

Impact of the COVID-19 / Pandemic on Indian Premier League

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ABSTRACT

The sudden emergence of COVID-19 and its subsequent effects on lives has shaken the world. It has restricted the mobility and social interaction of people. Social distancing is the common norm. All economic activities were halted for about six to nine months resulting in loss of income, output and employment in all sectors.

The present research paper makes an attempt to evaluate the impact of COVID-19 on the Indian Premier League. IPL has brought a new form of cricket format and globalised the game. It has made cricket an exciting, entertaining and result oriented game. More than 200 brands are riding on the brand of IPL.

IPL which was initiated in the year 2008 has completed 13th season in the year 2020. This year due to the pandemic the venue was shifted from India to United Arab Emirates (UAE).

The finding of the available secondary data has revealed that pandemic has not affected the IPL season except the fact that there were no public allowed to see the matches in the ground. There was increased live telecast of these matches which contributed to the significant increase in the number of viewership across the world. In UK the numbers of people watching IPL exceed the number of viewers of league matches. In this respect IPL has become truly global in nature.

There is also significant increase in number of brands, advertising revenue, sponsorship amount, overall revenue to BCCI. The officials from BCCI has declared that this season IPL has contributed Rs. 4000 crore to BCCI. Hence IPL has become an important mechanism for making BCCI the richest cricket board in the world.

Thus COVID-19 or the pandemic has proved to be a boon to IPL and cricket in India.

KEY WORDS: IPL, Pandemic, Sponsorship Revenue, Viewership

[I] INTRODUCTION:

The year 2020 was one of the worst year in the global economies due to the emergence of a novel virus first in China and then to all countries. The World Health Organisation has declared it as a global Pandemic. The adverse effect of this is highly visible in India as the country has the highest density of population. Maharashtra state is one of the most affected state due t this pandemic. Mumbai city also witnessed the largest number of COVID cases over the period of time. Mumbai is the most important commercial city in India came to sudden halt for a period of six to nine months resulting in loss in income, employment to lakhs of people. As a result of the lockdown about 12 lakh labour left the city to their hometown. The lockdown has adversely affected all sectors of the economy including Trade, Transport, Travel, Hospitality, Banking, Communication, Manufacturing, Retail etc.

IPL (Indian Premier League) is one of the most popular sport / cricket brand not only in India but all over the world. It is a new format of twenty-twenty over matches. It combines cricket, entertainment, fun, competition and commercialization. It is really global in nature as it has players from different countries like Australia, England, West Indies, Sri Lanka, Bangladesh, South Africa etc. There are eight teams which take part in IPL competition and each team is allowed to take maximum four foreign players. In addition to this each team has emerging domestic players under 18 years or under 21 years. Hence it combines young talent with most senior professionals. The young talent learn with most experienced players. This helps them to become successful cricketers and some of them are also selected for the Indian team.

The eight teams are Rajasthan Royale, Chennai Super King, Kolkatta Knight Rider, Mumbai Indians, Delhi Capitals, Kings Eleven Punjab, Royal Challenger Bangalore, Sunrise Hyderabad.

All the eight teams of IPL are equally competitive and best team as each team has reached either the first rank or second rank out of the first eight seasons.

The brand value of these teams can be seen as below-

Team	Brand Value Rs. In Million
Mumbai Indians	8.09
Chennai Super King	7.32
Kolkatta Knight Rider	6.29
Rajasthan Royal	5.95
Sunrise Hyderabad	4.83
Delhi Capital	3.74
Kings Eleven Punjab	3.58
Royal Challenger Bangalore	3.00

Mumbai Indian has the highest brand value among the eight teams.

[II] REVIEW OF LITERATURE:

KPMG (2020) in their report on the impact of COVID-19 on the Indian economy found that the current situation has brought some changes in the business landscape towards localization, digital push, variable cost model, supply chain and so on. in other words the lockdown has pushed the business to find the alternative methods of conducting regular businesses.

