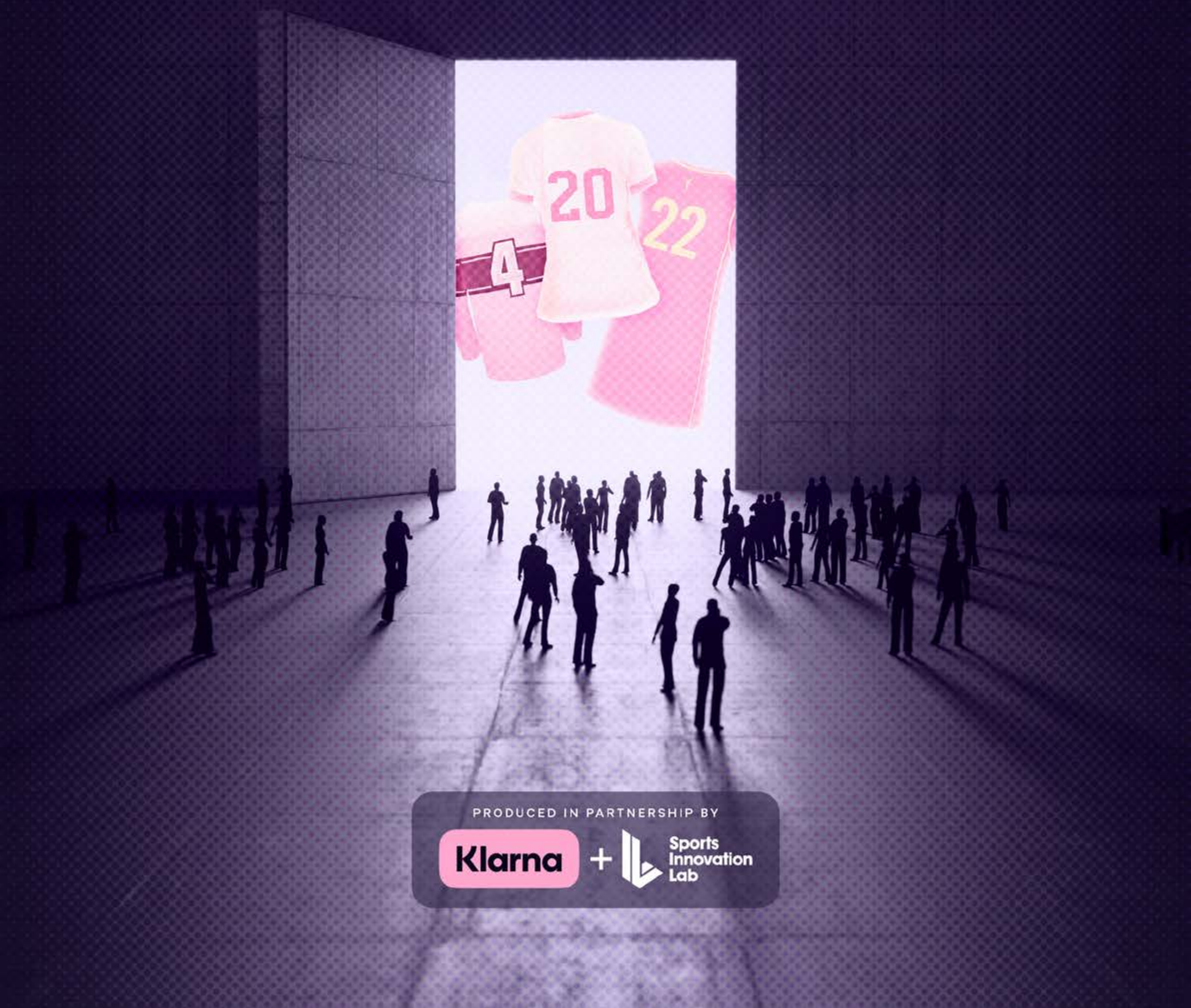
Rep Her

Revealing the Unmet Demand for Women's Sports Merchandise

POWERED BY
THE FAN PROJECT



PRODUCED IN PARTNERSHIP BY
Klarna + Sports Innovation Lab

Robert Sabo, photograph, NY Post, January 10, 2024, https://nypost.com/2024/02/17/sports/pwhl-proves-it-has-great-chance-at-sustained-success/.

The Opportunity in Dollars

How big could the women's sports merchandise market become in the US?

Sports Innovation Lab estimates the women's sports merchandise market to be valued at

$4 Billion

dollars per year

Ben Portnoy, photograph, Nike Basketball, March 11, 2024, https://www.sportsbusinessjournal.com/Articles/2024/03/11/womens-tournament.

This estimate was developed by utilizing the self-reported survey data on purchasing habits and was balanced with our observational transactional dataset on actual merchandise transactions by women's sports fans.

This research is both a state-of-the-industry report and the beginnings of a playbook on how to move forward. With a promising $4 billion carrot, we encourage the industry to make commitments to overcoming the disparities between men's and women's sports merchandise and optimizing the buying experience.

Foreword

What an amazing few months for women's sports. When we set out to produce this report, we couldn't say that women's basketball had one of the most-watched, live sports events ever. We couldn't point to new media rights deals, sellout crowds, and few knew the thrilling young golfers and tennis players tearing up their competition. Now, we get to see their highlights more often and in more places! So much to celebrate.

Yet, we know there is so much work still to do!

As the world finally starts to gain appreciation for the value of women's sports, we must keep our foot on the gas to set these athletes and these sports up for success and honor those women who helped get us to this point.

Our contribution to supporting women's sports is here in this report, but it's just one part of Klarna's bigger strategy. Our goal is to draw attention to a massive opportunity to grow the industry with better sports merchandise. We believe if fans can rep their favorite teams and athletes, then it will be hard to slow the progress athletes are making on the court, ice, and wherever they play. If you can see it, if you can play it, then you certainly want to be it. Wearing your team, your athlete, is all about driving home that pride and that association that comes with fandom.

We want to see more female athlete jerseys on the sidewalks, in the hallways of schools, and in the stadiums. We want to see more hats, more accessories, and more ways for fans to feel closer to the athletes and teams they love. We know the demand is there. This research proves it, and we're eager to share it with you and the world.

Let's go!

Megan Gokey

Head of B2C Marketing,
North America & UK

Klarna

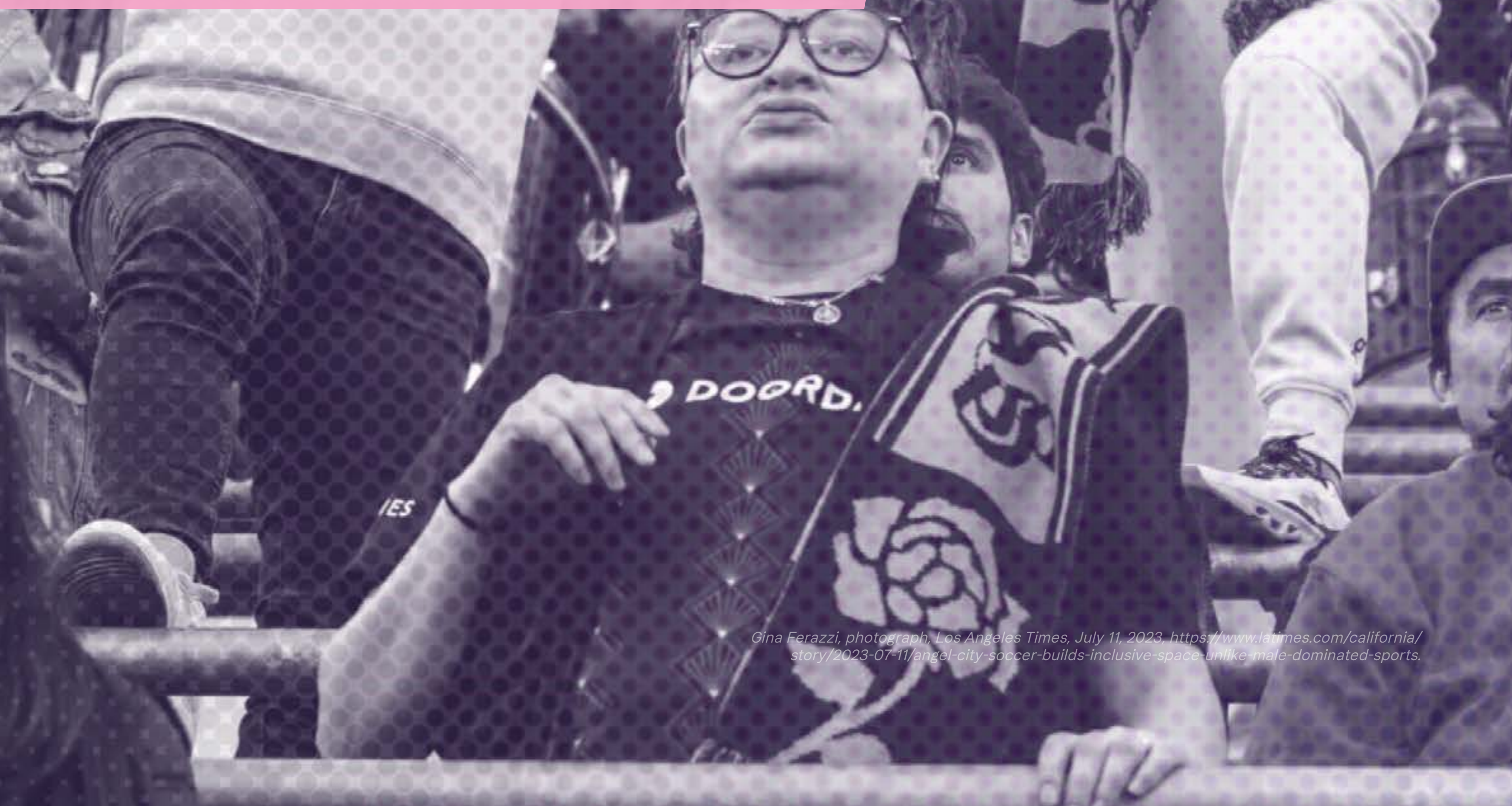
Since 2021, when Sports Innovation Lab released The Fan Project, we've been focused on utilizing data to unlock the business potential of women's sports.

