



# GLOBAL SPORTSTECH VC REPORT 2019

POWERED BY  
SIGNAL

**SPORTS  
UNITED**



# About this report

## Ready, Set... Dive!

That's exactly what we wanted to do with this report: A deep dive into the SportsTech investment space through our first ever Global SportsTech VC Report. Our earlier reports such as the North American, European and London overviews always talked about the ecosystem in general. But now, with the release of SportsTechDB, our global database, we felt it was time that the funding the industry has seen over the last few years was put under the spotlight.

So what can you expect from this report? For starters: less talk and more numbers! In contrast to our earlier reports which focused a lot more on interviews with a number of industry experts providing a varied perspective, this time we wanted the data to tell its own story. That said we have certainly included interviews with select industry experts for their perspective on the data since we didn't want us to do all the talking.

And that's exactly what we did. By narrowing the focus to just the funding space we could go much deeper and provide a truly global perspective. We expanded the reach to analyse nearly 3,000 SportsTech deals from all 5 continents from 1 January 2014 to 30 September 2019.

## So, what do the numbers say?

The report will in due course throw a lot of numbers and data at you, so for now let's focus on three key takeaways that you will see and perhaps even be surprised by

- The strength of the Asian SportsTech market. Only 20% of Europe in number of the deals but almost double the size for amount invested
- USA and especially New York is clearly the key geography for the ecosystem but is under serious threat from the Chinese duo Shanghai and Beijing, especially since there isn't much crossover of solutions.
- Three themes dominate the overall landscape: FitnessTech, Content and esports. You will see this as a recurring theme, whether it's from the biggest startups to the most attractive sectors

The last point is especially important when it comes to understanding opportunities in newer markets such as India and Brazil and as a result possibly predicting what could happen in other parts of the world such as South East Asia or Russia.

## Let's get started then

Before we do that just a quick note. Have we got every single SportsTech deal that has taken place in this time? Probably not but that's certainly not for lack of trying. What we are confident about though is that we've covered enough deals to present an accurate data set allowing us to make logical conclusions. And perhaps, with some degree of accuracy, even predict what lies ahead.

With that said, let's dive right in!



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#GSTVR



# Foreword from our partner: **SIGNA Sports United**

## Dear SportsTech Enthusiasts

SIGNA Sports United is delighted to be the exclusive partner of SportsTechX and – as such – bring this first “Global SportsTech VC Report 2019” to your attention. As we are all sharing the same passion and dedication for Sports and Technology, we are excited to invite you today to get to know and join us on our journey to build the leading sports experience platform worldwide.

## What is SIGNA Sports United?

Today, we are the #1 sports online retail platform in Europe. Our team is made up of passionate founders, enthusiastic entrepreneurs, experienced digital managers and former Olympic athletes. We are 1,500 motivated individuals with an infinite love for sports and a unique digital mindset. This has allowed us to build the most outstanding European shop brands across the categories Bike, Tennis, Outdoor and TeamSport/Athleisure serving the best athletes in different domains such as Tennis-Point for Tennis enthusiasts, Probikeshop for Bike Pros, AddNature for Outdoor experts, and many more.

## What is our ambition?

We are building the leading global sports experience platform. We are partnering with innovative sports technology companies to improve the sports experience for athletes, fans, sports communities and rightsholders: In the segments Activity & Performance, Fans & Content and Management &

Organisation we are looking for the most innovative sports technology companies to join us on this mission.

## What kind of companies are we looking for and how do we support them?

This is the important stuff. We have various perspectives on how we look at trends and start-ups in the SportsTech ecosystem: next to the typical criteria of validity and timing of the idea, strength of the entrepreneurial team and the attractiveness of the potential business model we are also looking for opportunities to leverage our unique sports online and eCommerce skills and assets to be able to boost the development of the particular start-up. Financial resources are certainly very important and get you started, but early access to sports customers, suppliers, clubs, associations, and other sports industry stakeholders will accelerate the journey of an entrepreneurial team to build a sustainable and successful company. That’s why we intend to be an active partner to any company we invest in or engage with. We have numerous ways to engage with entrepreneurs, founders and start-ups who will help us to achieve our ambition:

**Entrepreneurs and founders:** We have several assets in our company that can be the nucleus of a new company for which we recruit entrepreneurial teams to take over. However, if you are already one step further we might also invest in your idea and help you to build your dream company. Both ways you can become part of the SIGNA Sports United family and network.

**Founders with a proven business model:** If we see great ideas that could complement our existing business we will engage in a strategic partnership with you or even become a shareholder in your start-up. Your start-up will become part of the SIGNA Sports United ecosystem.

**Successful start-ups who want to scale:** We engage with a start-up that is on the verge of independently building a strong new customer proposition for which it could leverage some of our assets and expertise in the sports market. In this case, we would mutually agree that Signa Sports United can create a certain value add for your start-up and work together on that basis. Your company will become a strategic partner in the SIGNA Sports United ecosystem.

As SIGNA Sports United we are eager to deepen our knowledge and continue to build our ecosystem by partnering and engaging with the most attractive start-ups in SportsTech. We believe in the long-term growth opportunities of the Sport Tech market and are excited to be a driving part of it, together with our partner SportTechX and you.



**Stephan Zoll**  
CEO



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# SportsTechX - Market Intelligence for investors & professionals

## About Us

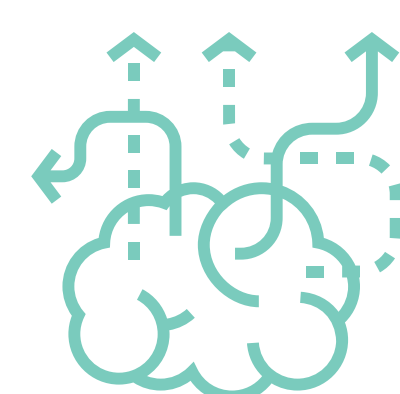
SportsTechX is the #1 source for data & insights about SportsTech startups and the surrounding ecosystem, with the mission to promote, grow and navigate the global SportsTech ecosystem.

We frequently publish content in form of industry-leading reports, podcasts and newsletters, and appear as keynote speakers at events and conferences all around the world. We also operate SportsTechDB, a database that helps investors and professionals to explore the global market in order to invest in and engage with the best solutions. Both the publications and the DB are based on our SportsTech Framework which allows to find, compare and assess startups.

We work with investors and organizations in sports and adjacent industries and support selected startups in business development and fundraising.



## Services



### Consulting

We help to find the right angle on SportsTech and answer questions like: What does the market look like? And how should we operate in this ecosystem? Based on that we develop a customised execution strategy.



### Market Research

We conduct customised in-depth research and analysis on various aspects of the SportsTech ecosystem. We invite and promote partners through the various reports we publish.



### Matchmaking

We connect investors and organizations with startups & scaleups, based on our data and our insights/network in the ecosystem. This can be for investments, collaborations, events, accelerator programs and other purposes.

## Insights



### SportsTechDB

Global database to find the best startups and initiatives in the SportsTech ecosystem.



### Reports

Industry-leading reports that combine facts and figures with qualitative insights.



### Newsletter

Cutting through the noise with topic features, interviews & major industry updates.



### SportsTech Allstars Podcast

Showcasing startups and relevant initiatives from the world of Sports & Tech.



### Blog

Market insights with event reports, landscape overviews and startup related articles



### LinkedIn Group

Community of SportsTech enthusiasts who share the latest news and updates.



# SportsTechDB - Global database to find the best startups & initiatives

## About the Database

SportsTechDB provides high-value market intelligence for investors and professionals in sports and adjacent industries who want to explore the global SportsTech market in order to find the best startups and initiatives to engage with. It covers the following sections:

- Startups & Scaleups
- Funding Rounds
- Mergers & Acquisitions
- Investors
- Accelerator & Incubator Programs
- Events & Awards
- Other Initiatives

SportsTech enthusiasts will no longer need to rely on their spreadsheets or have to conduct tedious research on their own - all of the information needed can be found in this new, comprehensive platform. We believe that it will help to democratize access to SportsTech startups and initiatives on a global scale. It aims to cut through the noise and to shine the spotlight on innovative solutions.

## Free & Pro Version

The free version of the database gives access to all startups & initiatives on a global level. It is designed for users who want to explore the ecosystem and do some initial research. For industry professionals and more advanced research needs a paid pro version of the platform is available. Amongst other data and features, it includes funding rounds and a broad range of startup filters:

- Location (also in free version)
- Investment Status & Amount
- Sectors of the SportsTech Framework
- Target Sports
- Technology
- Business Model
- etc.

This depth of research is possible due to our focus on the SportsTech industry, something that agnostic databases can hardly offer. Years of data collection, combined with a great network in the SportsTech ecosystem and constant updates guarantee data of the highest quality.

## What SportsTechDB is for



### Finding startups & scaleups

Screen the market for deal flow, cooperation opportunities, or simply to get inspired.



### Exploring the ecosystem

Dive into the world of investors, innovation hubs, events & accelerator programs.



### Accessing the market

Understand trends & developments through a fact based analysis.



**SPORTSTECH DB**



# The SportsTech Framework - A systematic approach to the industry

## SportsTech Framework

### Activity & Performance

#### Wearables & Equipment

Wearables  
Game Equipment  
Infrastructure

#### Performance Tracking & Coaching

Activity Data  
Video Analytics  
Coaching

#### Preparation

Tutorials & Training  
Injury Prevention & Rehabilitation  
Booking & Matchmaking

### Fans & Content

#### News & Content

News Aggregator  
Original Content  
OTT Platforms

#### Fan Experiences & Social Platforms

Fan Engagement  
Ticketing & Merchandise  
Social Platforms

#### Fantasy Sports & Betting

Betting  
Betting Enablement  
Fantasy Sports  
Fantasy Sports Enablement  
Sports Games

### Management & Organisation

#### Organisations & Venues

Team / Club Management  
Scouting & Recruitment  
Stadium Management  
League / Tournament / Event Management



#### Media & Commercial Partners

Media Production  
Sponsorship  
Crowdfunding

## About the framework

We introduced the framework in 2017 in order to provide a common understanding and structure for the SportsTech ecosystem. Since then we keep enhancing it, to ensure that it's the best tool for finding, comparing and assessing SportsTech companies on a global level. That's why we made two major changes in 2019:

1. The three main sectors are now classified on their target audience: The Athlete, The Sports Executive and The Fan.
2. We've introduced sub sub sectors, a third level of classification, to get another level of detail and provide a deeper understanding

The framework is also the core of our SportsTech database and allows for smarter and faster filtration to help investors and professionals find exactly what they're looking for.

Even though the framework is proven-in-practice, there will always be situations in which startups can be assigned to two or even more sub or sub-sub sectors, which simply can not be avoided. We invite everyone to share their feedback as we're always looking to further optimize our work.



# The SportsTech Framework - Structure and Descriptions

## Activity & Performance

This sector covers all solutions focused on the **Athlete**, whether professional, amateur or at a leisure level. These are related to the actual sports activity, no matter if it's before, during or after it. Common goals are tracking performance, preventing injuries & finding sports to play.

**Wearables & Equipment:** Physical resources worn/used during an activity.

**Wearables:** Attachments to the body of the athlete or the surface of playing equipment used.

**Game Equipment:** Physical equipment that is used to perform an activity, usually movable.

**Infrastructure:** Resources installed on premises, usually immovable.

**Performance Tracking & Coaching:** Solutions that help improve the athlete's performance, either through track the activity and providing feedback or by training guidance.

**Activity Data:** Tools that capture and track key metrics of sports activities.

**Video Analytics:** Applications that use video to record athletic performance and provide insights.

**Coaching:** Tools to increase performance by providing training & guidance.

**Preparation:** Tools that help the athlete prepare for the sport they will perform or aid in injury prevention & rehabilitation.

**Tutorials & Training:** Tools and tutorial guides to learn new skills and help improve performance.

**Injury prevention & rehabilitation:** Applications to reduce the likelihood of injury or help speed-up recovery.

**Booking & Matchmaking:** Platforms to discover and book venues, find players or sports events locally or while traveling.

## Management & Organisation

All solutions that help the modern **Sports Executive** perform their responsibilities. Whether it's managing sports facilities, teams, associations, leagues, events, gyms or media companies. Goals here usually relate to improving operational efficiency or providing a better experience to the end consumer.

**Organisations & Venues:** Solutions to help sports related organisations or venues with managing internal operations.

**Team / Club Management:** Tools for professional or amateur sports teams, clubs or gyms.

**Scouting & Recruitment:** Applications assisting teams or coaches scout and recruit talent.

**Stadium Management:** In-stadium solutions that facilitate easier operations or more efficient fan organisation.

**League / Tournament / Event Management:** Tools for organisers of tournaments, leagues, races or major events.

**Media & Commercial Partners:** Solutions that are either for or connect with the media, sponsoring brands or investors.

**Media Production:** Tools to make broadcasting easier and richer.

**Sponsorship:** Platforms to connect brands with teams and athletes for sponsorship

**Crowdfunding:** Marketplaces for athletes or teams to raise funds directly from fans and benefactors.

## Fans & Content

This sector is all about how sports connects to or is consumed by **Fans** and viewers. All of these are solutions focused on the fan and so will include content, merchandise or betting and fantasy sports.

**News & Content:** Solutions that provide all kinds of content for fans.

**News Aggregator:** Reporting current sports news or results.

**Original Content:** Creating original content, either video or editorial.

**OTT Platforms:** Sports streaming platforms

**Fan Experiences & Social Platforms:** Connecting fans with each other or bringing like minded sporting communities together.

**Fan Engagement:** Helping fans connect with their teams, leagues or venues to enhance their experience.

**Ticketing & Merchandise:** Platforms for fans to purchase tickets for events or merchandise & memorabilia for their favourite teams & athletes.

**Social Platforms:** Social networks and communities to connect people with similar sports interests.

**Fantasy Sports & Betting:** Assistance with betting real or play money on sports events and online games based on real or virtual teams.

**Betting:** Platforms to place sports bets

**Betting Enablement:** Tools to aid the sports betting industry, either bettors or betting companies.

**Fantasy Sports:** Fantasy sports or sports prediction games

**Fantasy Sports Enablement:** Tools to help fantasy sports gamers or game providers.

**Sports games:** Sports related video games.



## Media Partner: **SportsPro Media**

### What do we need to know about SportsPro Media?

SportsPro Media is the leading international sports business media company across print, digital and events. Our mission is to inform and inspire the global sports industry through a combination of powerful storytelling, insightful commentary, in-depth analysis and unmissable conferences. Since launching our highly respected flagship magazine, SportsPro, back in 2008, we've become an invaluable and trusted resource for decision-makers and executives who work in sport. Quality content is central to everything we do, with our events providing an essential forum for discussion and our digital channels offering a dynamic resource for daily news and reaction.

