



From franchise to enterprise:

Modernizing
professional sports
through innovation
and fan engagement

Getting in the game

The landscape of sports team ownership is rapidly evolving, extending beyond the traditional family ownership model. As valuations for sports teams have skyrocketed over the past decade, new capital from private equity and new investors are reshaping the way sports organizations are managed, challenging business processes and operational models seeking to see a return. Although sports franchises have always been valuable assets, their worth increasingly lies not just in winning games but in the scarcity of the asset, the power of global media rights, the deep loyalty of their fanatical customer base, and the opportunity to commercialize operations to drive revenue generation. Sensing an opportunity, investors are eager to get in the game.

As sports franchises transform into enterprises, they must deliver experiences that are worth fan investment in time, effort, and disposable income by crafting an environment that is immersive and engaging. Modern fans are tech-savvy and expect experiences that are memorable and seamless. This requires teams to implement cutting-edge technology and

infrastructure that facilitates personalized and innovative fan engagement.

Modern sports venues are the foundation that transforms traditional teams into thriving enterprises. These state-of-the-art facilities do more than just host games and entertainment — they're strategic assets that drive success. First, they incorporate advanced AI technology that enhances every aspect of operations. Second, they feature digital platforms that create unforgettable fan experiences. Lastly, they create a data fabric that helps teams understand and serve their fans better. Together, these elements don't just increase profits — they build lasting connections.

By strategically leveraging data and scalable technological solutions, team owners can enhance fan experiences and unlock new revenue streams. They can achieve a transformation with advanced technology infrastructure, AI-driven insights, and robust strategies for fan engagement. In this paper, we will explore how sports franchises can evolve and succeed in this new era, ensuring sustainable growth in the coming decades.

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So, what does this shift from franchise to enterprise look like? A ‘franchise’ focuses on the team and wins on game day. An ‘enterprise’ sees the team as the powerful, emotion-rich core of a much larger business ecosystem. It’s a diversified entertainment and media company, a real estate developer, an urban planner, a technology company, and a global lifestyle brand.

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— Dave Wolf, KPMG Sports Fan Experience Leader

The evolving landscape of sports

Sports are bigger than ever, with the industry ascending to unprecedented heights as a trillion-dollar global powerhouse.¹ The cultural impact of sports has transformed athletes into icons and elevated local teams into global brands. Owners are looking beyond traditional franchise models; they aren't just purchasing teams—they're investing in platforms poised to evolve into global enterprises.

The value of sports franchises is soaring thanks to their unique blend of scarcity, community connection, and lucrative media rights. The deal market is witnessing remarkable activity, highlighted by major transactions such as the sale of the Los Angeles Lakers for approximately \$10 billion² and the acquisition of the Boston Celtics for \$6.1 billion by private equity mogul Bill Chisholm earlier in 2025. KPMG was proud to offer financial and tax due diligence services for the Celtics' record-breaking acquisition.

These historic valuations honor the legacy and contributions of family-run organizations while welcoming a savvy cadre of new investors who complement and build upon these foundational strengths. Together, they are driving the industry forward, creating vibrant and dynamic ecosystems that captivate fans globally. The influx of private equity investments not only represents financial growth but also unveils a revolutionary opportunity in the core assets teams possess: their venues. There lies an untapped potential within these facilities that many owners are beginning to discover—an opportunity to transform sports venues into dynamic hubs of year-round business and community engagement.

The old model was a concrete stadium or arena that came alive only 8, 41, 81, or 100 times a year at home games and non-sporting events, at most. Today, owners insist on

delivering more value from their core infrastructure asset. As sports venues are increasingly seen as a place where business gets done, franchises are expanding their luxury suites, creating more tiers of service, tailoring offerings to higher-spending fans and expanding usage beyond game day.³

At the same time, owners are working with private and public funders to enhance the vibrancy of the surrounding area; developing mixed-use, venue-adjacent hospitality districts that may include retail, office space, hotel, residential, casinos, and public open-space components that expand the team's influence and year-round, non-game day revenue potential.⁴

By embracing this forward-thinking mindset, owners can redefine these spaces, developing mixed-use districts that foster community interaction, enhance engagement, and generate sustained value.



“Technology can no longer be an afterthought for sports teams and franchises. As organizations evolve from sports franchises to sports enterprises, they must rethink the role of technology. It’s no longer just a cost center or an operational tool, it is a critical teammate, essential to driving success and long-term growth for the team and organization.”