For too long, women's sports has been focused on pulling on the heartstrings of the business community, when the opportunity truly lies with exposing the purse strings. What we have proven for years is women's sports is the next great growth vertical for the sports industry, and this report demonstrates that merchandise is a new frontier. Having competed in four Olympics with Team USA, representing my country for over 16 years, and consistently interacting with my fans, I know that the most powerful sales channel in the world is the female athlete. With the evolution of athlete-driven media and athlete-driven commerce, we're entering a new age of explosive opportunity. The female athlete is at the perfect intersection of sport, fashion, and community. The release of this report, in partnership with Klarna, is the foundation for a playbook on how to accelerate success in the women's sports merchandise sector. We're looking forward to closing this merchandise gender gap, together.

Angela Ruggiero

4x Olympian, Gold Medalist, Co-Founder

Sports Innovation Lab



Gina Ferazzi, photograph, Los Angeles Times, July 11, 2023, https://www.latimes.com/california/story/2023-07-11/angel-city-soccer-builds-inclusive-space-unlike-male-dominated-sports.

Methodology

Klarna teamed up with Sports Innovation Lab to study the state of the women's sports merchandise industry, to reveal the inequities of the fan shopping experience, and to quantify the monumental opportunity that exists if (and when!) supply catches up to demand.

For purposes of this report, sports merchandise refers to the commercial exploitation of the name, badge, logo, symbols, colors, or other trademarks associated with a particular sport, league, team, athlete, or movement on products sold and distributed to consumers. Sports merchandise can include officially branded items, but also those items developed in collaboration with athletes, or unofficially by media companies, influencers, or fans, and those products that support cultural movements in sports as well. We are not including traditional sports gear utilized for participation in this analysis.

To achieve these goals, our research relied on a set of qualitative and quantitative research tools and data sources, including:

Klarna Payment Trends

Analysts reviewed anonymized Klarna customer purchases to see trends that emerged from women's sports merchandise purchases. We used key findings, like the fact that most clicked searches for WNBA gear in 2023 were for the Nike Dunk Hi EMB "NBA x WNBA," followed by the Nike Men's WNBA Pullover Essential Men's Orange and Nike Women's WNBA Hoodie Black/Brilliant Orange, to prove the cross-gender demand for women's sports merch. Furthermore, seven of the top ten most purchased products for USWNT gear in 2023 were either a jersey or t-shirt, with six of those being for men or youth.

photograph, Just Women's Sports, https://shop.justwomenssports.com/products/beanie-2-0.

Qualitative Surveying

A custom survey of 1K sports fans in markets: United States, United Kingdom, Germany, Spain, France, Mexico, and Canada, all fielded in February and March of 2024. The survey lets us:

- Ask custom-tailored questions to expose the sector's most glaring blind spots
- Explore fandom rates, fan psychographics, and pain points when buying women's sports merchandise
- Identify the areas of improvement with the greatest revenue growth potential

Google Trend Analysis

Analysts utilized Google trends, over the time period from 2020-2023, to examine consumer search behavior around keywords related to women's sports merchandise and women's sports leagues, teams, and athletes, as well as adjacent men's sports merchandise, leagues, teams, and athletes. This analysis provided insight into consumer interest and trending news and PR stories that aligned with keyword search behavior.

Transactional Data Analysis

Proprietary transactional data on the buying habits of more than 50 million U.S. consumers between 2021 and 2023. The data lets us:

- See individual consumer purchases across more than 6,000 specific brands, merchants, and retailers
- Identify and segment consumers who have purchased from specific leagues, teams, venues, merchandise stores, and more than 1,500 other sports-specific brands
- Create a dedicated segment of those fans who have exhibited purchase behaviors aligned with being a fan of women's sports
- Detect purchasing patterns and themes that are predictive of future behaviors

Custom SKU Analysis

Sports Innovation Lab performed a custom audit of inventory availability and price by item (otherwise referred to as Stock Keeping Unit or SKU) for a set of U.S. professional men's and women's sports teams. To establish a fair comparison, we evaluated the inventory presented to online shoppers on the team's official merchandise shop for five WNBA teams, five NBA teams, five NWSL teams, and five MLS teams. We evaluated teams in the same cities, and chose the cities based on those with the highest population based on the 2020 U.S. Census. Teams evaluated include:

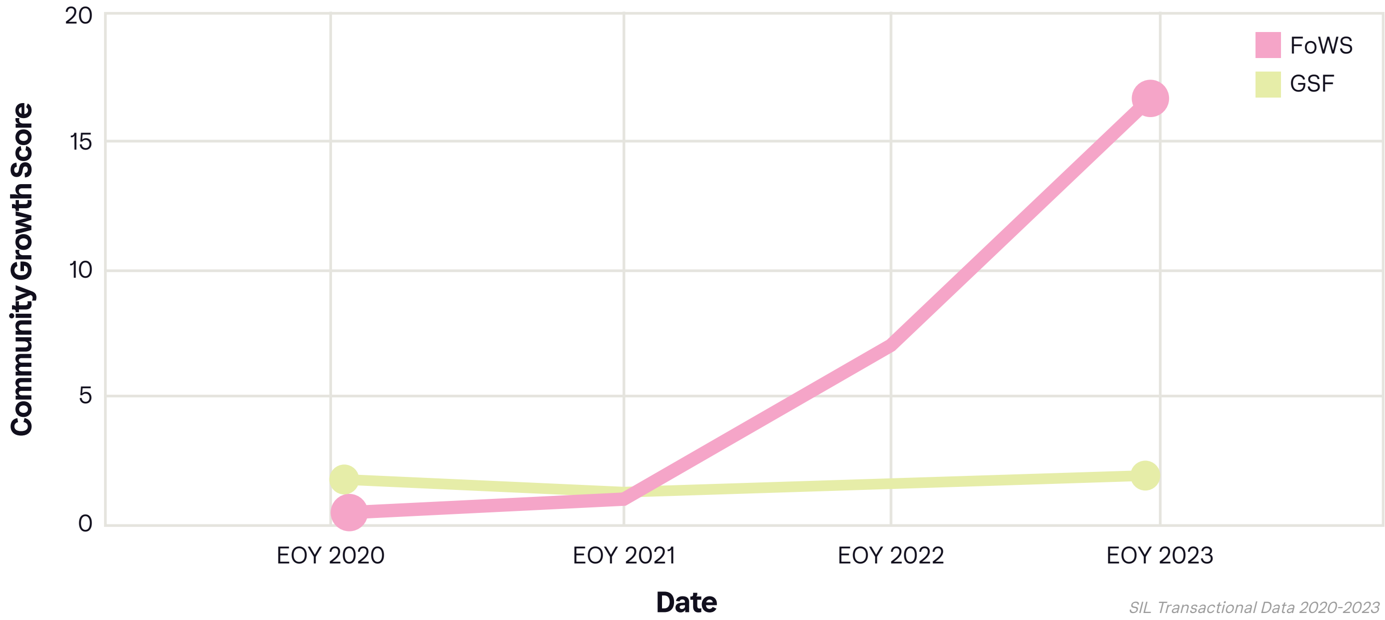
- WNBA: NY Liberty, LA Sparks, Chicago Sky, Phoenix Mercury, Dallas Wings,
- NBA: Brooklyn Nets, LA Clippers, Chicago Bulls, Phoenix Suns, Dallas 76ers
- NWSL: Gotham FC, Angel City FC, Chicago Red Stars, Houston Dash, San Diego Wave
- MLS: NYC FC, LAFC, Chicago Fire FC, Dynamo FC, Philadelphia Union

Note: The report draws several times from WNBA and NWSL data. But this is purely a consequence of the robust merchandise data available for these two leagues as the most established among U.S. women's sports. To be sure, the study is inclusive of all sports leagues, including WTA, LPGA, PWHL, women's volleyball, softball, and more.

An Unmatched Trajectory of Growth

Sports Innovation Lab tracks the size (count) and spending habits of fans across hundreds of sports, league, and team communities. Having the ability to view their first purchase and subsequent purchases enables the tracking of a sports community's ability to acquire new fans and retain existing ones over time.

Community Growth Score: Tracking Acquisition and Retention for Fan Communities



SIL Transactional Data 2020-2023

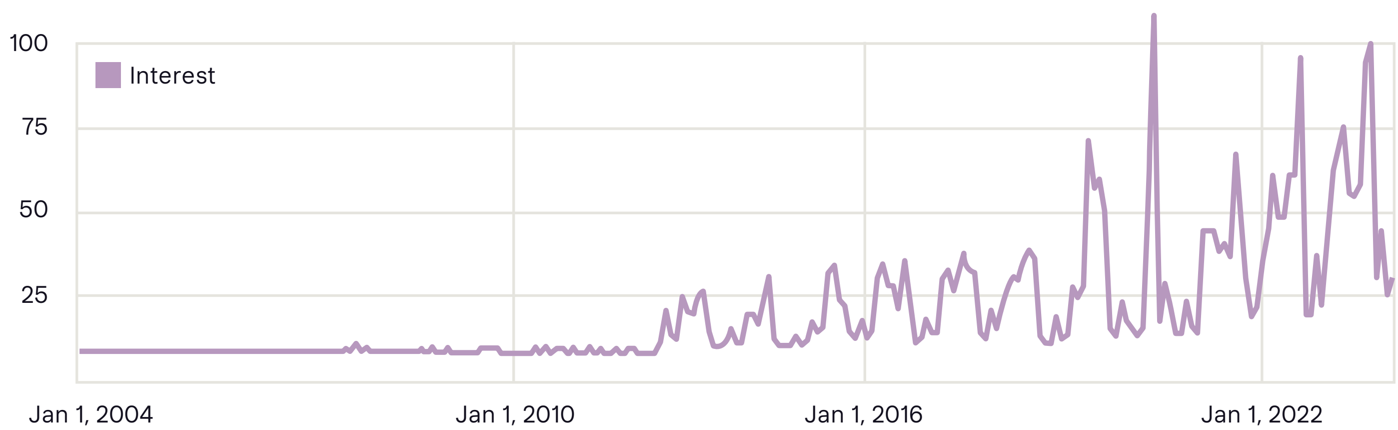
Here, **Sports Innovation Lab's Community Growth Score** represents the growth of returning monthly fans for a specific sports community—in this case, the two communities are General Sports Fans (GSF) and Fans of Women's Sports (FoWS)—along with the first-time fan growth count for the same community. The calculation of the Community Growth Score depends on the rate a fan community sustains fans monthly, as well as gains new fans monthly, with retention weighted more heavily than acquisition. When the year-over-year rates are positive, the score calculation is greater than one.

