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Sports Roots: The Challenge of Transforming Sports in India

July 2014, Rajesh Mehrotra (Rajesh), a young Indian entrepreneur and Founder of Sports Roots Pvt. Ltd., was in his office in Gurgaon, India reading a passage from an article in *The Indian Express*: “As the Indian contingent departs in batches for the Glasgow Commonwealth Games, National Institute of Sports, the country’s top sports institute in Patiala has drawn severe flak from athletes and coaches who have left no stone unturned in their preparation despite having to live and train in “unacceptable conditions”. Ace paddler A Sharath Kamal, who has brought laurels to the country by winning three table tennis gold medals at the Commonwealth Games, called the living conditions at the NIS “very unhygienic and unacceptable” for any athlete representing India.”¹

As a professional in sports business for last twenty years, who voluntarily gave up his job as Vice President (Marketing) with a very reputed and leading sports channel and broadcasting company to start his own venture – an international sports training, management & marketing company, with offices in Gurgaon (India) and Paris (France) – Rajesh was looking up at the roof in despair thinking about the terrible condition of sports in a country whose population has crossed 1.2 billion and nearly 65% of the population of which comprises of youngsters up to the age of 35 years. Rajesh was all set to begin a fresh innings of his career to become an entrepreneur, having a vision to develop grass roots sports in India by nurturing and grooming young talents in arena of sports. With his kind of exposure and a rich international experience working on marquee sports properties (including ICC Cricket Events, IPL, Indian Open – Golf, FIFA World Cup, Olympics, ATP Tennis, etc.) to structure their commercial program, conduct event and activation, enhance fan engagement and experiences, and develop their sport, his interest in the area gradually developed into an ambition to establish his own sports company and later on his mission to serve the nation in a bigger way.

¹ “Indian athletes slam “unacceptable” living conditions at NIS”, <http://ibnlive.in.com/news/indian-athletes-slam-unacceptable-living-conditions-at-nis/486344-5-23.html>, July 16th 2014

This Case Study was written by Dr. Aashish Mehra, Prestige Institute of Management, Gwalior and Naveen Savita, Prestige Institute of Management, Gwalior. It is intended to be used as the basis for classroom discussion rather than to illustrate either effective or ineffective handling of a management situation. This case study is based on primary research.

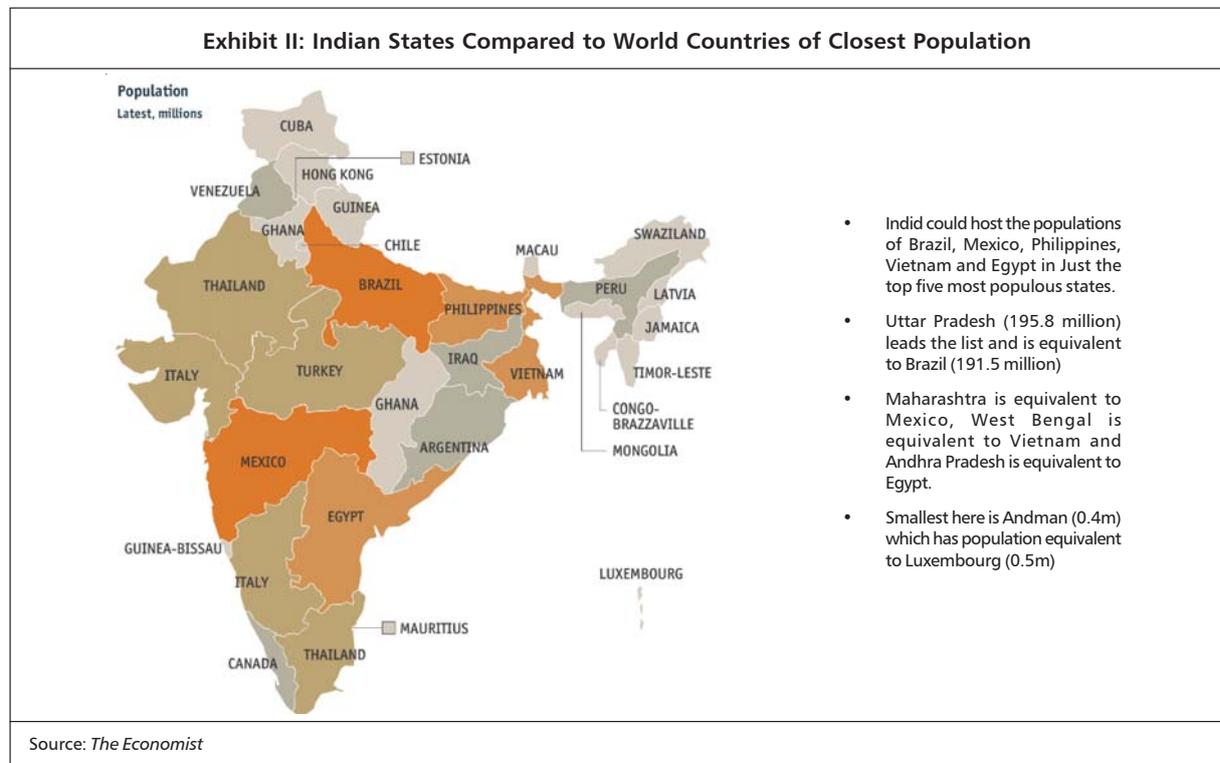
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Because of the passion Rajesh had for sports (Exhibit I for the famous quotes on sports), he wanted to put in his efforts to uplift sports (other than cricket) in the country. He chose football as the sport to be focused in the first phase by Sports Roots. He initiated discussions with various international (primarily European) football clubs like Football Club of Barcelona (FCB), Paris Saint-Germain (PSG), etc., with a vision to have a tie-up with an international football academy, to bring expertise and professional training/coaching from one of these renowned clubs to Indian players. Rajesh aspired to bring 'best in class' sports training and skill programs to India and he believed that the training programs run by these popular clubs in Europe were the best. After a number of presentations made to various clubs across Europe, both online and in person, he finally signed a tie-up with one of the most renowned football academies of Europe – PSG, France.