Gita Gopinathan (2020) in her IMF blog analyzed the economic impact on the global economy as a result of the lockdown imposed by different countries. the world is witnessing second worst economic recession after the Great Depression of 1929. All countries (advanced, emerging, developing) will witness recessionary trends. The real GDP will decline by 3 percent.

Kunal Dhayani (2020) reported that the IPL 2020 is the biggest show in terms of revenue collection and viewership in the world. IPL has received more than 18 sponsorers. there are more than 200 brands riding on the IPL brand in the 13th season.

Anushul Gupta (2020) found that BCCI has got revenue of Rs. 4000 crore during the last IPL 2020 season. There is 25 percent increase in IPL viewership compared to the last year season. The 13th season was shifted to United Arab Emirates (UAE) due to the increasing COVID-19 cases in India. the current season was a big success than earlier seasons.

Amit Bapna (2020) found that there is considerable improvement in the viewership of IPL during the current season. It is increasing all over the world. In UK the number has increased by 2.5 lakh viewers. There is also rapid increase in the number of female viewers by about 33 percent over the last year. Thus IPL has become a most successful brand in the world.

Maryam Farooqui (2020) found that the TV rating show indicate that the performance of IPL is much better than football league. IPL has about 30 lakh viewers as against 20 lakh viewers for other sports in the world.

T R Vivek (2011) evaluated the business model of IPL and the franchise system. There is a guaranteed sources of revenue and expenditure. BCCI is making good money through IPL matches. BCCI has become the most richest body in the world. the franchise model in risk free. It has helped the promotion of cricket in the country.

Varun Gupta (2017) analysed the performance of IPL. It has become the most popular brand with global viewership and fan following. IPL has become the most keenly awaited event by advertisers, sponsors, broadcasters etc. Even bollywood takes so much interest in the IPL model. the cumulative viewership of IPL has gone up from 102 million viewers in the first season to about 400 million viewers in the 10th season. IPL title sponsorship has increased from Rs. 500 million in 2008-12 to 4480 million in 2017-2022. Thus IPL has become the most important powerful sports brand in the world.

Chitra Narayan (2020) described the advertising trend during IPL 2020 season. There is emergence of various brands like CRED, Phone Pe, Swiggy and Dream 11. Vodafone has become a new brand which is most visible during the matches. Advertising and sponsorship are the major source of revenue for the IPL. It has become self-sufficient and self-financing event.

[III] RESEARCH METHODOLOGY:

[3.1] Nature of Research Design:

The research is mainly a descriptive research as it describes the current status of the situation as a result of the pandemic or COVID 19.

[3.2] Sources of Data:

The research is mainly based on the secondary sources of data which is available on the subject. It was difficult to conduct field work due to current situation. Hence the available published records are taken for the analysis of the impact of the pandemic.

[3.3] Objectives of Research:

The major objectives of the research are:

To find out the impact of COVID-19 on IPL in terms of overall business.

To assess the effect on sponsorship revenue of IPL

To find out the impact of IPL viewership on field (matches) and TV (Television)

To find out the impact on the brand image of IPL

[3.4] Data Analysis:

The data analysis is conducted on the basis of available and published secondary data through different reports and publications. Simple statistical tools like mean and percentages are used to analyse the impact between IPL 12th season and IPL 13th season. The 12th season was held in India while the 13th season was held in UAE.

[3.5] Limitations of the Research:

Some of the limitations of the present research are:

It is based on quantitative data and not on qualitative research

The present research is based on the available secondary data only. It has not taken into consideration the primary data or field work.

The research is focused on the problem at the macro level. It has not taken into account the impact at the micro level or on all the stakeholders of IPL such as individual teams.

The research has not considered the management of the IPL during the current or past seasons.

The research has not taken the performance of IPL teams in the season nor their financial performance.

[IV] IMPACT OF PANDEMIC ON IPL:

The following section provides an overview of the IPL season 13 as compared to earlier season with respect to some variables.