Every year since 2021, the Fan's of Women's Sports community has seen the rate of acquisition and monthly fan retention increase at a rapid rate. This is compared to the General Sports Fan community, where growth is healthy but is not increasing at nearly the same rate.

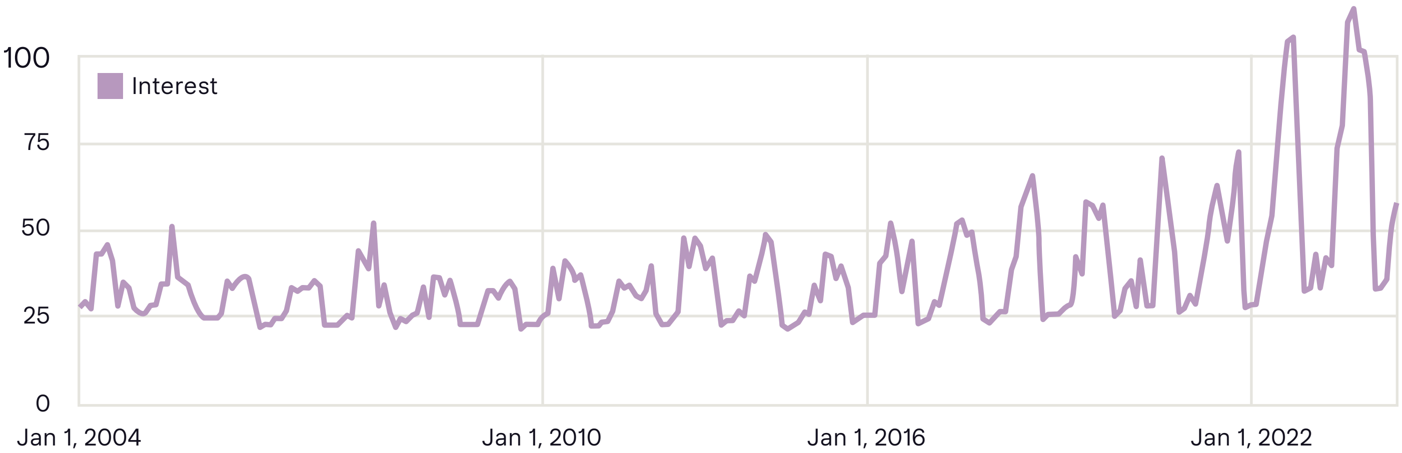
Beyond fan spending on women's sports, evidence of fan growth is everywhere.

- A Nebraska women's volleyball match packed a stadium with 92,000 fans.[1]
- At its peak, 24 million people tuned in to watch the women's championship between Iowa and South Carolina, making it the most-watched basketball game since 2019.[2]
- The NWSL beat attendance records in 2023, with more than one million fans attending in-person games—the second year in a row the record was broken.[3]
- The 2024 WNBA Draft on ESPN saw an increase of 248% in viewership vs 2023, with an average 2.45 million viewers.[4]

Google Trends Interest for the Keyword "NWSL"



Google Trends Interest for the Keyword "WNBA"



Upon further evaluation, we can see a significant spike in July of 2020, due to the 2020 NWSL Challenge Cup, which was the first professional, team sports event to return to play in the United States.

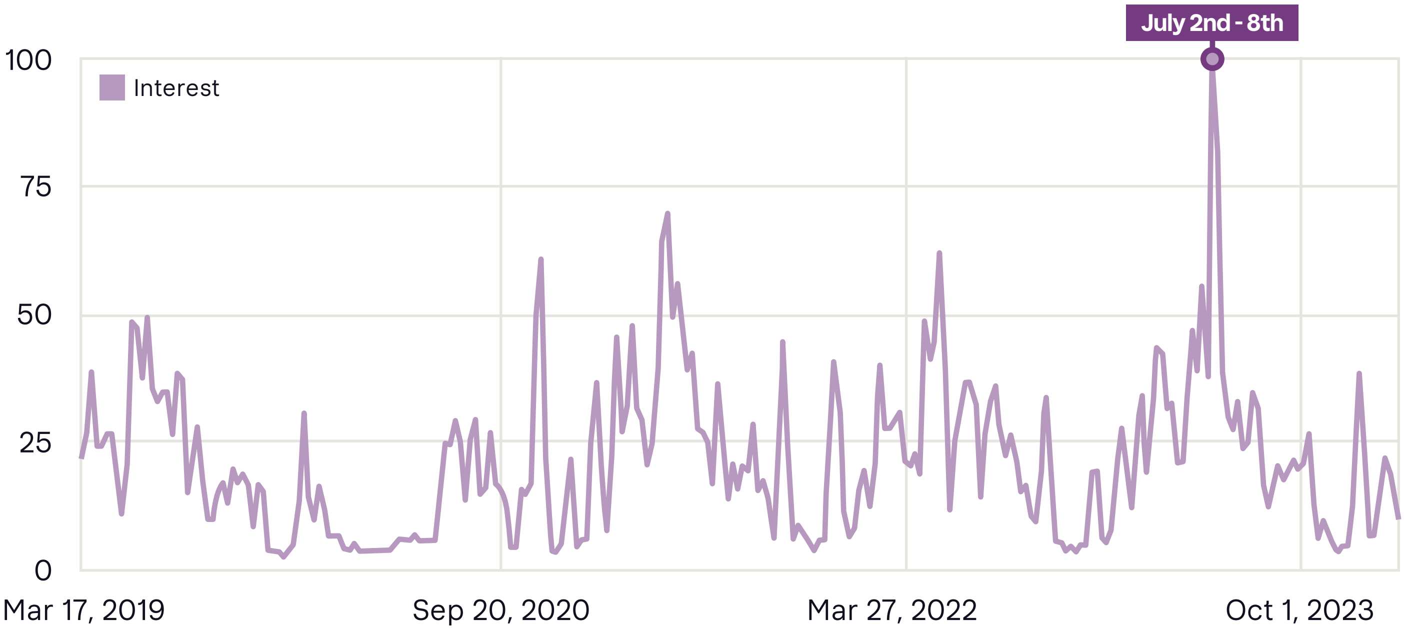
1. Voepel, Michael, and Elizabeth Merrill. 2023. "Nebraska volleyball sets world record for women's sports attendance." ESPN. https://www.espn.com/college-sports/story/_/id/38294591/nebraska-volleyball-sets-world-record-attendance-women-sporting-event.

2. Nielsen Fast National Ratings 2024

3. Adgate, Brad. 2017. "Contributor." Forbes. https://www.forbes.com/sites/bradadgate/2023/11/14/the-nwsl-had-a-record-breaking-year-with-more-growth-is-expected/?sh=d77475617f0a.

4. "Caitlin Clark Helps WNBA Shatter Draft Viewership Record - ESPN," ESPN.Com, April 16, 2024, https://www.espn.com/wnba/story/_/id/39957802/caitlin-clark-helps-wnba-shatter-draft-viewership-record.

Google Trends Interest for The Keyword "LPGA" Over Time



2023 saw the highest search volume in the past five years for the LPGA, which occurred the week of July 4th. Athletes played for more than $101 million in official prize money, the highest total in the Tour's history. Premiering for the first time on live, primetime coverage on NBC for the third and final rounds, women's golf fans demonstrated their voracity by searching for and consuming all they could around the tournament.

Women's sports consumption is sky rocketing, including merch, because women's sports fandom is always on. This isn't a 'build it and they will come' environment; women's sports fans have been here. We're making the product available and that's why we've seen everyone from celebrities to athletes to parents rocking our merch.

Jess Robertson
Co-Founder and
Chief Content Officer

TOGETHXR

Self-Reported Percent of Women's Sports Fans by Market

US	52%
Canada	44%
France	46%
Germany	42%
Mexico	59%
Spain	59%
United Kingdom	52%

Source: Sports Innovation Lab's 2024 Women's Sports Merchandise Survey, Global

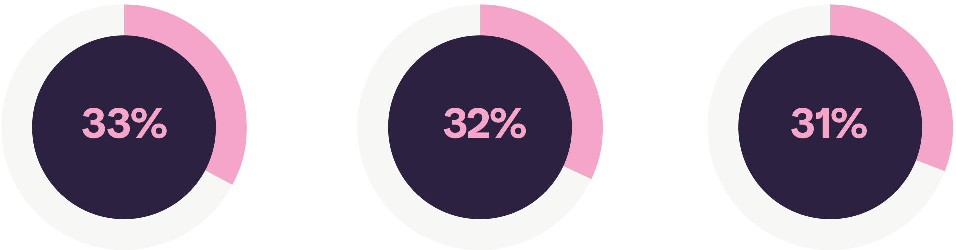
And this is a global trend. For women's soccer, rugby, and tennis, the data continues to show the rise in women's sports. A total of 87,192 spectators witnessed England's final triumph over Germany at Wembley Stadium[1] for the 2022 UEFA Women's Euro final, bringing the total aggregate attendance to over half a million for a tournament that set new benchmarks at every step of the way.

1. "Biggest Women's EURO crowds: 2022 finals the best attended ever." 2023. UEFA.com. https://www.uefa.com/womenseuro/news/0276-15748cb0ba74-f342af5f57b8-1000--biggest-women-s-euro-crowds-2022-finals-the-best-attended/.

What's Driving Women's Sports Fandom?

We started with where fandom begins.

