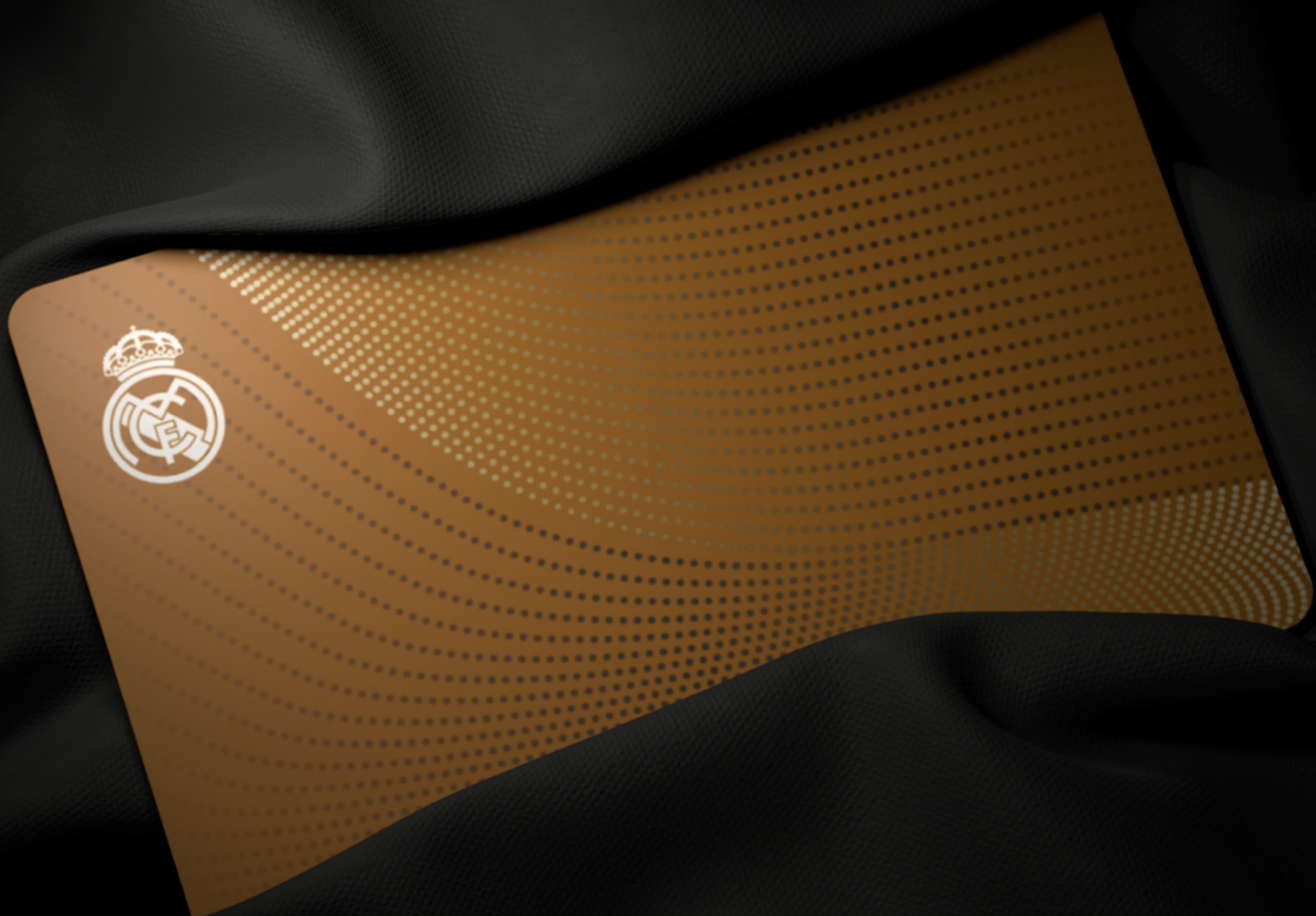


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Madridista Loyalty Program: A New Vision

Enhancing the Fan Loyalty Experience

About the Report

This report explores the Madridista loyalty program's status, challenges, and innovation opportunities, drawing insights from football and other industries with proven loyalty strategies. Our thesis provides actionable recommendations to enhance the program, leveraging Real Madrid's global fandom to deliver better international benefits. The report focuses on aligning the program's business performance with the club's on-pitch excellence, the ultimate driver for increasing the number of paid loyalty members.