### Which touchpoints do you have with the world of sports tech and startups?

Sports tech startups represent an increasingly important sector of the industry, one whose influence is only growing as emerging technologies impact the way all sports are broadcast, produced, played and experienced. We recognise that true, cutting-edge innovation is almost always driven by budding companies and entrepreneurs, so we pay close attention to the work of startups, particularly those in the technology space, to ensure our audience stays informed and clearly understands where the sports industry is going next. As a company that sits at the intersection of sport, business, media and technology, we see the extent to which

startups are helping to shape the future of the industry and we aim to reflect that in our content. For example, entrepreneurs regularly attend our events to showcase their novel products and services before hundreds of sports industry professionals, and also to forge relationships with potential investors and business partners.

### How do you see the sports media world developing in the future?

It's perhaps a cliché to say it, but the world of sports media is constantly evolving and, as such, nobody can justifiably claim to know what the future holds. That said, it's becoming increasingly apparent that the delivery and consumption of live sports content in future will be more digital, more personalised and more interactive. Audiences are demanding content on their terms, delivered in the formats, on the devices and at the times they wish to consume it. Sports media organisations must therefore adapt their business models and distribution strategies accordingly. For rights holders and broadcasters alike, that might mean channelling more investment and resources towards non-live rights and original programming, or distributing more unique content across non-traditional platforms. In any case, the accepted notion of what constitutes a viable outlet for sports content will only change as consumption patterns evolve and new platforms come to the fore. Federations, leagues, teams, athletes, social influencers, even fans themselves - all boast audiences that can be

monetised and help sports of any size expand their reach and engagement.

### What are some of your highlights for 2020?

We have an exciting year in store as we continue to expand our growing family of platforms. In February, we'll host our first-ever conference in North America, the OTT Summit USA, which we're delighted to be staging in Atlanta, at the state of the art home of our host partner Turner Sports. That event will be swiftly followed by our second OTT Summit Asia in Singapore in March, with the seventh edition of SportsPro Live, our ever-growing flagship annual gathering, taking place in London soon after. Besides those events, we'll be working to expand the scope and ambition of our editorial output while doubling down on what has made SportsPro such a respected voice within the industry. That will mean more in-depth interviews, personality-driven features and exclusive data-led insights than ever before, as well as a host of other new developments that will be revealed soon.



**Michael Long**  
Editorial Director

**SportsPro**

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# Investor Partner: **Indigo SportsTech Fund**

## What do we have to know about you?

Indigo SportsTech Fund is a fund co-managed by Indigo Capital and Era Capital that are led by Pert Zhukov and Ekaterina Lapshina respectively. Both Indigo Capital and Era Capital have extensive prior experience in PE and VC. The core investment team of the jointly managed fund is based in Moscow, but we have a number of venture partners in key European capitals and US.

## What is your current focus and what have you done in SportsTech so far?

Our team has been active in sports tech for a number of years now and currently has 5 assets and one exit in the sector. The most notable of the current assets are:

- A stake in Hövding, a Swedish manufacturer of the world's first airbag for cyclists. We've been supporting the company all the way from Kickstarter campaign to IPO, SPO and international expansion.
- Controlling stake in the first Russian subscription-based OTT service focused on sports, Okko Sport.
- Minority stake in Storelli Sports, a US-based producer of advanced protective gear for soccer players.

## What is your investment philosophy and which areas do you focus on?

The SportsTech sector is developing rapidly and there is already a multitude of brilliant companies in this sector. However, it still lacks focused VC activity, especially in Europe. Hence, we strive to fill this niche focusing mainly on European start-ups, on Seed and A-rounds in such segments as analytics, wearables and fan engagement. We also try bringing to the table not just capital, but other, non-monetary advantages such as marketing resources, strategic expertise and, of course, a wide network of industry contacts.

## What can we expect from you in the future?

We firmly believe in the big sports brands' efforts to personalize experiences of their customers and are now analyzing a number of startups that can cater to that need. Another thing that is evident is that analytical and big data approach to professional sports that has already conquered soccer is now getting more and more traction in other sports. Companies that offer affordable and easily adoptable analytical solutions for team and individual sports will experience significant growth and have the potential to be adopted in the much larger lifestyle and

healthy living market. And of course many of the companies that have already launched good products in B2B2C model have yet to develop into truly big enterprises, thus leaving space for growth and new round of investments.



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# CONTENTS

01 Key Insights 11

02 The World of SportsTech 13

03 Outstanding Companies 20

04 Investor Activity 28

05 Investment Dynamics 34



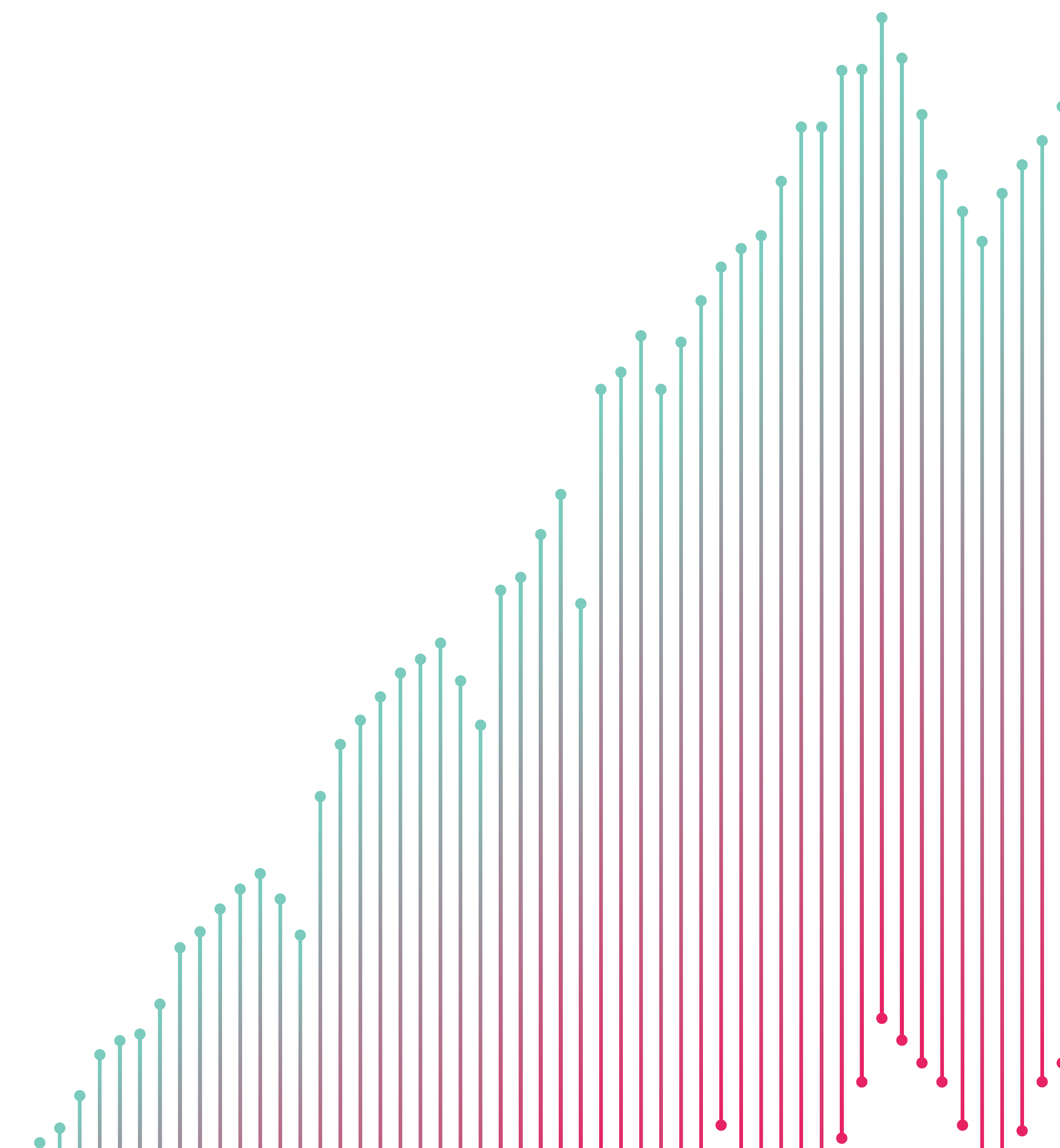


# KEY INSIGHTS



All on One Page

11





## Key Insights - Global SportsTech 2014 -2019



**\$12.6b** Spent in Funding



**25%** CAGR over 5 years



**30%** of Invested \$ went to New York City



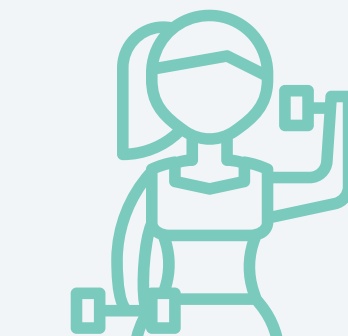
**51%** of Invested \$ went to 'Fans & Content' sector



**\$9m** Average ticket size in 2019



**2 of 5** Top Cities by Funding are from China



**\$2.5b** Funding makes 'Fitness & Workout' the #1 sport





# THE WORLD OF SPORTSTECH

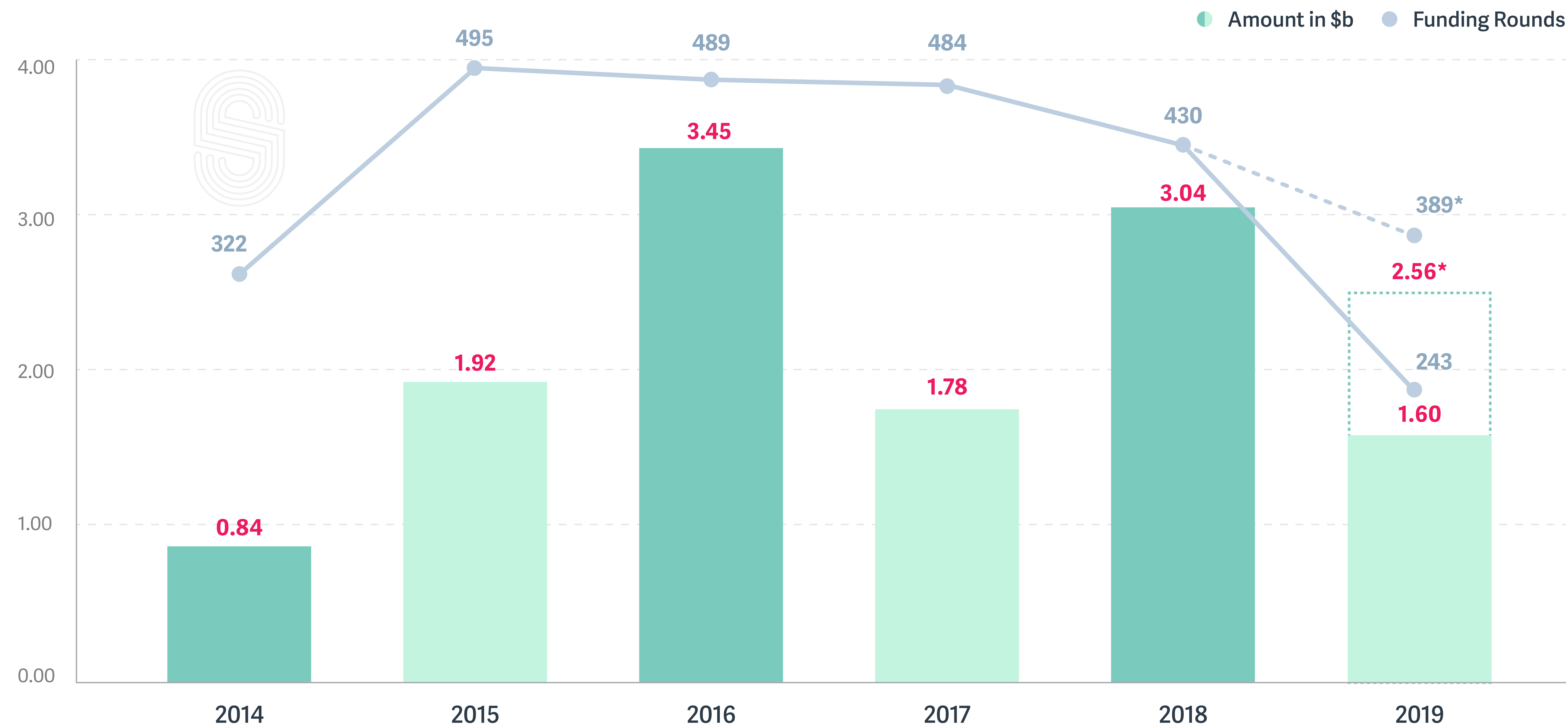


Global Funding Development	13
Leading Regions	14
Leading Countries	16
Leading Cities	17



# Global Funding Amounts fluctuate but Ticket Sizes increase

## Funding Amount & Number of Rounds in Global SportsTech 2014 - 2019



### Ticket Size

Avg (\$m)	3.21	5.07	9.58	5.01	9.07	9.06
Median (\$m)	0.61	0.50	0.65	0.80	1.00	1.10

\* End of year Estimate

## The Rise of SportsTech Funding

Even though a Year on Year (YoY) view displays peaks and troughs in funding activity since the start of 2014, SportsTech funding has been growing fairly consistent with a CAGR of 25% (based on the 2019 year-end estimate). The industry is clearly still in its infancy, also compared to the gigantic investments made in other tech industries, but showing signs of maturing with strong increases in Average and Median deal sizes.

