

Industry Report

Overview

The U.S. sports sponsorship industry has expanded significantly over the past decade, driven by digital transformation, new commercial assets, and shifting brand strategies. The market has grown from \$12.1B in 2014 to nearly \$20B in 2024 (ResearchGate). Although COVID-19 caused a \$14B decline in 2020 (Star Tribune), the industry rebounded quickly. Globally, sponsorship is projected to reach \$115B by 2025 and \$160B by 2030 (PwC), overtaking ticket sales as one of the fastest-growing revenue streams. Growth has been fueled by jersey patches, digital signage, social-first brand activations, and increased investment from sectors such as tech, betting, and finance.

Major sponsors include Nike, Adidas, Coca-Cola, Microsoft, and large financial institutions, with the NFL alone generating \$2.35B in sponsorship revenue in 2022–23 (TicketManager). At the collegiate level, Name, Image, and Likeness (NIL) deals have rapidly created a \$1.67B marketplace (Opendorse). Local markets such as Charlotte have also emerged as regional sponsorship hubs (Charlotte Region), reflecting both national and decentralized growth.

Stage of the Industry

Current indicators suggest the sports sponsorship industry is in a sustained growth phase supported by both structural and event-driven catalysts. Team sponsorship revenue reached \$8B in 2024 (Market.us), and global totals are expected to nearly double by 2030. In the major U.S. leagues, average per-team sponsorship revenue has doubled over the past decade to approximately \$51M (SponsorUnited). The U.S. maintains roughly 33% of global market share, with continued expansion driven by NIL reform, digital sponsorship assets, and large-scale events like the 2026 World Cup and 2028 Olympics.

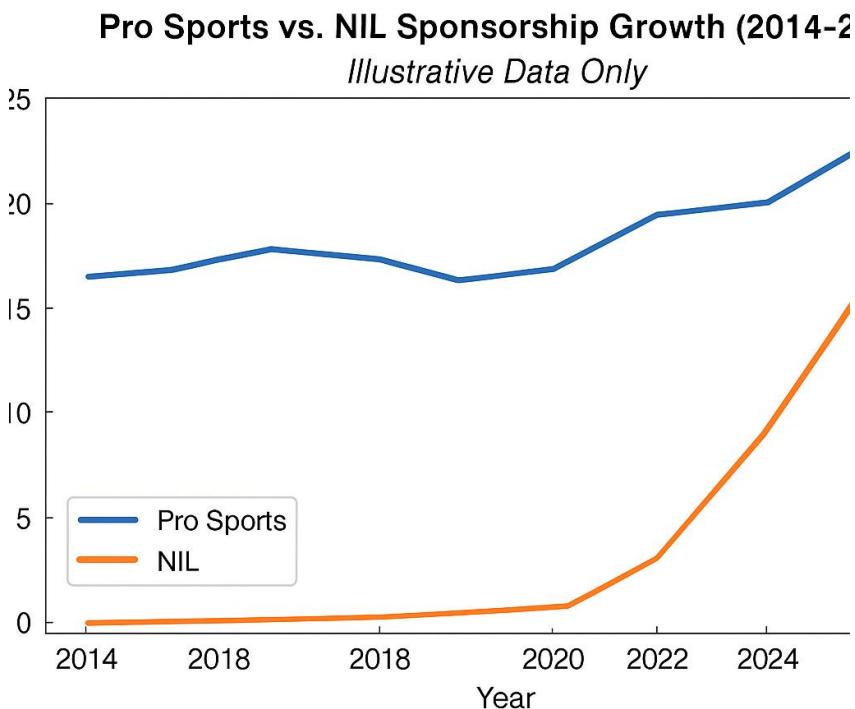
Despite this upward trajectory, the industry faces risks such as market saturation in top leagues, economic headwinds, and ongoing NIL regulatory uncertainty. Nonetheless, indicators including growth in women's sports and AI-supported sponsor targeting suggest continued momentum (PwC, SponsorUnited).

To better understand these structural patterns and how different segments of the market are evolving, the next section examines available sponsorship datasets and highlights key contrasts between professional and NIL markets.

