upland will work with FIFA to create fun, gamified experiences in the largest open metaverse mapped to the real world with over 3 million registered accounts. For FIFA World Cup Qatar 2022™ a fully constructed replica of the Lusail Stadium alongside a FIFA World Cup™ branded village, shops, and showrooms, will be added to their real-world addresses in Upland which fans can visit virtually.

Visa exploring the NFT space with FIFA

Visa has been a global partner of FIFA since 2007. They partnered with Crypto.com to auction five NFTs that feature notable goals from different national teams at the past World Cups. In addition to these NFTs, Visa will also offer fans an opportunity to create their own customised NFTs during the event.

Cheers – let's enter the Budverse

Anyone old enough to drink can buy the Budweiser World Cup NFT. It represents the holder's chosen country and tracks the team's progress throughout the competition. Holders also profit from further benefits like exclusive World Cup collectibles and surprises. Budweiser developed the World Cup collection with serial entrepreneur Gary Vaynerchuk's Vayner3 Web3 consultancy.



FIFA WORLD CUP
Qatar 2022

UPLAND

OWN YOUR COLORS

FIFA WORLD CUP
QATAR 2022™
IN THE UPLAND
METAVERSE





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