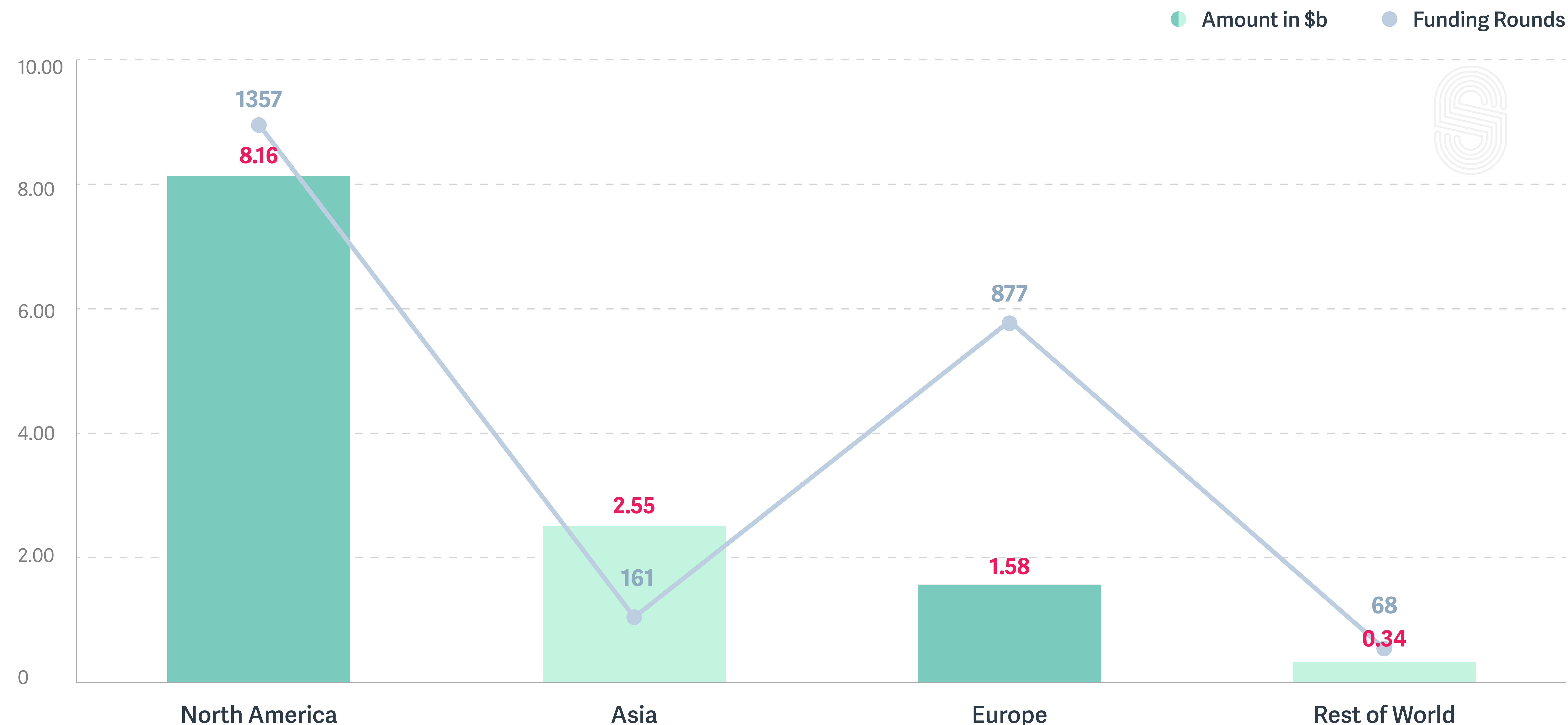
2016 really was a breakout year for SportsTech with two \$1bn+ deals. BAMTECH (USA) and LeSports (China) really set the tone for the role that Content would continue to play over the coming years. 2016 also saw the Daily Fantasy Sports battle between Draft Kings and FanDuel hot up as both companies raised big money.

2017 dampened the sentiment for the industry slightly but not enough to stop Fitness Tech and esports emerge as major trends for the subsequent years. Along with Content, these buzzwords currently drive investment activity and the big success stories in SportsTech, such as Peloton, GymPass, Hupu or Discord. 2019 will most likely end with a lower funding amount than the strong 2018, but a constant Average ticket size and increasing Median ticket size makes us optimistic for the upcoming years.



# North America dominates the market and Asia spends big

## Funding Amount & Number of Rounds in SportsTech per Region 2014 - 2019



### Ticket Size

Avg (\$m)	7.76	23.82	2.39	4.83
Median (\$m)	1.00	0.80	0.57	0.10

## The Global Picture

To truly see the global picture of SportsTech funding we need to understand where the money went. To kick things off we took a look at the continental overview and this immediately threw up some highlights.

North America as a region clearly dominates the space in terms of size and volume, attracting 65% of the funding amount. However it is interesting to note the trend in Asia: though rare, when money is spent in Asia it is usually big money. This is evidenced by the significantly higher Average Deal size. North America's consistency is showcased through a higher Median deal value. Given the sheer volume of deals at over 1,300 this is equally impressive.

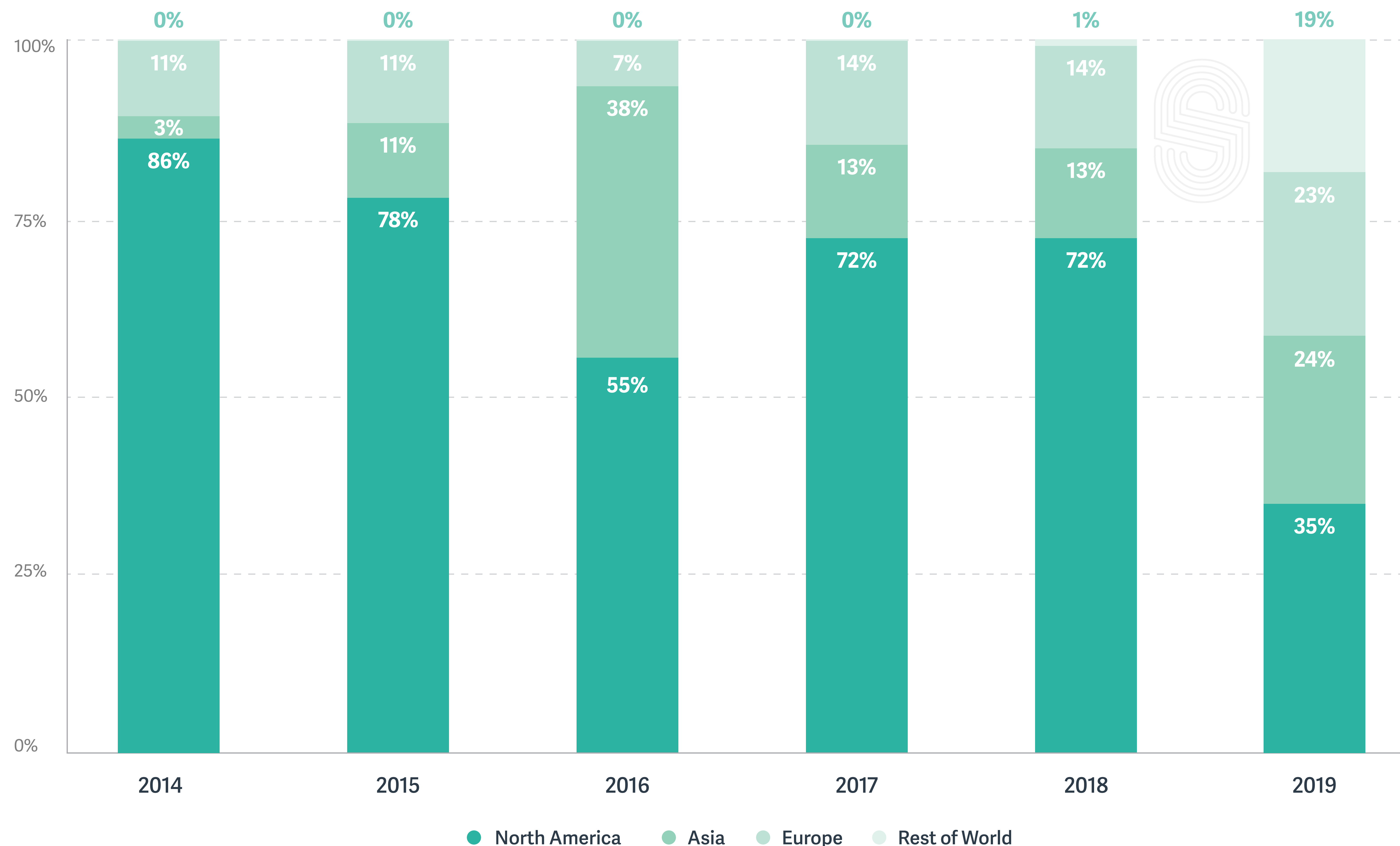
Europe seems to have a strong foundation for their investment pyramid with a 48% of the 877 deals below \$1m and 72% below \$10m, an indicator that early stage funding is available in the ecosystem. How many of these companies will be able to raise subsequent rounds will be interesting to watch.

After slow starts Oceania and South America are seeing more consistent deal flow since 2016. The African ecosystem however is yet to gather any sort of momentum. These 3 regions were considered together as Rest of World.



# 2019 marks the rise of the New Markets

## Funding Distribution in SportsTech per Region 2014 - 2019



## A Year on Year view of the Regions

2019 paints a highly interesting picture in global funding, as the amount is distributed way more equally between the regions than ever before.

North America accounted for the majority of funding in every year between 2014 and 2018, only dipping below a 70% share once in 2016, due to the mega deal of LeSports in China. But with the other regions catching up, North America went down to a record-low in 2019.

One of the reasons was the first strong year for Asia after an outstanding 2016. Two big \$100m+ deals in China and India (Hupu and CureFit) secured position two. Only slightly behind ranks Europe, scoring a record-high share of investment on the back of a \$200m deal of Romanian sports betting operator Superbet and a range of solid Series-A rounds.

After some very slow years for South America, Oceania and Africa (Rest of World), it is encouraging to see giant strides being made in 2019, even though this growth spurt was driven by one big \$300m investment in Sao Paulo based Fitness aggregator GymPass.

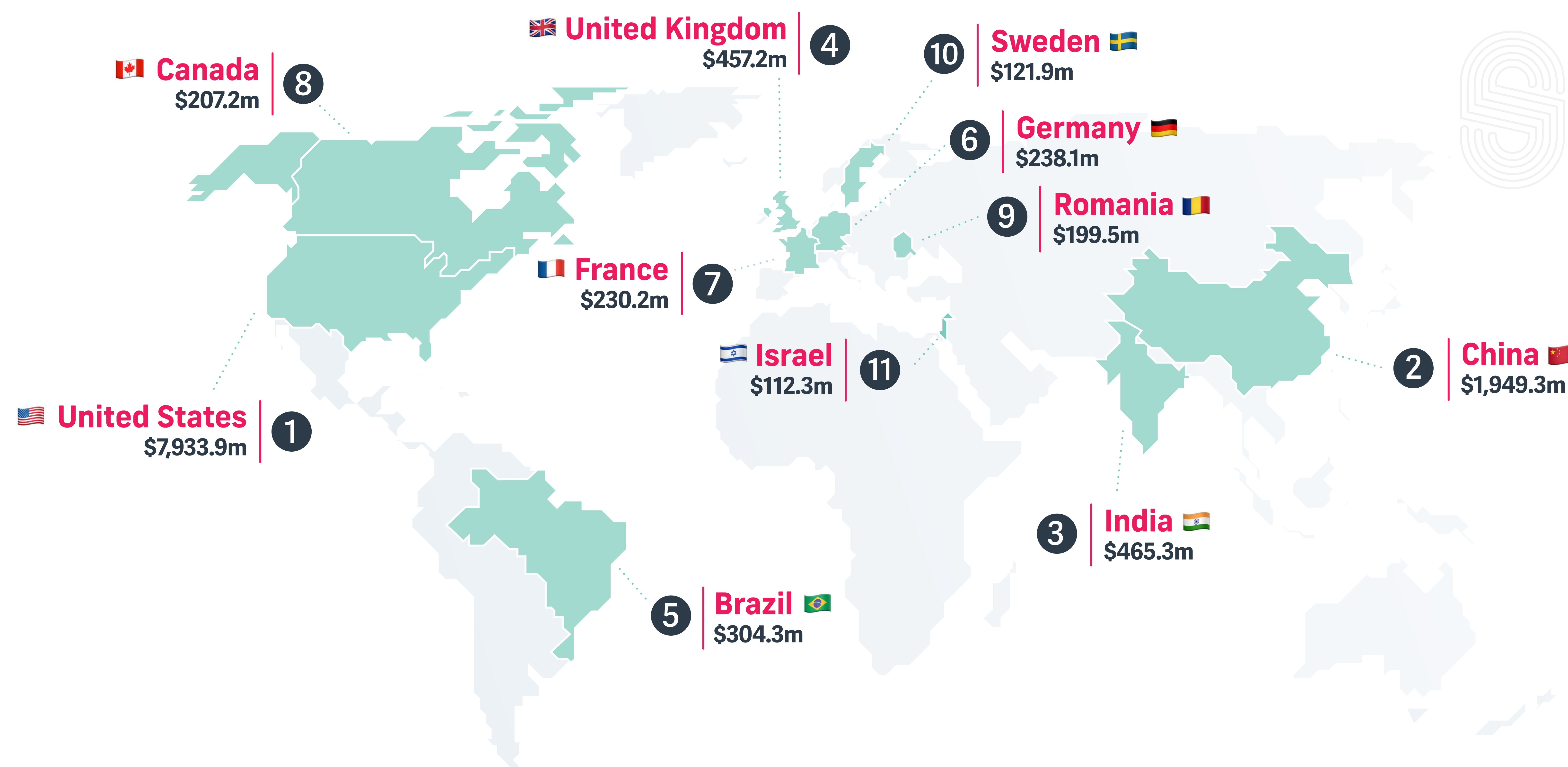
So the big question is: Was 2019 a turning point or just a one year glitch? Next years' analysis will tell.





# United States far ahead of everyone, India surprises

## Top Countries in SportsTech by Funding 2014-2019



## SportsTech Country Leaderboard

No prizes for guessing that the United States of America is the leading SportsTech nation when it comes to amounts invested. USA alone accounts for nearly double the amount invested and number of rounds than in the next 10 countries combined! So let's instead take a closer look at the other names that appear in the top 10.

China is a tough market to research given it's generally opaque nature but the highlights we caught were definitely noteworthy. Hupu and Dongquidi might not seem like familiar names but each of these content plays have seen \$50m+ rounds so demand attention. 'News & Content' solutions in fact are the single biggest driver with the top 13 deals in the country all from that Sub Sector.

It may surprise some to see India as high as number 3 but a closer look showcases the Fitness boom in the country, driven by solutions such as CureFit. The other segment that has attracted a lot of investment is Fantasy Sports where Dream 11 (\$100m) and Mobile Premier League (\$40m) have each raised significant funding. Fantasy Sports Wars II anyone?