Why This Topic?

Inspired by deep engagement with Real Madrid and the sports industry during our MBA coursework, our thesis group selected this topic to propose potential enhancements to the Madridista loyalty program. By analyzing current practices and cross-industry expertise, we aim to refine strategies that strengthen fan loyalty, ensuring the program reflects the passion of the Hala Madrid spirit worldwide.

What Will Readers Learn?

Readers will gain insights into the core drivers of loyalty strategies, including gamification, personalization, immersive fan experiences, and strategic data use. The report highlights financial projections and return on investment (ROI) and addresses implementation challenges. The report reveals a roadmap for transforming the Madridista program into a global benchmark, fostering deeper emotional and behavioral loyalty among fans.

Who Contributed?

Contributing members of this thesis are Ghali Benjelloun, Laura Casabianca, Bogdan Galatan, Carlos Morales, and Enur Pakashtica. The team members' professional experience spans the tech, media, and finance industries. Our diverse team delivers an engaging and informative analysis of the Madridista program, celebrating what keeps fans loyal to Real Madrid while proposing bold innovations to honor the club.

Hala Madrid! Enhancing Loyalty for 600+ Million Fans!

Football Loyalty

The following thesis proposes enhancements to Real Madrid's Madridista loyalty program. While the current program offers substantial benefits for Free and Premium subscribers in Spain, it underutilizes opportunities to deliver comparable value to international subscribers.

Our research highlights Real Madrid's fanbase and brand influence present an untapped high-premium market. This segment of fans is willing to invest in a premium subscription model in return for exclusive club loyalty benefits and rewards.

To develop a set of proposals and solutions for the enhancement of the Madridista program, we have identified the main trends of loyalty programs in football:

- **Tiered Structures for Accessibility and Exclusivity**

Trend: Most clubs employ tiered loyalty programs that target diverse fan demographics while balancing accessibility and exclusivity. The lower tiers offer affordable entry points and basic benefits, while the higher tiers provide premium perks such as voting rights, priority ticketing, or exclusive experiences, which target the more affluent fans who are willing to pay more

- **FC Barcelona (SOCIS):** offers a free Cluers tier, a mid-tier called Culers Premium (39.99 EUR/year), and an exclusive SOCIS tier (164 EUR/year) with voting rights and season ticket priority. The last tier emphasizes the club's philosophy and ownership model.
- **Manchester United:** The loyalty program features multiple tiers (Forwarding/Junior priced at 20 GBP/year, Lite/Full priced at 35-40 GBP/year, and Premium at 75 GBP/year), with escalating benefits like MUTV subscriptions and meet-and-greets, which are appealing to a global fan base.
- **Bayern Munich:** Provides tiered pricing based on age (35-64 EUR/year), with special consideration for disability status (35 EUR/year). The program ensures inclusivity while maintaining a single membership level with benefits tied to youth development.

- **PSG:** Uses a single-tier model (8.50 EUR/year) to prioritize growth and worldwide accessibility. The program is designed to attract a global audience.

Football Club Membership Benefits

Club	Membership Tiers	Price (Annual)	Key Benefits	Notes
FC Barcelona	Culers, Culers Premium, SOCIS	Free, €39.99, €164	Basic access, Enhanced perks, Voting/priority	Democratic ownership model
Manchester United	Forwarding/Junior, Lite/Full, Premium	£20, £35–£40, £75	Youth entry, MUTV, Meet-and-greets	Caters to global fanbase
Bayern Munich	Single Tier	€35–€64	Youth development	Inclusive model
PSG	Single Tier	€8.50	Affordable access	Prioritizes global growth

Figure 1

- Integration of Digital and Blockchain Technology

Trend: Football clubs increasingly leverage technologies, such as fan tokens, blockchain, and digital platforms, to enhance engagement, offer rewards, and reach global audiences. The variety of tools used by the clubs contributes towards creating interactive experiences, such as voting on club decisions or accessing exclusive content