The top three reasons reported for becoming fans of women's sports were:



Support of their national team | **Discovered a player they wanted to follow** | **Played youth sports**

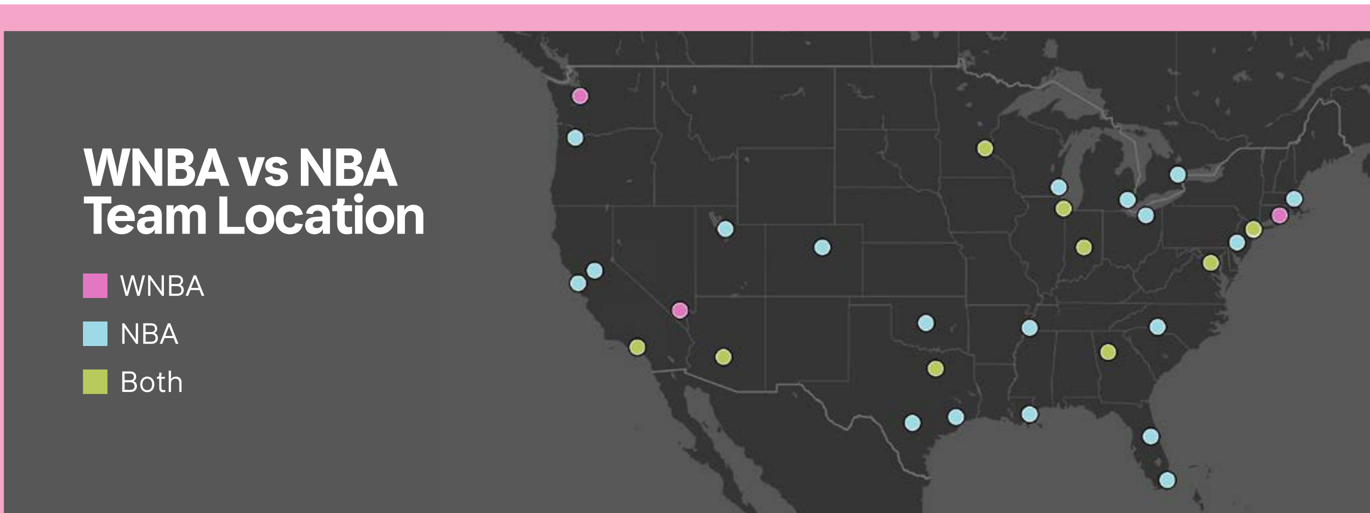
Source: Sports Innovation Lab's 2024 Women's Sports Merchandise Survey U.S.

When comparing the reasons for adopting fandom given by men's sports fans vs. women's sports fans, two disparities in responses stood out:

30% of respondents that identified as men's sports fans cited "living near a team" vs. only 7% of women's sports fan respondents. This makes sense given: a) how many more men's sports teams penetrate the U.S., and therefore, the likelihood of living near a women's sports team is much lower, and b) generational fandom anchored in men's sports.

17% of men's sports fans cited "playing video games with male athletes in it" vs. only 3.5% of women's sports fans who cited "playing video games with female athletes in it" as their reason for becoming a fan. Only in the past few years have game manufacturers worked to incorporate female athletes into popular titles.

Both vicinity to a local team and representation in video games are actively being solved via league expansion and by dedicated efforts made by video game producers to balance and improve female representation.



> EA SPORTS has meaningfully represented women’s sport in our games for years, with our biggest title, EA SPORTS FC, adding women’s national soccer teams nearly a decade ago. Authenticity is core to EA SPORTS, and we’ve continued to invest in women’s representation in our games, including developing technology to better reflect women’s skeletons and athletic movement. When fans see athletes that look authentic, they feel authentic. Women’s sport is on fire and driving the next wave of growth, and we’re thrilled to be leading a future of fandom that allows fans to immerse themselves on the pitch, field, rink, or wherever they play.

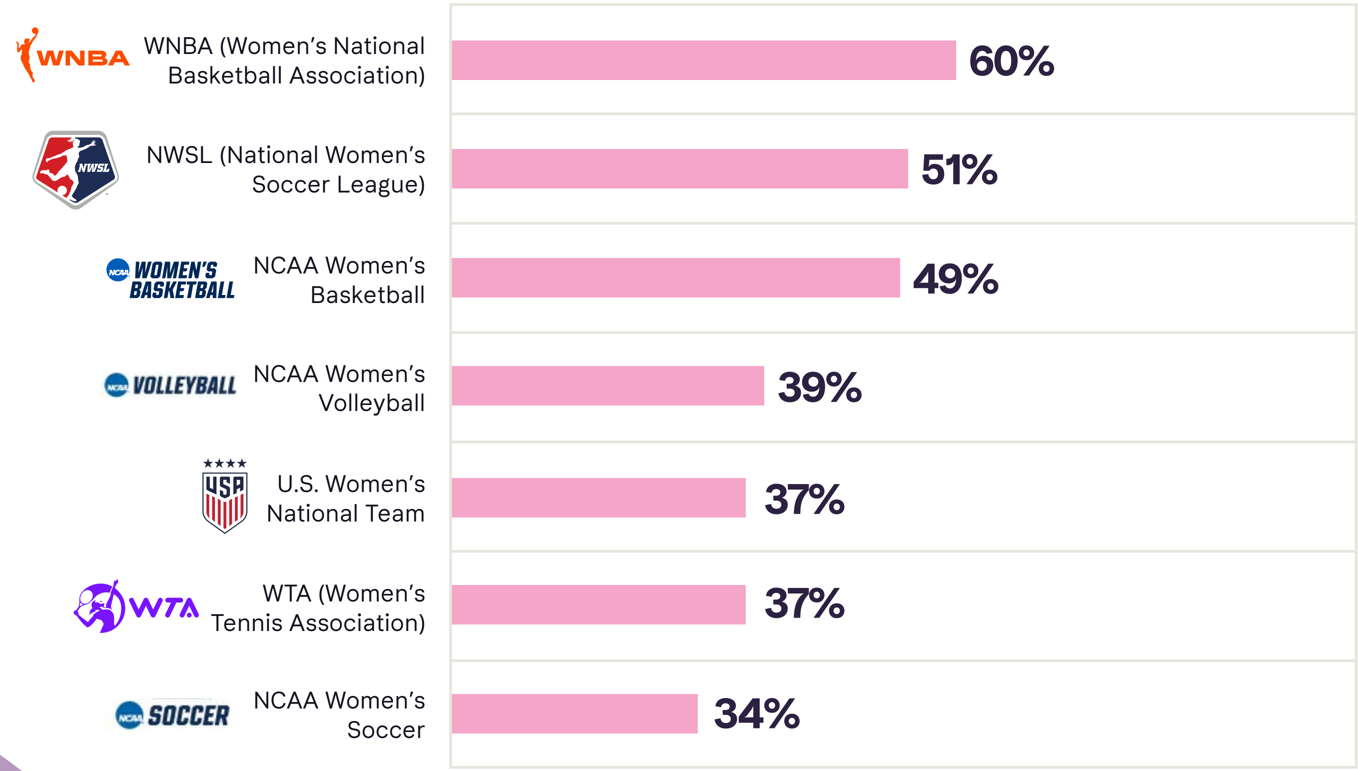
Andrea Hopelain
GM, SVP of Publishing

Thomas Hindle, image, Goal, September 11, 2023, https://www.goal.com/en-us/lists/best-players-ea-sports-fc-24/blt15046cbffd486fc3.

Fandom isn't limited to the big two leagues in the U.S.

Today, fans of women's sports identify as fans of multiple sports and leagues. The top sports respondents are fans of include **basketball (67%), soccer (57%), tennis (54%), volleyball (51%), and not surprisingly, the top supported leagues align.**

Top Women's Sports Leagues Supported by Fans



Source: Sports Innovation Lab's 2024 Women's Sports Merchandise Survey, U.S.

And we see many drivers of women's sports fan adoption having their own exponential growth:

Reason Cited for Becoming a Fan / Market Growth Drivers

Love of national team = Paris Olympics being the first "50/50" games with equal athlete representation of men and women

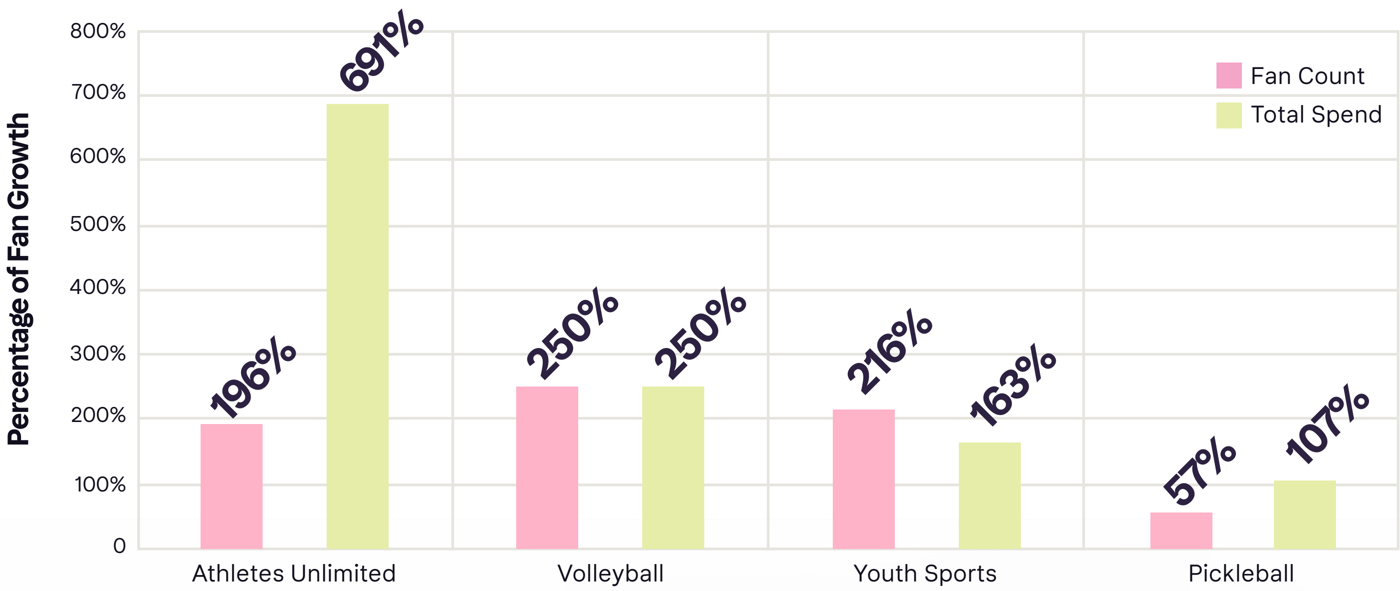
Discovering a player = The explosion of Name, Image, and Likeness (NIL) alongside social media platform adoption by athletes

Playing youth sports = The exponential growth of volleyball and the forecasted consolidation of youth sports

Emerging leagues play an important role.