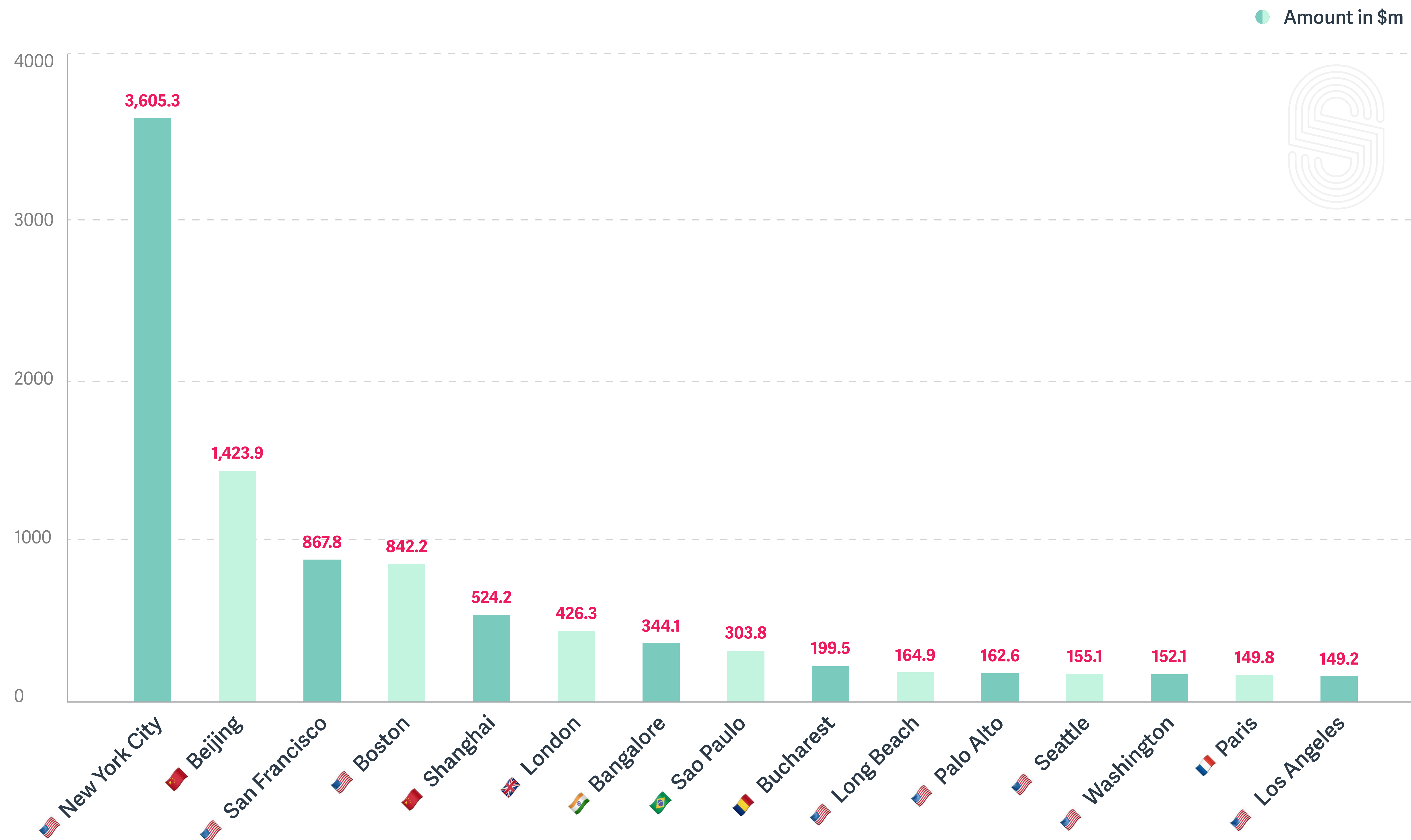
United Kingdom continues its reign at the top of Europe while Israel deserves an honourable mention after the important tech and innovation hub was bumped into 11th by Romania on the back of a major 2019 investment in online sports betting operator Superbet.





# New York a class of its own but Chinese cities catching up

## Top 15 Cities in SportsTech by Funding Amount 2014 - 2019



## SportsTech capitals of the world

The official title of SportsTech capital of the world belongs to New York, where SportsTech investors don't sleep much either it seems. The city alone accounts for nearly 30% of all SportsTech funding. If this was a boxing match, the referee would have called it long before the first bell.

China throws some heavy punches as well with Beijing and Shanghai in the top 5, bookending other major American tech hubs. San Francisco relies on esports and Fitness startups while Boston is home to Daily Fantasy giant DraftKings.

London and Paris are the only major European SportsTech hubs that make it into the top 15, another indicator of the gap between the regions.

Perhaps the most surprising names on the list however are Bangalore and Sao Paulo. The Brazilian city takes its place on the global SportsTech map as a result of the mega \$300m 2019 deal in GymPass, the fitness discovery platform. Bangalore, or Bengaluru as it is now officially called, has similar fitness roots as home to holistic fitness solutions provider CureFit but hosts multiple well funded Fantasy Sports plays. No surprises there given its own title as Startup Capital of India.



## Interview: Asia Sports Tech

### What do we need to know about your company?

Asia Sports Tech (AST) works with leading Sports and SportsTech companies from Europe, North American and Asia, and builds their businesses in the rapidly growing tech savvy sports industry in Asia. International leagues, clubs, media rights owners, sports brands and sports technology companies are all gravitating towards Asia looking for opportunities to penetrate the increasingly affluent and mobile connected young consumer markets.

AST leverages our team' decades of experience working in Asia building sports and entertainment brands like the NBA, IMG and IMAX and collaborates with three types of entities:

- Tech companies that want to disrupt the sports and entertainment industries.
- Investors (PE/VC and Corporates) who want deal-flow, deal analysis and portfolio company support.
- Federations, Leagues, Teams, Stadiums, Real Estate Developers & Hospitality groups that want to leverage new technologies to beat the competition.

### What are the current major SportsTech trends in your opinion?

We are in the middle of an unprecedented number of international events being hosted in Asia, three Olympics

(Korea, Japan and China) and Rugby and Basketball World Cups, that are accelerating the growth of the sports industry and media consumption especially in China. These events are accelerating growth in every area of SportsTech including Activity & Performance, Fan Engagement, Stadium tech, as well as, esports. We also see opportunities at the crossroads of HealthTech and SportTech where athlete performance tech is being extended to the medical sector and is causing the two sectors to quickly merging.

### Where do you see the biggest opportunities in Asia?

Operating in the Greater Bay Area (Hong Kong & Shenzhen), Beijing and soon Singapore, we have built a regional footprint that allows us to understand and identify growth opportunities. The overall sports ecosystem continues to develop and SportsTech is a key part of this transformation. Applying SportsTech to all levels of sport in Asia is help teams and athletes leapfrog existing practices and compete at international levels. We also see growing participation in fitness, health & wellness activities and explosion in participation rates in outdoor sports like marathons, trail running and cycling supported by national public health programs. Esports, professionalized in Korea, are booming in China with Chinese teams winning the last two League of Legends World Championships. Sports Education is also

developing and new technology is changing how Asian populations learn and engage with sports.

### How do you see the Asian SportsTech investment scene?

Asia has made huge investments in technology with China hosting the largest number of Unicorns in the world and this includes increasing investment in SportsTech. In China, investment in Sportstech is currently driven towards equipment like wearables, sensors or AR/VR equipment as many of them are made in China and sold globally as B to C consumer products. More recently, companies, like Amer Brands, now controlled by Asian investors, create a wealth of opportunities for leading SportsTech companies to collaborate with these groups and will accelerate the growth of the overall Sports ecosystem in Asia for years to come.



**Jean-Baptiste Roy**  
Co-Founder



Hong Kong

[asiasportstech.com](https://asiasportstech.com)



# OUTSTANDING COMPANIES













Top Rounds	20
Unicorns	22
Acquisitions	23
IPOs	25



# New Geographies lead recent Funding Rounds

## Top 10 Funding Rounds in SportsTech last year (Q4 2018 - Q3 2019)

#		Name	Description	City	Amount in \$m	Website
1		GymPass	Gym and fitness classes discovery	Sao Paulo	300.0	gympass.com
2		Superbet	Online sports betting operator	Bucharest	199.5	superbet.ro
3		Hupu	Sports news portal	Shanghai	183.7	hupu.com
4		Discord	Voice and text chat for gamers	San Francisco	150.0	discordapp.com
5		Big League Advance	Predictive analytics platform for sports	Washington D.C.	150.0	bigleagueadvance.com
6		Zwift	Multiplayer online cycling training program	Long Beach	120.0	zwift.com
7		CureFit	Fitness, nutrition and mental wellness solutions	Bangalore	120.0	cure.fit
8		Play VS	High school eSports league	Detroit	80.5	playvs.com
9		AllTrails	Hiking, running and biking trails discovery	San Francisco	75.0	alltrails.com
10		Otro	Social network to follow footballers	London	66.7	otro.com

## Recent Big Hitters











The last 12 months saw some major deals in new geographies. That none of the top 3 deals took place in the United States is a strong indicator of the global reach of the maturing SportsTech ecosystem. The US still maintains its dominant position as industry leader with half the deals in the top 10, the most for any single country in that period.

As far as sectors are concerned, Activity & Performance saw the most number of deals with five as Fitness discovery and training focussed applications continue to attract investment. Sports Betting from the Fans & Content sector saw the second biggest deal and we're likely to get more such as the trend to legalisation continues, especially in the US. Both esports solutions were from the Management & Organisation sector.



# Battle between US and China on all-time leaderboard

## Top 10 all-time Funding Rounds in SportsTech

#		Name	Description	City	Amount in \$m	Website
1		LeSports	Sports scores, results and news	Beijing	1,330.4	lesports.com
2		BAMTECH Media	Technology services and video streaming	New York	1,000.0	bamtechmedia.com
3		Peloton	Interactive indoor exercise bike	New York	994.7	onepeloton.com
4		DraftKings	Daily fantasy sports	Boston	676.0	draftkings.com
5		FanDuel	Daily fantasy sports	New York	418.0	fanduel.com
6		Hupu	Sports news portal	Shanghai	337.4	hupu.com
7		GymPass	Gym and fitness classes discovery	Sao Paulo	300.0	gympass.com
8		CureFit	Fitness, nutrition and mental wellness solutions	Bangalore	294.6	cure.fit
9		Discord	Voice and text chat for gamers	San Francisco	280.0	discordapp.com
10		ClassPass	Local fitness classes discovery	New York	255.0	classpass.com

## SportsTech Hall of Fame

Here are the big names in the world of SportsTech, those with the most amount of funding raised. Most of the names will be familiar to SportsTech enthusiasts but the positions they take up on the list might surprise.

Again it's a straight up battle at the top between the top Chinese and American cities who cover 8 of the top 10 spots, further proving that those countries are where the behemoths are usually born. New York alone accounts for 4 of the top 10 and more interestingly those companies fall under different sub sectors showing how diverse the appetite in the market is. From streaming services to fantasy sports to connected fitness, New York offers it all.

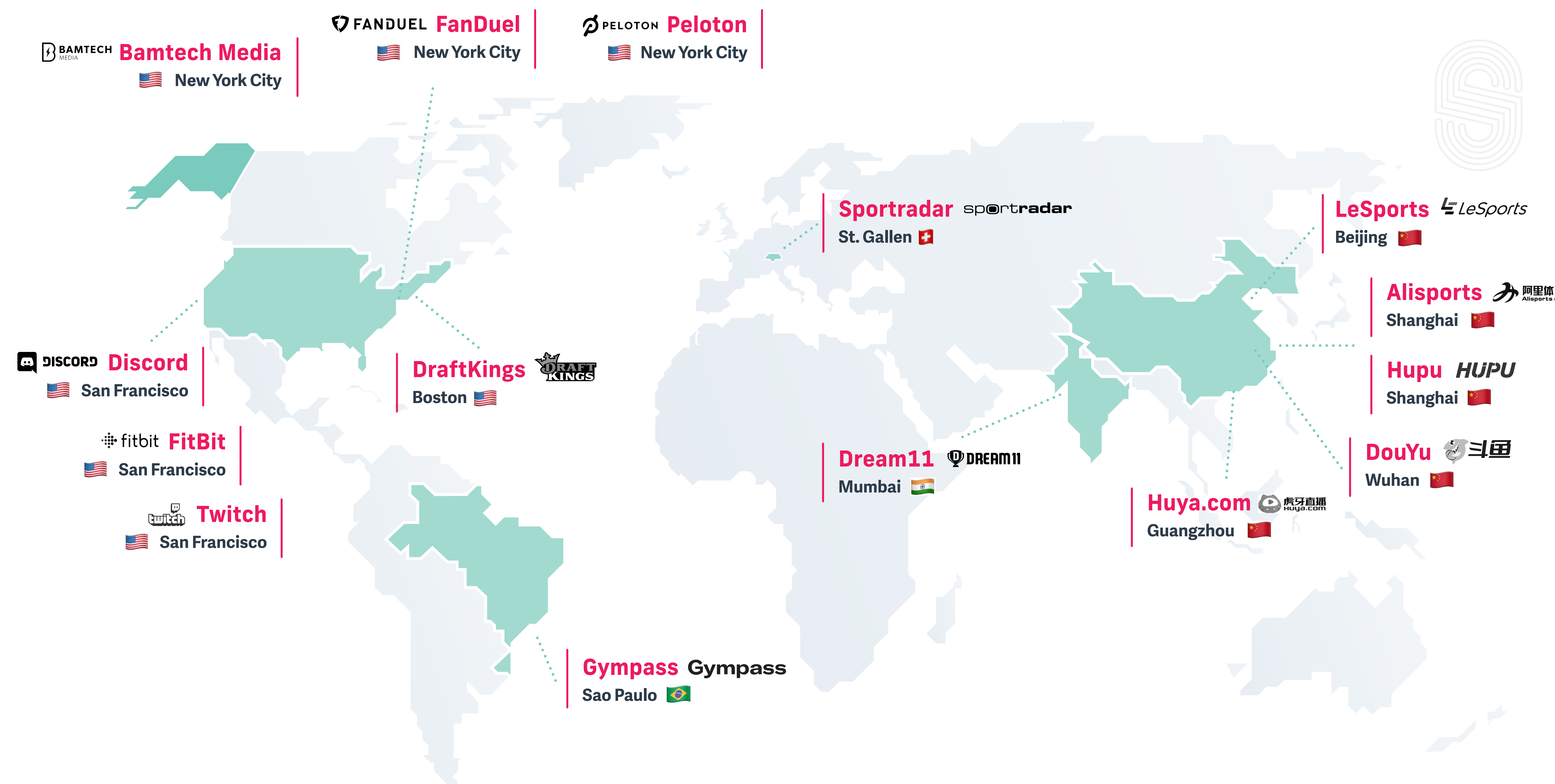
Perhaps the most surprising fact is that no European startups make this list. The first European entry is the now familiar sports betting provider Superbet but the next European entry after that is only at number 20 with London based Minute Media. Seems like the European companies are more likely to take their time with major fund raises.

