

**Morgan Lewis**

**REPORT**

**NEW OPPORTUNITIES  
FOR INVESTORS IN THE  
GROWING WOMEN'S  
SPORTS SECTOR**

**July 2024**



## NEW OPPORTUNITIES FOR INVESTORS IN THE GROWING WOMEN'S SPORTS SECTOR

Investment in women's sports has undergone a significant transformation in recent years, with the once underinvested market now commanding attention from sports fans and investors globally. The shift not only reflects the sector's growing economic potential, but also aligns with broader societal movements toward gender equality and diversity.

As we consider what investment in women's sports will look like in 2024 and beyond, we explore the driving forces behind the positive investor sentiment from private equity investors and in venture capital, the players shaping the growth, and some of the key considerations and challenges for investors.

## FACTORS DRIVING INVESTMENT INTO WOMEN'S SPORTS IN 2024

### Rapid Economic Growth

Research from The Sports Consultancy and accountancy and business advisory firm BDO propounds that women's sports could be a better long-term investment than men's sports: their [2022 report](#) suggests that the comparatively new industry is more likely to be free of complex commercial structures, which could give rise to more flexibility and support growth. Others, like Deloitte, have [indicated](#) that with many of the major leagues only having been established in the last decade, and many territories yet to have established a mainstream culture around women's elite sports, the potential for swift growth is just beginning.

Deloitte has [predicted](#) that the elite women's sports industry will generate global revenues of approximately \$1 billion in 2024 and valuations of women's teams and leagues will continue to rise, with sponsorships and broadcast deals becoming increasingly lucrative. While Deloitte predicts a majority of this growth will be attributed to North American women's sports, [another study](#) conducted by the Women's Sports Trust and data insight agency Two Circles suggests that women's sport could generate £1 billion in revenues in the United Kingdom alone by 2030. This is a notably steeper growth rate than the overall sports market, which, coupled with a mature men's market, makes women's sports an attractive market for investors seeking sustainable returns on premium and increasingly international brands.

Deloitte also [projects](#) that the two most valuable women's sports in 2024 will be Association Football (soccer in the United States) (\$555 million) and basketball (\$354 million), with other key sports including tennis, cricket, and professional motorsports. The Women's Tennis Association alone is expected to be a major contributor to revenue in 2024 with players gaining more and more notoriety and followings, evident as valuations have risen and investor interest in these sectors has skyrocketed. Similarly, as discussed below, with successes both on and off the field, the media has started to pay attention to women's sports figures, and the public has responded with an outpouring of support.

### Increased Media Coverage and Engagement

Increased airtime and media coverage will further drive women's sports into the spotlight in 2024. The final of the women's European Championship in July 2022 was the most-watched women's football game in UK history and, at the time, [the BBC's most-watched program](#) of any kind in 2022. In the United States, a [record-setting](#) TV audience of 9.9 million tuned into the 2023 Women's NCAA Basketball Championship (up 103% from the previous year). Similarly, the FIFA Women's World Cup gained so much popularity it is [predicted](#) that the 2027 FIFA Women's World Cup cycle will outperform the 2023 event.

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Simultaneously, a surge in popularity of domestic football leagues such as the National Women's Soccer League (NWSL) and Barclay's Women's Super League (WSL) has resulted in the growing success of women's football clubs such as NJ/NY Gotham FC, Chelsea FC Women, and Manchester City Women.<sup>1</sup> Recent cases have shown that investors seeking to invest in men's premier league teams commonly will show significant interest in the female equivalent, including the teams' training facilities and prospects for the future.

This increased exposure has not only amplified the reach of women's sports content but also proven its commercial viability by offering sponsors significant returns on investment, especially those that get in early. For example, in SponsorUnited's [2022-23 Marketing Partnerships Report](#), the Ladies Professional Golf Association (LPGA) reported that certain sponsors received up to a 400% return in media value on their investment.

Data from the Sports Innovation Lab [shows](#) that 83% of brands plan to increase their media investment in women's sports in 2024. Many teams are bringing in celebrity influencers to invest in their organizations or come work as contractors, which celebrities then provide even more media attention to the teams as well as become a proponent for women's sports in general, helping the teams' marketing efforts.

## Changing Societal Perspectives

Evolving societal attitudes toward gender equality are also influencing the women's sports investment landscape, evidenced by the implementation of diversity and inclusion (D&I) initiatives by sports organizations such as, in the United Kingdom, the Football Association's (FA's) Gameplan for Growth and, in the United States, the Women's Sport Foundation. Similarly, SponsorUnited's report [indicates](#) that more than 80% of LPGA sponsors were actively seeking to acquire assets promoting D&I.

Investments in women's sports will also extend beyond elite athletes to grassroots clubs and development initiatives. This could involve building more facilities, creating better training structures, and providing equal pay, support, and funding for aspiring female athletes.

## THE KEY PLAYERS

### Private Equity

Private equity firms are beginning to actively seek opportunities to reshape women's sports organizations. For example, the Women's Tennis Association [announced in March 2023](#) that it had entered into a strategic partnership with CVC Capital Partners. Having previously invested in Formula One, the French Football League, Rugby, and other typically male-dominated sports, we can expect that CVC's diversification into the women's sports arena will be one of many more in years to come. In 2023, global investment firm Sixth Street brought its funds to women's sports with an investment, alongside several former US Women's National Team players, in Bay FC, a San Francisco-based NWSL expansion team that debuted in the NWSL's 2024 season.

