

FIDE Marketing Committee

Goynuk, Antalya, Turkey
8 October 2017, 11.00 – 13.00

Chairperson: Martin Huba

Present: T. Karatekin (TUR), G. Urosevic (SRB), A. Mongiello (USV), M. Murphy (USV), T. Luther (GER), R. Jones (BOT), S. Hasiloglu (TUR), L. Turley, K. Herok, R. Haring (USA), S. Johnson (TRI), K. Blackman

This report comprises mainly the outputs of the Marketing Committee meeting but also ideas gained from the other FIDE commission meetings in order to enhance its conclusions.

We appreciate very much that the Marketing Committee meeting was very interactive and participants were coming up with suggestions that are worth of further elaboration.

Martin Huba opened the session and presented the main findings of the FIDE Situational Evaluation that should serve as an initial analytical base provided factual information on where is FIDE. After that offered some possibilities of a future development and potential with few specific good practice activities of the European Chess Union.

Following the first presentation, the objective of the second part of the session run by Sonja Johnson was to come up with broad priority areas for action which will seek to improve the image of FIDE. Concerns were raised by a few members present that this exercise should be done within the context of a FIDE Vision and Mission. Though this was the ideal approach, it was suggested that the Marketing Committee adopt a one year focus and proceed with defining projects for 2018 as these will then be shared with the FIDE Treasurer so that some funding can be allocated. Through active engagement and participation in the meeting, conclusions of the FIDE Situational Evaluation and ideas collected from meetings of other FIDE commissions meetings in Goynuk, the following suggested areas of FIDE intervention were identified:

1) Information Gathering

Serious Annual Statistical and Analytical work (Indicators to the level of Federations as suggested by Hal Bond and requested by the FIDE Development Commission, Monitor indicators to benchmark with olympic sports as outlined in the FIDE Situational Evaluation). 2018 should be the first year of producing it, publishing and/or spreading among all member federations. Both member federations and FIDE would benefit from the information and be able to set up relevant measurable objectives.

2) Mission and Vision defining

2-days workshop ideally with members of Presidential Board and other relevant top members of FIDE nominated by FIDE managers, using the methodology of Future Search Conference (that uses the approach of facilitating the discussion about the specific situation in the organisation with participants in a structured way).

3) Mission and Vision sharing and elaborating

The mission and vision defined and agreed by the top FIDE managers should be communicated to all FIDE structures and member federations in order to focus common

efforts. For example the FIDE commissions should be guided to adapt their planning and activities to the common goals.

At the same time this vertical and horizontal communications should come up with suggestions for transforming the mission and vision into a marketing planning as following:

- Marketing goals
- Key Areas of Focus
- Specific projects including time lines and responsible persons
- KPIs

4) Branding

Long term work on many specific improvements like:

- More effective use of social media (Permanent YouTube channel, Twitter, Facebook...)
- Central Photo and Results sites, possible amendment of the FIDE web page
- Revisit FIDE logo and define slogans for different areas of performance
- Target marketing to reflect more inclusive agenda
- Use of 'Ambassadors' for the sport
- Tell the various stories of chess with a focus on social inclusion, women in chess etc.
- Certify journalists to cover chess (with a focus on international sport journalists)

The objective of this should be to improve on FIDE's value for potential sponsors, FIDE must increase traffic, viability, and commercial values. As of right now, it is so difficult for the media and potential sponsors to find specific information.

5) Seeking of alternative sources of funding

- Funding agencies/institutions
- Sponsors with complementary objectives

6) Increasing membership base of FIDE

The numbers like number of FIDE rated players should be substantially increased to become attractive for media and sponsors. As discussed intensively during the Committee meeting there is a need for FIDE to transform to a service organisation. Present number of about 130,000 FIDE rated players could be raised easily to few millions but there is a need of a sensitive and focused negotiations with individual federations to find a win-win situation (for example the objective of both sides should be not reluctance to joining FIDE rating system due to different fees but a common vision of becoming attractive for sponsors and sharing the commercial income in the future...). The goal therefore should be to understand from countries that have a large player base what are the barriers for membership in FIDE and find some common ground to bring at least some agreed percentage of these players into the FIDE family.

Given the time constraint of the meeting, it was agreed that the actual initiatives based on these broad areas will be further defined by members of the marketing committee and circulated to the group. It was also suggested that persons from outside the marketing committee will be engaged if they are considered to assist in the implementation of a particular initiative.