[5.1] Advertising Volume:

The trends over the advertising volume of IPL 12 and IPL 13 can be seen as below-

It can be seen from the graph that the advertising volume increased from 170 lacs in IPL 12 to 195 lacs in IPL 13. The average growth rate is about 15 percent. Thus the pandemic has no adverse effect on advertising revenue.

[5.2] Cumulative Viewership:

The trends over the number of viewers (in million) for the three IPL seasons can be seen as below-

IPL Season	Viewers (Millions)
IPL 11	246
IPL 12	248
IPL 13	269

Millions

IPL 11

IPL 12

IPL 13

246

248

269

Source: _____

It can be seen from the above table that the number of TV viewers increased from 246 million or IPL 11 to 269 million for IPL 13. It increased by one percent. This data is available up to some matches. In reality

the number of viewership increased by 25 percent. In UK alone there was increase of 2.5 lakh viewers. The number of female viewers increased by 33 percent over the last season. Thus the pandemic or the corona virus strain has a positive impact on the overall TV viewership. This can be attributed to the social distancing and restrictions imposed by the government.

[5.3] Value of the Sponsorship:

The value of the sponsorship for various IPL seasons can be seen from the following table-

Year	Sponsorer	Rs /Crore
2008-2012	DLF	40
2013-2015	Pepsi	80
2016-2017	Vivo	100
2018-2019	Vivo	439
2020	Dream 11	222
2021-2023	Vivo	439

Source: Authors own Compilation

It can be seen from the above table that the value of sponsorer which was only 40 crore in 2008-2012 increased to Rs. 439 crore in 2021-23. In the year 2020 the value of sponsorer was Rs. 222 crore.

[5.4] BCCI Revenue Collection:

In the present season (IPL 13th) the BCCI has claimed to earn Rs. 4000 crore from the matches including Rs. 3000 crore from Television advertising. This is considered to be a good revenue collection for IPL.

In the year 2018 the BCCI annual income from IPL was Rs. 2000 crore. It indicates that IPL has become more and more profitable over the period of time. Even during times of pandemic the earnings of Rs. 4000 crore is remarkable.

BCCI is the richest cricket body in the world with capital of Rs. 13000 crore. Thus IPL has become the most successful brand in the world of cricket. It has globalized cricket and positioned India as an important country in the game of cricket.

[V] SUMMARY AND CONCLUSION:

The findings of the research can be seen as below-

The world has witnessed a new virus in the form of COVID-19 which has become more deadly and devastating. It has caused considerable number of deaths all over the world including in India. The government has imposed lockdown to overcome the growing spread of the virus.

The pandemic has affected all sectors of the economy including India's overall GDP. In India GDP declined by 24.8 percent in the first quarter and 10.8 percent in the second quarter. The lockdown has adversely affected the unorganized sector of the economy.

IPL is an innovative model of cricket format introduced by Mr. Lalit Modi in India in the year 2008. The twenty-twenty cricket format combines cricket with entertainment, glamour, excitement, fun etc. The focus is on performance of the teams and cricketers.

The impact of COVID-19 on IPL cricket seems to be the least. First of all due to the pandemic the venue is shifted from India to UAE. The impact on the advertising volume is positive. It has gone up from 170 lacs in the 12th IPL to 195 lacs in the 13th IPL.

The overall viewership of the game has increased from 246 million in IPL 11th to 269million in IPL 13th season. Thus because of the lockdown more and more people have witnessed IPL matches. Even there is rapid rise in the women viewers during the last season.

IPL has good track of record regarding sponsorer. The value of sponsorship has increased rapidly from Rs. 40 crore to Rs. 400 crore. The franchisee model adopted by IPL is self financing and self sufficient.

BCCI has earned Rs. 4000 crore form the current season of IPL. BCCI is the richest cricket body in the world.

We can conclude that COVID-19 has many adverse effects on the Indian businesses but it has contributed positively to the IPL and BCCI. There is increased in advertising revenue,viewership, sponsor amount, number of brands and overall earning in case of IPL 13th season.

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