

TalentedASF

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1 Introduction

1.1 Abstract

82% of individuals drop out of competitive sports between the ages of 15 to 18 years in India; *Shiva Keshavan* says athletes resort to crowdfunding due to lack of funds — headlines you read in India, the world's soon-to-be 3rd largest economy.

The problem we want to solve is twofold: the lack of funding for the right athletes to advance their careers in various sports at the right time. Second, sports in India is bigger than cricket. **We want to package athlete sponsorships as a marketing tool that helps homegrown brands position themselves better.**

1.2 Business Idea

TalentedASF is an athlete management tool that helps package athlete sponsorship deals for small to medium-sized businesses to minimize sponsorship risk.

1.3 How it works

- Athletes create a profile on the platform - highlighting their statistics, sponsorship requirements, guaranteed deliverables
- We manually rank athletes behind-the-scenes on objective and subjective factors that would help inform sponsors on a clear decision.
- Based on sponsor requirements, we package athletes into sponsorship bundles which align to the sponsor's brand and deliverable requirements.
- **We handle all communication and brokering between athletes and sponsors.**
- **We take a 12% success fee** from the total sponsorship amount from each athlete.

1.4 Problem Prevalence

1. Grassroots athletes come with a high investment risk from a stakeholder's perspective due to many uncertainties:
 - (a) An athlete's physical capability after X years.
 - (b) Intrinsic potential / talent of a given athlete
 - (c) Opportunities to compete in championships.
2. Brand activation is solely dependent on the athlete's ability to sell the brand through personal brand and/or career advancement.

3. The demands of athletes are too large for sole sponsors, leaving them to appease large brands that already work with massive marketing budgets and plans.
4. Underdeveloped digital media channels and low media coverage lead to lower audience reach.

1.5 Our Difference Factor

We're applying a new model of packaging athletes from different fields of play together to solve the core problem of sponsorships - **namely the risk of putting a large amount of money into a single athlete** and invariably bringing down the threshold for a business to look into sponsoring athletes as a marketing expense.

1.6 Objectives and Goals

1.6.1 Objective

To build a platform that:

- Gets rising sports talent the access they need to financial stakeholders.
- Makes athlete sponsorships into safer, enticing investment opportunities for SMBs and large businesses alike.

1.6.2 Goals (In order)

1. Identify at least 30 high-value proposition (from a sponsor perspective) athletes from a specific field of sports initially.
2. Crack at least INR 5 Lakh worth of sponsorship deals for our athletes.
3. Prove our model of diversifying investment works better for both athletes and sponsors.
4. Diversify talent acquisition to at least 3 different fields of sports.

2 Literature Review

2.1 Market Landscape

- The Indian sports sponsorship industry has experienced significant growth in recent years. In 2022, total sports sponsorship expenditure reached INR 5,907 crore, marking a 105% increase from 2021, and has increased by 24% in 2023 to a figure of INR 7,343 crore. [1]
- Cricket dominates 79% of sponsorship spending through ground, team and franchise fees in India, with emerging sports claiming the other 21%. [1]
- India presents the most dramatic shift in progression of athlete support between upcoming and elite athletes. For the 2024 Paris Olympics, Elite performers like Neeraj Chopra (Javelin Throw), Chirag Shetty (Badminton) and PV Sindhu (Badminton) received INR 5.72, 5.62 and 3.13 crore in training funds respectively, whereas allocations for developing athletes like Dhindhi Desinghu (Swimming) received INR 10.87 lakh, less than 2% of what the aforementioned elite athletes received. [2]
- Close to 82% of individuals drop out of competitive sport in the age groups of 15-18 years. [3]
- In India, foundational financial support for young athletes comes majorly through the Khelo India Scheme, which provides assistance of INR 6.28 Lakh per annum [4]. This is inadequate for the following reasons:
 1. Structured only to cover basic training expenses but falls short of the increasing expenses of athletes as they progress in their careers
 2. It is a one-size-fits-all solution that does not account for the disparity in spending across all fields of sport.
- Traditional sectors, namely Fast Moving Consumer Goods (FMCG), Telecom, and Financial businesses, maintain a substantial investment in sports sponsorships. However, there is a dramatic growth emerging from new-age tech startups and consumer technology businesses and therefore a greater focus on capturing a younger, more technologically engaged population through digital / social media. [5]

2.2 Competitor Analysis

2.2.1 Direct Sponsorship Platforms

OpenSponsorship

- OpenSponsorship runs an online platform where right holders— athletes, teams, leagues, and their agents— can publish profiles for free. Brands can search the platform and publish anonymous requests for proposals detailing their marketing needs.

2.2.2 Indirect - Athlete Management

TRP Sports

- TRP Sports is one of the biggest athlete management companies in India, with a majority stake in Indian football athletes. They provide a variety of services ranging from sports marketing to athlete sponsorships and brand endorsements.
- TRP primarily makes money from sports player auctions as opposed to direct sponsorships, invariably focusing on team-based sports as opposed to individual sports, however they have a limited focus on the latter.

Meraki Sport and Entertainment

- Meraki operates across multiple verticals, including strategic advisory, experiential marketing, digital and content marketing, franchise management, and athlete management. They specialize in representing non-cricket athletes such as Olympic gymnast Dipa Karmakar and Paralympic Gold Medallist Devendra Jhajharia.
- Meraki opts purely for fewer long-term partnerships over short-term opportunities.
- Additionally, they depend heavily on Corporate Social Responsibility (CSR) funds to scout and sponsor athletes - akin to a modern Venture Capital (VC) fund model.