Martin Huba thanked everyone for their participation and the meeting ended.

We Are One Family

Martin Huba

Chess means Smart!

Martin Huba

FIDE Marketing Committee Meeting

Goynuk, 8 October 2017



What is Chess?

Chess is History



Chess is Culture



Chess is Creativity



Chess is Sport



Chess is Company



Chess is Relax



Chess is Fun



Chess is School



Chess is International



Chess is Spontaneous



Chess is Young



Chess is Exciting



Chess is Popular



Chess is Smart





FIDE Situational Evaluation

FIDE Situational Evaluation

An analytical marketing base

- FIDE Performance in 2015
- FIDE Finances in 2014-2015
- Good Governance in Sport
- Sport Event Management
- Core Olympic Sports Overview
- FIDE SWOT
- Conclusions and Recommendations

FIDE Performance in 2015

- Russia dominating (Number of FIDE rated active players, Number of FIDE titled players, Number of FIDE GM players, Number of FIDE WGM players and Number of FIDE open standard tournaments)
- Greece - Chess export
- Germany - Chess Import
- More FIDE opens in 2015 by 27% compared to 2014
- There is a potential in the area of rapid and blitz

FIDE Performance in 2015

- 189 member federations (173 with AFRP)
- 134,413 active FIDE rated players
- 16,638 titled players
- FIDE WGMs (415, Africa – 4 -132 of 189 - 0)
- FIDE GMs (1,557, Africa – 10 -101 – 0)
- FIDE standard opens (15,783)
- FIDE standard games 1,195,894

FIDE Finances in 2014-2015

Two main FIDE financing sources: Different fees and licenses coming from from the Chess Community itself. Shares of FIDE on prize funds of different Chess Events and related participation fees and other related income like bidding fees etc. The FIDE products are quite simple, not so many and fully depending on Competitive chess.

The FIDE Expenses are too high compared to Income, the structuring of Expenses is very foggy and there are different expenditures probably not related to the core business of FIDE.

FIDE Finances in 2014-2015

INCOME FROM CHESS COMMUNITY

- Registered tournaments
- Titles and licences
- Entry fees
- Membership fees
- Changes of federations and seminars
- 1,164,471 EUR in 2014, 1,235,313 EUR in 2015

FIDE Finances in 2014-2015

INCOME FROM CHESS EVENTS

- Olympiad (45% in 2014)
- World Champ Match (16% in 2014)
- World Cup (62% in 2015)
- Women World Champ Match (14% in 2015)
- 1,555,696 EUR in 2014, 669,826 EUR in 2015

FIDE Finances in 2014-2015

TOP FIDE BESTSELLERS (Totals for both 2014 and 2015 rounded in thousands):

Registered Tournaments	900,000 EUR
Olympiad	700,000 EUR
FIDE Titles and Licences	588,000 EUR
Entry Fees	480,000 EUR
World Cup	415,000 EUR
World Champ Match	249,000 EUR
Tournament Income	171,000 EUR
Women World Champ	94,000 EUR
World Champ Olympiad Commission	87,000 EUR

FIDE Finances in 2014-2015

FIDE EXPENDITURES IN 2014 AND 2015 (Total)

Offices	1,406,000
Management	905,000
Commissions	2,180,000
Unavoidable	1,051,000
Other	1,013,000

FIDE Finances in 2014-2015

INCOME AGAINST EXPENDITURES

- Just Athens office costs more than FIDE income from Olympiad
- FIDE management costs more than FIDE income from Registered Tournaments
- President's Travel costs more than FIDE income from World Champ Match

FIDE Finances in 2014-2015

INCOME AGAINST EXPENDITURES

- Commissions costs have not adequate financial sources
- Development and Activity Rebate Commission costs more than FIDE income from Titles and Licences
- Legal Costs are higher than FIDE income from World Champ Match
- Unavoidable costs are higher than FIDE income from Registered Tournaments

Good Governance in Sport

- There are three key strategic reasons why modernising governance standards allows sport leaders to develop their sports to their fullest potential.
- First of all, good governance builds trust enabling strong relationships with key stakeholders.
- Second, good governance builds growth by facilitating increased participation and increased revenues.
- Third, good governance builds performance by attracting and retaining people fit for the task, motivated and supported to perform to their full ability.

