

ESI

Universidad de Navarra

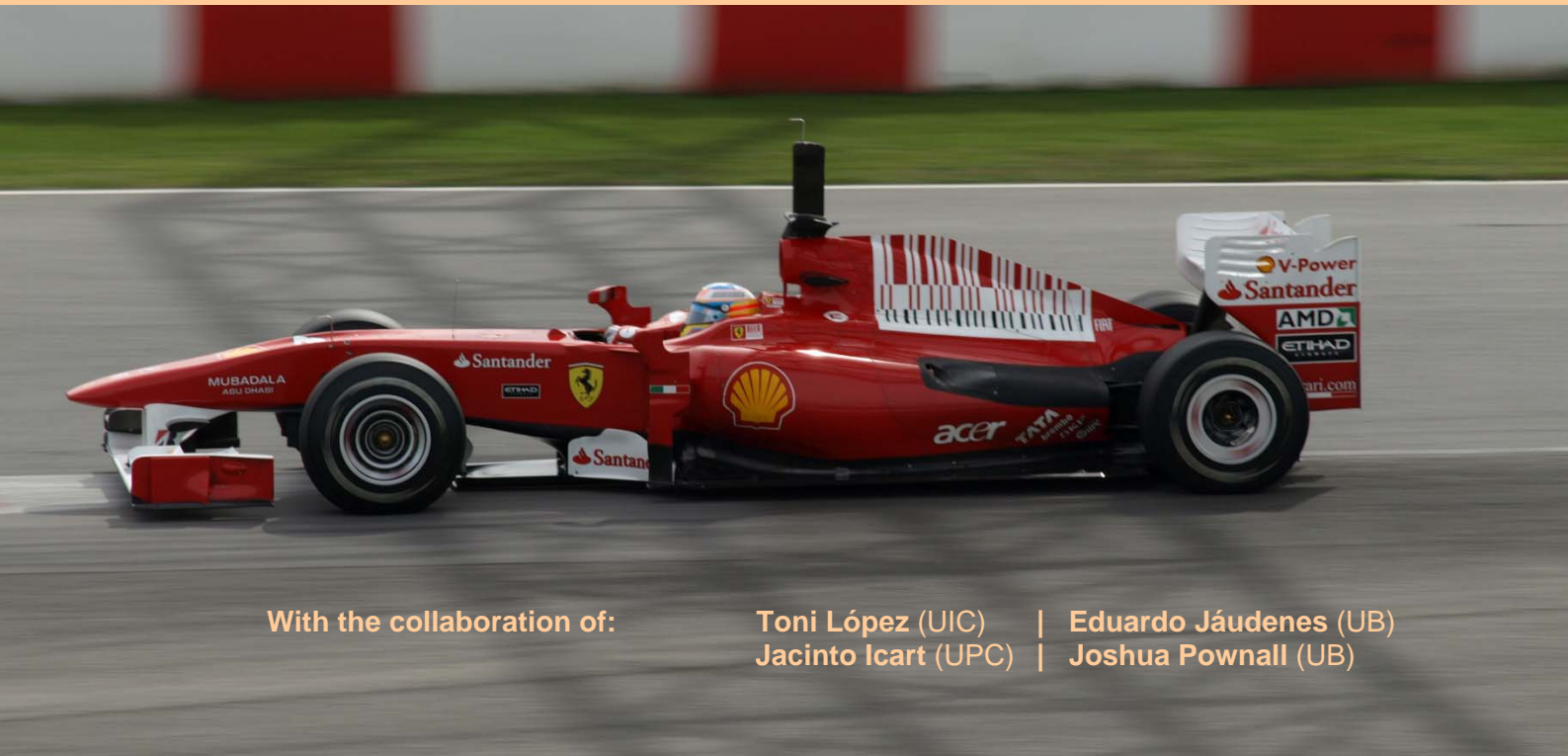
Report on the media value of Formula 1

Season 2009

Pedro Garcia-del-Barrio ESI - Universitat Internacional de Catalunya

Francesc Pujol ESI - Universidad de Navarra

Economics, Sport and Intangibles (ESI) Research Group



With the collaboration of:

Toni López (UIC)
Jacinto Icart (UPC)

Eduardo Jáudenes (UB)
Joshua Pownall (UB)

ESI

Universidad de Navarra

Report on the media value of Formula 1

Season 2009

Authors:

Pedro Garcia-del-Barrio

Economics, Sport and Intangibles (ESI) Research Group
Universitat Internacional de Catalunya

Francesc Pujol

Economics, Sport and Intangibles (ESI) Research Group
Universidad de Navarra

With the collaboration of: Toni López (UIC)
Eduardo Jáudenes (UB)
Jacinto Icart (UPC)
Joshua Pownall (UB)

This research has received support from the Spanish Ministry of Science and Education MEC: Ministerio de Ciencia y Tecnología SEJ2007-67295/ECON "Medición de intangibles en el deporte profesional. Evaluación de eficiencia y competitividad de las ligas europeas y americanas. Implicaciones en áreas de gestión, marketing y organización industrial".

Photographies: Jacinto Icart

© Copyright: ESI Research Group

Contents

Introduction

Methodology for the measurement of media value	5
--	---

ESI Ranking of Media Value (MV) in Formula 1

1. Media Value Ranking of F1 drivers	7
2. Media Value Ranking of F1 teams	21

Specific analysis

3. Geographic analysis of the interest on Formula 1	27
4. Evolution of the media value throughout the Season 2009	57
5. Grand Prix media value podium	67
6. Perception of the personal profile of F1 drivers	77
7. Formula 1 teams as global brands	95
8. Media value contribution of Alonso and Ferrari	105

Economics, Sports and Intangibles research group

9. What is ESI research group	113
10. Scientific publications and other reports of ESI	115

Contact information	117
---------------------	-----

ESI methodology for measuring media value

The research group on Economics, Sports and Intangibles (ESI) has developed, after a number of years of work, an innovative procedure to evaluate intangible assets within the professional sport industry.

The basic guidelines of the methodology elaborated by ESI consist of estimating the intangible notion of media value by two complementary elements: popularity and notoriety. Even if both notions are apparently impossible to grasp, we propose an innovative way to capture a coherent approximation of them.

We measure the popularity level of sport players by the number of web pages referred to them. In order to avoid spurious results, we introduce selective filters in the search process, as we consider only web pages referred to the player, the team where she or he plays and the related sport or competition where they play. The popularity measure reflects the interest that a given sport player creates among general public all around the world (through her or his presence in personal web pages, blog spots, galleries and so on), as well as specialized web pages (such as official sport institutions, commercial firms or the media).

In order to obtain a measure of notoriety we estimate the number of press articles that each individual generates in any given time. We follow a similar process used with the popularity measure, introducing filters in the search process. The notoriety measure reflects the mass media exposure received by each sport player. This measure is basically linked to her or his present sport performance and, in a lesser extent in general, also due to personal or social characteristics or activities which generate news. The final individual measure of media value is obtained by a combination of the popularity measure and the notoriety measure.

The strength of our methodology is that we are able to provide an individual measure of media value for each one of the players participating in any kind of sport competition, at any time of the competition. This result implies also that we have a perfect homogeneous measure for all sports players, allowing us to make any kind of comparison of media value between players or teams and over time.

The strong statistical relation that ties the media presence and the ability to generate income means that the media value should be taken into consideration at the moment

of deciding on television contracts, sponsorship or other commercial income. The techniques developed by ESI allow us to evaluate the price of a player, of a contract of sponsorship, of a television broadcast or of an advertisement, based on the scientific treatment of large databases.

ESI focuses all its studies in the analysis of the media value of sport in its different facets: players, trainers, teams, leagues or competitions. From the conviction that the media value is the principal intangible value in the world of elite professional sport, we investigate and show the interlocking between the notions of media value with the sports performance and the economic revenue, both individual and collective. The strength of this relationship, confirmed repeatedly in our analyses, brings ESI to develop its analyses from the exploitation of information contained in media value measures.

The Formula 1 is a competition in which the analysis of the media value receives a particular interest. On one hand, the performance measurement of each driver is clear and transparent, since it corresponds basically to the position that occupies in each race. On the other hand, it is one of the sports in which the technical component (power and reliability of the cars) plays a determinant factor, together with the talent of the driver and the strategy of the race fixed by the team.

In any case, a high visibility of the sports performance of each driver takes place in automobilism, as well as in other individual sports like tennis or golf, and in clear contrast with team sports in which a complex bond is established between individual performance and collective performance. Therefore, in the case of Formula 1, we expect a strong relationship between the media value of the drivers and their individual sport performance, more than in team sports like football or basketball (whereby the media value tends to rely on the individual talent and performance of the team in which the player evolves). For this reason, besides displaying the drivers and teams' media value, in this technical note we carry out a detail quantitative analysis of the factors that influence the media value of Formula 1 drivers.

Chapter 1

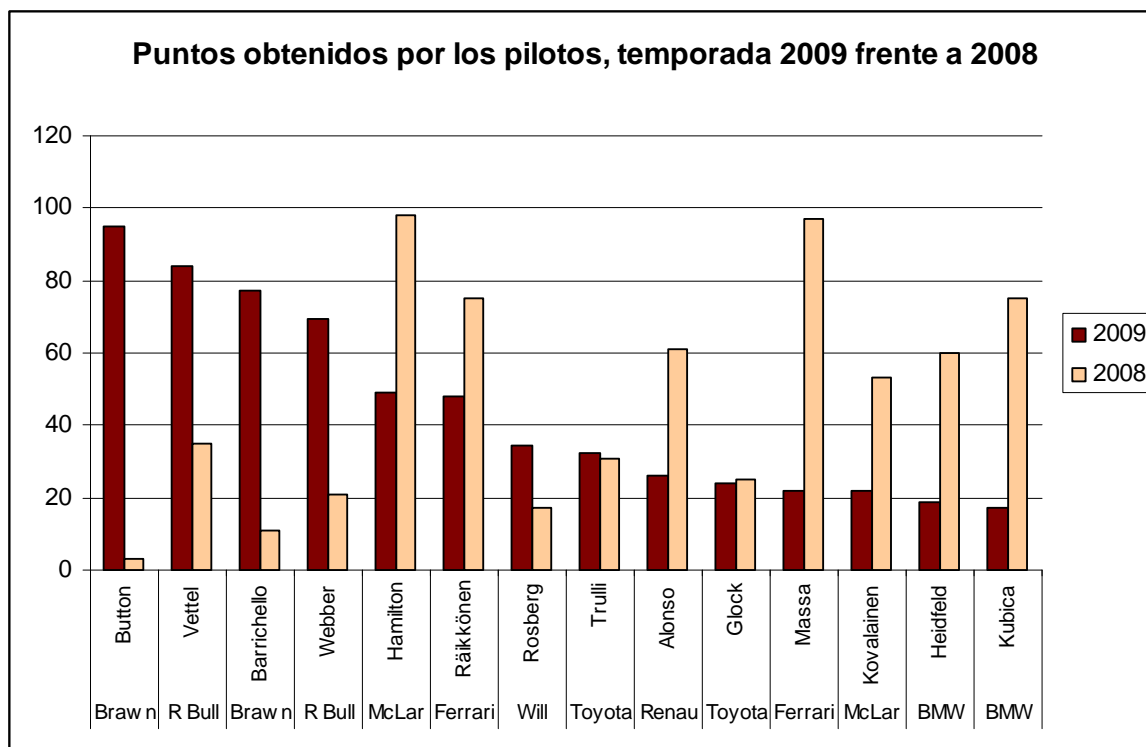
Media Value ranking of Formula 1 drivers

As usual, we open the media value ESI report offering individual results of the top drivers in Formula 1, for the 2009 season.

For the ESI research team, the classification of the recently concluded season is of special scientific interest, given the specific nature of the media value in the field of Formula 1, and taking into account the extraordinary sport circumstances that have dominated the 2009 season. Probably never before in any sport such a radical overturn of the established hierarchies of sports has been seen, like the one that has occurred in the last season of Formula 1.

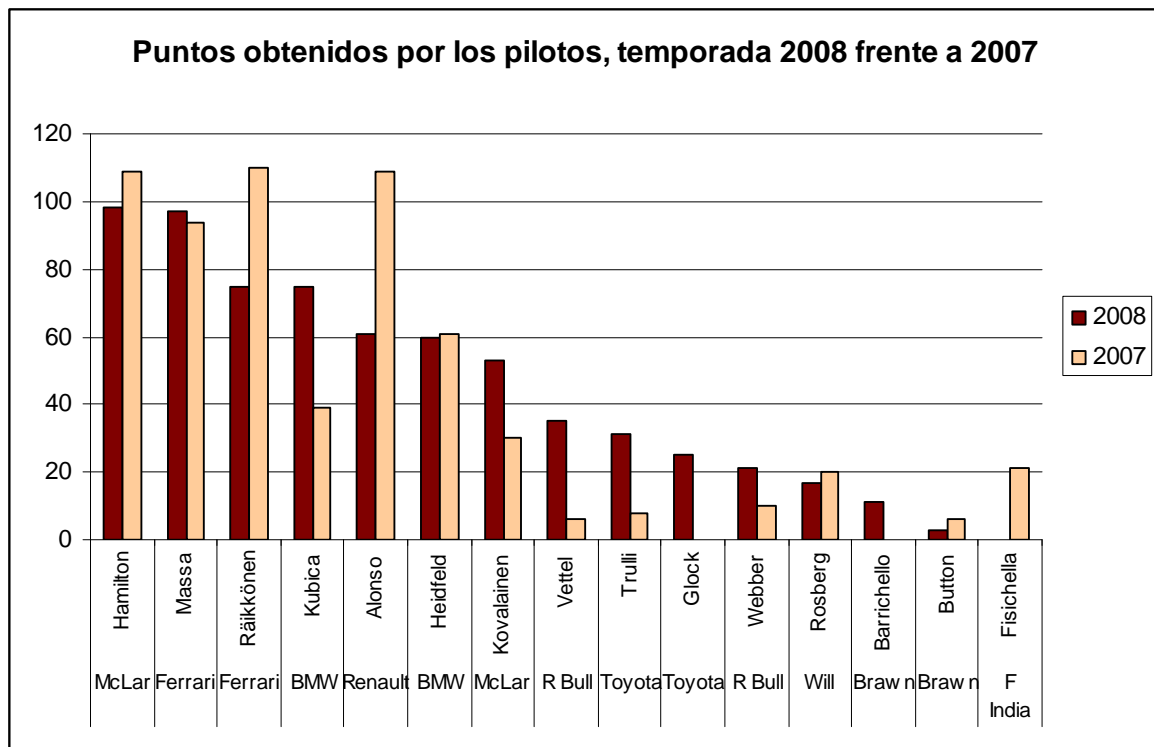
Figure 1.1 contains the points achieved by each driver in 2009, compared with data obtained by each one in the previous season. The simple visual analysis shows a very uneven evolution, with two classifications practically reversed.

Figure 1.1 Points obtained by the Formula 1 drivers. Seasons 2009 and 2008



There is a stark contrast for what came to be the standard pattern; a contrast that becomes clearer in figure 1.2, where a similar graph compares the results of the final standings for the 2008 and 2007 season. As shown, the years 2007 and 2008 show an almost identical structure, with the exception of the sharp drop of points suffered by Fernando Alonso, due to the change to a less competitive team (from McLaren to Renault), and - to a less extend - Raikkonen also.

Figure 1.2 Points obtained by the Formula 1 drivers. Seasons 2008 and 2007



This drastic change of behavior in the final classification, which has occurred in the 2009 season, is exceptional not only in comparison with what happened in the previous season. For any other year, the high similarity between the classification of this season and the previous one can be verified. It is possible to give a measure of the degree of similarity using the coefficient of correlation. If the similarity is maximal, the coefficient takes the value of 1; on the contrary, if the results are systematically opposed, it takes the value of -1. When the classification of one year is totally lacking in relation to the former one, the coefficient of correlation is 0.

Attending to other complementary analyses, we conclude that the sharp change in the classification is unprecedented, even when the comparison is restricted to a smaller number of drivers (it is to say, that the result distinguished is not distorted by the impact of the drivers that occupy the last positions in the classification).

In fact, when the comparison is set for a smaller number of drivers, the change in behavior is furthermore striking: the correlation of the last season becomes negative, indicating that the best of the 2008 season did worse in 2009 and vice versa. This is illustrated by the two following figures.

Figure 1.3 Correlation between the points of drivers one year and the previous one

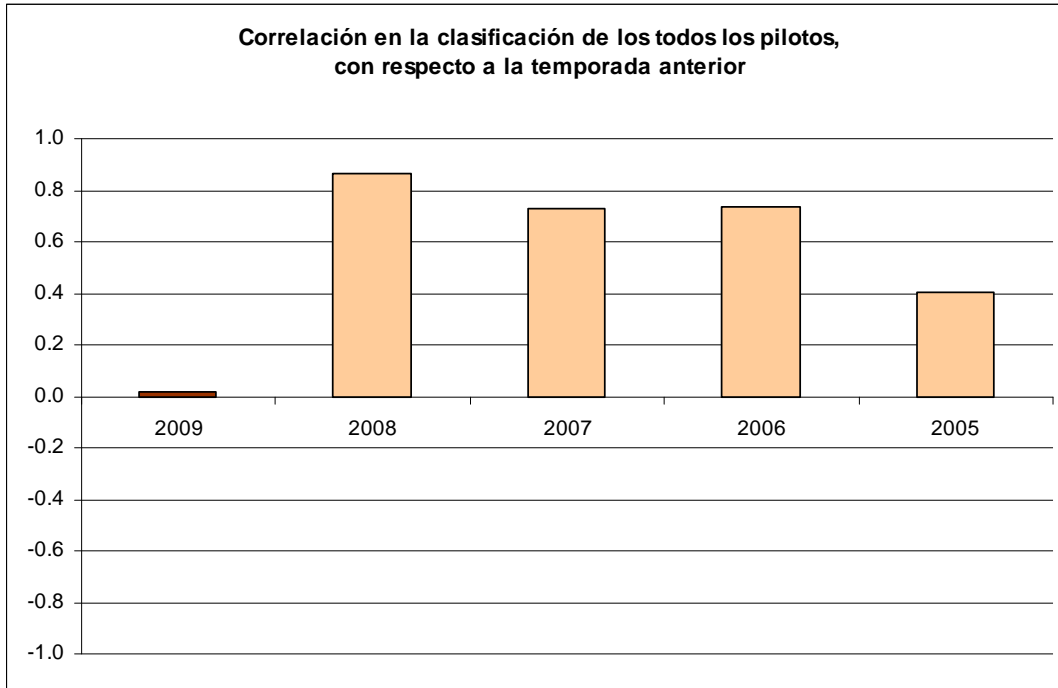


Figure 1.4 Correlation between the points one year and the previous one: top 15 drivers

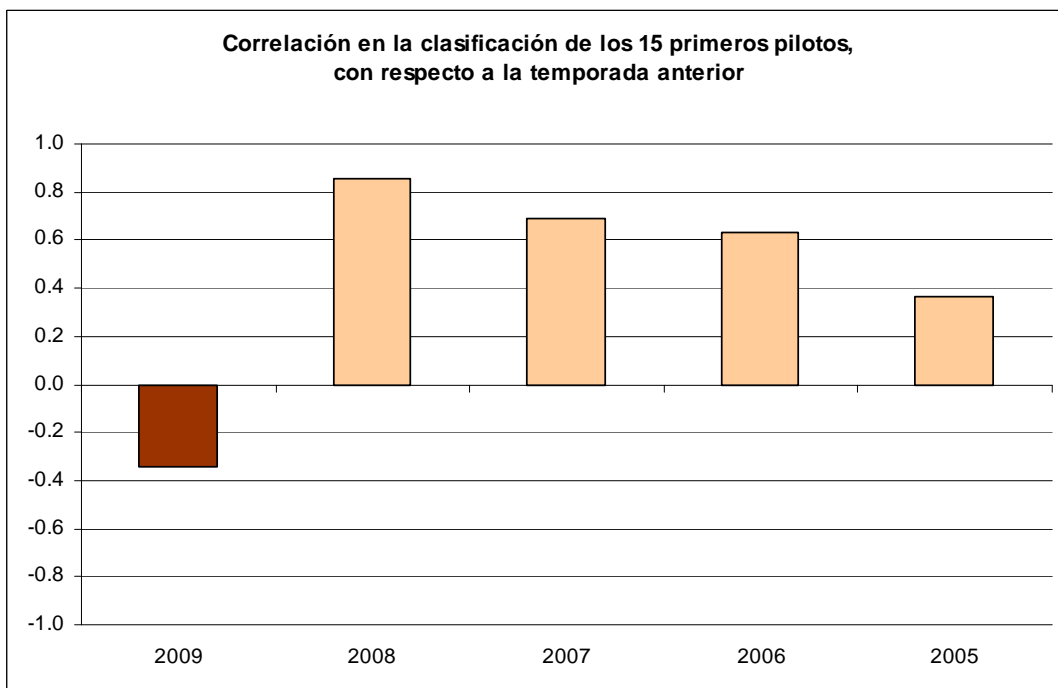


Figure 1.5 Correlation between the points one year and the previous one: top 8 drivers

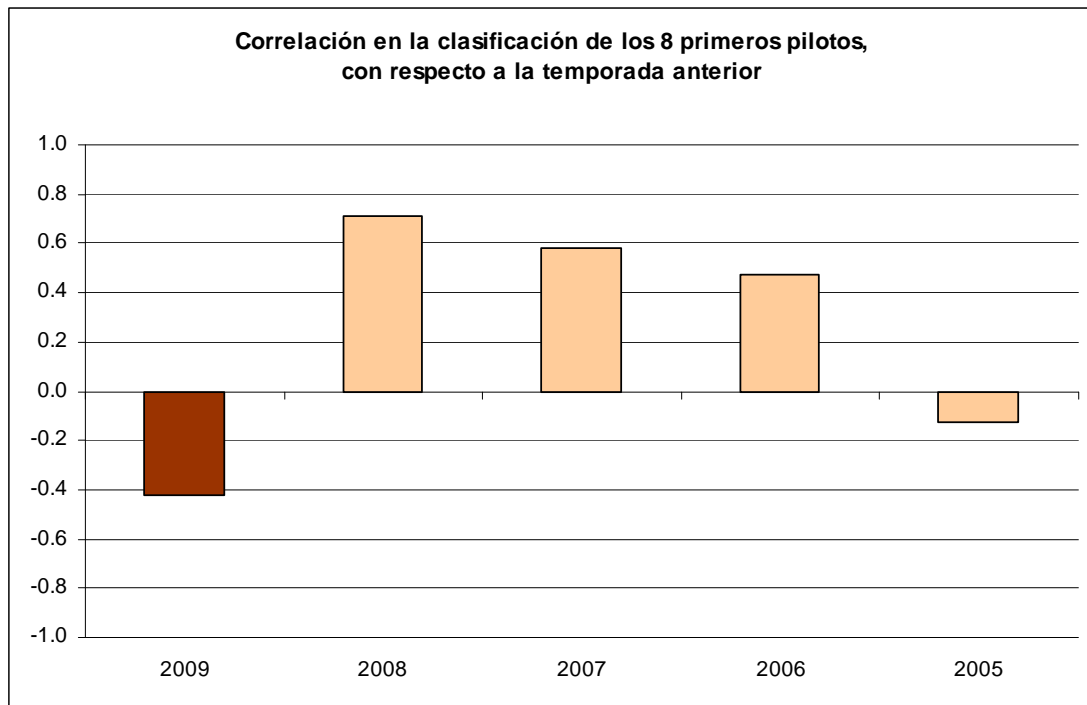
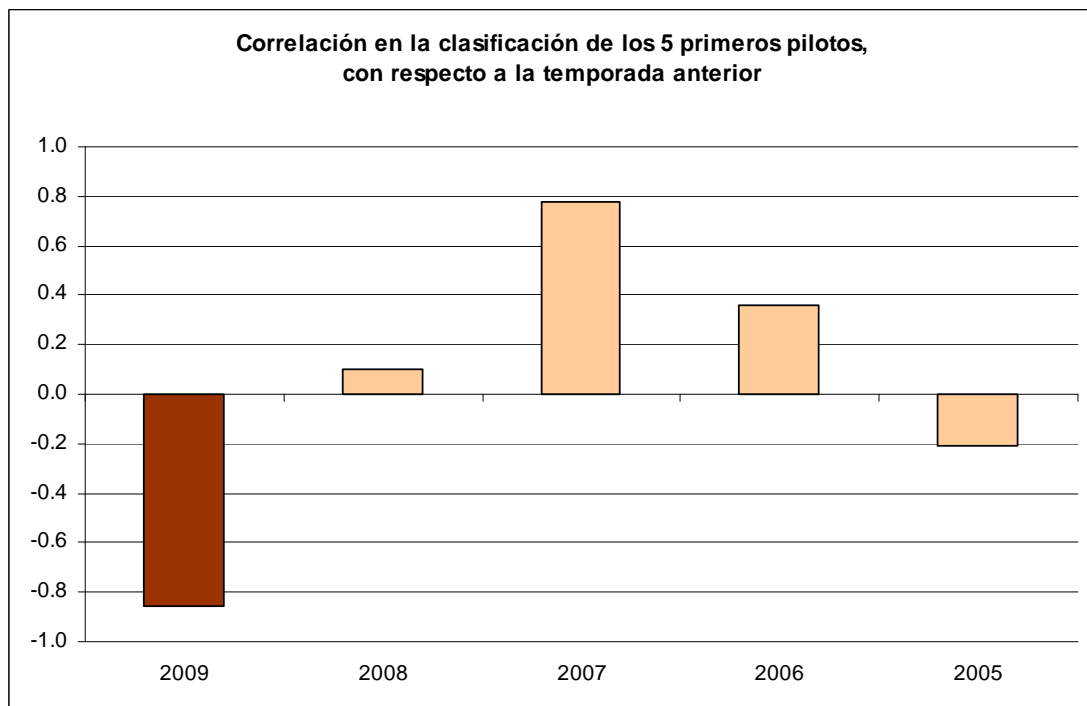


Figure 1.6 Correlation between the points one year and the previous one: top 5 drivers



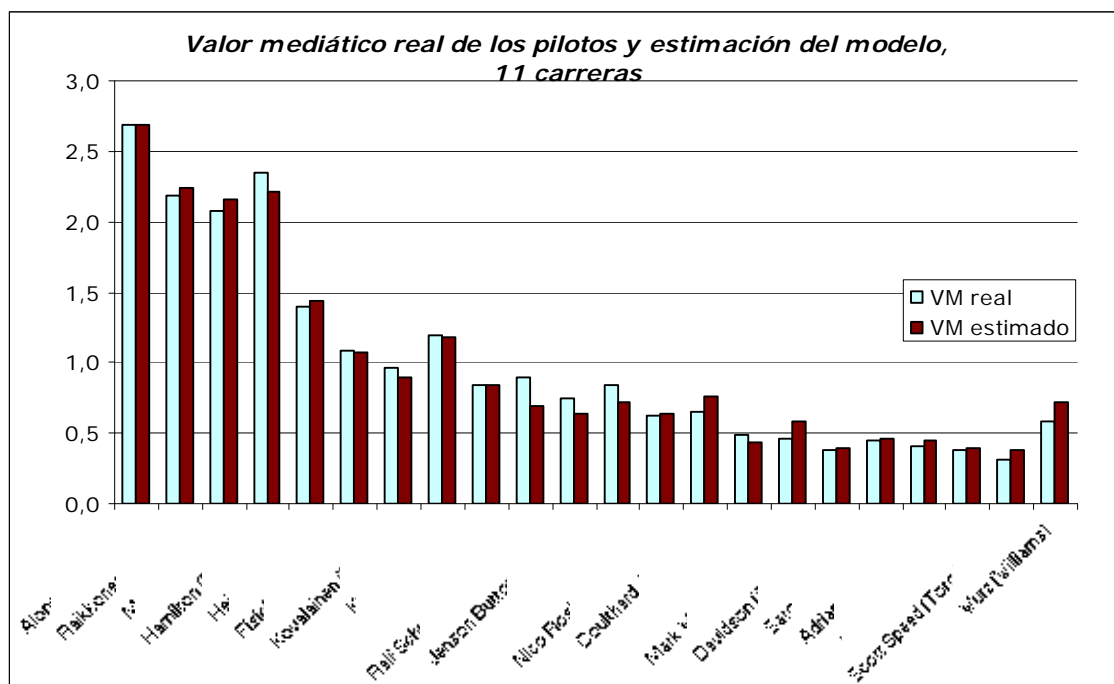
The comparative behavior that has been described is an unusual point of unusual starting point, from which to examine the way the press and the fans have responded in front of the overturn of the established order. Racers with a rather poor record of successes have taken over races and podiums, while enshrined in active champions have had to settle in positions behind in the Grand Prix.

In particular, the grid has had 3 world champions this year, and the best classified of them was, Lewis Hamilton, he has achieved a modest fifth place in the general classification. Worse luck has had the two time champion Fernando Alonso (who was 9 °) and Philip Massa (11 °); although the last suffered an accident in Hungary that kept him out of the competition until the end of the season. In this context, which have been the protagonists who have sided with the media during the 2009 season?

Before showing the ranking of media value of the drivers of the 2009 season, it is worth to remember a result already reported in previous ESI's studies: the existence of a strong correlation between the media impact and the achieved sports successes. In Formula 1, the relation between both elements is very close, reaching far beyond from what happens in other sports examined.

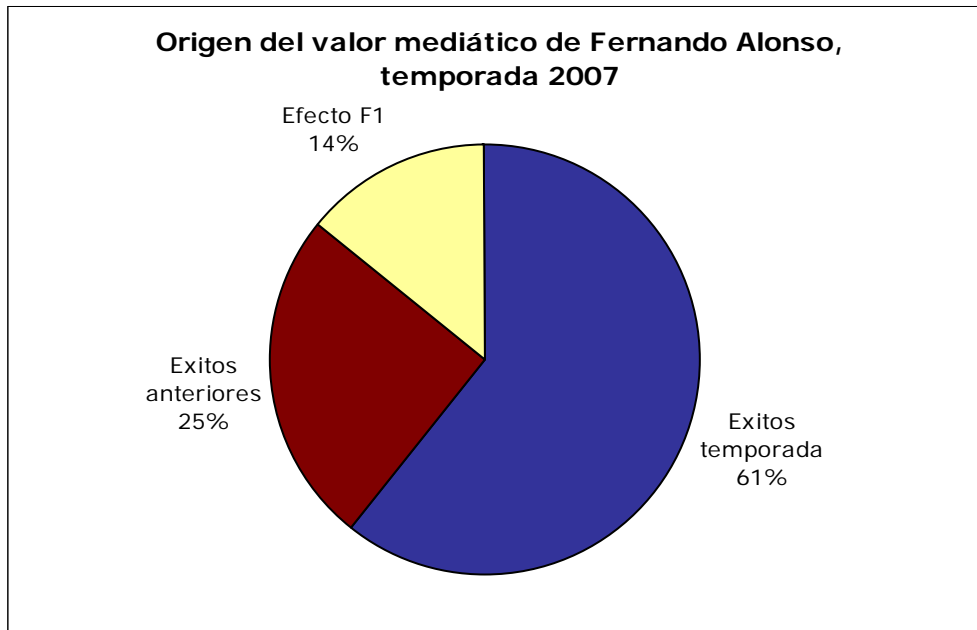
To illustrate, figure 1.7 shows the comparison between real notoriety of the drivers (news generated in written press throughout the year) in the season 2007, and the volume of news that would result from the predictions of the theoretical model. The results speak for themselves: there is an almost perfect adequacy between the real values and the theoretical estimations, calculated on the basis of the points of the current season, together with the bequest effect of sports successes accumulated in the past. The great similarity of each other gives validity to the model, verifying empirically the relation between the media impact and sports successes in the area of Formula 1.

Figure 1.7 Real and estimated media value. Season 2007



Taking further the previous analysis, it is important to know where the news generated around the Formula 1 drivers comes from. Figure 1.8 provides information on the origin of the media value for a particular case: Fernando Alonso in the 2007 season.

Figure 1.8 Origin of the media value of Fernando Alonso. Season 2007



The observation of this graph allows us to extract the first conclusion: the relevance of present sports achievement is greater than past successes, even when analyzing the case of a driver who was World Champion in the 2006 season.

We turn now to analyze the media classification of the Formula 1 drivers in the 2009 season. According to ESI's calculations, based on data of media coverage received for the pilots, it is possible to conclude that the main media protagonist of the 2009 season is the new world champion, Britain's Jenson Button (Brawn), with 2.49 points. Recall that the quantitative interpretation of this score means that Button has received 2.5 more media attention than the normal driver (the one that presents an average level of notoriety) of all that make up the grid.

The media podium, nevertheless, does not match with the sports one, since, with a technical tie, they are two pilots whose sports results have been very unlike this season: Philip Massa (2,05 points) and Barrichello (2,05 points). Massa is far from the leading positions in the overall classifications, but his media weight is big, thanks to his status of sub champion of the world in the 2008 season and the media commotion raised by his serious accident, which made him fear for his life first and then for his professional future. Barrichello took the third position.

Figure 1.9 Media value ranking of F1 drivers. Season 2009

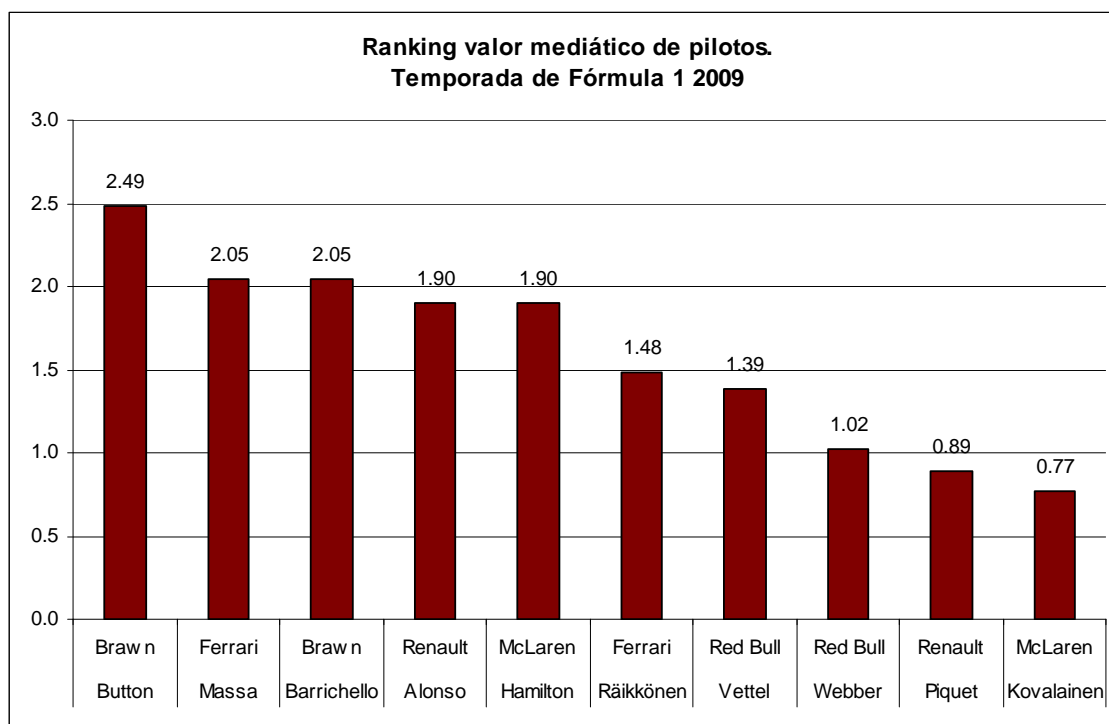


Table 1.1 Media value and points of F1 drivers. Season 2009

Media Value Ranking - Formula 1 pilots (Season 2009)

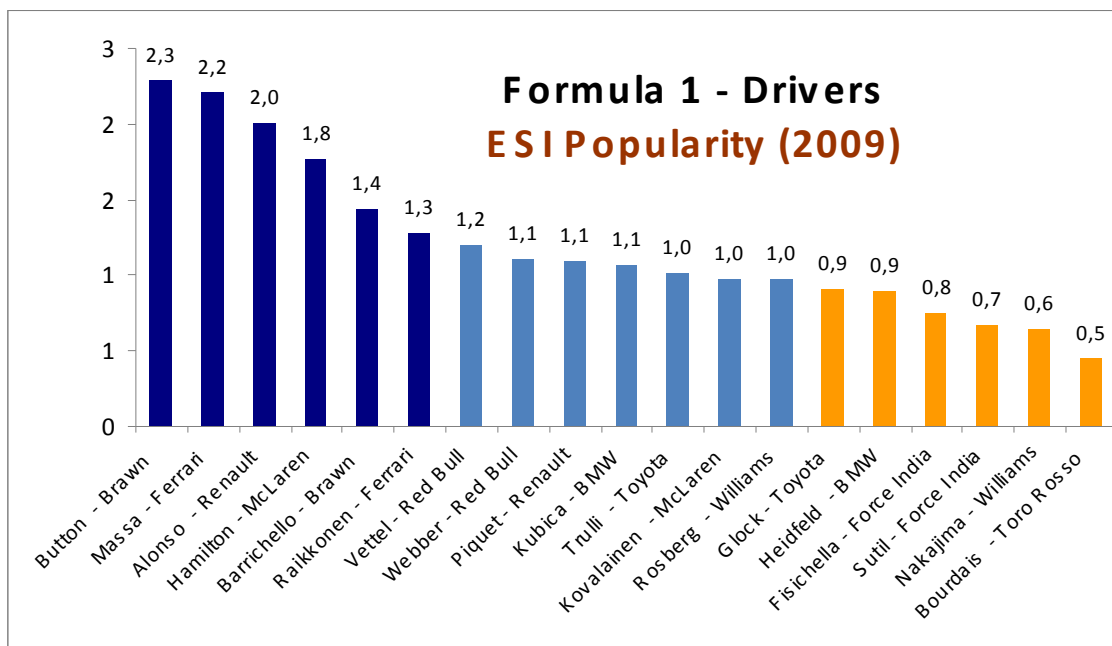
Driver	Team	Media Value	Points	
			2009	2004/2008
1 Jenson Button	Brawn	2.49	95	187
2 Felipe Massa	Ferrari	2.05	22	294
3 Rubens Barrichello	Brawn	2.05	77	193
4 Fernando Alonso	Renault	1.90	26	496
5 Lewis Hamilton	McLaren	1.90	49	207
6 Kimi Räikkönen	Ferrari	1.48	48	407
7 Sebastian Vettel	Red Bull	1.39	84	41
8 Mark Webber	Red Bull	1.02	69.5	81
9 Nelson Piquet	Renault	0.89	0	19
10 Heikki Kovalainen	McLaren	0.77	22	83
11 Nico Rosberg	Williams	0.76	34.5	41
12 Jarno Trulli	Toyota	0.62	32.5	143
13 Robert Kubica	BMW	0.61	17	120
14 Timo Glock	Toyota	0.61	24	27
15 Nick Heidfeld	BMW	0.60	19	175
16 Jaime Alguersuari	Toro Rosso	0.46	0	0
17 Adrian Sutil	Force India	0.39	5	1
18 Sébastien Buemi	Toro Rosso	0.29	6	0
19 Kazuki Nakajima	Williams	0.25	0	9
20 Sébastien Bourdais	Toro Rosso	0.24	2	4
21 Giancarlo Fisichella	Force India	0.23	8	173

Instead, the second one classified under the classification by points of the competition, Sebastian Vettel (Network (Net) Bull), only gets 1.39 points of media value, which gives him a discreet seventh position in the media ranking. Ahead of him, though they obtained fewer points in the Grand Prix, the three former champions of the world: Alonso, Hamilton and Räikkönen.

We see that the media classification has generated a ranking in which two elements are combined: first, the surprising interest in the sports performance that has given us the 2009 season; and second, the media primacy of established stars in previous seasons, although they have not achieved much sports success in the current one.

Hence it is very meaningful to present separately (in figure 1.10) the component of popularity of the drivers. Even though there is a strong relation between notoriety and popularity, there are also important differences, which are magnified during seasons with unexpected results as those of 2009.

Figure 1.10 Popularity ranking of F1 drivers. Season 2009

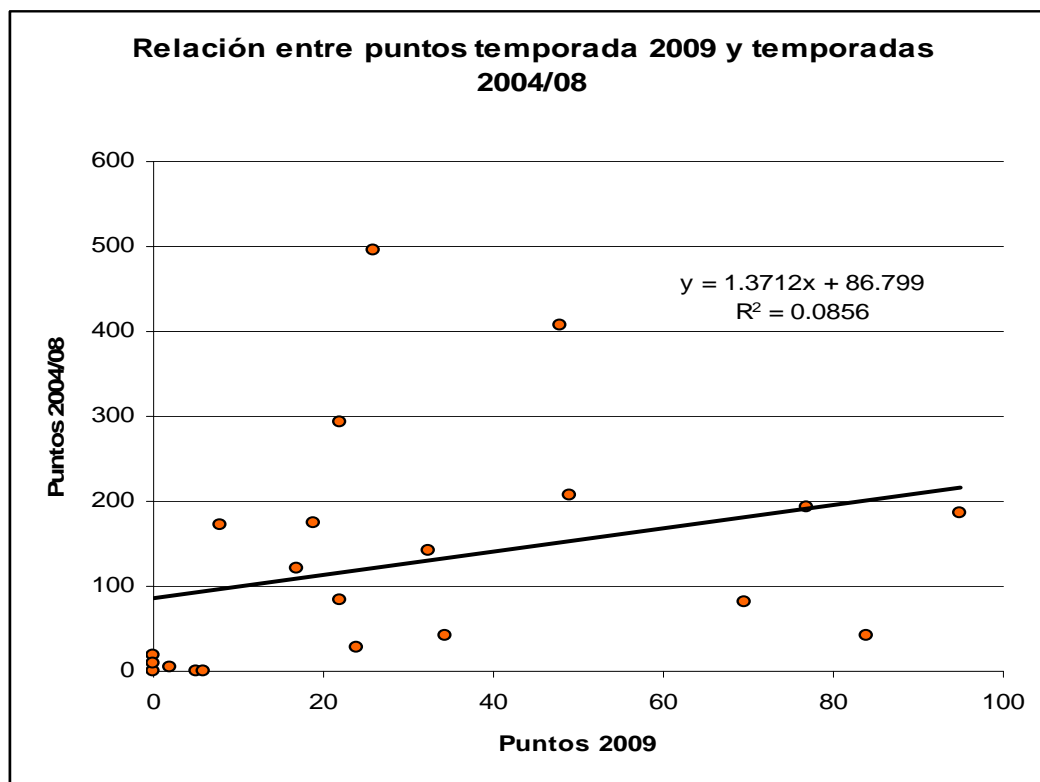


In fact, the information of figure 1.10 is particularly relevant with a view to what could happen in the 2010 season. In contrast with the overall ranking of media value, the one of the popularity of the drivers proposes a diverse enough order, which rewards consecrated drivers: together with Button, now Massa appears, Alonso and Hamilton, by this order. It is not strange, since the index of popularity highlights the status achieved by the drivers, which relates to the bequeathed effect that has been alluded before.

On the other hand, figure 1.10 suggests a classification of the Formula 1 drivers in three distinct groups: first are those who reach levels of popularity over the average (most notably Button, Massa and Alonso, whose popularity is more than the double than the one of a normal pilot); secondly, there are the drivers who are in the intermediate range; and finally, those who -with values below 1- have low levels of popularity (they have been highlighted in the previous figure in orange), that don't even reach the level of an average driver.

In this respect, it is relevant to examine in more detail the relation that ties the media value with the present and past athletic performance. On one hand, in figure 1.11 shows that the relation between points accumulated in 2009 and those of previous seasons is practically nonexistent (that itself reveals the fact that the coefficient of correlation is so small: $R^2 = 0,08$).

Figure 1.11 Points of 2009 compared to the accumulated ones in the 5 previous years.



For its part, the following graphs allow us to conclude that the media value of 2009 is closely related to both present and past athletic performance. Indeed, the relation is high in the case of the media value of 2009 and the points of this year (figure 1.12); but is equally high when facing the media value in 2009 with former sports victories, as measured by the accumulated points corresponding the 5 seasons that cover from 2004 to 2008 (figure 1.13).

Figure 1.12 Relation between the media value in 2009 and present sports results

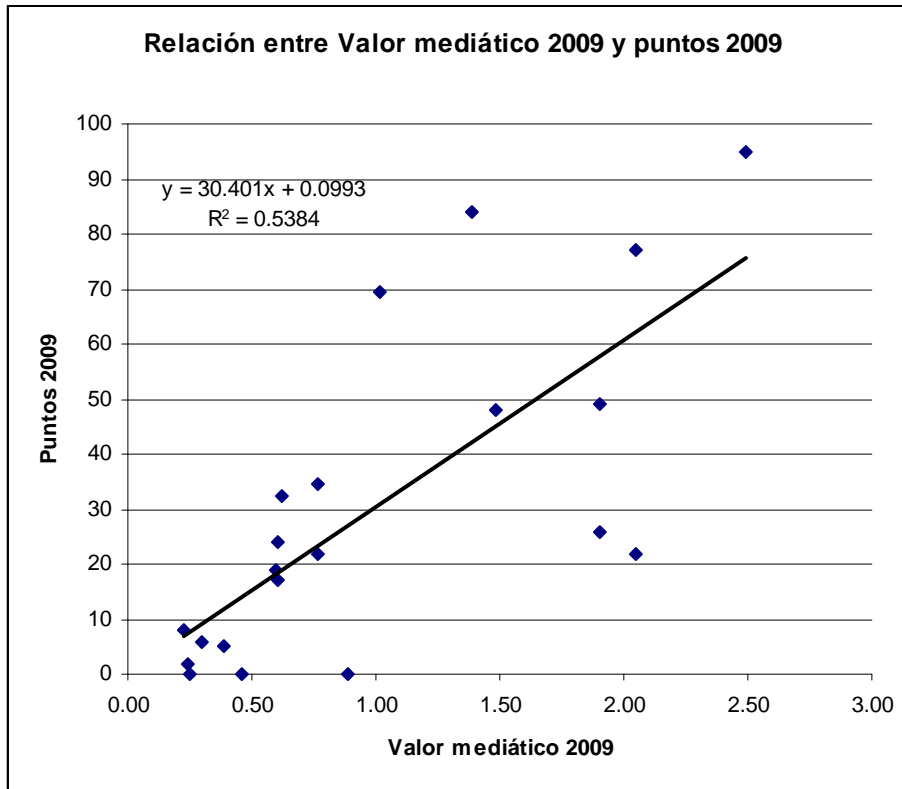
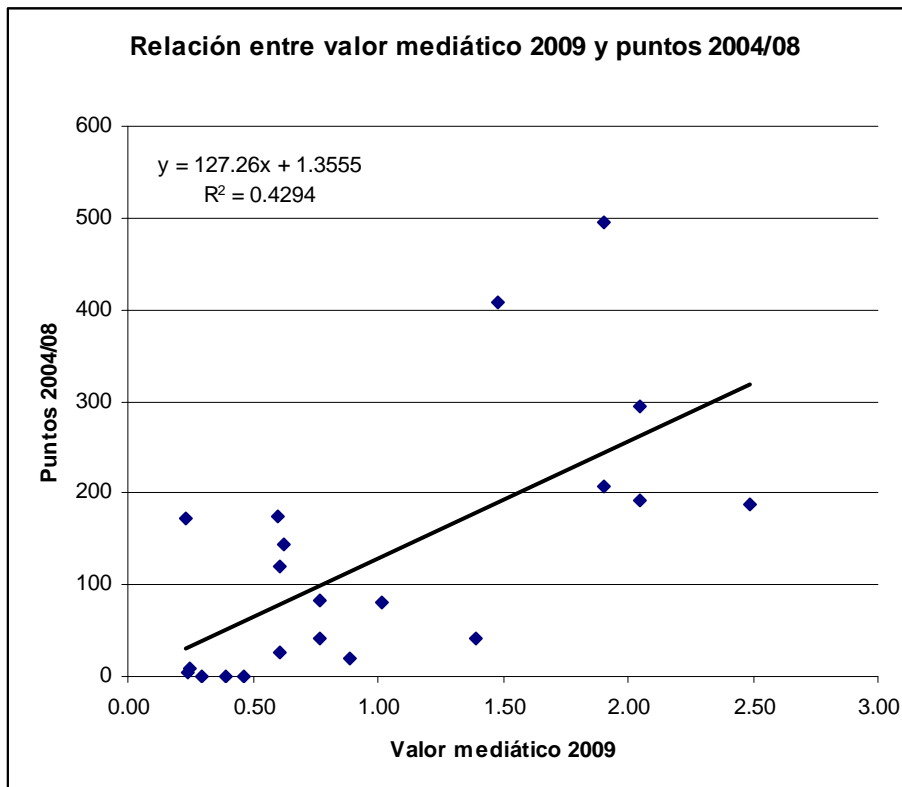


Figure 1.13 Relation between the media value in 2009 and former sports results



Definitively, this report leads to a result (in relation with the media value) which is of great importance for the development of Formula 1 as a business. Following the analysis we developed the experienced shift in terms of sports classification has been much less pronounced in the side that touches the media.

We think that this is an important result, since the media value is the main factor that feeds the brand value of Formula 1 drivers, and therefore of the teams. The media value is fundamental not only for long-term commercial interests of the drivers, but it is also essential for short-term interests of the sponsors of drivers and teams. Because of it, the media impact is the main variable to manage in estimating the rate of return on investments made by the sponsoring companies.

If media coverage - and its translation in media value - was interested only in the current sports successes (those of the 2009 campaign), the fall of the profitability of the investment in sponsorship would have been daunting for companies linked to the major consolidated teams such as Ferrari, Renault and McLaren-Mercedes, which are those who receive major sponsorship contracts. On the contrary, it would have been colossal the yield of the sponsors who would have bet on low budget teams, as media exposure was in theory very small.

Our analysis, using the ESI methodology, suggests that the mass media has set its follow-up, overvaluing the presence of consecrated drivers and their teams, despite of showing a poor sport performance throughout this season. Thus, the return of the investment has been for these sponsors superior to the negative picture that would be expected according to the sports outcomes.

In fact, if we compare the classification of media value of 2009 with that of 2008, it is possible to observe that, although at the top positions are big changes due to the appearance of Jenson Button and Barrichello, the overall picture does not reflect so many traumatic changes as those that showed the comparison of sports performance between the same seasons.

The visual perception of the graphs is confirmed statistically if we estimate the coefficient of correlation of media classification of the 2009 season with 2008, and compare this results with those obtained from the correlation that examines the points achieved in the races. These results are shown in the following two figures.

