

nielsen
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AN UNCOMMON SENSE
OF THE CONSUMER™

RUGBY UNION

**THE COMMERCIAL
OPPORTUNITIES RUNNING
THROUGH THE GAME
IN THE UK.**



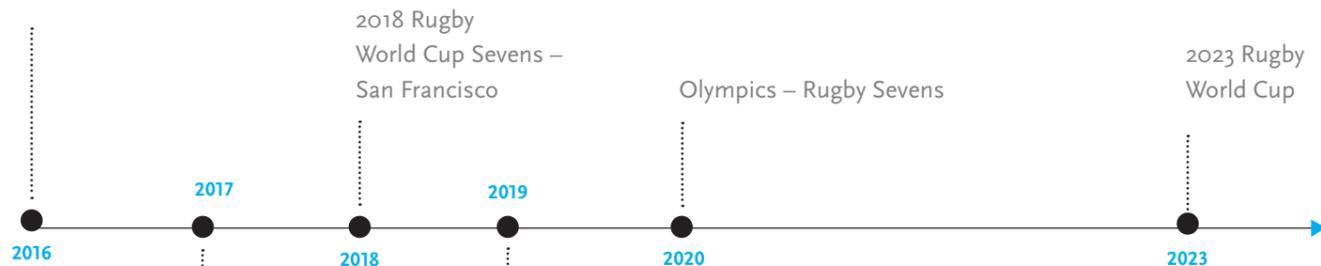
RUGBY UNION UNDER THE MICROSCOPE

One year on from what was described by the organisers as the biggest and most connected Rugby World Cup ever, with records broken on and off the pitch, we are seeing tremendous opportunities open up for rugby union brands, sponsors and clubs. Last year, World Rugby provided fans and viewers around the world with the opportunity to witness some unforgettable moments live. In the UK there were 66 million more viewers than the 2011 tournament in New Zealand, and the 2015 edition set new viewership and coverage records in 27 markets as 16,000 hours of action was watched by 70 per cent of the viewing population in key markets.

In the UK and Ireland, the club format of the sport has also gone from strength-to-strength. There has been an influx of new sponsorship deals amongst the club teams and international unions, new title sponsor opportunities and strong investment in social channels – re-emphasising the potential in this space.

As the sport continues to show encouraging signs of growth commercially and with a busy 12 months ahead, Nielsen aims to delve deeper into both the international and domestic game.

- Aviva Premiership
- Guinness Pro12
- Autumn internationals
- European Champions Cup & Challenge Cup



THE MEDIA LANDSCAPE

Post Rugby World Cup we've seen a rise in interest in the sport in the UK with the first half of 2016 showing a 6 per cent increase in those 'very interested' or 'interested' in comparison to the corresponding period in 2015.

From a media perspective the biggest changes we see centre around the following of the sport via social media. **Nielsen Sports' Digital Pulse** analysis shows that in 2015, the RBS 6 Nations achieved a total of 574,000 social mentions; one year on, the competition generated a total of 1,087,166 – an 89 per cent year-on-year growth. The final weekend of the tournament, which saw England complete the Grand Slam, generated a 10 per cent share of the global online sports buzz.

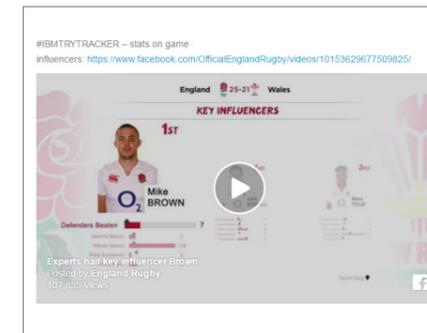
When a digital campaign is activated well, everyone involved benefits – including the social media platform used to engage the fan. Connecting with fans requires an understanding of what types of content best resonates with those being targeted. England Rugby and its partners executed this well during the 2016 RBS 6 Nations

SOCIAL ACTIVATIONS FROM THE 2016 RBS 6 NATIONS TOURNAMENT

BEST PRACTICE SOCIAL ACTIVATIONS – FAN STORIES*



Dove Men – game build up



#IBMTRYTRACKER – stats on game influencers



#O2InsideLine – behind the scenes interviews and highlights

*Fan Stories™ is a way of categorising different types of digital content – everything from live game commentary to event highlights, player question and answer sessions to fan competitions.