Sport Event Management

- Academic discussion about both, the legacy and the economic impact of major sporting events shows that it is not clear if the staging of a major sporting event is an efficient way of investing scarce public resources.
- Pluses and minuses of chess events

Core Olympic Sports Overview

- When comparing FIDE with core summer Olympic Sports one must say there is a potential for chess not depending on whether it will become the Olympic sport or not. However it is a disadvantage that not all indicators are monitored and especially given a high priority within FIDE to direct world chess efforts in such a way modern sport federations do.

FIDE SWOT

FIDE community was providing many useful opinions in a balanced and constructive way. The brainstormed FIDE Strengths, Weaknesses, Opportunities and Threats proved the potential for further development of the world chess organisation and together with devoted smart people working in different structures of FIDE or member national federations create a base for further successful growth.

Conclusions and Recommendations

- The FIDE stakeholders and managers should consider about how to proceed with the questions arisen from the available facts and formulated at the end of the Report.
- Marketing Committee is ready to assist with the preparation and implementation of relevant workshops in order to present the Report in more details and agree on the strategies to be elaborated with the necessary objectives, action plans, financial and human sources and timelines.

FIDE Situational Evaluation

<https://www.chess.sk/files/subory/1490214562FIDESituationalevaluation.pdf>



European Chess Union

We are one Family

Smart Family

European Chess Union

www.europechess.org

European Chess Union

Smart and Modern Family

- Established in 1985 and seated in Switzerland
- President Mr. Zurab Azmaiparashvili
- 55 Member Federations
- 2,000,000 members
- 6,000,000 kids estimated in scholastic chess
- 20 European events annually
- About 80% of world chess is done in Europe

Potential

- Chess is cheap compared to other sports
- Internet and social media as fantastic possibility for chess development
- New chess events and projects possible
- We estimate at least 6 million of kids in the European scholastic chess
- *'Smart kids'* returns 47.5M results from Google

Internet

Istanbul Chess Olympiad 2012:

- The average daily number of unique visitors on the Olympiad webpage was 96,000.
- 43% of audience returned to re-watch previous broadcasting.
- 26% continued to watch following broadcastings
- Average time of watching broadcasting was: 1:02:10
- Percentage of mobile devices: 6%

Chess on TV?

Tromso Chess Olympiad 2014:

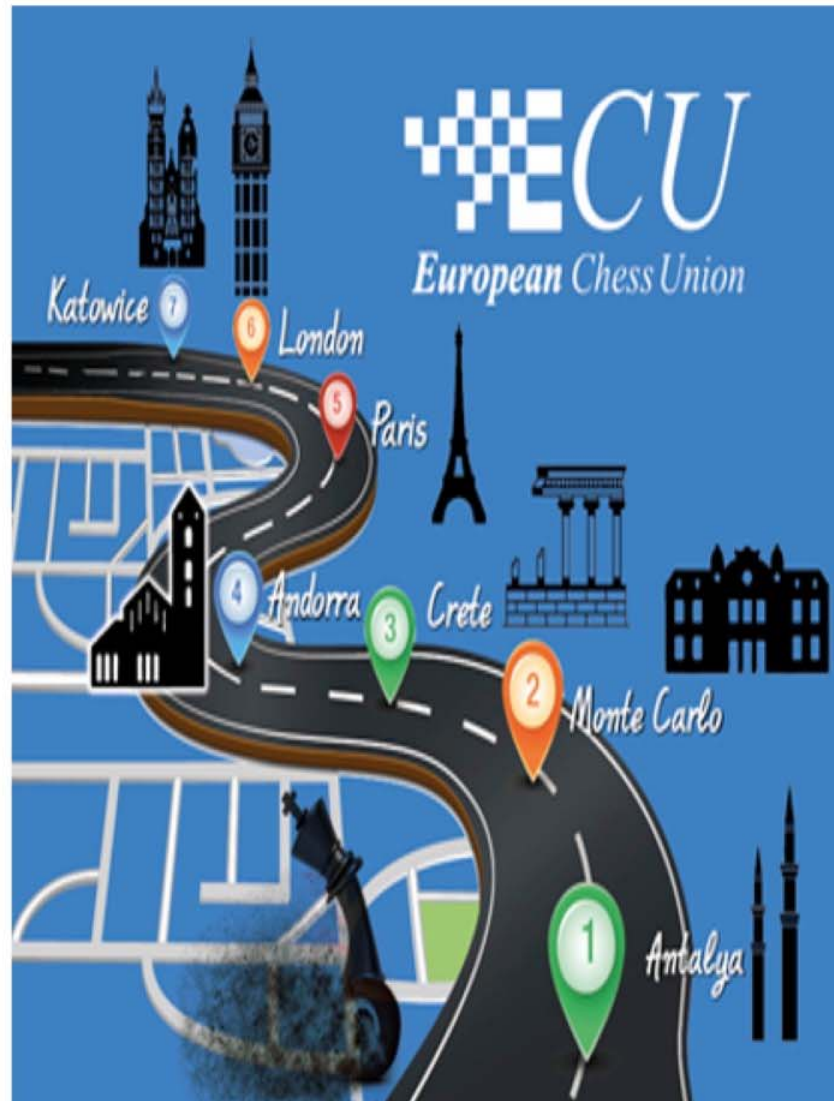
- The late night opening ceremony had a share of 34% in Norway (407,000 out of total 1,197,000).
- The next day early afternoon the opening ceremony was watched by 55,000 viewers (22.8% share) of 241,000.
- Norway is a country of the present world champion but anyhow the TV figures from whole 14 days of the Chess Olympiad were impressive.