The growth of the women's sports fan community is accelerated significantly by not only the vertical growth of the major leagues but the horizontal growth brought by emerging and startup sports leagues. Overtime Select is an emerging women's basketball league and the latest IP to be announced from Overtime who has been a driving force in women's hoops for over 5 years. Select follows elite high school girls basketball players on and off the court and is getting ready to launch their inaugural season this summer. Recently, Overtime partnered with adidas to design custom uniforms for the teams, which were developed in collaboration with each of the team captains.

FoWS - Growth in Emerging Sports 2021 to 2023



Source: Sports Innovation Lab Transactional Dataset 2024

As a holistic ecosystem from youth to professionals, LOVB is in a unique position to innovate our merchandising strategy from the grassroots up. Volleyball is the fastest growing sport for girls in the U.S., and with our new pro league launching later this year, we're excited to reimagine merchandise for millions of volleyball fans nationwide.

Stacey Vollman Warwick
Head of Commercial

LOVB

Also on the Rise: The Business ($$$) of Women's Sports

Where there are fans, there are opportunities for monetization, and investors, brands, and businesses anchored in fan revenue are getting savvy. The sports industry monetizes across a handful of main channels with the bulk of revenue coming from: media rights, sponsorship/endorsement, ticket sales, and merchandise.

Media Rights

The NWSL is set to bring in $240M from 2024–2027 as part of the largest media deal in women's sports history, which will increase annual NWSL media rights from $1.5M to $60M.[1]

With fragmentation specifically making accessing games more challenging for fans of women's sports, the data shows they're 20% more likely than fans of men's sports to spend on sports streaming platforms and make 10% more transactions with streaming services per year.[2]

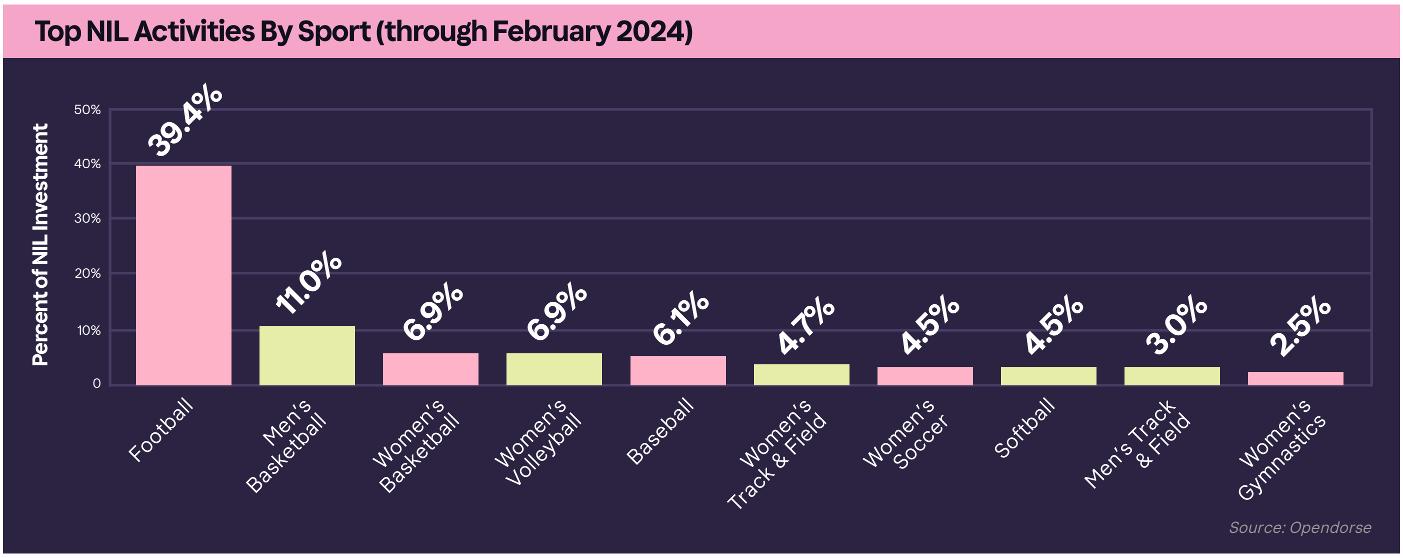
Sponsorship

SponsorUnited estimates women's sports will be the driving factor that pushes the total U.S. sports sponsorship market to surpass $8 billion. One main driver: the WNBA sponsorship for the 2023 season is estimated to be worth $860 million with 307 active sponsorship agreements.[3]

Driving a significant portion of that sponsorship growth for women's sports are athletes via their owned channels and the rise of NIL.

With changes to the NCAA's Name, Image, and Likeness regulations, college athletes who have developed a strong following and name recognition are free to promote their products and merchandise lines. **According to Opendorse, six of the top ten NIL sports are women's sports.** This emerging collection of athletes are starting their commercial efforts early and learning how to maximize the power of their athletic brand.

1. "The NWSL signs the largest media deal in women's sports." 2023. The GIST. https://www.thegistsports.com/article/the-nwsl-signs-the-largest-media-deal-in-womens-sports/.
2. Sports Innovation Lab. 2023. "The ROI Of Women's Sports." Sportsilab.com. https://www.sportsilab.com/free-reports/the-roi-of-womens-sports-a-blueprint-for-value-investing.
3. ResearchAndMarkets.com. 2017. "Women's National Basketball Association (WNBA) Financial Analysis Report 2023 - Property Profile, Kit Supplier, Ticket Revenue, Sponsorship and Media Landscape." https://www.prnewswire.com/news-releases/womens-national-basketball-association-wnba-financial-analysis-report-2023---property-profile-kit-supplier-ticket-revenue-sponsorship-and-media-landscape-301879566.html.



Ticket Sales

Both the NWSL and WNBA saw a 2x boost in league sales on StubHub for 2023. The NWSL had a 101% increase in league ticket sales over last season, while the WNBA saw a 92% rise. This year's WNBA Finals was also the highest-selling in StubHub history. Jumps for individual teams were also dramatic.[1]

Merchandise

With growing demand for women's sports, it's not surprising that leagues, teams, and apparel brands are moving quickly to address consumer interest. In recent years, we've seen a number of brands and properties take bold steps to up their merch game, and collaborations and capsule drops with athletes have skyrocketed sales. New Balance achieved revenue growth of +23% YOY the same year they launched their Coco Gauf G1 shoe collaboration. In following suit, athletic brands, like Nike, Reebok, and Adidas, have fueled fan interest in women's sports and athletes with similar collabs and will continue to act as a major driver of women's sports merchandise.

However, the overall pace at which league, team, and athlete merchandise has become readily available to fans has not kept up with the demand.

1. StubHub. n.d. "2023 Year In Live Experiences Report." Stubhub.com. Accessed April 2, 2024. https://img.vggcdn.net/webresources/PDF/StubHub_2023YearInLiveExperiences.pdf.
2. Ciment, Shoshy. 2024. "New Balance Posts $6.5B in Annual Sales in 2023." Yahoo Finance. https://finance.yahoo.com/news/balance-posts-6-5b-annual-212221336.html.

Angel City FC has been heralded for being at the forefront of innovation in sports, not just on the field and in connecting with our community, but with fans worldwide through our merchandise. We've rejected the notion that women's sports merchandise should be anything less than exceptional, comfortable, and empowering. Our partners play a huge role in helping us stay ahead of the curve in this space. It is partners like Klarna, who have collaborated with us on multiple capsule collections, that help show the world the gear we wear is not just merchandise but a proud emblem of support and equality in sports.

Julie Uhrman
Co-Founder and President

Merchandise: More than a Moment, a Movement

It's consistently been a story of demand exceeding supply.

2024 marks the first time third-party retailers, like Soccer.com and Dick's Sporting Goods, will sell Nike's entire NWSL kit collection. Previously, only select NWSL teams could be found at national retailers, mostly online. Dick's Sporting Goods, which is the largest sporting goods retailer in the United States with more than 800 physical locations, will largely carry kits for the local, in-market team at physical locations.

In previous World Cup years, fans struggled to get national team gear. Nike and other manufacturers, including FIFA, were better prepared for the 2023 World Cup, but demand still exceeded expectations around individual athletes. England goalkeeper Mary Earps won the Golden Glove at the 2023 World Cup, but her jersey was not available for purchase. Nike made it available for sale after Earps complained publicly, and Earps said it sold out in a day.[1]

In 2020, the WNBA Orange Hoodie broke the internet, but the WNBA continues to push hard to keep fans engaged with new opportunities to rep their favorite teams. The 2023 season saw more than a 100% lift in merchandise sales at the WNBA All-Star Game.[2]

We've worked tirelessly with the athletes, teams, and suppliers to make sure that the league provides fans with quality and cutting edge sports apparel that reflects the power of the W. Nothing is more validating than looking into the stands—and beyond—and seeing thousands of fans repping their favorite player and team.