This is also in stark contrast to the Brazilian and Indian examples who have raised significant funding amounts in a much shorter span of time. GymPass raised their \$300m in a single round while CureFit has raised 92% of its funding since 2017.



# Unicorns are raised through end-consumer orientation

## Unicorns in Global SportsTech



## The Three Comma Club

No they are not just a myth, SportsTech Unicorns do exist. And in no particular order, here they are!

Straightaway it's telling that all of these companies are either direct B2C or at least B2B2C plays, an indicator that to really reach scale your product needs to directly touch the end consumer.

Another is the number of exits already seen. BAMTECH, Fitbit, FanDuel and Twitch have all been acquired while Peloton has gone the IPO route. More expectedly, nearly all of these companies have made acquisitions at some point indicating that it does require some consolidation to get to these levels.











China and USA make up most of the list while India sees a different entrant with Dream11, a company with one big \$100m round but not much else (disclosed), a sign of the steep valuation that Indian fantasy sports solutions receive, a likely result of the sheer scale and fanatical nature of Cricket fans in the country. Sportradar, the sole European entrant, was founded in 2000. This is in keeping with the earlier conclusion that European startups are slow burners.

Honourable mentions to Fanatics, who were omitted on account of being founded prior to the year 2000, and our likely Soonicorns NextVR, ClassPass and CureFit.



# Acquisitions executed by household names with strategic view

## Notable Acquisitions in SportsTech since 2014

	Name	City	Acquirer	Deal Year	Deal Value in \$m
	Fitbit	San Francisco	Google	2019	2,100
	BamTech Media	New York	The Walt Disney Company	2017	1,600
	Twitch	San Francisco	Amazon	2014	970
	MyFitnessPal	Baltimore	Under Armour	2015	475
	Misfit Wearables	California	Fossil	2015	260
	Runtastic	Pasching	Adidas	2015	240
	RunKeeper	San Francisco	ASICS	2018	85
	All Trails	San Francisco	Spectrum Entity	2018	75
	TopTix	Charleston	SeatGeek	2017	56
	Major League Gaming	New York	Activision Blizzard	2016	46

## The Art of the Sports Deal

On a deal scale of McDonalds franchising to the Treaty of Versailles, only time will tell where all these acquisitions will lie, but some, like the Amazon acquisition of Twitch, are already paying rich dividend.

It is interesting to note that all the deals on this list of the biggest acquisitions made, barring possibly All Trails and its acquirer Spectrum Entity, were clearly strategic with the acquirer taking a longer term view. And even the All Trails deal could be classified as a funding round but since Spectrum Entity took on a significant controlling equity, we felt it had to be included on this list.











Another striking note is the scale of the Acquirer. These are some of, if not THE biggest names in their respective industries who were clearly making an attempt to further solidify their position. For example, the importance of running apps was not lost on each of these shoe giants, especially after the success that Nike had with their own solution.

Apart from All Trails, ticketing solution TopTix is the only other deal that breaks us from the Fitness-esports-Content trifecta that we have seen dominate throughout this chapter.



# Undisclosed Acquisitions all over the world help deepen areas of expertise

## Recent Notable Undisclosed Acquisitions in SportsTech

	Name	City	Acquirer	Deal Year
	Flywheel Sports	New York	Kennedy Lewis Investment Management	2019
	Krossover, Wyscout	New York, Genoa	Hudl	2019
	Optima	Sevilla	Sportradar	2019
	TraceMe	Seattle	Nike	2019
	Waypoint Media	New York	FanAI	2019
	Fan Duel	New York	Paddy Power Betfair	2018
	Ledongli	Beijing	Alisports	2018
	The Esports Observer, Newzoo	Berlin, Amsterdam	Advance Publications	2018
	UnScripted	Melbourne	The Player's Tribune	2018
	Genius Sports	London	APAX Partners	2018

## Flying below the Radar

These undisclosed deals might not get the same eyeballs as some of the others we’ve already talked about, simply because we couldn’t find a credible source to report on the actual size of the deal / acquisition value. That doesn’t mean that these deals were any less important.

The Advance Publications double purchase of Esports Observer and Newzoo in 2018 is a clear indicator of the importance they give Esports intelligence. The same could be said of Hudl’s double purchase of Krossover and Wyscout in 2019, further strengthening their hold in the sports those solutions primarily catered to, Basketball and Football (Soccer) respectively.

There were a lot of significant deals to choose from so we picked 5 each from 2018 and 2019 that we felt told their own story. For example, deals from Sevilla and Melbourne show that good startups are all over the world so top quality connections and research are needed to find the right match.



# Increasing IPO appetite despite mixed development

## Notable IPOs in SportsTech since 2014

	Name	City	Date of listing	Marktet Cap in \$m*	Since listing
 PELOTON	Peloton	New York	Sep 2019	7,639	-6.1%
	DouYu International	Wuhan	Jul 2019	2,411	-34.6%
SUPER LEAGUE	Super League Gaming	Santa Monica	Feb 2019	25	-68.7%
	VOGO Sport	Montpellier	Nov 2018	39	-9.7%
	Enthusiast Gaming Inc.	Toronto	Oct 2018	113	122.6%
	Huya.com	Guangzhou	May 2018	4,551	39.7%
	PlayAGS	Concord	Jan 2018	440	-34.6%
	Versus	Los Angeles	Jul 2016	18	-18.5%
	The Gym	Guildford	Nov 2015	317	21.2%
	Fitbit	San Francisco	Jun 2015	1,769	-79.1%
	Catapult	Melbourne	Dec 2014	261	242.6%

## Fitness and esports are leading IPOs

After only a few notable IPOs for years, and none in 2017, SportsTech companies were taken public more frequently in the last two years.

The highlight was without a doubt the Peloton IPO in 2019, which marked one of the biggest success stories in the history of SportsTech, currently with a Market Cap of over \$7.5b. But Peloton was not the only company that surpassed Fitbit, the long time leader in the SportsTech Market Cap ranking: Huya and DouYu International, both headquartered in China, are both valued significantly more. On the flip side though, we have to state that the majority of listings went down in value. Sure, the IPO sentiment was not the best this year, but there’s definitely room for improvement.

From a topic perspective the IPOs match the trend that we also see in the latest funding rounds: The companies with the biggest Market Cap are either active in the booming FitnessTech and esports space. We expect the IPO trend to continue, as the funding environment indicates a maturing market, which should ultimately lead to more IPOs.



## Interview: Courtside Ventures

### What should we know about Courtside Ventures and your upcoming activities?

Courtside is continuing to invest in seed and Series A rounds of companies at the intersection of sports, media and gaming. We have made 43 investments to date and continue to see very exciting deal flow. We remain extremely bullish on the sports and gaming verticals. Gaming in particular has shown itself to not only be recession proof, but perhaps that it can thrive during an economic downturn. What cheaper way is there to get hundreds of hours of entertainment than a video game? We will continue to do between 6 and 8 deals a year, writing bigger checks than before, and doubling down on companies that are doing well.

### What were your big takeaways from 2019, especially from a US perspective?

If 2018 was the year that people started to notice opportunities, 2019 was definitely the year started that real money was deployed into SportsTech. You're seeing only a handful of dedicated funds but money is flowing in regardless. Even private equity is taking an interest in sports, which is great for the ecosystem as every exit cannot be a strategic one. esports was definitely the "flavor of the week" in 2019, with multiple esports organizations reaching multi-hundred million dollar valuations. Gaming in general continues to be a place where the largest of outsized returns can be generated

- to that end we at Courtside hired Kai Bond from Comcast Ventures to run our esports and gaming vertical.

### What were your big takeaways from 2019, especially from a US perspective?

Peloton's IPO was definitely a net positive for the industry, showing that it is possible to grow a "fitness tech / media" company to such a scale that it can go public. As a result, you're seeing a wave of "Peloton for X" companies popping up, tackling everything from running to rowing to yoga. It will be interesting to see if the market can sustain multiple such solutions. Also, Peloton is likely working on all of these products as well, and with the cash they have, along with brand recognition, new entrants into the space have their work cut out. No consolidation just yet, I believe there are numerous opportunities that are barely scratching the surface of fitness tech, and you will see a handful of them achieve multi-hundred million dollar valuations next year.

### What other sector(s) do you expect to be hot for 2020?

We remain bullish on our 4 sectors of focus in 2020:

- Sports media and content: All social networks and OTT platforms continue to look to bolster their offering with as much unique and exclusive content as possible. Sports (both live and produced documentaries) will

continue to demand premium pricing with opportunities for high quality / cheap production products like automated camera systems.

- Fitness / Wellness - with an increased focus on staying fit, connected products and fitness apps will continue to grow their subscriber base in 2020. Expect new solutions for ways to get your body and mind to recover.
- Gaming - recession or not, every year will present opportunities to invest in gaming studios that are working on the next hit game, social / community products that bring gamers together, and tools / infrastructure that allow developers to build and distribute.
- Real money gaming - sports betting is here, and as more states continue to legalize, entrepreneurs are looking to take advantage of the gold rush of the 21st century. Expect to see new media companies, innovative broadcast formats, software tools, data and analytics play, and infrastructure companies to support the new sports betting landscape. And companies that want to be sports books themselves, if they can raise the money to do it!



**Vasu Kulkarni**  
Founding Partner





# INVESTOR ACTIVITY




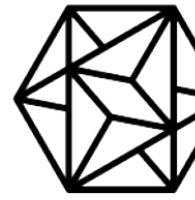













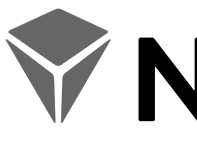






Selected Investors	28
Type of Investor	30
Regional View	31



# Prominent Investors part of SportsTech success stories

## Selected Investors and their SportsTech Investments

Investor	Headquarter	Exemplary Investments			
Accel	Palo Alto	 cure.fit	 hudl	 SeatGeek	
ANDREESSEN HOROWITZ	Menlo Park	 caffeine	OVERTIME	halo	
BULLPEN  CAPITAL	Menlo Park	 FANDUEL	 DRAFT KINGS	 FITPLAN	
COMCAST VENTURES	San Francisco	 FANDUEL	THE ATHLETIC	 READYUP	
GGVCAPITAL	Menlo Park	 PELOTON	 DRAFT KINGS	 MISFIT	
SEQUOIA 	Menlo Park	 懂球帝 DONGQIUDI	STRAVA	 gracenote. A NIELSEN COMPANY	
 SoftBank	Tokyo	Gympass	 NEXTVR	 fitbit	
Tencent 腾讯	Shenzen	 DISCORD	 DREAM11	 虎牙直播 huya.com	

## Gathering of Unicorns

Even though SportsTech is rather small in comparison to other tech industries, some of the world’s premier investment companies have stakes in the space. And they seem to have chosen well: Their portfolios include a variety of highly successful SportsTech companies, with unicorns such as Peloton, DraftKings, FanDuel, Hupu or Dream11.

































It’s no surprise that again Fitness, esports and Content are the three dominant investment topics, alongside Fantasy Sports. Only slightly more exotic are the investments in SeatGeek, one of the largest ticket platforms, and in two performance focused companies, with brain stimulation technology from Halo Neuroscience, and video review and analysis tools from Hudl.

The SportsTech industry will have to prove that it can continue to produce success cases and to bring in high profile investors. Something much needed in order to grow the overall funding amounts and maybe someday arrive in the league of big tech industries.



# SportsTech Investors go after future unicorns

## Selected SportsTech Investors and their Investments

Investor	Headquarter	Exemplary Investments			
	London	 SeatGeek		 Onefootball	
	Berlin				
	Cambridge				
	New York City				
	Los Angeles				
	Rio de Janeiro				
	Palo Alto				
	Conshohocken				

## Smart investments but bigger funds needed

Equipped with (mostly) smaller funds than the prominent industry-agnostic investors, the SportsTech VC firms are typically involved in earlier investment rounds, but equally on the hunt for potential unicorns.

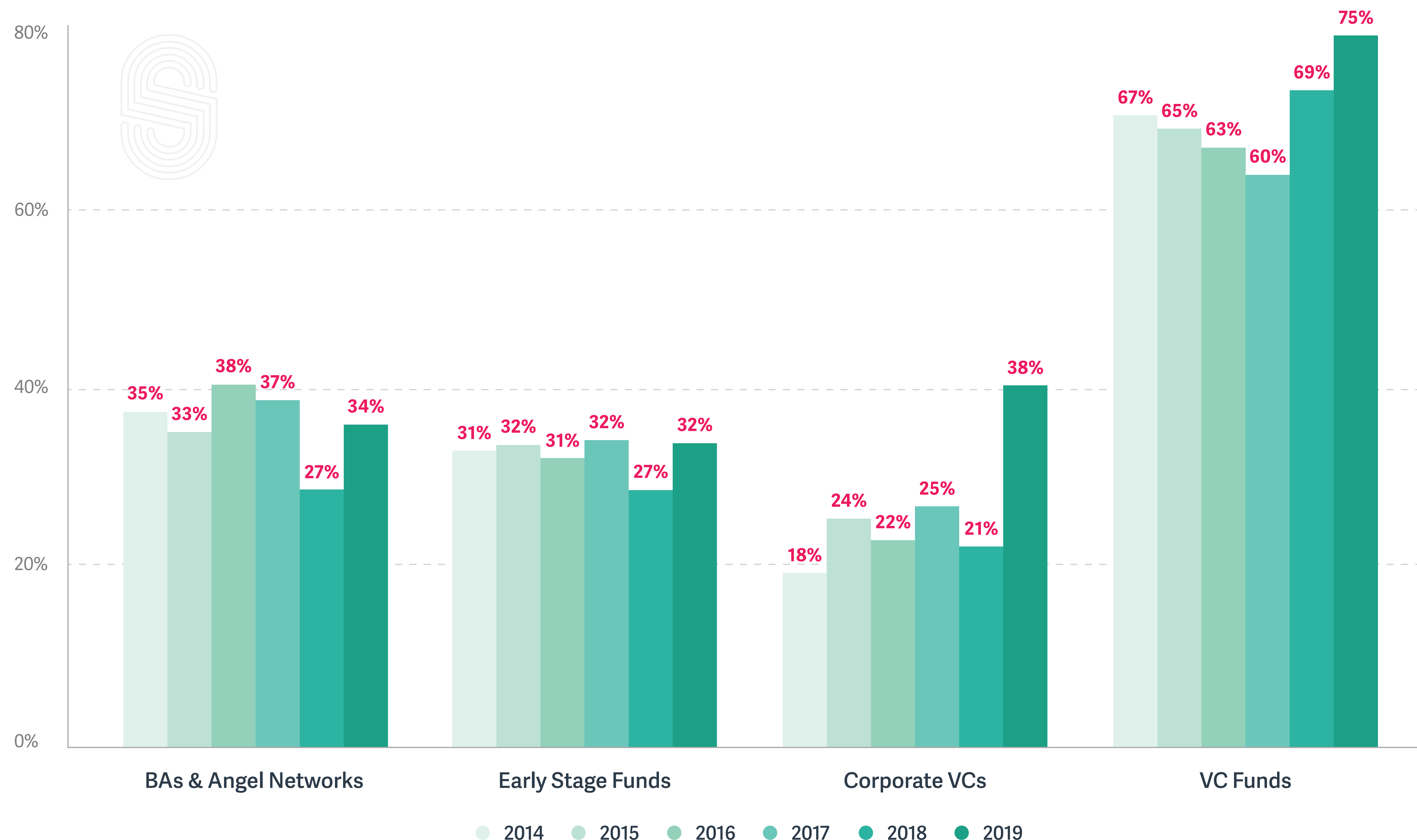
Nevertheless, the SportsTech investors have gathered an impressive selection of promising companies, and potential future unicorns such as Strava, Tonal or Zwift. Almost needless to say that also in this overview Fitness, eSports and Content are the dominant investment topics. Contrary to the industry agnostic investors we don't see any big Fantasy Sports investments.