Exhibit I: Famous Quotes on Sports	
Quote	By
"I think playing cricket taught me more about working in teams and leadership that has stayed with me throughout my career."	Satya Nadella (Microsoft CEO)
"Sport has the power to change the world...it has the power to inspire. It has the power to unite people in a way that little else does. It speaks to youth in a language they understand. Sport can create hope where once there was only despair. It is more powerful than government in breaking down racial barriers. It laughs in the face of all types of discrimination."	Nelson Mandela (Noble Laureate & Famous World Leader from SA)
"I've missed more than 9000 shots in my career. I've lost almost 300 games. 26 times, I've been trusted to take the game winning shot and missed. I've failed over and over and over again in my life. And that is why I succeed."	Michael Jordan (Legendary Basketball Player from US)
"The practice of sport is a human right. Every individual must have the possibility of practicing sport, without discrimination of any kind and in the Olympic spirit, which requires mutual understanding with a spirit of friendship, solidarity and fair play."	Olympic Charter
Source: Sports Roots website	

Rajesh was aware that the condition of sports in India was deteriorating day-by-day, as with a huge population of 1.2 billion (Exhibit II) people in India today have no or very little access to:



- sports infrastructure
- facilities for playing especially at the school level
- professional training and coaching
- sports competitions/events organized
- environment for playing sports in general

As compared to China where sports is treated as a religion, India lagged way behind because of many reasons like:

- lack of sports awareness/culture in India
- lack of development of sports at the grassroots level (6-12 year school level students)
- limited funding sponsors in sports
- lack of coaches and technical know-how/expertise on sports in India
- limited role of government in promoting sports in the country
- lack of coordination among the concerned bodies/authorities affecting professional uptake of sports²
- scarcity of playing spaces (for all sports) and high capital expenditure required to establish private training academies
- inadequate support to former sports persons launching private academies
- limited corporate investment in sports infrastructure development
- undue interference by politicians/bureaucrats at the helm of sports affairs
- lack of transparency in the governance of leagues/tournaments
- lack of interest/initiatives shown by parents in allowing/promoting their wards to play sports
- lack of awareness for fitness (both mental and physical) through sports

On the positive front Rajesh was well aware of the demographic dividends available in the country. These dividends (aspirational to growth) were quite inspiring for him to take sports to the next possible level.

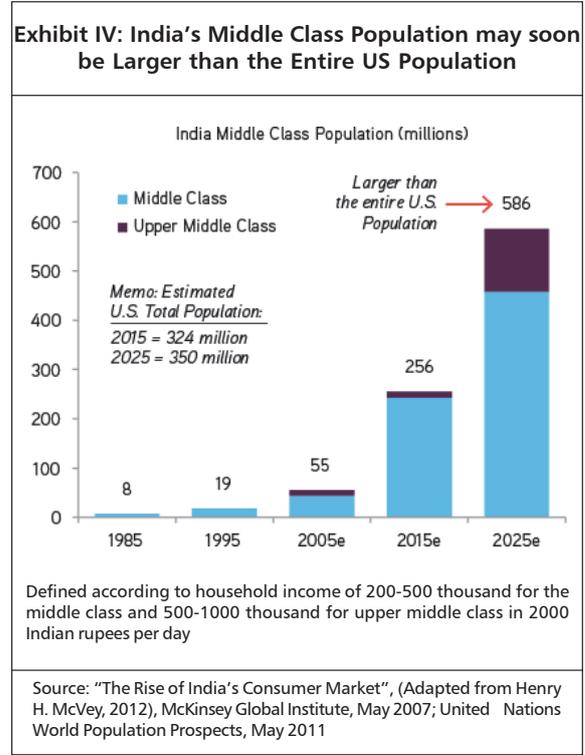
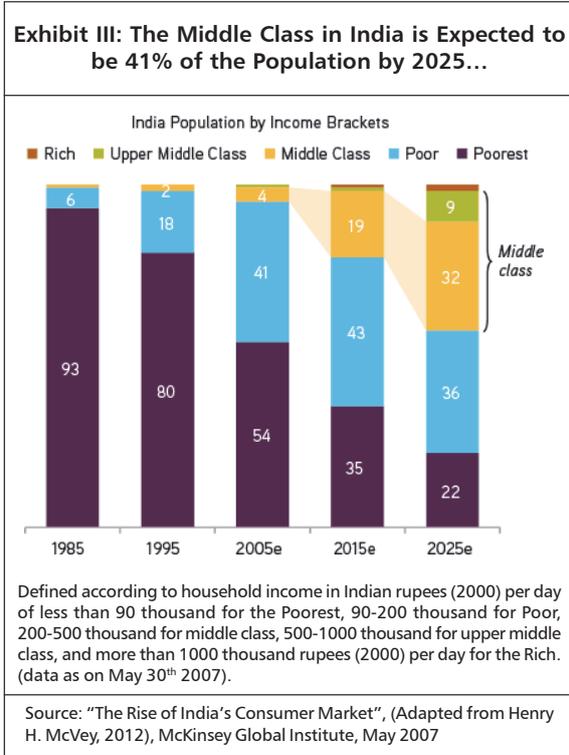
Demographic Dividends³

- Over half of 1.2 billion Indian population is under the age of 30: the demographic dividend is major attractive economic opportunities in various sectors, including healthcare, agriculture, financial services, housing and SPORT.
- Growing urbanization, a young working-age population, rising disposable income will result in increased spending which will result in consumption boom. More money will be spent on eating out and on leisure, including viewing and playing sports and buying brands.
- India will likely be the third-largest consumer market in the world by 2030 as measured in PPP dollars and the largest by 2050.
- India's young rising middle class is 'aspirational', so brand matters more, compared to many countries, and global aspirations include sports.