Nonetheless, indicators including growth in women's sports and AI-supported sponsor targeting suggest continued momentum (PwC, Sponsor United). To better understand how these growth dynamics differ across segments of the market, the next section examines available sponsorship datasets and highlights key contrasts between professional and NIL markets.

Data Landscape: Sources & Analytical Opportunities

To contextualize the market's growth dynamics, this section analyzes how sponsorship trends can be interpreted using credible, industry grade data. The visualization referenced as Figure X draws on trend estimates from SponsorUnited, Opendorse, Market.us, and public datasets to illustrate long-run revenue patterns across both professional leagues and the NIL marketplace. These sources provide consistent longitudinal measures of sponsorship activity, enabling comparisons between traditional team-based ecosystems and the decentralized NIL environment.



This visualization was intentionally selected to compare two structurally different sponsorship ecosystems: the mature, team centered professional sports sponsorship market and the newly formed, decentralized NIL marketplace. By placing both revenue trends on the same timeline, the figure emphasizes how regulatory reform, rather than gradual market evolution, triggered NIL's rapid emergence, while professional sponsorship follows a more traditional compounding growth path.

Figure X highlights two distinct trajectories. Professional sports sponsorship has exhibited steady, compounding growth over the past decade, with a clear COVID-related decline in 2020 followed by strong recovery. In contrast, NIL revenues emerge abruptly after 2021 and grow rapidly, reflecting regulatory reform and the commercialization of individual athlete brands. This illustrates that NIL is not simply a continuation of existing sponsorship structures, but a parallel marketplace shaped by digital-first strategies and athlete-driven

participation.

The economic insight from Figure X is that NIL's acceleration is driven not only by new spending but by structural shifts that lower search costs and improve matching efficiency. AI tools—such as valuation engines and audience-targeting platforms allow brands to identify high-ROI athletes and activate campaigns at scale, often bypassing traditional intermediaries like leagues or teams.

These data-driven changes set the stage for understanding how artificial intelligence actively reshaping market incentives is, firm behavior, and the structure of sponsorship itself.

AI-Related Impacts on the U.S. Sports Sponsorship Industry

Building on the trends above, artificial intelligence is emerging as a central force reshaping how sponsorships are valued, sold, and activated. Its impacts span four key dimensions: workers and occupations, firms and market structure, risks and harms, and opportunities for innovation and productivity.

AI-driven valuation tools, automated audience segmentation, and predictive analytics are altering occupational demands by prioritizing analytical, technical, and storytelling skills. Firms adopting these tools gain competitive advantages through more accurate pricing, improved partner matching, and operational efficiency. However, AI also introduces risks such as algorithmic bias, over-reliance on automated rankings, and unequal access to premium datasets.

At the same time, AI is enabling new forms of innovation particularly within NIL by standardizing valuations and lowering entry barriers for athletes and brands. These shifts are reallocating economic power within the industry and accelerating the pace of market change.

Personal Opportunity & Upskilling Plan

This project directly connects to my own career interests in sports sponsorship and data-driven strategy. As someone pursuing roles in sponsorship analytics, brand partnerships, or agency side research, this analysis reflects the types of questions and decisions I want to work on professionally.

Based on this research, my personal upskilling plan focuses on developing proficiency with sponsorship data platforms such as Sponsor United and Nielsen, building basic time series and trend analysis skills using tools like Python or R, and strengthening my ability to translate AI-supported insights into clear, actionable recommendations for non-technical stakeholders. These skills are increasingly important as sponsorship decisions become more data-intensive and as NIL continues to reshape how brands evaluate return on investment.

By combining analytical capabilities with storytelling and industry context, I aim to position myself for entry level roles where AI is used to support rather than replace human judgment in sponsorship strategy.

Reflection

Working on this project changed how I personally think about the role of AI in both academic work and the sports sponsorship industry. I found AI most useful for organizing information, identifying relevant data sources, and producing early drafts, but far less reliable when used without human oversight. The strongest insights in this report emerged through revising, questioning, and refining AI generated output rather than accepting it at face value.

This process reinforced my understanding that AI functions best as a research assistant rather than a decision maker, particularly in an industry like sports sponsorship where context, relationships, and narrative framing remain essential. Developing the ability to guide and evaluate AI output is a skill I expect to carry forward into both future coursework and professional roles.