Colie Edison
SVP & Chief Growth Officer

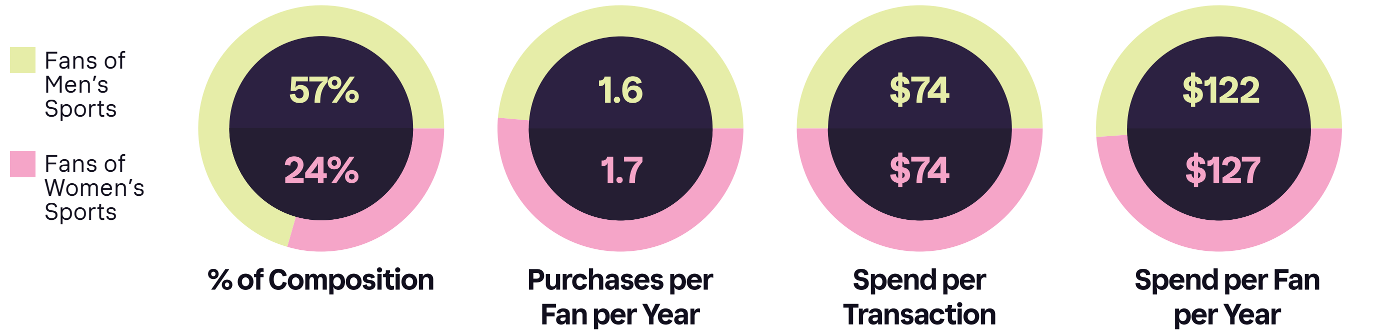
WNBA

1. Masters, Katherine, and Amy Tennery. 2023. "Nike, after criticism, releases Mary Earps goalkeeper jersey." Reuters. https://www.reuters.com/sports/soccer/nike-after-criticism-releases-mary-earps-goalkeeper-jersey-2023-10-10/.

2. "WNBA News for Teams, Players, Games & More." 2023. WNBA News for Teams, Players, Games & More | WNBA. https://www.wnba.com/news/2023-season-record-breaking-success-recap.

The Demand is Real & the Market is Massive

Spend by Fans of Women's Sports vs. Fans of Men's Sports on General Sports Merchandise



Source: Sports Innovation Lab Transactional Dataset 2024

When tracking purchases of any sports merchandise over the past three years, about ¼ of women's sports fans made purchases vs. 57% of men's sports fans. However, when women's sports fans did spend on merchandise:

They made slightly more purchases per fan per year vs. men's sports fans

They spend just as much as men's sports fans per transaction

They spend slightly more than men's sports fans per year on sports merchandise

When further evaluating sports fan's spending, 67% of survey respondents had purchased women's sports merchandise, with the majority of shoppers making those purchases directly from teams and leagues.

Penetration and Source for Purchasing Sports Merchandise

	Have bought	... from a(an) ...					Have never bought
		Team	League	Sponsor	Media co.	Athlete	
Women's sports merch	67%	40%	36%	29%	26%	25%	33%
Men's sports merch	89%	61%	50%	32%	28%	30%	11%

Source: Sports Innovation Lab's 2024 Women's Sports Merchandise Survey, U.S.

When fans search for women's sports merchandise, their first stop is Google, with social media platforms second. However, younger fans are more likely to search for merchandise on TikTok.

Getting honorable mention is the unofficial retailer, social-selling platform **WhatNot, with 4%** of 18-24-year-olds looking for women's sports merchandise on the app.

Search Tools for Women's Sports Merchandise, Among Respondents Who Have Bought Women's Sports Merchandise

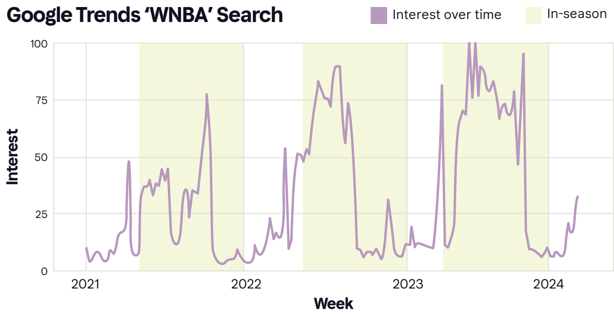
	All sports fans
Google	73%
Instagram	49%
YouTube	48%
Team Website	47%
Facebook	45%
TikTok	40%
League Website	39%
X (previously Twitter)	27%
WhatNot	2.9%

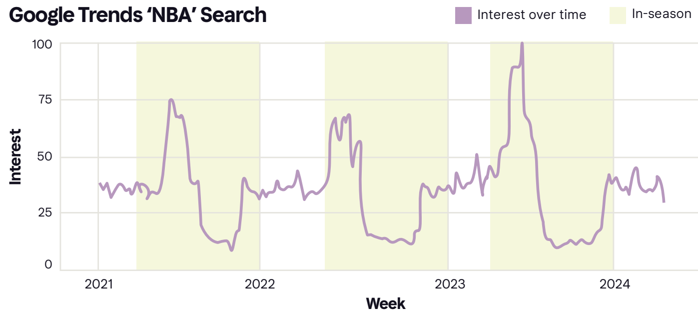
	Ages 18 -24
Google	66%
TikTok	53%
Instagram	52%
YouTube	37%
Team Website	34%
League Website	25%
Facebook	21%
X (previously Twitter)	14%
WhatNot	3.8%

Source: Sports Innovation Lab's 2024 Women's Sports Merchandise Survey, U.S.

Searching for women's sports is always on. Unlike the NBA, which sees specific, seasonal spikes—mainly towards playoffs—when it comes to fans searching for merchandise on Google, the WNBA sees a more consistent demand for information on merchandise, like jerseys, throughout the entire season.

Seasonal League Search Behavior





> At New Balance, we are continuously innovating our product offering to help female athletes perform at their best, all over the world. We are experiencing unprecedented growth within women's sports and Coco and the Coco CG1 signature shoe is a prime example of how a female athlete transcends her sport and influences culture.

Mark Clinard
Chief Product Officer

new balance

Mary Beth Koeth, photograph, New Balance, September 11, 2023, https://wonderfulmachine.com/article/shoot-production-coco-gauff-for-new-balance/.

When respondents buy women's sports merchandise, team websites are the top go-to for making a transaction (70% of respondents), while department stores are the top go-to for men's sports merchandise (71% of respondents).

Unofficial and specialty sports retailers are over 25% likelier to be go-tos for women's sports merch than for men's sports merch.

Where Fans Purchase Merchandise

	Women's sports merch	Men's sports merch	Difference in % Fans
Team website	70%	60%	+17%
Department store	69%	71%	-4%
League website	47%	41%	+15%
Venue or stadium	42%	45%	-7%
Other licensed retailers	34%	39%	-13%
Specialty sports retailers	32%	26%	+26%
Unofficial retailers	19%	15%	+27%
Other	0.6%	0.8%	-21%

Source: Sports Innovation Lab's 2024 Women's Sports Merchandise Survey, U.S.

It's not one and done

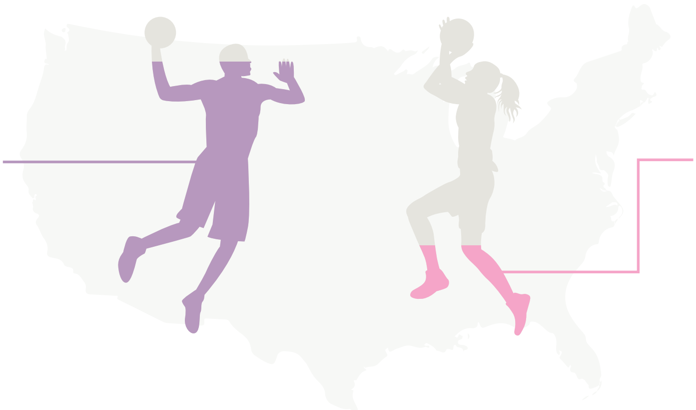
Of those purchasing women's sports merchandise, most fans are purchasing 2x-4x per year (30% of respondents), with 10% purchasing five or more times per year.

And it's not only women buying!

Anonymized Klarna data revealed 50% of the top eight most purchased products for Alex Morgan Gear in 2023 were for men or children!

Merchandise is an Onramp to Fandom

There are **92** unique U.S. cities with professional men's sports teams.

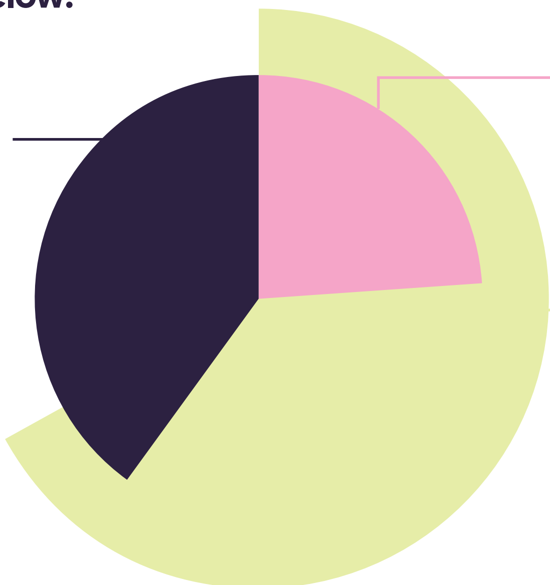


There are only **21** U.S. cities with professional women's sports teams.

Given this lack of women's team penetration, merchandise takes on a new, deeper level of meaning than historically attributed. It's no longer, "I was there." It's more about, "I care."

Take the findings below:

49% have purchased a women's sports live-event ticket.



24% of men's sports fans have never purchased a men's sports live-event ticket.

And yet!

67% of women's sports fans are purchasing women's sports merchandise.

Fans who cannot support IRL become fans through merchandise. When access to women's sports merchandise isn't readily available, it's literally inhibiting the onboarding of new fans.