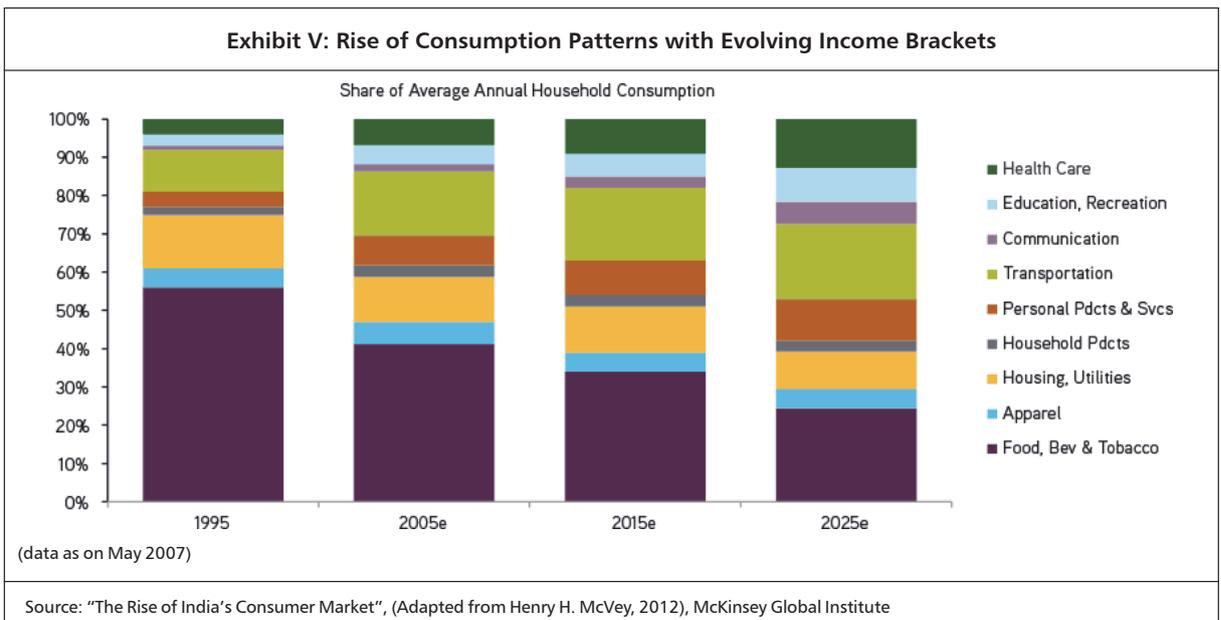
² www.kpmg.com

³ www.kkr.com

- The middle class in India is expected to be 41% of the total population by 2025 (Exhibit III) and in absolute numbers, India's middle class population may soon be larger than the entire US population (Exhibit IV) which will be a huge bonus for youngsters (especially from the middle class) as they could invest in sports training/coaching.



There are huge investment opportunities in education, health and recreation (including sports) (Exhibit V for the projected growth of consumption patterns of Indians with rising income by 2025) sector which will hold the key to the country's bright future for creating a knowledge-based, healthy and sports-loving society.



As indicated in Exhibit V it is clear the biggest opportunities lie in education, health and recreation (including sports).

Rajesh found a simple solution to initiate professional training/coaching environment at least in football. As a start, Sports Roots formed an exclusive partnership with iconic Paris Saint-Germain (PSG) to open Paris Saint-Germain football academies in India. The training program would follow the same methodology used by PSG in its Academy in Paris. The authenticity of the program and its effective implementation would be managed by one of the most experienced coach for youth from PSG who would stay in India to work hands-on at the academies.

In the sports training area, Sports Roots' mission was to transform the manner football is played at the grass roots level in India by creating world-class, structured and age-appropriate training programs. In the sports management domain, Sports Roots' aim was to create unique, engaging and sustainable events for the youth.

Social responsibility was also at the heart of Sports Roots' approach and the company was working on various initiatives that would benefit the under-privileged Indian children, such as organizing PSG football camps in under-privileged areas around the country.

The modus operandi of Sports Roots and PSG was simple and realistic – to begin with they had to sign contracts with A-Class public schools of Gurgaon (through personal/one-to-one contacts) in the first phase and Bangalore (through franchise partners – having experience in the field and a good networking with premier schools) in the next phase. Sports Roots expected the schools to be well-equipped with infrastructure and sports facilities that could be utilized by the academy for professional training/coaching purpose and the target group were the students of different age groups (and classes) who could join the academy as members by paying annual fees.

To fulfill its mission, Sports Roots would have to increase sales (memberships) significantly. Hence, identifying and removing bottlenecks that hindered diffusion of sports training in Gurgaon and Bangalore became a high priority for Rajesh. However, he was under pressure to spend time on other complex dilemmas: financing Sports Roots operations that relied less on heavy promotion (cost-wise) and sustaining relationship with the tie-up schools. Rajesh needed immediate solutions to the dilemmas to sustain the fledgling company. Rajesh was well aware that if Sports Roots was to suspend its activities due to any reason, for even a month or two, all its recent progress and clientele would be obliterated. Moreover, the bigger concern was to survive with the hefty packages for the trainers from PSG to run his business. Until he had sufficient clientele from various pockets/centers the probability of accomplishing his mission appeared bleak.

Sports and Football in India

The State of Sports in India

Hockey is the official national sport of India. The country has won 8 gold medals in hockey at the Olympics but cricket is still the most popular sport in India. Sania Mirza, Leander Paes and Mahesh Bhupathi in Tennis; Bhutia in Football; Saina Nehwal in Badminton; Anand and Humpi in Chess; Jyoti Randhawa in Golf; Kartikeyan and Chandok in F1; Pankaj Advani in Snooker; Rathore and Rana in Shooting; Anju in Long Jump; are few of the well-known sports personalities who have brought fame and glory to India. Abhinav Bindra, Sushil Kumar and Vijendra Kumar bagged gold and bronze medals at the Beijing Olympics

in 10m Air Rifle, Wrestling and Boxing, respectively. With growing facilities in sports, India is making a mark in the international sports arena.

In spite of this, today's scenario of Indian sports is in a deplorable condition. With a population of 1.2 billion only one sport is excessively being liked, played and viewed. In terms of popularity and craziness of any sport in India, 'Cricket' leaves behind every other sport, adored irrespective of social class, age-group, culture, etc. Cricket in India is popular due to the support from the Cricket Management Board and the sponsors available for the sport. Cricket and cricket players get more coverage in media and also the advertising companies for promoting products. Stark difference can be seen between the way Cricket and cricketers are treated in India in comparison to other sports that are bereft of even the basic facilities (like proper training), remuneration and most importantly recognition.

Including Hockey, the national game of India, many others sports like Football, Tennis, Badminton, Golf, etc., all are in the same dismal state as sponsors are not available for finance because of their low popularity and acceptance; proper training and infrastructure are also not available and also the government does not raise enough funds for upgrading the state of sports in India. For example, Ace shooter Abhinav Bindra (Gold Medalist, Beijing Olympics 2008) had the financial backing from his parents, whereas his contemporaries might just have missed by a whisker, only due to lack of training facilities. Due to the lack of awareness, training and infrastructure other sports cannot boost of having sport legends like the cricketer Sachin Tendulkar.

India's Poor Performance in Sports

There are several reasons why Indians show poor performance in most of the sports (except cricket) at the national/international level. These reasons could be:

- lobbying of sports – Meager funds from the government
- dearth of quality coaching or qualified coaches in India
- non-availability of basic sports infrastructure in educational institutions
- cricket in India is worshiped which adversely affect the growth of other sports
- concentration on urban areas and rural areas being neglected
- lack of awareness among parents to promote sports and games
- gender discrimination
- low per capita expenditure on sports

Sports and Football as an Entertainment

Indian Premier League (IPL) of Cricket organized every year since 2008 was the pioneer in reinventing 'League Culture' in the form of 'Mega Sports Event' in India, at the national/international level. The huge success of Indian Premiere League enthused the inception of the concept of organizing mega events for other sports like the 'Hockey India League' (2013), 'Pro Kabaddi League' (2014), 'Indian Super League' (2014). These events have achieved a high success rate due to the great entertainment value attached to them.