Substantial new investment from private funds seems inevitable. Consider the newly formed fund announced in August 2023 managed by Mercury 13, a group led by sports entrepreneurs Victoire Cogevina Reynal and Mario Malavé, together with former female professional football players including Eniola Aluko MBE (formerly of Chelsea, Juventus, and England's women's national team). The group is actively searching for investment opportunities and looks set to invest \$100 million in acquiring women's football clubs across Europe. Ahead of the 2024/25 UK football season, an

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<sup>1</sup> In 2023, Morgan Lewis [represented](#) Next 3 and Carolyn Tisch Blodgett, founder and CEO of Next 3, on behalf of the Tisch family, in becoming a minority owner and strategic investor in NJ/NY Gotham FC.

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independent “NewCo” entity, headed by Nikki Doucet, [took over](#) the operations of the WSL and Barclay’s Women’s Championship, transitioning from the FA’s prior stewardship.

This move underscores [a strategic pivot](#) of women’s football teams toward pursuing private equity investment, thereby diversifying financial backing beyond the traditional reliance on the European Premier League clubs.

## Venture Capital & Funds

Venture capital is also making significant inroads into women’s sports. In 2023, Jasmine Robinson and Kara Nortman [announced](#) the closing of their new “Monarch Collective” \$100 million fund, with the mission of increasing equity in global sports. Their initial aims focus on minority stakes in women’s football teams as well as international women’s basketball, cycling, and rugby leagues. The fund’s first investment was in the recently added NWSL expansion team in Boston.<sup>2</sup>

2023 also saw NBA team the Atlanta Hawks launch Hawks Ventures, a \$50 million fund aimed at supporting women- and minority-owned startups and early-stage businesses.

Ally Financial announced a multimillion-dollar deal with Disney to enhance women’s sports coverage, which [deal](#) included commitments that 90% of the investment would go toward women’s sport coverage.

These investments are poised to fuel female-led startups in the sector, focusing on female athlete development, community engagement initiatives, and minority ownership in teams and leagues.

## Government Initiatives

UK Minister for Industry and Economic Security Nusrat Ghani has stated [aims to make the UK](#) “the world’s top destination for women’s sport investment.”

This vision is materializing through initiatives such as the UK Women’s Sport Investment Accelerator, a year-long initiative launched in autumn 2023 in collaboration with Deloitte’s Sports Business Group and supported by the International Working Group on Women and Sport.

The [program](#) aims to bridge the gap between UK-based women’s sports rightsholders and potential investors, with its first session held at the end of 2023 including participants such as the WSL, England Rugby, England Netball, England and Wales Cricket Board, and Volleyball England.

All UK sports entities (regardless of the sports’ gender focus) receiving any public funding, whether through UK Sport or the National Lottery, will be required to adhere to additional Code for Sports Governance rules. This governance code [sets out](#) specific requirements relating to diversity, equity, and inclusion, term limits, transparency and accountability, independence, conflict of interest management, and possession of the necessary skills and competencies to effectively govern a sports organization.

## Sponsorships

Sponsors have jumped into the spotlight alongside women’s sports investors, with the most active sectors in women’s sports sponsorship including clothing and apparel, consumer goods and services, food, sports equipment, and finance. For example, the Union of European Football Associations (UEFA) and Visa deal, worth approximately \$28 million, [exemplifies](#) the lengths brands are willing to go to get exposure on this growing platform. Following a sponsorship agreement with FIBA, the

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<sup>2</sup> In 2023, Morgan Lewis represented Boston Unity Soccer Partners in its agreement to be awarded expansion rights for the NWSL’s 15th team.

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governing body of women's basketball, Google in 2022 became the first-ever global partner of women's basketball and the Women's Basketball World Cup.

As noted by media outlets, "the deal underscore[d] the widening spectrum of industries drawn to the commercial opportunities in women's sports, emphasizing that it's not just traditional sectors but also tech giants who are recognizing the value within this market." Major brands, including Nike, Adidas, and Coca-Cola, launched campaigns in 2023 specifically aimed at promoting women's sports, which contributed to the popularity for women's sporting events and raised the profile of women's athletes globally.

## Sporting Bodies

Sporting bodies are also championing investment, talent development, and inclusivity in the sector.

In November 2022, Formula One [announced](#) the creation of its F1 Academy, a racing series for women headed by Susie Wolff, a former top women's racing driver. Research conducted by More than Equal, a not-for-profit initiative co-founded by David Coulthard, [reports](#) that systemic barriers have historically been preventing women from competing in F1, including "no tailored training available to female drivers, persistent doubts over women's ability to drive fast, less track time, fewer role models and a culture that's either unwelcoming or inappropriate."

Notably, for the 2024 F1 season, all 10 of the currently male-dominated teams will have one female driver racing in team livery competing in the all-female racer series, [showcasing](#) a significant investment in female talent development.

## KEY CONSIDERATIONS FOR INVESTORS

- As the women's sports sector gains traction, investments in the coming months could serve as strong, long-term investments when compared to returns on men's sports.
- Football and basketball may currently be predicted as the women's sports with the greatest prospects for growth, but there is no shortage of women's sports leagues and organizations to create a broad and wide-ranging portfolio.
- Government and other sporting bodies have been taking steps to expand the women's sports space, and such opportunities can and should be leveraged by investors.
- Opportunities to engage in the women's sports arena offer a chance to answer increasing calls for more diverse and inclusive investment portfolios with demonstrated social and economic benefit, which in turn can help boost both investors' and sponsors' brands within their own markets.

While the prospects for investing in women's sports are promising, navigating the landscape in 2024 and beyond necessitates a strategic approach to overcoming systemic challenges, regulatory restrictions, and leveraging opportunities.

## OUTLOOK

With industry revenues projected to soar and a significant influx of capital, women's sports are poised for unprecedented growth and recognition in 2024 and beyond.

The inflow of private equity and venture capital highlights the sector's potential for strategic development and profitability, alongside offering investors a unique opportunity to contribute to the sustainability and expansion of women's sports.

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