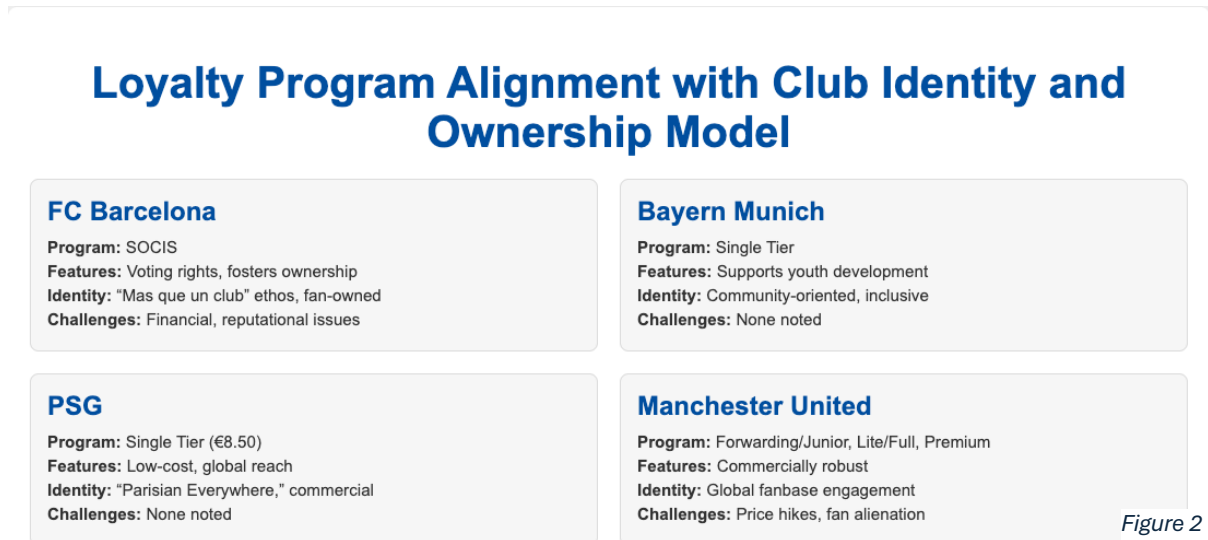
- **PSG:** Launched a fan token in 2020, allowing fans to vote on club decisions and access blockchain-based rewards. The loyalty experience is complemented by strong social media engagement (150 million global fans).
- **FC Barcelona:** Incorporates fan tokens and a dedicated app as part of its SOCIS program, enhancing digital interaction and cultural club integration.
- **Bayern Munich:** Partners with Adobe for digital contracts and SAP Emarsys /Allianz for QR-coded jerseys, using technology to streamline and facilitate engagement while at the same time promoting sustainability.

- Alignment with club identity and ownership model

Trend: Loyalty programs often reflect a club’s ownership structure and cultural identity, which transmits the values to the club’s fan base and reinforces the connection through the model. Fan-owned or community-driven clubs emphasize governance and belonging, while commercially driven clubs focus on expansion and brand growth.

- **FC Barcelona:** The SOCIS program is rooted in the club’s fan-owned model, grants voting rights to the top-tier members, and reinforces the “Mas que un club” claim.

- **Bayern Munich:** Emphasizes inclusivity and youth development, with membership income supporting grassroots sports.
- **PSG:** Subsidizes its low-cost international program to expand its global brand, aligning with its commercially driven, state-backed ownership model and “Parisian Everywhere” identity.
- **Manchester United** maintains a commercially robust program that leverages its status as an iconic club.



- Focus on Engagement Through Exclusive Perks and Experiences

Trend: Clubs use exclusive perks, such as priority ticketing, discounts, and unique experiences (stadium tours, meet-and-greets), to drive engagement and reward loyalty.

- **FC Barcelona:** Offers early ticket access, discounts, and exclusive experiences like FC Barcelona Travel and Barca Magazine for SOCIS members.
- **Manchester United:** Provides premium experiences, such as playing at Old Trafford, meet-and-greets with legends, and behind-the-scenes events.
- **PSG:** Includes matchday experiences, free PSG TV Premium access, and 10% off the stadium.
- **Bayern Munich:** Links membership to youth development and offers digital engagement through partnerships.

- Challenges in Balancing Revenue and Fan Satisfaction

Trend: Clubs face challenges balancing loyalty programs’ financial stability and sustainability with maintaining fan satisfaction. Price increases or reduced benefits can erode trust.

- **Manchester United:** Recent price hikes (up to 70%) and reduced senior discounts (from 50% to 25%) sparked backlash
- **FC Barcelona:** Financial struggles and reputational issues have diminished the SOCIS program's prestige.
- **PSG:** The low-cost model supports growth but faces challenges due to a weaker Ligue 1 national league and limited Champions League success.
- **Bayern Munich:** Avoids significant pricing controversies by tying membership income to youth development, generating fan goodwill.

