Building Fan Engagement
How to Turn Customers Into a Culture of Raving Fans
Imagine if...

...you could see through the soul of your fans — if you put them authentically at the heart of your brand — and could deliver novel and unforgettable experiences to them anywhere, at any time.

Imagine if you could synthesize their desires into new business models to monetize these immersive experiences and innovative services you were delivering to those fans. Imagine it — then make it happen.

Connecting to your brand fans around the world extends your reach, builds brand equity, and increases your revenue.

Today, every business, regardless of industry, needs a strong and emotional value exchange with its customers to flourish and grow.

How does a business use its digital resources to turn happy customers into raving fans?
“Success is in the mind. You have to believe you are the best, then make sure you are!”

Bill Shankly was the manager of the Liverpool Football Club (FC) in the 1960s and 1970s who took the team from nowhere to being the most formidable Football force in Europe for many years. “Success is in the mind,” he said. “You have to believe you are the best, then make sure you are!” Shankly was deeply connected to Liverpool FC’s fans and he wanted to build a team that played football the way the fans wanted: Exciting, stylish, and victorious.

Shankly personally responded to every fan letter—and there were thousands of them every year as Liverpool became one of the most popular football teams ever. To drive excellence in everything he and his team did, he proactively and regularly phoned fans to ask for their critiques of his team and how they would improve it, and he often acted on their advice.

What Shankly was doing was trying to see through the eyes of the Fans so that he could synthesize their desires into his blueprint for what became a peerless fan-centric football team that played football the way the fans wanted, whilst creating a winning culture that endured.
How to create a culture of raving fans

If you want to change the world, one of the best places to start is right from wherever you are

1. Start with your customer experience The success of the business rests on how well it creates value and serves the needs of the customer across all physical and digital channels.

2. Learn from customer behavior Take advantage of the wealth of insights available through social media and all digital channels, or learn through better integration and analysis of your existing customer data.

3. Service your customers in smarter ways Use technology to personalize unforgettable experiences for your customers and create deep emotional interactions.

4. Transform the relationship Use new technologies, such as mixed reality, artificial intelligence, advanced analytics and the internet of things, to transform how you interact with your customers and how they experience your people, products and services.

5. Change customers’ lives When you focus on high-value activities, you can create breakthroughs in the daily lives of your customers.

What can you do to win the hearts and minds of your fans?
Differentiated fan engagement happens at the intersection of brand equity, unforgettable experiences, and value creation

The key in the digital age is to show up where your customers are and make the difference. Inspiring them to being raving fans and innovative on new business models that enable new revenue generation. Intelligently know how to use these technologies to help find the future and disrupt new business models and enable organizations to generate revenue through being able to improve efficiency to get more revenue from current assets, show up where your customers are and make the difference, sell more of your current products or services to current customers, sell your current products or services to new customers, or create new products or services for all customers.

**BRAND**
- Fan management
- Communication
- Commercial partnerships
- Business intelligence

**VALUE**
- Fan identity
- Real time data and analysis across your customer experience journey
- Fan engagement
- Localization

**EXPERIENCES**
- Apps
- Social Media
- Digital Store
- Gamification
- Content
- Customer Analytics
Learning from businesses whose customers self-identify as fans: Sports

At Microsoft, we’re working with sports organizations that are beginning to understand how this deep, human engagement can lead to increased revenue through inspiring marketing initiatives that reinforce a team’s brand.

When a company connects emotionally to its customers by offering personalized, unique experiences, then the alchemy happens, and customers become loyal fans.

Because what you do and provide matters to people. Creating trust, making people feel good, confident and connected to something bigger.
What if…
Sports was a digital business?

<table>
<thead>
<tr>
<th>TOP 4 MOST VALUABLE FOOTBALL CLUBS AVG</th>
<th>REVENUE</th>
<th>MARKET CAP</th>
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<tbody>
<tr>
<td></td>
<td>$700 MILLIONS</td>
<td>$3.15 BILLIONS</td>
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<td>ARPU</td>
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<td>TOP 4 FOOTBALL CLUBS AVG</td>
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<tr>
<td>Facebook</td>
<td>$1.5</td>
<td>$13X</td>
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<td>Netflix</td>
<td>$1.5</td>
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<td>Electronic Arts</td>
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*Top 4 football clubs in the Forbes' list of the most valuable football clubs (2017): Manchester United, FC Barcelona, Real Madrid, Bayern Munich.
*Ratios show FB, NFLX, EA ARPU compared to top Clubs ARPU ($Rev/#customers); therefore showing the growth potential of Top Clubs if we apply biz models and ARPU of this digital companies.
*Likewise in Market Cap considering LTV ($MarketCap/#customers).
Connecting every touch-point in the “Fan Journey” to enable revenue growth

500M fans
When a company knows exactly who its audience is, it is better able to negotiate its B-to-B contracts. Sponsors want to do business with brands that are more digital; broadcasters want to associate with brands that have huge social-media audiences. The brand can also be licensed (B-2-B-2-C) to third parties for entertainment, apparel, or any number of other products; it can also merchandise its own products, and sell new services to their customers or fans (B2C).

| FREE CONTENT | B2B | Advertisement in App, web and social network  
|             |     | Digital sponsors mktg campaigns |
| PREMIUM CONTENT | B2C | Digital membership fees  
|                |     | Micropayments |
| LICENSING GAMES & CONTENT | B2B2C | Licensing (slicing content and data)  
|                       |     | In App purchases |
| MATCH DAY | B2B2C | F&B, Seat Upgrade & On-line payments  
|           | B2C | Pay-per-view (PPV): One-time subscriptions |
| SHOP | B2B2C | New purchases  
|       |     | On-line upselling and cross-selling |
Imagine if...