New events

- European Corporate Championship
maybe in the future:
- European Championship for handicapped
- European Parity Cup
- European Cities and Regions Championship
- European Smart Kids Challenge

New possible projects

- European projects
- Health projects
- Social projects
- Educational projects



*Play Chess or watch the most intelligent Sport,
at the most prestigious destinations*

**1 European Chess
Club Cup 2017**

7 - 15 October, Antalya - Turkey

**2 European - ACP
Women Rapid
& Blitz Chess
Championship**

20 - 24 October, Monte Carlo - Monaco

**3 European Team Chess
Championship 2017**

27 October - 7 November,
Hersonisos Crete - Greece

**4 European Small Nations
Team Chess Championship
2017**

11 - 19 November, Andorra la Vella - Andorra

**5 European Corporate
Chess Championship 2017**

24 - 25 November, Paris - France

**6 London Chess Conference
with the ECU support**

2-3 December 2017, London - England

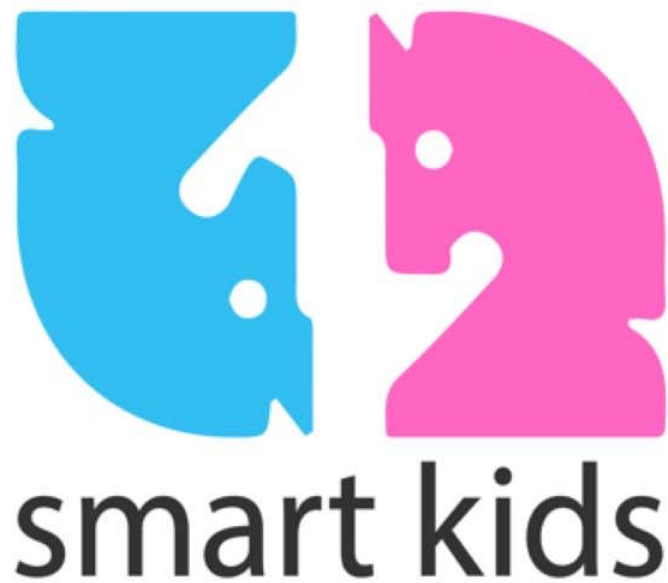
**7 European Rapid and Blitz
Championship 2017**

14 - 18 December, Katowice - Poland

Chess4Europe



Join Smart Kids Family!!!





FIDE MARKETING

THREE URGENT AREAS

1 Serious Regular Analytical work
(Indicators to the level of Federations,
Monitor indicators to benchmark with
olympic sports)

FIDE MARKETING

THREE URGENT AREAS

2 Permanent YouTube channel, Facebook, Twitter, Photo and Results sites, Press Kits. To improve on FIDE's value for potential sponsors, FIDE must increase traffic, viability, and commercial values. As of right now, it is so difficult for the media and potential sponsors to find specific information.

FIDE MARKETING

THREE URGENT AREAS

3 Marketing Planning

- Marketing goals
- Key Areas of Focus
- Specific projects including time lines and responsible persons
- KPIs



Many thanks for your attention!

Martin Huba

FIDE Marketing Committee