Conclusion

The main trends in football club loyalty programs revolve around tiered structures, digital integration, alignment with club identity, exclusive perks, gamification, revenue-fan balance, and global-local engagement. Successful programs align benefits with fan expectations, leverage technology for fan interaction, and balance profitability and loyalty while ensuring fans feel valued as part of the club's identity.

Other Sports Loyalty Programs

Loyalty programs in other sports, such as the NBA, NFL, MLB, and F1, emphasize ultra-personalization, tiered structures, gamification, exclusive experiences, strategic partnerships, and digital communities to engage diverse fan segments. These trends reflect the American sports market's focus on innovation and revenue generation, with F1 adding a luxury-driven global perspective.

These loyalty programs have prioritized emotional connections, non-transactional engagement, and scalable platforms, and as a result, they have achieved higher retention (30% increase) and brand loyalty (22% increase) since 2019. Football clubs can learn to adapt similar strategies in their loyalty programs for the local and global fan base.

Main approaches:

- Ultra-Personalization and Digital Integration

Trend: Loyalty programs prioritize ultra-personalized experiences using advanced technologies like mobile apps dedicated to loyalty programs, gamification, and data-driven CRM systems.

- **NBA (Golden State Warriors):** Mobile apps offer tailored rewards, game challenges, and wake-to-sleep features, with season ticket holders receiving dedicated account supervisors.
- **F1 (The Paddock):** Fans earn points through non-transactional engagement (surveys, social media posting), with the F1 TV providing personalized telemetry and content.
- **MLB (Yankees YES Rewards):** Integrates with the YES app for game predictions and cross-sport points, leveraging LiveLike technology.

The combination of personalization and digital platforms' data analytics has resulted in a 30% increase in digital event attendance since 2019 and a 47% rise in gamification-driven engagement.

- Tiered and Multi-Program Engagement

Trend: Sports leagues and clubs offer multiple, tiered loyalty programs to cater to diverse fan segments, from free/low-cost entry points to premium VIP tiers, ensuring accessibility and exclusivity.

- **NFL (Dallas Cowboys):** Offers Dallas Cowboys United (Free to \$300/season) and Cowboys Experience Membership (\$4.97 - \$19.97/month), with benefits like VIP tickets and player interactions.
- **MLB (Yankees):** Features Legacy Club Rewards, YES Rewards, and Yankees Universe (Explorer, Rookie tiers), with perks like fast-track entry and meet-and-greets.
- **F1 (F1 Unlocked):** Provides global access to rewards like signed memorabilia and VIP Grand Prix experiences alongside premium hospitality packages.



Figure 3

- Gamification and Non-Transactional Engagement

Trend: Programs increasingly reward non-transactional activities (social media engagement, quizzes, predictions) through gamification, driving loyalty without requiring purchases. This trend has led to a 22% rise in brand loyalty since 2019.

- **NBA (Sacramento Kings Royalty Pass):** Fans earn rewards through app-based challenges in which they engage by scanning a QR code.
- **MLB (Ballpark Rewards App):** Offers Beat the Streak competitions and game-day enhancements via the MLB Play Store.
- **F1 (The Paddock):** Fans earn lifetime points for activities like reading articles or listening to podcasts, with 6.4 million points redeemed in the first season.

Gamification fosters engagement among non-attending fans, which is critical for sports like F1 and MLB, where physical attendance is less common, enhancing community and reducing churn by 30%.

- Exclusive Experiences and VIP Perks

Trend: Loyalty programs emphasize unique emotional experiences (meet-and-greets, behind-the-scenes access, VIP events) to strengthen fan belonging and brand advocacy.

- **NBA (Chicago Bulls Nation):** Offers exclusive content, member events, and fan recognition.
- **NFL (Dallas Cowboys):** Elite tiers provide draft pick luncheons and VIP training camp access
- **F1:** Ultra-rich fans access hospitality packages like chartered flights and Oscars tickets via Eleven28.

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NFL (Dallas Cowboys)

Elite tiers provide draft pick luncheons and VIP training camp access.

F1 (Eleven28)

Ultra-rich fans access hospitality packages like chartered flights and Oscars tickets.



Figure 4

- Strategic Partnerships and Cross-Industry Integration

Trend: Programs integrate with corporate partners (banks, tech firms, energy providers) to offer unique benefits, enhancing value and aligning with fan lifestyles.