...you knew your fans better and could deliver personalized, rich, and connected experiences and services to them anywhere at any time. You could provide immersive fan experiences and innovative services at the venue and beyond, and monetize them using new business models.

Create deeper levels of fan engagement on match day and throughout the year, connecting fans around the world with teams, players and each other through fan profiles, marketing campaigns, and must see content.
Transforming fan engagement

FROM

We’re not well enough engaged with our fans to be a valuable part of their daily lives.

Our fans struggle with accessing our games, finding merchandise, obtaining services, and socializing with the team and other fans.

We don’t know enough about our fans to offer them personalized services, custom offers, and media.

At our venue, fans cannot quickly find the services and products they want, and can’t access real-time match and team information to be closer to the action.

TO

Our connection to our fans around the world has extended our reach, engaged more fans, and increased revenue.

We leverage data managed by many different organizations to better understand our fans, target offers to them, and promote the franchise and partner businesses.

We have compelling services and make our fans feel that they are an important and strategic part of the action, whether at the venue or around the world.
Seeing through the eyes of your fans

All commercial businesses face continuous pressures to use technology to generate revenue and profit. Industries have always been transformed by technology. Business leaders know this better than anyone.

Digital transformation is the process organizations are going through to implement technology advancements and cultural changes, resulting in new business models and industry disruption. Redefining how business is done, and changing lives by giving us time back, making us safer and healthier, bringing significant environmental benefits, inspiring increased creativity and helping us achieve more. There are a wide variety of technologies that enable digital businesses. These include advances in the cloud, connected things, advanced analytics, mixed reality and artificial intelligence.
Fans want to connect with their communities and teams to stay current on news and team info, know what's going on, receive services, and be able to gather with nearby friends to socialize and watch games. They want to make requests and stay connected in a way that is frictionless and intuitive and promotes a greater sense of community and fan unity.
Digital platform
Digital services and experiences underpin the digital touchpoints that drive revenue for any fan-focused enterprise

Fan engagement as a service

<table>
<thead>
<tr>
<th>Digital strategy</th>
<th>Customer relationship management</th>
<th>Business intelligence and analytics</th>
<th>Data management</th>
<th>Campaign management</th>
<th>Membership and loyalty programs</th>
<th>Content management</th>
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<td>Venue services</td>
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<td>Loyalty &amp; membership</td>
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<td>Retail services</td>
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<td>Data Feeds</td>
<td>Content</td>
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<td>Actions</td>
<td>CRM BI</td>
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Show up where your fans are and make the difference

“Now we can target a communication strategy, tailor-made for every single fan, no matter who or where they are. The capabilities of our digital platform are impacting every single function and activity, including our digital revenues, which are growing 30 percent a year.”

- Rafael de los Santos, New Media Director, Real Madrid C.F.
The playing field is the world

Real Madrid created a digital platform that can capture every fan interaction, whether a mobile check-in at the stadium, a profile update on the website, or a merchandise purchase online, deliver targeted promotional campaigns, collect club mentions and other data from social media.

Using data to predictably track and analyze fan behaviors across many physical and digital touchpoints.

Delivering both new and historical video content, including past club matches, and enables fans to search for specific games using various criteria.

With live matches, they can choose specific cameras to review key plays and player moves.

Access content anywhere in the world and can use it to gain virtual access to the stadium before, during, or after each game; to search data on all the club’s players, past and present; and to explore club statistics.

Get an in-depth look at the story here.
Ignite your fan engagement

When you put your customers authentically at the heart of your brand, show up where they are and make the difference by deeply understanding and synthesizing their desires into providing unforgettable experiences – you create a culture of raving fans that endures, which inspires sustainable growth and real profitability.

Dream
Envision the art of the possible

TRENDS AND INSIGHTS
What are the key trends and insights that are relevant to our industry?

SCENARIO PLANNING
How will we challenge the convention by envisioning the Imagine if…?
What if…?

DIGITAL JOURNEY MAP
How do our customers engage with our organization?

AGILE STORYBOARDING
What are the project features’ sequence and interconnectedness?

RAPID PROTOTYPING
What will the future look like?

VALUE ENGINEERING
What are the project features’ sequence and interconnectedness?

DIGITAL TRANSFORMATION UNIT
What team will get us there?

DIGITAL VISION
How do we envision the future reality of our organization?

Design
Build your desired state and roadmap

SOLUTION STORYBOARD
What solutions address our scenarios?

ECONOMIC JUSTIFICATION
How will this drive business benefit? What’s the value of the new outcomes?

TRANSFORMATION ROADMAP
What is our roadmap from getting from where we are to where we need to be in a prioritized and phased way?

DELIVERY
Bring your vision to life

ADOPTION & CHANGE MANAGEMENT
Have we adopted and enabled usage of the services and solutions effectively?

VALUE AND DELIVERY MANAGEMENT
Are we delivering the value we anticipated and realizing business value and impact?

Value Scorecard
What’s the value of the new outcomes and how do we measure it?
Empower organizations to achieve more by accelerating the value imagined and realized from their digital experiences


microsoft.com/digitaldifference