Sports (other than cricket) in India are followed, but in a diversified (culture-wise) and divided (geographical) pattern. Diverse regions and cultures in the country support and promote varied sports. A big challenge for the organizers of a 'Mega Sport Event' in India is to build popularity for the sport across the nation, which is possible only if the sport receives acceptance country-wide and is not limited to a few regions or cultures.

The three most popular sports in India are Cricket, Football and Hockey (Exhibit VI). These sports are followed like a 'religion' wherever they are liked/ followed the most (region-wise) and by the most (culture-wise).

Exhibit VI: Following and Status of Three Major Sports in India		
Cricket	Football	Hockey
<ul style="list-style-type: none"> Cricket is the most popular game in India. When India's national side plays a big game, an estimated 400 million view on television. (http://www.economist.com/) The percentage of Indians viewing cricket on TV is more than football viewing, 120 million people viewed the recently concluded ICC T20 World Cup. (www.timesofindia.indiatimes.com/) A large Indian cricket fan turnout is expected whenever India plays with Pakistan, Australia, South Africa, etc. (www.en.wikipedia.org/) Cricket is popular in all over India and across all cultures and all age groups. IPL (started in 2008), the most popular cricket-league in India and abroad is a big money spinner. From bidding of players to sponsors to all stakeholders huge money is at stake in the event every year. Major tournaments won by Indian Cricket team are ICC One Day World Cup (two times; 1983 & 2011), T-20 World Cup (2007), Champions Trophy (2013) Cricket in India has produced outstanding players like Sachin Tendulkar (Bharat Ratna), Kapil Dev, Sunil Gavaskar, Rahul Dravid, Anil Kumble, Sourav Ganguly, Virender Sehwag, Harbhajan Singh, VVS Laxman and M.S. Dhoni (all conferred with the Padma Shree award), and the list is very long. The most popular cricket tournaments in India are ICC world cup, IPL, Asian Cup, Ranji Trophy, Champions League T20. 	<ul style="list-style-type: none"> Football is the second most popular team sport in India (after Cricket): Around 155 million Indians viewed football on television in 2010, and a study in 2009 by the World Bank found that 47% of the population (564 million Indians) say they are football fans. (www.cnn.com). The percentage of Indians viewing football on TV rose by 60% between 2005 and 2010 and is now over 160 million, among which there is a large majority of middle to high income classes. (www.arunfoot.blogspot.com). Football attracts the second-highest sports sponsorship in India behind cricket outranking wrestling and tennis – two sports where India boasts competitors. (www.arunfoot.blogspot.com). Football is particularly popular in metropolitan cities such as Kolkata, Mumbai, Delhi and Bangalore and only in states such as West Bengal and Goa. The recent launch of ISL (2014) will make Football more popular across the country with more youth catching up with the sport. Indian Football has poor status/achievements as India could never qualify for FIFA world cup and only three times in Olympic Games (1960 was the last time Indian national team played in Olympics). India is ranked 146 (April 2011) in world FIFA rankings. Only one football player from India – Bhaichung Bhutia (Padma Shree) has played for an international club. The most popular football tournaments in India are Durand Cup, Federation Cup, I. F. A. Shield, Indian Super Cup and Santosh Trophy. The most popular foreign leagues in India are EPL, Liga, Serie A, Bundesliga, French Ligue 1. (www.sportsmapsofindia.com) 	<ul style="list-style-type: none"> Hockey is the national official game of India. In India, it has lesser viewership as compared to Cricket and football. One of the oldest Indian games (originated from India itself) Hockey has become popular worldwide and is the main attraction in Olympic Games for Indian fans. The Hockey India League showed the passion of hockey fans in India. (www.economictimes.indiatimes.com/) In the first season of Hockey India league (2013), the live match telecasted to 146 countries across the world and the TV Viewership by hockey fans in India was 41.109 million and world viewership was 20.84m. (www.economictimes.indiatimes.com/) Hockey is also popular all over India. Hockey was the primary sport to give the country feel of gold. India has won gold medal in Hockey for 8 times. India has produced some outstanding hockey players like Major Dhyanchand (Padma Bhushan), Balbir Singh Sr. (Padma Shree), Dhanraj Pillay (Rajiv Gandhi Khel Ratna Award), Captain Roopsingh who made Indians proud by being instrumental in winning medals at Olympics and other tournaments. (www.techblogbiz.blogspot.in/) Indian Hockey Team won gold medal in Asian Games – 2014 after 16 years. The most popular hockey leagues are Sultan Azlan Shah Cup, FIH Men's Champions Trophy, Hockey India League, Bhagat Singh All India Hockey Tournament, Gwalior. (www.sportsmapsofindia.com)
Compiled by the authors		

Football in India

- India is a cricket loving country but football is catching up: young kids follow football.
- Grassroots/amateur football is booming, especially amongst youngsters.
- Key figures: According to FIFA and the AIFF India has over 250,000 registered football players (www.fifa.com), around 6,540 clubs registered with the AIFF, and football is played in over 20,000 schools (www.slideshare.net), 21,000 Administrators, and 17,600 Referees and Assistant Referees (www.sportspath.typepad.com).

- FIFA/AFC have created a 'Vision India' program to grow and structure the sport in the country: for example, FIFA already invested \$8 million in infrastructure mainly to build artificial football turfs in various cities and to renovate stadiums in Mumbai (www.fifa.com); also FIFA intends to award the FIFA U17 World Cup organization to India.
- The magnetism of the Indian market and its long term potential is the primary reason for India to get this attention.
- Large Indian companies are investing in Indian football development as they see great value and potential in it.

Structure and Level of Indian Football

- Football in India is managed by the All India Football Federation (AIFF). Since 1948, the AIFF has been affiliated with FIFA. In 1954, AIFF became one of the founder members of the Asian Football Confederation (AFC). (en.wikipedia.org)
- Indian Football is divided into :
 - The National Indian football = International games
 - The Indian Football leagues = Domestic games
 - The standard of Indian football as compared to global standards is very poor; both at National Team level and at domestic league level. However, there is talent and a huge potential.