Source: <http://repucom.net/england-rugby-6-nations-1-million-mentions/>

THE BATTLE FOR LIVE AUDIENCE



685,000
ITV'S WEEKLY FREE-TO-AIR HIGHLIGHTS AUDIENCE INCREASE ACROSS THE SEASON

The landscape of sports broadcasting is also fluctuating, and the struggle for TV rights supremacy has become more evident across the game, with the BBC and ITV now sharing the broadcast rights for the RBS Six Nations - the BBC had previously held exclusive rights for the past 13 years. The new split-broadcast arrangement is great news for fans, as the competition will remain on free-to-air television. Also new for 2016 was a weekly highlights programme, with one of the two broadcasters showing this for each round. Across the 5 rounds, this extra chance for fans to catch up on the weekend's action drew in an average audience of 443,000 per programme.

Looking at TV audiences for the Aviva Premiership, the national interest generated by the Rugby World Cup has had a positive impact on viewing figures in the UK. ITV's weekly free-to-air highlights coverage has seen audiences increase by 685,000 across the season (+ 7 per cent). When removing the first three rounds of the season, which were played at the same time as the World Cup's knock-out stages, this rise jumps to +10 per cent. Focusing on live broadcasts, the climax of the 2015/16 season also saw a +7 per cent uplift in viewership across BT Sport as the final 5 rounds (including the play-off semi-finals and final) drew in 84,000 more viewers than across the same period of the 2014/15 season.

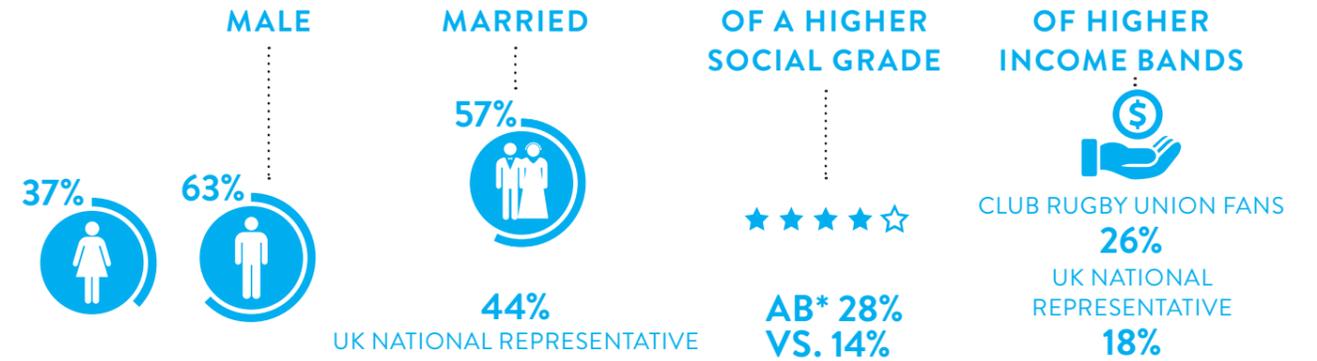
England Rugby fans pose ahead of the Six Nations clash between England and Wales at Twickenham in March 2016