The main point remains that: SportsTech still very much depends on big investment firms outside of sports. On the one hand it's good to see that they can be attracted, on the other hand the industry needs more and bigger dedicated funds, as we see them in other tech industries, in order to drive growth from within.



# Corporate VCs & VC Funds increase deal involvement

## Involvement in SportsTech Deals by Type of Investor



## Know your investor

The idea of this analysis was to identify the various types of investors that are involved in any given deal. First, it was important to define the categories of investors. For this we kept it simple, here they are

- Business Angels (BA) & Angel Networks
- Early Stage Funds: This includes seed funds and accelerators
- VC Funds: Anything after early stage funds, includes PEs
- Corporate VCs: Differentiated from VC Funds since these are established by an existing Corporate entity

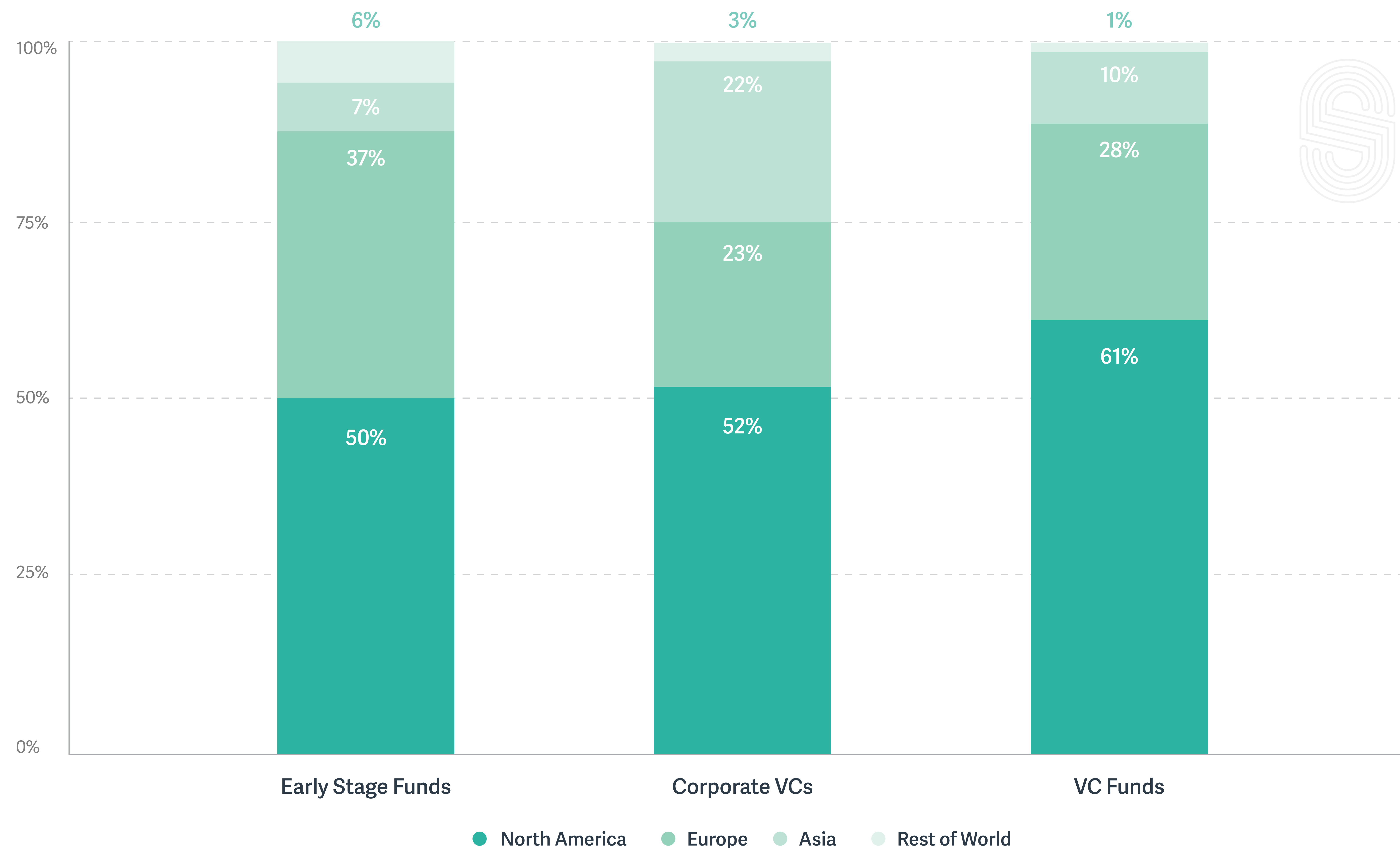
Post classification was where things got trickier. Given the inclusive nature of any sort of transaction, most deals attracted multiple types of investors. So you could have a large VC fund investing alongside a business angel etc. This meant that categories were counted on the basis of number of deals they appeared in every year.

The rise of Corporate VCs, a welcome trend in SportsTech and investment in general, and the increasing involvement of VC Funds are the key takeaways from this chart.



# North America rich in Investors, Europe strong in Early Stage Funds

## Regional Distribution in SportsTech by Type of Investor



## Where Investors come from

A question often asked is where do you find the right investor? Our attempt at answering it was to look at where different types of investors are based. Business Angels were excluded from this exercise since location details of individuals are harder to find. Instead we focussed on finding out where the other categories reside.

The results seem obvious at first, over 50% of all Early Stage, VC and Corporate funds reside in North America, a vast majority of those in the United States. An expected trend corroborated by the data. The other trends provided more insight.

We've already talked about Europe having a strong appetite for smaller deal sizes and the presence of a large number of Early Stage Funds was further evidence of this fact. We also found a fair number of VC funds here but there certainly is space for more SportsTech dedicated funds in Europe.

The other trend to note was the strength of Corporate VCs in Asia. Big Corporates are more keen to invest in startups, rather than Early Stage or VC funds, making this a contrasting and yet interesting opportunity to the one that presents itself in Europe. Some sort of cross border learning exchange would do well here.



## Interview: **Remagine Ventures**

### What do we need to know about Remagine Ventures?

Remagine Ventures is a \$35 million venture capital fund, focused on seed-stage startups at the intersections of entertainment, sports, data and commerce. We are backed by some of the largest companies in the entertainment space, but invest independently. Remagine Ventures was founded by Kevin Baxpehler, former executive at ProSiebenSat1 and Eze Vidra, ex Googler, founder of Campus London, Google's first physical hub for startups, and former General Partner at Google Ventures. We have offices in Tel Aviv and London.

### Why is your focus on Europe and Israel and what kind of investments are you planning?

Our core focus is seed stage with Israel being a key market but will gradually expand our focus to Europe. As you may know, Israel is a unique ecosystem, ranked #2 globally in R&D spend per capita - the market has a very strong pipeline of technical talent with a strong entrepreneurial culture and is internationally focused from day one. We have been investing in the Israeli market for the past few years and are most familiar with it.

We like meeting founders early and helping them get real time feedback from the market. We invest where we believe

the company has a chance to scale and where we're able to support beyond the money through our network. Our investments to date include companies that do image recognition, predictive analytics, gamer training, in-stream engagement, etc. They all have tech at their core, solving a real problem for users

### What's your take on the media world and its future development?

The media industry is perhaps the most disrupted industry by technology. Our investment thesis is based on two main drivers: On the one hand, new advancements in so called "AI" technologies — specifically deep learning, computer vision and NLP — and on the other hand new consumer trends such as e-sports, visual search, and direct to consumer brands.

We believe that these technological developments such as GANs (generative adversarial networks), or cloud gaming coupled with new powerful computing power like new microprocessing chips and 5G, will change how brands, consumers, and stars/influencers will all interact. It creates tremendous opportunities to build new categories in entertainment and we are excited to back the next generation of entertainment tech companies.

### Involvement of Corporate VCs & VC Funds in SportsTech deals are on a record high. Is the market maturing?

Sports tech is a very interesting area of activity, fueled technology improvements. We see a lot of interesting companies in streaming technology, computer vision for fitness, sensors/IOT, esports or new experience tech etc, and have made several bets in this space. While there might be an overall correction in the market (especially when it comes to private companies valuation in the growth stage), we believe there is still major growth opportunities ahead. Corporate Venture is indeed at an all time high, but rarely at the seed stage and not in all markets. We believe corporate investment activity will continue to grow.



**Eze Vidra**  
Managing Partner



**Kevin Baxpehler**  
Managing Partner



# INVESTMENT DYNAMICS

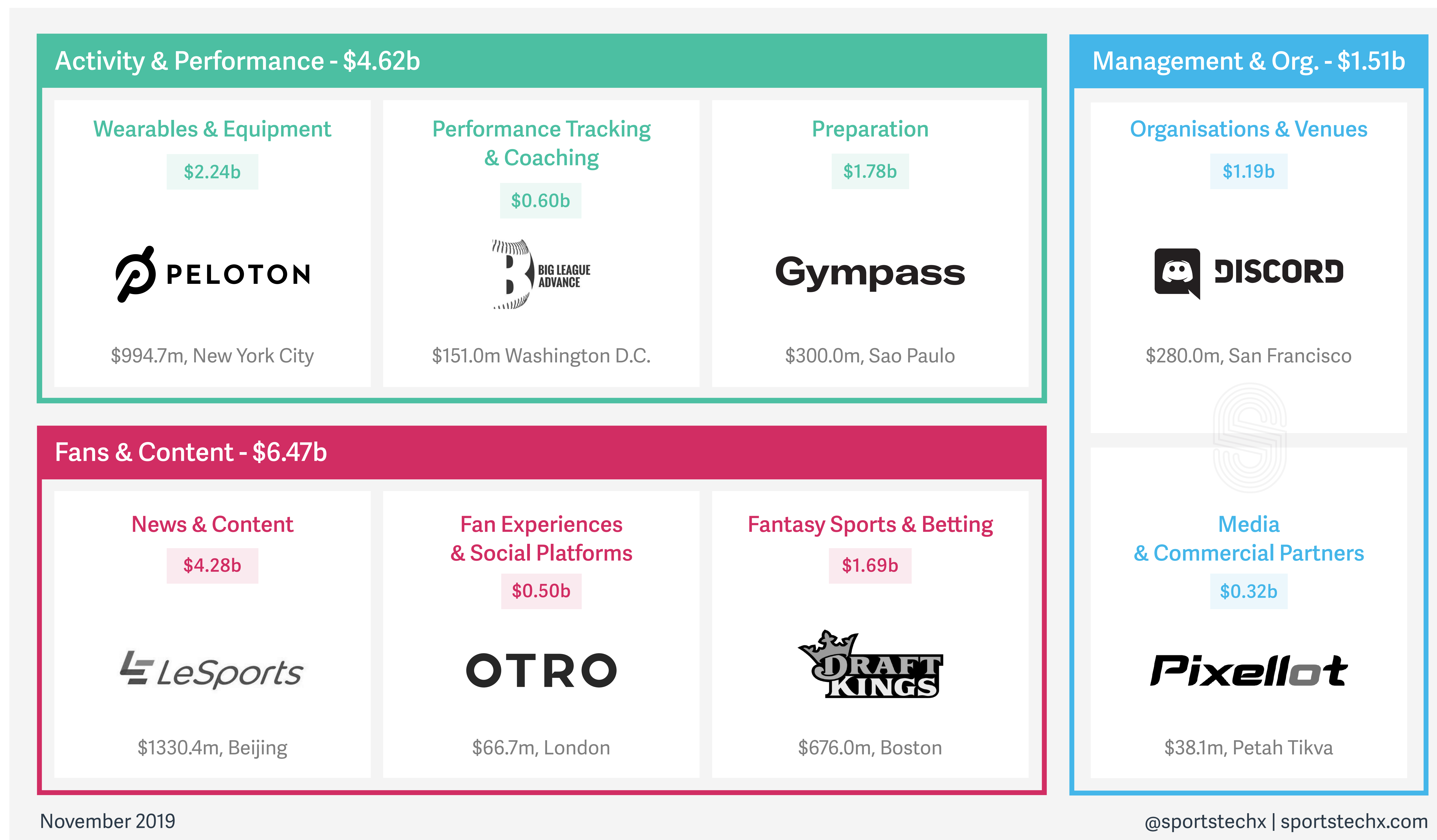


Sector View	34
Sport View	36
Deal Size View	37
Business Model View	38



# Fans & Content reign on top of the SportsTech sectors

## Funding Amounts & Top Companies\* in SportsTech per Sector 2014 - 2019



\*Per highest funding amount since 2014, displayed with their all-time funding amount

## Time for change?

Naturally we wanted to know how the global funding activities are reflected in the Framework.

And it's Fans & Content which officially leads the SportsTech Sector, with over 50% of total investment going into it since 2014. That is not a surprise, as the big content plays such as LeSports, Hupu, etc. and the Fantasy Sports giants are located in this sector, and its mega year in 2016. But it's a massive statement that the Sub Sector 'News & Content' alone attracted one third of the global investment in the last years.