Most of the stadiums are 25–30 years old, with no renovations. The majority of the stadiums are of capacity less than 40,000. Most stadiums are rated poorly because of the lack of floodlights, lack of actual seats in the stands, and because the poor condition of the pitches. (www.slideshare.net)

Football Schools in India (Research Data as provided by Sports Roots)

General Scenario

- Football training for the young children is largely done by the sports teachers in schools or neighborhood academies, which is unstructured and not of high quality.
- These coaches are generalists and have not necessarily played the sport; lack curriculum and training to lay down a path for the children.
- With a view to further develop their brand and detect talent in the promising Indian football market, marquee clubs such as MU, Barça and Arsenal have decided to run grass root programs in selected Indian cities. They have started football schools as first steps to build up the affinity amongst the Indian children.

Marquee Clubs Programs

- MU has been around for 1 year; runs a year-long program in Mumbai; have conducted clinics in 3-4 major cities. MU has moved ahead and also opened branded bars and merchandise stores.
- Barça has been around for 2 years, started the FCBEscuela in April 2013 with a year-long program at 2 locations in Delhi NCR region; in 2012 they conducted clinics in around 10 towns.

- Arsenal FC announced in 2013 that it will set up 75 Training Schools in India and is planning to run year-long programs in 6 locations in Delhi NCR region, Bangalore and Mumbai. (www.thehindu.com)
- Chelsea FC began Football Schools in India in 2013. (www.zeenews.india.com)
- Boca Junior recently opened a football school in Bangalore.
- Other clubs (for example, Inter Milan or Celtic Glasgow run youth tournaments one a year)
- Full Year: The average price of the program is ₹50,000, about €625 (€1 = ₹80); 2 or 3 sessions a week for 1.5 hours each with an activity for 39 weeks in a calendar year. The price charged is same for all age groups.
- Clinics: The average price of the program is ₹12,000, about €150 (€1 = ₹80); 5 sessions a week for 1.5 hours each. The price charged is same for all age groups. The clinics are used to drive the brand in newer territories and to make kids sample the 'club' way of playing football. This also helps in driving brand recognition in newer markets and build revenues.
- The average school size is around 150 children in a year-long program (distributed age-wise) and is same for a clinic (1 coach for 15 kids).
- Infrastructure: Barça and Arsenal have done a tie up with schools that have good infrastructure to open their football academies. MU uses the football stadium in South Mumbai, they conduct their clinics at school grounds.

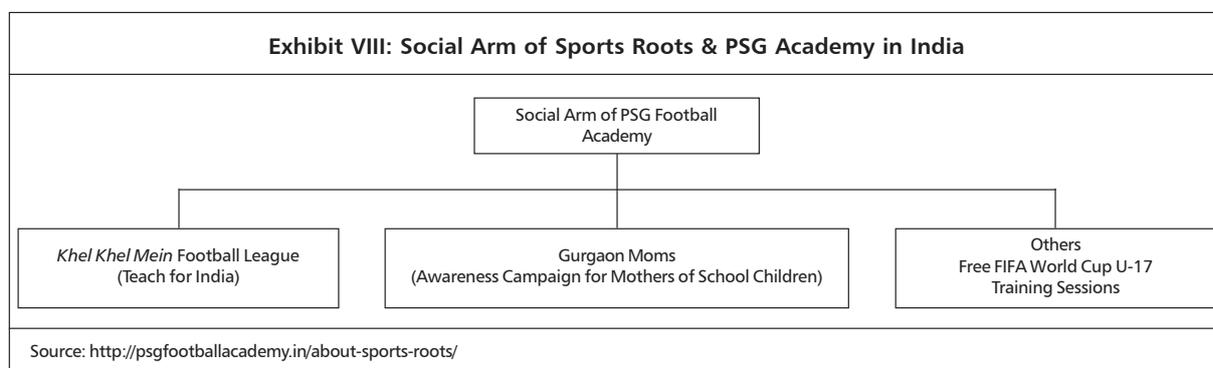
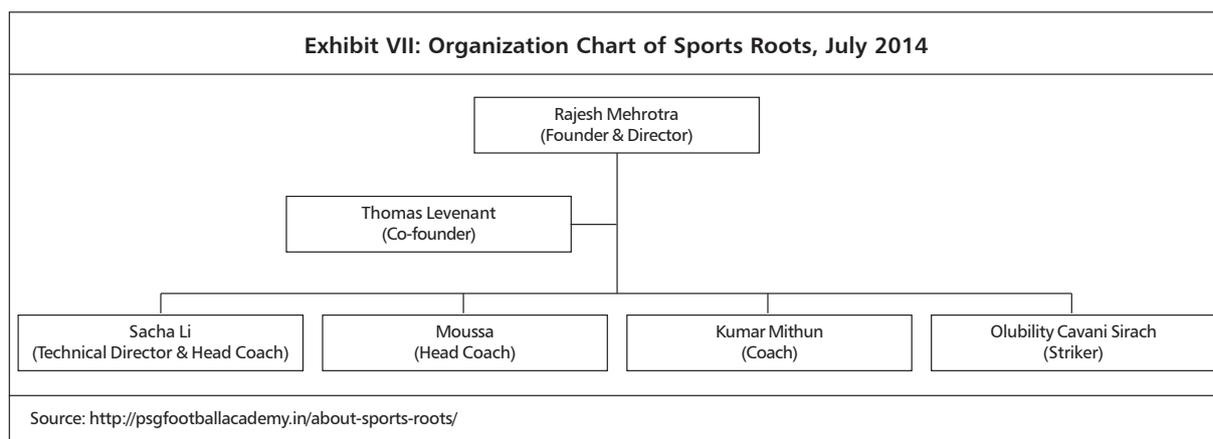
Sports Roots: Company History and Background

While working for a leading sports channel and broadcasting company for almost 20 years Rajesh learnt and developed skills in marketing and management of sports events like ICC Cricket Events, ATP Tennis, IPL, FIFA World Cup, Indian Open – Golf, Olympics, etc. Over the years he developed a passion for sports and became an efficient manager in his company by virtue of his acumen and skills. He developed effective rapport with all his clients (both national and international) which helped him realize and achieve company targets well in advance. Rajesh, before becoming an entrepreneur was working in the capacity of Vice-President (Marketing) for the company. Despite being an excellent performer – having a good job profile and dignity in his company, Rajesh was having a different thought and vision about his future role in his field of work, i.e., sports. He was very keen to start up his own venture to contribute to the world of sports, particularly in India, and that too at the grass root level. Hence, he resigned from his job and inspite of many efforts from his employer to retain him he declined the offer. In March 2013, he registered the company – Sports Roots Pvt. Ltd.