UNDERSTANDING THE CLUB RUGBY UNION FAN IN THE UK

CLUB RUGBY UNION FANS VS. GENERAL POPULATION

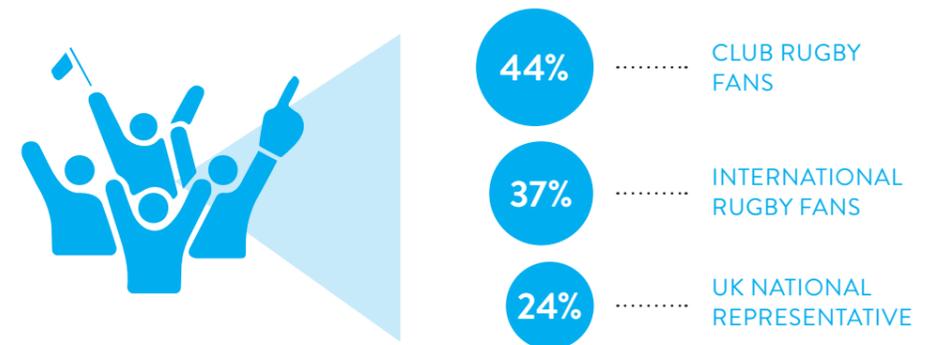
CLUB RUGBY FANS ARE MORE LIKELY TO BE:



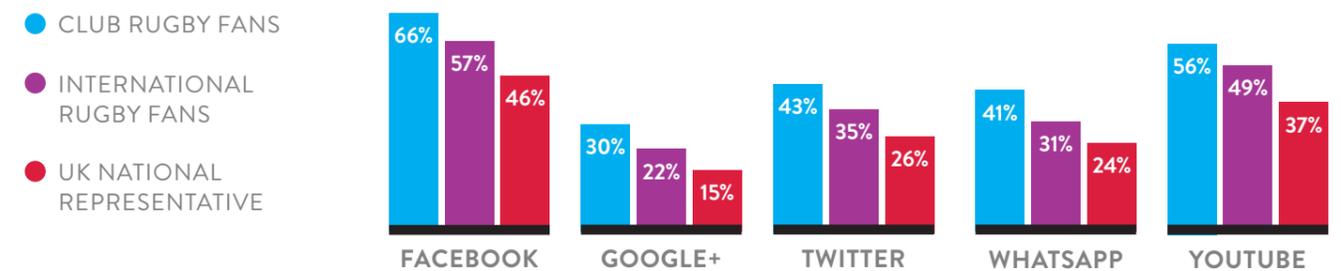
*Social grades: (A) High managerial, administrative or professional (B) Intermediate managerial, administrative or professional.

CLUB RUGBY UNION FANS VS. INTERNATIONAL RUGBY FANS

% WHO WOULD CHOOSE A SPONSOR'S PRODUCT RATHER THAN A RIVAL BRAND IF PRICE AND QUALITY WERE THE SAME



SOCIAL MEDIA USED FOR SPORT RELATED CONTENT BY RUGBY FAN TYPES



Source: Nielsen Sports FanDNA data – (Top 2 Box)

THE SPONSORSHIP LANDSCAPE

Rugby Union has evolved on both the international and domestic fronts. The game has taken enormous commercial strides with large sponsorship investments being made over the past four years. Global sponsorship spend in the sport has grown at an annual rate of 21 per cent from 2012 to 2015. In the UK alone, rugby union generated the 3rd highest sponsorship spend as a sport, a figure around £360 million over the period and only topped by football and motorsport.

Rugby accounted for eight per cent of UK & Ireland's total sponsorship spend between 2012 and 2015. Looking further ahead, 2017 is set to bring new opportunities to rugby union with the Royal Bank of Scotland Group (RBS) set to end their sponsorship with the Six Nations, therefore making way for a new title sponsor. A similar scenario has occurred at a domestic level. After a successful six-year partnership with Aviva, Premiership Rugby will no longer have the insurance giant as their title partner from the 2017/18 season.

