

Giro d'Italia turnover: an analysis



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The information used for the analysis were obtained by consulting newspapers articles such as Ilsole24ore, Milano Finanza and Business Insider Italia.



AIMS OF THE ANALYSIS

The aim is to analyze the turnover of the Giro d'Italia and compare it with that of the Tour de France in order to identify the reasons that lead to defining the Tour de France as the most prestigious cycling event in the world.

Moreover, the aim is also to identify the points on which the Giro d'Italia must invest more in order to increase its turnover and consequently its international visibility.



HISTORY

Giro d'Italia and Tour de France, together with the Vuelta a España, are part of the **UCI World Tour** professional circuit.

Similarities:

- ✓ they take place in stages;
- ✓ they enhance the territory;
- ✓ they attract numerous spectators.

However, the Tour de France is considered the cycling event par excellence.

The **GIRO D'ITALIA** takes place annually in May, the first edition was in 1909 and the centenary of the race was celebrated in 2017.

The **TOUR DE FRANCE** takes place in July, the first edition was in 1903 and the centenary of the race was celebrated in 2013.

GIRO D'ITALIA'S TURNOVER

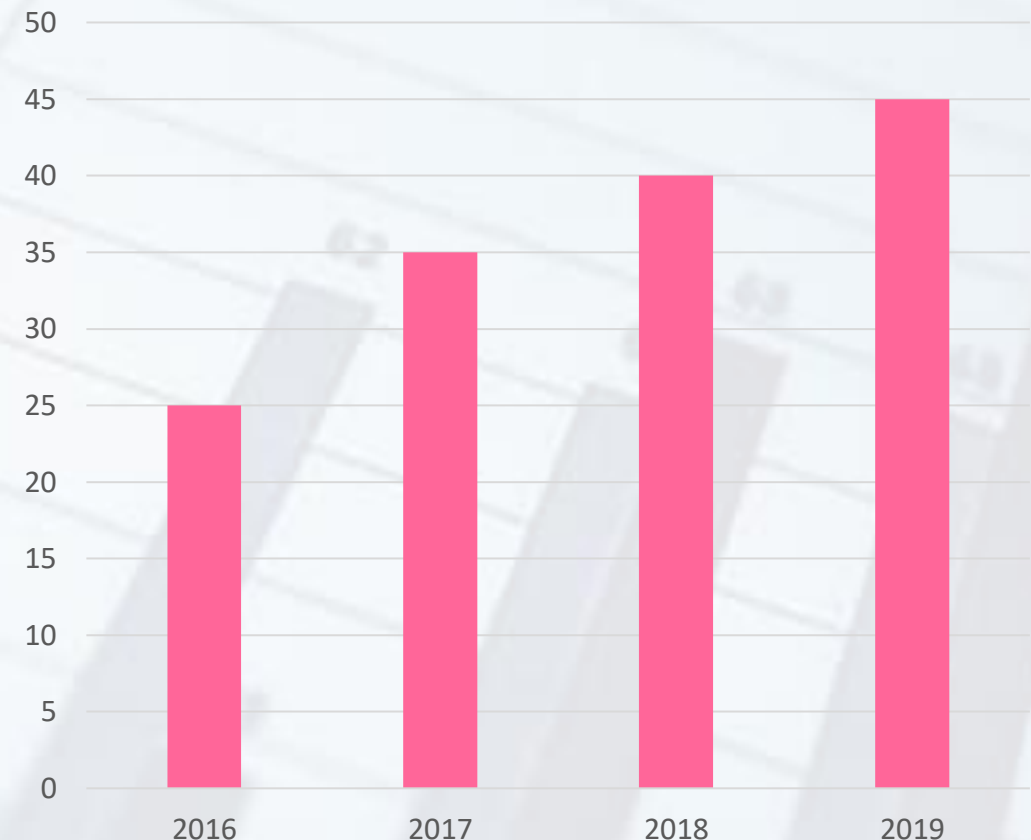
Over 4 years, the turnover of the Giro d'Italia has almost doubled, going from around 25 million in 2016 to around 45 million in 2019.

This significant increase is due to the will of RCS Sport to reduce the gap with the Tour de France, especially in terms of revenue.

Average of the turnover composition:

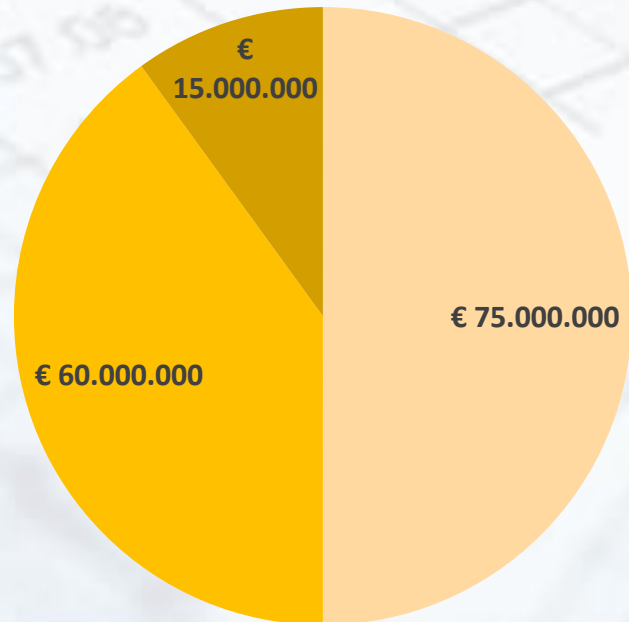
- A. 33% national and international television rights (around 15 million);
- B. 40% commercial sponsorships (around 18 million);
- C. 27% investments by Municipalities (about 12 million).