Sports Roots, a sports domain organization – functions with a mission of bringing 'best in class' sports training and skill programs on one hand and develop grass root level of sports in India on the other. Rajesh, the Founder of the company along with his foreign partner PSG football academy, Paris (tied up in March 2014), strongly believed that to build a vibrant sports culture in the country they need to work with children and youth at the grass roots level; and endeavor to give them a rich and impactful experience at their doorstep. By creating specific programs on sports training for young children at the school level the main aim of the company is to cater to the sports needs of both privileged and under privileged children in India. The initiative being to build an environment for sports till it becomes a movement in a country where sports is

still treated as ‘good to have’ instead of ‘must have’ as in case of other parts of world, especially in the most developed nations. From its offices in Gurgaon (India) and Paris (France) the Sports Roots team along with their partner PSG wanted to start businesses using professional trainer/coach hired from both the countries for specific training programs to be conducted at the school level in India.

In the early stages of business development Sports Roots focused on building their brand name by investing on high quality professional training for football (Exhibit VII) for the privileged students (from schools of repute having good sports infrastructure). Sports Roots also got their social arm activated for the benefit of under-privileged students in the region, i.e., Gurgaon and surrounding areas (Delhi NCR) in the first phase. (Exhibit VIII).



The Challenges of Diffusion of Professional Sports Training Programs in India

Rajesh knew that accelerating the diffusion of professional sports training programs was never an easy task in India and it would require that he systematically examine customer adoption decisions. Since he still had to establish the brand name of Sports Roots, he definitely needed help from someone having business experience in professional sports training. Hiring professional trainers from a well-established brand/club of a developed country where professional training was a part of sports curricula, was the best option and Rajesh also managed to acquire consent from one of the most reputed football academies in the world – PSG of France to have a tie up with Sports Roots in India. “The PSG Academy, started in 2005, is currently located in Paris, New York City, Rio de Janeiro, Doha and Morocco. Kids between 5 and 16 years of age are eligible to be inducted into these football schools.” (www.thehindu.com)

In response to this opportunity Rajesh started contacting various A-class schools (the target groups who could afford professional training of football) in Gurgaon and adjoining Delhi-NCR region to convince them with the concept and importance of PTPs (Professional Training Programs) in sports and specifically in football. But to his utter surprise the most reputed A-class school owners and Principals were not interested, and some of them even asked for benefits for themselves (monetary and otherwise) from the venture, which made him highly pessimistic at that point and he became absolutely unsure about the future of his company. The dilemma could not be prolonged as PSG would not wait for long. He quickly changed his stance of approaching schools directly and instead contacted the parents of school children in Gurgaon for a dipstick, surveying for understanding their awareness level for sports. He surveyed more than 50 parents asking them to answer questions like – “Whether as a parent, have you ever met the Physical Education (PE) trainer/ teacher of your ward?”

Only two parents out of the 50 parents answered ‘Yes’ to the question, similarly answers to other questions also revealed poor level of awareness/interest of parents in promoting sports for the benefit of their children.

Rajesh then decided to quickly run through various sports awareness campaigns in his vicinity and thus activated his social arm; launching a campaign for ‘Gurgaon Moms’ – a social site, to target the mothers of school going children, using the platform to educate them – by sharing the importance of sports in their ward’s lives and how sports could help them become healthy, both physically and mentally. Even sports can significantly improve the scholastic scores of their children provided they regularly play and practice them. Simultaneously, Rajesh and the PSG Foundation – the club’s social responsibility unit – tied up with “Teach for India” (the social organization working towards eliminating educational inequity) for a league in the underprivileged areas of the National Capital Region (NCR). The *Khel Khel Mein Football League*’ by PSG (Exhibit IX) involved 850 kids from 38 schools between November and December 2014. (www.thehindu.com)

Exhibit IX: Launch of ‘Khel Khel Mein Football League’ by PSG



Source: <http://psgfootballacademy.in/photos-psg-academy-india/tfi/>

Rajesh also knew that an extensive brand promotion/marketing communication (Exhibit X) was absolutely essential at the introduction stage of any project/venture, especially if one has to diffuse the concept of PTPs in sports, where parents are least interested in investing in such programs for the benefit of their children. This would require heavy cost to be incurred and that too with systematic media coverage in multiple stages. He definitely had that acumen (by virtue of his vast experience in the field) and courage but the biggest constraint was the huge cost involved. In September 2014, Rajesh took a bold decision to invite Portuguese Footballer Pedro Miguel Pauleta – the superstar of European Soccer (who scored 109 goals in his international career), also the brand ambassador of PSG (Exhibit XI) on the occasion of the official launch of PSG Football Schools in India (with three wings: Academies, Clinics & Social) (Exhibit XII) at Gurgaon in September 2014. The mega launch was well-planned with extensive media coverage (Exhibit XIII (a) and Exhibit XIII (b)). Rajesh exhausted his budget by spending almost ₹6 lakh on Pauleta’s arrival – on his stay and professional fee charged, and about ₹22 lakh on extensive media coverage for promoting the event.

Exhibit X: PSG Marketing and Communications in India	
<p>A. MARKETING THE PSG FOOTBALL SCHOOLS</p> <p>Efficient communication and promotion to recruit kids (memberships) will be best achieved through direct, targeted & local marketing actions. For example,;</p> <ol style="list-style-type: none"> 1. E-mailing campaign 2. Mailing campaign (letters to schools and/or parents) 3. Social media campaign (differentiating factor vis-à-vis local schools) 4. Leaflet and/or flyer distribution (schools, shopping malls) 5. Posters (schools, sports shops) 6. Information stands in malls 7. Presentations at schools 8. Word-of-mouth 9. Press and internet articles 10. Radio interviews 11. TV interviews and documentaries/news (run by the schools) 	<p>B. DEVELOPING THE PSG BRAND</p> <p>Whilst the PSG brand will benefit from the development of the PSG Academies, its mass awareness in India will only be obtained through widespread high profile communication, with a clear "PARIS" positioning (leverage the strong "Paris appeal") and with initiatives such as :</p> <ol style="list-style-type: none"> 1. Media events with a PSG star like Beckham or Ibrahimovic 2. Regular press releases (print and internet) 3. Social media campaigns (local extension of PSG social media with prizes allocated to Indian market – promote through schools) 4. Competitions with prizes for example, signed PSG jerseys, trip to Paris (with Emirates) to see a PSG match 5. POS marketing materials for shops where PSG merchandise is sold 6. Autograph sessions in PSG stores/restaurants 7. PSG pre-season matches (friendly or Trophée des Champions) 8. Reports/documentaries about PSG/PSG schools on Indian TV 9. Partnership with an Indian club
<p>Source: http://psgfootballacademy.in/champions-card/</p>	