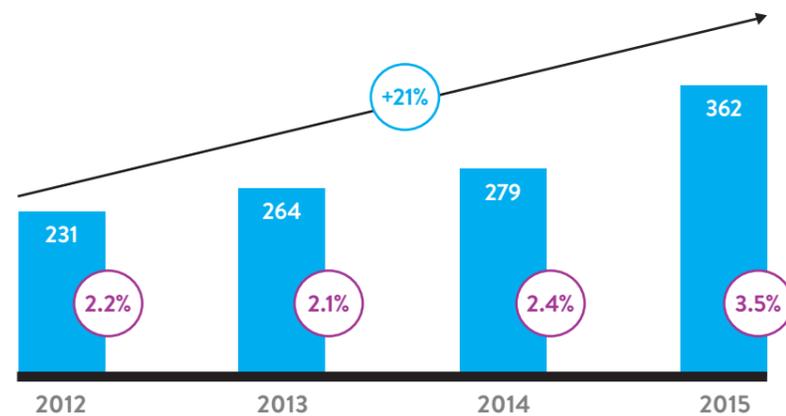
LANDMARK SPONSORSHIP DEALS

Other significant announcements surrounding brands involved in rugby union: Guinness secured a four-year extension of their sponsorship of PRO12 Rugby, Old Mutual Wealth and the Rugby Football Union (RFU) agreed a four-year deal – covering the men and women's autumn internationals. Under Armour's recent commitment to a nine-year partnership extension with the Welsh Rugby Union (WRU) reinforces their faith in the future success of the game. They will also be title sponsors of the the autumn tests. The WRU also signed a significant naming rights deal for the Millennium Stadium with Principality Building Society. The deal will run for ten years, with stadium now renamed the Principality Stadium – a historic moment for the WRU.

This year, it was announced that Standard Life Investments would become the principal partner of The British & Irish Lions and jersey sponsor of the 2017 tour to New Zealand. Within rugby union, there remains a huge window of opportunity for sponsors, brands and teams. This year's semi-final matches of the European Champions Rugby Cup, Europe's most prestigious club competition, included three English teams – Saracens faced off against Wasps, while Leicester Tigers were up against Racing 92. This great on-field success helps drive interest through increased exposure and engagement in the domestic game from both domestic and international brands.

GLOBAL SPONSORSHIP SPEND IN RUGBY

● GBP, MILLIONS ○ % OF GLOBAL SPONSORSHIP SPEND



Source: Source Nielsen Sports SponsorGlobe



Scotland's Stuart Hogg attempts to stop France's captain and hooker Guilhem Guirado during the 2016 RBS 2016 6 Nations.

Internationally, brands are investing more in the sport. Historically, this has been predominantly driven by European brands. However the global growth in the game and its attractive fan base has caught the attention of brands from various regions such as North America, Asia Pacific and the Middle East.

When looking at who is investing in the UK & Irish game by industry sector, three consumer-centric sectors catch the eye. The increased spend in recent years of the airline, electronics & technology and automotive industries now sees them each investing in excess of £10m on sponsorship. The appeal of rugby to brands from these sectors is emphasised by how the biggest investors (incl. alcohol, insurance and telecoms) are mainly represented by major deals with leagues & unions. Furthermore, when comparing these three growth sectors to the investment they make across the entire UK & Irish sporting spectrum, there is a suggestion that there is yet more growth here for rugby to enjoy.

UK and Irish sponsorship spend in rugby increased 16 per cent year-on-year to reach £117 million in 2015. Furthermore, rugby union has been able to grow its share of domestic brands' spend in the UK and Ireland over the last four years (from 7 per cent in 2012 to 11 per cent in 2015), proving rugby's ability to attract local brands that want a strong domestic platform to appeal to and engage with existing and potential consumers as well as the opportunity to drive awareness internationally. The sponsorship landscape is evidently changing with sponsorship increasingly providing opportunities that traditional advertising cannot.