TURNOVER
(figures in millions of euros)



TOUR DE FRANCE'S TURNOVER

TURNOVER'S
COMPOSITION



■ Television rights ■ Commercial sponsorship ■ Stages

In the past 4 years (2016-2019), the turnover of the Tour de France has remained practically unchanged and it is around 150 millions of euros per year.

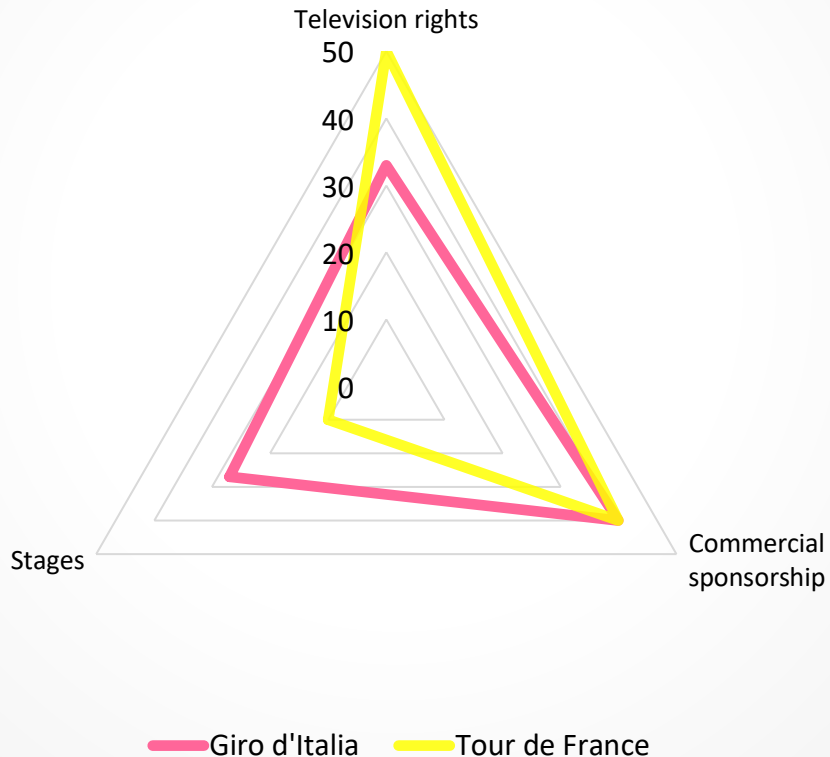
Turnover composition:

- A. 50% national and international television rights;
- B. 40% commercial sponsorships;
- C. 10% investments by Municipalities.

COMPARISON OF THE TWO EVENTS



TURNOVER'S COMPOSITION (figures in %)



This radar graphic allows to identify similarities or dissimilarities between the components of the turnover of the two events.

- ✓ Similarities: commercial sponsorships.
- ✓ Dissimilarities: both for television rights and for the investments of the Municipalities.

The Tour de France focuses more on revenue components with greater profitability and this allows it to obtain a much higher turnover than that of the Giro d'Italia which instead has a homogeneous turnover composition.

TELEVISION RIGHTS AND SPECTATORS

Both races are broadcasted in approximately 190 countries around the world. However, the Tour de France is the most popular event in the world after the Olympic Games and the Football World Cup.