Figure 1.14 Correlation between the classifications in 2008 and 2009: points and MV

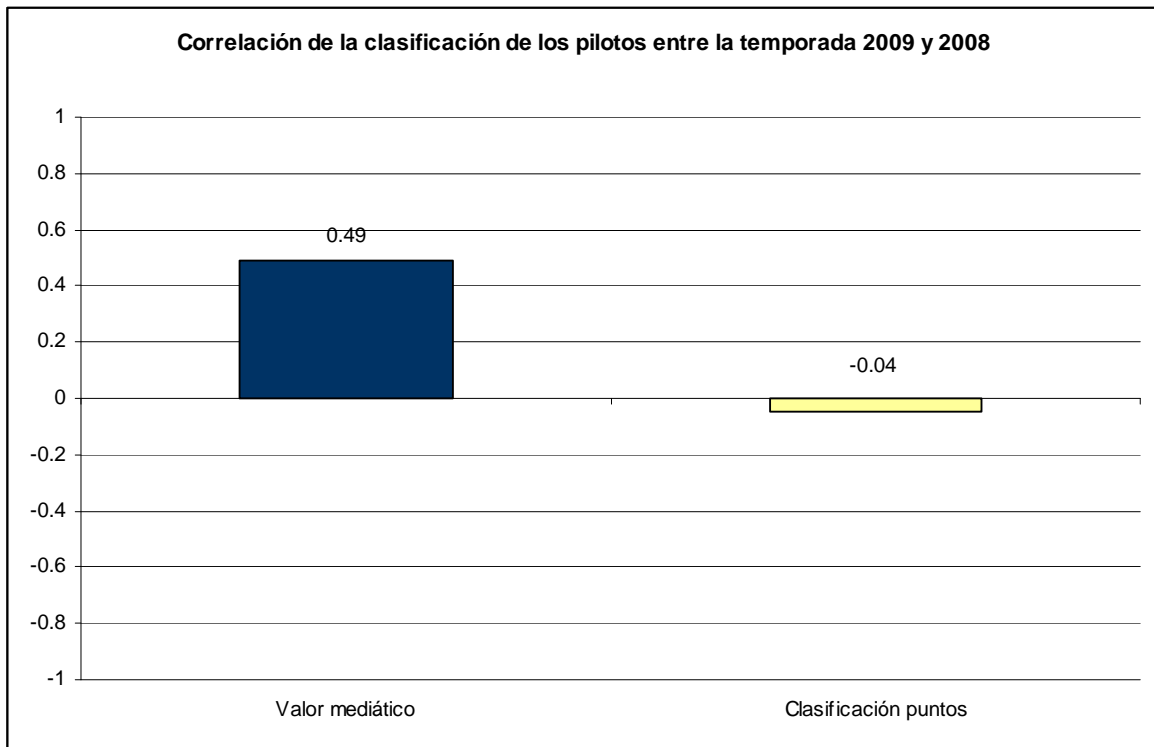
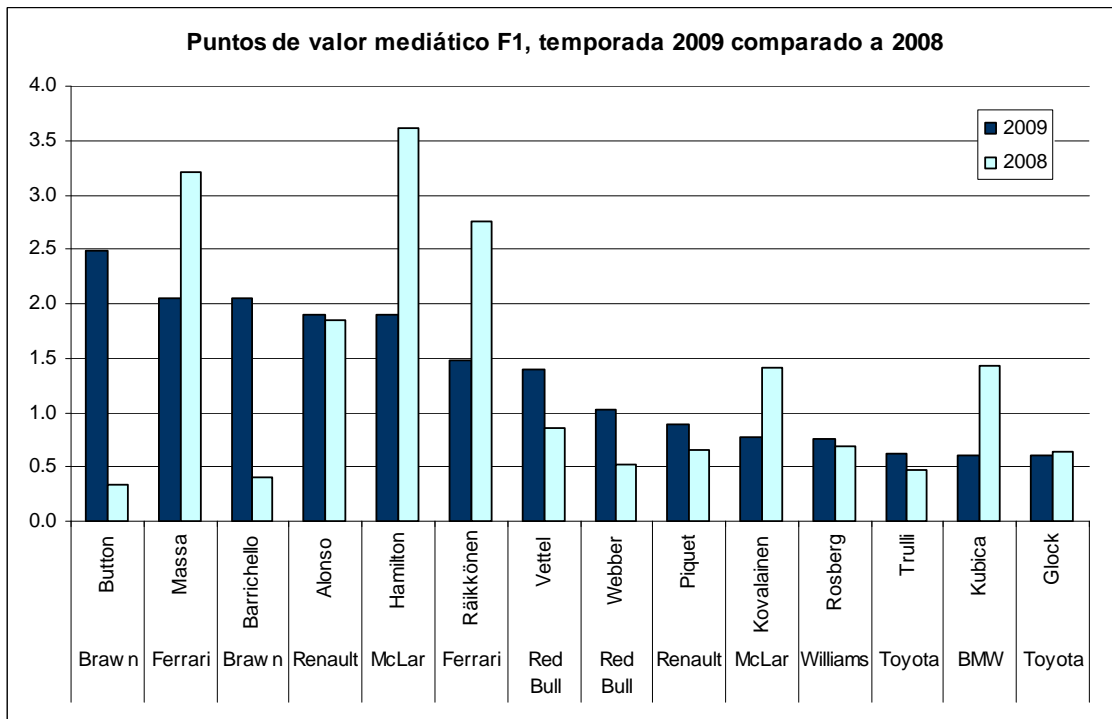


Figure 1.15 Comparison of the ranking of media value. Seasons 2008 and 2009

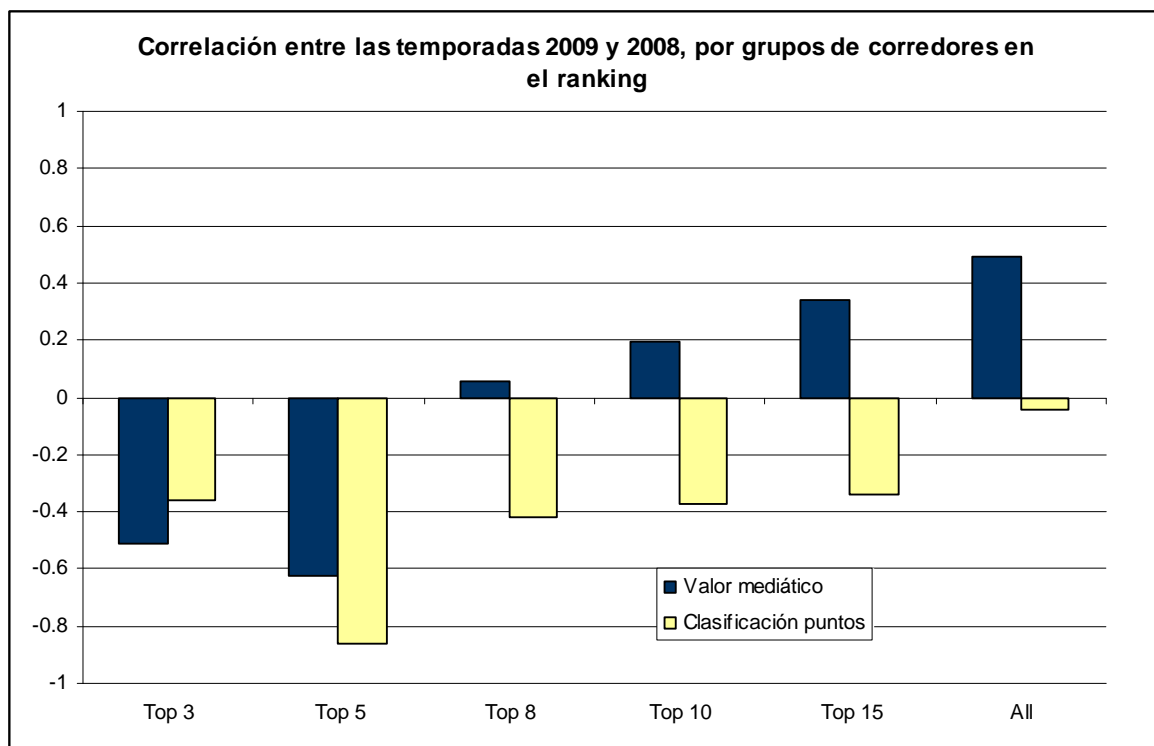


Whereas the correlation of sports performance (points obtained in the Grand Prix) indicates that there is barely no relation between the classification of 2009 and 2008, in terms of media value the picture is different: in the media ranking, the coefficient

reaches a value of 0,49, implying that the essence of the relation between the two seasons is preserved. This is illustrated in figure 1.14, which is in line with the comparison given in the figure 1.15.

Finally, figure 1.16 shows that the strength of this relation - between seasons 2008 and 2009-is always grater in media terms that in terms of sports successes; the statement is true for any subgroup of drivers that is taken into consideration.

Figure 1.16 Correlation between 2008 and 2009 seasons for drivers' subgroups



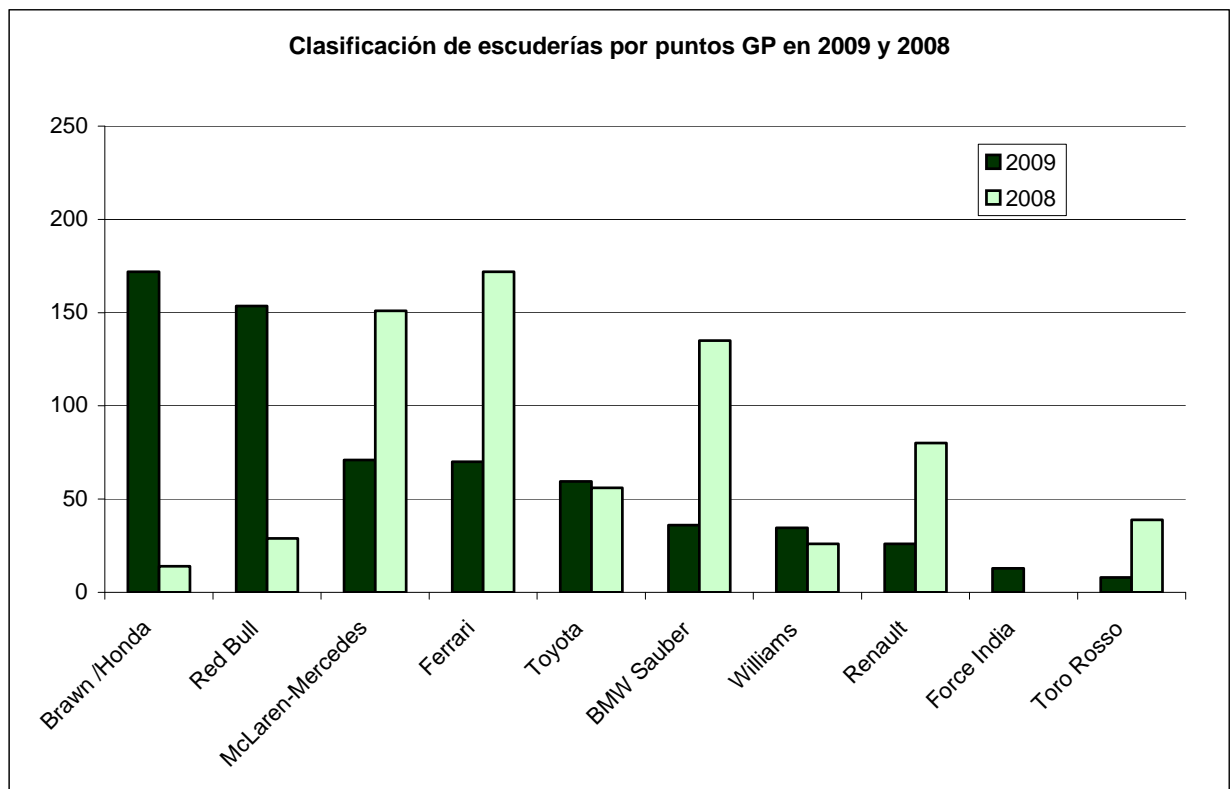
Chapter 2

Media Value ranking of teams

The change of hierarchies among Formula 1 drivers during the 2009 season is also paralleled in the classification of teams (something that was unsuspected a few months ago). The victory of the builders' championship was decided between two of the teams with the lowest budgets. At the end, Brawn took the title, with 172 points, followed by Red Bull, with 153.5. The established brands with a brilliant past, like Ferrari, McLaren-Mercedes, Renault, etc., have found themselves far from the winners.

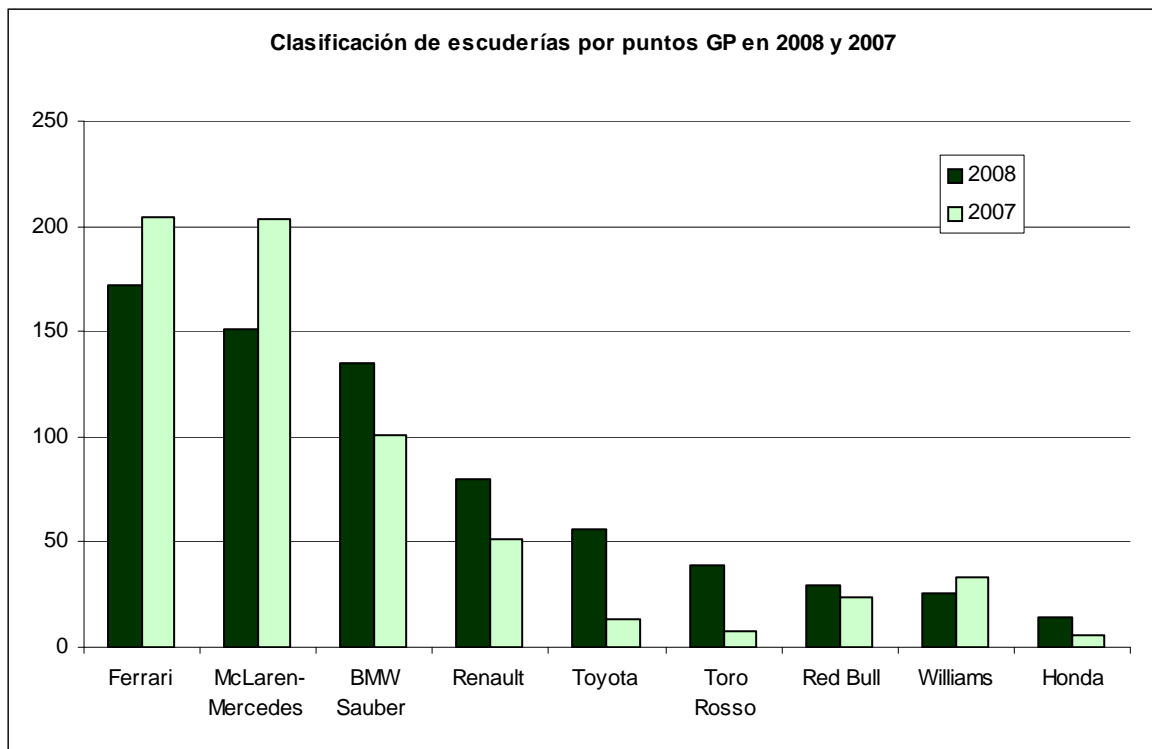
Comparing the classification of this season with the one from 2008 (Figure 2.1), it shows a profile that has little or nothing to do with the one from previous year.

Figure 2.1 Teams classification. Seasons 2009 and 2008



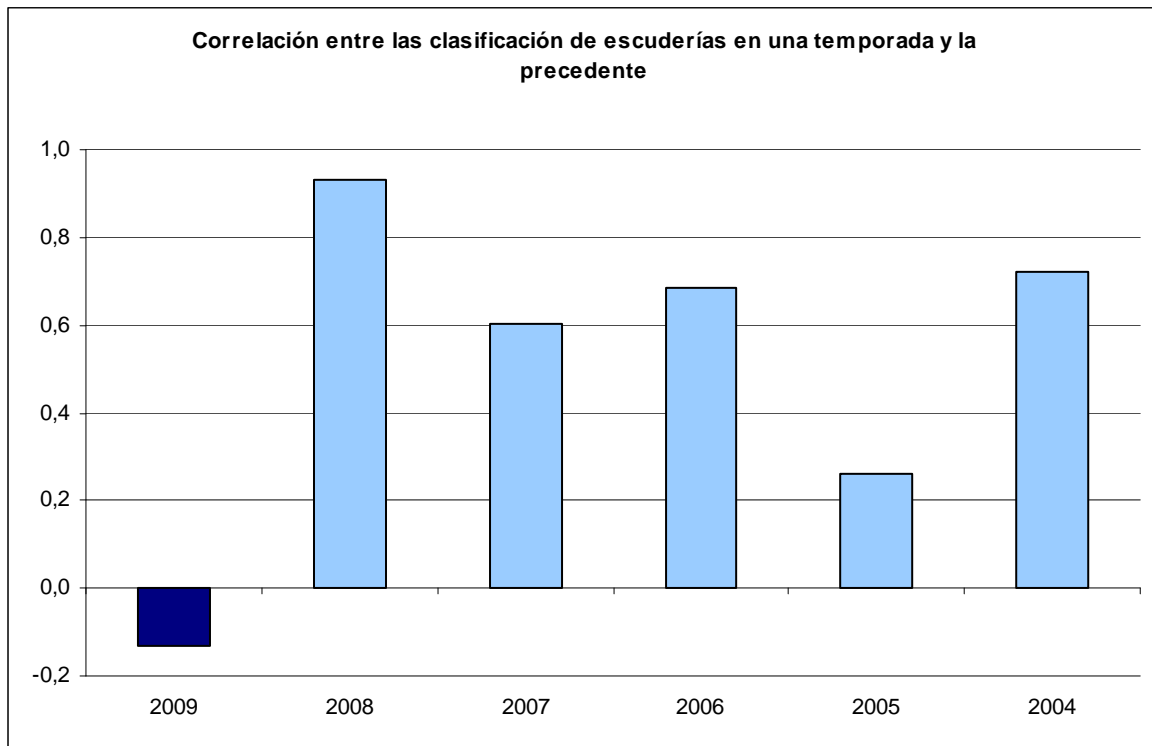
It is, as mentioned, an unprecedented phenomenon up to today, which contrast sharply with the relation of sports successes of the teams between the 2007 and 2008 campaigns, as shown in the following graph.

Figure 2.2 Teams classification. Seasons 2008 and 2007



Again, we will use the coefficient of correlation to see the degree of similarity in the sports classification between two consecutive seasons, starting from the 2004 season.

Figure 2.3 Correlation of sport achievement of teams between two consecutive years



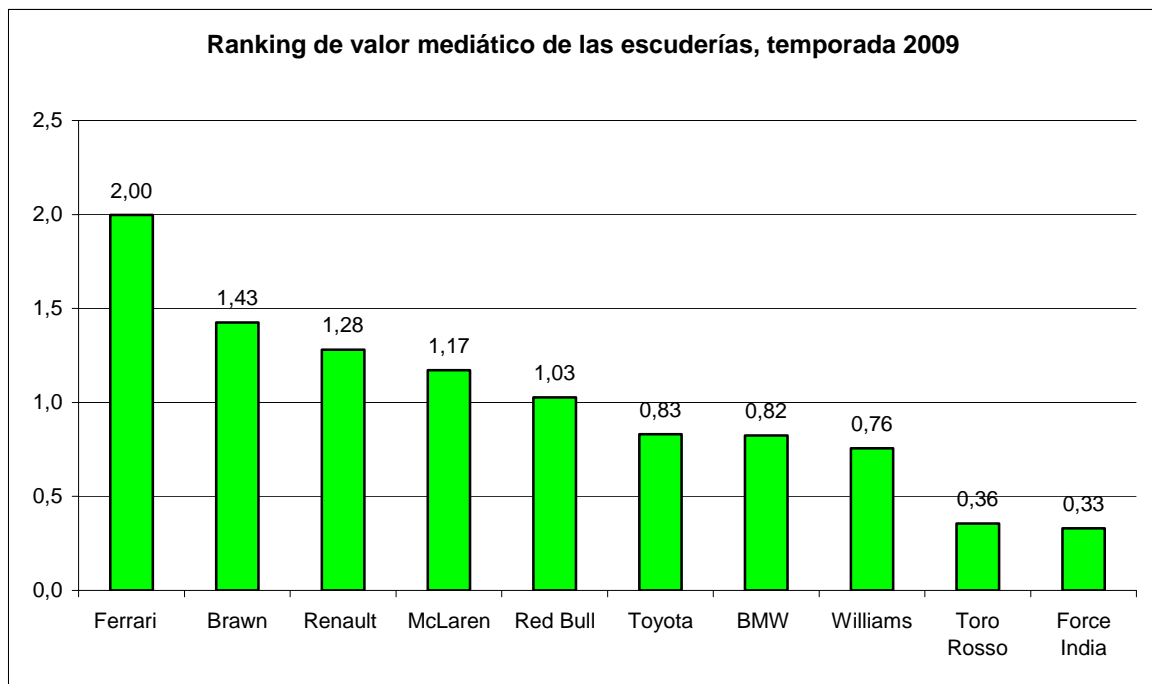
The relation becomes negative when confronting 2009 to 2008, whereas for comparisons previous to this, the coefficient of correlation between two consecutive seasons moves above 0.6 (except in the case in which it is compared 2005 with 2004, in which the coefficient is just over 0.2).

Let's see to what extent teams are able to transforming sport results of the 2009 season into media value level. In particular, we are interested to explore if the capacity for business exploitation is very diverse for teams with little tradition and historical records as compared to consolidated Formula 1 brands.

On one hand, the media classification of the team has been systematically led by the Italian Ferrari, at least since ESI applies its methodology to elaborate the rankings of media value in the Formula 1, from the 2006 season.

According to our results, as reflected in figure 2.4, Ferrari maintains its status as regards global media, including the atypical 2009 season. This result is even more significant if it is realize that this year has only achieved the fourth position in the builders' classification.

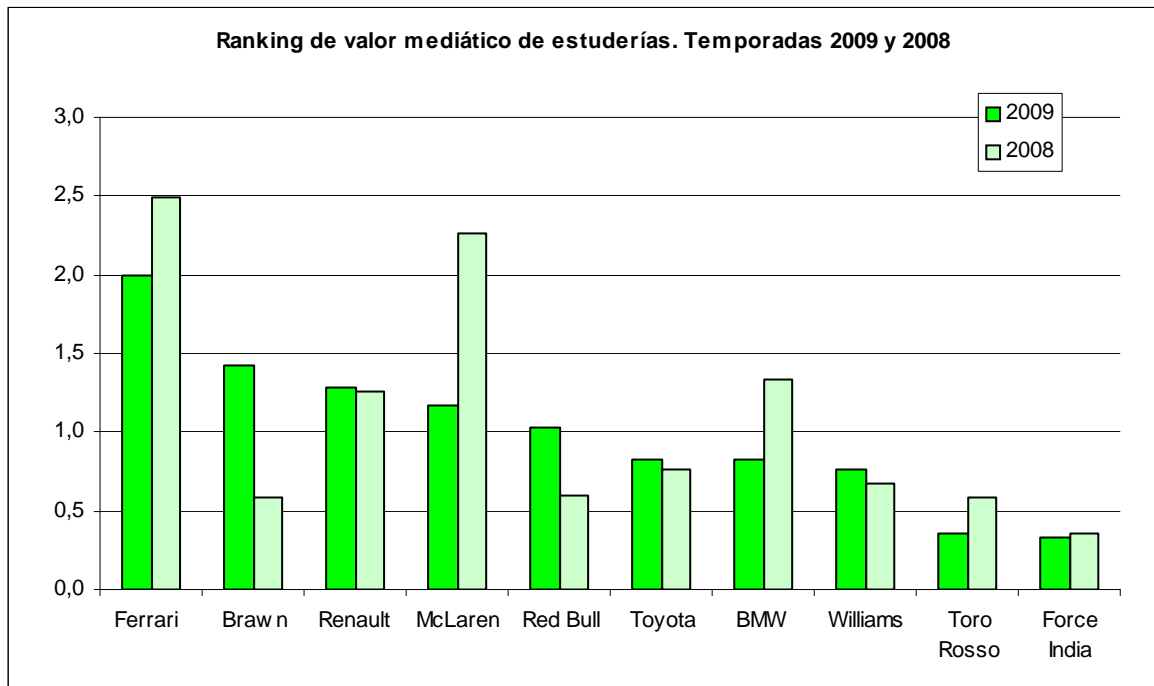
Figure 2.4 Teams media value ranking. Season 2009



Comparing the parameters of media value of 2009 with the previous season (figure 2.5), we observe that the winners and losers correspond with random outcomes and luck experienced in the races this season. Renault maintains media coverage despite losing some points, but Alonso's media pull helped, and presumably influenced for having led

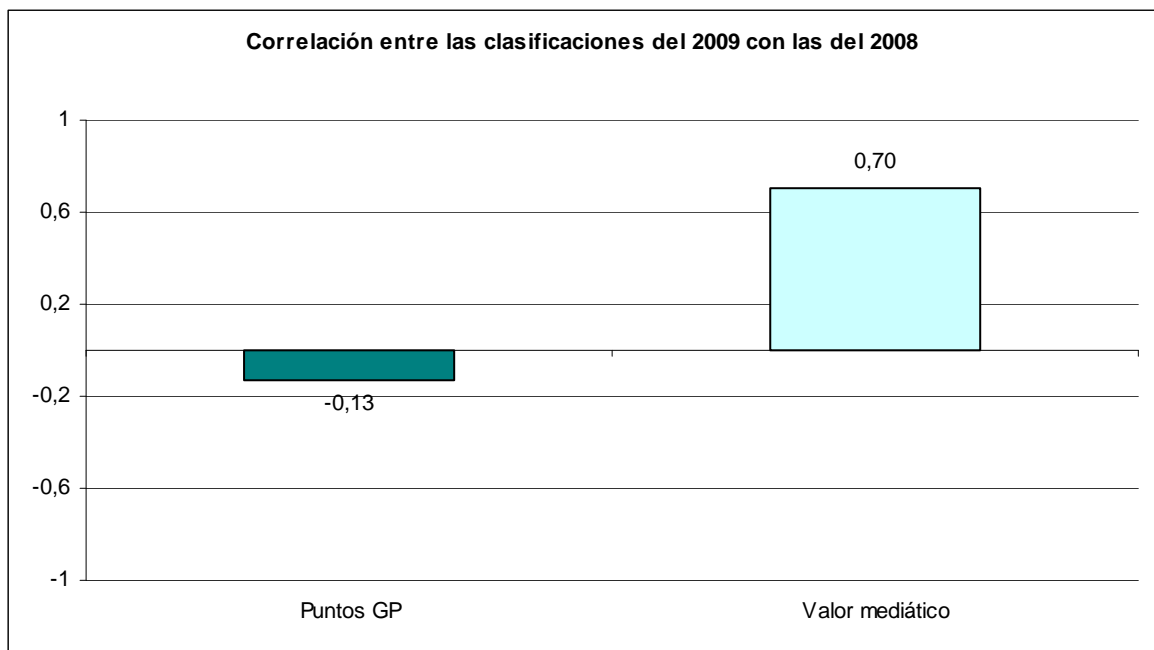
some scandals, with the consequent sanctions. (Especially, during 2009 when it came to light the reckless and unfair behavior in Singapore Grand Prix of the 2008 season).

Figure 2.5 Teams media ranking evolution. Season 2008 and 2009



As we did with the drivers, it can be compared the coefficients of correlation of the 2009 season to the 2008 season, in terms of the ratings by points earned in the Grand Prix as well as for the media classification.

Figure 2.6 Correlation of sport and media classification between 2009 and 2008



In a similar way, though this time more pronounced, we see that the strong change of pattern in sports performance between both seasons does not correspond with a similar revolution in the media coverage of the teams. The teams with more tradition and history of sport in the past continue to enjoy privileged media coverage, which in the 2009 season was greater than the one that would correspond to the sports achievements attained only in 2009.

Therefore and, as we considered the case of the drivers, the sports punishment suffered by the most powerful teams has not been fully translated in a correlative loss of media value: the sponsors of the big brands have received greater media coverage than the mere sports results suggest. Though the 2009 season has not been good for the interests of those sponsors, at least we can conclude that the drop of impact is not as catastrophic as the unusual fall of points in the circuits.

Chapter 3

Geographical distribution of the interest in Formula 1

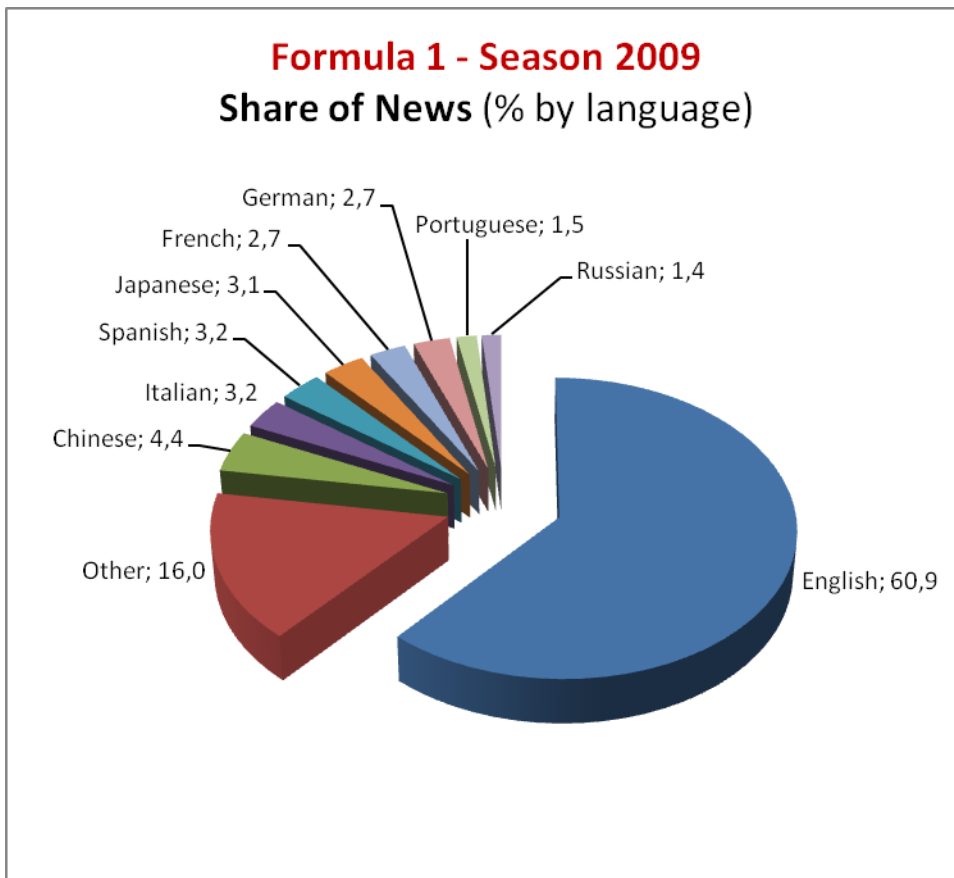
In this section, our interest is focused on identifying the countries and markets in which the spectacle of Formula 1 is most relevant. The degree of media attraction that a certain sport arouses in each place depends on many different factors. In the case of the formula 1, together with the culture, people's tastes and idiosyncrasies of the place, it is also essential to attend to other circumstances, such as the country of the teams and the nationality of the drivers.

In this section we will use notoriety as a basis for our analysis. We have already noted that not all chapters within this report will be developed from the ESI media value index (an indicator that measures popularity along with notoriety). This is the case in this section due to the absence of reliable information about popularity that is broken down to a sufficient degree. Frequently, our analysis is aimed at determining the relative positioning of a particular team or a driver in respect to the others. In such cases, the examination of the data suggests the validation of conclusions drawn from information in English. In other markets (like Japan and China) we have complement the information with news published in those countries' respective languages.

Specifically, the database we used for this section brings together hundreds of thousands of pieces of news, from more than 70 countries, which have appeared in (digital editions) from diverse media sources. The amplitude of the database ensures the reliability of the results, even when the sample is not equally broad in all countries. Besides, the results presented in this chapter are influenced by the hiring of Alonso by Ferrari, which was officially announced in September 2009. This may be indicating the level of media value that Alonso will achieve in Ferrari over the season 2010.

In any case, Figure 3.1 illustrates where the distribution of the information that has been handled in this section proceeds from, taking into consideration the language in which the news has been published. This figure seems to indicate - at least - two things: first, that English is by far the language in which more information regarding Formula is published; and second, as of present (given the relative weight that each language represents), it seems more than legitimate to generally accept the conclusions obtained from analysis of the media coverage in English.

Figure 3.1 Proportion of news in all major languages



If we examine the development of Formula 1 (as a business within the industry of sports spectacle), we learn that more relevant than the language in which the news are published is getting to know the amount of media interest by countries. The geographical distribution of the news informs us about the degree of interest that a certain sport (Formula 1, in this case) represents within a global panorama, identifying in this way the principal markets. Naturally, once the most important markets are identified it would be of interest to consider the size (number of inhabitants, for example) and the economical potential (income level) of each; only then will appropriate policies to expand the business be able to be designed.

On one hand, the Formula 1 industry should follow the same principles that are currently valid in other sports markets, unable to detach themselves from the need to mind to the media value. Hence, the importance of assessing the degree of interest that this sport arouses among media professionals and fans of different countries.

On the other hand, in order to design marketing campaigns, for example, it is crucial to identify the audience which makes up the main objective (target). Likewise, if a product is to be promoted on a certain local or national market, it is necessary to know

the degree of penetration that the sports idol possesses upon whom we will base our campaign. Table 3.1 offers valuable information about the relative weight that the main countries have in which there is an interest in Formula 1.

Table 3.1 Countries where Formula 1 raises more media interest

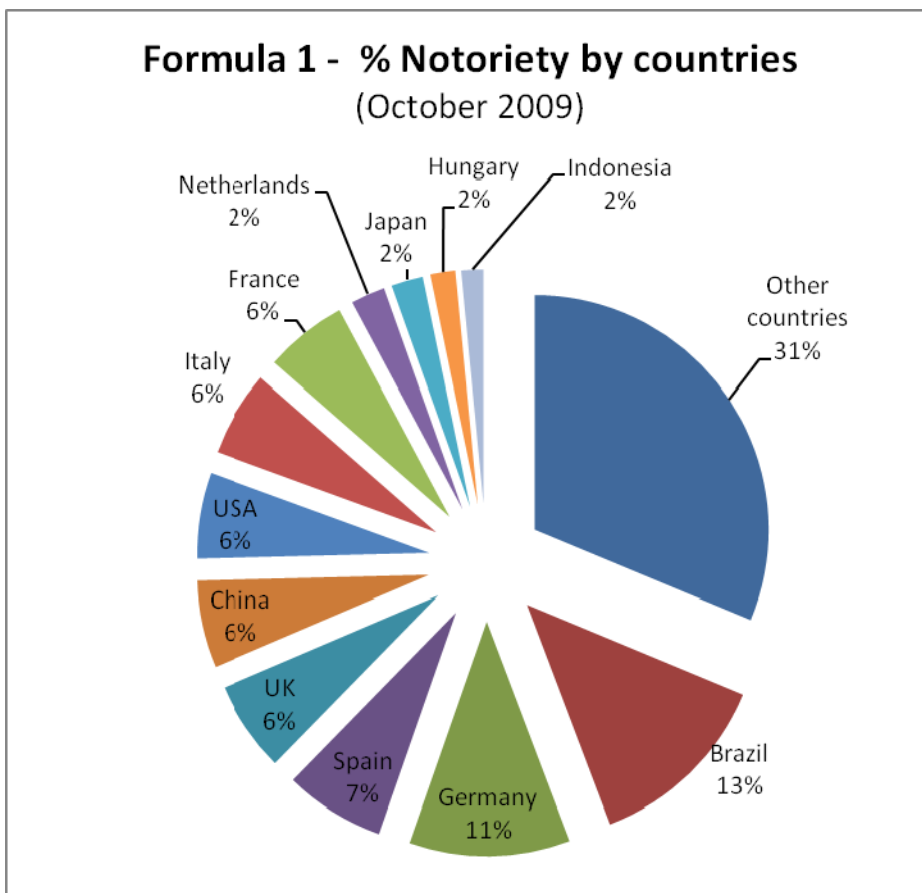
Formula 1 - Share of Notoriety					
<i>Rank</i>	<i>Country</i>	<i>October 2009</i>	<i>December 2009</i>	<i>January 2010</i>	<i>Average</i>
1	Germany	11,3	20,5	18,4	16,73
2	Brazil	13,2	11,7	13,0	12,63
3	UK	6,4	6,9	8,6	7,27
4	Spain	7,1	7,3	6,6	6,98
5	Italy	6,0	5,0	4,7	5,23
6	USA	6,0	4,0	5,6	5,21
7	France	5,8	4,9	4,8	5,15
8	China	6,1	3,2	6,0	5,09
9	Netherlands	2,4	3,7	3,3	3,14
10	Indonesia	1,6	1,8	2,0	1,77
11	Hungary	1,8	1,4	1,7	1,62
12	Canada	1,3	1,3	1,4	1,32
13	Japan	2,2	1,2	2,2	1,86
14	Turkey	1,1	0,9	1,1	1,02
15	Poland	1,3	0,8	0,8	0,98
16	Romania	0,9	0,9	1,0	0,93
17	Australia	0,4	0,6	0,5	0,49
18	Slovakia	0,7	0,4	0,4	0,48
19	Finland	1,3	0,0	0,0	0,45
20	Others	22,5	23,4	22,6	22,82

From the information contained in this table, it can be affirmed that the main markets for the business of the Formula 1 are: Germany, Brazil, United Kingdom, Spain, Italy, USA, France, China and Holland. It suits to explain, however, that the concrete order of the ranking of one market over another is not so clear, since they are very sensitive to circumstances that change from one season to the other.

This way, as we have indicated, the ranking of Table 3.1 is obtained from the analysis of the reputation (amount of news), without taking into account the popularity accumulated over time. In addition, the interpretation of the data has to be done relying on the concrete circumstances that occurred in the 2009 season, which influence - at least in a transitory way - in the relative position that each country occupies.

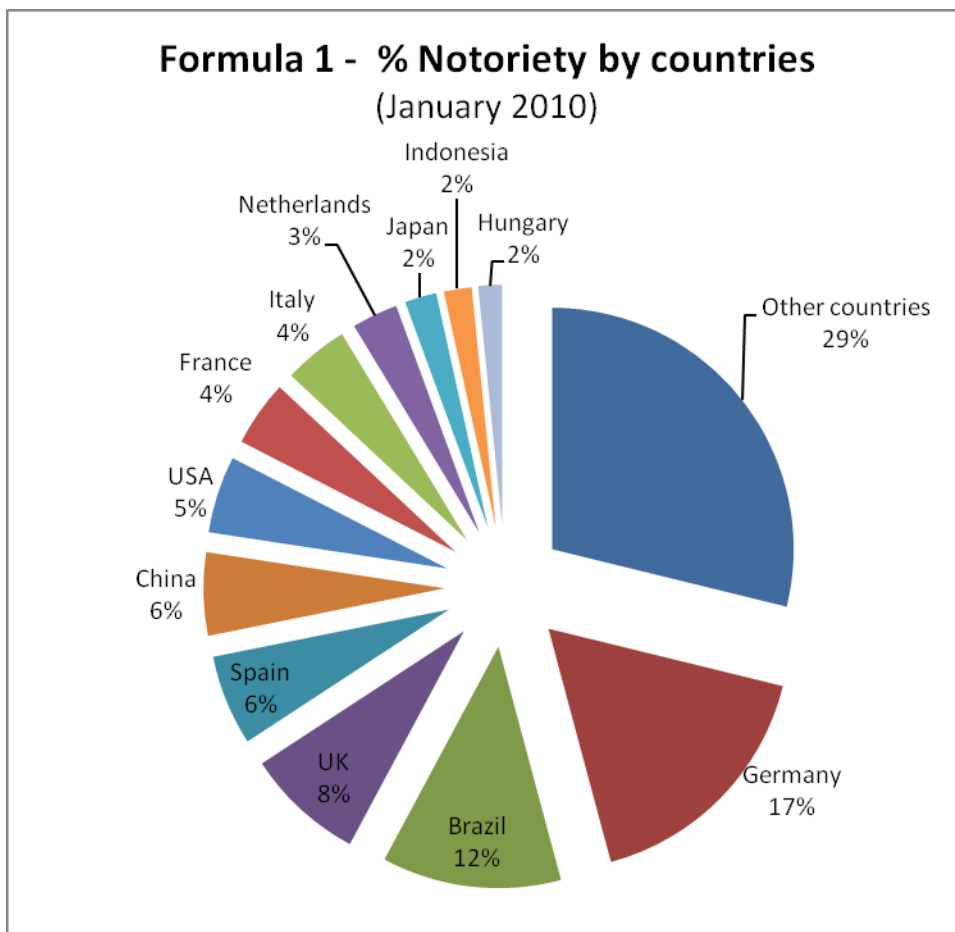
Isolated facts, as for example Michael Schumacher’s comeback, can provoke a remarkable overturn in the media weight that each country holds. Indeed, if the quotas of notoriety of October of 2009 are compared with those of December of the same year (as soon as Schumacher had announced his comeback in the circuits and that Mercedes allied with Brawn) strong growth is observed in the media weight of Germany, and overcomes that of Brazil at the end of the season. This is what exactly what is revealed by the comparison of figures 3.2 and 3.3, in which a similar geographical distribution is drawn in all markets with the exception of Germany.

Figure 3.2 Weight of the Notoriety of Formula 1 by countries (October 2009)



Indeed, the explosion of the news that presupposing Schumacher’s appearance as the main character of the 2010 preseason, has distorted the global media distribution -at least in these months prior to the competition. Together with the advancement of the German market, which should now overcome the Brazilian, a small setback of France and Italy is observed. At the same time, UK presents a certain advantage over Spain in January of 2010, exactly the opposite from what was happening in October of 2009.

Figure 3.3 Weight of the Notoriety of Formula 1 by countries (January 2010)



Next, we are going to identify the main protagonists, in terms of notoriety, of the major markets in the spectacle of Formula 1. The results that we present examine two aspects, the one of the drivers and the other of the teams; although naturally there are reciprocal influences, since the drivers are associated with a certain team every season. Before approaching the specific analysis inside each country, we are going to summarize some of the results.

In first place, if we look at the ranking of the drivers in the different countries, we are given a surprise: the media dominator in the majority of the countries, during the 2009 season, has been Fernando Alonso. In fact, as Table 3.2 shows, it has been the driver who has monopolized, in greater measure, the attention of the public in 9 out of 20 countries. Moreover, Alonso is placed on the media podium of 17 out of the 20 countries. The other drivers who manage to conquer one of the top three media positions in most of the countries have been those of team Brawn, great revelation and at final winner of the 2009 season.

Table 3.2 Formula 1 pilots - Media Leaders in each country

<i>Formula 1 - Notoriety Ranking of Pilots (in each country)</i>			
<i>Pilots</i>	1st post	2nd post	3rd post
Germany	Button	Barrichello	Vettel
Brazil	Alonso	Barrichello	Button
UK	Button	Barrichello	Alonso
Spain	Alonso	Massa	Barrichello
Italy	Räikkönen	Massa	Alonso
USA	Button	Barrichello	Alonso
France	Alonso	Barrichello	Button
China	Alonso	Hamilton	Räikkönen
Netherlands	Alonso	Button	Barrichello
Indonesia	Button	Barrichello	Alonso
Hungary	Alonso	Button	Räikkönen
Canada	Button	Barrichello	Massa
Japan	Glock	Alonso	Massa
Turkey	Alonso	Räikkönen	Button
Poland	Kubica	Alonso	Barrichello
Romania	Alonso	Barrichello	Button
Australia	Barrichello	Button	Alonso
Slovakia	Alonso	Button	Barrichello
Finland	Räikkönen	Alonso	Button

Meanwhile, Table 3.3 summarizes the information, assessing the number of countries in which the drivers achieve one of the first three positions of media notoriety. It must be noted that this section includes information which appeared in the news up to November 2009 (before Alonso signed with Ferrari).

Table 3.3 Number of media podiums of Drivers.

<i>Podiums of Notoriety (Season 2009)</i>	1st post	Notoriety 2nd post	3rd Post	Total
Alonso	9	3	5	17
Button	5	4	5	14
Räikkönen	2	1	2	5
Barrichello	1	8	4	13
Kubica	1	-	-	1
Glock	1	-	-	1
Massa	-	2	2	4
Hamilton	-	1	-	1
Vettel	-	-	1	1

In looking more at the details, the following graphs report on the media quota of several drivers, which allows identifying which principal markets the individual brand of a driver is stronger in. It is significant to notice the big differences of positioning that there are between different drivers.

Table 3.4 Media quota in the main markets (Fernando Alonso)

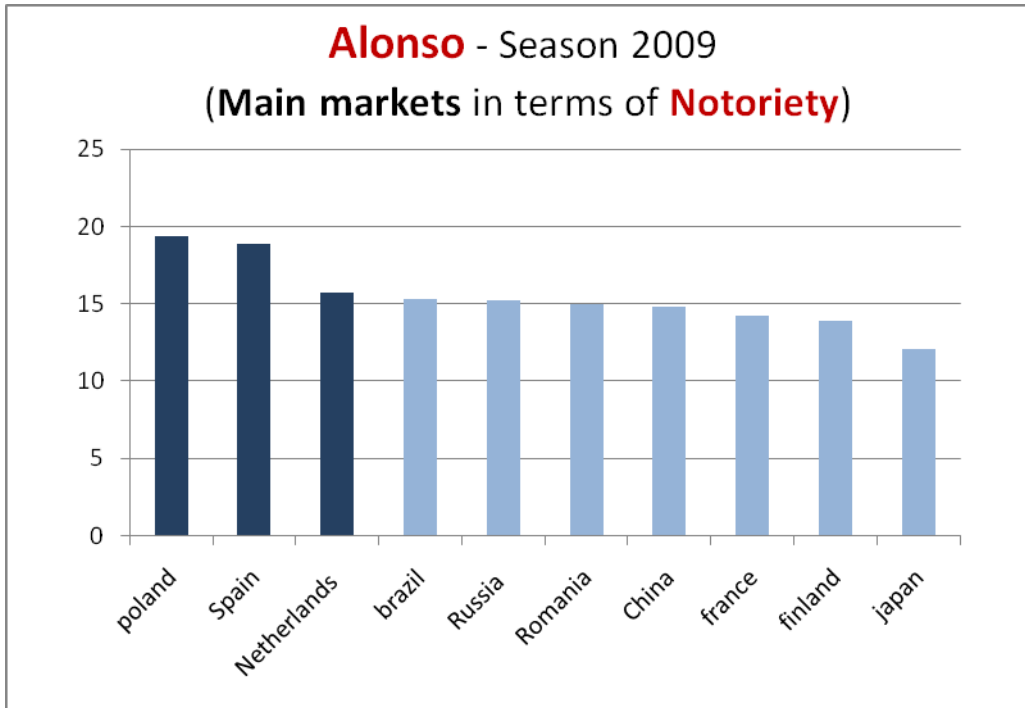


Table 3.5 Media quota in the main markets (Jenson Button)

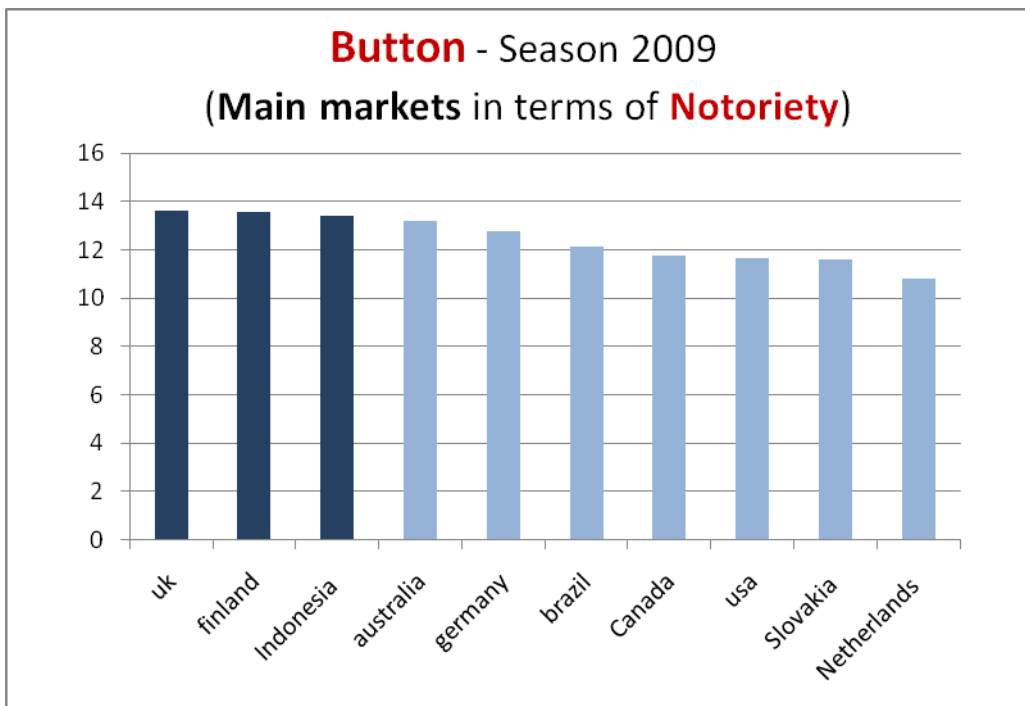


Table 3.6 Media quota in the main markets (Kimi Räikkönen)

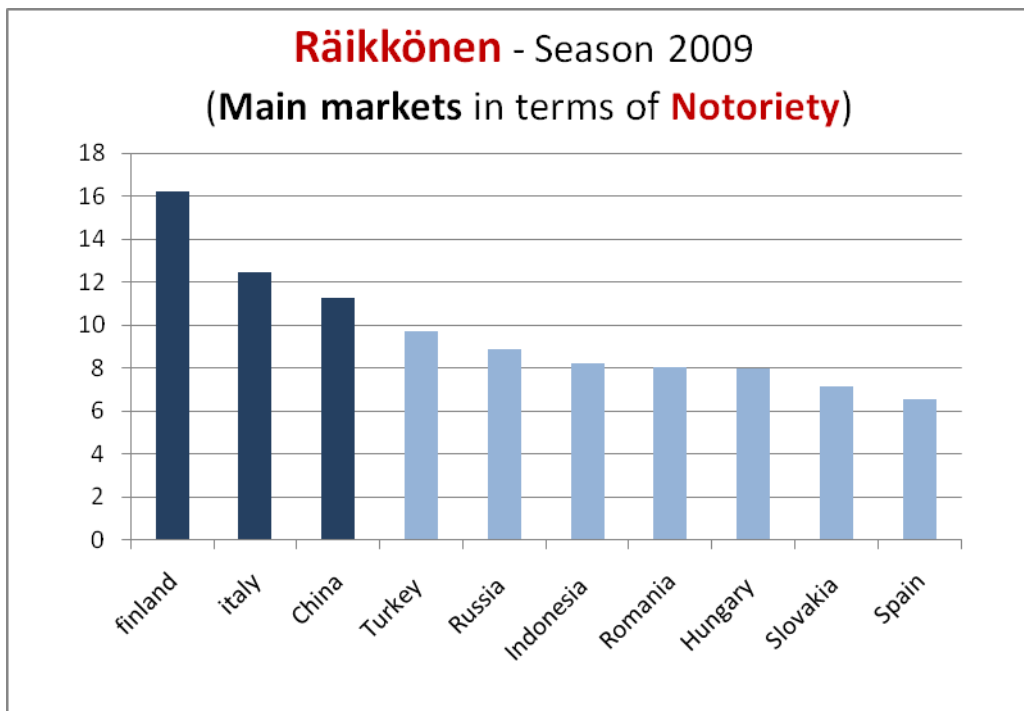


Table 3.7 Media quota in the main markets (Robert Kubica)

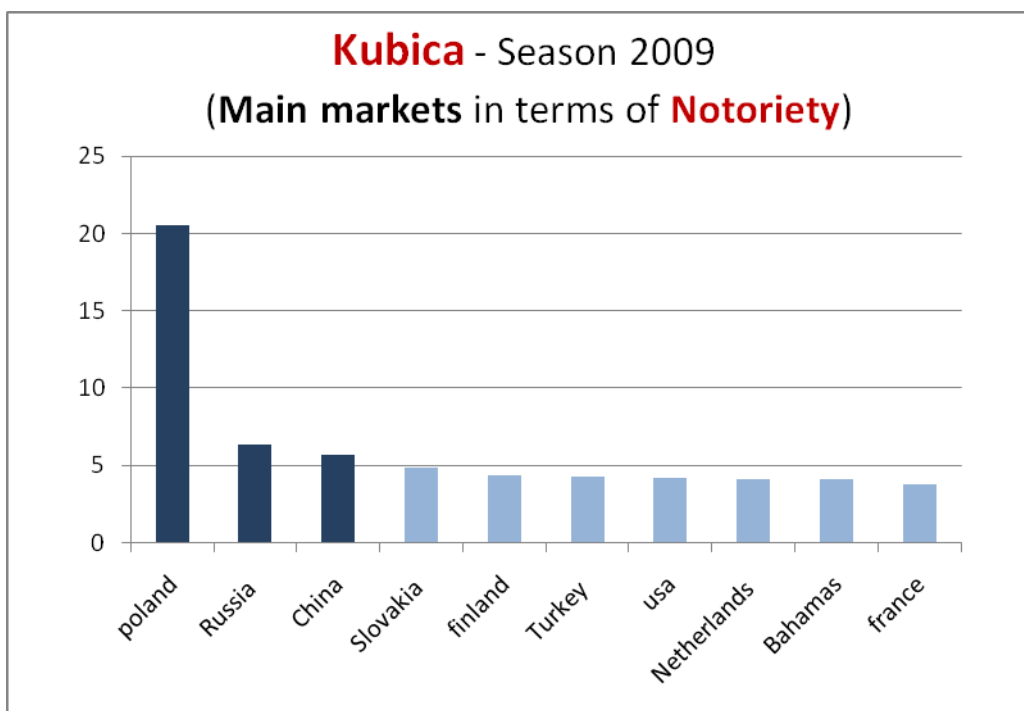


Table 3.8 Media quota in the main markets (Felipe Massa)

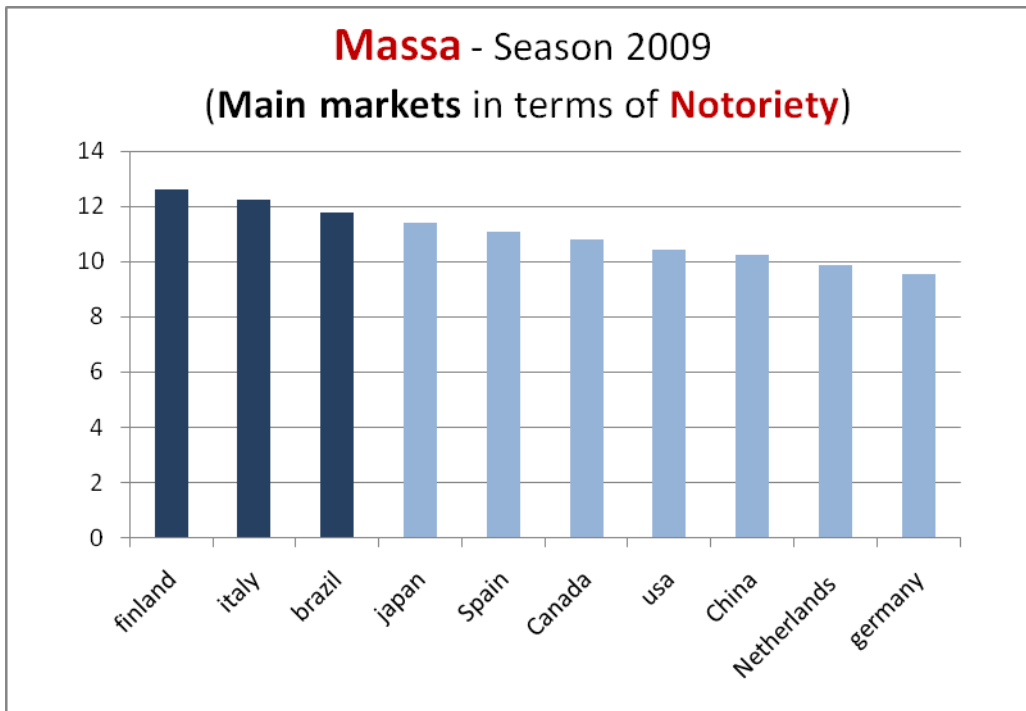
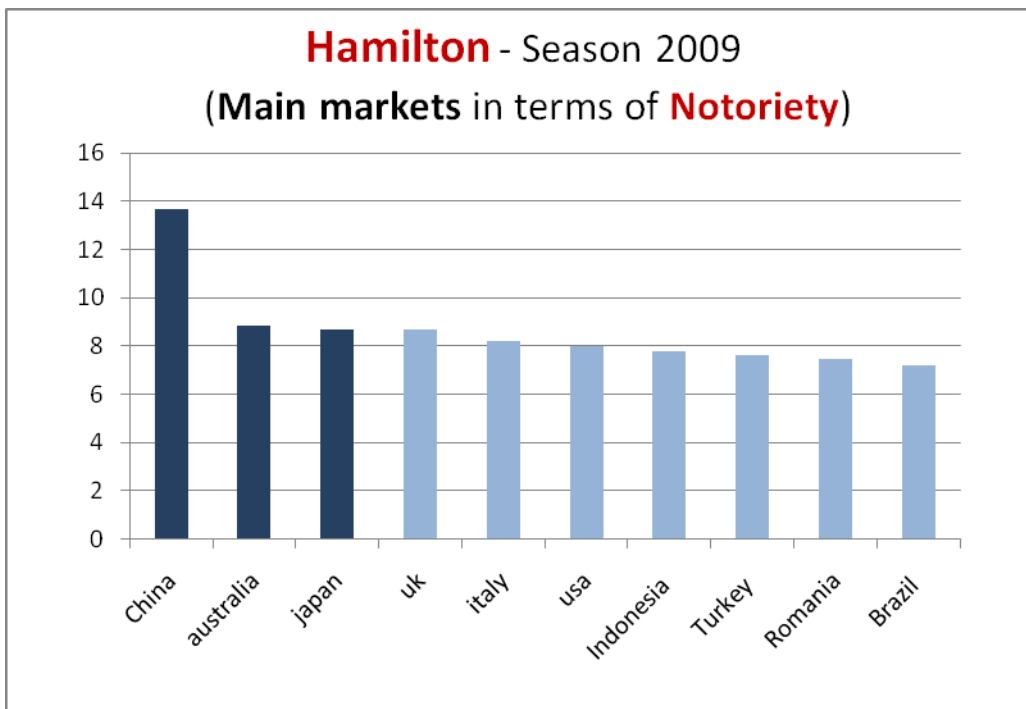


Table 3.9 Media quota in the main markets (Lewis Hamilton)



If the same analysis is applied to the teams, rather predictable conclusions are drawn, at least regarding the most outstanding teams, as revealed by tables 3.10 and 3.11.