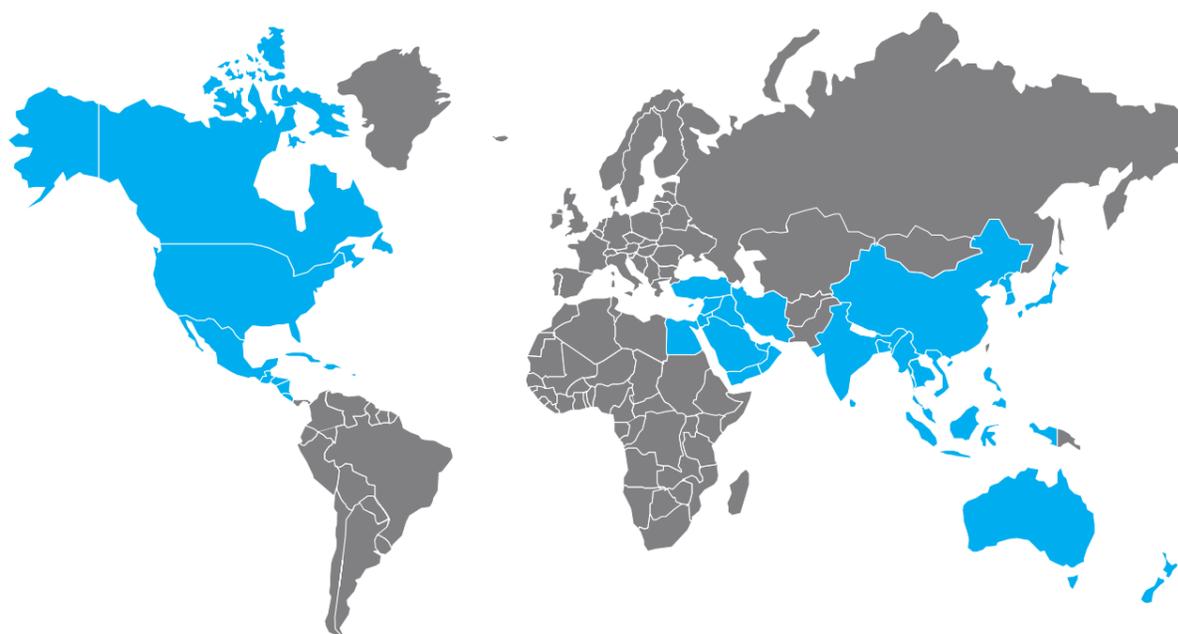
With a successful on-field national and domestic game, both domestic and international brands are seeking to associate themselves with rugby union's attractive, growing fanbase in the UK and Ireland – an audience that can be reached in a relatively uncluttered market versus some of the other major sports. This should all help to drive off-the-field commercial success for rugby's main stakeholders.



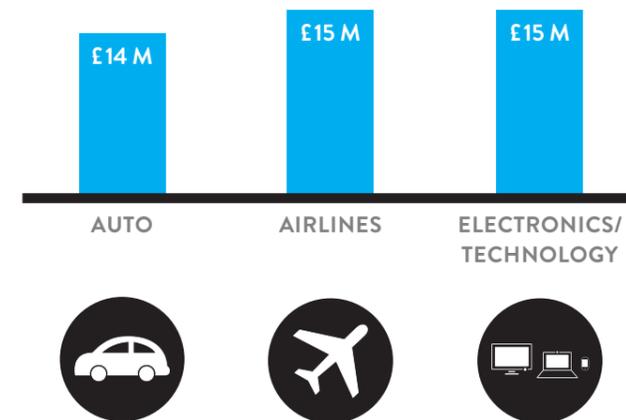
16%
ANNUAL INCREASE
IN UK&I'S RUGBY
SPONSORSHIP
SPEND IN 2015.

REGIONAL BRAND INVESTMENT

WE ARE SEEING LARGER INVESTMENTS FROM REGIONS SUCH AS BRANDS NORTH AMERICA, ASIA PACIFIC AND THE MIDDLE EAST.



SECTOR SPEND IN RUGBY – UK AND IRELAND (2012 – 2015)



Source: Source Nielsen Sports SponsorGlobe

FUTURE FRONTIERS

JAPAN 2019

The 2019 Rugby World Cup will be held in Japan across 12 host venues, assisting World Rugby's aim of growing the game around the world. The competition is set to boost the economy, drive participation and engagement in the sport and play a major role in increasing tourism. Asia was at the centre of the success story for the 2015 Rugby World Cup. The region's total audience grew by 69 per cent and live audience increased by 221 per cent. A significant amount driven by the Japanese team's performances.