2.2.3 Value Proposition Overview

	OpenSponsorship	TRP Sports	Meraki S&E
Athlete Discoverability	X		
Athlete Database	X		
Variety of Services		X	
Stakeholder Network		X	
Asian Athlete Emphasis			X
Stakeholder Priority			X

Table 1: A brief comparison of value propositions between competitors

2.3 Addressable Market Gaps

1. Identifying high-potential *transition-stage* athletes through talent scouts and subject-matter experts.
2. Catering to SMBs and heavily funded, digital-first businesses.
3. Short-term / quid-pro-quo sponsorships that are based on fixed media / brand deliverables.

3 Business Model

3.1 Product Brief



Figure 1: An extremely brief summary of our value chain

Athletes: This represents individual athletes whom either we scout, or come to us directly. Athletes provide us with data.

talentedASF: This represents us, the platform that facilitates the deal between sponsors and athletes.

Sponsors: This represents the stakeholders, who fund our end consumer. We take a cut of the final brokered deal between stakeholders and athletes.

- A web-hosted platform that aggregates athlete data (via a thorough onboarding experience) and groups athletes based on their sport, accomplishments, targets and sponsorship needs.
- Features a public front which displays athletes in "cards" - highlighting their biodata and career record.
- Features a protected front which does matchmaking between stakeholders and athlete groups.
- The protected front is accessible only by the platform, making talentedASF the broker between athletes and sponsors.

3.2 Revenue Streams

3.2.1 Direct Sponsorship Cut

- We take a direct cut of 12%, of the overall sponsorship, from the athlete's end. This means that, for a sponsor that commits X , an athlete gets $0.88 * X$.
- **Why 12%:** Initially, we want to undercut the current sponsorship market to entice athletes to work with us. As the platform offers better value, the sponsorship cut will reflect accordingly to match the improvised value.

3.2.2 Athlete Management Services

- Provide athletes with media services post-sponsorship deal to ensure deliverables to ensure sponsorships are activated effectively.
- This service varies from athlete-athlete, but we would charge an average of INR 30-50,000 based on a monthly retainer model and fixed deliverables according to sponsor needs.

3.3 Key Assumptions

3.3.1 A diversified sponsorship deal will yield greater returns for a sponsor.

- It's a novel way to approach sponsorships, and therefore will attract skepticism, especially when large transactions are involved.

3.3.2 The market beyond cricket, in India, has potential for growth.

- Athlete sponsorship spending in India is currently dominated by cricket, which accounts for more than 3 quarters of yearly spending as of 2023.
- We believe that as a result, most sports fraternities are severely underrepresented and lack the overarching roadmap that cricket has.

3.4 Ideal Customer Persona

3.4.1 Demographics

- **Age:** 14-19 years old
- **Gender:** Male or Female
- **Nationality:** Indian / Asian
- **Location:** Primarily based in India, but competing internationally or aspiring to

3.4.2 Career Stage

- **Competition Level:** Proven track record in national championships, now transitioning to international competitions.
- **Public Presence:** Moderate to large social media following (5K-15K), using digital presence to attract sponsorships.
- **Sport Focus:** Likely in motorsports or other high-expense sports requiring external funding.

3.4.3 Pain Points

- **Financial Struggles:** High running costs with higher level of progression
- **Media Visibility Issues:** Limited exposure for non-European athletes, making personal brand development crucial.
- **Sponsorship Roadblocks:** Traditional sponsorship models don't always align with emerging athletes' needs.

3.4.4 Needs

- **Sponsorship Access:** A streamlined way to connect with brands looking to support rising athletes.
- **Digital Branding Support:** Tools to improve social media engagement and make them more attractive to sponsors.
- **Competitive Edge:** Financial backing to focus on training, performance, and breaking into the international scene.

3.4.5 Where They Look for Solutions

- **Social Media:** Instagram, YouTube, and LinkedIn for networking & branding.
- **Athlete Sponsorship Platforms:** Online platforms that connect athletes with sponsors.
- **Industry Networks:** Coaches, managers, and athlete agencies helping with sponsorship deals.

3.5 Customer Acquisition Channels

1. Social Media

- Leveraging popular media channels / pages that specialize around sports media.
- Direct outreach to athletes on social media platforms

2. Word-Of-Mouth

- Spreading the word through athlete stakeholders - team managers, talent scouts, sports commentators - who have a wide understanding of the athlete market.

3. Strategic Partnerships

- Directly working with sports training facilities, news media to scout for talent.

3.6 Costs Involved

3.6.1 Hiring Costs

1. **Developer:** To develop and maintain the platform.
2. **Design Team:** 2 graphic / product designers for marketing material and good software user experience.
3. **Account Managers:** Dedicated account managers to handle sponsor deliverables, quid-pro-quo (if needed by athletes)

3.6.2 Platform Costs

1. Annual domain renewals
2. Backend hosting, database management, software maintenance costs.
3. Strategic partnership costs - commission-based or percentage based earnings for business partners.

4 Software Requirements

4.1 Tech Stack

- NextJS
- Supabase / Firebase
- Mailchimp / Nodemailer

4.2 Hosting

- Vercel / Cloudflare Pages

5 References

- [1] Group M ESP India Sports Sponsorship Report XI Edition
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- [3] Sportskeeda - 18 Realities of Indian Sport
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- [5] Adgully - Indian sports sponsorship at a transformative phase: Trends & sectors shaping the future