

Examining NIL Activities in the Big Ten Conference: The Role of Gender in NIL Transaction Value

The landscape of college athletics shifted drastically with the ushering in of the Name, Image, and Likeness (NIL) era. As of July 1, 2021, NCAA student-athletes are permitted to receive compensation based on their name, image, and likeness. The term, compensation, has taken many forms as institutions, athletes, and third-party entities willing to engage in likeness opportunities have begun to navigate this relatively undefined landscape. Moreover, as the participants interact to mold the initial foundations of this market, patterns are likely to appear.

This project will analyze and compare the NIL activities of female Big Ten student-athletes versus those of male Big Ten student-athletes. Specifically this project will address three main questions: ***(1) what is the value of the deals executed so far?; (2) what are the factors that affect the value of the deals?; and (3) what is the potential overall impact of NIL deals upon diversity, equity, and inclusion in college sports?***

The findings of these questions are crucial to each entity involved in the NIL market.

(a) For college athletes, this data provides a starting point for interested athletes desiring to enter the landscape, namely, the initial expectations that they can have on value of deals, how to best situate themselves for such deals, and what challenges that they may face based off of their particular cohort of demographic when entering this market.

(b) For institutions, including governing bodies such as the National College Athletic Association and the Big Ten, the results show that these entities can provide proper guidance for participating and interested athletes. Moreover, as the market grows, and the landscape begins to define itself, these entities can then use this data to place themselves in an anticipatory position, namely, implementing lines of inter-department communication and regulations to best protect their participating and current athletes.

(c) Finally, this data speaks to the third-party entities interested in entering NIL agreements with college athletes. For example, this data can provide a fundamental starting point to assure their participation in this market is producing desirable results, and then also to anticipate future opportunities within the market.

Due to the novelty of this new system, data and past research in the area are somewhat limited. Accordingly, this project draws primarily from the information made available by

the member universities of the Big Ten Conference, as well as third party resources that publish NIL transaction-related materials.

Any study of NIL deals must account for the vastly different budgets between mens and womens sports, and basketball presents an interesting case study of the same sport at the same institution, but with different financial backing and different exposure to the local community and potential markets. Using factor analysis and clustering methods, we are able to study the similarities and differences among schools, athletes, and the NIL contracts they sign.

The findings of this project will optimally serve as a future tool for student-athletes, their representatives, the sponsoring organizations, and the universities.