With the next Rugby World Cup being held in Japan, there's a huge opportunity to engage with a growing audience. However the challenge to reach a younger demographic globally still remains. The variety of platforms now available to fans has given freedom to viewers to watch when and where they want, specifically those aged 18 – 24. A strong digital and broadcast experience is at the heart of World Rugby's strategy. Social and digital content will continue to bring fans closer to the action combined with a strong free-to-air broadcast platform in key markets to feed the growing audience.

RUGBY SEVENS

The inclusion of Sevens in the Olympics Games has supported in the widening reach of the sport in established markets like France and the UK, and new frontiers like Japan and the USA. For example, 39 per cent of those aged 18–24 in the UK watched Rugby Sevens at the Rio 2016 Olympics, the highest of all the markets analysed.

The last Rugby World Cup made a significant impact in Asia with 70 per cent in Japan saying their overall interest in rugby increased as a result. Additionally, the recent competition in Rio underlined Sevens' appeal with wave on wave uplift around the appropriateness of the sport's inclusion higher among women than men in Japan, USA, France and Australia.

World Rugby Chief Executive Brett Gosper said: "Rugby continues to reach, engage and inspire new participants, audiences and commercial partners worldwide and we are excited by the hugely positive momentum that continues to build. Our strategic mission to increase interest and engagement globally is making tangible progress. Our Olympic Games return attracted new interest in the sport, a record-breaking Rugby World Cup 2015 in England had the biggest interest impact ever in Asia and a ground-breaking Rugby World Cup 2019 in Japan will widen our appeal. We are embracing the great opportunity to build the game beyond its traditional markets."



**THE LAST RUGBY
WORLD CUP
HAD THE BIGGEST
IMPACT ON
INTEREST EVER
IN ASIA.**



ABOUT NIELSEN

Nielsen Holdings N.V. (NYSE: NLSN) is a global information and measurement company with leading market positions in marketing and consumer information, television and other media measurement, online intelligence and mobile measurement. Nielsen has a presence in approximately 100 countries, with headquarters in New York, USA and Diemen, the Netherlands.

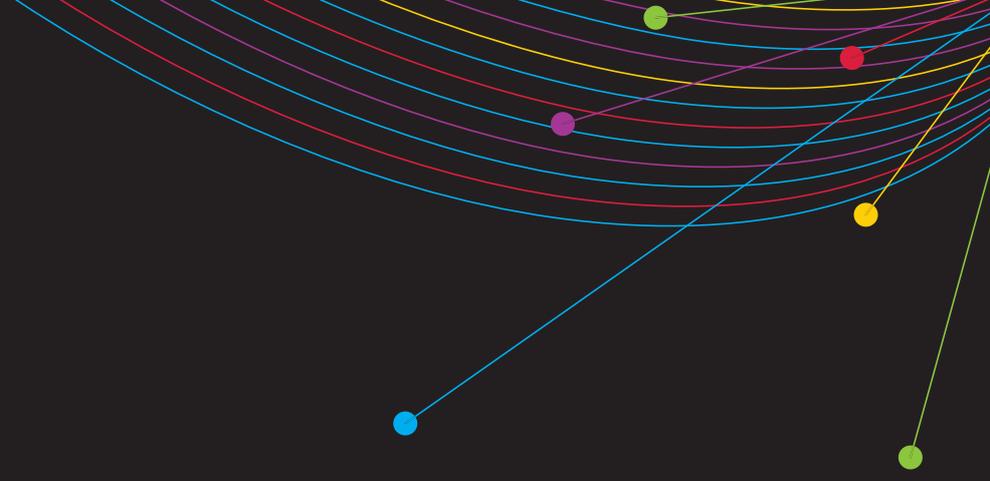
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