That is almost as much as the runner up sector: Activity & Performance, home of the red hot FitnessTech industry, has secured for 37% of investment. Pelton, Gympass, Zwift, CureFit, we don't even know where to stop... And many more in the pipeline for the upcoming years. Both fitness-driven 'Wearables & Equipment' and 'Preparation' are strong Sub Sectors, each of them outscoring 'Fantasy Sports & Betting' Investments in the last years. So we see high potential for taking over the number one spot.

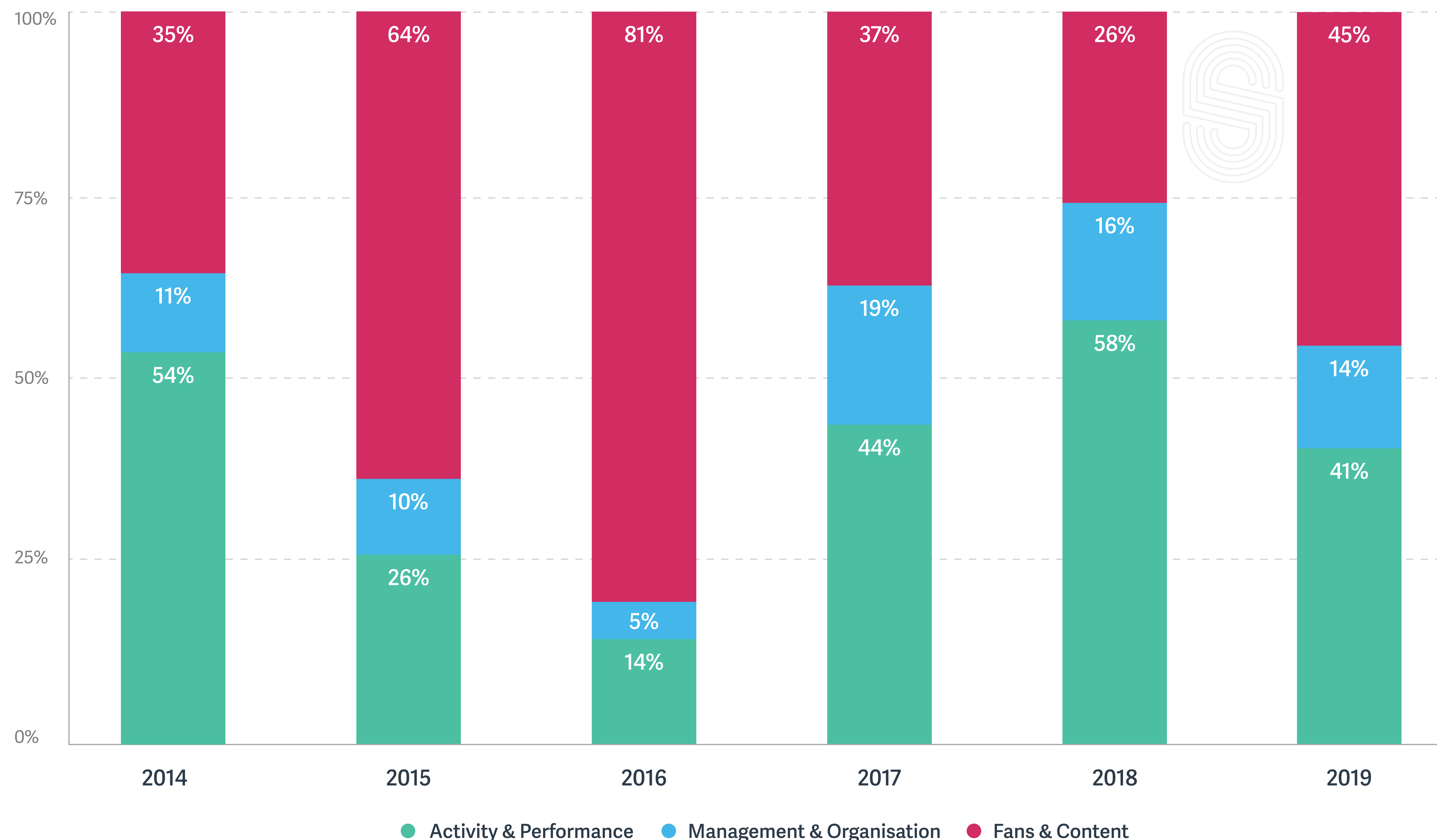
Management & Organisation is clearly the smallest of all Sectors, nevertheless with interesting solutions for Team Management (Discord) or Media Production (Pixellot).





# FitnessTech pushes Activity & Performance to the pole position

## Funding Distribution in SportsTech per Sector



## Year-on-year framework view

Taking a deeper look at the funding breakup per year provides some context to earlier observations on what sectors have been hot in each year.

2016 was dominated by the Fans & Content sector in an almost dramatic way, driven by Content plays (BAMTECH, LeSports) and Fantasy Sports solutions (DraftKings and FanDuel), a build-up that already started in 2015. Since 2017 it went back to its solid origin position, this time though also with startups from Betting, Ticketing & Merchandising and OTT platforms, each seeing \$25m+ deals in 2019.

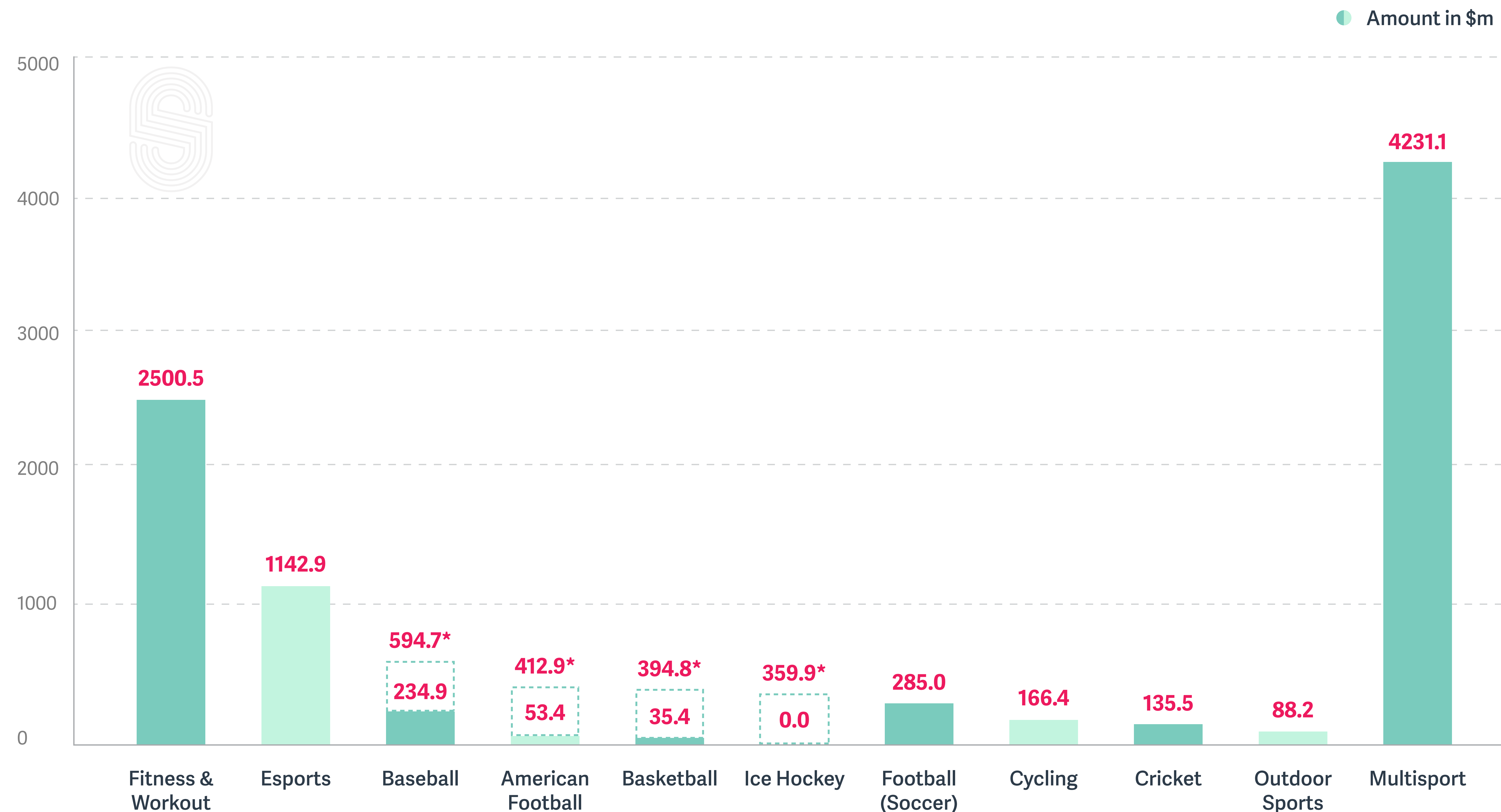
This is when the rise of the Activity & Performance sector began, which is in the leading position for three years in a row now. This is mostly due to the boom in FitnessTech and its capital intensive Wearables and Performance Tracking solutions. We have seen fluctuations in contribution number but this is driven by the growth of other sectors, rather than a reduction of importance for this one.

Management & Organisation consistently maintains its status as the most underserved category even though there are indicators that it has found a strong base since 2017.



# Multisport solutions ahead of Fitness and Esports

## Top 10 Sports per Funding Amount in SportsTech



\*Including share of US Sport solutions

## A sporting challenge

Breaking down funding by Sport was certainly the most challenging analysis we had to do. This almost seems counter intuitive given that it is a SportsTech report but there are important reasons for this. The primary being that successful solutions naturally crossover into multiple sports and others, for example those around News & Content are born serving a multitude of sports. This, and a range of other reasons, makes it hard to allocate companies to just one or few sports.

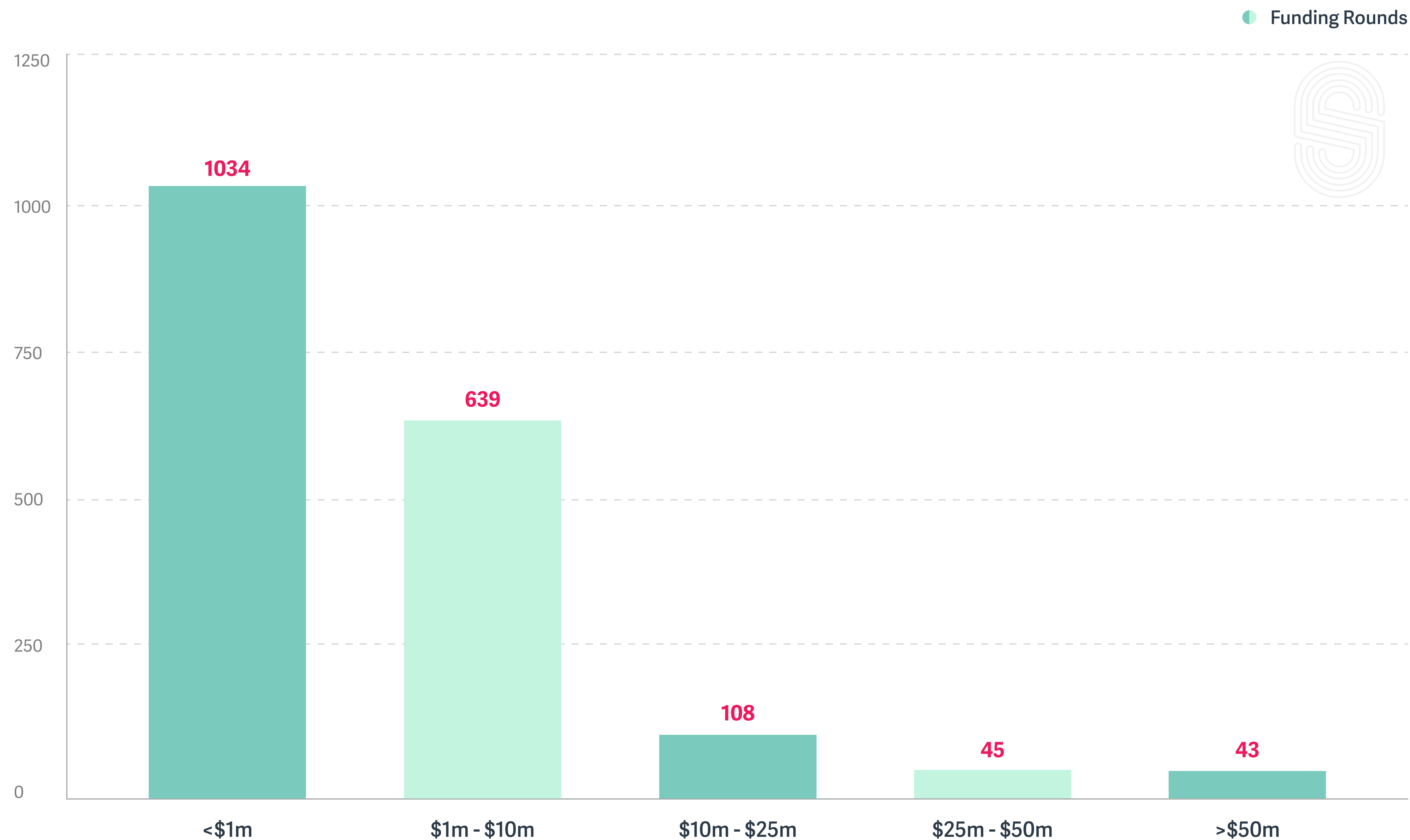
But we came up with a solution. We analysed all deals \$10m+, to give us enough coverage in terms of value. We pinned them down to individual sports as far as possible, and assigned Multisport companies - the ones serving 5 or more sports - to one or two sports in case we saw them standing out. In case of the four major US sports - American Football, Baseball, Basketball and Ice Hockey - we split funding evenly when all four were served by one solution. Still, lots of companies remained as 'Multisport', as they simply serve a broad range of sports.

All this to show data on how much further Fitness & Workout and esports are ahead of the rest. Baseball's inherently alignment to data analytics brings it in with a strong 3rd place. The world's most widely played sport of Football (Soccer) doesn't even figure directly in the top 5. But what stands out is the incredible amount that companies with a multisport approach were able to attract.