— Greg Corlis, KPMG Sports Technology Leader

1 Roger Best and Dennis Howard, *Just How Big Is the Sports Industry?*, Sportico (June 19, 2025)

2 Shams Charania, *Buss Family to sell Lakers to Mark Walter for \$10B valuation*, ESPN.com (June 18, 2025)

3 *A new game for sports arena business suites*, KPMG LLP (2022)

4 Klutch Sports, *The Rise of Sports-Anchored Mixed-Use Districts* (April 2025)

Modernized venues for a new fan experience

Fueled by a drive to captivate their ever-evolving fan base, more than 50 franchises in the NFL, MLB, NBA, NHL, and MLS are currently transforming their venues, building new ones, or are in discussions to do so.⁵ Franchises recognize that cutting-edge sports facilities enable increased revenue, better operational efficiency, more substantial brand value, and enduring fan loyalty. Franchises can deliver immersive experiences, with lights, sounds, AI overlays on phones, games, replays on overhead screens, and excitement throughout. These capabilities keep fans in the seats longer, increase revenue per seat, and generate a higher return on a franchise's investment.

Dynamic ticket pricing can increase ticket revenue by 5%–15% annually and contactless solutions, such as mobile ticketing, mobile food ordering and in-seat delivery, and cash payments, enhance convenience and accelerate

spending.⁶ Gamification and augmented reality/virtual reality overlays of on-field action keep fans engaged longer, providing opportunities for targeted food and merchandise promotions based on a fan's behavior and past habits.

While technology plays a crucial role in enhancing the fan experience, it is equally important to prioritize the human element. By leveraging data to provide personalized experiences, such as customized promotions and individualized messages, franchises can make fans feel more valued and connected to the team. Moreover, encouraging social media sharing and creating interactive experiences within the venue can foster a sense of community among fans and help them feel more involved in the overall experience.

⁵ *The Rise of Sports-Anchored Mixed-Use Districts*, Klutch Sports (April 2025)

⁶ JohnWallStreet, *More Teams Taking Dynamic Approach to Primary Ticket Market*, Sportico (April 20, 2022)



How do you build this new type of sports enterprise?

It's not a single decision; it's a deliberate transformation built on several powerful pillars.



Install a
disciplined
business engine.



Build kingdoms
beyond the
bleachers.



Revolutionize the fan
experience by designing
it from sofa to seat.



Finally, nothing
works without
digital DNA.

1 Step into the future with a cutting-edge enterprise model centered on a “decision room” where data scientists, not just team scouts, analyze every variable—from a player’s biometric data to predict fatigue, to social media sentiment to gauge a player’s marketability. This approach applies the same comprehensive evaluation methodology used on players across the entire organization, to drive all aspects of the enterprise, moving beyond traditional playbooks to strategic innovation.

2 Gone are the days of lifeless stadiums that only came to life during the season. The old stadium model was a concrete island that came alive 100 times a year, at most. In the new model, that’s a waste of a core asset. So enterprise operators have become urban planners. Long after the season ends, mixed-use districts become attractive year-round destinations. The future belongs to dynamic, year-round destinations that redefine the fan experience.

3 Imagine receiving exclusive content tailored to your interests days before you arrive at the game, along with seamless navigation assistance on game day, all through your mobile device. An intuitive app is directing you to prime parking and guiding you with augmented reality to the shortest concession lines. This isn’t science fiction; it is *intentional design*, happening now, crafted with dozens of positive touchpoints that turn a three-hour game into an all-day, personalized, frictionless event.

4 If the mixed-use district is the body of the enterprise and the fan experience is its personality, then the enterprise-class digital architecture is its central nervous system. This unseen infrastructure allows a fan’s app to communicate seamlessly with parking facilities and concession stands. It transforms broadcasting from a one-size-fits-all approach to a personalized experience for millions, turning data into revenue and fostering deeper fan connections. It’s the digital backbone essential for revolutionizing the fan experience.

Unleashing the power of next-generation infrastructure

To achieve the transformative benefits of cutting-edge technology investments, venues need a meticulously constructed technology infrastructure. A robust, private 5G network serves as the vital connective tissue that enables unique broadcast and video solutions, integrating building management systems, video, point of sale, location services, employee communications, and emergency services. Public 5G provides seamless connection with the fan, enhancing the experience from arrival to departure.⁷

Harnessing fan data becomes a gateway to exceptional experiences and efficient operations. Franchises can use insights to deepen engagement and tailor experiences, ensuring they captivate and retain their fan base. With comprehensive tracking and analytics, teams gain critical visibility into fan preferences and motivations, enhancing their ability to adapt and innovate.

Understanding the nuances of the fan experience allows franchises to continually elevate it. A well-orchestrated technology plan offers the power to refine and meet dynamic expectations. The investment in infrastructure is not just cost-effective—it's essential for sustaining a competitive edge. Allocating just 2% of the overall build cost to fan experience enhancements can lead to substantial rewards in engagement, loyalty, and profitability.

While designing and implementing infrastructure may be intricate, with the expertise of specialists technology becomes a robust ally. With standardized data sets and models, teams derive new insights that illuminate and transform the entire arena into a dynamic, engaging environment.

7 Ray Sabourin, *Why Private 5G Networks are Important for the Modern Stadium*, Thefastmode.com (May 12, 2025)

Integrating fan data from various platforms, such as tickets, concessions, social media, and parking, is crucial for gaining a holistic view of fan behavior. When systems come together on a unified platform, inefficiencies and redundancies are minimized, paving the way for strategic and seamless operations. This integration empowers franchises to continuously inform and enhance the fan experience.