Exhibit XI: Official Launch of PSG Academy in India

<p>Source: www.psgfootballacademy.com/facebookpage</p>

Exhibit XII: Business Model for PSG		
PSG Football Schools in India		
Clinics	Academies	Social
<ul style="list-style-type: none"> • Clinics will be 5 days long, with different batches running in 'morning & afternoon' • Clinics will be conducted in key markets/cities • The objective is to have 500 kids in the first year, 800 kids in the second year and at least 1200 kids thereafter • The price for PSG Clinic will be ₹10,000 <p>Football fields: use the school grounds as they are of good quality and located centrally, which makes it easy for children to attend.</p>	<ul style="list-style-type: none"> • PSG Academy is a year-long program • Initially, PSG Academies will be at two locations in Delhi NCR and Bangalore regions • Each academy will have 100 to 120 kids (1st year) • After first year = increase the number of kids per Academy and possibly expand to other locations • Price = ₹12,000 per quarter (₹48,000 per year) <p>Football fields: use the school grounds as they are of good quality and located centrally, which makes it easy for children to attend.</p>	<ul style="list-style-type: none"> • PSG Social would be a football + education program to give deserving kids, from economically weaker sections of society, a chance to train at the PSG Academies/Clinics and whilst improving their general education • Possible business models: <ol style="list-style-type: none"> 1. Higher annual fees to subsidize unprivileged kids 2. Parallel slum project run and funded by PSG 3. CSR corporate-funded slum project hosted in the PSG academy.
<p>Source: http://psgfootballacademy.in/about-sports-roots/</p>		

Exhibit XIII (a): Print Media Coverage for Launching Day (Event)				
PEOPLE IMPACTED 340 MILLION				
Date	Publication	Readership	Edition	Page No
September 25 th 2014	<i>The Times Of India</i>	1,696,000(New Delhi + Bangalore)	New Delhi/Bangalore	28, 23
September 25 th 2014	<i>Bangalore Mirror</i>	168,000	Bangalore	16
September 25 th 2014	<i>Hari Bhoomi</i>	400,000	New Delhi	07
September 25 th 2014	<i>Mail Today</i>	130,000	New Delhi	32
September 25 th 2014	<i>Metro India</i>	200,000	Hyderabad	12
September 25 th 2014	<i>Asian Age</i>	200,000	New Delhi	12
September 25 th 2014	<i>The Hindu</i>	111,091	New Delhi	19
September 25 th 2014	<i>Pioneer</i>	120,000	New Delhi	16
September 25 th 2014	<i>The Telegraph</i>	465,000	Kolkata	20
September 25 th 2014	<i>Echo of India</i>	15,000	Kolkata	08
September 25 th 2014	<i>The Statesman</i>	352,728	Kolkata/New Delhi	15
Source: http://psgfootballacademy.in/about-sports-roots/				

Exhibit XIII (b): Online Media Coverage for Launching Day (Event)		
Date	Publication	Link
September 25 th 2014	timesofindia.indiatimes.com	http://timesofindia.indiatimes.com/sports/football/indian-super-league/top-stories/ISL-will-benefit-Indian-Football-Pauleta/articleshow/43332180.cms
September 25 th 2014	economictimes.indiatimes.com	http://economictimes.indiatimes.com/news/sports/isl-will-benefitindianfootballpedromiguelpauleta/articleshow/43331666.cms
September 25 th 2014	sportskeeda.com	http://www.sportskeeda.com/football/former-portugal-striker-pauleta-heralding-the-psg-brand-in-india
September 25 th 2014	asiange.com	http://www.asianage.com/football/indian-super-league-will-benefit-indian-football-863
September 25 th 2014	businessstandard.com	http://www.business-standard.com/article/news-ians/pauleta-launches-psg-academy-in-india-114092400764_1.html
September 25 th 2014	delhinews.net	http://www.delhinews.net/index.php/sid/226026289
September 25 th 2014	gulfnews.com	http://gulfnews.com/sport/football/pauleta-launches-paris-saint-germain-academy-in-india-1.1389587
September 25 th 2014	thehindu.com	http://www.thehindu.com/todays-paper/tp_sports/pauleta launches psg club academy/article6443980.ece
September 25 th 2014	xtratime.com	http://xtratime.in/content.php?p=MTA1&cont=MzA0NQ==
September 25 th 2014	sagarmediainc.wordpress.com	http://sagarmediainc.wordpress.com/2014/09/24/pauleta-launches-paris-saint-germain-academy-in-india/
September 25 th 2014	sectornews.co.in	http://sectornews.co.in/pauleta launches psg academy in india
September 25 th 2014	lockerdome.com	http://lockerdome.com/6250123281827393/7001948986558484
September 25 th 2014	freepressjournal.in	http://freepressjournal.in/isl-will-benefit-indian-football-pauleta/
September 25 th 2014	www.veooz.com	http://www.veooz.com/news/IHW1CgH.html
September 25 th 2014	www.assamtribune.com	http://www.assamtribune.com/scripts/detailsnew.asp?id=sep2514/sports052
September 25 th 2014	www.theindianjournal.com	http://www.theindianjournal.com/pauleta-launches-psg-academy-in-india/
September 25 th 2014	indbreaking.wordpress.com	https://indbreaking.wordpress.com/2014/09/24/pauleta launches psg academy in india business-standard-sports/
September 25 th 2014	ibnlive.in.com	http://ibnlive.in.com/news/pauleta-launches-psg-academy-in-india/501545-5-21.html
September 25 th 2014	www.thenews.co.in	http://www.thenews.co.in/post/view/51462/pauleta-launches-psg-academy-in-india#.VCOSqSSwy4
Source: http://psgfootballacademy.in/about-sports-roots/		

At the same time, before the launch date Rajesh kept contacting good schools having inclination towards promoting sports for their students and fortunately, he signed affiliation from two big schools of the region, the Shiv Nadar School and the Shikshantar School, who not only agreed to let PSG Academy (Sports Roots) give membership to students (as illustrated in Exhibit XII) to conduct PTPs in football, but also the use of their infrastructure like playgrounds, facilities, etc., for the purpose. This breakthrough was badly needed by the company and Rajesh quickly contacted students of both the schools to make presentations for seeking memberships. He received reasonable success by enrolling good number of students in the beginning and then divided them in batches of sixteen each to start the program. This was the only respite for him as a lot of money was already invested in the venture. Immediately after the formal launch the company started the training programs (Exhibit XIV) for different classes in different batches. But was that enough? – was the dilemma. In lieu of the amount invested earlier it was a meager response and moreover, the bigger challenge was to build brand name/value in a shorter span in order to attain sustained business growth. Participation from more number of schools was required to break-even and then to carry on from there to make the venture successful. How to justify and optimize the regular expenses made on foreign trainers/coaches and other staff? How to bear the heavy expenses of hired office at a posh location in Gurgaon? What should be the business revenue model to keep the partnership with PSG working? (Exhibit XV) – were the dilemmas to be sorted out by Rajesh and his team.