Table 3.10 Leading teams of Formula 1 in each country

<i>Formula 1 - Ranking of Teams (in each country)</i>			
<i>Team</i>	<i>1st MV</i>	<i>2nd MV</i>	<i>3rd MV</i>
Germany	Brawn	Ferrari	Red Bull
Brazil	Renault	Brawn	Ferrari
UK	Brawn	Renault	McLaren
Spain	Renault	Brawn	Ferrari
Italy	Ferrari	Brawn	Renault
USA	Brawn	Renault	Ferrari
France	Renault	Brawn	Ferrari
China	Ferrari	McLaren	Renault
Netherlands	Renault	Brawn	Ferrari
Indonesia	Brawn	Ferrari	Renault
Hungary	Renault	Brawn	Ferrari
Canada	Brawn	Ferrari	Renault
Japan	Toyota	Renault	Ferrari
Turkey	Brawn	Ferrari	Renault
Poland	BMW Sauber	Renault	Brawn
Romania	Renault	Brawn	Ferrari
Australia	Brawn	Renault	Red Bull
Slovakia	Brawn	Renault	Ferrari
Finland	Ferrari	Brawn	Renault

Table 3.11 Number of media podiums of Drivers

<i>Podiums of Notoriety (Season 2009)</i>	<i>1st post</i>	<i>Notoriety 2nd post</i>	<i>3rd Post</i>	<i>Total</i>
Brawn	8	8	1	17
Renault	6	6	6	18
Ferrari	3	4	9	16
Toyota	1	-	-	1
BMW Sauber	1	-	-	1
McLaren	-	1	1	2
Red Bull	-	-	2	2

Ferrari's media presence in 2009 season has only been beat (according to the amount of news generated) by two teams: Brawn, the great sensation of the season that has achieved several major prizes and has dominated the championship; and Renault, whose privileged position surely corresponds to Alonso's presence, who is presumably considered the best driver on the starting grid.

Table 3.12 Media quota - Main markets of Brawn

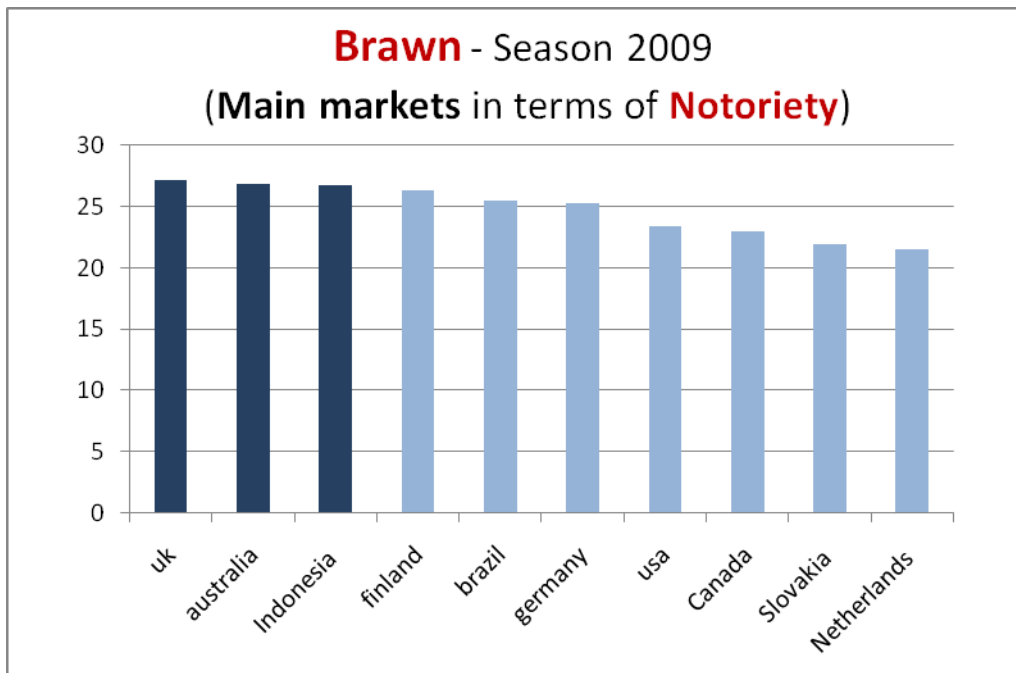


Table 3.13 Media quota - Main markets of Renault

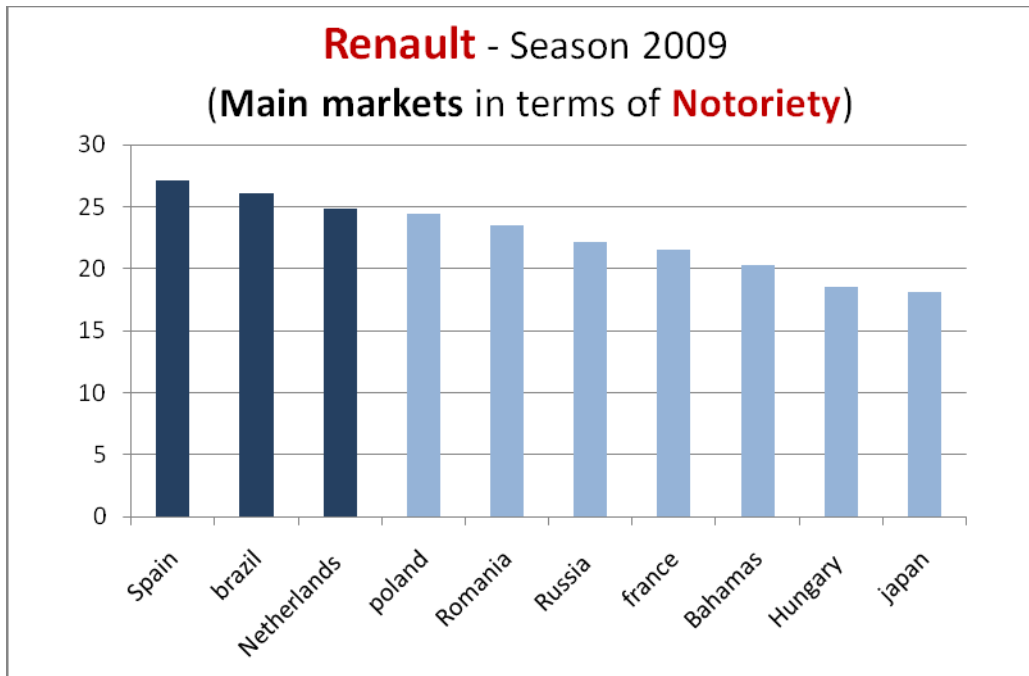


Table 3.14 Media quota - Main markets of Ferrari

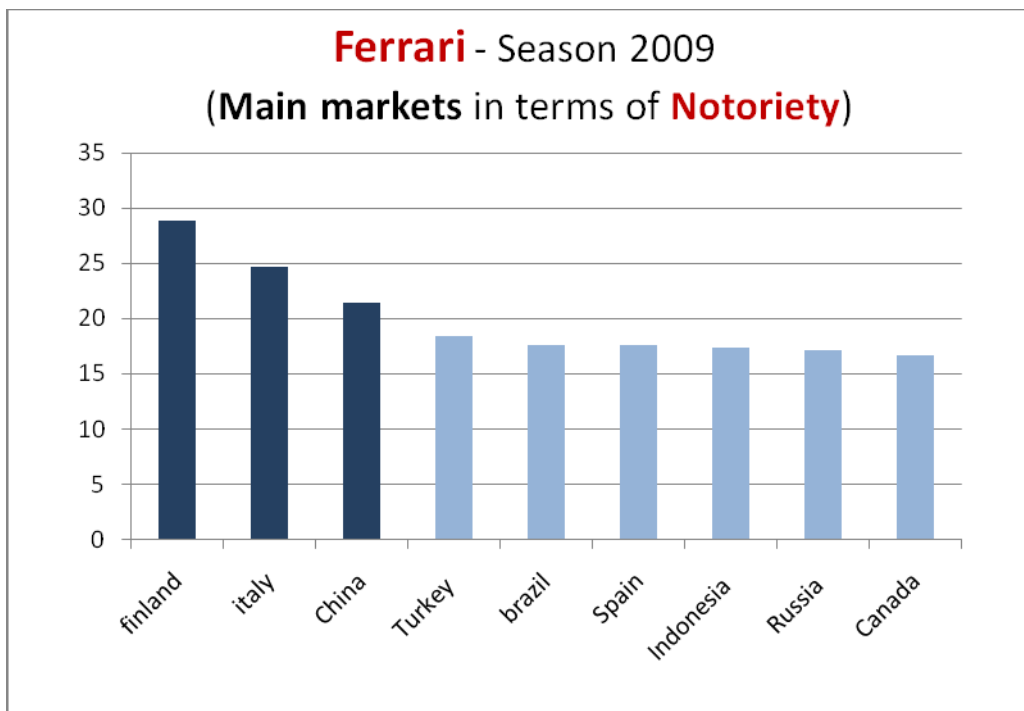


Table 3.15 Media quota - Main markets of BMW

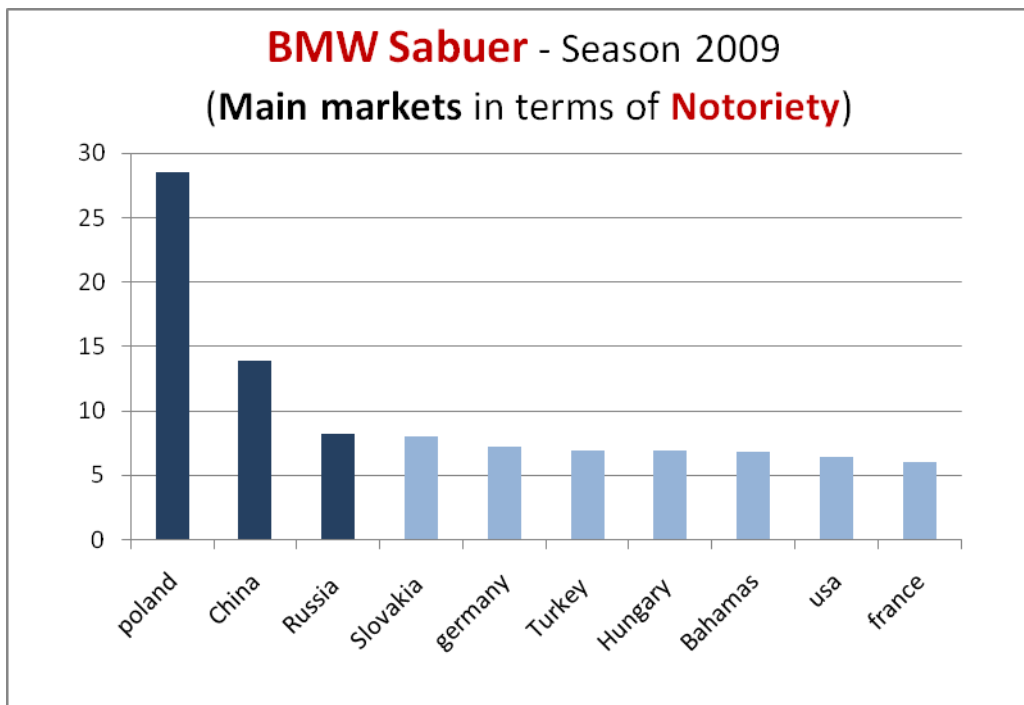


Table 3.16 Media quota - Main markets of McLaren

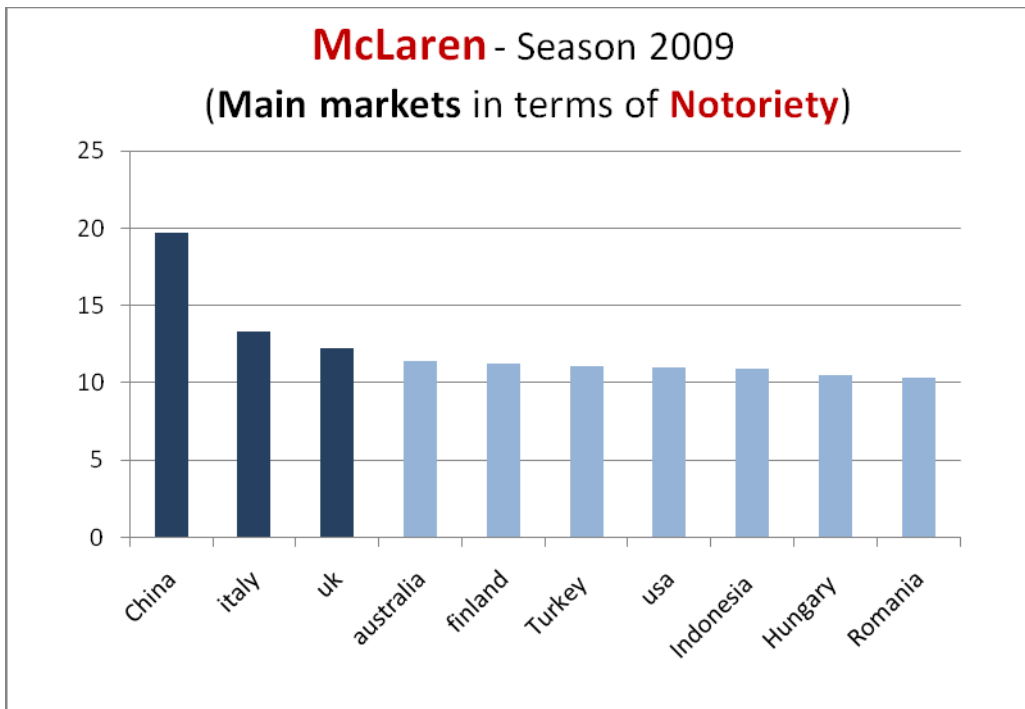
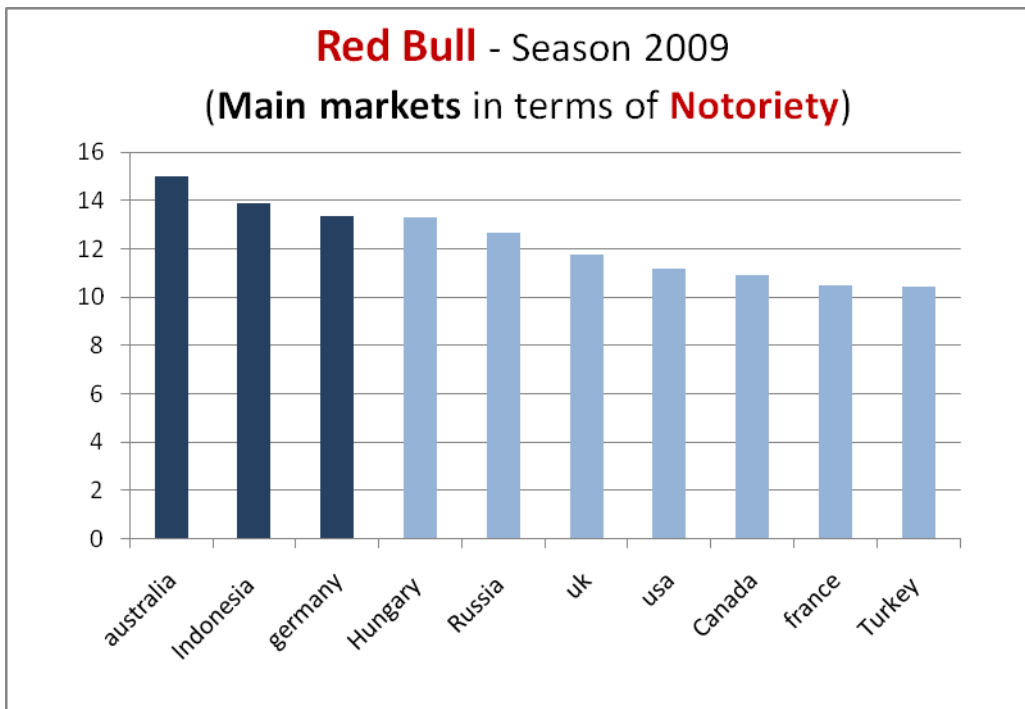


Table 3.17 Media quota - Main markets of Red Bull



Over the remainder of the chapter, we offer a detailed examination of the situation in the main markets of Formula 1. Toward this end, we will continue the order of importance suggested by the measurements of the relative notoriety as they were presented in Table 3.1. We have chosen to present the results through graphs, which, in

general, don't require additional commentaries. For each of the countries, the positioning of 20 leading drivers in notoriety is shown as well as that of the 10 teams that formed the starting grid of Formula 1 in the 2009 season.

Table 3.18 Notoriety quota of drivers and teams in Germany

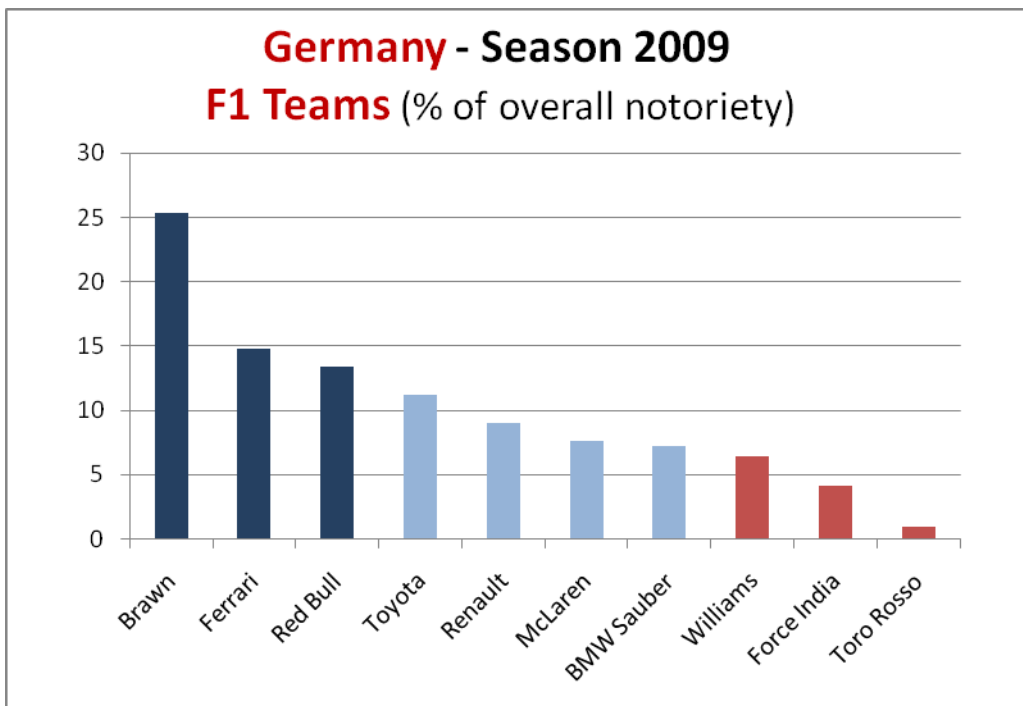
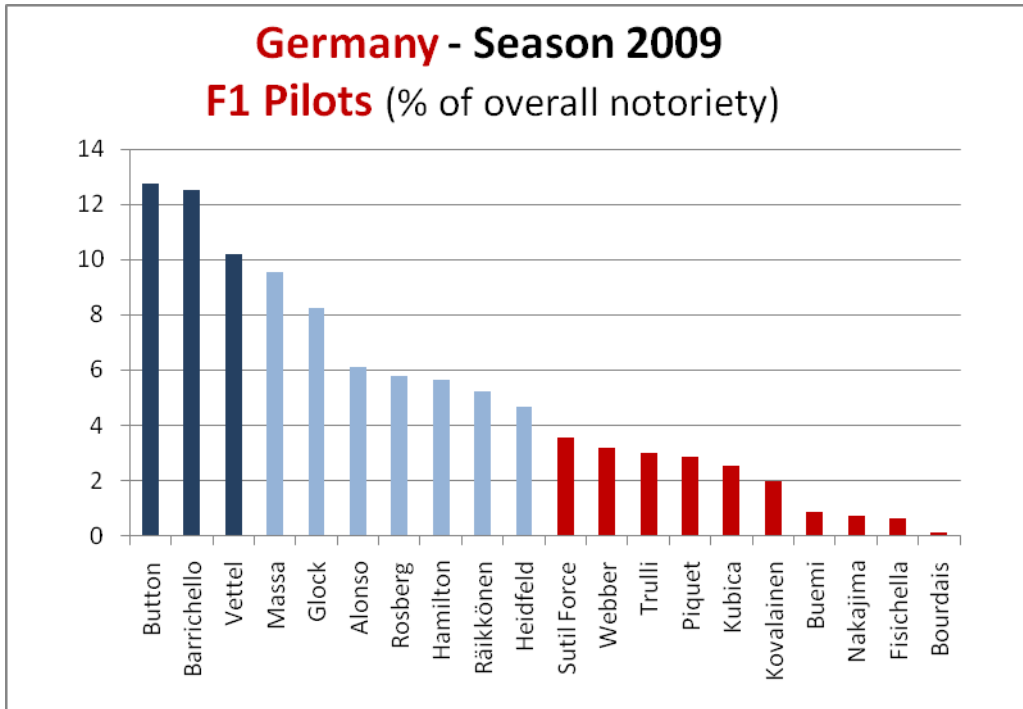


Table 3.19 Notoriety quota of drivers and teams in Brazil

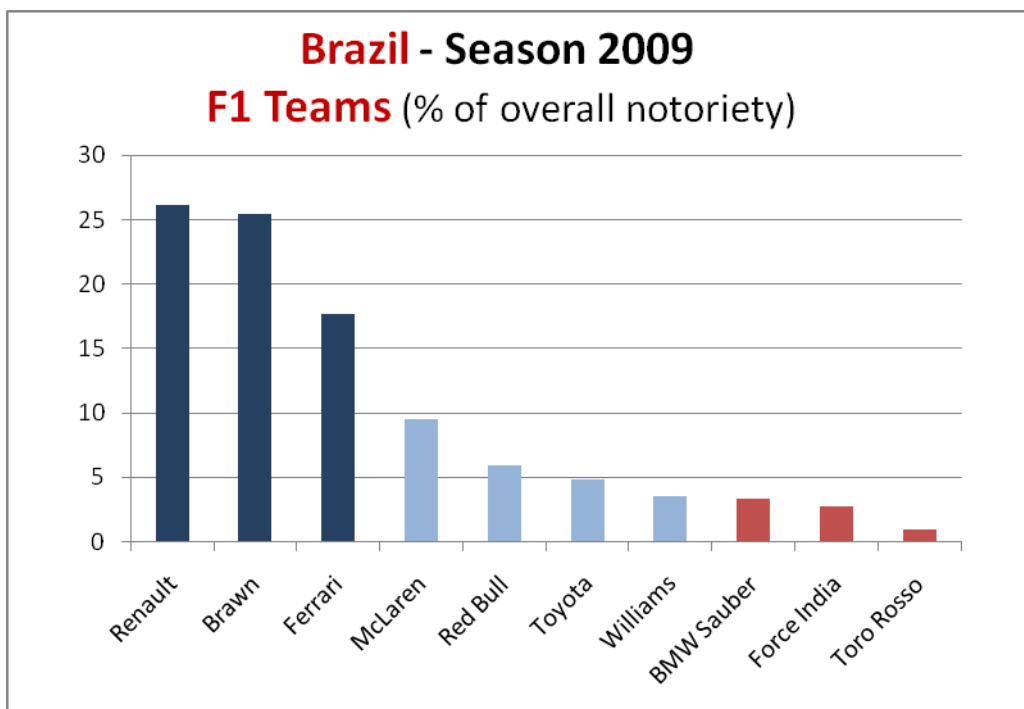
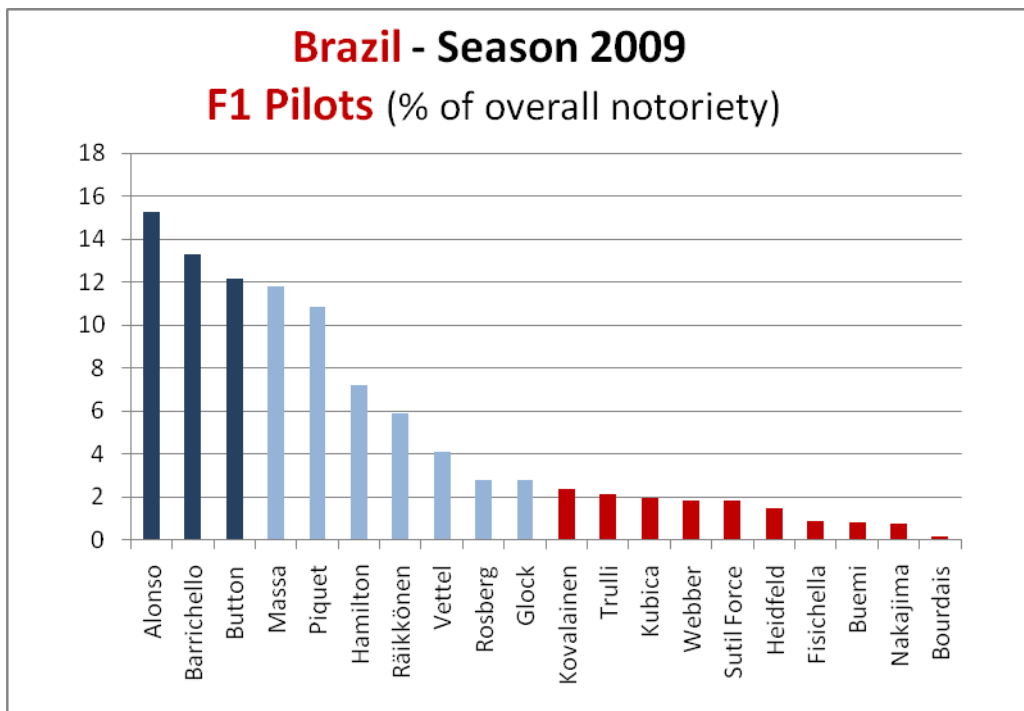


Table 3.20 Notoriety quota of drivers and teams in the UK

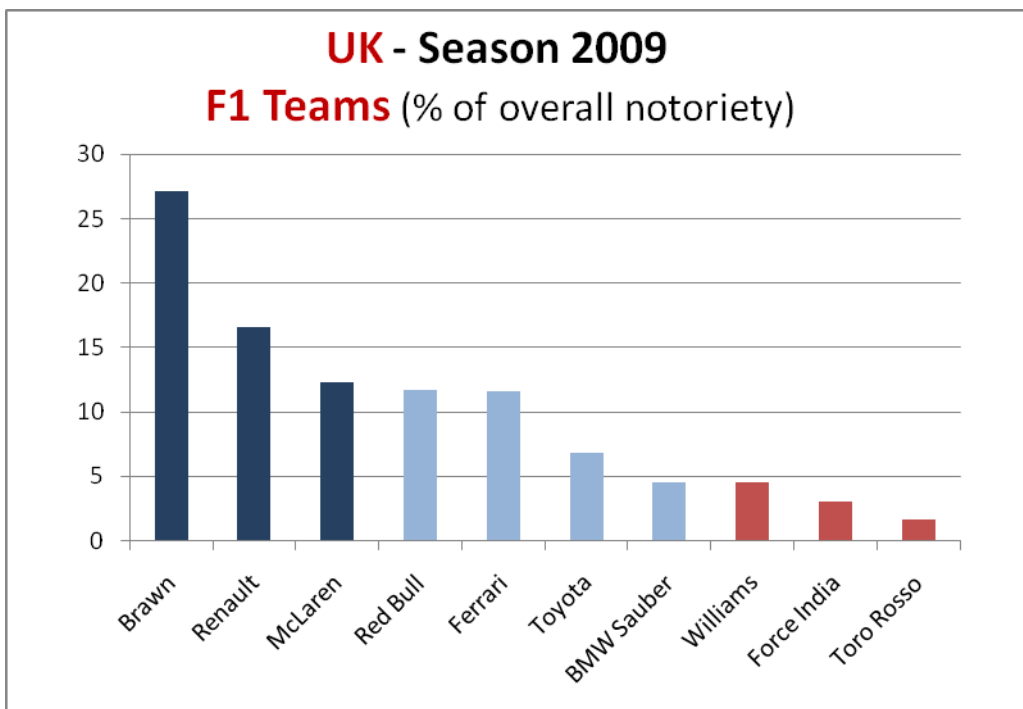
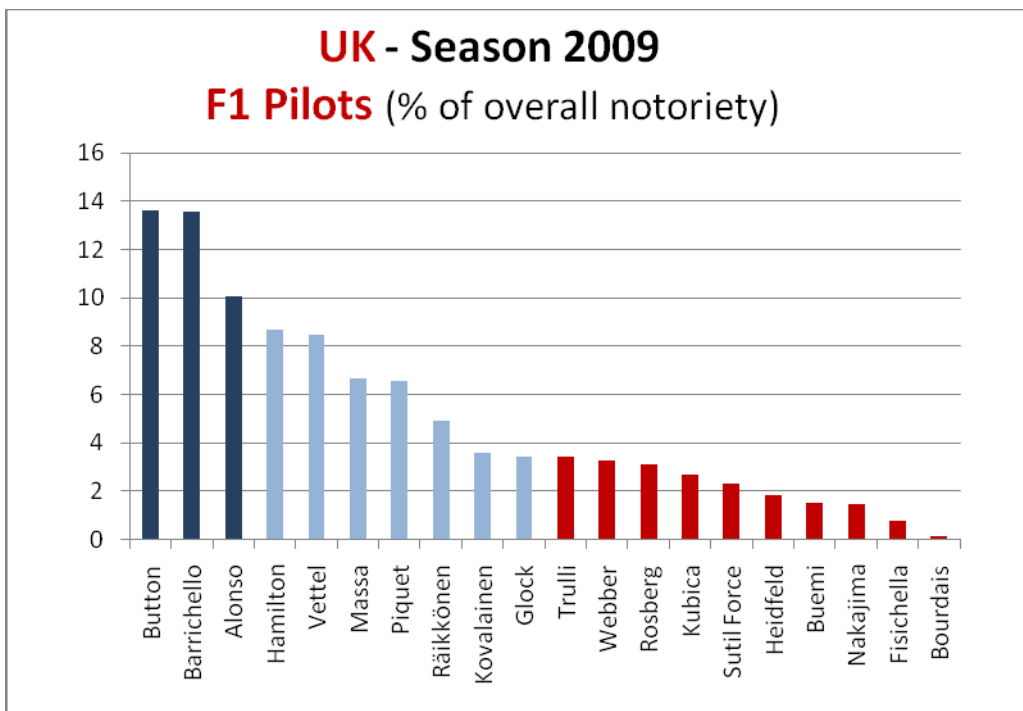


Table 3.21 Notoriety quota of drivers and teams in Spain

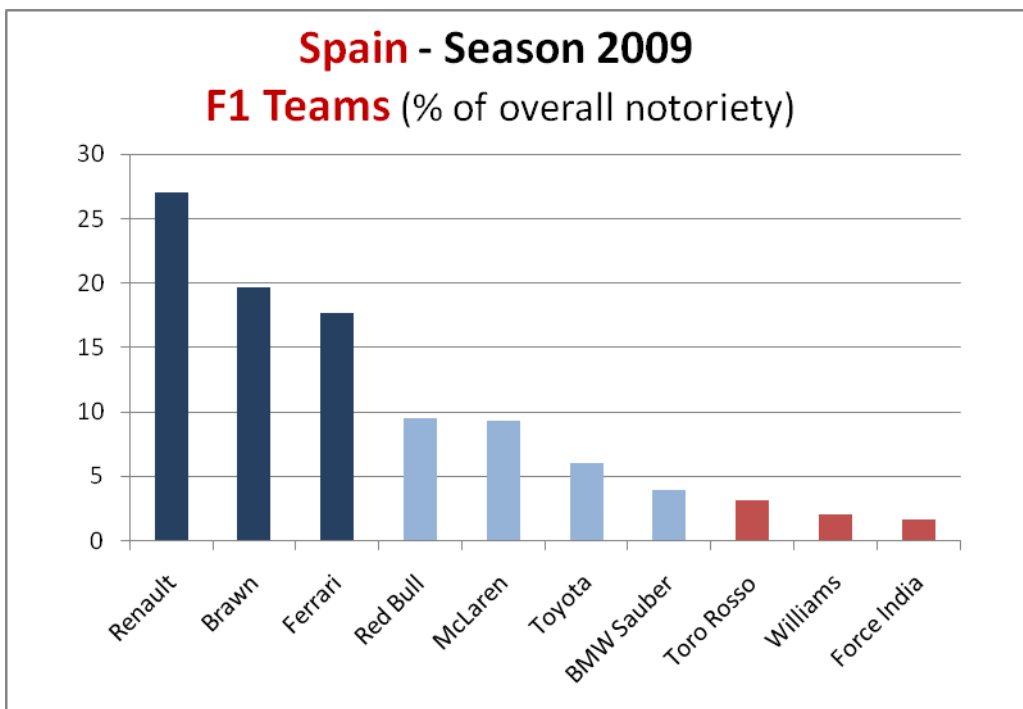
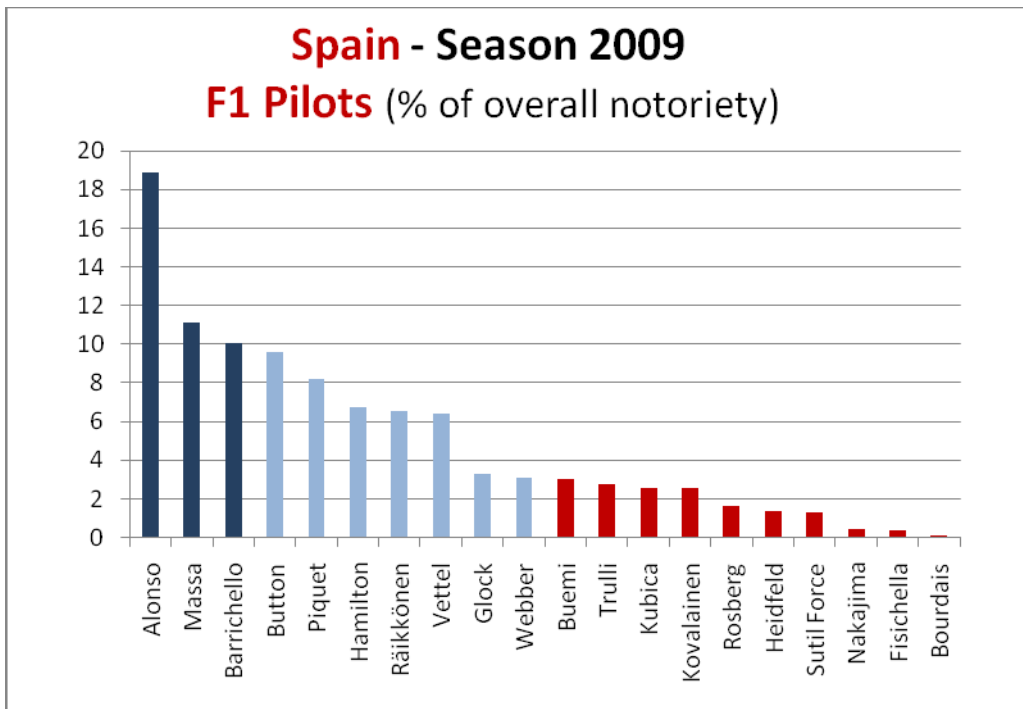


Table 3.22 Notoriety quota of drivers and teams in Italy

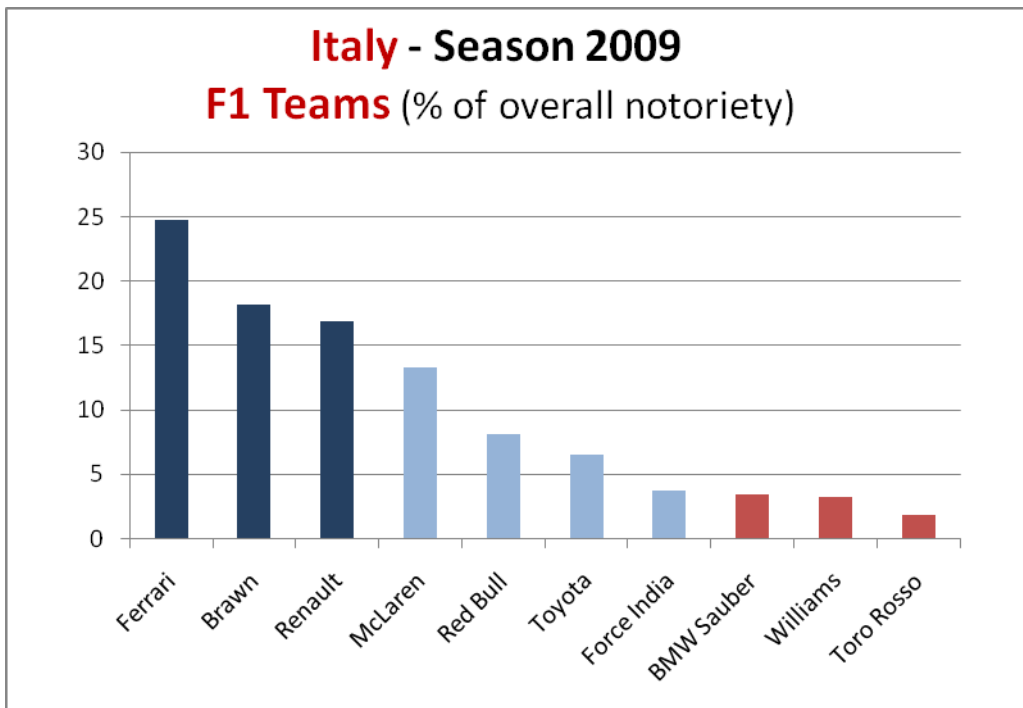
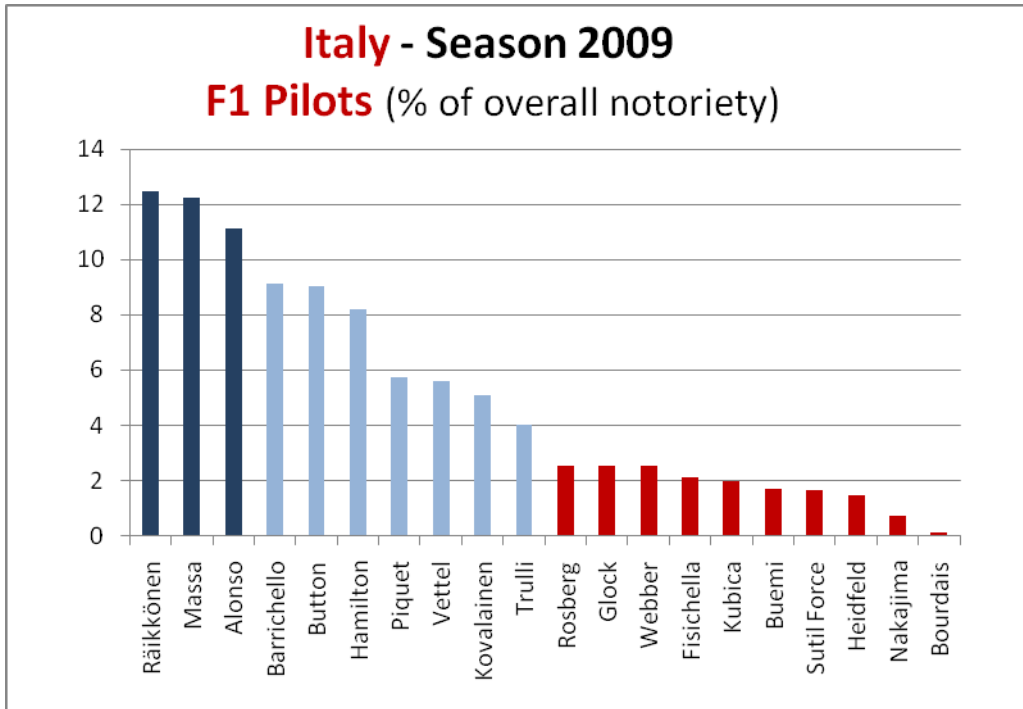


Table 3.23 Notoriety quota of drivers and teams in the USA

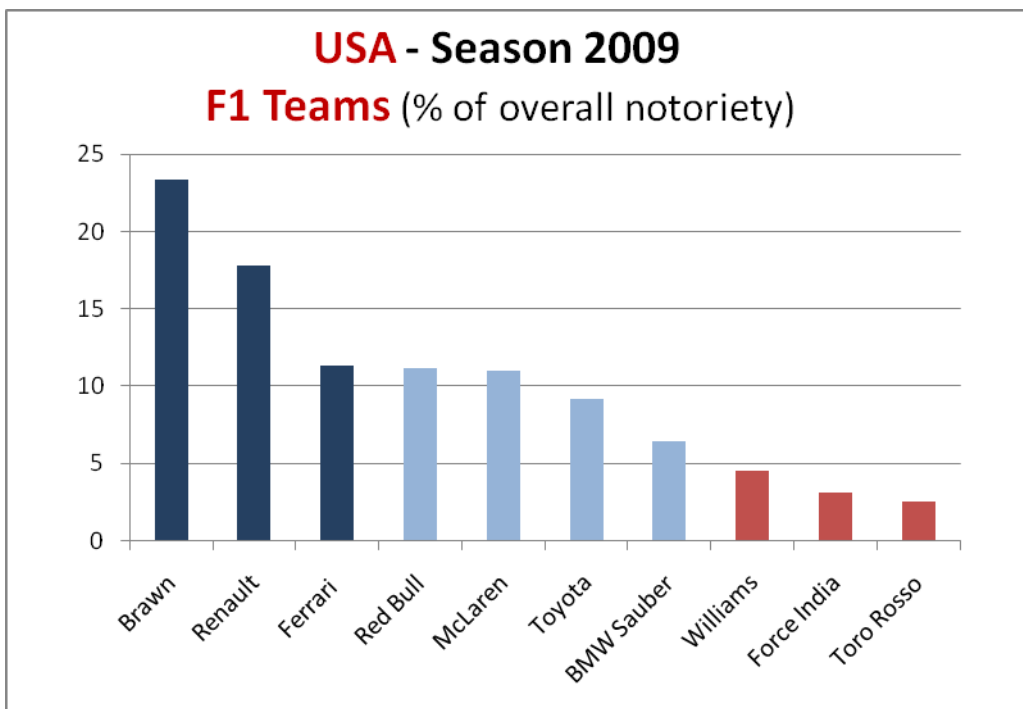
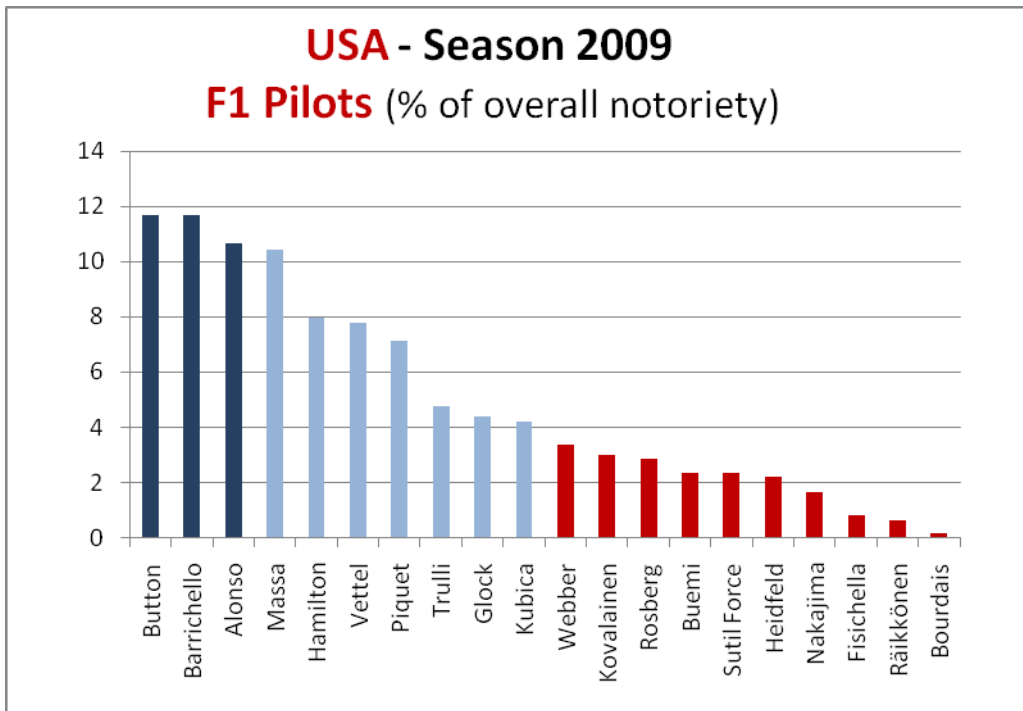


Table 3.24 Notoriety quota of drivers and teams in France

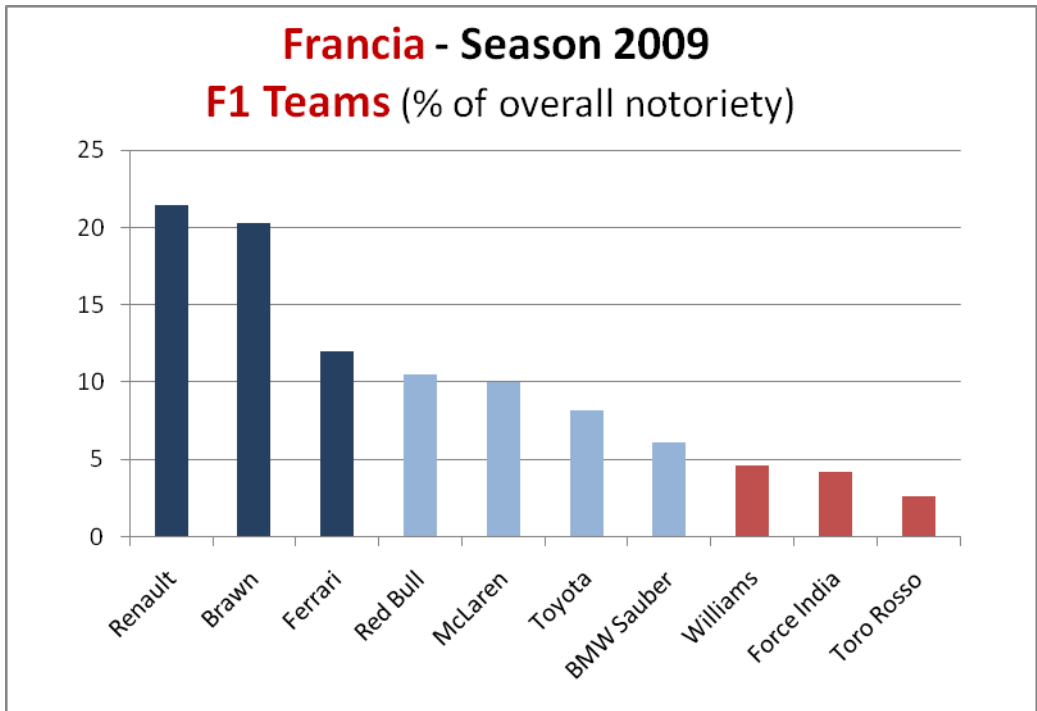
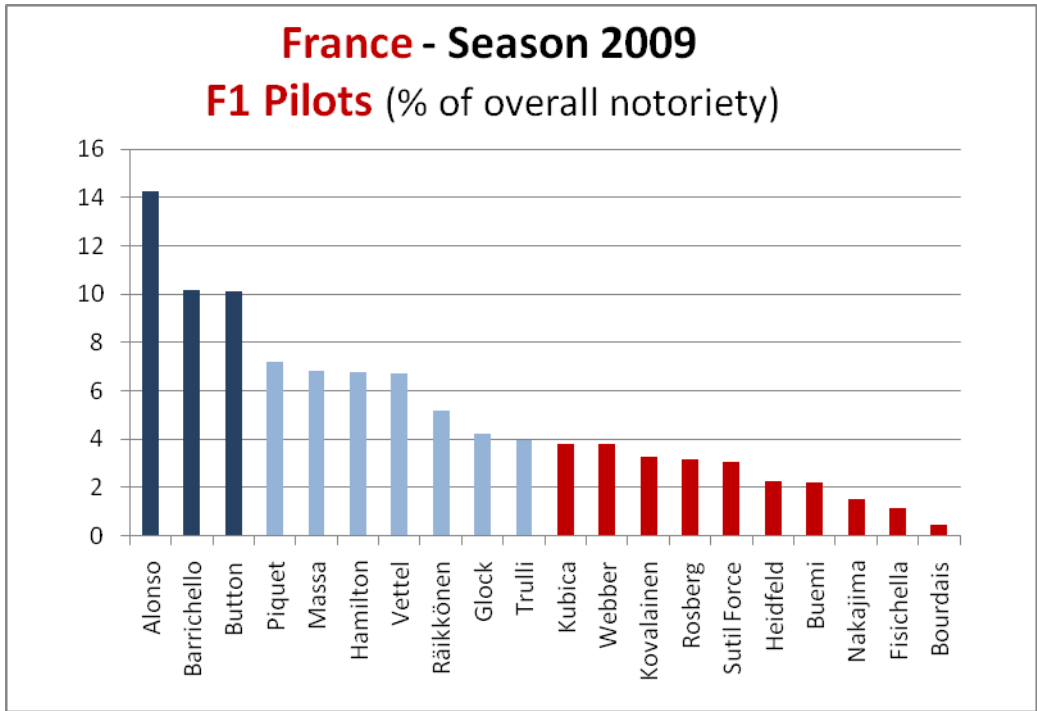