# Large gap in \$10m+ tickets on a global scale

## Number of Rounds in SportsTech per Deal Size



## Breaking down the tiers

The idea of this chart was to present some sort of funnel view of SportsTech investment showcasing how many deals actually make it through the various stages, moving from Angel / Seed investment all the way to Series X rounds and beyond. We avoided reporting the actual amount raised in each of these deal tiers so as not to cloud the view.

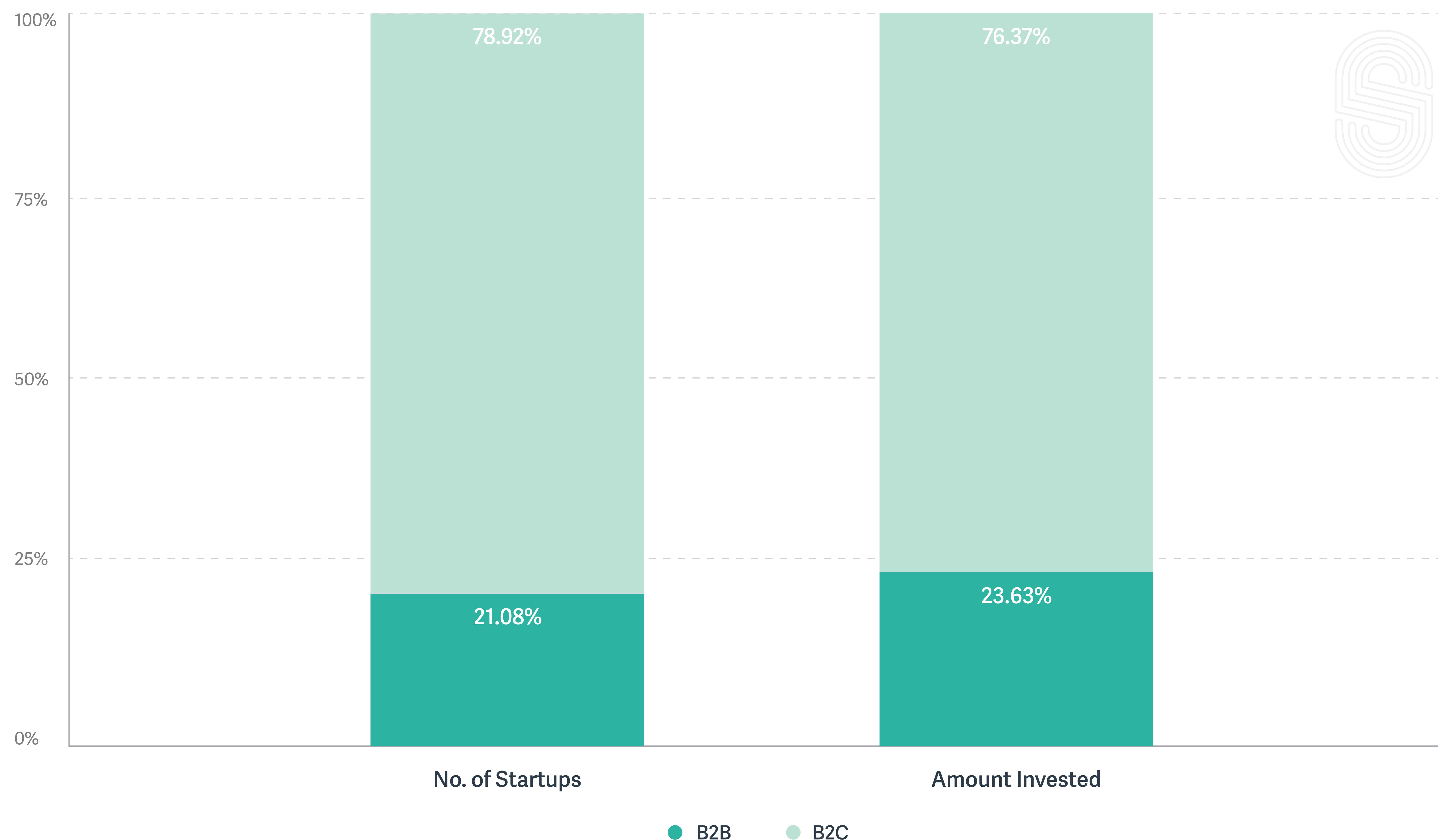
That said this high level view does throw up some interesting inferences. It isn't perhaps not absurd to say that only 10% of startups that raise funding actually go on to raise significant Series A rounds of \$10m+. But as the funnel amount gets higher the likely drop off rate falls with most startups who get to that level almost guaranteed of funding rounds as the investors try to brute force their way to exits. Maybe there is such a thing as too big to fail in SportsTech as well?





# B2C solutions preferred by Founders and Investors

## Number of Startups and Funding Amount in SportsTech per Business Model



## Know your audience

We've touched on this before and this Business Model split between B2C and B2B solutions again provides a data point on which audiences SportsTech solutions are focussed on.

Even though B2B2C solutions are categorised under B2B, it is clear that Enterprise focused solutions are much fewer in number. Whether that means the segment is under served however is debatable given that sports isn't exactly a business where new sports entities are born everyday. With a fairly limited set of enterprise customers and an ever growing audience of Sports consumers, perhaps the only surprise is that B2B solutions still make up 25% of the total number of startups and 20% of funds raised. A YoY look at the data does in fact confirm that B2B numbers are slightly on the decline in terms of number of rounds.





**THAT'S A WRAP**



# Methodology

## Data & Research

Our database currently contains over 5.500 startups and scaleups from all over the globe that we consider SportsTech. Here are some key things to know about how this analysis was approached. While we always want to be as inclusive as possible, we have applied certain criteria to ensure that all data is representative of current trends.

All companies founded before the year 2000 have been excluded.

Only deals announced during the period of Jan 1, 2014 - Sep 30, 2019 were considered, (excluding the Top 10 Deals all-time).

As far as possible we have obtained public domain sources for all the deals that we report on. This includes funding announcements made on a variety of media channels.

Esports game publishers, teams and leagues have been excluded as they don't find space in our framework.

In general eCommerce based solutions have been excluded, as those form part of the Web 1.0. So while there has been innovation in products, the format itself isn't new.

Deals completed in that period for companies that are not currently active have also been included.

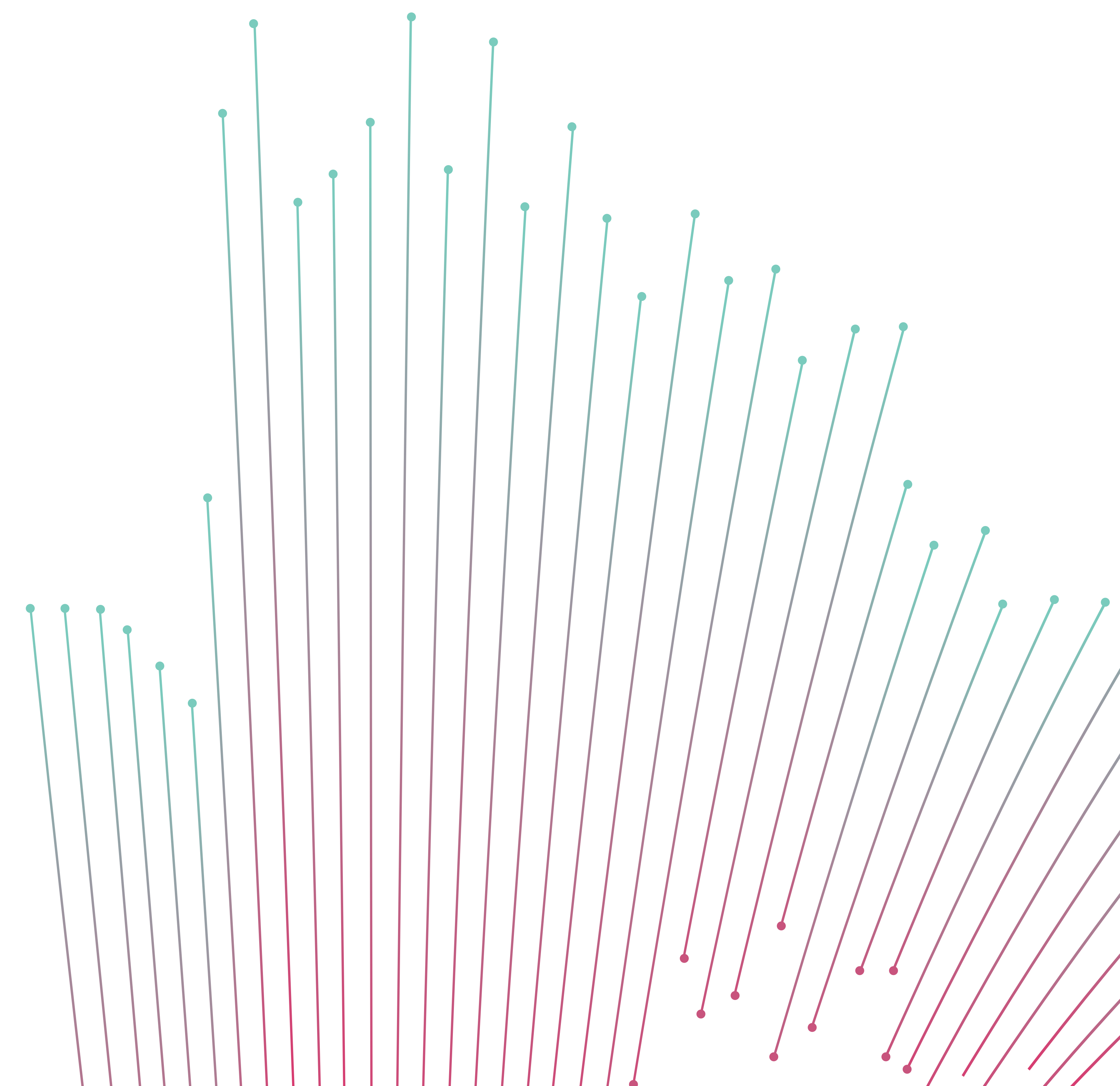
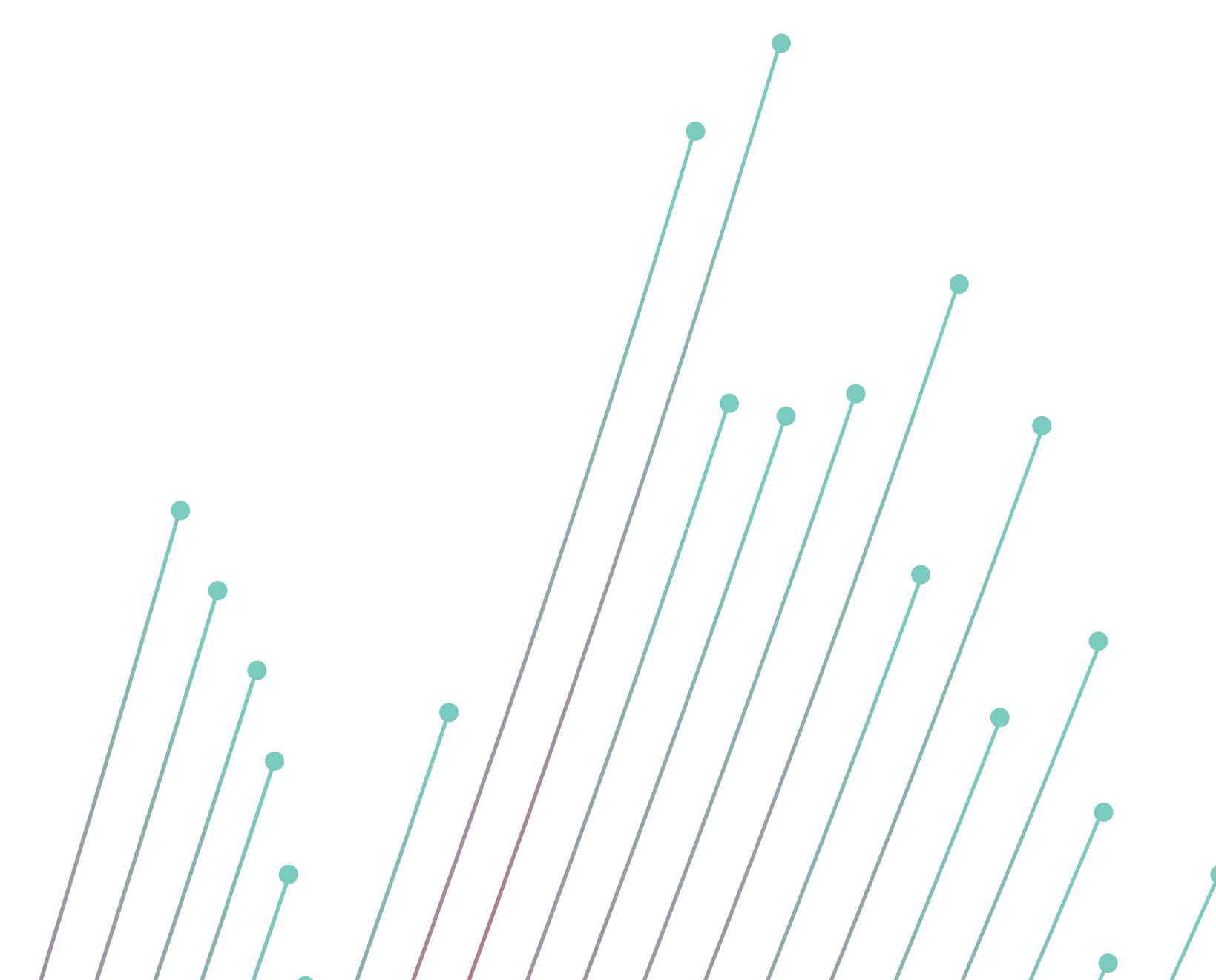
All deals are reported in USD. For deals not in USD, the average conversion rate for the deal currency to USD in the deal year was utilised.

Mergers between entities have been excluded. For example the Paddy Power and Sky Bet merger in 2019

To align Geographical reporting, certain regions were considered as below

- Israel: Counted as part of Asia
- Istanbul: Counted as part of Europe
- Russia: Counted as part of Europe

As in every year we expect some amount of reporting lag as not all deals from last year would have been announced.







# Thank you!

We would like to thank our outstanding team for their contribution to this report. The decision to develop this report was made not too long ago and required lots of dedication and hard work. Happy to have you guys on board!



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## Imprint

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## Content Note

The content in this report is for general information purposes only and can change at any time. SportsTechX can not guarantee the ultimate accuracy or completeness of the data.

## Graphic Design

The report was designed by Ryan Hays. Thanks a lot for your continuous support! Check him out at [www.boyintree.com](http://www.boyintree.com)





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