Exhibit XIV: Pauleta on Field Conducting a Training Session at Shiv Nadar School



Source: www.psgfootballacademy.com/facebookpage

Exhibit XV: Revenue Projections for PSG Football Schools in India (in €)

	2014	2015	2016
Sales Academies*	240,000	288,000	324,000
Sales Camps**	62,500	100,000	150,000
Total Sales	302,500	388,000	474,000
PSG 10% Commission***	15,250	23,800	32,400

* 4 centers x 100 kids then 120 then 135
 ** 500 kids then 800 then 1200
 *** PSG commission = 10% on sales > €100,000 for academies and 10% on sales > €50,000 for clinics
 PROFITS first year: no profits because of set-up costs
 PROFITS subsequent years: 10%–15% profit margin is expected if marketing is done as per the recommendations

Source: Sports Roots internal data

Future of Football and PSG in India

According to Kalyan Chaubey, CEO of Mohun Bagan Football Academy (www.cnn.com):

“I’m sure football has a viable market in a country with a population of 1.2 billion. There are many pockets across [India] where football is equally or more popular than cricket, such as Goa, Kolkata, Kerala, Bangalore, parts of Delhi and the whole northeast of India. The passion is really high – we just need to achieve something internationally.”

According to Bill Adams, Football Coach – Super Soccer Academy (www.cnn.com):

“The AFC (Asian Football Confederation) have really worked hard to professionalize football in India. Ten years ago, there was nowhere near this level of professionalism.”

As per the ET Bureau – Varuni Khosla & Ravi Teja Sharma (June 13th 2014), (www.economictimes.com):

Schools vouch for the growing popularity of the game among children. “There is greater coverage of football than cricket. Only a certain number of children are very good at cricket. In soccer, you can be a good player at so many positions as such, so everyone gets a greater chance to participate,” says Ryan Pinto, CEO of Ryan International. Ryan International runs 100 schools in the country and around 1 lakh kids in its school play football.

As per the coverage highlights of Media Paris Saint-Germain’s press note in The Times of India/indiatimes.com (September 25th 2014), New Delhi:

Portuguese footballer Pedro Miguel Pauleta feels tournaments like Indian Super League (ISL), which involves international players, will benefit the current crop of Indian football players and will also boost the younger generations to take up the sport.

Football as a sport is at the threshold of a huge face-lift in India with the launch of ISL and the country hosting the FIFA U-17 World Cup in 2017.

“With the advent of Indian Super League, it will inspire the younger generations to take up the sport and the players will undoubtedly benefit from the international players because of the amount of experience they bring in to play,” Pauleta said at the inauguration of the Paris Saint-Germain Academy.

When asked about the prospects of India as a football playing nation he said: “If the players in India will be provided with good facilities and platform to showcase their talent then it won’t be too long to see the country playing in the World Cups.”

“India has seen some exciting talents coming in from places like north-east and other remote areas and the organization is looking forward to start more academies in such places,” he added.

As per the coverage highlights of Media Paris Saint-Germain’s e-press note in www.thehindu.com (September 25th 2014), New Delhi:

“Pauleta’s visit and the launch of the academy are part of a broader project by PSG to garner greater visibility in India. The academy, especially, features prominently in the French club’s plans. Sacha Lizambard, the Technical Director, has relocated to Gurgaon to ensure the quality standards of the club’s training program are followed. The Frenchman will also oversee a “*Train the Trainer*” project here which aims to provide top-notch instruction to Indian coaches.”

According to the PSG Academy Director in Delhi, Rajesh Mehrotra, Lizambard has introduced animated graphics for kids to learn football skills and movement in a novel way. “We have seen a 20-30 per cent improvement in the kids’ movement and dribbling skills in the past eight weeks. It is difficult to get trainers like Sacha.” Two more PSG Academy centres are expected to begin operations in Bangalore next month.

Going Forward

Just a few days after the grand official launch of PSG Schools in India, Rajesh pondered the challenges his organization faced. The foreign coaches hired by him were not getting sufficient engagements (less number of trainees’ batches) and their hefty remuneration was exhausting his budget. On the other side, the office expenditures and increasing overheads were denting him further. Now, he had to take decisions. He acknowledged that his multi-faceted operational and financing problems could not be solved without implementing innovative business models in collaboration with schools, entrepreneurs, partners and most importantly with customers (i.e., parents of students). With just enough cash to survive for next six months only, Rajesh urgently needed to take four key decisions to scale up his organization’s operations:

- I. Although Rajesh was certain that increasing tie-ups with A-class schools of the two regions selected for the first phase of business plan (i.e., to open PSG Football Schools in Delhi-NCR and Bangalore – two of the most happening places for football lovers in India) was necessary to foster the diffusion of PTP’s in football for the school children, he had not yet decided to improve that process.
 - a. Would it be better for Sports Roots to adopt a franchise approach (as done in Bangalore) and partner with organizations that had already established a network with schools?
 - b. Or should Sports Roots adopt an individual contact approach (as done in Delhi-NCR) developing his own network in schools by leveraging the efforts of locals (schools as well as parents) who understands the importance of PTP’s in sports for school going children?
- II. Rajesh had to decide on whether go on investing on brand building activities at the current pace.
 - a. Will it be wise enough to do extensive promotion by using every nook and corner of advertising space (in various media) for creating brand/concept awareness among the target groups?
 - b. Should it be wise enough to invest more on organizing ‘social campaigns’ to reduce the cost considerably and create a socio-brand image that can help the company sustain in the long run?
- III. Rajesh had to adopt strategic planning if he aspired to develop grassroots sports in India (the important mission of the company) and simultaneously sustain the business model for survival.
 - a. Should he first strengthen the business model of Sports Roots by tapping sufficient memberships of PTP’s in Football from A-class schools of metropolis culture?
 - b. Whether he should move on to another sport like hockey, badminton, etc., and develop their PTP’s as soon as possible?
 - c. Should Sports Roots extend its ‘social arm’ and its activities significantly to attain the mission?
- IV. Will it be wise to reduce the fee charged (membership) from students for the PTPs so as to increase the clientele of the company immediately?