Table 3.25 Notoriety quota of drivers and teams in China

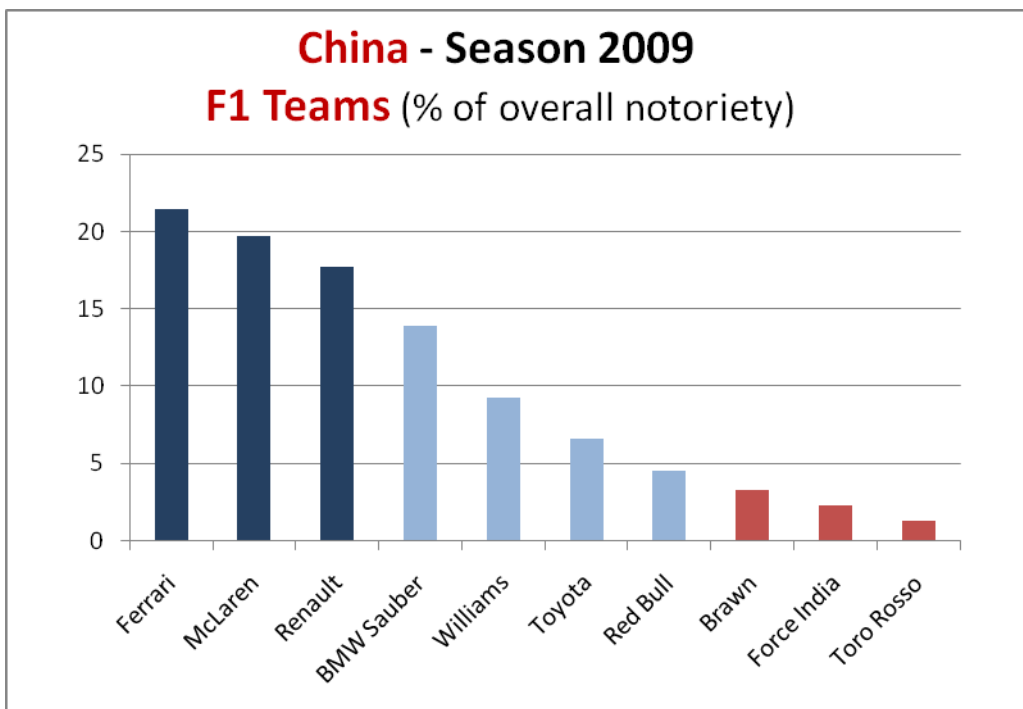
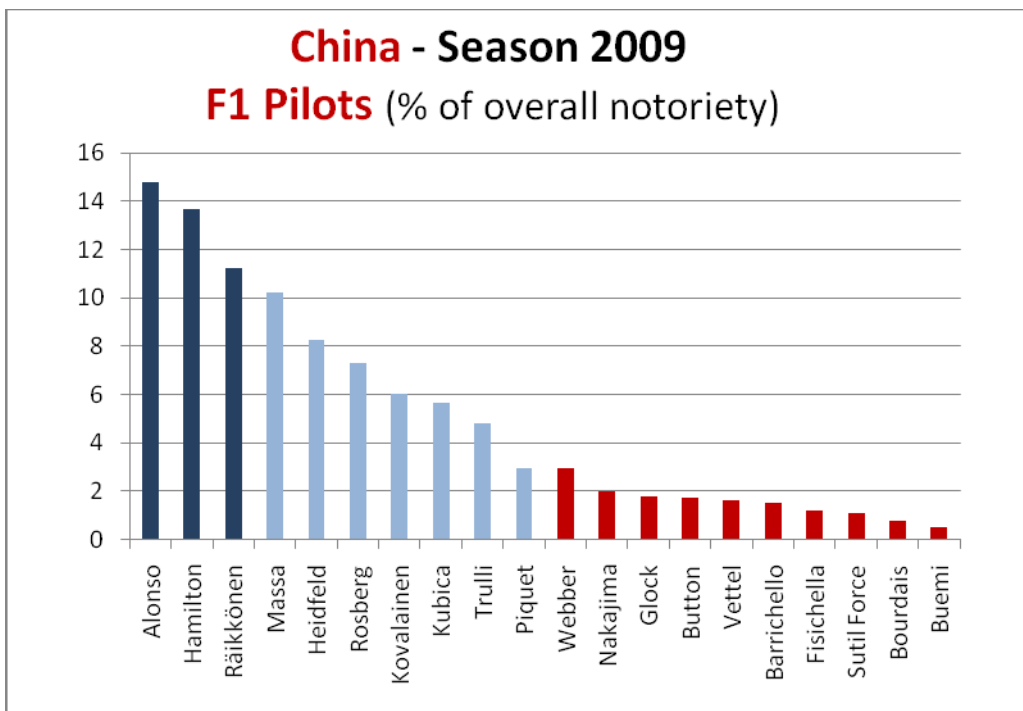


Table 3.26 Notoriety quota of drivers and teams in Holland

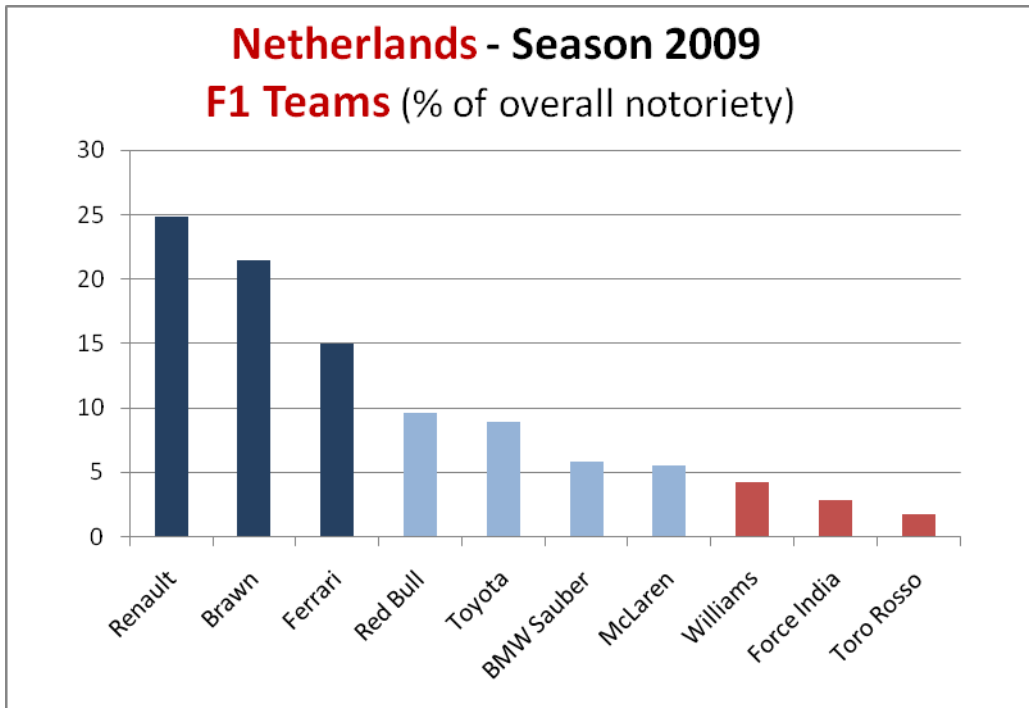
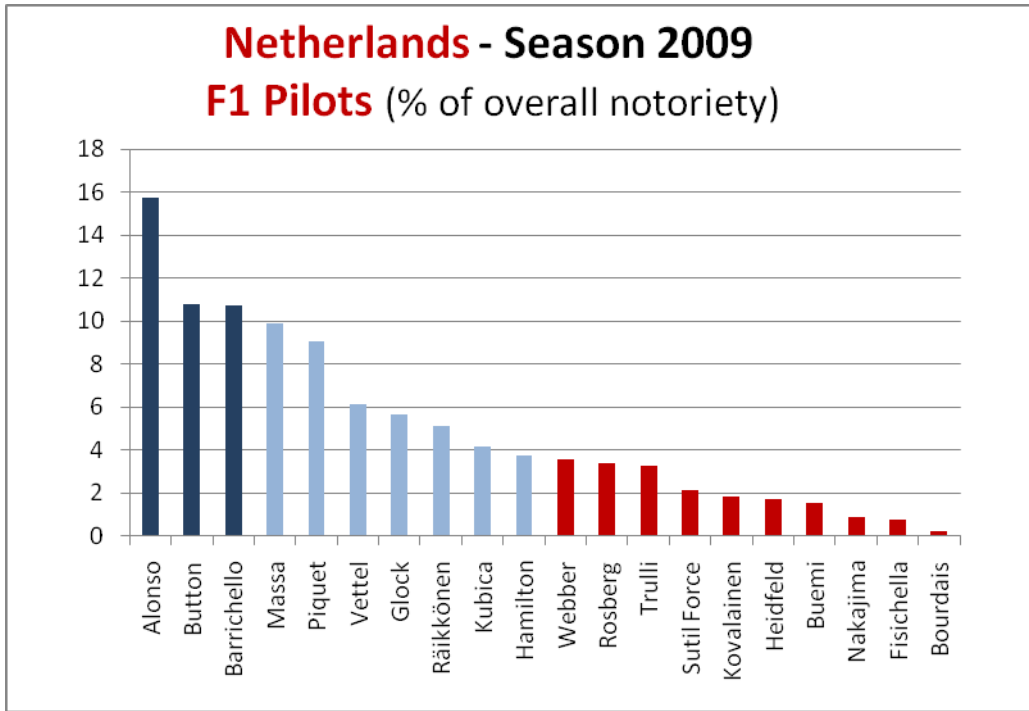


Table 3.27 Notoriety quota of drivers and teams in Indonesia

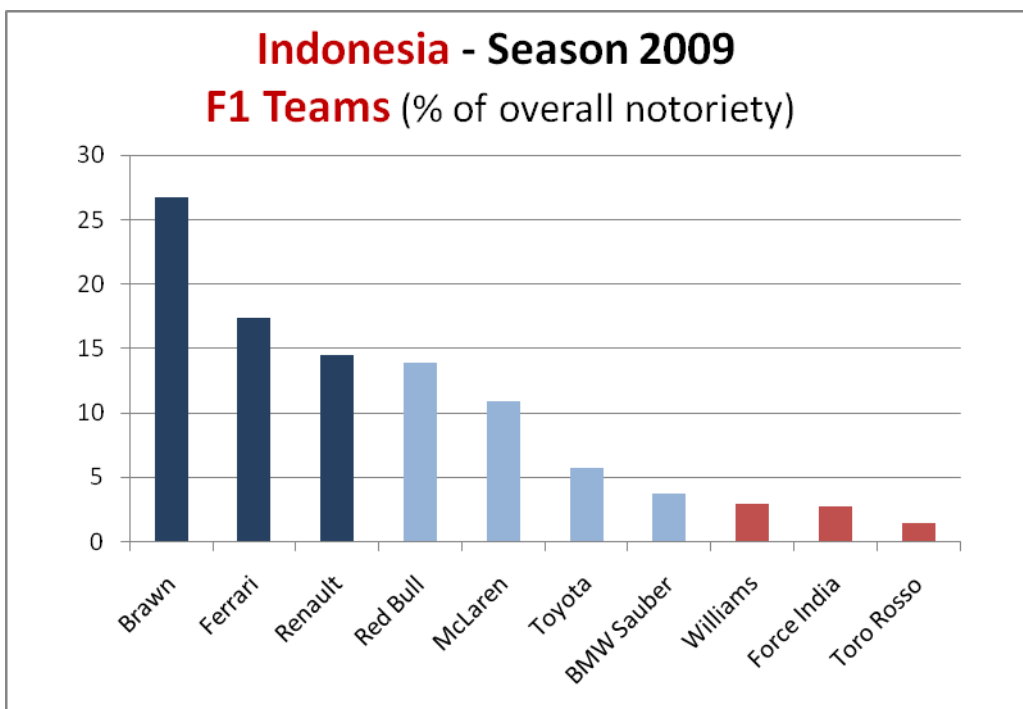
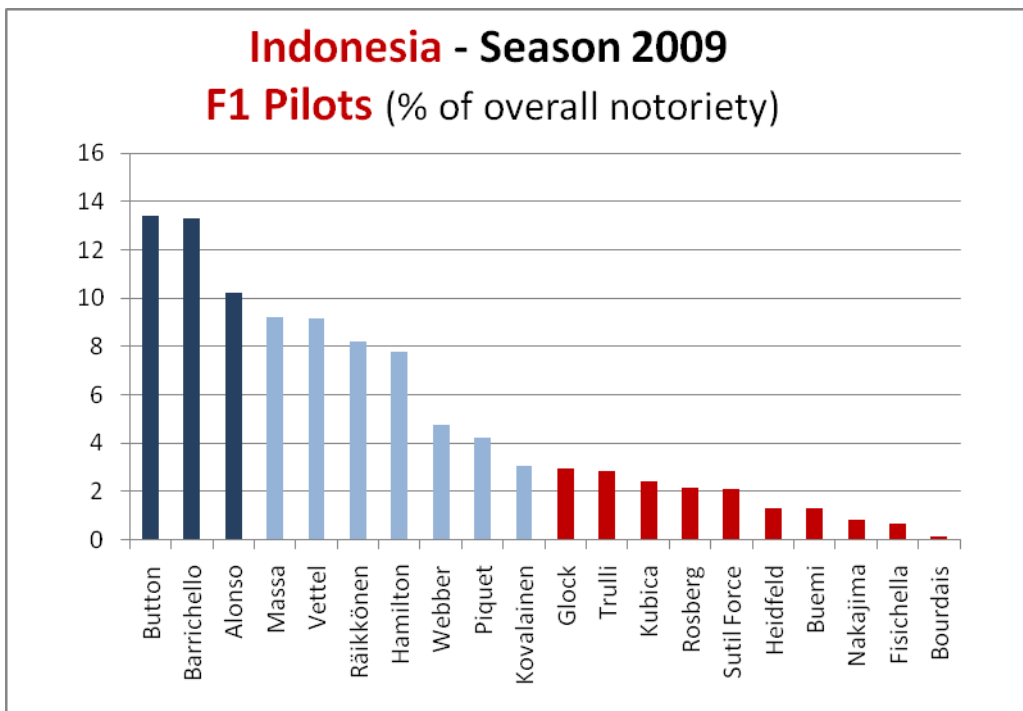


Table 3.28 Notoriety quota of drivers and teams in Hungary

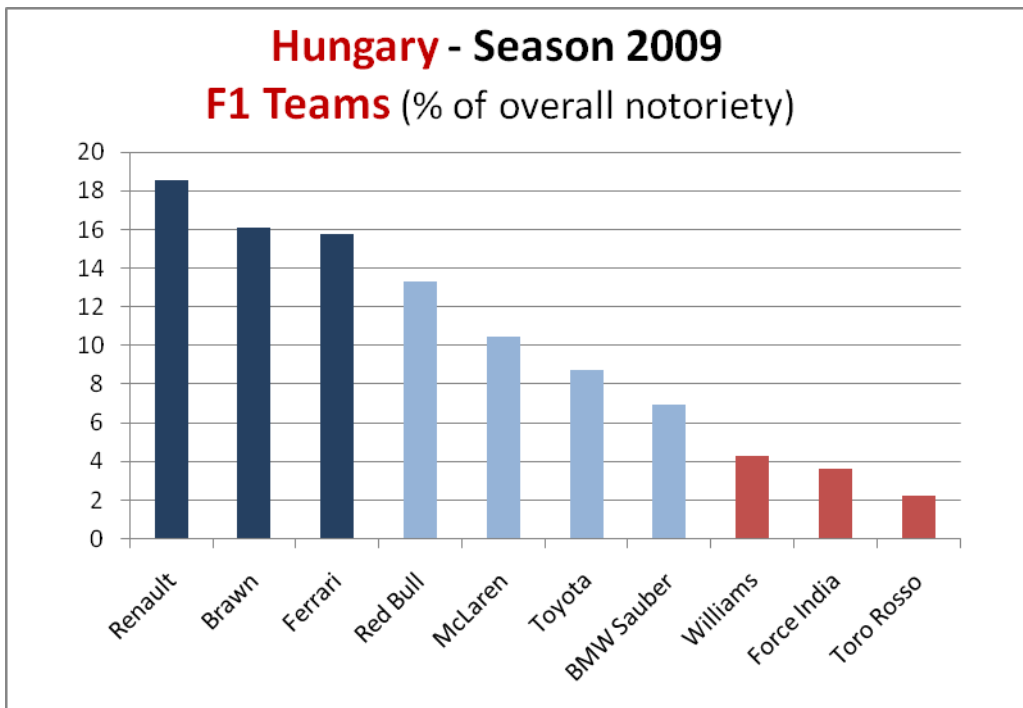
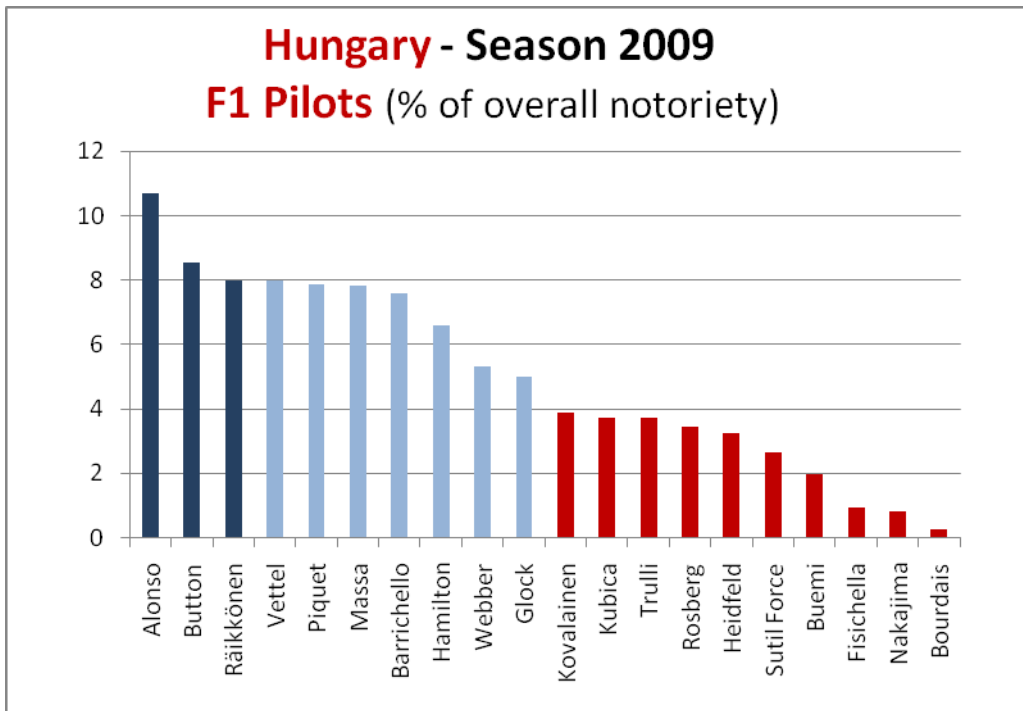


Table 3.29 Notoriety quota of drivers and teams in Japan

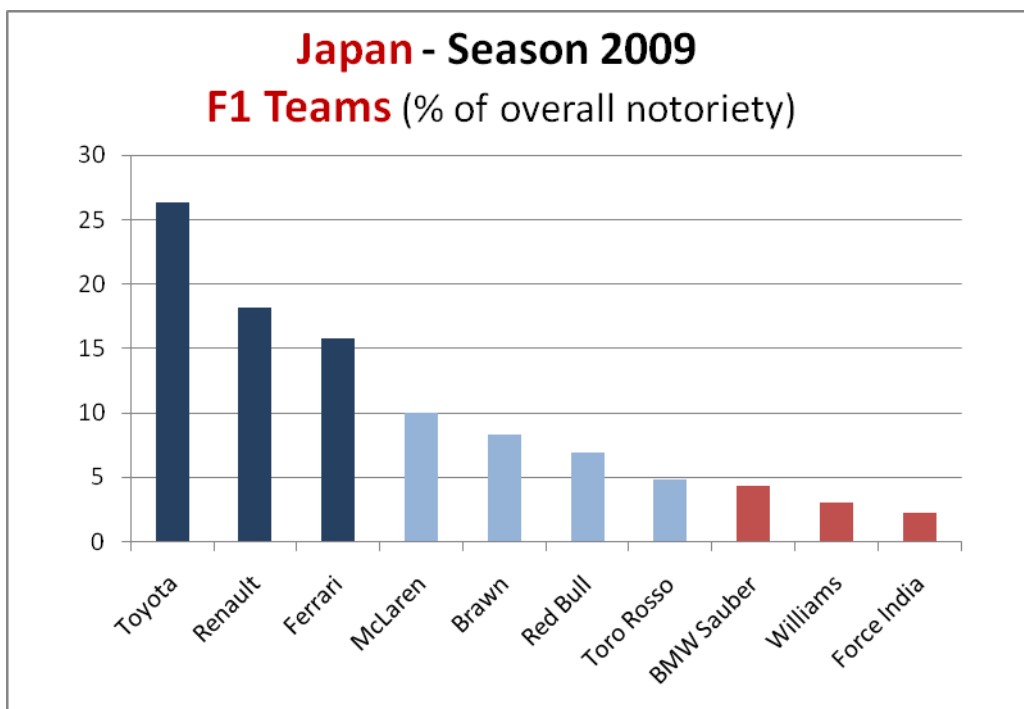
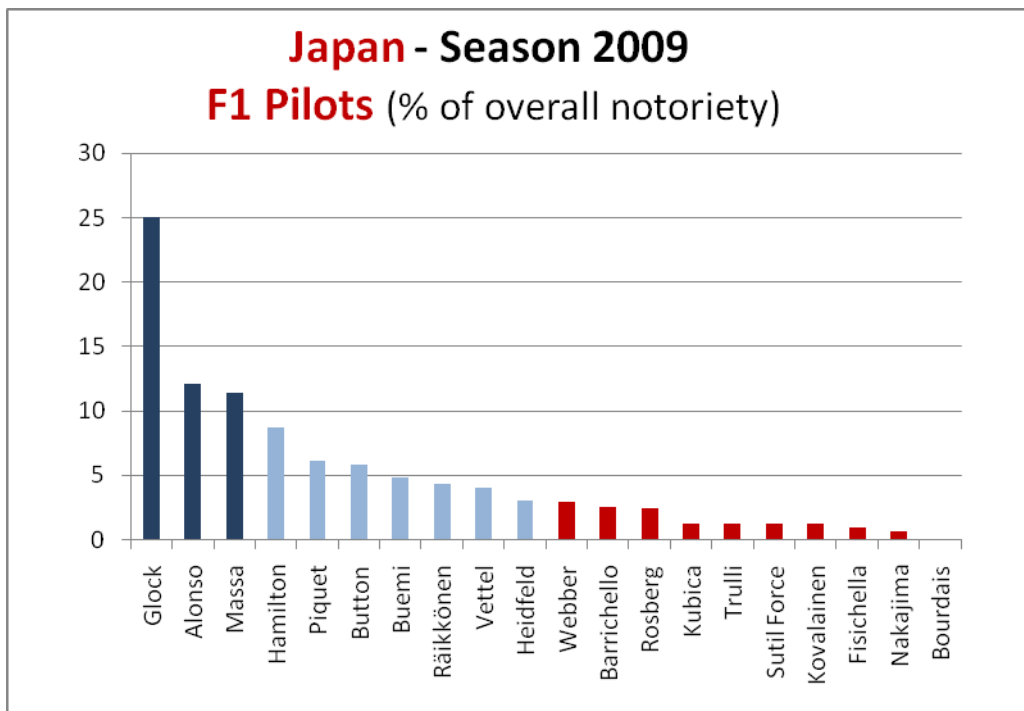


Table 3.30 Notoriety quota of drivers and teams in Turkey

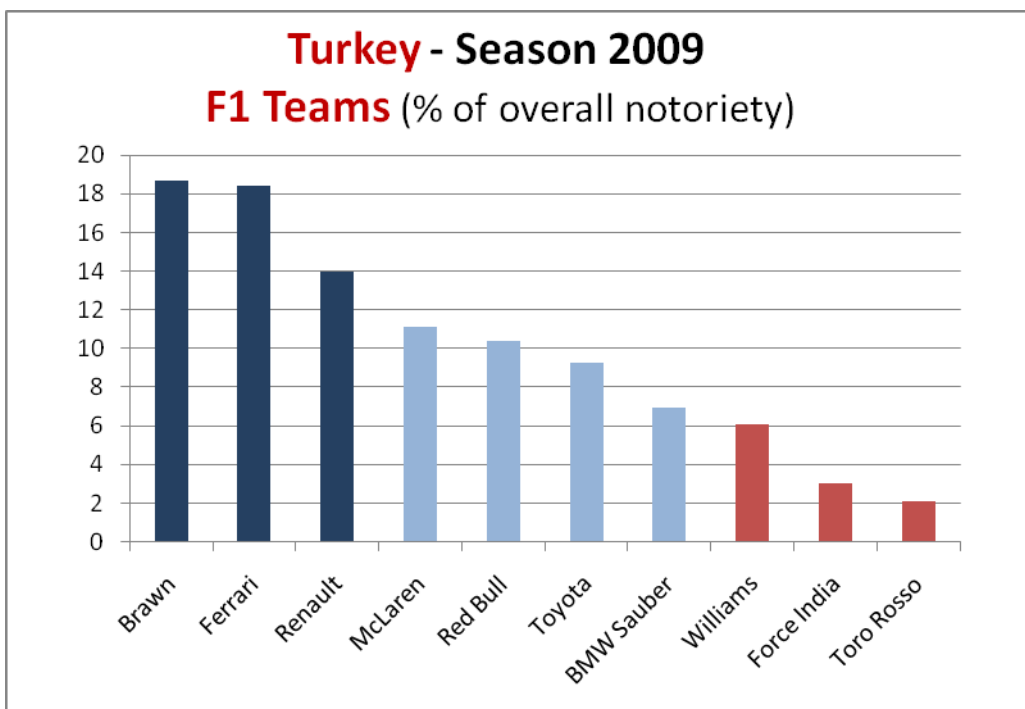
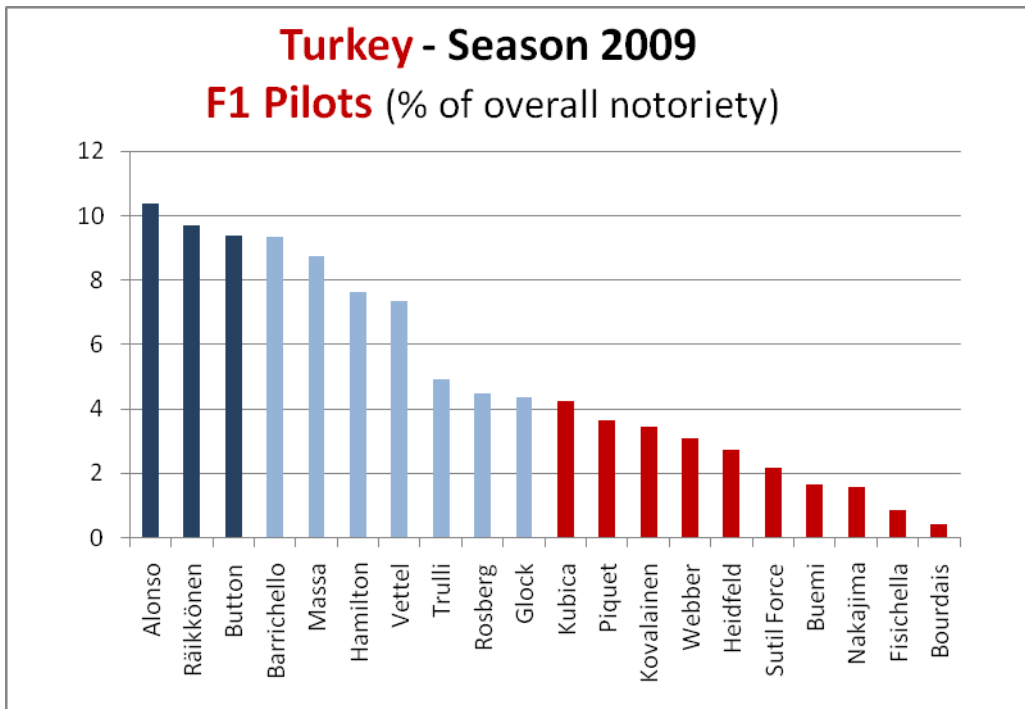


Table 3.31 Notoriety quota of drivers and teams in Poland

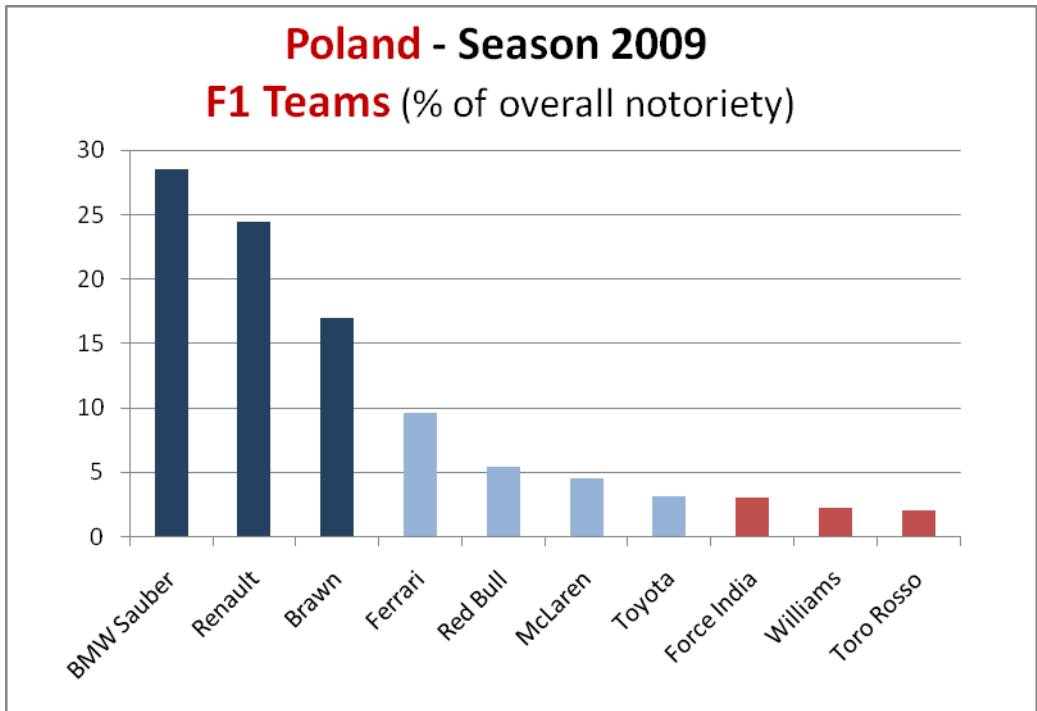
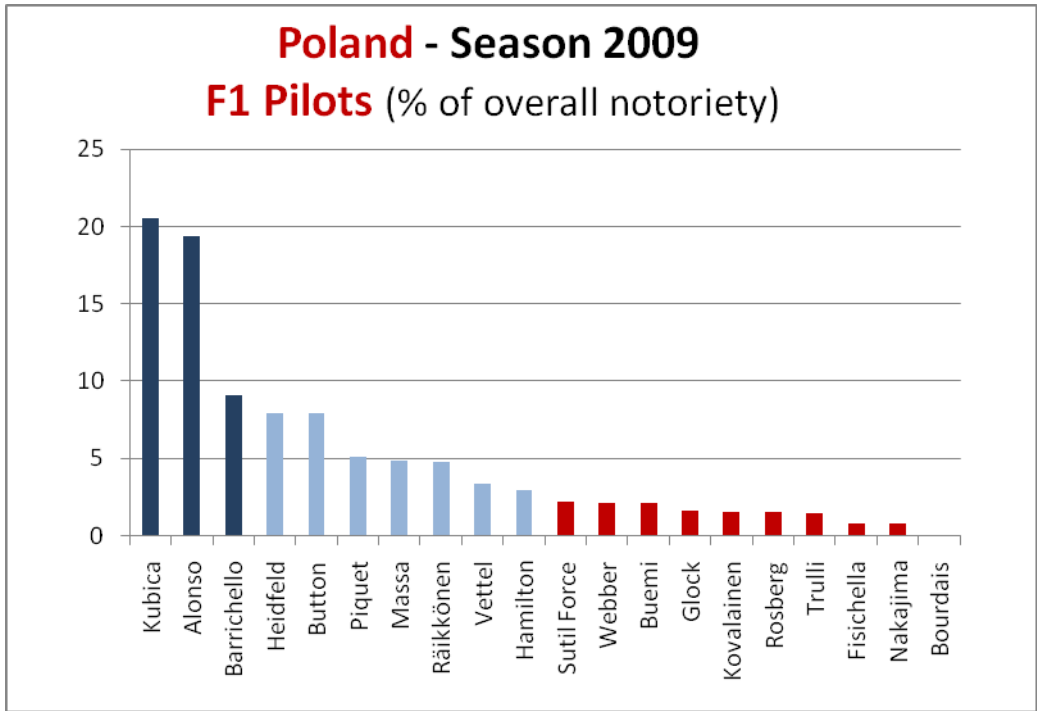


Table 3.32 Notoriety quota of drivers and teams in Australia

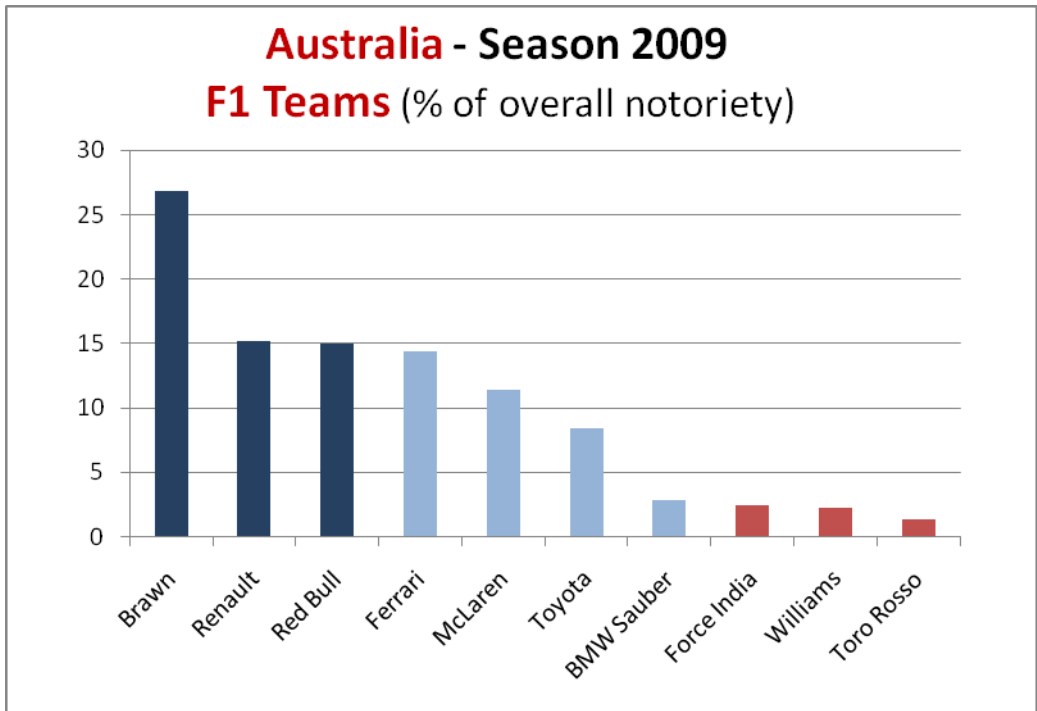
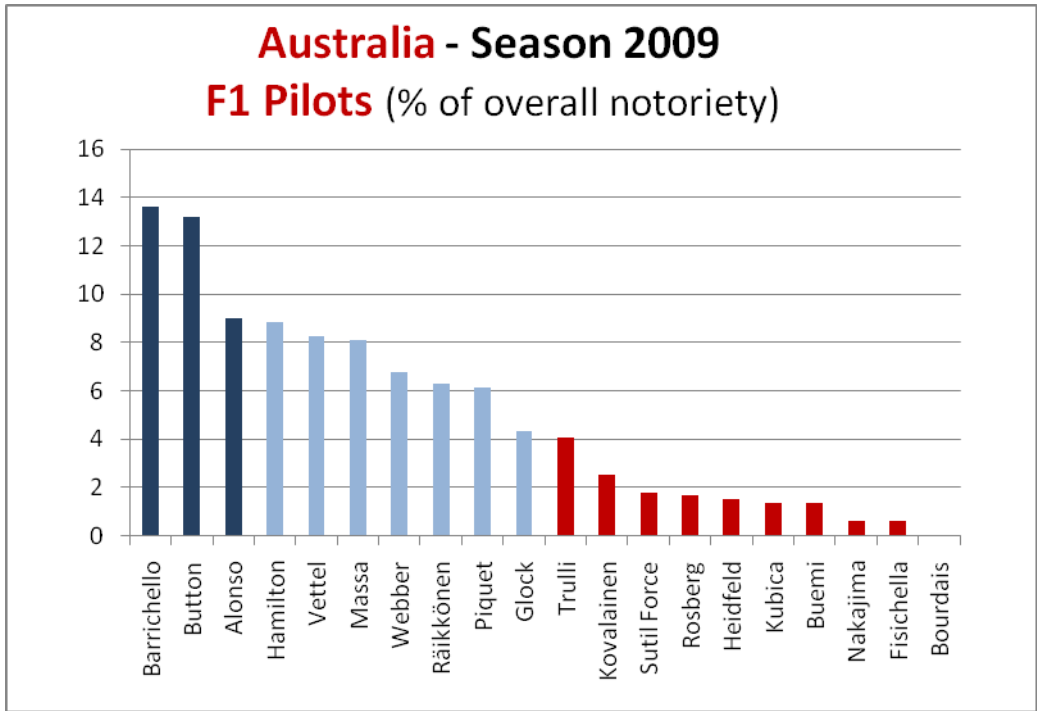
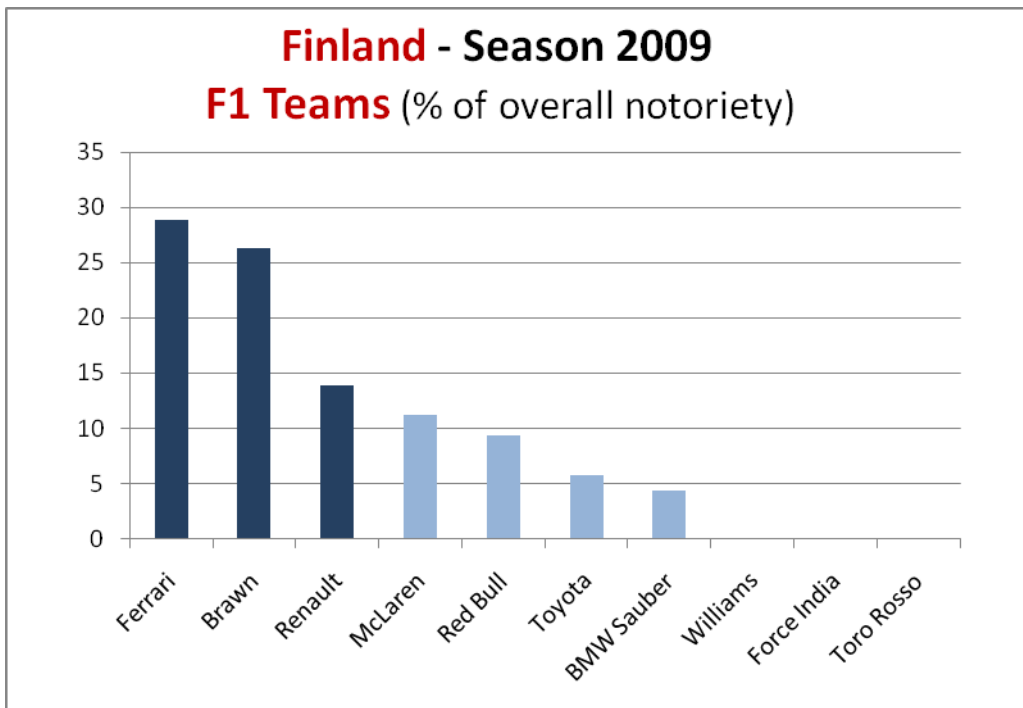
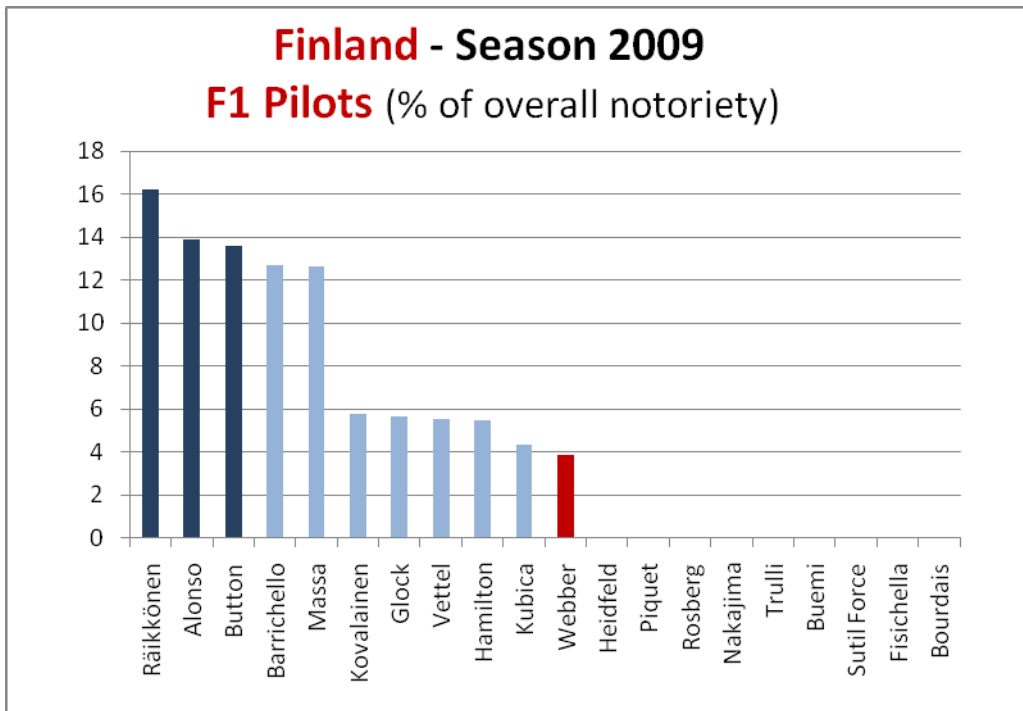


Table 3.33 Notoriety quota of drivers and teams in Finland



Chapter 4

Media value evolution through the 2009 season

The first two sections presented different rankings of the global media value, taking into account the information in a more aggregated level. For its part, chapter 3 has examined closely the geographical distribution of the interest caused by Formula 1, which is a way of identifying the main markets where to exploit the spectacle of this sport. In this chapter, instead of attending to the spatial dimension, we are going to focus on the temporary one, examining the media evolution of the drivers and teams throughout the 2009 season. To do this, we will consider what happened in the following Grand Prix:

1	27 - 29 Mar	2009 FORMULA 1 ING AUSTRALIAN GRAND PRIX (Melbourne)
2	03 - 05 Apr	2009 FORMULA 1 PETRONAS MALAYSIAN GRAND PRIX (Kuala Lumpur)
3	17 - 19 Apr	2009 FORMULA 1 CHINESE GRAND PRIX (Shanghai)
4	24 - 26 Apr	2009 FORMULA 1 GULF AIR BAHRAIN GRAND PRIX (Sakhir)
5	08 - 10 May	FORMULA 1 GRAN PREMIO DE ESPAÑA TELEFONICA 2009 (Catalunya)
6	21 - 24 May	FORMULA 1 GRAND PRIX DE MONACO 2009 (Monte Carlo)
7	05 - 07 Jun	2009 FORMULA 1 ING TURKISH GRAND PRIX (Istanbul)
8	19 - 21 Jun	2009 FORMULA 1 SANTANDER BRITISH GRAND PRIX (Silverstone)
9	10 - 12 Jul	FORMULA 1 GROSSER PREIS SANTANDER VON DEUTSCHLAND 2009
10	24 - 26 Jul	FORMULA 1 ING MAGYAR NAGYDIJ 2009 (Budapest)
11	21 - 23 Aug	2009 FORMULA 1 TELEFONICA GRAND PRIX OF EUROPE (Valencia)
12	28 - 30 Aug	2009 FORMULA 1 ING BELGIAN GRAND PRIX (Spa-Francorchamps)
13	11 - 13 Sep	FORMULA 1 GRAN PREMIO SANTANDER D'ITALIA 2009 (Monza)
14	25 - 27 Sep	2009 FORMULA 1 SINGTEL SINGAPORE GRAND PRIX (Singapore)
15	02 - 04 Oct	2009 FORMULA 1 FUJI TELEVISION JAPANESE GRAND PRIX (Suzuka)
16	16 - 18 Oct	FORMULA 1 GRANDE PREMIO PETROBRAS DO BRASIL 2009 (Sao Paulo)
17	30 Oct-01 Nov	2009 FORMULA 1 ETIHAD AIRWAYS ABU DHABI GRAND PRIX (Yas Marina)

The results offered here are based on the ESI index of reputation (that measures the media coverage estimated from the number of news generated in each Grand Prix), and in popularity. Table 4.1 summarizes the main results of these measurements, expressing the results as a percentage of the total of the season. The concepts of notoriety and popularity, as well as the way to measure them, were explained in the beginning of this report. In the methodological introduction is also explained the procedure for calculating the ESI index of media value.

Table 4.1 Notoriety, popularity and MV of the Grand Prix. Season 2009

<i>Season 2009</i>				
<i>Rank</i>	<i>Grand Prix</i>	<i>Notoriety</i>	<i>Popularity</i>	<i>ESI MV Ranking</i>
1	Melbourne - Australia	6,20	8,79	7,49
2	Sepang - Malaysia	5,21	4,90	5,06
3	Shanghai - China	4,97	7,13	6,05
4	Sakhir - Bahrain	4,58	1,03	2,81
5	Catalunya - Spain	4,61	8,27	6,44
6	Montecarlo - Monaco	4,34	8,51	6,43
7	Istanbul - Turkey	3,89	2,73	3,31
8	Silverstone - Britain	4,21	9,62	6,91
9	Nurburgring - Germany	5,16	4,02	4,59
10	Budapest - Hungary	5,91	2,73	4,32
11	Valencia - Europe	7,59	8,27	7,93
12	Spa - Belgium	7,41	6,19	6,80
13	Monza - Italy	10,39	7,30	8,84
14	Singapore	4,79	4,96	4,87
15	Suzuka - Japan	5,16	7,74	6,45
16	Sao Paulo - Brasil	10,69	7,01	8,85
17	Yas Marina - Abu Dhabi	4,89	0,80	2,85

The analysis of the evolution experienced by the media value of Formula 1 throughout the season can be very useful from several points of view. To begin, the results presented below allow us to stipulate the relative weight of different races, as well as to measure the media intensity of the season in the different stages of the competition.

Initially, we are going to present the results shown separately as regards notoriety and popularity; the disaggregated information is very relevant, as it is the media value components with very different implications.

First, Figure 4.1 shows the levels of notoriety associated with each of the Grand Prix. The measurements have been made respecting always the same temporary space: the news generated in a period of 5 days have been considered, beginning 3 days before the championship and including also the day after the race. This measure of notoriety indicates us the degree of interest that Formula 1 has aroused in the mass media throughout the 2009 season.