Harnessing the power of data for an immersive fan experience

Technology allows franchises to understand their fans on a deeper level than ever before. With quality data, franchises can unlock a wider range of revenue-enhancing and loyalty-building opportunities. They can entice season ticket holders into upgrading in-game experiences or seating, increase spending from casual fans, and market to others in the region to engage with their product. Using predictive AI, they can calculate a fan's lifetime value and target promotions at the individual level. By tracking fan movements, they can see who lingered over a particular item in the fan store so they can later offer that fan a time-sensitive discount on game day or diagnose operational friction points that need to be adjusted.

In addition to leveraging data and technology, franchises must also focus on providing exceptional fan service. Training staff to be friendly, attentive, and responsive to fan needs can create a more welcoming and human-centric environment. This approach complements the data-driven strategies and ensures that fans feel valued and supported throughout their experience.

The combination of detailed individual information and technology helps bond fans to the team. Days before the game, for example, the team app can send the fan a new documentary about a favorite player. As fans approach the parking lot on game day, the app guides them to open parking spots. An augmented reality layer on their phones shows them the path to the shortest concession line as they head to their seats. Dozens of positive touch points turn a game into a personalized, frictionless event.

This unseen infrastructure connects everything, from security systems to computer analytics for temperature and humidity control, from high-bandwidth cameras to high-capacity processors. It allows a fan's app to talk to the parking garage and the concession stand and enables a team to move from broadcasting to a mass audience to streaming personalized messages to millions of individuals. Without data, none of this is possible.



“It is rapidly becoming a business imperative for sports team owners to make the investment in creating a well-coordinated technology roadmap to enable and achieve their goals for the fan experience. Focusing on an integrated approach to technology design, implementation, and adoption is key to maximizing the value latent in the fan experience.”

— Shawn Quill, KPMG National Sports Industry Leader

Sports anchored entertainment districts

100 billion
in investment over the next
15 years in sports-anchored,
mixed-use developments

The power of big-time sports and its benefits to local economies can be seen in the growth of sports-anchored, mixed-use developments across the country. These developments, centered on a sports stadium or arena, offer venue-adjacent shopping, dining, lodging, and entertainment in a compact, walkable area. They are expected to attract more than \$100 billion in investment over the next 15 years.⁸

The costs of such multifaceted projects, which can revitalize aging city districts, are often borne by public-private partnerships.⁹ Municipalities generally provide long-term tax incentives or other inducements in exchange for the developers paying for the creation of basic infrastructure and assuming other costs.

Mixed-use districts can grow communities, as they give people centralized entertainment, shopping, office space, and prime residential space, complete with the team's de facto endorsement. In this way, teams extend their influence, do good, and create real value from previously underutilized spaces.

These districts also greatly benefit the relatively new sports travel market, which was worth \$47.1 billion in 2024¹⁰ as Americans took a record 204.9 million sports event-related trips.¹¹ With everything visitors need in close proximity, they add value to the trip and increase the likelihood of return. At the same time, they bring franchises an increase in rental income as well as higher parking and other ancillary revenue.

⁸ *The Rise of Sports-Anchored Mixed-Use Districts*, Klutch Sports (April 2025)

⁹ *Revitalizing Urban Spaces: The Role of Sports-Anchored Mixed-Use Districts*, Urban Land Institute (2022)

¹⁰ *Sports Travel Market Size, Share & Trends Analysis Report*, MarketsandMarkets (2023)

¹¹ *2024 Sports Travel Report*, U.S. Travel Association (2024)


Unlocking the future of sports enterprises with KPMG

Unlocking the full potential of sports enterprises is paramount for leading the charge in the ever-evolving landscape of fan engagement and business growth. As teams envision the sports facilities of tomorrow, they can tap into the robust insights gained from industry leaders. The KPMG Global Sports Network holds a demonstrated track record of driving large-scale renovations and technology transformations for sports venues, equipping teams to design innovative experiences that captivate today's fans.

With a multidisciplinary team of designers, data scientists, and technologists, KPMG crafts visionary strategies and leading practices to enhance the fan journey from digital platforms to dynamic venue experiences. By analyzing emerging trends and leveraging field-tested insights, we maintain a comprehensive approach to identifying new revenue opportunities.

Our expertise in fan experience management includes meticulously crafted journey mapping, ROI tracking, and strategic product road mapping, alongside custom app solutions to streamline navigation and reduce wait times. We specialize in creating loyalty programs and identity management strategies that tailor experiences to individual preferences and deepen fan engagement.

At KPMG, collaboration with our clients is integral to our approach, spanning from initial concept to sustained execution. We are committed to data-driven solutions, backed by advanced analytics, supporting teams in their transformation from franchise to enterprise. Through audit, tax, and advisory services, KPMG maximizes advanced technology and global knowledge to elevate sports entities.



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