GIRO D'ITALIA

Audience:
700/800 million of people
Spectators:
10/11 million

TOUR DE FRANCE

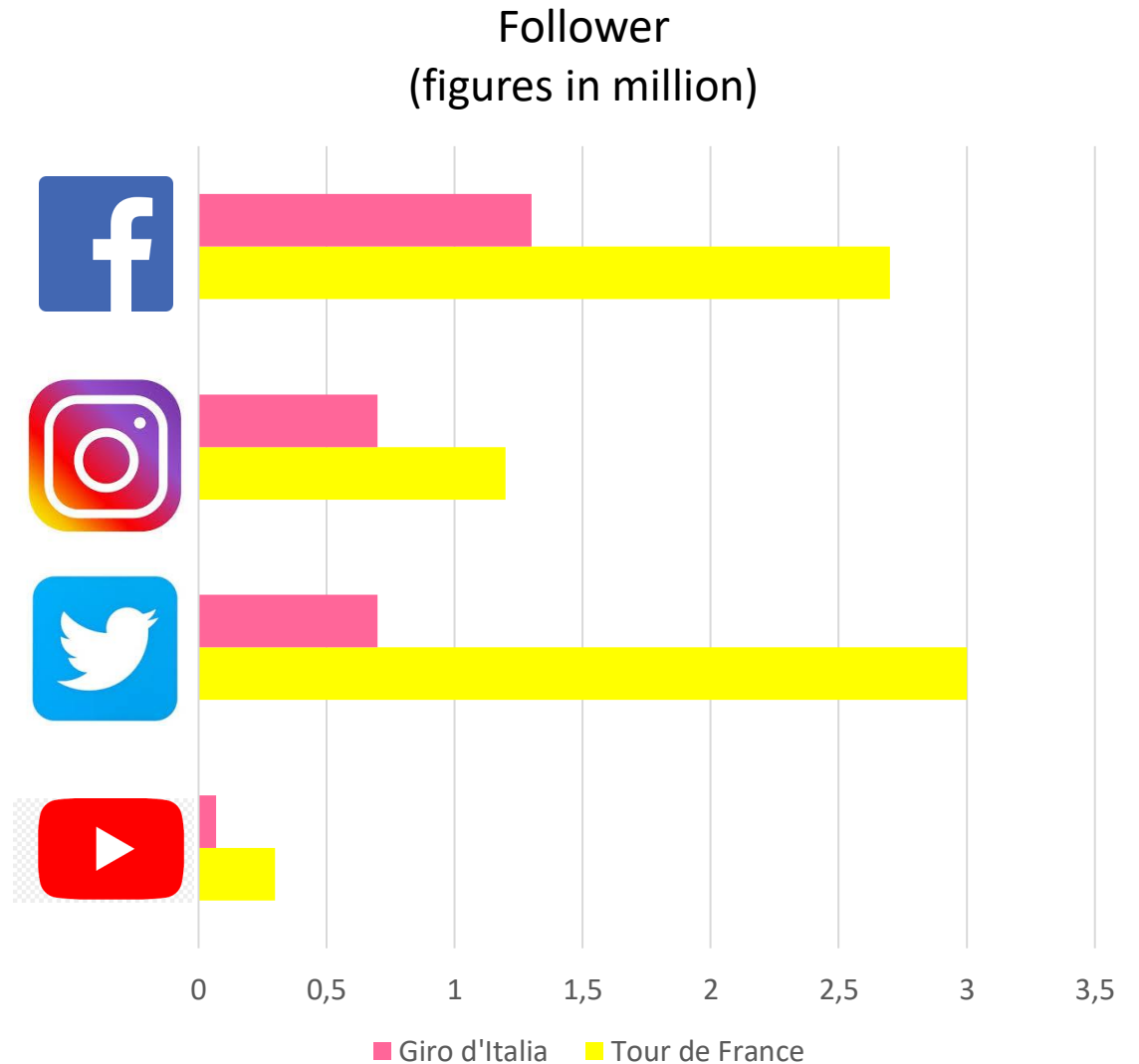
Audience:
3/3,5 billion of people
Spectators:
14/15 million



SOCIAL MEDIA AND FOLLOWER

The different visibility and notoriety worldwide of the two events is also confirmed by the number of followers that both races have on social media.

In all the most popular social media in the world, the Tour de France has about twice of the followers of the Giro d'Italia.



COMMERCIAL SPONSORSHIPS



Even though the Giro d'Italia has increased its sponsors (from 46 in 2017 to 55 in 2019), this is not enough to match the Tour de France as, the latter has **international sponsors** and a very consolidated and significant **advertising carovana**.

Example of effective commercial sponsorship: the Crédit Lyonnais Bank has signed a contract of 3.5 millions of euros per year to insert its logo on the yellow jersey, more than triple of the investment made by Enel in the pink jersey at the Giro d'Italia .

MUNICIPAL INVESTMENTS

Compared to the Tour de France, the Giro d'Italia does not have a fixed price list and prices vary from place to place (from around 10 thousand to 500 thousand) and this significantly affects the turnover of the Giro d'Italia.

Example: the final arrival of the Giro d'Italia in Rome cost around 100 thousand, while that in Milan 500 thousand.

Fixed price list of the Tour de France	
Cost for the first departure	from 2 to 10 million
Fixed cost for departure	65 thousand
Fixed cost for arrival	110 thousand
Cost to host arrival and departure	160 thousand



CONCLUSIONS

The Tour de France promotes the country through the race, thanks to the creation of a huge audience and consequent attraction of a significant number of international sponsors.

Solutions to increase the turnover of the Giro d'Italia and halve the gap with the Tour de France:

- ✓ Increase the audience to increase global visibility;
- ✓ Involve an increasing number of international sponsorship;
- ✓ Make the tariff more homogeneous for the Municipalities that intend to host a stage of the event.



THANKS FOR THE ATTENTION