Figure 4.1 Evolution of the notoriety through the 2009 season

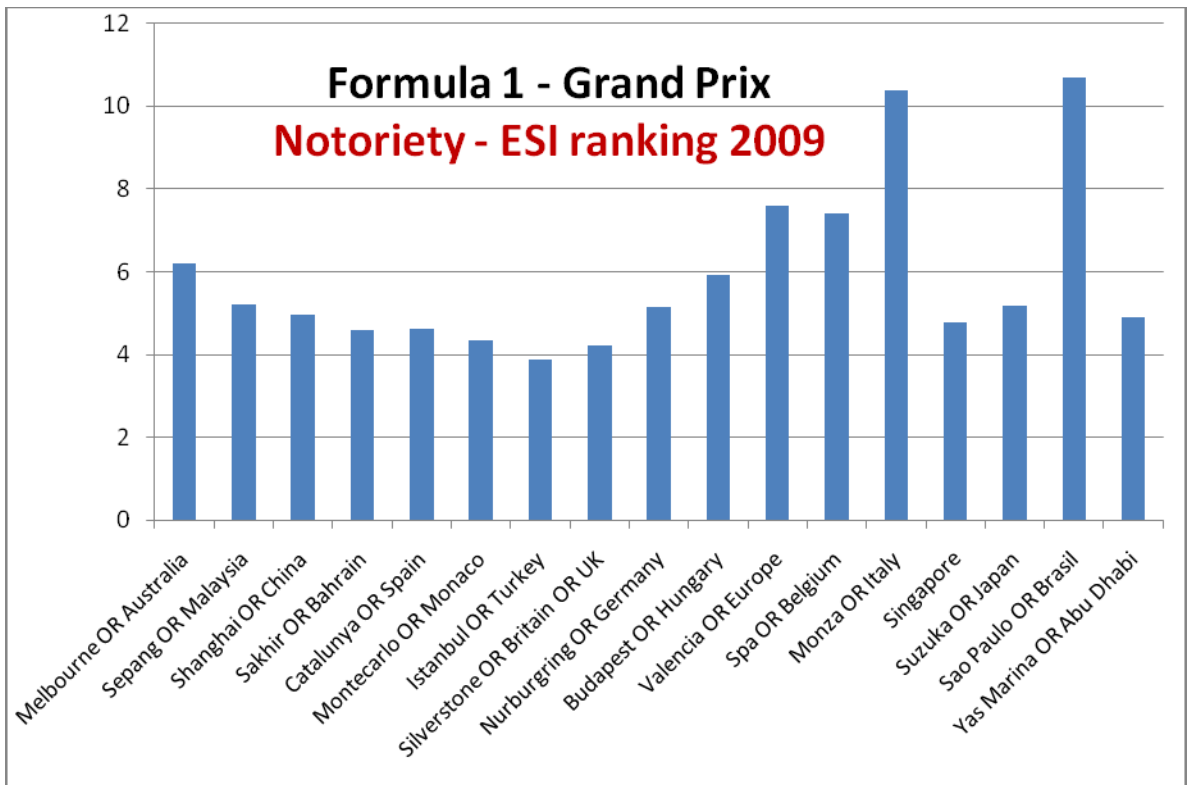
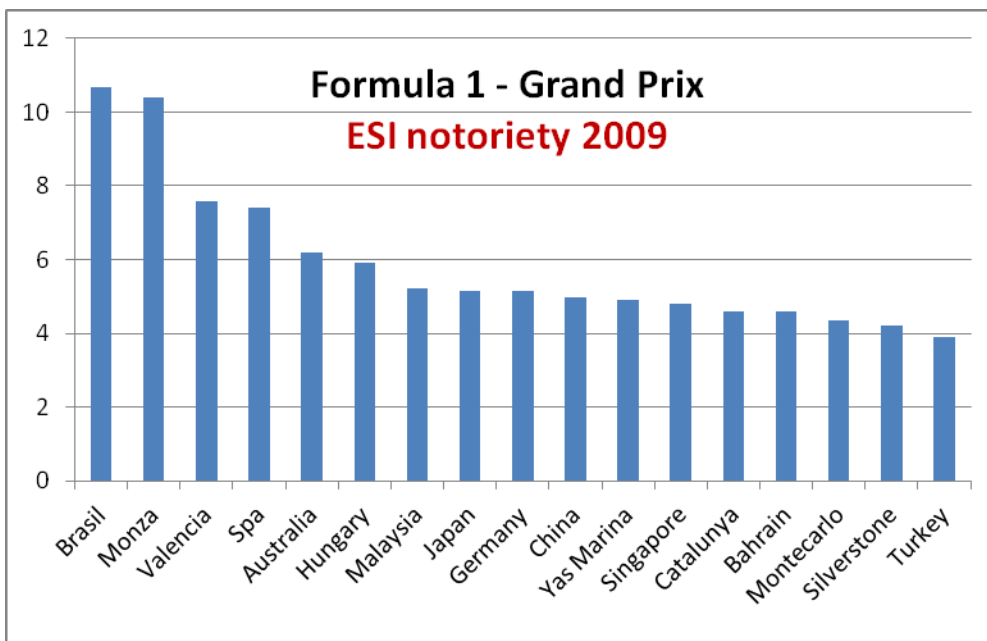


Figure 4.2 shows the same results, but in this case the levels of notoriety have been ordered from the largest to the smallest (rather than maintaining the order of the competition). This graph allows us to identify at a glance those Grand Prix that have captured the attention of the media.

Figure 4.2 Notoriety ranking of the Grand Prix (Season 2009)

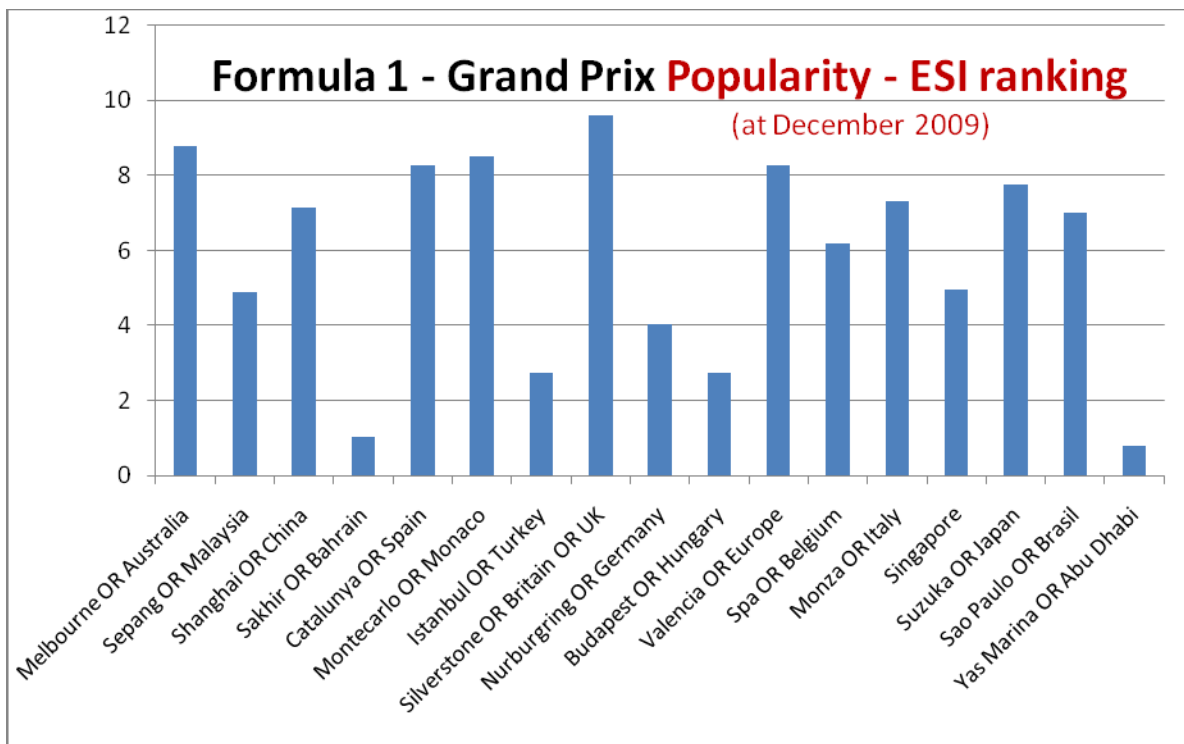


Our results reveal that the Grand Prix of Brazil has been the most distinguished landmark of the year, which was not surprising at all when considering that Sao Paulo was the decisive race to find out who was going to be the new champion, Jenson Button. Behind, and very closely, was Monza (with 10.39 points of notoriety), a circuit whose reputation usually presents very high levels of attraction in the media. Valencia (7.59 points), in its second year as scene of this big circus, has been widely accepted by the audience, fulfilling the high expectations that the organizers had deposited in it. For what concerns Spa (7.41 points) and Melbourne (first race of the Grand Prix, with 6.20 points), also this two grand prix are in the most privileged positions of notoriety.

As for popularity, an equally important component to evaluate the media value, our data draws a complementary picture to the one of notoriety. The following two graphs give some summarized data that determines the circuits that weigh more because of their history and tradition over the years.

First, figure 4.3, shows the profile of popularity following the order of the season. The erratic evolution of the graph is logical, since the heights of popularity depend on the history and tradition of each circuit, rather than the moment in which the grand prix is disputed. This result contrasts with the evolution of notoriety (figures 4.1) that depends much more on the calendar of the competition.

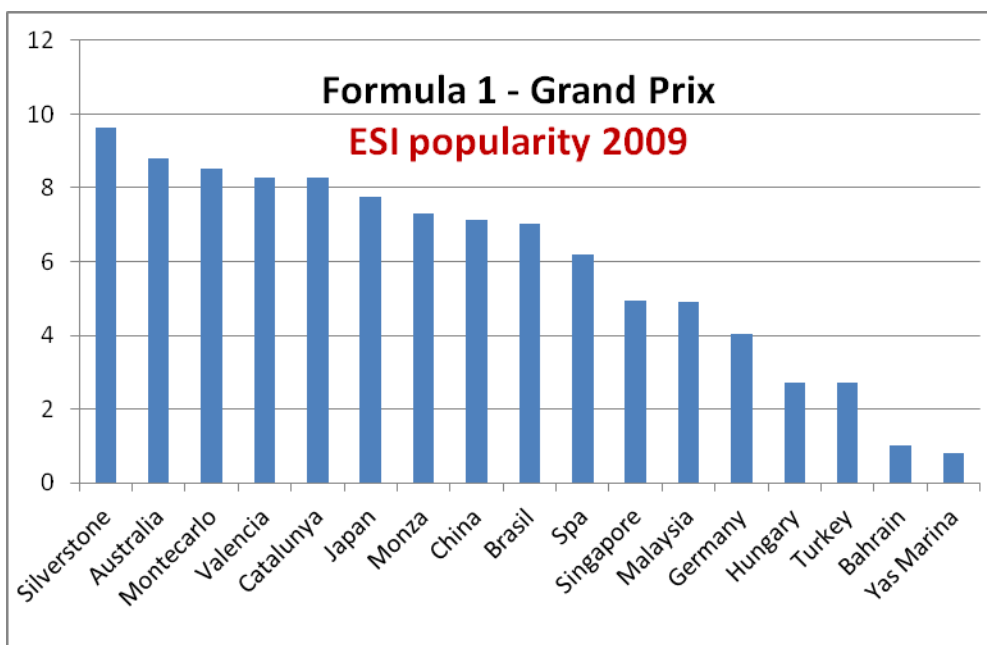
Figure 4.3 Evolution of the popularity throughout Season 2009



To appreciate more easily the ranking of the grand Prix in terms of popularity, figure 4.4 ranks the results from the highest to the lowest. For methodological consistency, we only include the circuits that have hold races in 2009 season. In first place, Silverstone stands out (with 9.62 points), circuit in which it was disputed the first Grand Prix in history. The following one that stands out is Melbourne (8.79 points), mythical circuit that since 1996 opens each season (except in 2006). Next come Montecarlo, Valencia and Catalunya, which reach very similar levels.

As for the least popular Grand Prix, in relative terms, some of them have a small impact: Hungary, Turkey, Bahrain and Yas Marina. The lowest popularity index is for Yas Marina (0.80 points), influenced certainly by the fact of being a novelty this year 2009.

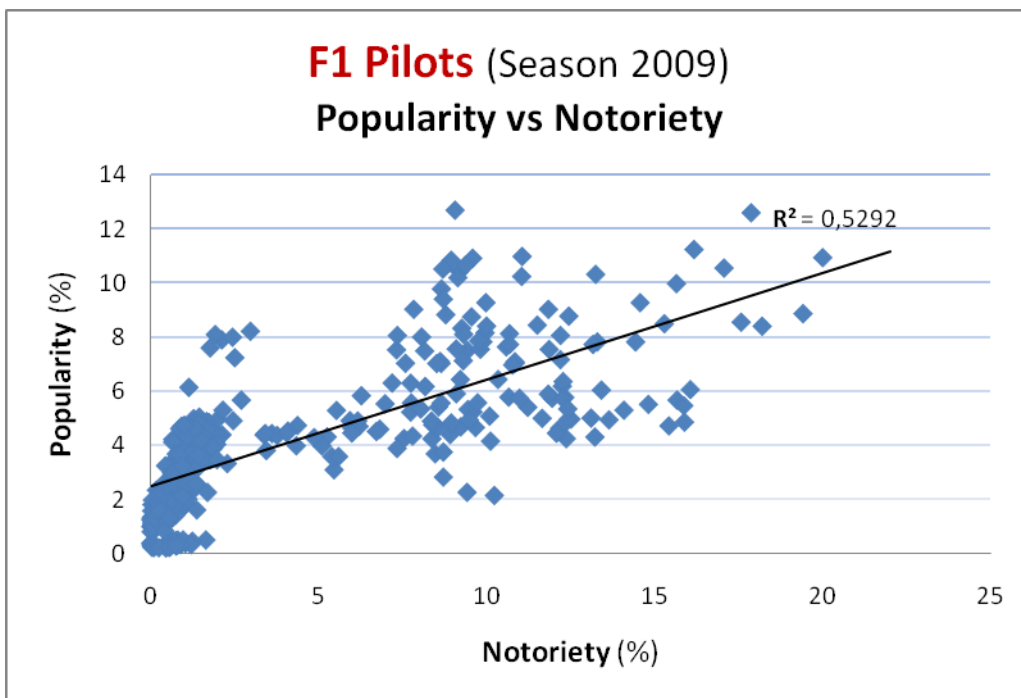
Figure 4.4 Popularity ranking of the Grand Prix (Season 2009)



So far we have been examining separately the relative thing to the reputation and to the popularity, which there constitute two diverse facets of the media pilot potential. The reputation takes the pulse of the media short-term value, measured by the number of news generated in the diverse mass media; whereas the popularity catches rather the media accumulated long-term status ensued from the record of sports successes and of the reputation that these achievements have been generating throughout the years. It is not the moment to examine closely the connection between reputation and popularity, but it can turn out to be illustrative to give some brushstrokes.

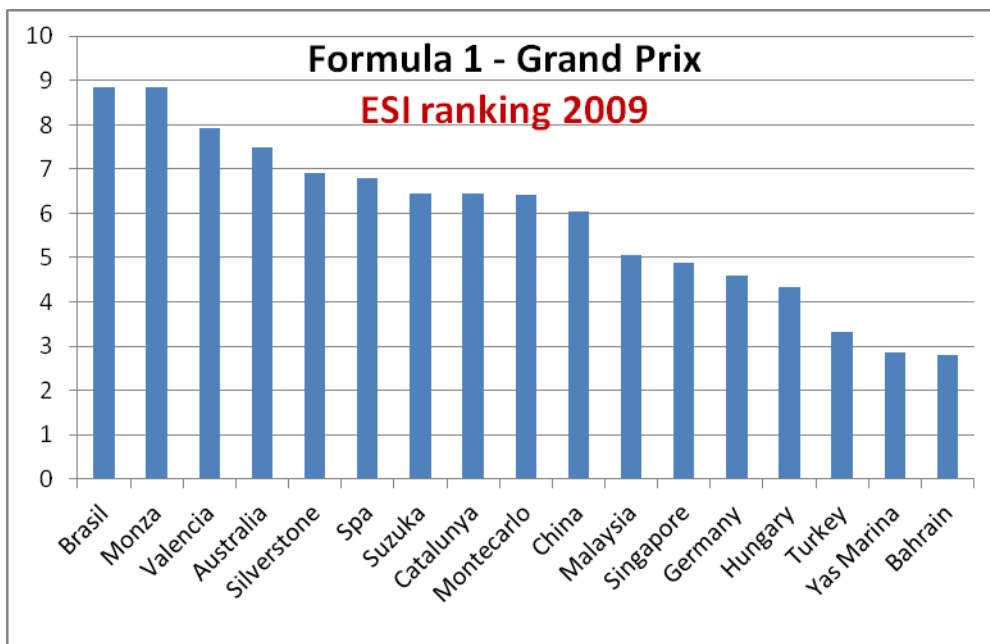
Figure 4.5 is the result of facing the positioning of the drivers in terms of notoriety, in front of its notoriety. The 408 observations correspond to the pairing of the indexes of popularity and notoriety (in % on the total) that each of the 24 drivers (associated with their team) reaches in each of the 17 Grand Prix considered. Of course, there is a strong positive relation between the two components of media value, although it is warn about the substantial deviations. But the detail analysis of this point is reserved for a subsequent technical note.

Figure 4.5 Popularity ranking of the Grand Prix (Season 2009)



As it has already been explained, in order to provide a global measure of media value, the ESI methodology calculates an index that combines notoriety and popularity. This ranking is a good measure of the media impact that every stage of the Formula 1 has. The data we have crowned Brazil (Grand Prix of Sao Paulo, 8.85 points) as the media leader for the 2009 season. This privilege position is due to an exceptional level of notoriety, which is certainly fed by the emotion and spectacle that attracted the outcome of the competition. That same fact (the anticipated outcome of the competition), has probably something to do with the loss in notoriety suffered in the Grand Prix of Yas Marina (2.85 points), where he failed to attract much interest from the public and the media. The results are shown in figure 4.6, which illustrates the comparative positioning of the grand prix, sorted from the highest to the lowest media value.

Figure 4.6 ESI index of media value in the Grand Prix (2009)



In addition to the already mentioned, it is necessary to emphasize that Monza is second place, adding 8.84 points of the overall media value. This is the circuit for the Ferraris: one of two grand prix that have been constantly present in all the editions of the formula 1; it is logical that the expectations are high when the race takes place in such a prestigious stage as this one. For their part, Valencia (with 7.93 points), in its second year, has not defrauded. Though it was on the verge of failing, as a result of the polemics that arose from the sanction to Alonso (though ultimately could dispute the race), the interest grew after the announcement of the possible return of Schumacher at the wheel of a Ferrari (which eventually didn't occurred).

Finally, before analyzing the following chapter that talks about the grand prix, it suits to allude to the factors that determine the media value in Formula 1. On this issue, ESI carried out an exhaustive quantitative analysis in a technical note made in 2007.

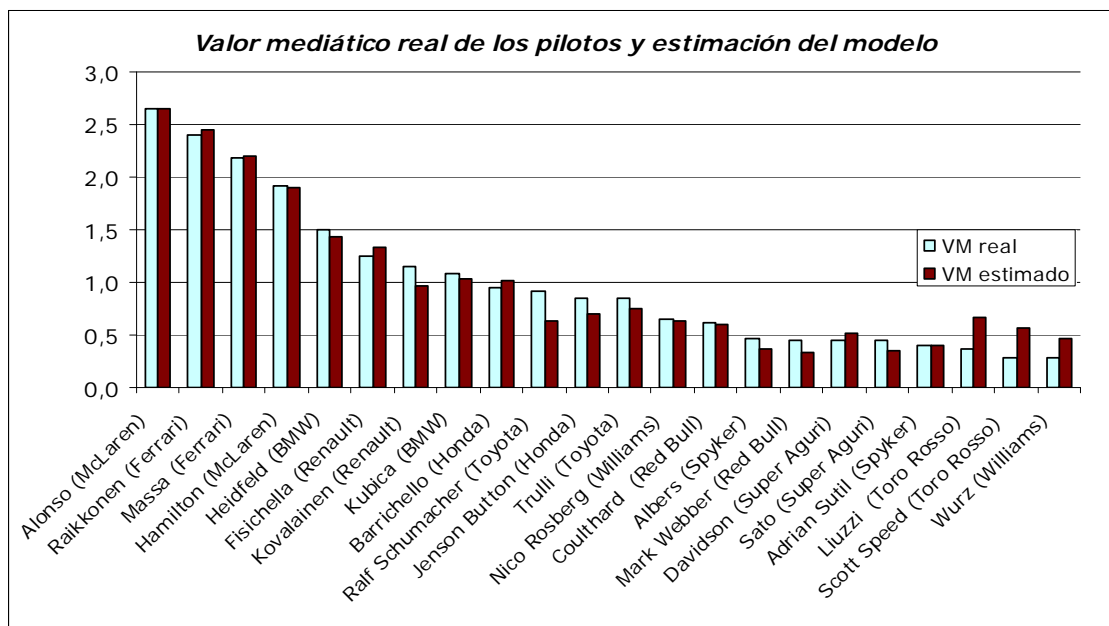
Among the reached conclusions, it is necessary to emphasize that the drivers and teams sport performance has a direct translation into the final position reach in the Grand Prix. This result contrasts with what happens in team sports, in which it is more difficult to attribute a numerical value to individual sports successes, or it is not easy to have reliable measures of individual performance.

This occurs because, in team sports, there are many protagonists, and the interaction between them in the bosom of the group it makes it very difficult to separately evaluate the sports performance attributable to each one of them. Moreover, in most

team sports there is not such a high level of harmony between the team and individual performance of agents and players who make it up.

Figure 4.7 reproduces some of the main results that emerged from the technical note to which we refer. The study used data from the 2007 season and, as shown in the graphs, there is a close relation between real and estimated values for almost all the drivers.

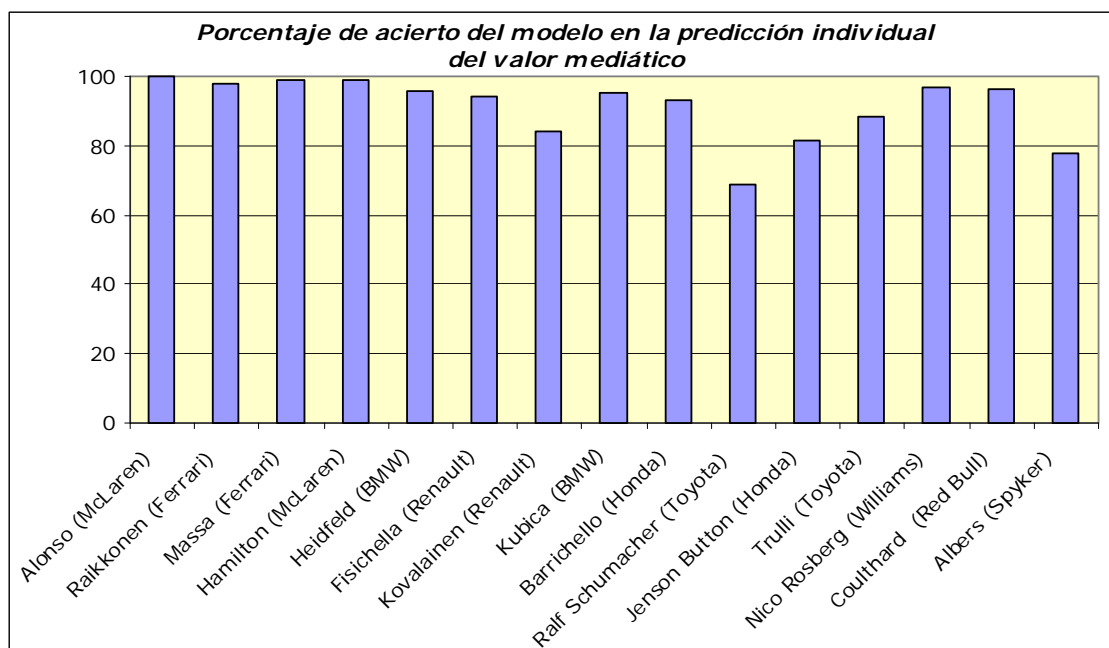
Figure 4.7 Estimation of a MV model for the F1 drivers (season 2007).



The great closeness between the values of real media value and the estimated one leads us to two complementary conclusions. First, it seems that the measure of media value proposed by ESI, combining the index of popularity and notoriety (elaborated, respectively, from the web pages tied to the drivers and the media attention that they generate in the media), it is a suitable and a consistent approach to the notion of intangible sports associated with sports successes that generate interest, attraction, prestige and admiration between the fans and the media.

The graph in figure 4.8 is more illustrative of the strong capacity of prediction that the ESI methodology has. The different columns indicate, in percentage, the degree of success that the model achieves at the moment of estimating the real media value of each pilot. Using data from the 2007 season, the predictive power of the model is over 95 % for 8 of 15 the drivers who have the highest levels of media value, and is over 80 % for 13 of those 15 drivers. In this respect, the case of the Formula 1 is special, since there is a perfect symbiosis between individual sports performance and team performance.

Figure 4.8 Estimation of a MV model for F1 drivers (season 2007).



It is indeed a discipline in which the driver's success is translated directly into success for the builder, to the point in which the same competition leads to the award of two titles: the one for the drivers and the one for the builders. Conversely, the individual sports luck of the driver is entirely at the mercy of the competitiveness of the team, that is to say, of the power and reliability of the cars that the teams put at the disposition of the drivers.

At the same time, in relation with Formula 1 media value depends fundamentally on two individual athletes per race, even when these receive the indispensable support of a legion of workers from the technical staff. Hence it can be expected to have a strong interlocking between the media value of the drivers and teams, as both are linked in the same direction by the final appeal of sports results harvested in the Grand Prix.

The empirical analysis conducted for the case of Formula 1 has been developed by relating the media value of the drivers with their past and present sporting successes. We proceeded with these premises to establish a statistical estimate of the factors that determine the degree of media value that each driver achieves. Among the variables found to be most significant are:

1. **Current sporting performance:** measured by the number of points obtained by the drivers in the races having taken place so far. Undoubtedly, the notoriety that each driver generates depends largely on his classification in the races.

2. **Past athletic performance:** measured by the classification obtained in the last three seasons. Dedicated drivers benefit from a greater degree of popularity and tend to receive preferential treatment from the media, before and after the races, because of the status conferred by their past successes.

3. **Prestige of the team:** is computed by taking into account the media value of the team from each pilot. This has been corrected by discounting the impact that the team has received through the points that the drivers have achieved this season, and from which has benefited the team. The influence of the team on each driver will be different in each case, depending on the comparison between the media status that the pilot has compared with the prestige that the team has. This issue is discussed in detail in the last chapter of this report.

4. **Factor of inertia:** is calculated by the number of seasons that the pilot has been in the competition. In most sports seniority usually gives a plus of popularity, which translates into an increase in media value and, if this relation is not linear, since the "old glories" tend to lose media weight.

5. **Effect Formula 1:** with this we mean the media coverage that every driver receives by the mere fact of being one of the lucky 22 drivers who make up the grid. The global media impact of the races, gives a remarkable degree of media value to all drivers, regardless of the athletic performance they achieve. This effect is statistically captured by the constant of regression.

6. **Other aspects:** that the above variables have not been able to capture. It is measured as the difference between the effective media value and the media value estimated by the model from the explanatory variables. It corresponds to what is technically called individual residuals of the regression.

The distance between actual and estimated media value for each driver depends on a number of factors that have different weight for each individual. The high explanatory power of our empirical analysis indicates the accuracy of the model for studying media value in Formula 1. The fact that the residuals (point 6) has its importance presumably indicates that attention should be present in extra sport aspects, then, -as shown in the following chapter- they influence the conformation of media value.

In short, the previous points are relevant to evaluate intangibles associated with sport success. The model described, based on ESI methodology, is a good tool to approach the concept of media value, which is basically developed upon factors dealing with sport.

Chapter 5

Grand Prix podiums in terms of media value

This section examines -in continuity with Chapter 4- the media power of each and every race of the F1 world championship in Season 2009. The first aim consists of evaluating the share of interest that pilots as well as teams have awakened at each of the Grand Prix events.

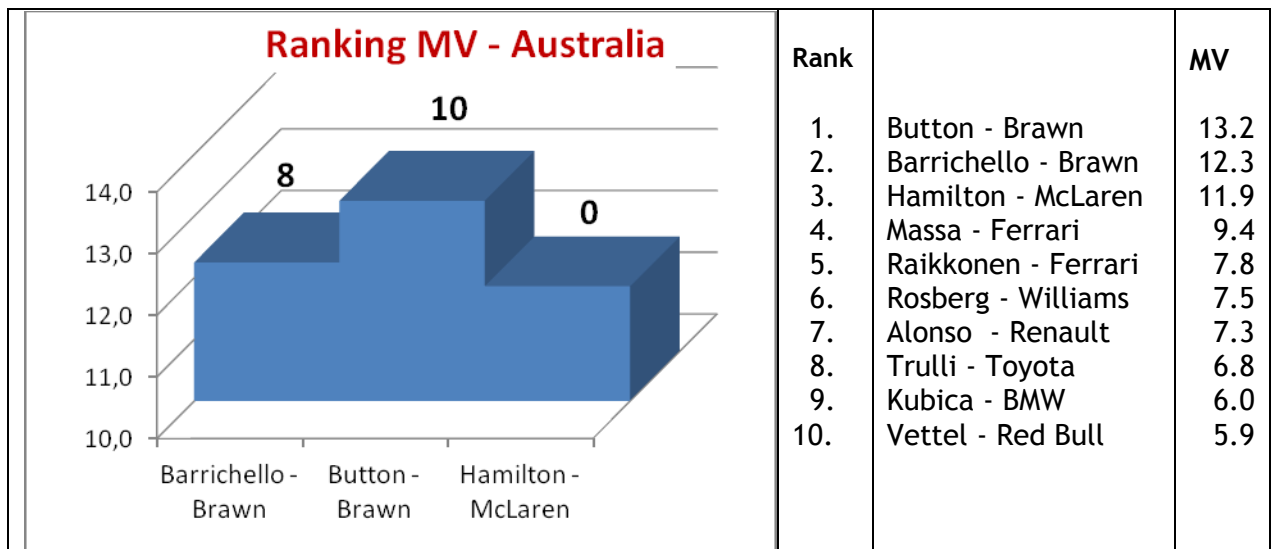
The results are presented in the manner of a podium, but comprising the leaders in terms of notoriety (number of news in the media worldwide) instead to look at their sporting position and performance. In the graphs, together with the podium of “media power”, we indicate the number of points that the top three pilots have reaped in the corresponding Grand Prix. In this way, the reader can intuitively get an appraisal of the crucial role that sport attainment plays to build up the popularity of the protagonists. This will also provide some clues to indentify the major factors affecting the notoriety of individuals and teams.

The podium, in terms of media value, in the different races is then useful to identifying who are the protagonists in the corresponding sport events. Of course, in order to interpret the results, one must have into account not just sport achievements, but also other factors, such as accidents, sanctions, interviews in the media, strategies of the team, etc. In addition to that, it is important to look at the nationality of teams and drivers, as well as be aware of the country where the race does actually take place.

This section is organized in the simplest manner, following the calendar of the races taking place over the Season 2009.

As expected, the first Grand Prix (Australia) has benefited from the fact of being the first contest in the season, which always draws especial attention from fans and journalist. Among other things, the weeks preceding the beginning of the season are full of uncertainty about the real possibilities of the cars and technologies. The first race is then the real test for teams and pilots to compare their relative positioning with respect to other competitors, thereby generating high levels of interest and expectation from everybody involved in the spectacle.

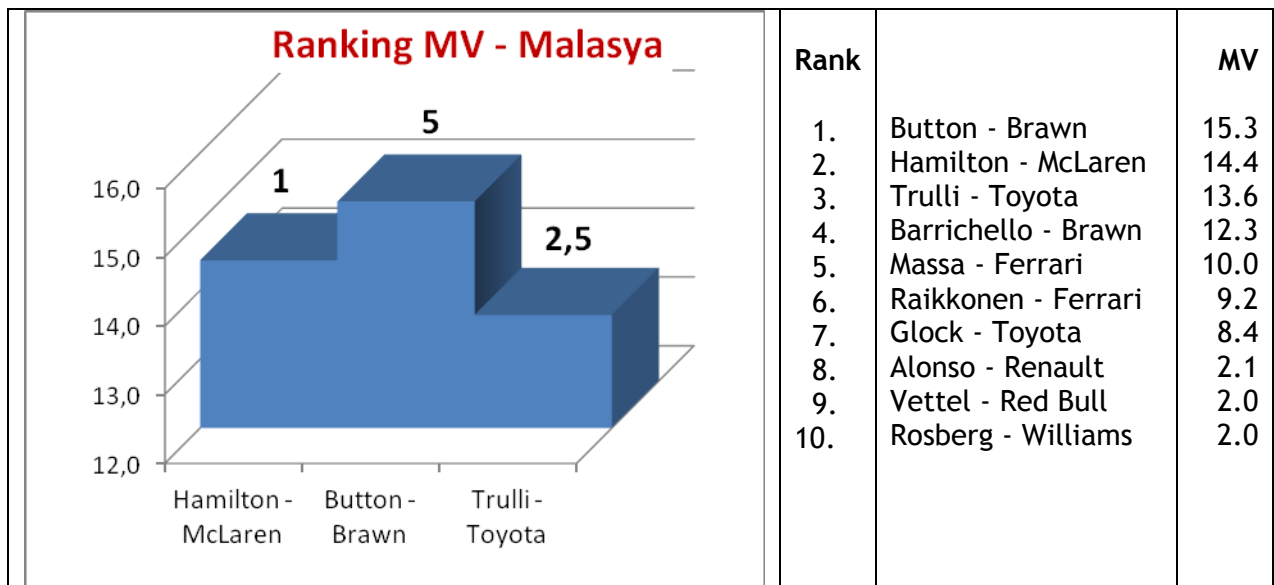
Figure 5.1 Podium of media power - Grand Prix of Australia



As we have already said, the first big event of Season 2009 took place in Australia. The race confirmed the expectations, outstanding Brawn as the most promising team of the championship. Then, even if Ferrari got nothing in terms of sport performance, it managed to hold its usual strong position as regards leadership and predominance in the media.

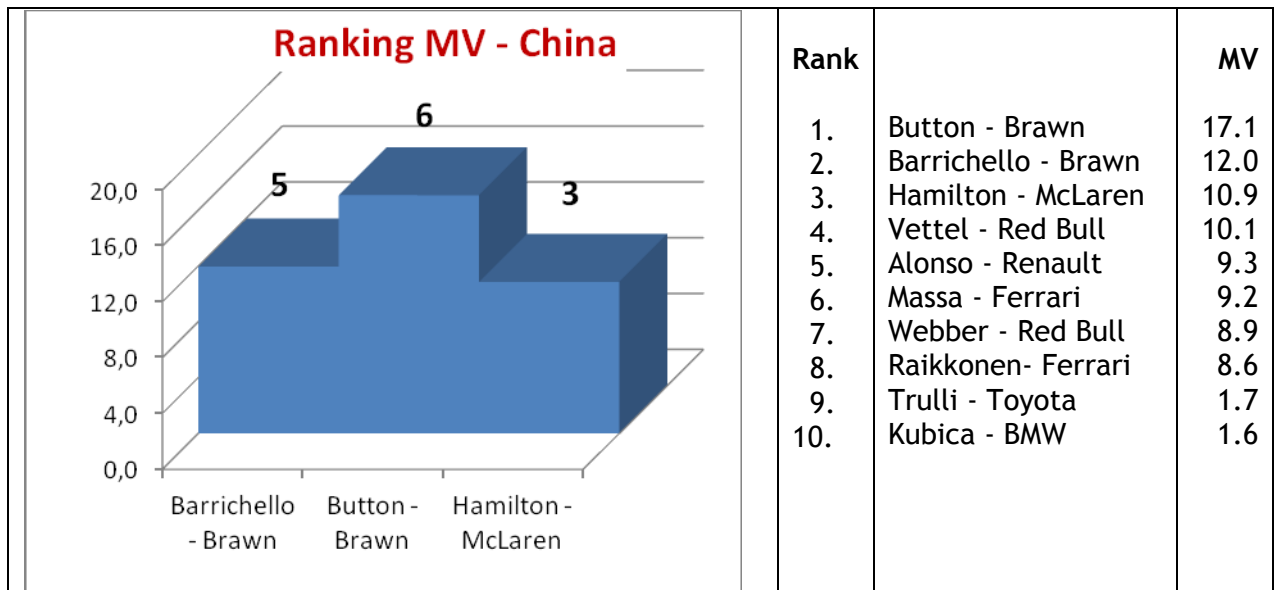
The second event of the Season was that of Malaysia. The Grand Prix could not be finished due to the extremely heavy rain that forced to interrupt the race 33 laps in advance to the plan. Many of the cars, surprised by the climate, finished scattered about the circuit.

Figure 5.2 Podium of media power - Grand Prix of Malaysia



Next, in Figure 5.3 we show the main results of the Grand Prix in Shanghai.

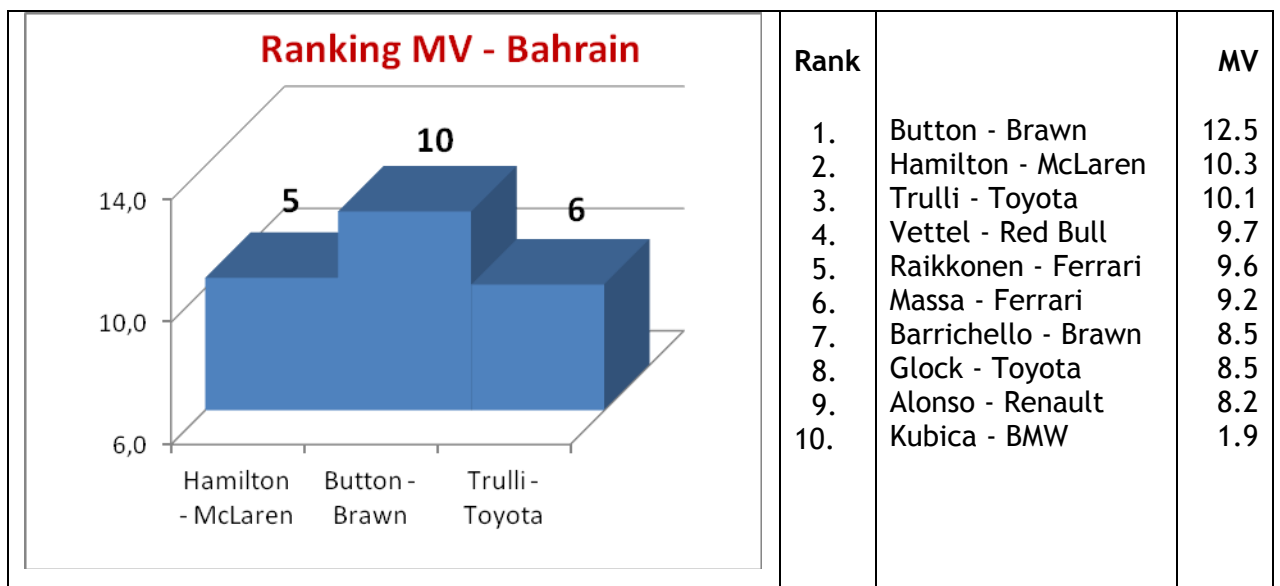
Figure 5.3 Podium of media power - Grand Prix of China



In China, Vettel and Webber made their best and gained the two first positions for their team, Red Bull. Yet, despite of having excelled in terms of sport performance, they only hold place 4th and 7th in the notoriety ranking.

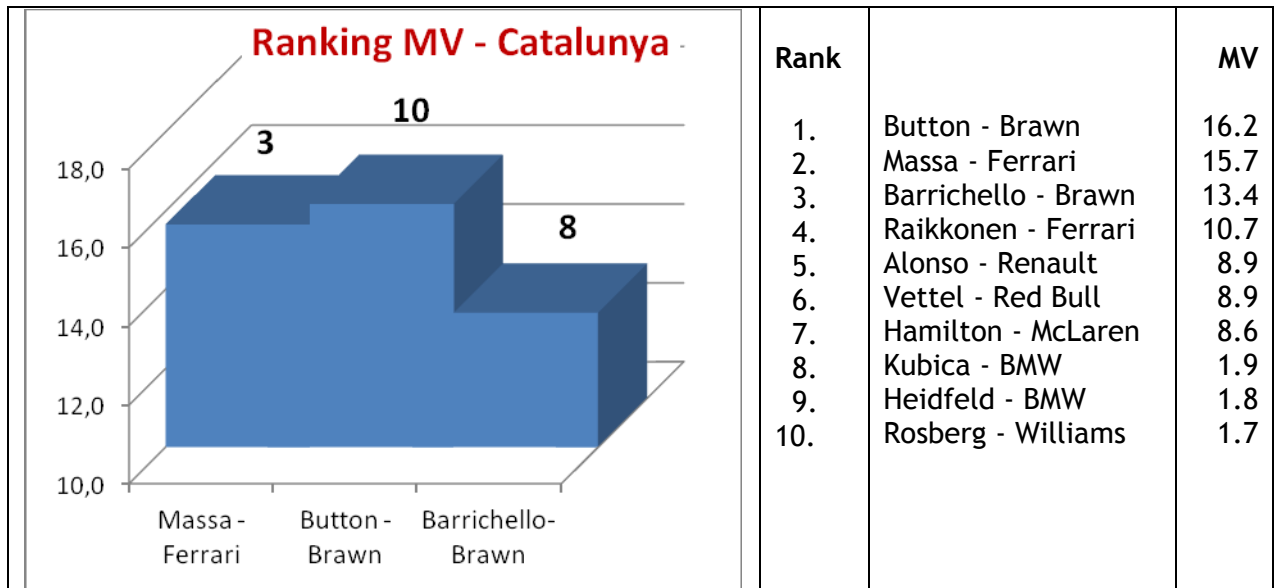
In any case, Brawn maintain the greatest levels of interest, which at times is rather focused on technical debates (engineering, rules, etc.) as well as on punishments for failing to fulfill the competition rules. Next, Figure 5.4 shows the outcomes of the fourth Grand Prix: Bahrain.

Figure 5.4 Podium of media power - Grand Prix of Bahrain



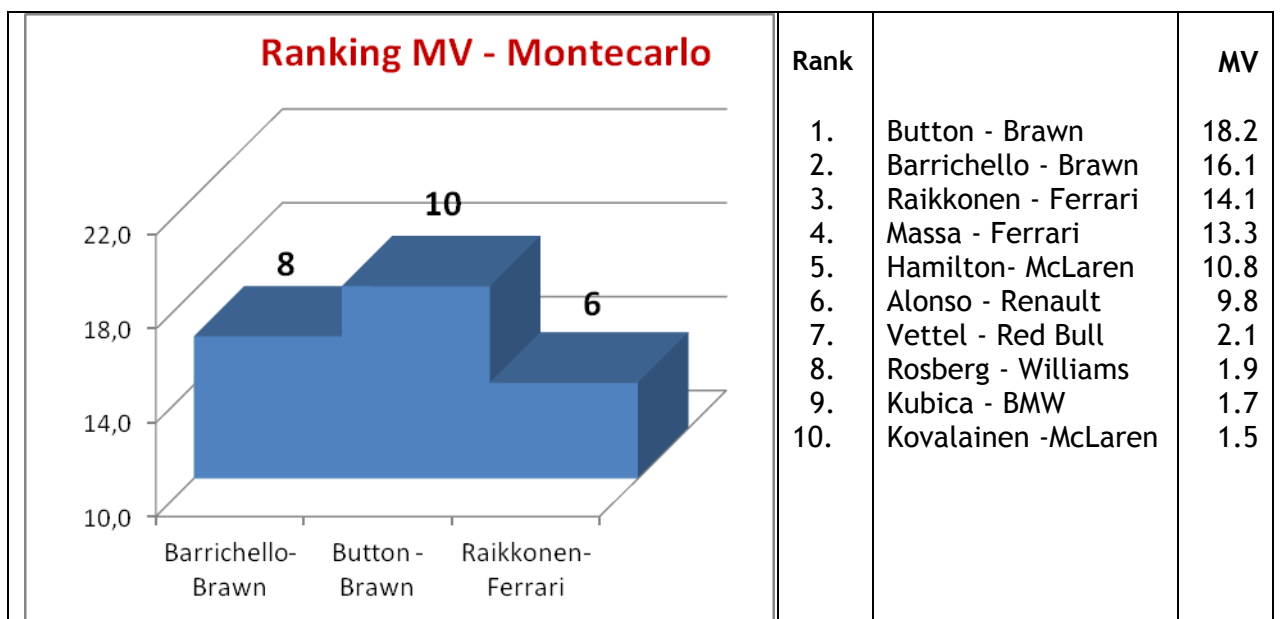
At this moment of the competition, there are two pilots, Button (Brown) and Vettel (Red Bull), who have the greatest options of getting the final victory. In Bahrain, Ferrari obtains some points for the first time this season. In fact, fans and the general public are puzzled by seeing the contestants who are aspiring to the title this year: Brawn and Red Bull, instead of the traditional Ferrari, McLaren or Renault. Next, Figure 5.5 displays the results for the Grand Prix in Montmeló, Spain.

Figure 5.5 Podium of media power - Grand Prix of Catalunya



In Catalunya seems evident the loss in media value status of Hamilton, affected by some quarrels with his team. We arrive now to Montecarlo, one of the most popular circuits.

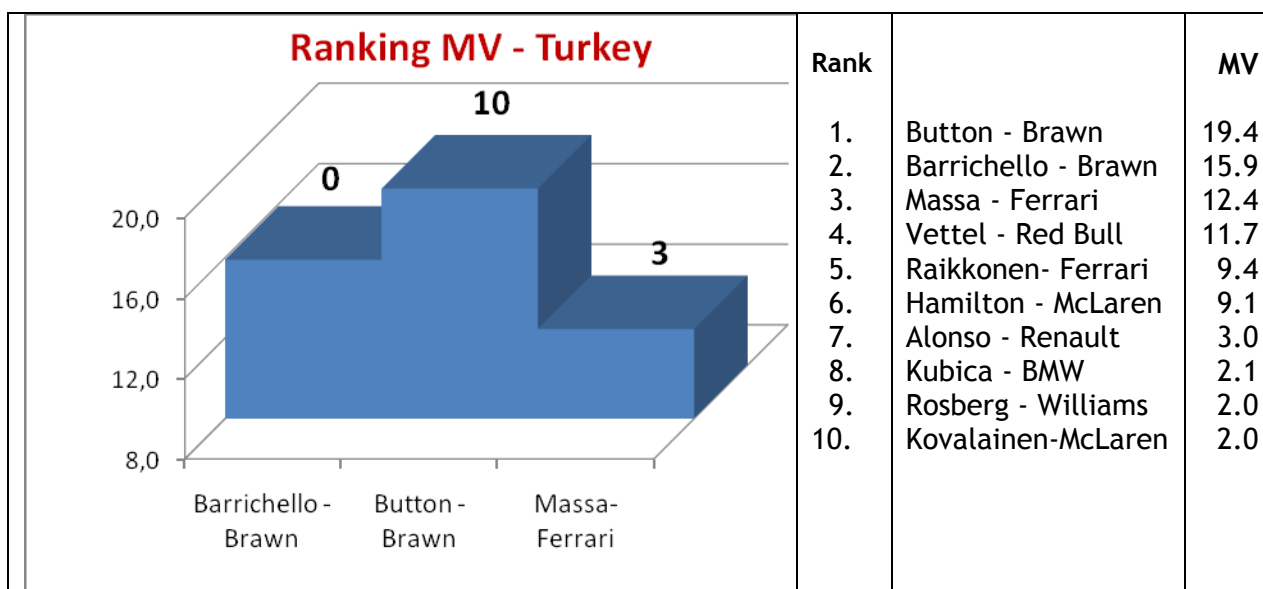
Figure 5.6 Podium of media power - Grand Prix of Montecarlo



In Montecarlo the podium at the arrival of the race corresponds exactly to the one calculated from the media value rank of the pilots.

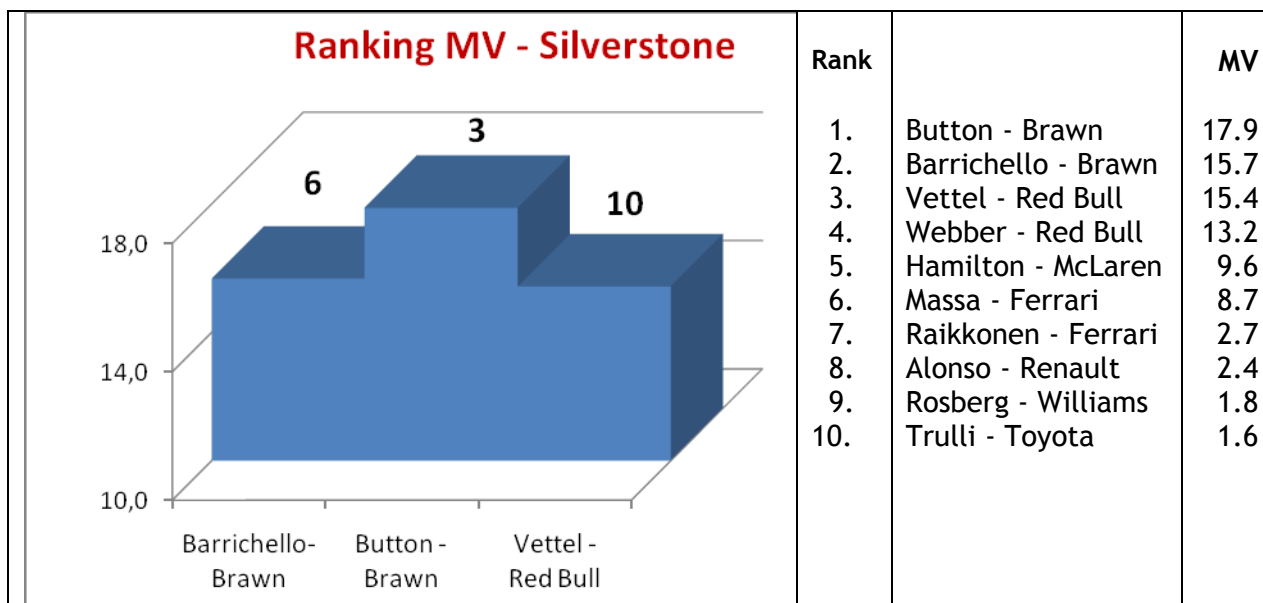
In Turkey, the F1 world championship seems almost dominated by Brawn GP, both in sport achievements as much as in terms of the notoriety levels reached by the pilots.

Figure 5.7 Podium of media power - Grand Prix of Turkey



Another event of the year is the: “Santander British Grand Prix”, having special significance for British fans. This time the final win is for Vettel, the German pilot of the Red Bull team. Nonetheless, in terms of notoriety his status does not reach further up of the third position.

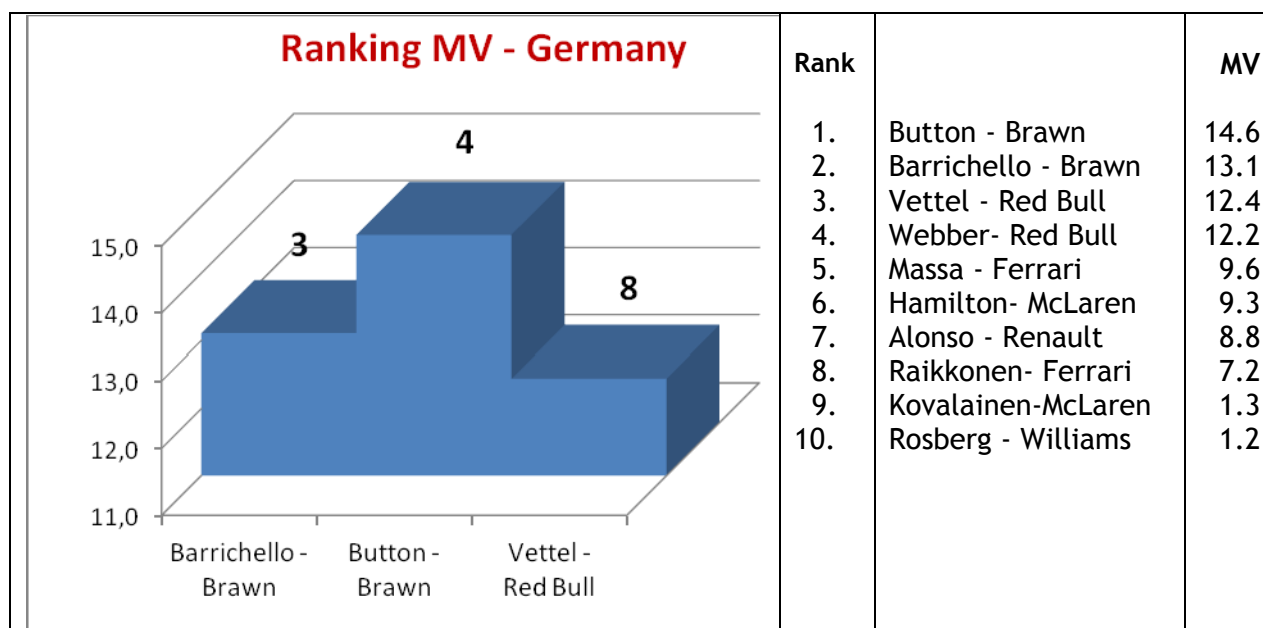
Figure 5.8 Podium of media power - Grand Prix of Silverstone



It isn't surprising that in Silverston the British drivers are those holding the top posts of notoriety: both Button and Hamilton benefit from the fact of competing "at home".