> **The PWHL is a growing, global brand with deep, local connections. Having beautifully designed jerseys and merch gives us the ability to reach fans in-market and around the world. We will continue to innovate so that our fans enjoy our sport and can stay close to the teams and athletes they love.**

Amy Scheer
Senior Vice President
Business Operations

PWHL

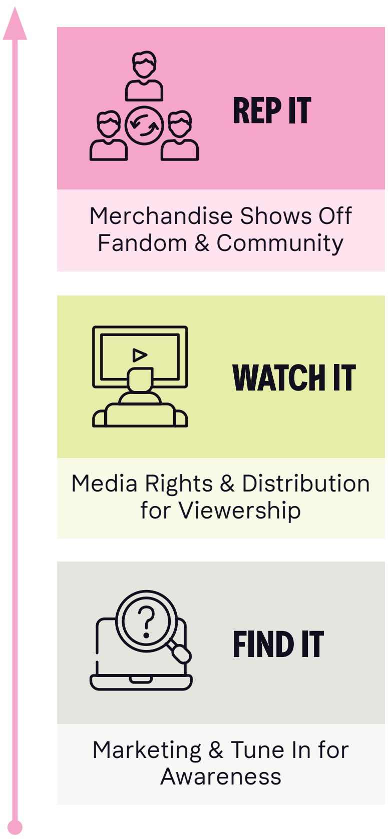
The Problem: A Broken Buying Experience

Past sales are certainly an important part of measuring the demand of sports merchandise. But it doesn't tell the full story. Our study suggests that a significant, and perhaps often overlooked, part of the equation is the buying experience, which for FoWS, is fraught with pain points at nearly every stage.

Part of a Broader, Vicious Cycle

As long as the demand for women's sports is measured and projected using sales alone, and the resulting under-investment in women's sports assets keeps failing its fans, then sales will perpetually suffer and so will the business case for women's sports using the conventional formula.

How Traditional Sports Fandom Grows



How Women's Sports Fandom Has Grown

Room to Improve with Sellers, Selection & Shipping

When it comes to merchandise, the vicious cycle shows up as a challenging buying experience. Nearly ⅓ of women's sports merchandise buyers in our study reported that finding a seller was an issue, and a similar percent of buyers struggled with inventory availability. **Overall, buying women's sports merchandise is notably more painful than buying men's sports merchandise.**

Comparing the Percent of Fans Who Reported an Issue in the Buying Journey for Men's or Women's Merchandise

	Sellers	Selection			Shipping
	Finding where to buy	Finding my size	Finding a style I like	Inventory availability	Shipping times
Women's sports merch	32%	29%	28%	31%	28%
Men's sports merch	18%	20%	17%	20%	18%
THE GAP: % difference in merch experience	81%	41%	60%	58%	54%

Source: Sports Innovation Lab's 2024 Women's Sports Merchandise Survey, U.S.

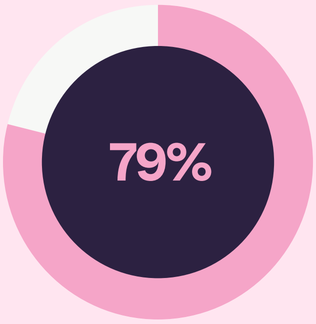
The biggest gap between shopping for women's vs. men's merchandise: finding where it's for sale.

Buyers of women's sports merchandise are 60% more likely to have trouble finding a style than buyers of men's sports merchandise.

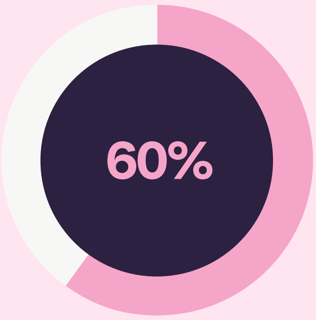
When they did find something they liked, inventory availability was a major issue.

A Real Gender Disparity Exposes a Massive Opportunity

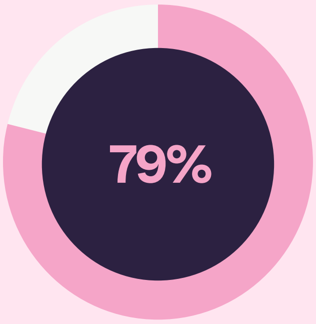
A perceptible gap between women's and men's sports merchandise was reported by over ¾ of study respondents. And three in five of respondents who intended to buy women's sports merchandise didn't, because they couldn't find what they wanted. On the plus side, more than ¾ of respondents said they'd purchase more women's sports merchandise if there were more options available, evidence of positive ROI for improvements to merchandise selection.



Believe there's a gap between women's & men's sports merch in terms of quality, variety, or availability.



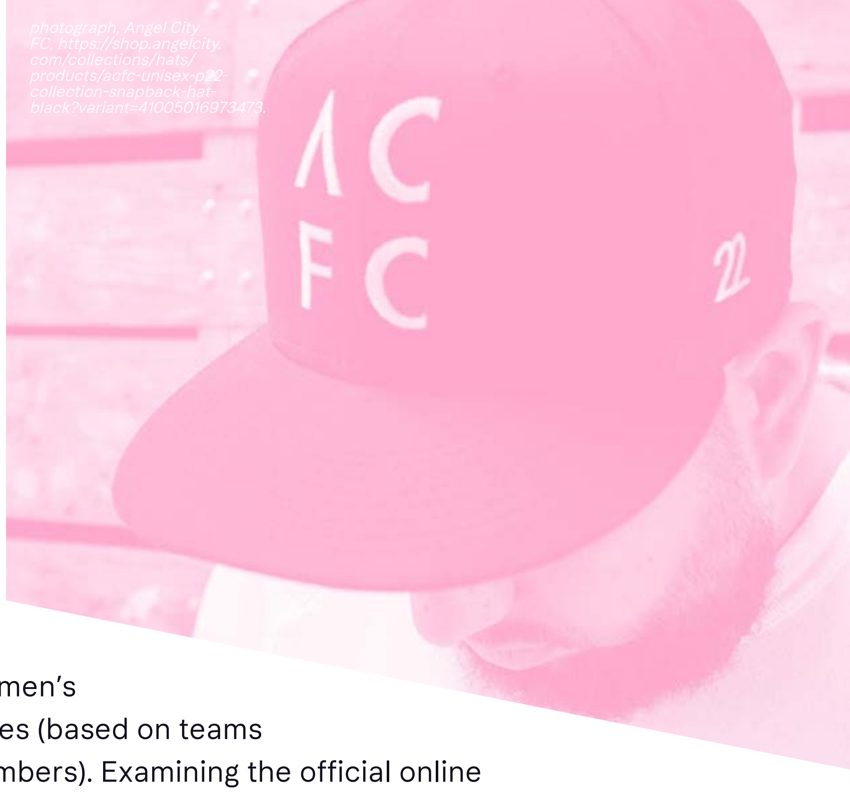
Of those who intended to buy but did not buy, said it was due to lack of available inventory.



Of fans reported they would purchase more women's sports merchandise if there were more options available to them.

Source: Sports Innovation Lab's 2024 Women's Sports Merchandise Survey, U.S.

photograph, Togethxr, https://www.togethxr.com/products/everyone-watches-womens-sports-hoodie.



photograph, Angel City FC, https://shop.angelcity.com/collections/hats/products/acfc-unisex-p22-collection-snapback-hat-black?variant=41005016973473.

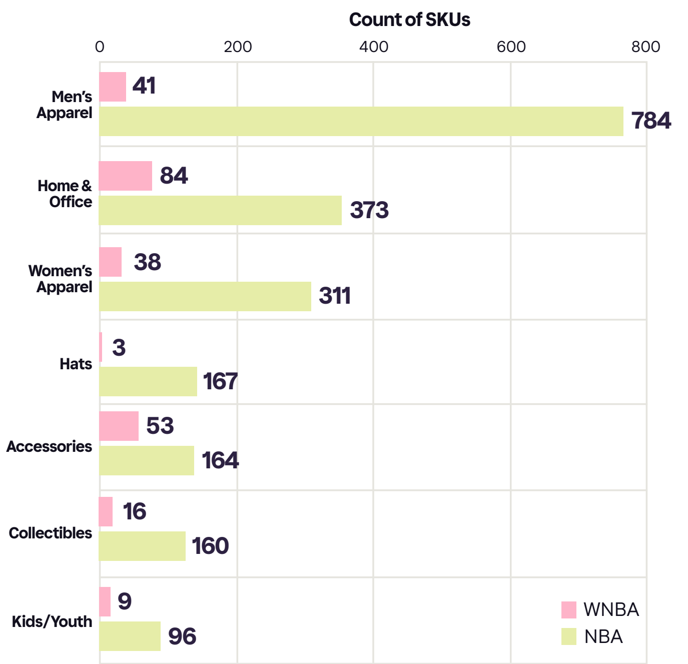
Inventory Gaps & Not Enough Hats

The gap in women's and men's sports merchandise reported by ¾ of respondents is more than a feeling. It's backed by inventory data.

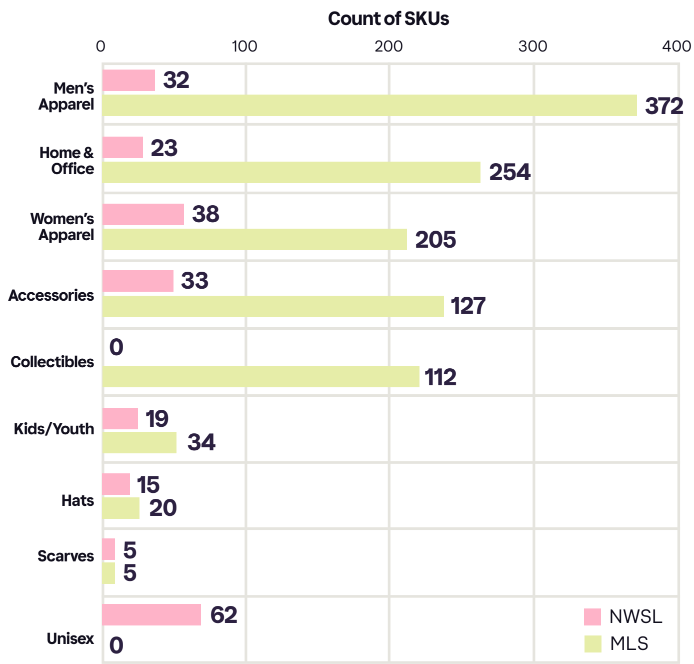
To put fan's perceptions to the test, we honed in on the top five teams in women's and men's major professional basketball and soccer leagues (based on teams located in cities with the highest population numbers). Examining the official online shops of all 20 teams, we counted the number of items (SKUs) for purchase, averaged by league, and compared findings between the WNBA and the NBA and the NWSL and MLS.