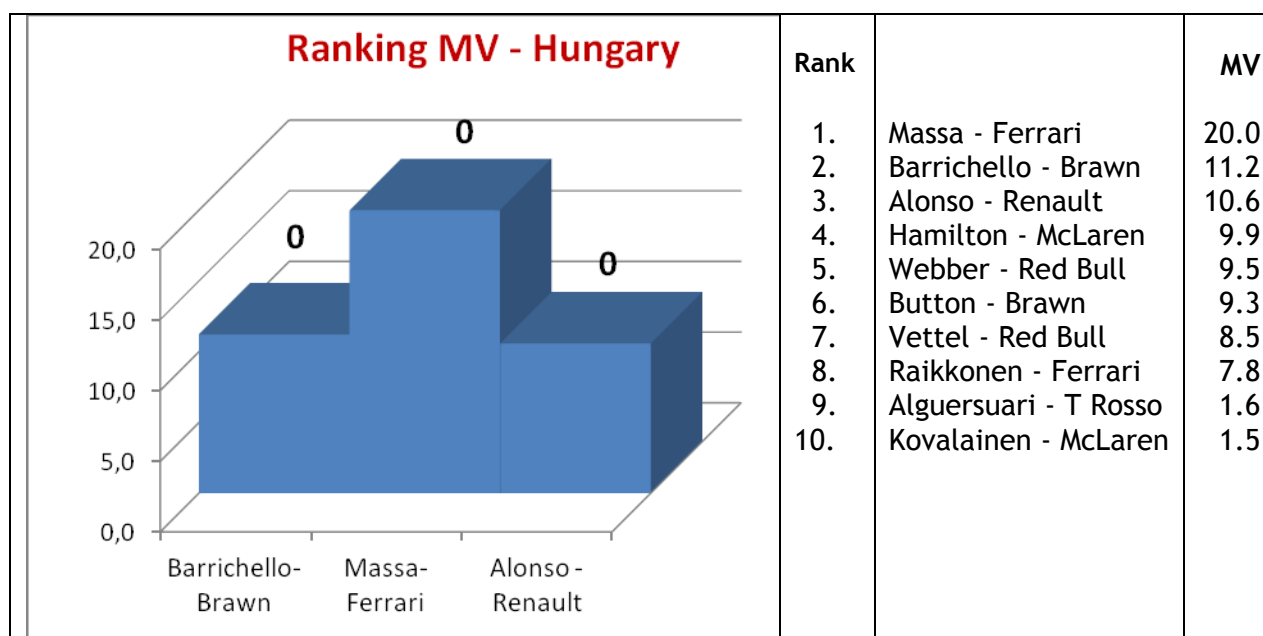
The following Grand Prix took place in Germany, one of the main markets of F1. It is worth noting that the podium of notoriety moves along with the podium of sports performance, a feature which is congruent with other findings exposed in this report.

Figure 5.9 Podium of media power - Grand Prix of Germany



In Hungary, the disgraceful accident of Felipe Massa keeps him aside of the competition for the rest of the season. For weeks or months, the mass media focus in the pilots who were involved by the accident, distorting the levels of media value of other protagonists

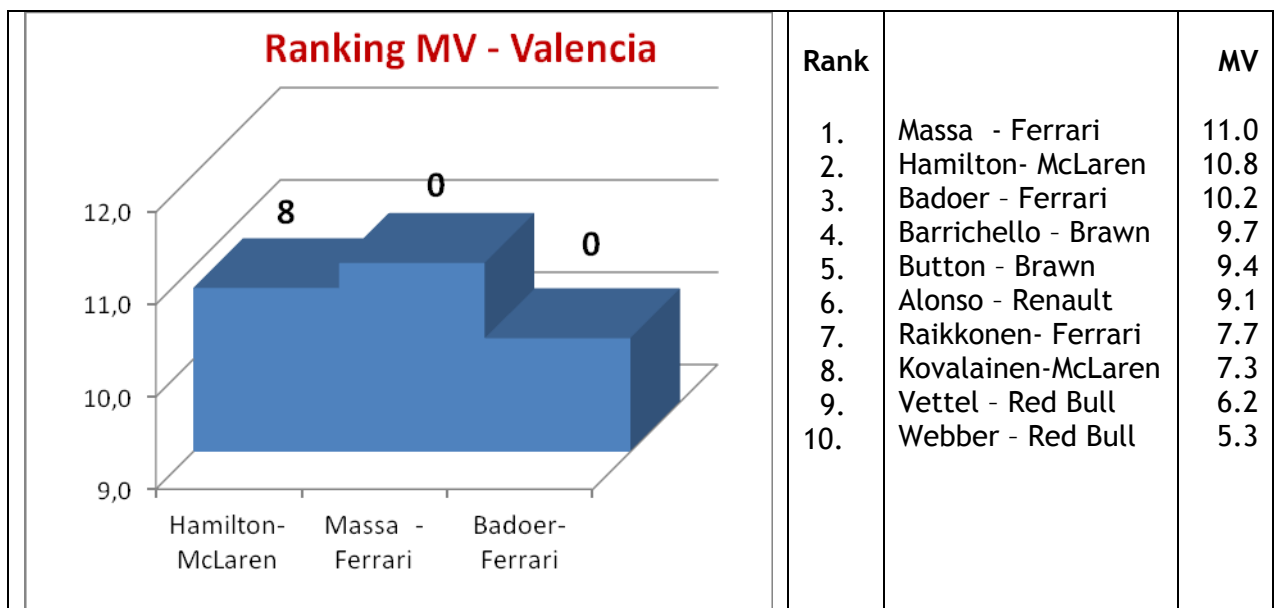
Figure 5.10 Podium of media power - Grand Prix of Hungary



Due to the accident, the ranking of notoriety in Hungary is time headed by Massa, whose share of interests in the news is more than twice that of the second pilot, even if Barrichello was also involved in the same accident. Then, in Valencia, the attention is still mainly focus on Massa, whose health situation worries fans and followers.

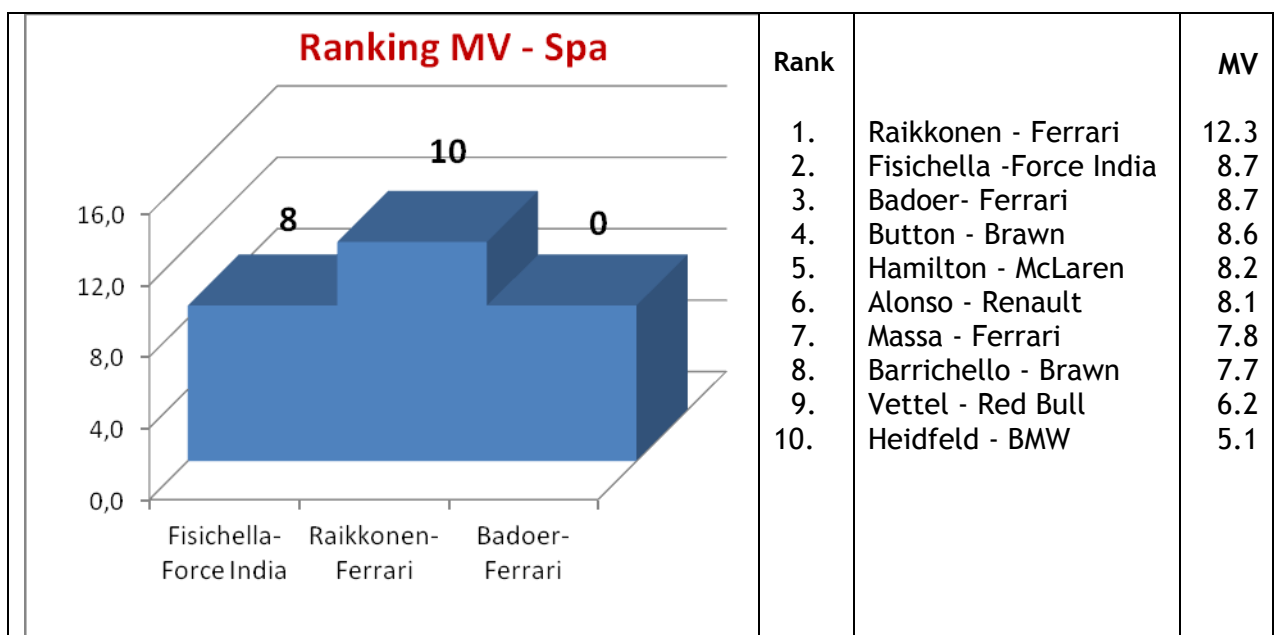
In Valencia, Hamilton finishes the race in the second place: the mistake of Hamilton’s team allowed Barrichello to eventually win the course. Alonso, who competes “at home”, achieved the sixth position (both in the race as well as in terms of notoriety).

Figure 5.11 Podium of media power - Grand Prix of Valencia



The Grand Prix of Belgium permits getting interesting lessons too.

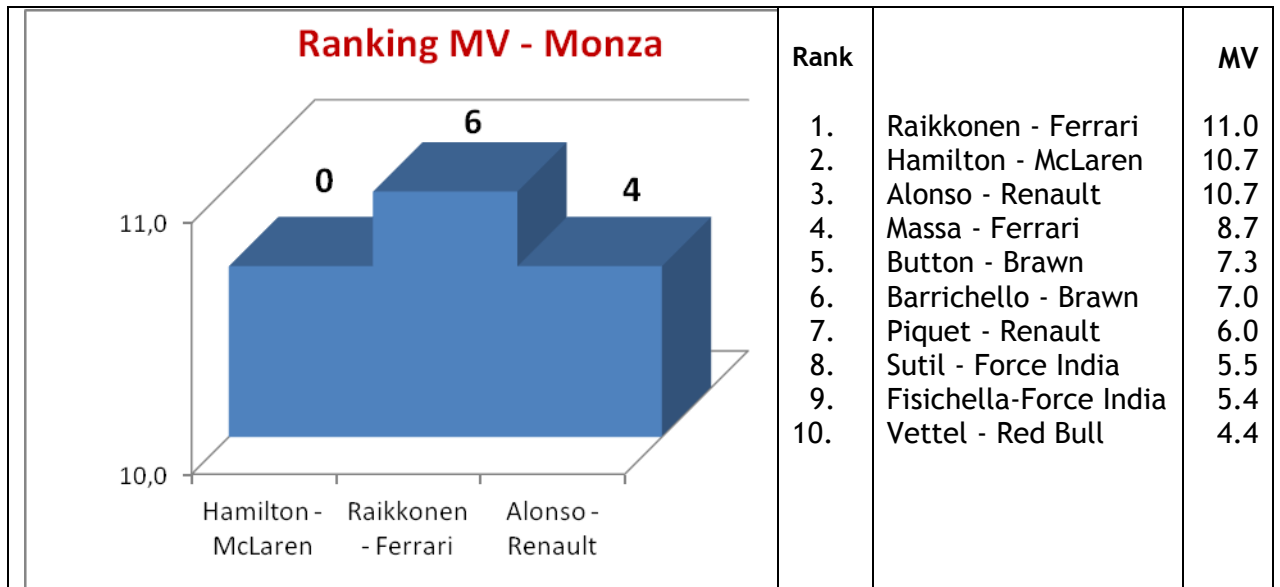
Figure 5.12 Podium of media power - Grand Prix of Spa (Belgium)



Ferrari gets its first victory, by means of Kimi Raikkonen. Then Fisichella, who drives one Force India car, obtains the second place.

The next big event took place at Monza, one of the most traditional Grand Prix.

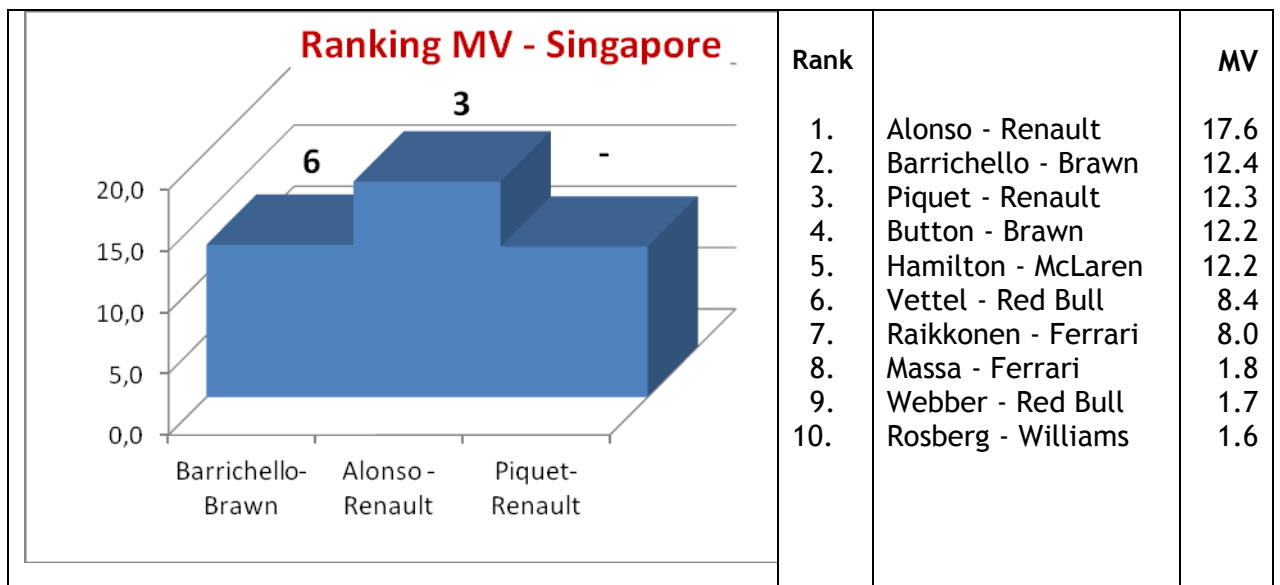
Figure 5.13 Podium of media power - Grand Prix of Monza



In Italy, Hamilton makes a mistake crashing against a wall. In this way, Raikkonen gains the third position, thereby conquering the top level of notoriety.

We arrive then to Singapore, where the notoriety ranking is again distorted by factors that are not strictly related to the sporting competition.

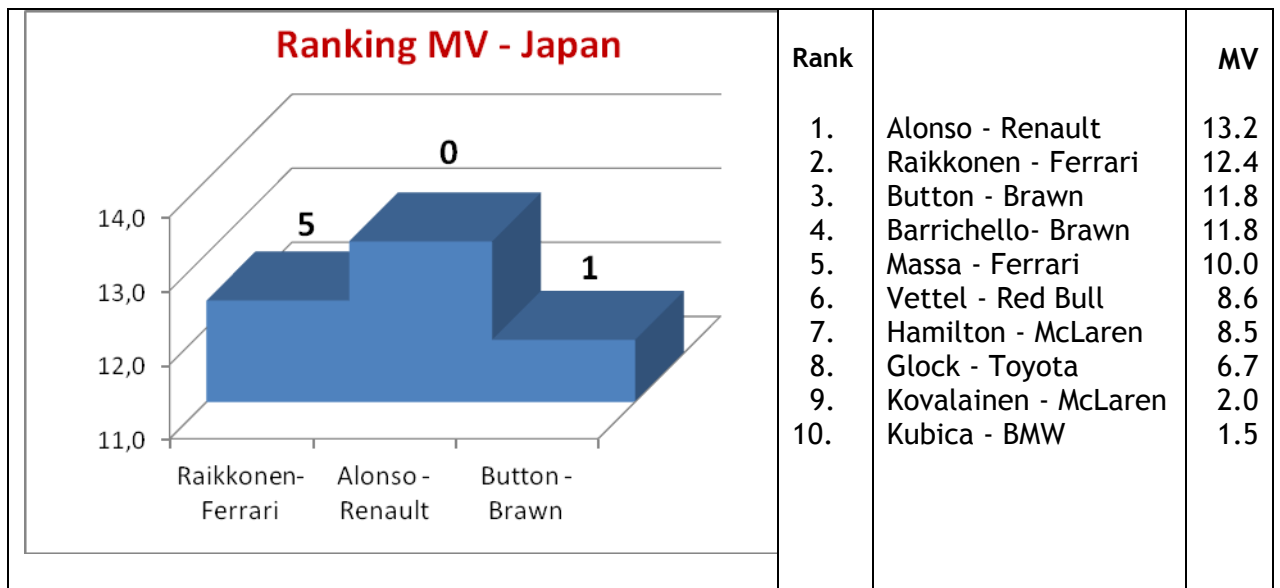
Figure 5.14 Podium of media power - Grand Prix of Singapore



In those days, the newspapers and the media extensively report on the unfair behavior of Nelson Piquet and Renault, who the previous year plotted against the competition rules, intentionally provoking an accident. Together with this, the good performance of Alonso in Singapore leads the Spanish pilot to the top position of the notoriety ranking.

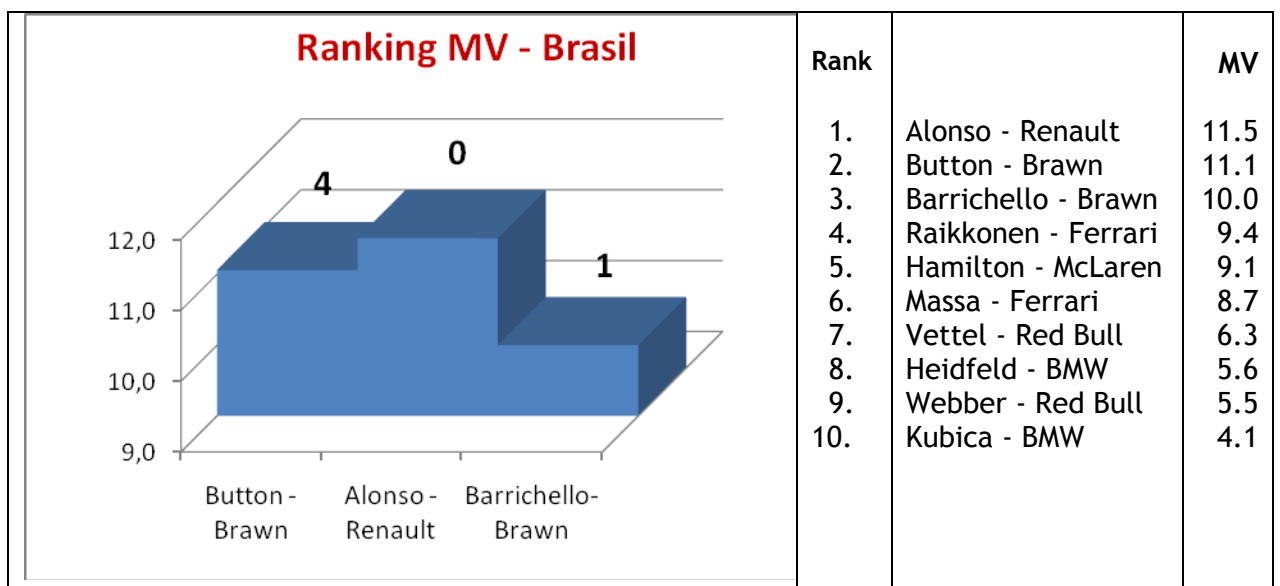
Also the Grand Prix of Japan brings about some unexpected results, since Alonso keeps holding the greatest levels of notoriety. The second and third place are respectively hold by Raikkonen and Button; the latter being close to the final victory.

Figure 5.15 Podium of media power - Grand Prix of Japan



Brazil emerges as the most relevant event of the 2009 Formula 1 season. With only two more Grand Prix to be disputed, Button is very near to become the winner.

Figure 5.16 Podium of media power - Grand Prix of Brazil



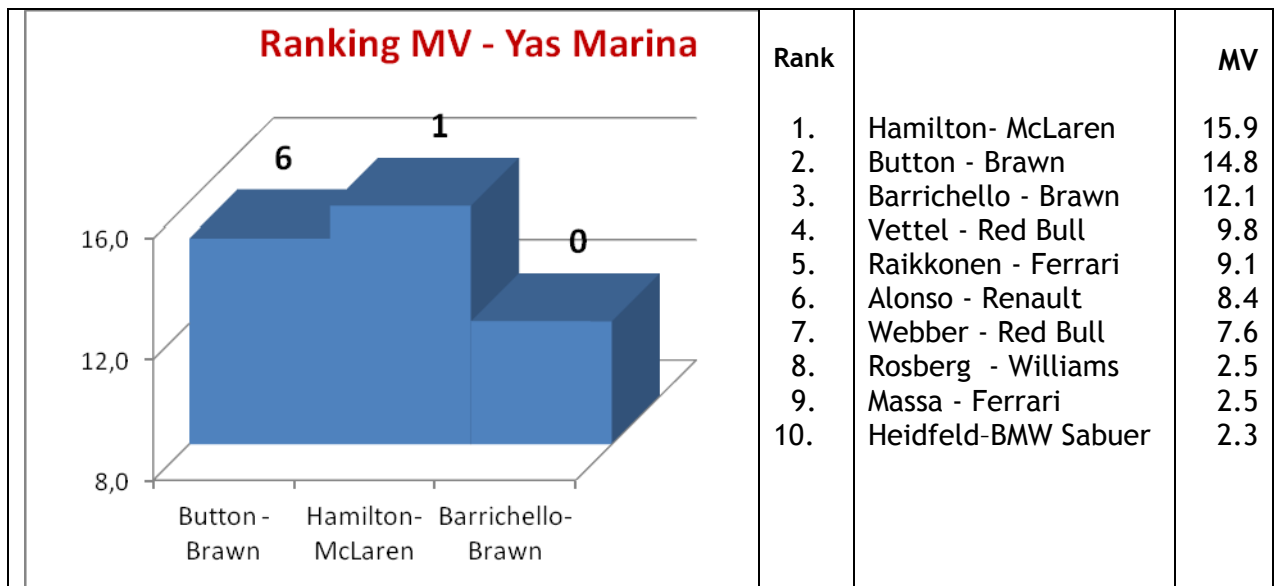
The analysis of the Grand Prix developed in Brazil discloses a number of issues. Firstly, it is meaningful the share of media value achieved by Alonso in such a poor season as far as sport achievements is concerned. Perhaps, having been twice the F1 world champion has important legacy effects, which last during a number of years.

On the other hand, Brawn GP conquered in Sao Paolo not only the title of pilots (through Jenson Button), but also the title of F1 teams. Even one race before the end of the competition, Brawn GP had already gathered sufficient number of points to become mathematically the winners.

In the notoriety ranking, immediately after the drivers of Brawn GP we find the most recent world champions in F1: Raikkonen and Hamilton.

The last race of season 2009 took place in Yas Marina.

Figure 5.17 Podium of media power - Grand Prix of Yas Marina



In Abu Dhabi, Hamilton got the pole position, but could not maintain this position at the arrival, even if he did so in terms of notoriety. The winner of the last Grand Prix of the season was Vettel, who achieved in this manner the second post in the general ranking.

In conclusion, this chapter has been enlightening to be aware of the manner in which non-sport related factors may alter the patterns of media coverage in Formula 1.

Chapter 6

Perception of the personal profile of the drivers

In this section we analyze the perception that fans and public opinion have of formula 1 drivers (or, in other words, we offer a characterization of drivers' personal profile), whereas the following chapter will examine the brand image of the teams that compete in 2009 season. In the analysis, we have also included the drivers who have substituted others during the season, although some have taken part in few Grand Prix races. It is obviously a question of aspects of vital importance in the decision making process as concerns matters of sponsorship, merchandising, broadcasting contracts, etc.

In most of the cases the notoriety (amount of news) and to the popularity (degree of interest provoked among the fans) have been able to be considered, but in some specific analyses it has been judged preferable to offer only the results obtained by applying just one of these sources of measurement of media value. Which procedure is adopted in each case will be indicated.

In the first place, it would be suitable to highlight the rigor of the methodology proposed by ESI, which is guaranteed mostly by what might be called the law of large numbers. The fact that millions of numbers intervene in the calculation of various indicators makes it inevitable that biases and errors of measurement are certainly much diluted. Nevertheless, at times the possibility that the popularity and notoriety gathered rather negative messages concerning the image of an athlete or of their club has been brought up, circumstance that might put into question, to some degree, the validity of the rankings and indexes elaborated with ESI's own methodology.

The information that is gathered below addresses these concerns, by proving that: (i) a high portion of news about athletes are of positive character; and that (ii) it seems there is no driver or team that constitutes an exception to the previous statement.

The way in which this issue can be judge may be seen as follows. Considering the image that these stars hold among fans and the general public, we are going to illustrate here those features which are the most outstanding. The individual profile of the drivers will be done in relative terms, using the percentages that represent each feature within the notoriety and popularity.

On one hand, our data indicates that the big figures in formula 1 are strongly associated to adjectives like: winner, idol, extraordinary, awesome, spectacular, etc. On the other hand, it is instructive to verify that the negative aspects of the media profile of the drivers turn out to be practically irrelevant, judging by the small percentage of news that they represent. Nonetheless, there are a couple of negative features that seem to have certain weight: The problematic and the unfairness. This last aspect refers mainly to the inclination of using deception to pursue victory; undoubtedly negative behavior.

To approach these issues, the relative weight of each one of the 20 aspects that have been taken into consideration will be attended; half of them are positive and the other half are negative. The type of terms that we have traced for indentifying these features of the individual profile is described below:

Positive features

1. Intelligent, bright, brilliant
2. Successful, winner, effective, decisive
3. Unique, incomparable, inimitable
4. Hard-worker, professional, committed, polite
5. Fast, daring, fearless, speedy, rapid, brave, trainer
6. Skillful, gifted, talented
7. Competitive, constant, consistent, solid
8. Icon, Idol, crack, star
9. Trustworthy, reliable, unflinching
10. Astonishing, incredible, outstanding, exceptional, excellent, spectacular

Negative features

1. Conceited, arrogant, snobbish, Obstinate, stubborn, snooty
2. Undisciplined, unmanageable, unbalanced, disturbed, intractable, distant
3. Impulsive, hasty, precipitate, impetuous, imprecise
4. Discreditable, disreputable, dishonorable, shameful
5. Dissipated, debauched, wasteful
6. Insolent, unbearable, disrespectful
7. Disruptive, troublesome, upsetting, rebellious, problematic
8. Untidy, anarchical, disorderly
9. Untruthful, dishonest, unfair, false, unworthy, contemptible
10. Decadent, spoiled.

First of all, attending to the global distribution of the information, figure 6.1 offer the information in aggregated terms and are very illustrative: only 1.8% of the news related with formula 1 has a negative character.

Figure 6.1 Proportion of news of F1 associated with the positive and negative features

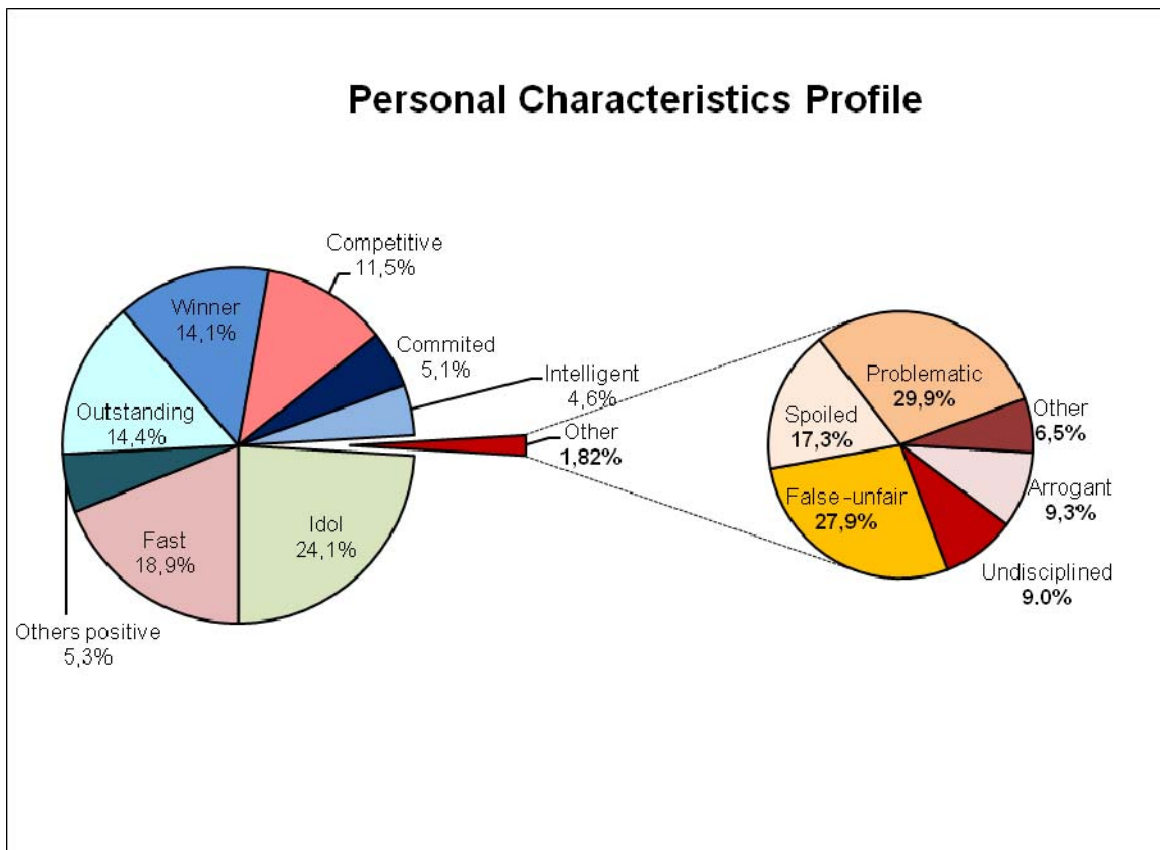


Figure 6.2 Distribution of news in F1 associated with positives features

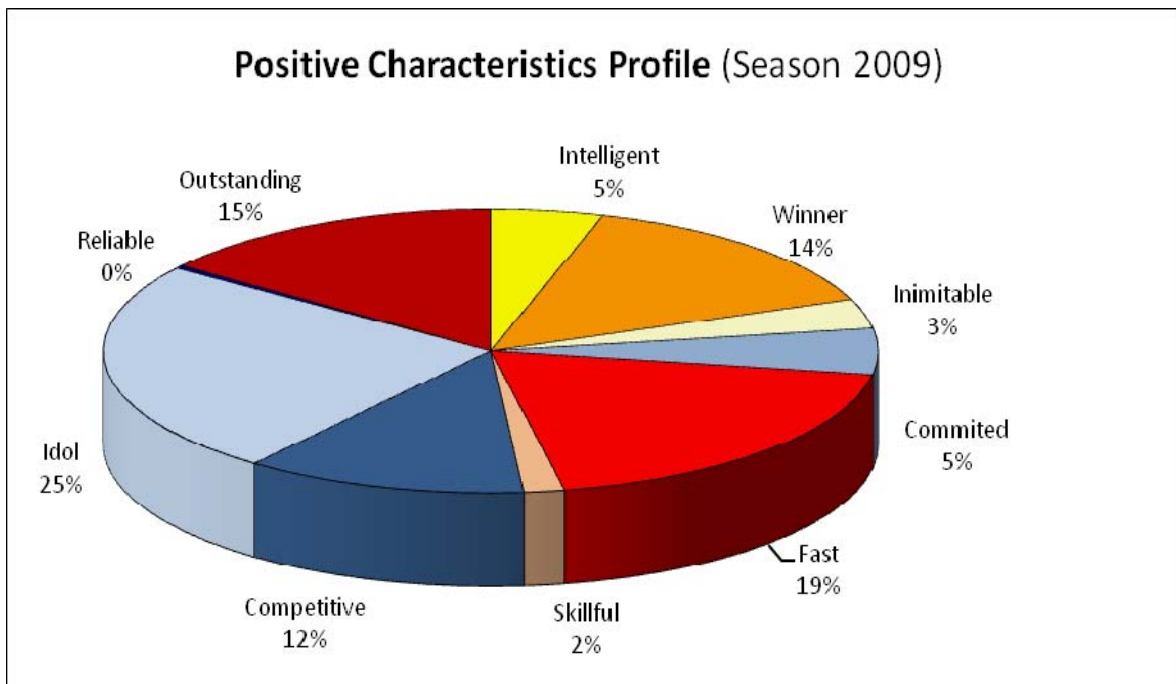
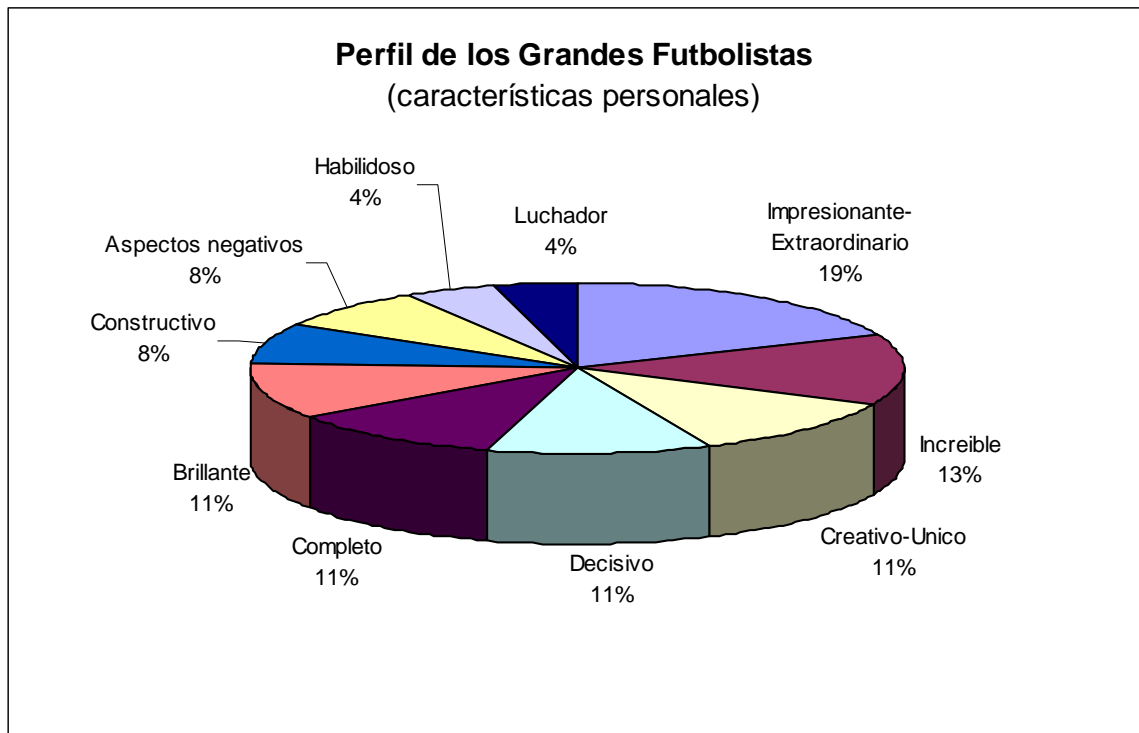


Figure 6.3 gathers the results of applying an equivalent analysis to the case of soccer, an exercise that is highly significant to assess, in order to understand the high degree of appreciation that is held for the idols of sports in general, and more specifically of formula 1.

Figure 6.3 Distribution of soccer players' news associated with positive features



The comparison of the last two figures has to be done with certain caution, but it is legitimized by the fact that identical methodology has been used to examine some very similar features. (In addition, the information was always collected in English). Our data seem to support clearly that the prestige enjoyed by Formula 1 stars is qualitatively superior to that of soccer players, without judging which is the global positioning of notoriety of either.

Next, we are going to analyze the detailed results of the main actors who create the spectacle of formula 1. First of all, in Table 6.1, the information of the individual analysis is summarized, gathering the proportion of the total value received by the 25 drivers of the 2009 season (the calculations have been made from the information in English, Spanish, French, German, Italian and Portuguese). For some specific sections of the report, information has been collected in Chinese and Japanese as well, but this is not the case of the results that are presented in this chapter or the one that follows.

Table 6.1 Perception of the public on the personal profile of the Drivers

<i>Personal Profile F1 Pilots (Season 2009)</i>					
F1 Pilot	Positive overall rank	Winner	Fast	Idol	Outstanding
Giancarlo Fisichella	98.52	13.3	16.7	26.8	15.4
Sebastien Bourdais	98.45	15.7	23.7	15.3	14.3
Robert Kubica	98.42	14.1	17.2	26.7	14.1
Fernando Alonso	98.35	13.4	18.3	26.2	13.9
Jenson Button	98.35	14.4	17.5	26.8	14.7
Felipe Massa	98.34	13.4	20.1	27.1	13.5
Nick Heidfeld	98.33	13.6	17.6	26.1	14.5
Rubens Barrichello	98.24	15.4	17.2	25.5	14.4
Kimi Räikkönen	98.23	15.2	17.0	24.7	14.7
Sebastian Vettel	98.21	14.3	17.5	26.4	14.5
Jarno Trulli	98.20	13.3	19.2	23.7	14.2
Nico Rosberg	98.19	13.2	20.4	24.4	13.7
Mark Webber	98.16	14.0	19.4	24.4	14.2
Adrian Sutil	98.16	15.0	18.9	16.5	16.7
Nelsinho Piquet	98.06	15.1	19.1	21.1	13.4
Heikki Kovalainen	97.94	12.8	20.4	23.0	14.1
Lewis Hamilton	97.93	14.8	17.6	25.1	14.5
Timo Glock	97.93	14.8	25.7	6.7	17.6
Kazuki Nakajima	97.93	16.3	18.1	13.2	17.0
Vitantonio Liuzzi	96.10	15.1	18.2	23.6	12.8
Romain Grosjean	95.43	10.6	26.6	16.6	12.7
Luca Badoer	94.95	11.9	26.9	18.4	12.6
Jaime Alguersuari	94.92	14.1	18.6	17.1	14.7
Sebastien Buemi	94.80	14.4	18.3	14.9	15.8

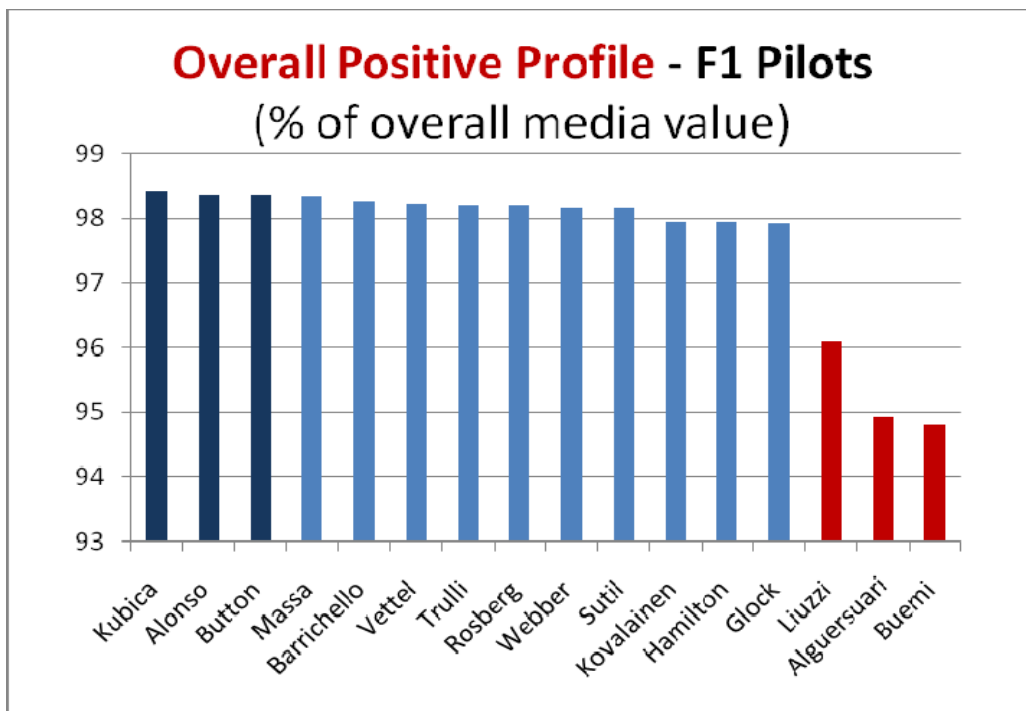
In the table, highlighted in bold type are those individuals who remain active during the upcoming 2010 season. The ranking of the drivers has been determined according to the degree of positive perception that they enjoy.

Among the drivers that will not be present in the 2010 campaign, Giancarlo Fisichella (who starts as one of the test drivers of Ferrari) and Sebastien Bourdais stand out. The Italian is rated as the best driver in global terms by fans. As for Bourdais, it is necessary to bear in mind that his media status has to be influenced by the good standing that has in the USA, where he has shown his winning profile in the American Champ Car.

A first aspect worth noting is that each and every one of the figures of this sport enjoys high esteem on the part of the press and the fans. But, in addition, in comparison to other sports, this result is reinforced, judging by a very high proportion of positive news that they receive. In fact, in formula 1, this percentage is around 98% of the total and only in particular cases it descends below 95%. In sum, the number of negative news associated with drivers is practically irrelevant.

From the individual detailed analysis, figure 6.4 summarizes the most marked information. The graph excludes the drivers who will not be in the starting grid for the 2010 season. The results that we offer are highly significant, and they allow three drivers stand out above the others: Kubica, Alonso and Button.

Figure 6.4 Global ranking of the reputation of active drivers



To illustrate, it is worth comparing this data with those that result from applying a similar analysis in other sports. In particular, if we attend to the proportion of positive news that soccer stars receive (figure 6. 5), we observe that the corresponding percentage on average terms is around 90%, and except for rare exceptions it never reaches 95%. (Indeed, in the case of some individuals it is much lower). The comparison of the results reflected in these two graphs indicates presumably that the fans know how to appreciate the sacrifice, the risk and the values of the drivers involved in formula 1 to a greater measure than those that soccer players possess.

Figure 6.5 Ranking of the personal profile of the top soccer players

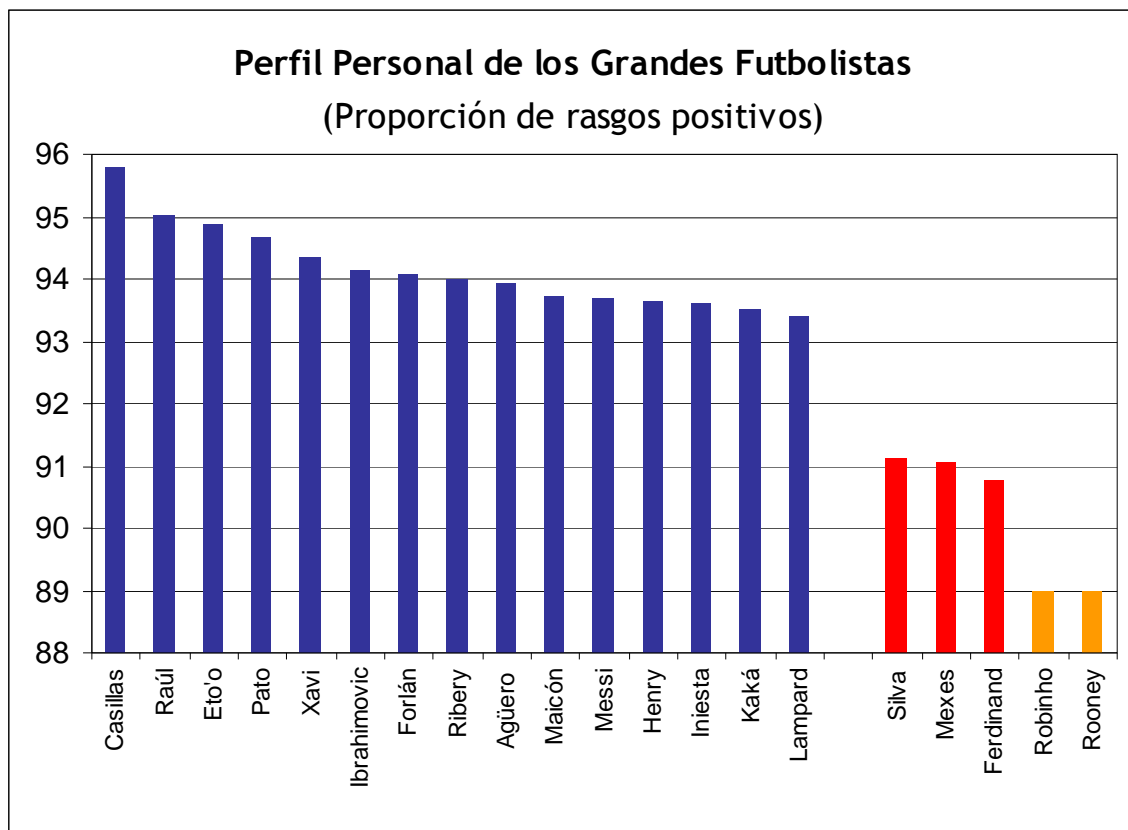
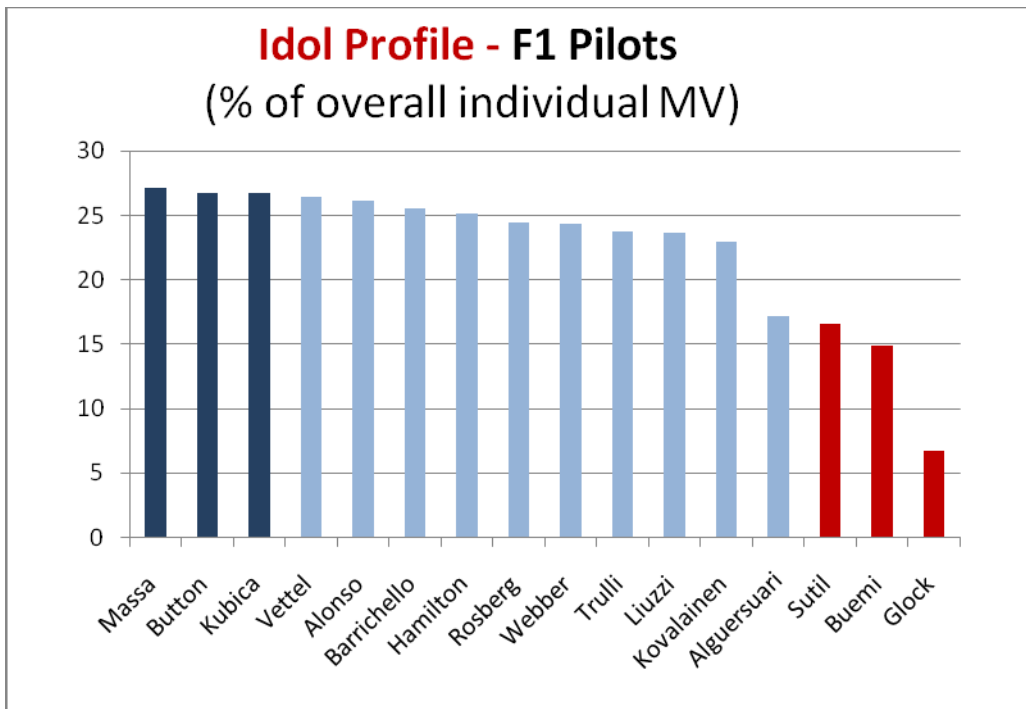


Table 6.1 reflects some of the positive attributes on which the analysis of the pilots' personal profiles has focused. While drivers enjoy a similar percentage of news associated with the winning character, some of them seem to stand out for their speed at driving their cars.

In reality, and this is important, the careful analysis of the information which we have indicates that this characteristic (speed) is present in the vast majority of the news related with formula 1. Hence, it is rather a "mixed bag", in which the residual value is collected that would have been caught by none of the other characteristics considered.

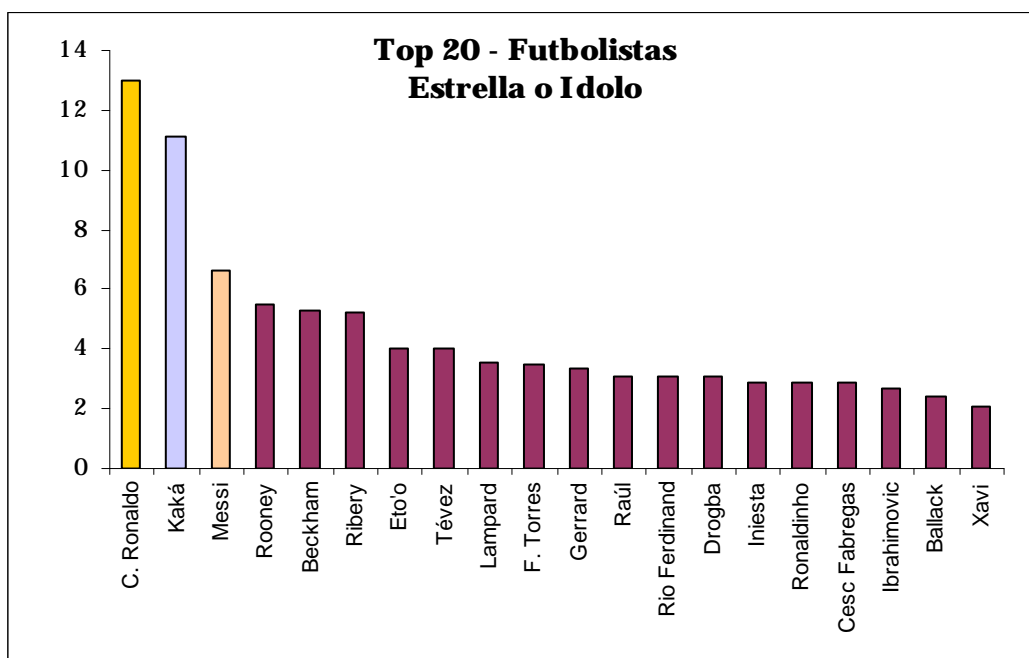
If we take a look at the specific figures, the notable discrepancies that occur are brought to attention, and reveal the great disparity that exists in the configuration of the individual "brand" that each driver represents. For example, among the drivers of formula 1, some names stand out for their condition as idols of the fans: Felipe Massa, Giancarlo Fisichella, Jenson Button, Robert Kubica, Sebastian Vettel and Fernando Alonso, in this order, are those that stand out the most.

Figure 6.6



In any case, most of the main personalities of formula 1 maintain about the same percentage of connection to the figure of an idol for fans, in contrast to what happens in soccer. Indeed, if the same operation with the principal soccer players of 2008/09 season is replicated, we would obtain figure 6.7, in which very few individuals stand out above the rest of the soccer players.

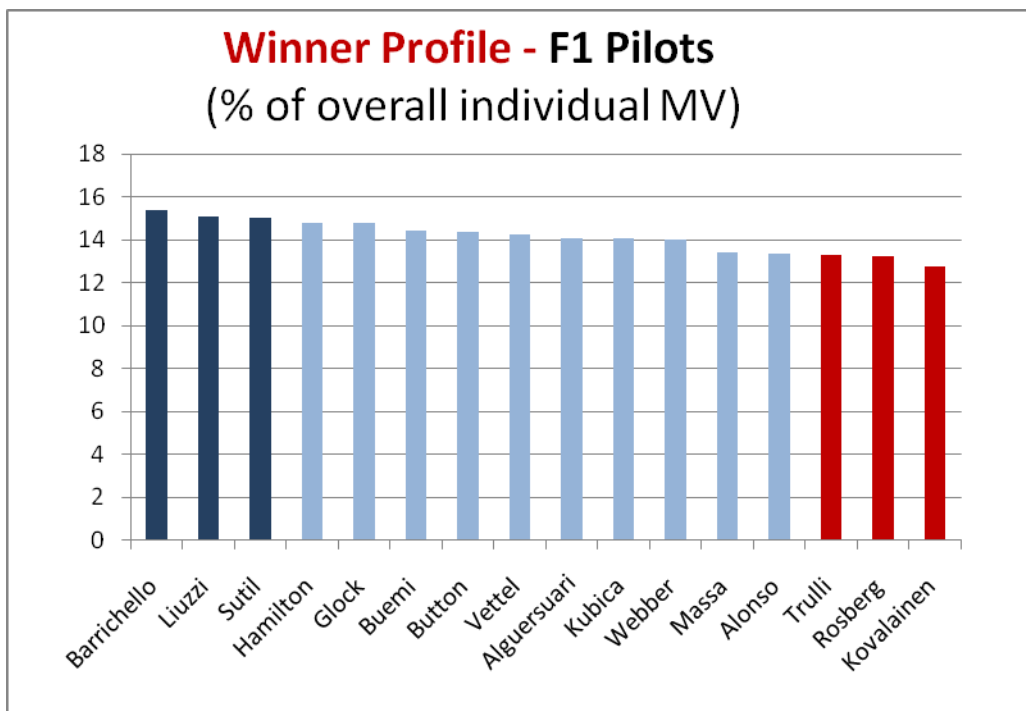
Figure 6.7



The relevancy of this information is very large, especially as concerns commercialization, broadcasting contracts, image rights, etc. Moreover, the possibility of applying ESI methodology in a disaggregated way (by countries or by grand prix, for example) provides valuable information for promoters and sponsors. If it is true that the perception of journalists, fans and the general public regarding the protagonists of formula 1 is in general terms positive, the strategic decision making advises to break down the analysis by regions.

One of the features valued more intensely by the fans, and therefore, to be considered in measuring the value of the brand of a driver, is his winning character. However, there seems to be no big differences of positioning between some and other individuals, perhaps indicating that this is an attribute tied to teams and cars more than to skills of the drivers. Figure 6.8 summarizes the most relevant information.

Figure 6.8

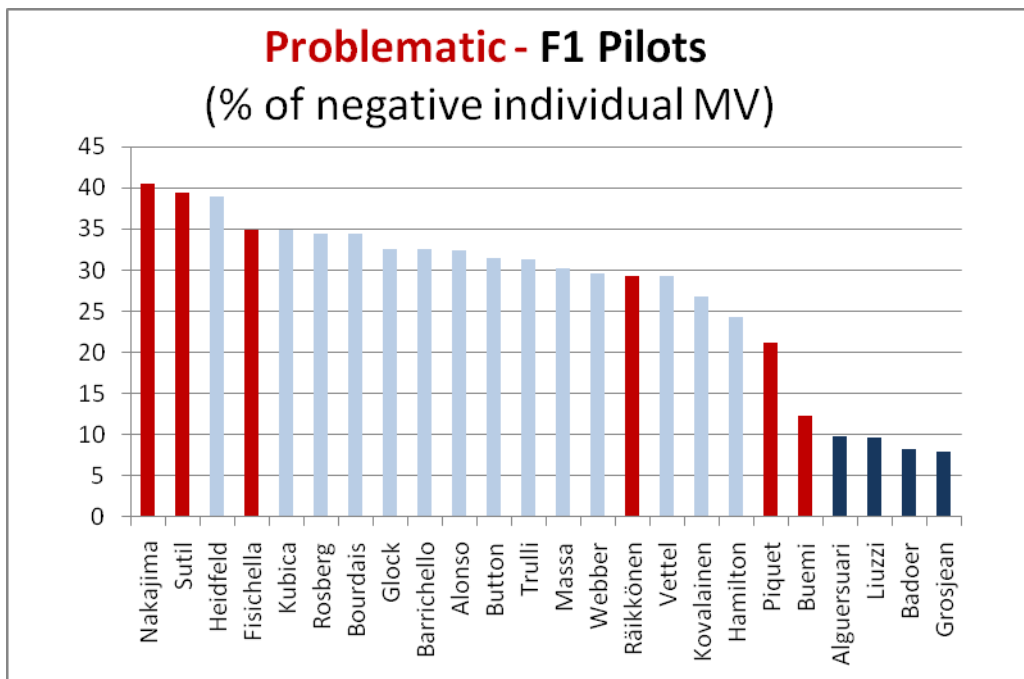


Previously we have indicated that the negative aspects don't suppose a very significant weight on the entire media value in formula 1. Moreover, all things considered it doesn't even reach 1.82% of the media global perception. Nevertheless, it can be useful to carry out an analysis of the comparative positioning of the drivers in reference to two elements: the problematic character and the inclination to cheat.

First of all, figure 6. 9 deals with establishing the ranking of the drivers, from the highest to the lowest, according to the percentage of negative news that is related to problematic attitudes or of rebelliousness.

It is significant to observe that several of the drivers that will not continue on the steering wheel of their car next season (highlighted in red) are at the top of this classification. More significant is the fact that four novice drivers of the circuit (Alguersuari, Liuzzi, Badoer and Grosjean) will continue driving in 2010 season, and they are precisely those who are placed in the most valued positions of this ranking.

Figure 6.9



In formula 1, as in other performance sports, respect for the game rules turns out to be key. The opportunists' behaviors and cheating spoils the nature of the competition, provoking loss of interest and audience and, therefore, ability to generate income. An extreme example of this type of behavior can be found in professional cycling, where dependency on doping has reduced the interest of the fans and of the mass media for this sport. The Italian soccer league, after the plot of corruption that took place some years ago, has suffered in terms of media value and ability to generate profits. Definitively, cheating or breaking of the rules of the game involves pernicious effects for the business, especially in the long term.

Without going to such extremes, and in order to design the most suitable marketing campaigns and commercialization, it is essential to know the perception that the public has in reference to this feature associated with the different drivers. The following

figures show the positioning of the drivers concerning this aspect. Figure 6.10 presents the information in a positive way; whereas figure 6. 11 classifies the drivers starting with the worst rated.

Figure 6.10

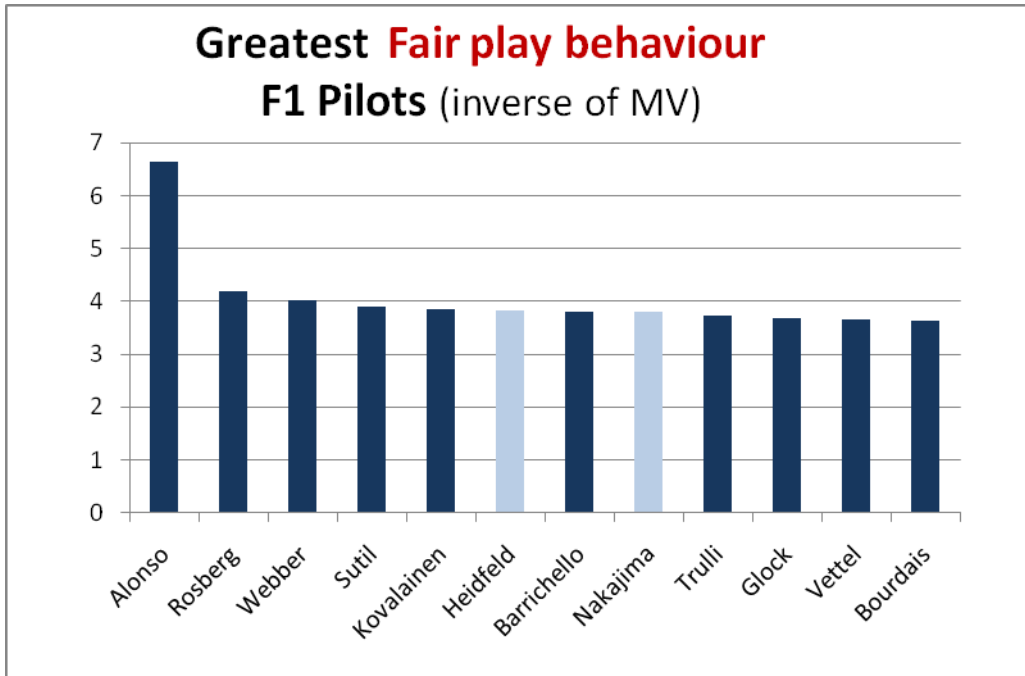
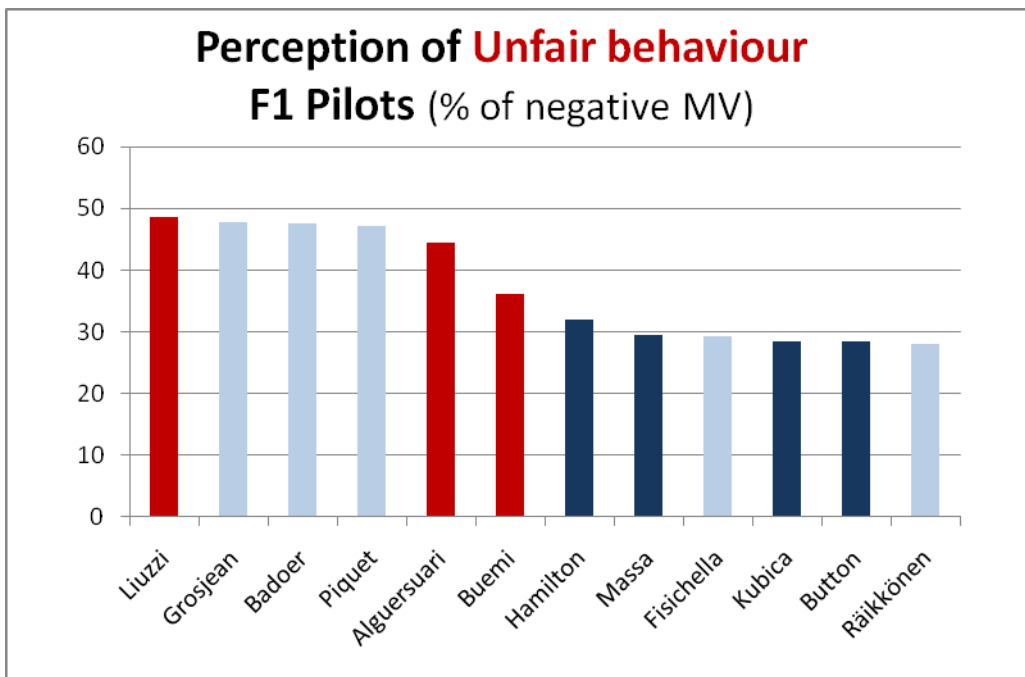


Figure 6.11



It is important to emphasize that in the two previous graphs the driver's ranking's are ordered exactly upside down: while figure 6.10 highlights the most "legal" drivers, in

figure 6.11 shows the ranking beginning with the drivers perceived with the most unsportsmanlike conduct . Among the results, it stands out the fact that Fernando Alonso is recognized as the best in respecting the rules of competition, he is located high above the other drivers who are also rated for having good sportsmanship behavior. As concerns the data in figure 6.11, they are best interpreted with a certain degree of reserve as various drivers which are present in the worst positions (highlighted in red) have been recently incorporated into formula 1. What does not appear to be a coincidence is that other individuals, who are poorly positioned, such as Piquet for example, are precisely those who have been eliminated from the teams during the 2010 season.

Throughout the description we have been doing, we have focused attention on the drivers; nevertheless, the brand image of the drivers is necessarily related to the team for which they compete. The relationship between both analyses will not be approached extensively until the next section, where we will also see the synergies that exist between the brand image of pilots and teams.

Therefore, this is the moment to draw the personal profile of the drivers. In doing so, the individual information will be organized according to the team which each driver belongs to (and showing only the most prominent features, which are always positive). Nevertheless, it is important not to lose of sight of these figures that are not perfectly homogeneous and comparable, to the extent that they reflect relative values (among drivers whose absolute media weight is very distant some from one another). More detailed information of some drivers is provided in the Annex (Chapter 6).

There are 25 drivers to whom we examined their media value profile, a tool that can be very valuable for knowing the perception that each driver enjoys. The importance of this type of analysis is that it can be very useful to design marketing strategies or to enhance some aspects of the personal brand that a driver possesses.

On the following pages, we will limit ourselves to presenting the figures of the drivers (grouped by teams), without accompanying any other comments. In any case, if a comment can be made that is valid for in all cases: there are always the same four characteristics that appear concentrating the relative weight of the drivers. Once speed is rejected for the reasons given above, the rest allude to the condition of idol of the fans, the winning profile and the ability to attract interest for being extraordinary or spectacular. The corresponding graphs are set out as follows.

Figure 6.11

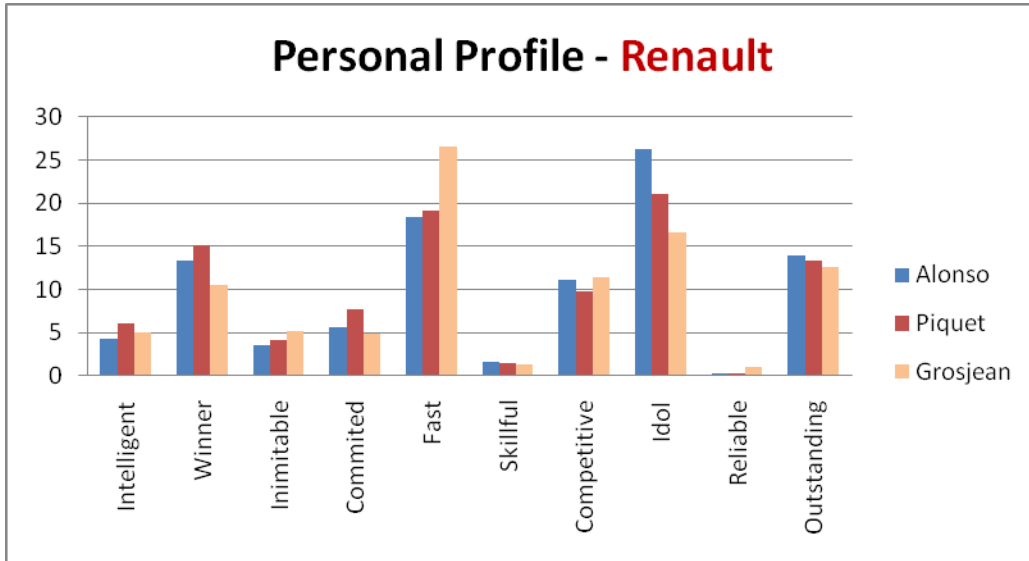


Figure 6.12

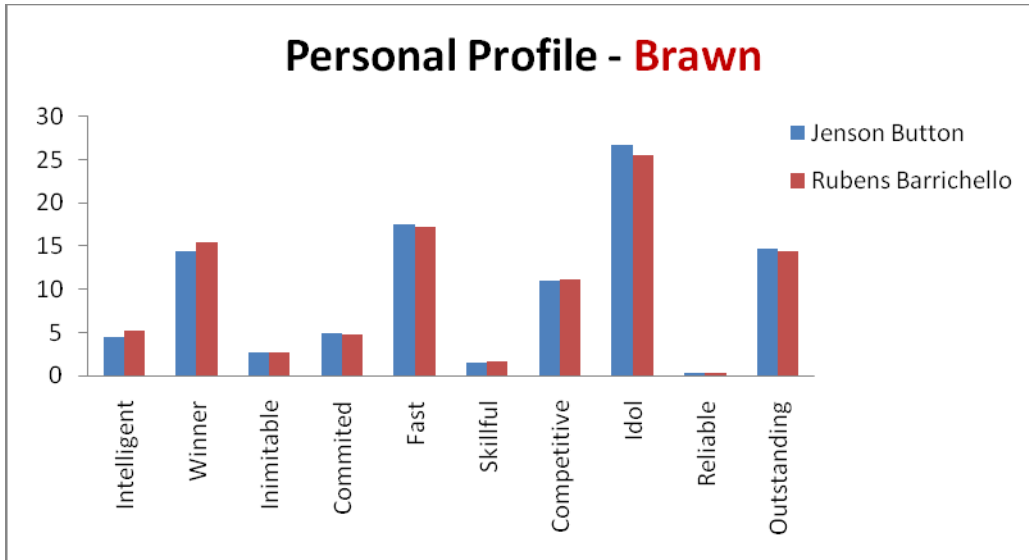


Figure 6.13

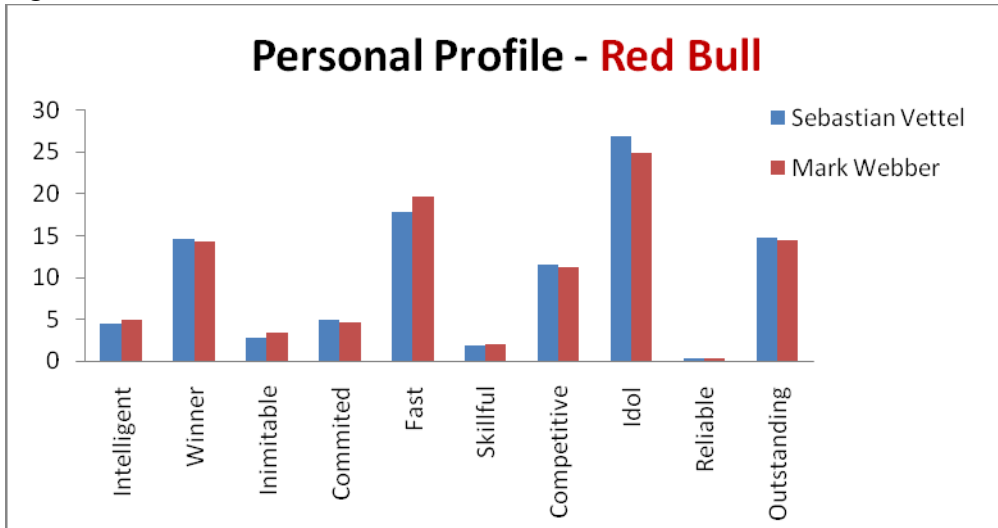


Figure 6.14

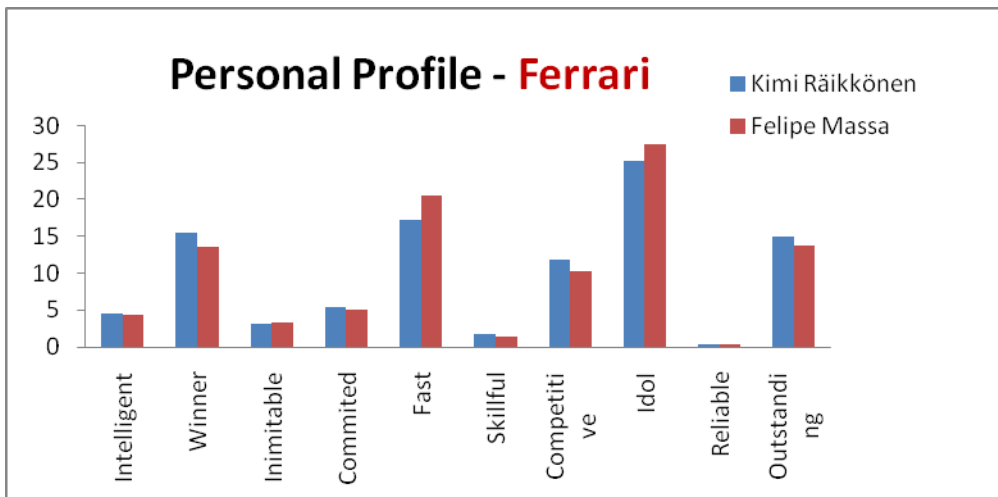


Figure 6.15

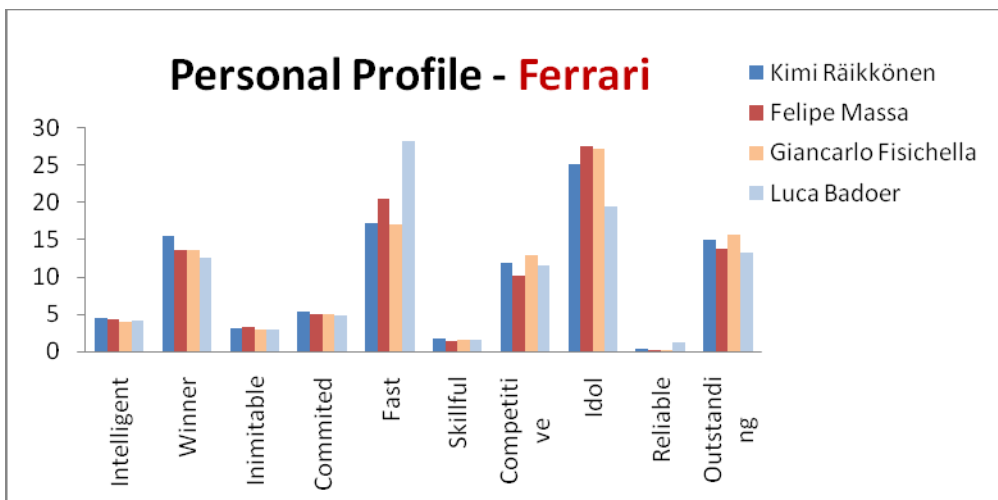


Figure 6.16

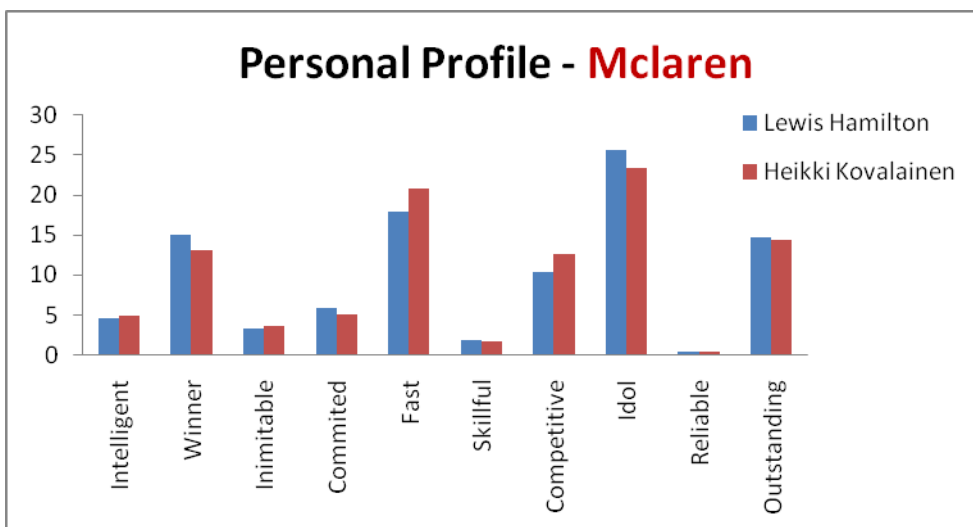


Figure 6.17

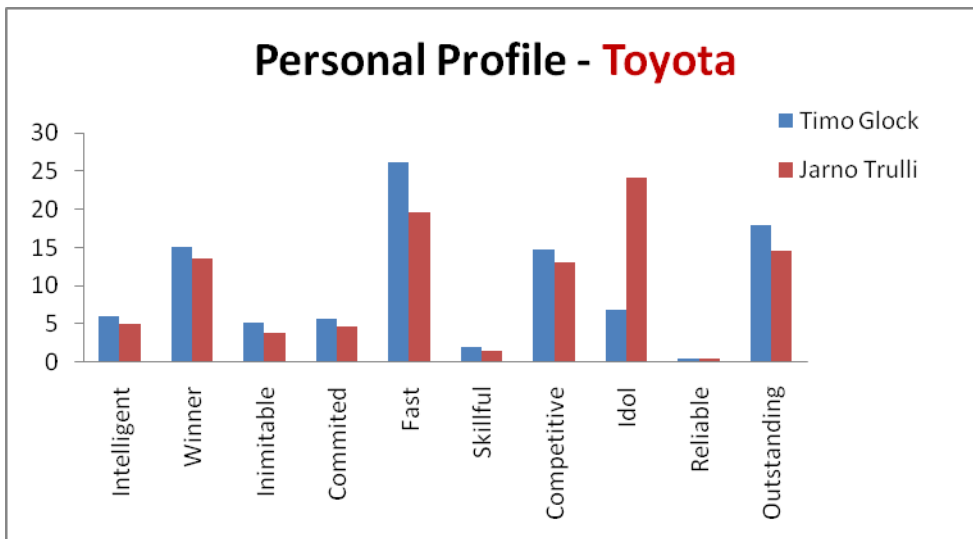


Figure 6.18

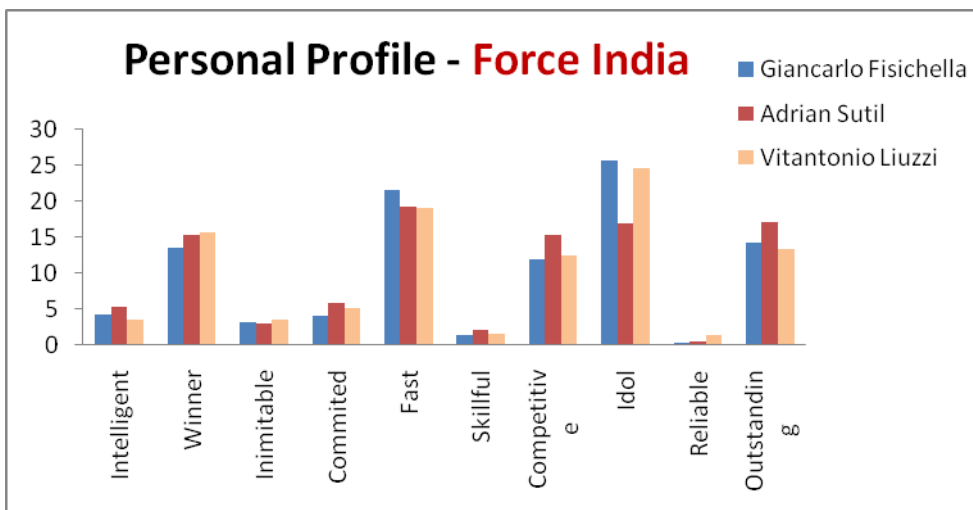


Figure 6.19

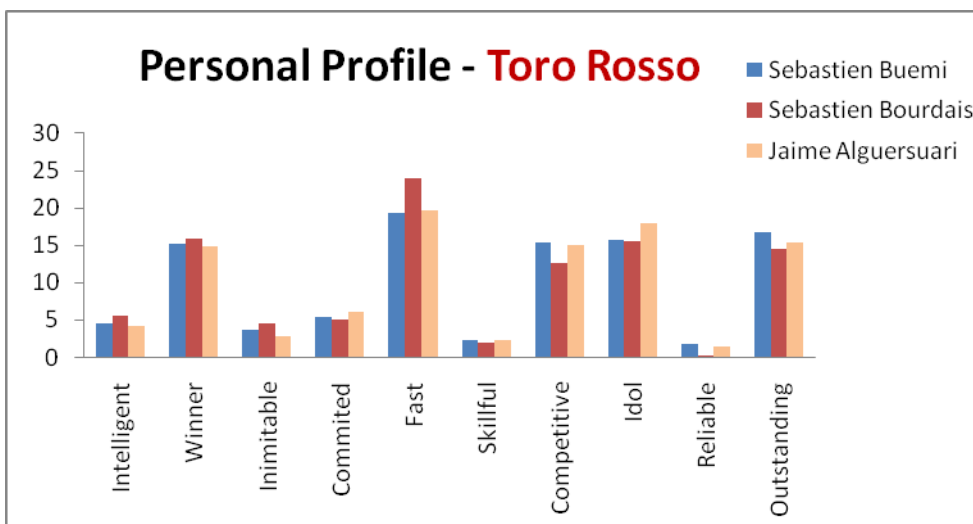


Figure 6.20

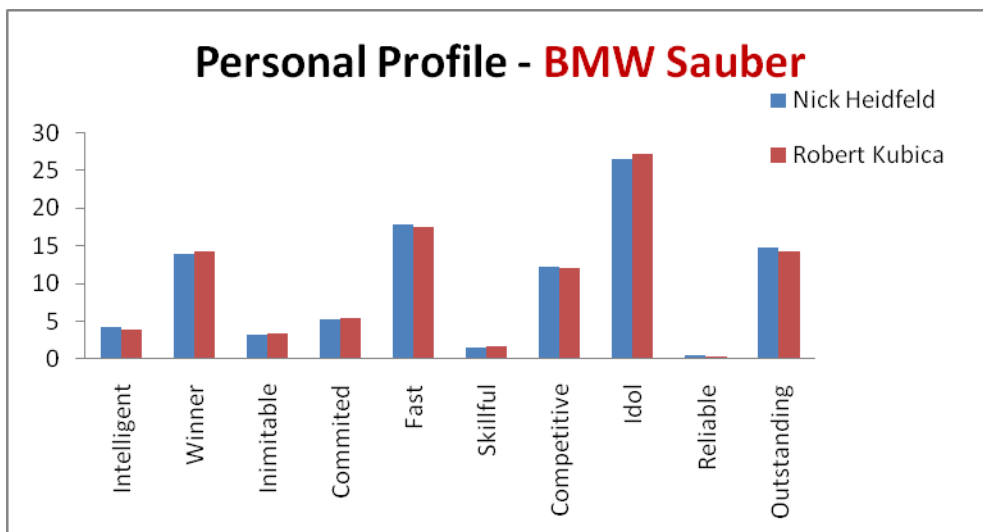
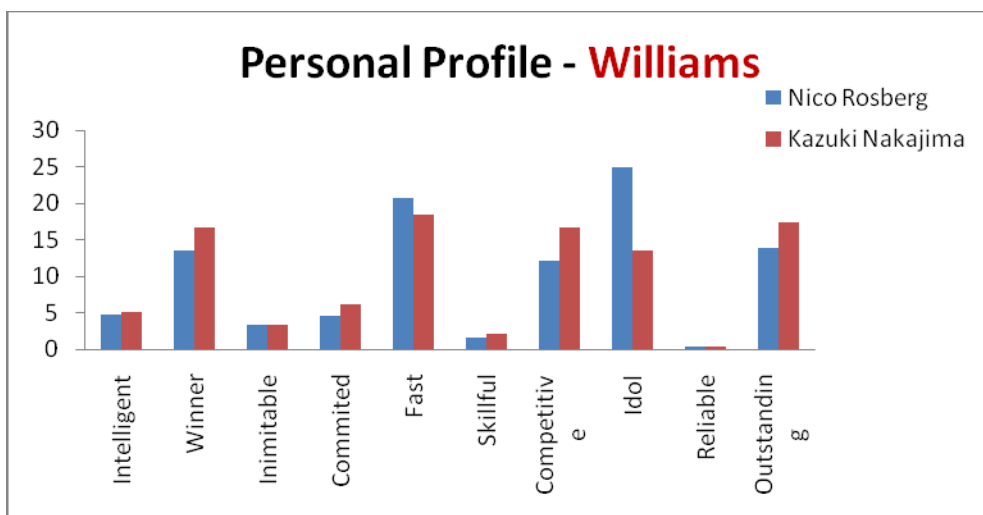


Figure 6.21



Annex (Chapter 6). Personal profile of drivers including negative features

The following graphs compare the relative weight that represents the 20 characteristics considered for some drivers, including also several negative features:

Figure A6.1

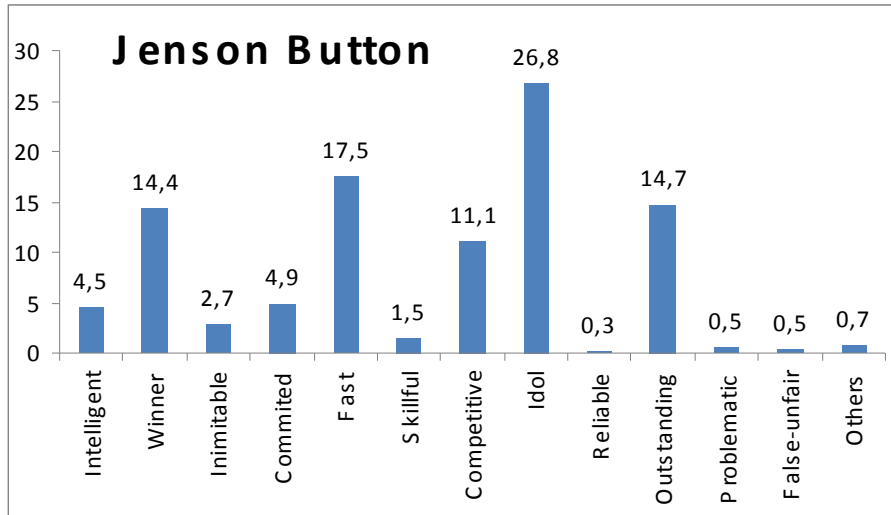


Figure A6.2

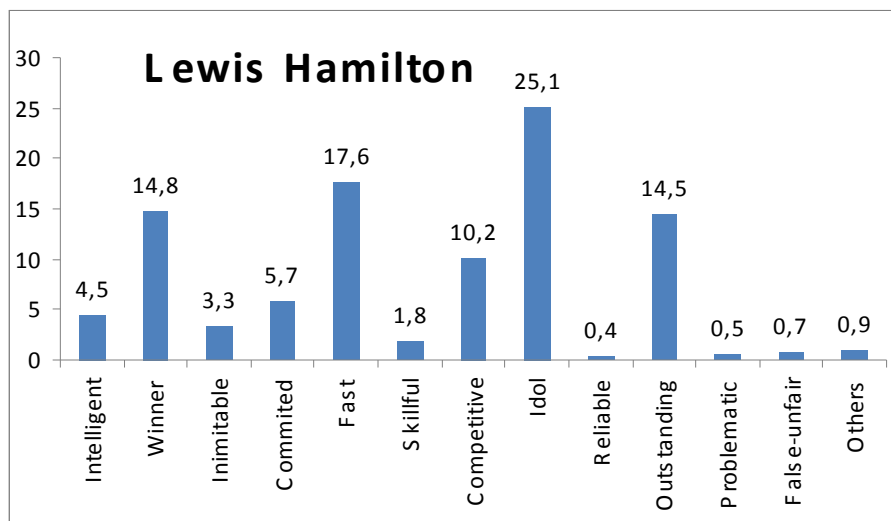
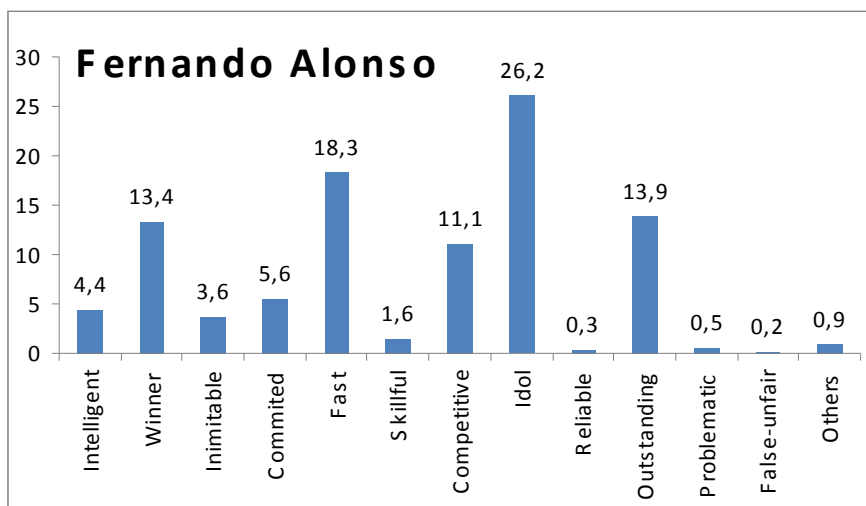


Figure A6.3



Chapter 7

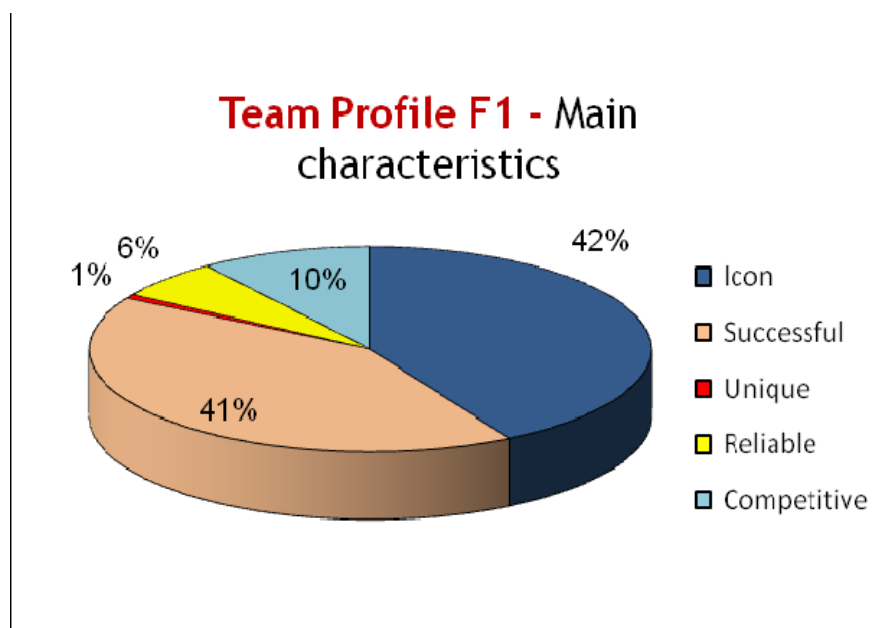
Formula 1 Teams as global brands

The precedent chapter explained the main forces on which the analysis of media value profile of the drivers was performed. In this section we examine the media value profile of the Formula 1 teams, identifying the main features that characterize each of them.

Some comments on the manner in which ESI methodology is applied to this issue are advisable prior to show the results. The first task consists of identifying the traits that are most highly appreciated for Formula 1 teams in general. Among the 5 chosen features, two of them (being an “icon” and being a “successful winner”) stand out above the others. In particular, these two traits together accumulate more than 80% of the global profile of the teams, considered as a whole, as Figure 7.1 shows.

Therefore, these two features must be considered among the major aspects on which building upon the image of a Formula 1 brand. Instead, other characteristics -such as the fact of being a “unique” brand-, don’t seem to be as much determinant for teams as it was the case for the personal profile of drivers.

Figure 7.1 Characteristics of the media profile of the Formula 1 teams

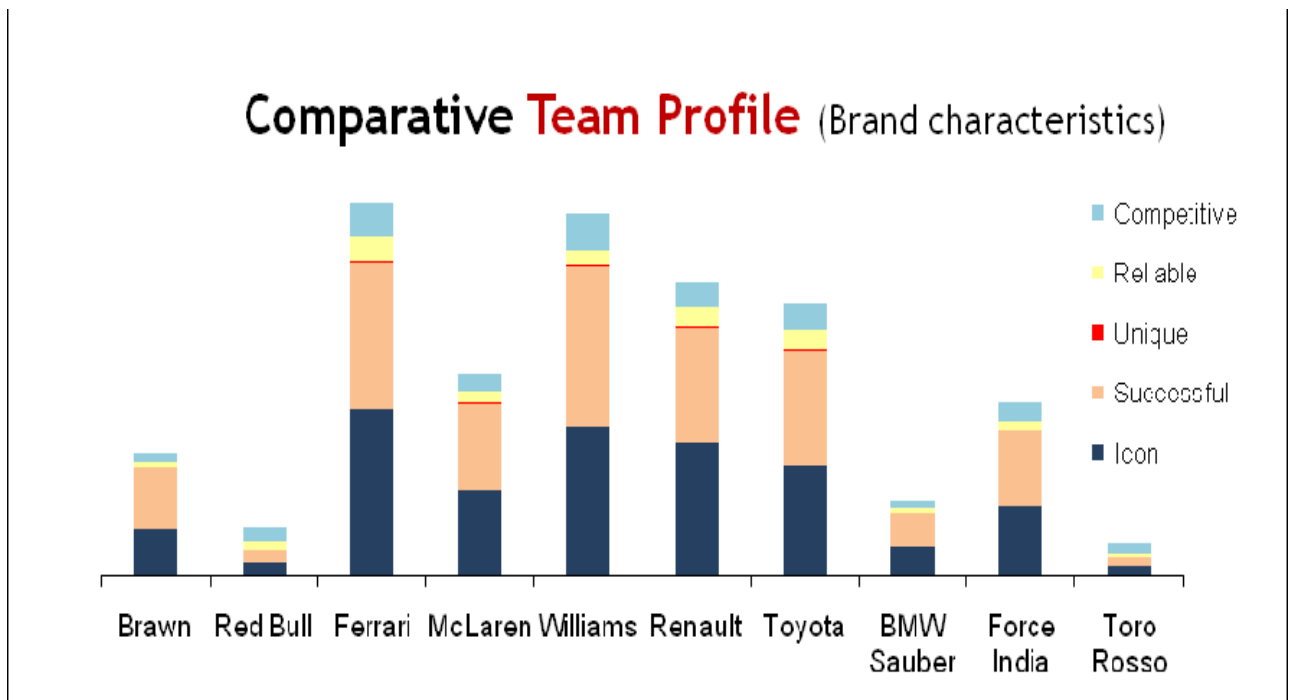


The previous figure illustrates the share of teams’ popularity that corresponds to each of the five aspects considered. Next, further information on the relative importance of

those 5 features is given; analysis that permits identifying the aspects on which to develop brand building of formula 1 teams.

Firstly, it is important to know the comparative positioning of the teams in relation to its brand reputation (according to the absolute levels of popularity they achieve). Figure 7.2 presents the global status of each team, focusing on the major five aspects, which informs about the composition of teams media profile.

Figure 7.2 Media profile of the Formula 1 teams: absolute values



According to our data at December 2009, the most reputed teams, as global brands, are respectively: Ferrari, Williams and Renault. Surprisingly, McLaren is not found until the post number five, even if -after Toyota retirement- it means being the fourth strongest team in terms of media reputation. It is also meaningful to note that, with the available information, BMW Sauber status in the media is not very well positioned.

From the quantitative analysis, a big distance is observed among formula 1 teams: Red Bull, BMW Sauber and Toro Rosso are far from the leading positions. It is worth noting as well the rapid expansion made by Brawn, which has been possible thanks to the tremendous and unexpected sport achievements they made in Season 2009. In any case, the status of Brawn is far below the popularity level hold by the traditional main teams, such as Ferrari, Williams and Renault.

Table 7.1 gathers detailed information on the principal traits characterizing the image of Formula 1 teams as global brands. The level of “reliability” is one of the features that have been taken into consideration. According to our data, Ferrari is considered the most reliable team, as well as being recognized as the principal icon of Formula 1 spectacle. Regarding the degree of association that the public establishes between a particular team and its successful or winning character, the ranking strongly identifies Williams with this feature. Finally, we consider the overall rank presented in Table 7.1 as a good measure of the brand reputation (and hence about team status) in the Formula 1 business.

Table 7.1 Team ranking by global reputation status and its components

<i>Profile of Formula 1 Teams (Season 2009)</i>					
Teams	Reputation Rank	Overall Rank	Icon	Successful	Reliable
Ferrari	1	19.01	20.33	18.04	21.05
Williams	2	18.52	18.39	19.55	12.13
Renault	3	15.00	16.28	14.04	16.65
Toyota	4	13.97	13.55	14.20	15.14
McLaren	5	10.34	10.48	10.66	9.80
Force India	6	8.87	8.70	9.27	7.04
Brawn	7	6.31	5.78	7.54	4.45
BMW Sauber	8	3.84	3.70	4.12	3.53
Red Bull	9	2.44	1.69	1.55	6.06
Toro Rosso	10	1.69	1.11	1.03	4.15

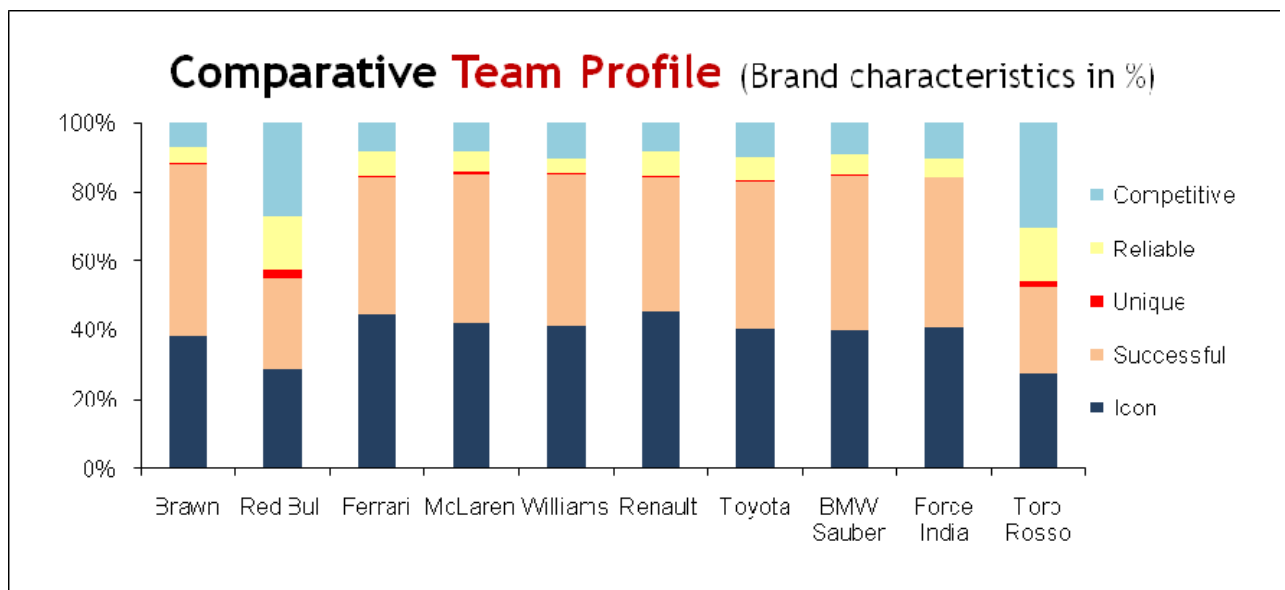
As for the detailed description of F1 teams’ reputation, we first present their profile in the mass media by expressing the characteristic as a percentage with respect to the total popularity of the team. Table 7.2 and 7.3 reveal some outstanding features of the image of F1 teams as global brands.

According to the relative importance of each single characteristic within the overall popularity of the team, ESI methodology provides us with an accurate description of the picture. The perception that journalists, fans and the general public transmit (spreading out their views and comments in the media) represents a valuable appraisal of brand reputation. The manner in which the records have initially been presented (as if all the F1 teams had identical overall media value) makes it simple to identify the distinctive traits associated to each of the teams.

Table 7.2 Reputation profile of F1 teams: share of the selected traits

<i>Reputation profile</i>		<i>Season 2009 (in %)</i>				
F1 Teams	Icon	Successful	Unique	Reliable	Competitive	Total
Brawn	38.28	49.61	0.53	4.33	7.24	100
Red Bull	28.97	26.28	2.05	15.28	27.42	100
Ferrari	44.68	39.39	0.68	6.81	8.44	100
McLaren	42.33	42.80	0.74	5.83	8.30	100
Williams	41.48	43.83	0.48	4.03	10.18	100
Renault	45.34	38.84	0.82	6.83	8.18	100
Toyota	40.52	42.18	0.60	6.67	10.03	100
BMW Sauber	40.22	44.50	0.52	5.66	9.10	100
Force India	40.97	43.37	0.28	4.88	10.50	100
Toro Rosso	27.33	25.33	1.67	15.09	30.59	100

Figure 7.3 Reputation profile of F1 teams: share of selected traits (in %)



The last analysis permits recognizing the most relevant characteristics of F1 teams. In this regard, it seems that the most important feature for Brawn is to be perceived as a winning team, something not surprising given the magnificent season they have completed in terms of sport success. Even if to be successful is the most relevant aspect for the majority of the teams, becoming a media icon appears to be as important as the winning character for some teams, such as Ferrari, Renault and McLaren.

Our analysis is also useful in order to capture the strengths -in terms of comparative advantage- of a brand against the others. Nevertheless, one should not fail to be aware that some brands, like Ferrari, are leaders in absolute terms, as they reach greater

levels of recognition in each of the five mentioned traits. The latter aspect is easily seen by attending at the following graphs.

Figure 7.4 Reputation ranking of F1 teams (Icon)

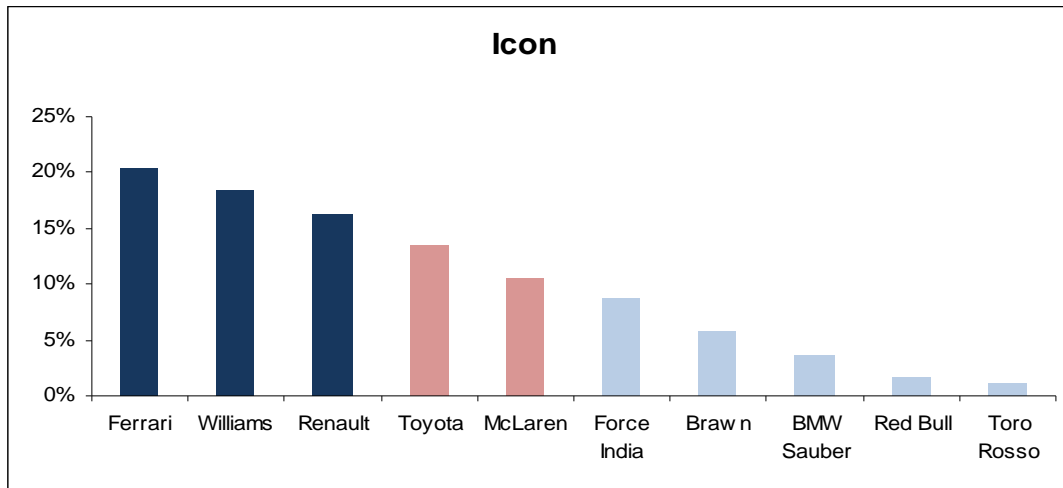


Figure 7.5 Reputation ranking of F1 teams (Unique)

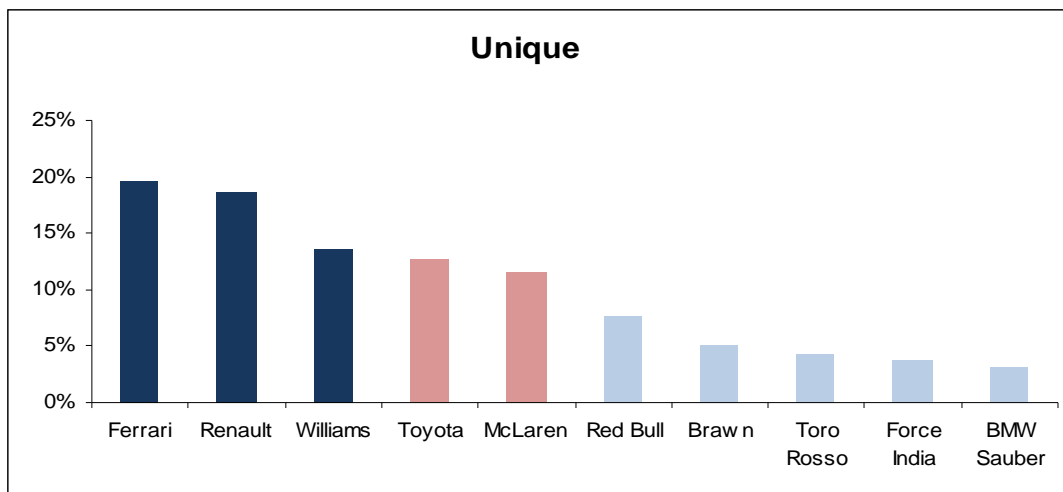


Figure 7.6 Reputation ranking of F1 teams (Reliable)

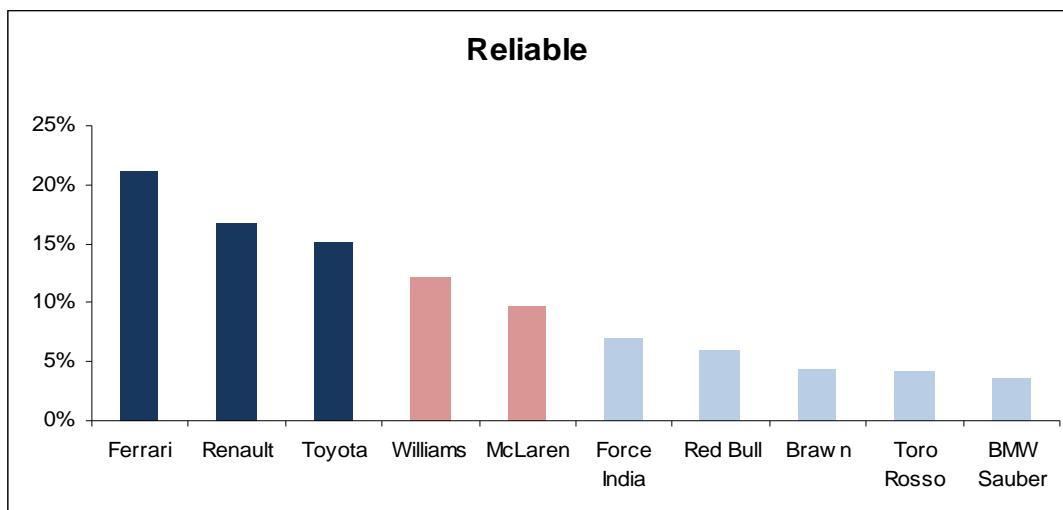


Table 7.3 arranges the information in a different way, displaying -for the different characteristics- the percentage that each team represents with respect to the total. The various figures we have offered depict a kind of team reputation rank, which can be taken as representative, given that the information is based on six different languages (English, French, Spanish, Italian, Portuguese and German).

The leadership of the Italian team Ferrari is noteworthy in almost all the aspects examined. Then, Renault and Williams reach also high levels of reputation. The other F1 teams follow behind, moving up or down in the ranking depending on the specific characteristic considered.