What we found is that comparing the merchandise options available from women's teams to those from their men's league counterparts is like comparing a puddle to the ocean. The MLS shops sampled had 6x as many SKUs as the NWSL shops. And the NBA shops had 9x as many as the WNBA shops. Basketball had the category with the widest gap, with the NBA's hat options outnumbering the WNBA's 66 times over.

SKUs Available on WNBA Team Shops vs. NBA Team Shops (of Teams in the Same City)



SKUs Available on NWSL Team Shops vs. MLS Team Shops (of Teams in the Same City)



Source: Sports Innovation Lab 2024 Women's Sports US Inventory Analysis

Women's Sports Fans Love Their Lids!

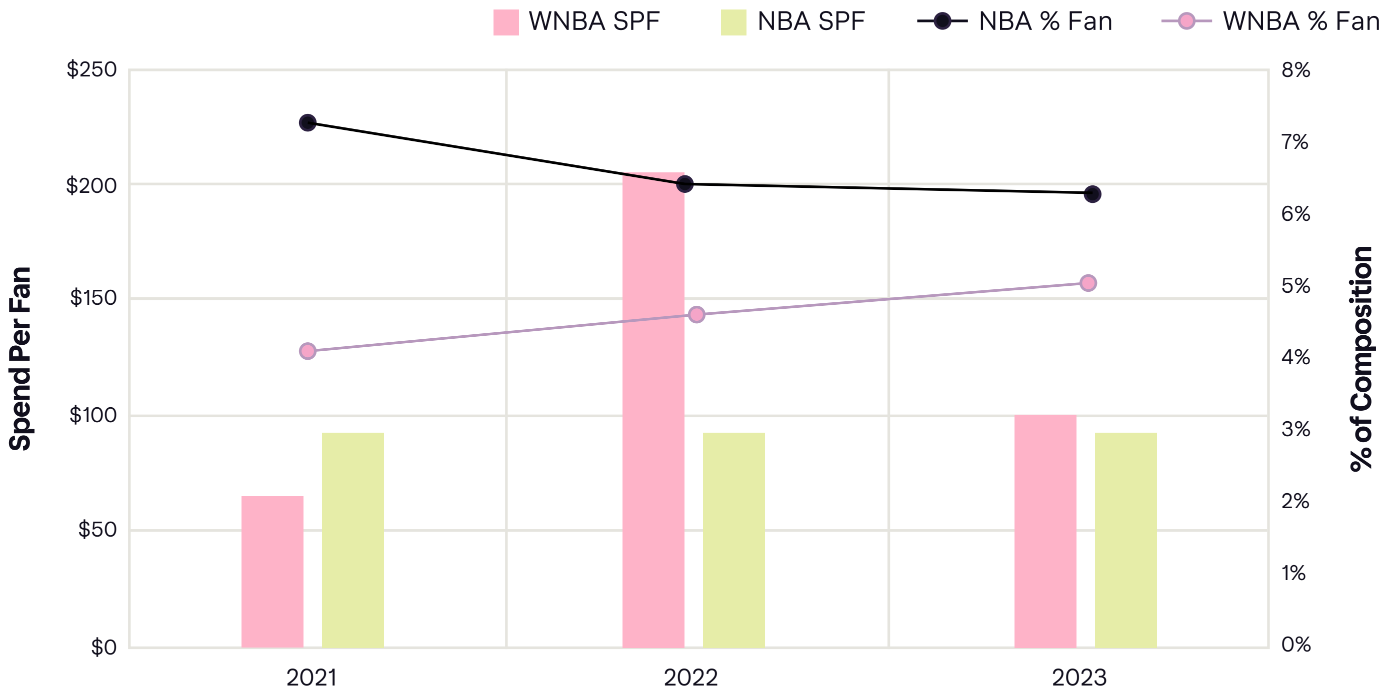
- On average (2021 to 2023), WNBA fans spent $122 per purchase at Lids, making an average of 1.8 purchases per fan per year (2.4 in 2023 and 1.7 in 2022).
- Spending per fan was up 3.2x (229%) from 2021 to 2022, and up 1.6x (61%) from 2021 to 2023.
- Percent of Composition is on an upward trend, up 17% from 2021 to 2023.
- WNBA fans were also 2.4x more likely to make a purchase from Lids and spend 1.6x more than the general population.

Difference in Number of Merch SKUs by League

	NBA vs WNBA	MLS vs NWSL
Men's Apparel	19x	11x
Home & Office	4x	11x
Women's Apparel	8x	5x
Hats	66x	1x
Accessories	3x	4x
Collectibles	10x	N.A
Kids/Youth	10x	2x
Total Items	9x	6x

Source: Sports Innovation Lab 2024 Women's Sports US Inventory Analysis

WNBA vs NBA Spending at Lids



Source: Sports Innovation Lab Transactional Dataset 2024

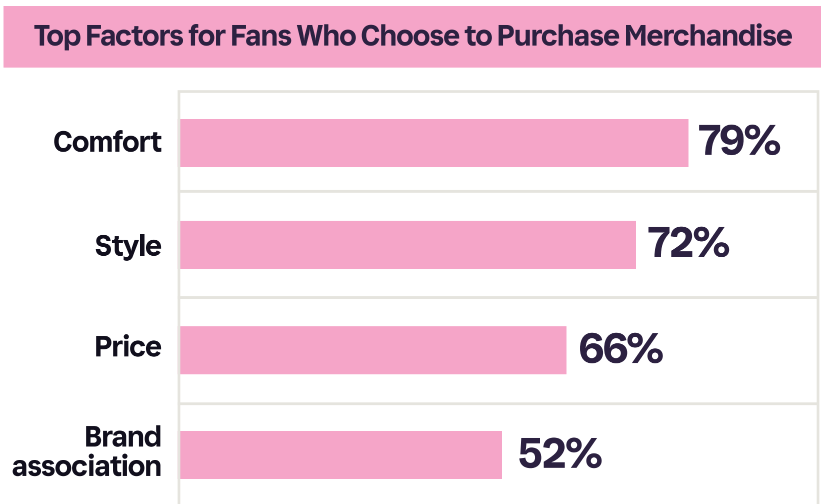
What Fans Want: The Most Searched-For Items

Let's start with what they're already buying. When asked which items of women's sports merchandise fans have purchased in the past, respondents ranked T-Shirts as number one, with 64% of respondents having purchased a shirt, followed by 48% purchasing jerseys, and 37% purchasing a sweatshirt.

Source: Sports Innovation Lab's 2024 Women's Sports Merchandise Survey, U.S.

Women's sports fans want equality on the field and in what they wear, ranking comfort, style, and price their top factors for what they're seeking in their merchandise.

The top reason given for why sports fans have never purchased women's sports merchandise before was price (35%), followed by a lack of general interest (33%), and then style (16%).



Source: Sports Innovation Lab's 2024 Women's Sports Merchandise Survey U.S.

International Markets Reflect Similar Demand & Challenges as the U.S.

Across all seven markets we surveyed (US, Canada, France, Germany, Mexico, Spain, and the United Kingdom), more than 60% of fans said they would buy more women's sports merch if it was available.

What's the greatest barrier to purchase across all markets? Five out of seven markets reported not knowing where to find merch to purchase as the largest barrier. While many similarities existed indicating a global disparity, we highlighted below some of the unique opportunities as they appeared in their markets.

Source: Sports Innovation Lab's 2024 Women's Sports Merchandise Survey Global

Women's Sports Trends Accelerating Global Growth

Global Interest in Women's Golf

A massive rise in viewership and interest in the Solheim Cup—a biennial golf tournament for professional women golfers contested by teams representing Europe and the United States.

Global Interest in Women's Hockey

The PWHL's New Year's Day opener drew 2.9 million viewers in Canada across CBC, Sportsnet, and TSN. The game between Toronto and New York was played at a sold-out Mattamy Athletic Centre in Toronto.

Global Interest in Mexican Women's Soccer

USWNT prospect Mia Fishel decided to move to the Tigres Femenil and play in Liga MX Femenil. The league boosted the women's national team viewership rating, and drew great interest in friendlies with top international clubs.

The Path Forward

We expect these conservative market numbers to be bolstered by some clear growth factors:

1) The rising tide of influencer marketers from the NIL market,

2) The impact of generative AI to create novel designs and circumvent rights/legal marks, and

3) The rise of emerging women's professional leagues, such as PWHL, Athletes Unlimited, USL Super League, League One Volleyball (LOVB), and more.

These commitments can take the form of:

Make More Merch Available

With 79% of fans saying they would buy more merchandise if there were more options available, the growth potential for this market is tremendous and untapped. For established properties, set a path towards closing the SKU gap to tap into the unmet demand of fans. For emerging sports leagues and teams, test SKUs and demand with print-on-demand infrastructure and be agile and creative with rights and marks to allow for future design and collaboration opportunities.

Make It Easier to Find Merch

Noted as the most pressing area of disparity between men's and women's sports merchandise (an 81% difference), the industry needs to commit to making the path to finding stylish merchandise more obvious. With social media as a top channel for discovery, we encourage sellers to get creative with NIL and women's sports athletes by allowing them to create and promote new collabs, expressing themselves, their love of sport, and their sick drip while having skin in the game.

Start on the Right Foot

Newer and non-traditional leagues, like Athletes Unlimited (AU), Professional Women's Hockey League (PWHL), or World Surf League (WSL), have an advantage in having more complete ownership of their marks and selling channels and should exploit this by getting creative, testing with on-demand manufacturers and forming non-traditional retail and marketing partnerships. Media companies, like Just Women's Sports and TOGETHXR, can continue to fill the gap with non-traditional merchandise that supports the whole ecosystem and prove the demand with their consistent sellouts and limited-time drops.

To ignore the burgeoning market of women's sports merchandise is to sideline potential profits and perpetuate inequality. **It's time to take action—invest boldly, advocate loudly, and transform not just the marketplace but the entire landscape of sports. Let's not just level the playing field, let's redefine the game.**

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