Table 7.3 Teams' reputation Rank - Main characteristics

<i>Team Profile (Season 2009)</i>					
F1 Teams	Icon	Successful	Unique	Reliable	Competitive
Ferrari	20.33	18.04	19.65	21.05	16.20
Williams	18.39	19.55	13.55	12.13	19.03
Renault	16.28	14.04	18.62	16.65	12.40
Toyota	13.55	14.20	12.7	15.14	14.15
McLaren	10.48	10.66	11.66	9.80	8.67
Force India	8.70	9.27	3.77	7.04	9.41
Brawn	5.78	7.54	5.12	4.45	4.62
BMW Sauber	3.70	4.12	3.05	3.53	3.53
Red Bull	1.69	1.55	7.61	6.06	6.76
Toro Rosso	1.11	1.03	4.28	4.15	5.22
Total	100	100	100	100	100

As we have already said (and Figure 7.2 and 7.3 illustrate), Ferrari, Williams and Renault has a strong profile as icon of the fans. Regarding Red bull and Toro Rosso, these are perceived as very competitive teams, especially if this feature is examined in relation to the overall brand profile of each team.

To end up with this section, let's compare the profile of teams and pilots. It is often the case that the configuring brand traits of a F1 team can be shaped along with those of its drivers, thereby generating synergies in brand development and commercial exploitation. In other case, hiring a specific driver may aspire to solve certain weaknesses in the image of the team in which the arriving pilot is strong. In any case, the following analysis is presumably useful to implement efficient brand development strategies.

The Formula 1 industry largely depends on the brand value attach to the main protagonists of the spectacle. Besides, the ability to produce spectacle is an intangible asset whose value can be measured through methodologies like the index of media value proposed by ESI. The following graphs, for each team and driver, are shown without comments, since they are sufficiently meaningful.

A general consideration, which holds true in all the cases, is the finding that being “successful” seems to be more relevant for the teams than for the drivers. In contrast with that, F1 pilots generally display noticeable levels of uniqueness, a feature which is not precisely representative in the case of the teams.

Figure 7.7 Comparison of the profile of Brawn and its drivers

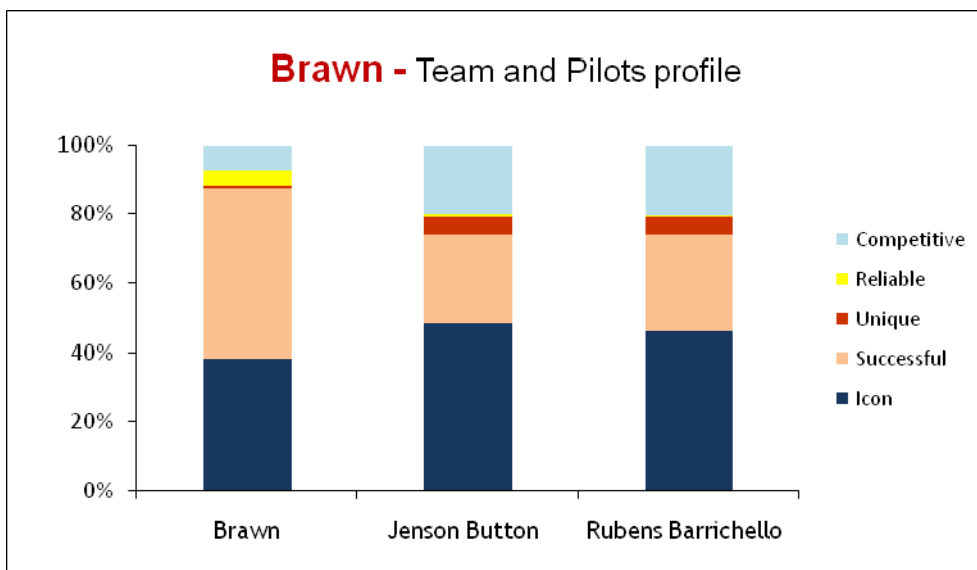


Figure 7.8 Comparison of the profile of Red Bull and its drivers

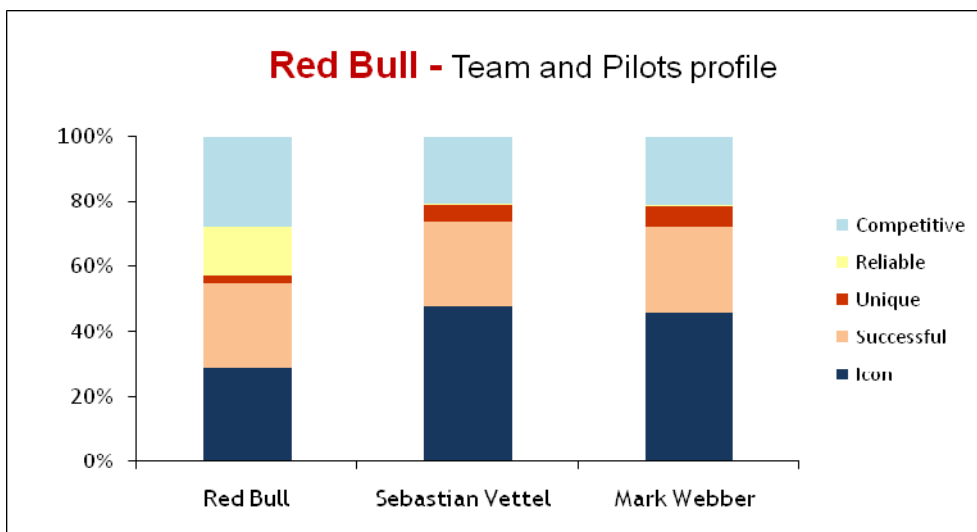


Figure 7.9 Comparison of the profile of Ferrari and its drivers

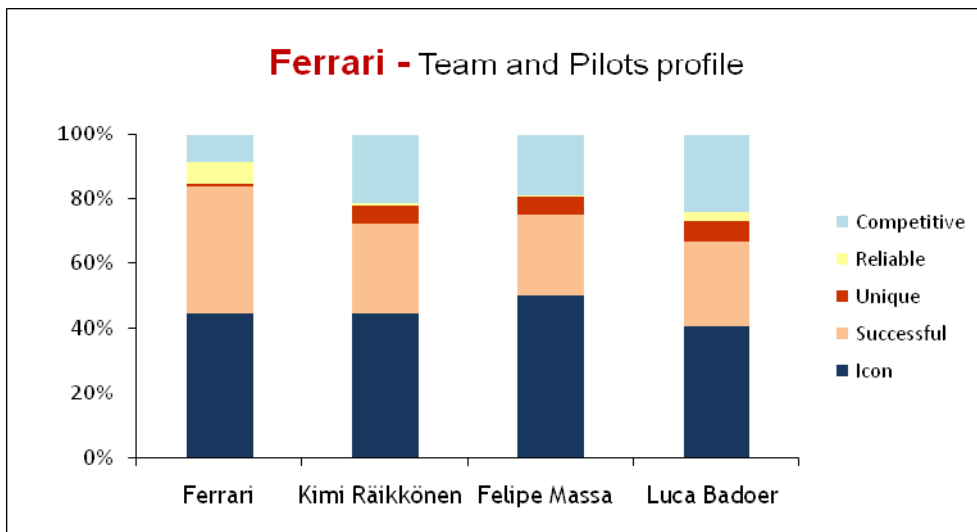


Figure 7.10 Comparison of the profile of McLaren and its drivers

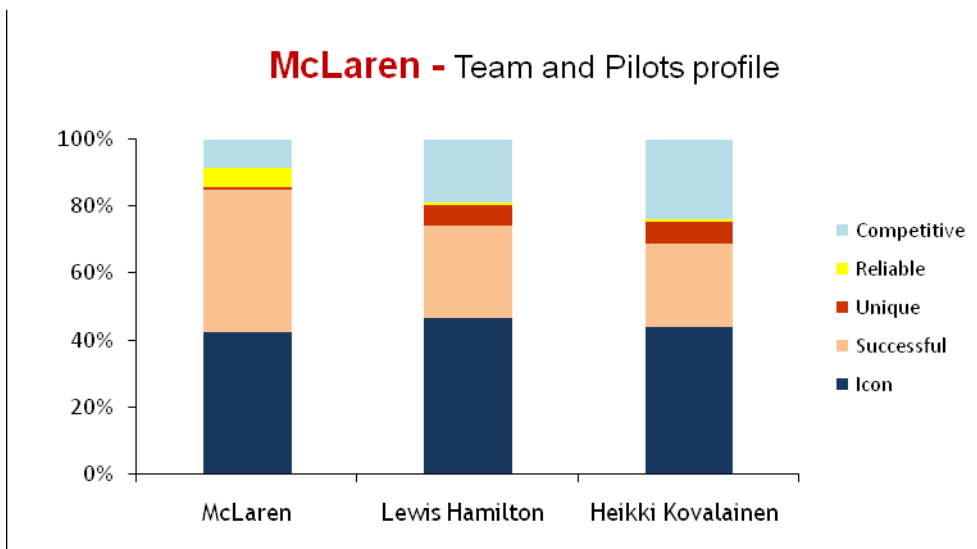


Figure 7.11 Comparison of the profile of Williams and its drivers

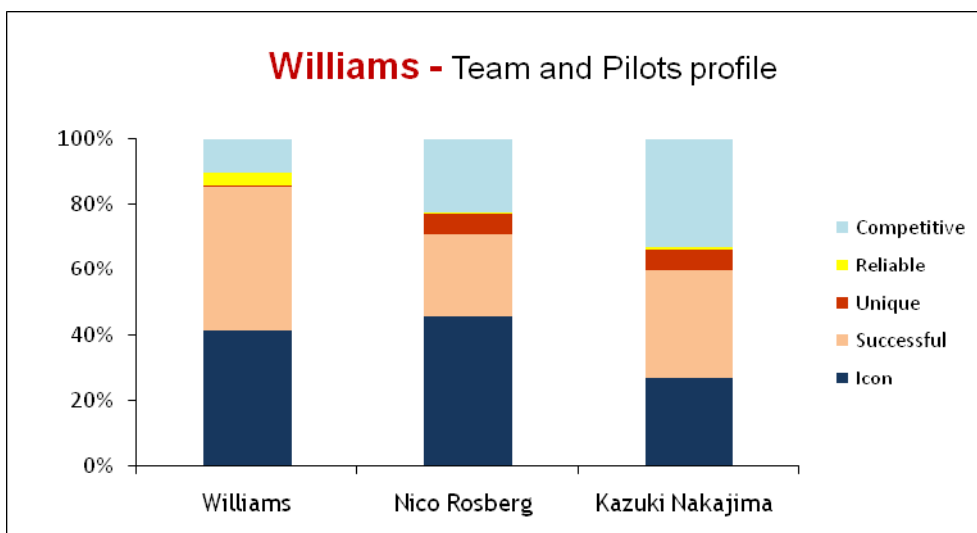


Figure 7.12 Comparison of the profile of Renault and its drivers

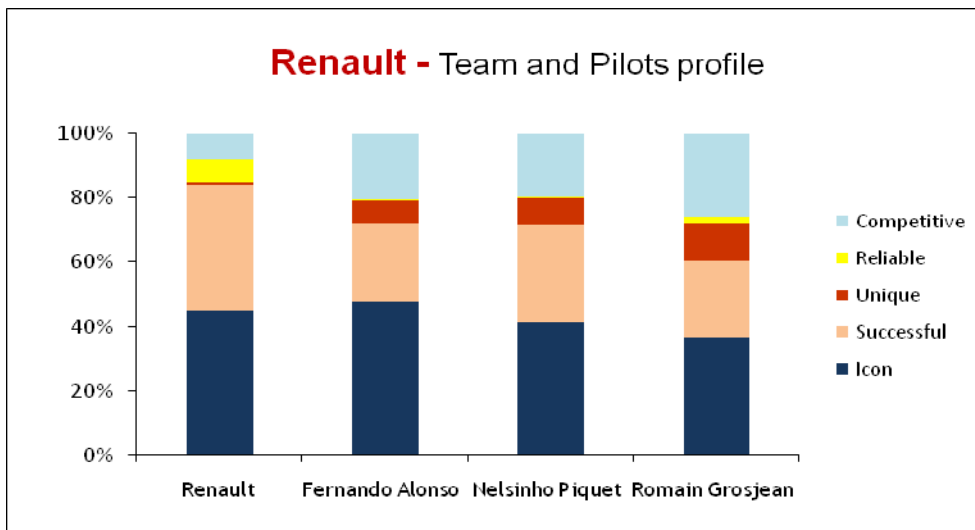


Figure 7.13 Comparison of the profile of Toyota and its drivers

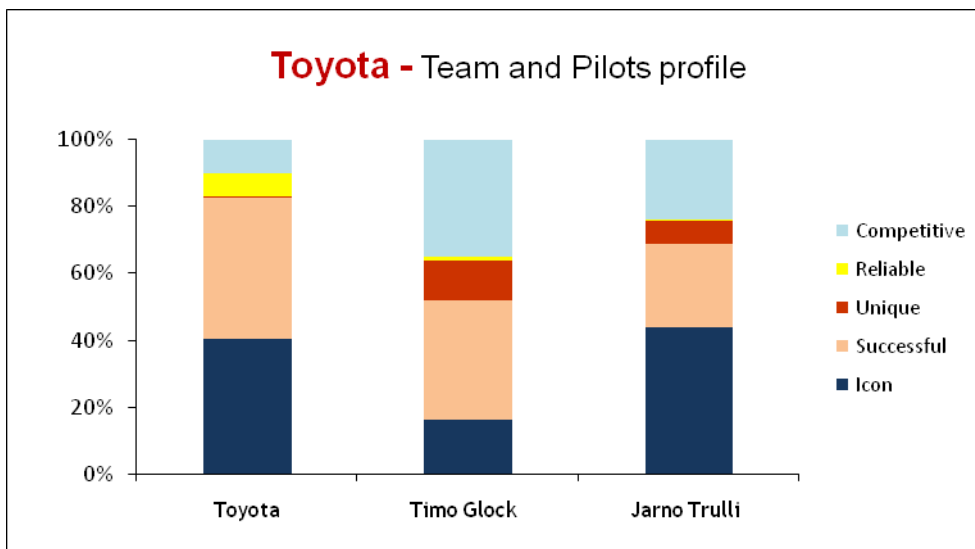


Figure 7.14 Comparison of the profile of BMW Sauber and its drivers

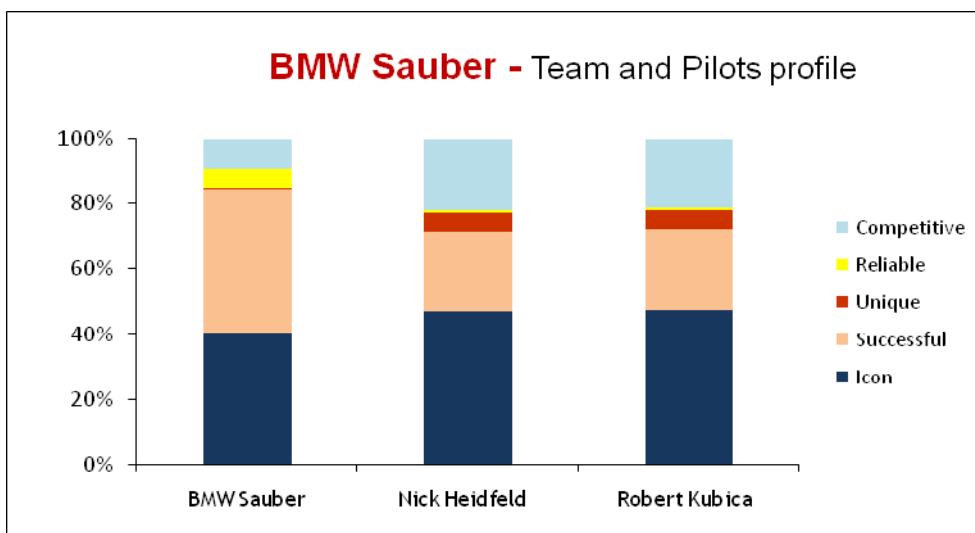


Figure 7.15 Comparison of the profile of Force India and its drivers

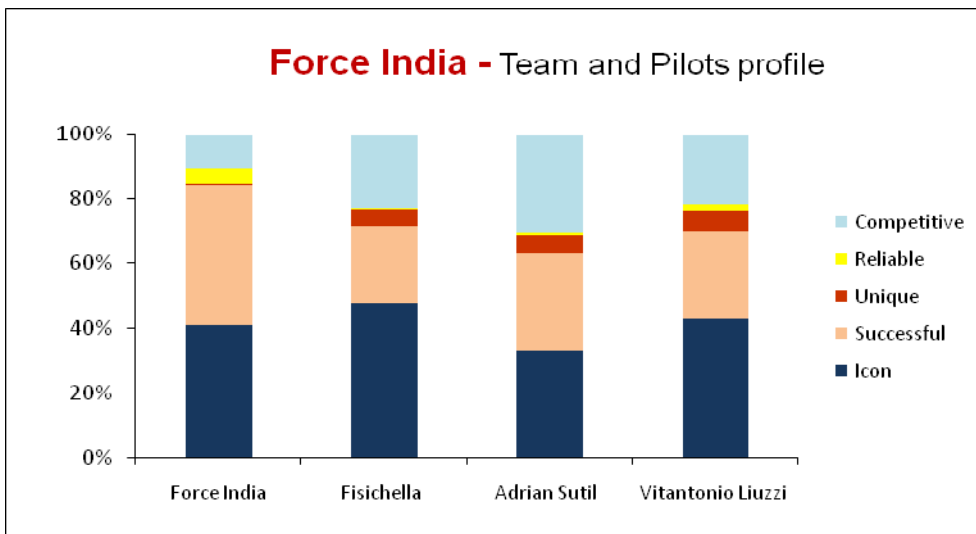
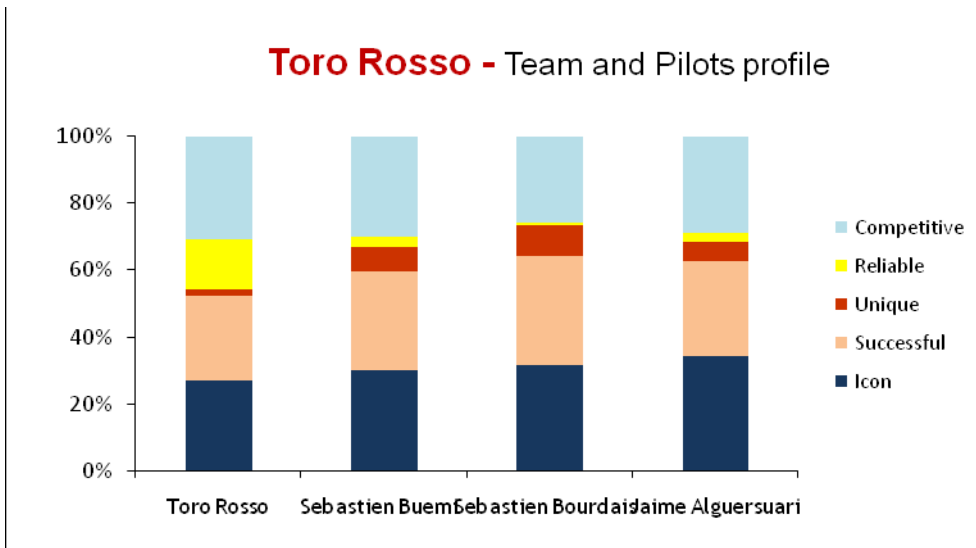


Figure 7.16 Comparison of the profile of Toro Rosso and its drivers



Chapter 8

Media value contribution of Alonso and Ferrari

The goal of this chapter is particularly difficult, as it explores the interaction and cross-feeding contribution of teams and drivers to the media value of each other. Firstly, note that the image of F1 drivers -especially in terms of the notoriety and in the short run- cannot be assessed as something detached from the image of his team. Similarly, the brand image of a team is never independent of that of its drivers.

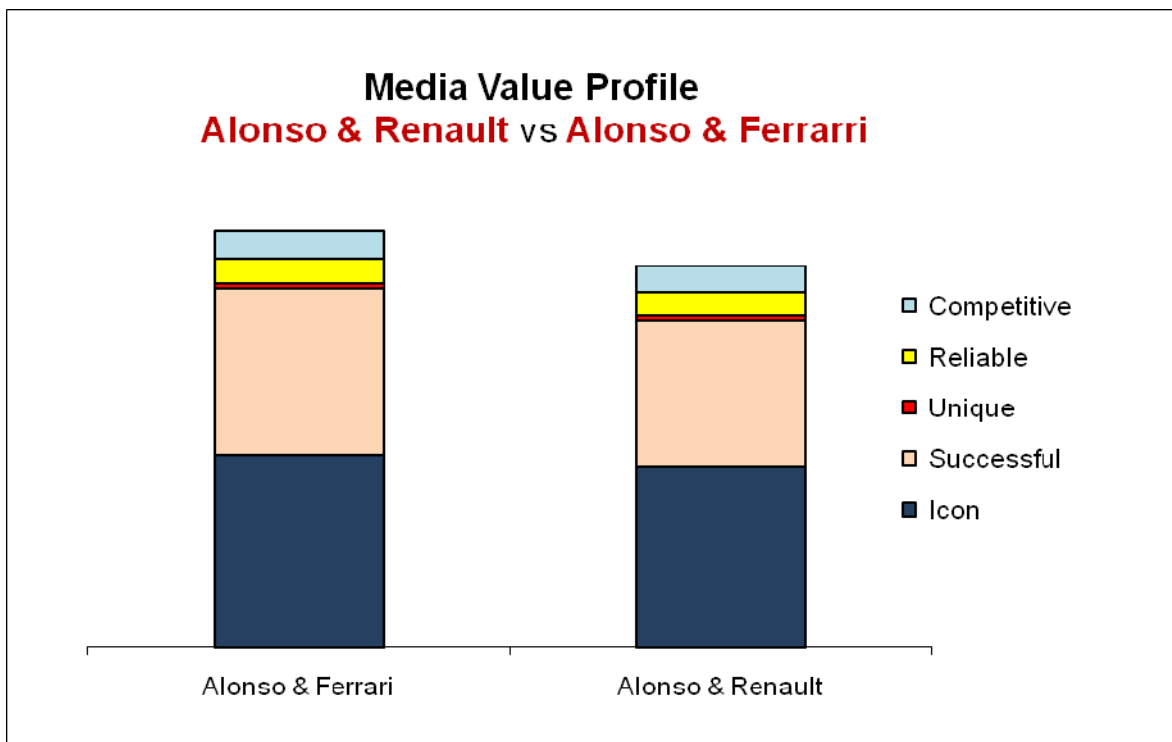
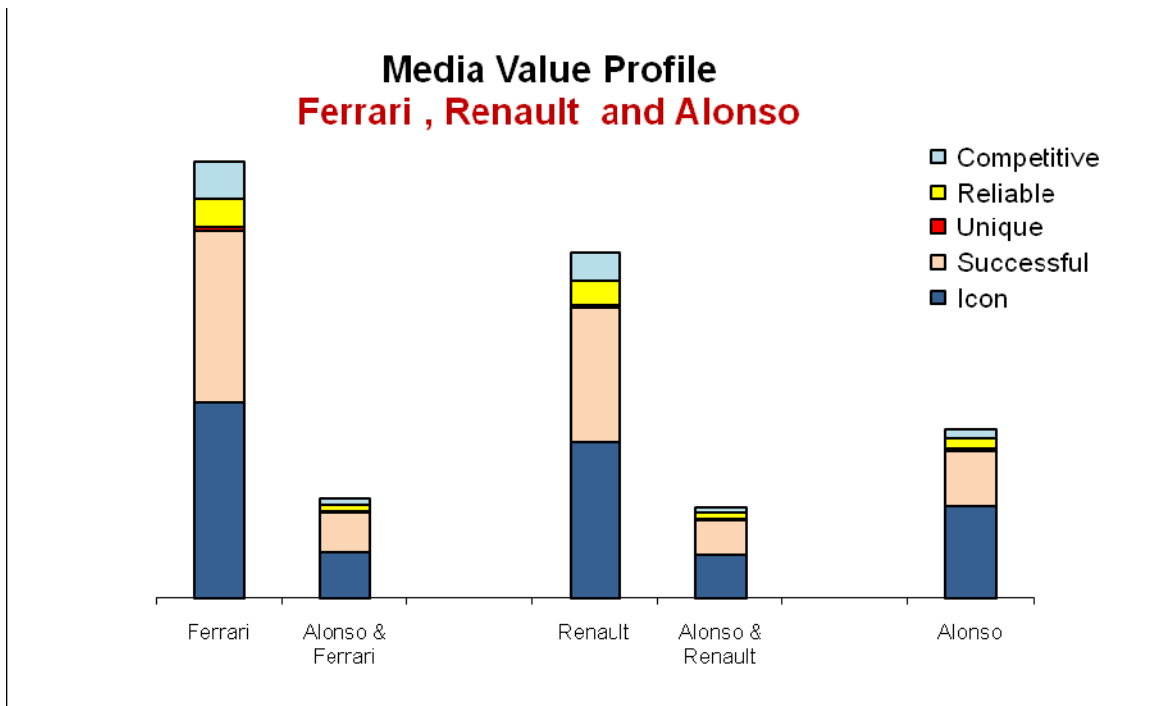
This difficulty becomes even more serious if having into account that the personal characteristics of pilots, as much as the distinctive traits of F1 teams, interact together in order to configure the brand profile of each of them. Historical records of the protagonists shape their particular profile and eventually define their media value status (crucial intangible asset on which the Formula 1 industry develops its business).

The previous considerations help to understanding how difficult it is to separate the media value of drivers and that of their teams. Yet, the issue may be addressed by examining the media value evolution of the pilots who have changed team. In this section, we explore this possibility and present some provisional results.

As an example, we focus now on the media coverage stemming from the coalition of Alonso with Ferrari starting in 2010. The inspection of the joint media value level generated by each driver-team alliance, alongside with the media value evolution of drivers who change teams, provides information to identify the share of media value contribution that corresponds to each protagonist.

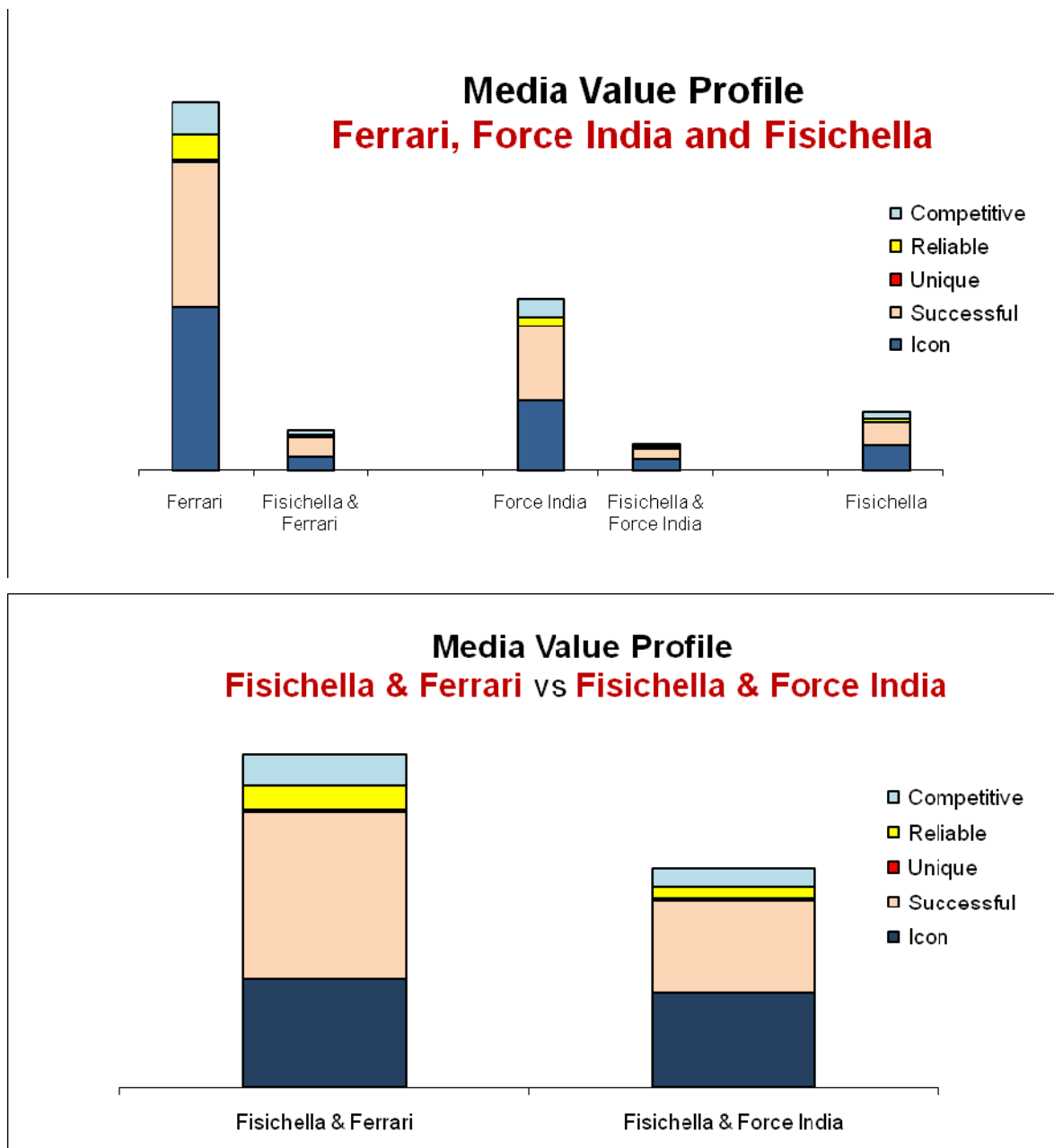
Initially, we illustrate graphically the media profile of Fernando Alonso as compared to his profile when associated to the last two teams in which he has competed: Renault and Ferrari. Just a few weeks competing with Ferrari during the pre-seasonal period have been enough for him to reach greater brand status than what he had with Renault. The qualitative results (as illustrated in the two graphs of Figure 8.1) suggest as well that there is a close similarity between the profile of Alonso with Renault and Ferrari. Nevertheless, the recognition of Fernando Alonso as “successful” or “winner” is greater when associated to Ferrari than the corresponding figure in Renault. It is also noticeable that the hiring of Fernando Alonso by Ferrari has reinforced several major strengths that were already present.

Figure 8.1 Brand profile of Alonso i Ferrari and Renault



A similar analysis can be applied to Fisichella, a driver who has recently competed for two teams with very different media profile. In this case, by simple inspection of the two graphs of Figure 8.2, it is easy to conclude how the movement from Force India to Ferrari implied for Fisichella a greater gap (in terms of reputation) than the impact it had on Alonso when he left Renault for Ferrari.

Figure 8.2 Gap in the media value of Ferrari and Force India - Fisichella.



Next, in Table 8.1, we summarize the main outcomes of carrying out a more detailed comparison of Renault and Ferrari. The table shows as well the multiplicative factor (MF) that captures the distance between two teams (or F1 drivers) for each single aspect examined.

A multiplicative factor as high as 1.3, for instance, means that Ferrari's reputation in the specific aspect under consideration is worth 30% more than the reference brand (Renault, in this case). This outcome is notable, given the strength of Renault as one of the main teams in the F1 business.

On the other hand, the last column of Table 8.1 informs about the level of importance that must be granted to each of the multiplicative factors, as derived from the share of the total achieved by each of the aspects.

Table 8.1 Deviation in media reputation: Ferrari versus Renault

<i>F1 Team Profile (Season 2009)</i>					
Aspects	Renault	Ferrari	Total	Multiplicative factor of Ferrari on Renault	% in which the aspect affects the brand
Icon	44.5	55.5	100	1.2	42.2
Successful	43.8	56.2	100	1.3	41.5
Unique	43.3	56.7	100	1.3	9.4
Reliable	44.2	55.8	100	1.3	6.8
Competitive	48.7	51.3	100	1.1	0.2
Total	44.11	55.89	100	1,3	100

When the same analysis is computed for Ferrari and Force India (Table 8.2), larger differences are found. In fact, the MF in this case reveals media value power of more than twice for Ferrari.

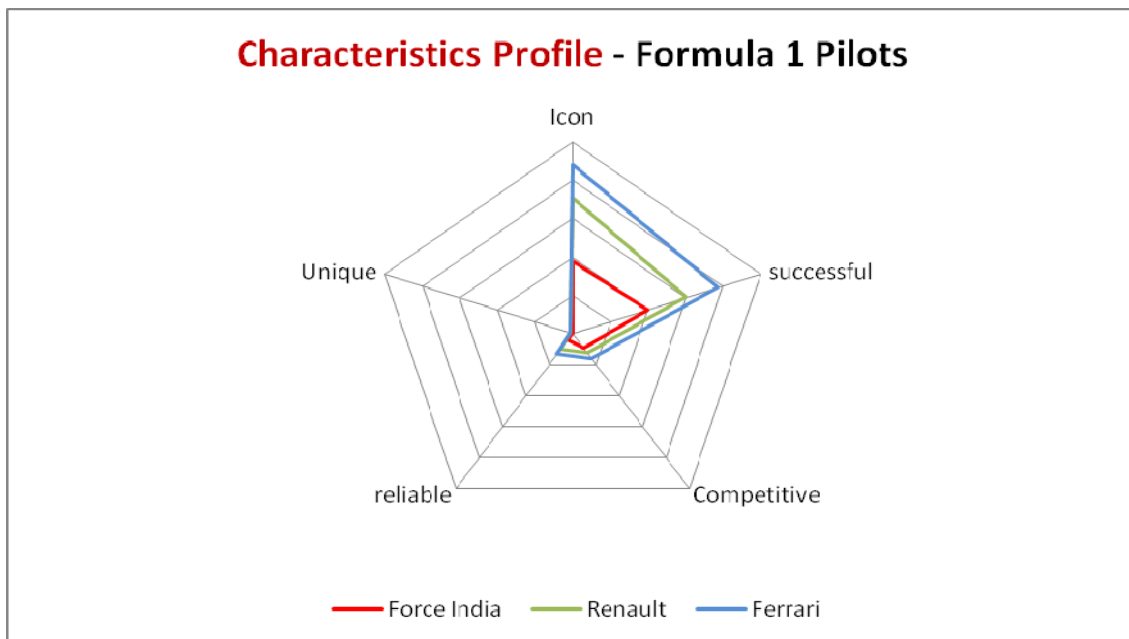
Table 8.2 Deviation in media reputation: Ferrari versus Force India

<i>F1 Team Profile (Season 2009)</i>					
Aspects	Force India	Ferrari	Total	Multiplicative factor of Ferrari on Force India	% in which the aspect affects the brand
Icon	29.96	70.04	100	2.3	47.9
Successful	33.93	66.07	100	1.9	35.9
Unique	36.74	63.26	100	1.7	6.6
Reliable	25.06	74.94	100	3.0	8.5
Competitive	16.09	83.91	100	5.2	1.0
Total	31.81	68.19	100	2.1	100

An alternative manner to illustrate the main strengths of the reputation of Formula 1 teams', and their relative positioning with respect to competing brands, is shown in Figure 8.3. The inspection of this diagram allows us to appreciate the dominance of Ferrari, which is far ahead of Renault and Force India in every one of the traits considered. In any case, the picture will be not finished unless the drivers are incorporated into the analysis. But, as we have mentioned, ESI methodology is also useful for assessing the interaction of the media value contribution procured by drivers

and teams. Attending to the gap in terms of reputation, one could evaluate the capacity of F1 drivers for developing their team value as a brand.

Figure 8.3 Comparing reputation profiles of Formula 1 teams



Besides, the following tables provide similar information than the previous one, but having made the appraisal of media value of pilots and teams at the same time. Firstly, Table 8.3 compares the media profile of Alonso in the teams in which he has competed recently.

Table 8.3 Deviation in media reputation: Alonso in Ferrari vs Alonso in Renault

<i>F1 Team Profile (Season 2009)</i>					
Aspects	Alonso in Renault	Alonso in Ferrari	Total	Multiplicative factor of Alonso & Ferrari on Alonso & Renault	% in which the aspect affects the brand
Icon	48.4	51.6	100	1.2	33.5
Successful	46.9	53.1	100	1.2	54.2
Unique	47.7	52.3	100	1.1	1.2
Reliable	47.8	52.2	100	1.1	5.9
Competitive	48.3	51.7	100	1.1	5.2
Total	47.7	52.3	100	1.2	100

The implications of these numbers are meaningful, especially when compared to the information in Table 8.1. Similarly, Table 8.4 describes the contrasting figure displayed

by the reputation profile of Fisichella when he was driving the Ferrari car, as compared to his profile associated to Force India.

Table 8.4 Deviation in media reputation: Fisichella-Ferrari vs Fisichella-Force India

<i>F1 Team Profile (2009)</i>					
Aspects	Fisichella in Force India	Fisichella in Ferrari	Total	Multiplicative factor Fisichella & Ferrari vs Fisichella & Force India	% in which the aspect affects the brand
Icon	46.5	53.5	100	1.2	12.57
Successful	35.91	64.09	100	1.8	64.2
Unique	35.24	64.76	100	1.8	1.09
Reliable	34.27	65.73	100	1.9	9.7
Competitive	35.8	64.2	100	1.8	12.43
Total	39.7	60.3	100	1.5	100

Table 8.5 shows that the multiplicative factor -capturing the gap in terms of the recognition in the media- between Alonso and Fisichella is smaller when the calculations are made for them associated to Ferrari (second column) than for the pilots alone (first column).

Table 8.5 Comparison of the MF of Alonso versus Fisichella

<i>Multiplicative Factor (MF) - Alonso vs Fisichella</i>			
	MF	MF at Ferrari	% change
Icon	2.77	3.34	20.38%
Successful	2.31	1.84	-20.31%
Unique	1.52	1.74	14.37%
Reliable	3.09	2.30	-25.40%
Competitive	7.41	3.53	-52.42%
Total	2.43	2.25	-7.62%

The previous discussion can also be analysed by means of vectorial diagrams, which permits identifying the weak and strong aspects of F1 pilots and teams, with respect to those of competitors. In this regard, as illustrated by Figure 8.5, the contrast in the comparative position of Alonso with respect to Fisichella is highly significant in all the aspects considered. The analysis allows an alternative reading: it illustrates the extent to which a good driver (Alonso, in this case) manages to increase the brand value of a leading team (Ferrari) as compared with the positioning of the same team associated with another pilot (Fisichella).

Figure 8.4 Differences in the media profile of Alonso and Fisichella

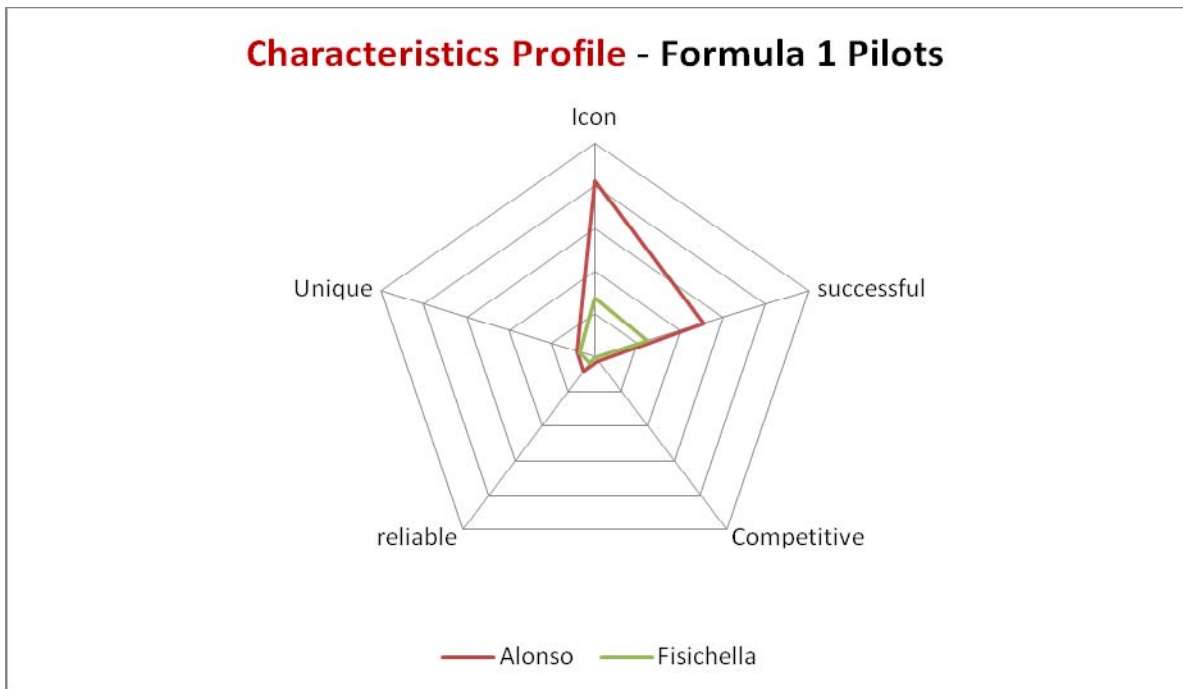
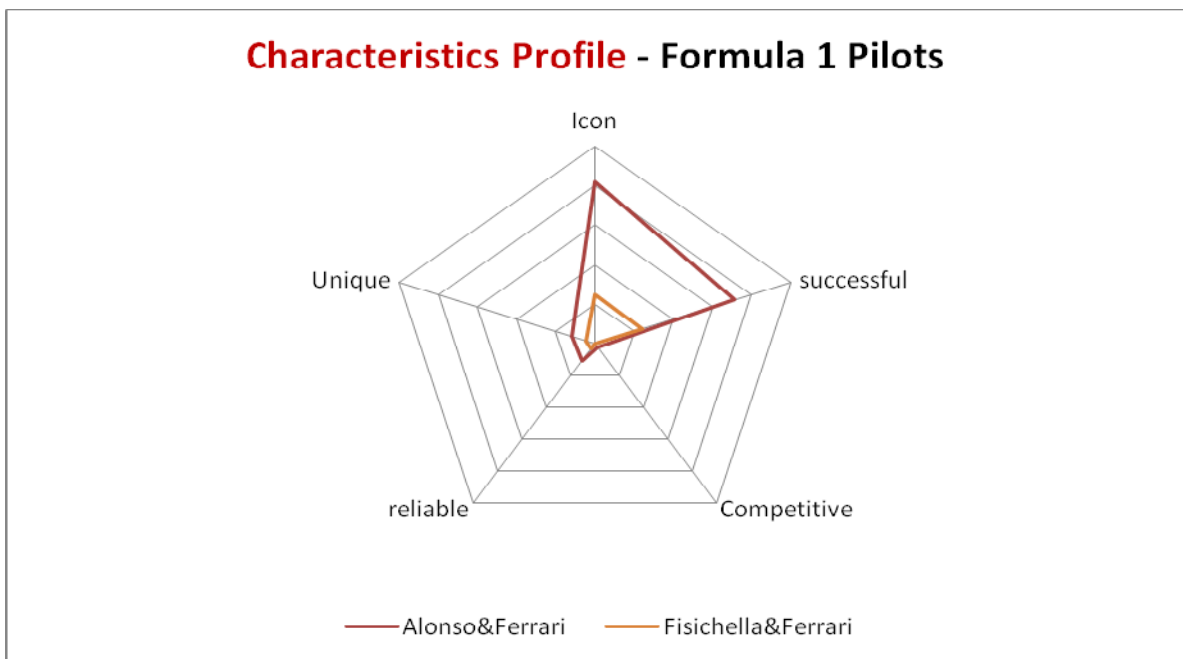


Figure 8.5 Gap in the brand development of Ferrari: Alonso vs Fisichella



The representation of Figure 8.5 is complemented by the quantitative analysis offered in Table 8.6. It indicates, for each single characteristic explored, the multiplying factor by which the level of media coverage of a particular brand is increased. Thus, the association Ferrari and Alonso multiplied the media level of the Italian team associated with Fisichella 2.25 times, revealing that the Spanish driver has great potential for developing the value of a brand.

Table 8.6 Brand development in Formula 1

Formula 1 - Brand development						
Multiplicative Factor	Icon	Successful	Unique	Realiable	Competitive	Total
Ferrari&Alonso vs Ferrari&Fisichella	3.34	1.84	1.74	2.30	3.53	2.25
Alonso&Ferrari vs Alonso&Renault	1.20	1.20	1.10	1.10	1.10	1.20

Similarly, according to our results, the capacity that a team like Ferrari has in order to expand the media value of its counterpart becomes smaller if the driver is already a highly reputed professional or when the driver moved into Ferrari from another well-known team.

9. What is ESI research group?

The research group on Economics, Sports and Intangibles (ESI) has created its own methodology in order to evaluate the media value of professional sport. In the last years, ESI has been studying different procedures to establishing measures of intangible assets within the sport and spectacle industry, developing a homogeneous measurement of prestige, public attraction and mass media exposure of sportsmen. These realities are captured by means of the index denoted as "Media Value", which enables us providing fully comparable rankings of media value for sport players and teams.

ESI methodology has been successfully applied in the last years and has permitted evaluating the media value of professional sport competitions within the football context (Spanish LFP, Champions League, World Cup in Germany), basketball (NBA, World Cup in Japan), tennis, golf, etc. ESI data bases are a rich source for carrying out research projects linked to economic or entrepreneurial problems in the context of intangible assets. Many of those problems could not be tackled in the past, but thanks to this new measure of media value (both accurate and homogeneous) can now receive a scientific and meaningful examine. Among the outcomes of applying ESI techniques, various rankings of players and teams in terms of media value are provided in the official web site of ESI research group (www.unav.es/econom/sport), as well as in special reports like this one.

ESlrg can undertake professional reports to meet the specific areas of interest and the requirements demanded by the most diverse instances. Teams, players, and many other professionals involved in management, marketing, brand development, etc., should be aware of the media value attached to the different agents operating in sport businesses.

This research group is commanded by Francesc Pujol (Universidad de Navarra) and Pedro Garcia-del-Barrio (Universitat Internacional de Catalunya). There are a number of experts in the area of sport economics who cooperate with ESlrg. Recently, ESlrg has created an international committee, to which some academics belong as associated off-campus members: Stefan Szymanski (Cass Business School, City University - London), Benno Torgler (Yale University), Miguel Cardenal (Universidad de Extremadura), Carlos P. Barros (Technical University of Lisbon), Bernd Frick (University of Paderborn) and Simon Chadwick (Birkbeck College, University of London).

The information contained in this report is protected by legal rights of the authors.

10. Scientific publications and other reports

Papers in academic journals

Garcia-del-Barrio, P. and Pujol, F (2009) "The rationality of under-employing the best performing soccer players", *Labour: Review of Labour Economics Industrial Relations* 23 (3): 397-419.

Barros, C.P., del Corral, J. and Garcia-del-Barrio, P. (2009): Reply to Comment on "Identification of Segments of Soccer Clubs in the Spanish League First Division with a Latent Class Model", *Journal of Sports Economics* 10: 660-666.

Garcia-del-Barrio, P. and S. Szymanski (2008) "Goal! Profit maximization vs. win maximization in football leagues". *Review of Industrial Organization* 34: 45-68.

Pujol, F. (2008) "El valor mediático en el mundo del fútbol", estudio en Barajas, Angel (ed.) *Las finanzas detrás del balón. El negocio del fútbol*, CIE Dossat 2000. Colección Introducción a la Economía.

Barros, C. P., Garcia-del-Barrio, (2008) "Efficiency measurement of the English Football Premier League with a Random Frontier Model". *Economic Modelling* 25 (5): 994-1002.

Barros, C.P., J.del Corral, P.Garcia-del-Barrio (2008), "Identification of Segments of Soccer Clubs in the Spanish 1st Division with a Latent Class Model", *Journal of Sports Economics* 9: 451-69

Barros, C. P., Garcia-del-Barrio, P and Leach, S. (2008) "Analysing the Technical Efficiency of the Spanish Football League First Division with a Random Frontier Model", *Applied Economics* 41 (25): 1466-4283.

Garcia-del-Barrio, P. and F. Pujol (2007), "El valor mediático del mundial de baloncesto 2006", *Intangible Capital*, Vol 3 (4), pp. 129-156.

Garcia-del-Barrio, P. and F. Pujol (2008), "El papel del fútbol en la sociedad actual. Fútbol: ocio y negocio", *Revista Empresa y Humanismo*, Vol. XI, nº 1/08: 91-110.

Garcia-del-Barrio, P. and F. Pujol (2007), "Hidden Monopsony Rents in Winner-take-all Markets. Sport and Economic Contribution of Spanish Soccer Players", *Managerial and Decision Economics*, Vol. 28, pp. 57-70.

Garcia-del-Barrio, P. and F. Pujol (2005), "Està la popularitat dels esportistes inclosa en la valoració de mercat?", *Revista Econòmica de Catalunya*, N. 51, March, pp. 56-69.

Technical Notes

NT1-Eng: What is the contribution of David Beckham to Real Madrid? (In English)

NT2: Tres líderes, un campeón mediático: El valor mediático de la F1 tras tres carreras

NT3: El impacto mediático del doping en el Tour de Francia 2007. (in Spanish)

NT4: ¿Cuánto vale la marca Fernando Alonso fuera de McLaren? (in Spanish)

NT5: La conmoción mediática de la sanción a Vodafone McLaren-Mercedes (In Spanish)

Other recent reports

- **ESlrg R01-Esp** El valor mediático del Mundobasket 2006. Informe intermedio (aug 06)
- **ESlrg R02-Esp** El valor mediático del Mundobasket 2006. Informe final (sept 06)
- **ESlrg R03-Eng** Media Value in Football. Season 2005/06 (sept 06)
- **ESlrg R04-Eng** Media Value in Football. February 2007 edition (feb 07)
- **ESlrg R05-Eng** Media Value in Football. Season 2006/07 (jun 07)
- **ESlrg R06-Esp:** Garcia-del-Barrio, P. y Pujol, F. "Informe anual sobre el valor mediático del tenis, Temporada 2007", ESI - Universidad de Navarra. November 2007.
- **ESlrg R07:** Pujol, F. and Garcia-del-Barrio, P. (with the collaboration of J. Elizalde), "Informe sobre el mercado de fichajes 2007". January 2008, ESI - Universidad de Navarra.
- **ESlrg R08:** Pujol, F. and Garcia-del-Barrio, P. (with the collaboration of J. Elizalde), "ESI-rg Biannual Report on Media Value in Football". February 2008, ESIrg - Universidad de Navarra.
- **ESlrg R09-Esp:** Pujol, F. and Garcia-del-Barrio, P. "Informe sobre el valor mediático del fútbol, 2007/08. Junio 2008", ESIrg - University of Navarra.
- **ESlrg R09-Eng:** Pujol, F. and Garcia-del-Barrio, P. "Report on media value in football. June 2008", ESIrg University of Navarra.
- **ESlrg R010-Esp:** Pujol, F. "Informe sobre fichajes y valoración de futbolistas temporada 2008/09". December 2008.
- **ESlrg R011-Esp:** Pujol, F. "Impacto mediático del campeonato de patinaje de velocidad Gijón 2008". January 2009.
- **ESlrg R012-Esp:** Pujol, F. and Garcia-del-Barrio, P. "Informe sobre el valor mediático del fútbol, 2008/09 (Junio 2009)", ESIrg - Universidad de Navarra.
- **ESlrg R013-Esp:** Pujol, F. and Garcia-del-Barrio, P. "Informe sobre el valor mediático del fútbol 2008/09", ESIrg - University of Navarra. Junio 2009.
- **ESlrg R015-Esp:** Pujol, F. "ESI-rg Biannual Report on Media Value in Football. February 2010", ESIrg - Universidad de Navarra.
- **ESlrg R016-Esp:** Garcia-del-Barrio, P and Pujol, F. "Informe del valor mediático de la Fórmula 1. Temporada 2009", ESI - Universidad de Navarra. Marzo 2010.
- **ESlrg R016-Eng:** Garcia-del-Barrio, P and Pujol, F. "ESI Report of Media Value in Formula 1. Season 2009", ESI - Universidad de Navarra. March 2010.

The information contained in this report is protected by copyright of the authors.

10. Contact

For additional information, please, contact to:

Francesc Pujol

ESI

Universidad de Navarra

Ed. Bibliotecas (Entrada Este)

E-31080 Pamplona

Tel: (+34) 948 425625

Fax: (+34) 948 425626

e-mail: fpujol@unav.es

Pedro Garcia-del-Barrio

ESI

Universitat Internacional de Catalunya

Immaculada 22

E-08017 Barcelona

Tel: (+34) 93 2541800 (ext. 4779)

Fax: (+34) 93 2541850

e-mail: pgarcia@cir.uic.es