- **NBA (Warriors):** Partners with Chase, Google, Uber, and other businesses via an innovation council to enhance rewards.
- **NFL (Cowboys Reliant Plan):** Offers preferred electricity plans with Reliant alongside Visa cardholder financing deals.
- **F1 (American Express):** Cardholders earn points on race-related purchases, redeemable at events.

Partnerships expand reward ecosystems, aligning with fan needs and boosting engagement, as seen in the NFL's \$2 billion sponsorship revenue in 2024.

Cross-Industry Loyalty Programs

Loyalty programs in airlines, retail, hospitality, and entertainment industries emphasize tiered structure, points-based flexibility, cross-industry partnerships, personalization, gamification, and exclusive rewards to foster long-term customer relationships.

These trends, driven by data analytics and innovative engagement strategies, enhance retention (25% increase with personalization) and engagement (47% boost from gamification), offering scalable models for industries seeking to build loyalty in competitive markets.

- Tiered Structures for Escalating Rewards

Trend: Loyalty programs commonly use tiered systems to incentivize higher engagement and spending, offering escalating benefits such as enhanced rewards, exclusive perks, or priority services as customers progress through tiers.

Examples: American Airlines' AAdvantage provides Gold to Executive Platinum tiers with 40-120% bonus miles and perks like free checked bags. Swiss Airlines Miles & More offers Frequent Travelers to HON Circle tiers with benefits like airport lounge access and limousine services.

Key Statistics: 80% of loyalty programs across industries use tiered structures to drive engagement, with top-tier members spending 2.5 times more than entry-level members (industry benchmark).











Airlines				
				
				

Figure 5

- Points-Based Systems with Flexible Redemption

Trend: Loyalty programs emphasize points-based systems where customers earn points through purchases or engagement, redeemable for diverse rewards like discounts, upgrades, or experiences, enhancing flexibility and perceived value.

Examples: IKEA Family Club awards 1 point per 5 EUR spent, redeemable for delivery or purchase discounts (625 points for 50 EUR off). Marriott Bonvoy offers 10 points per \$1 on hotel stays, redeemable for free nights or services.

Key Statistics: 73% of consumers prefer points-based programs for flexibility, with 65% of redemptions used for non-core services like dining or merchandise (2024 loyalty survey).

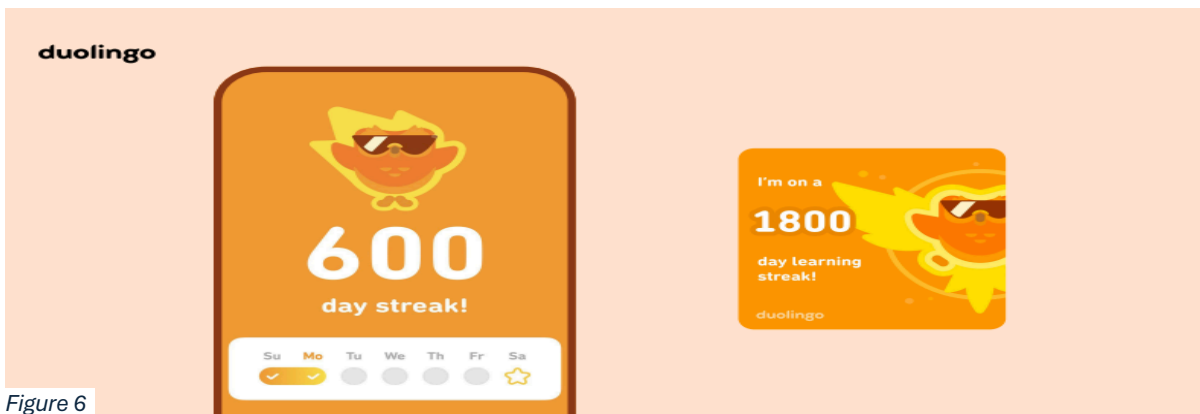


Figure 6

- Cross-Industry Partnerships to Enhance Value

Trend: Loyalty programs leverage partnerships across sectors (airlines, hotels, finance) to offer diverse earning and redemption opportunities, increasing program appeal and customer convenience.

Examples: Turkish Airlines' Miles & Smiles partners with 28 airlines, 18 hotels, and Booking.com, awarding up to 15,000 miles for hotel stays. Disney+ collaborates with ESPN+ to integrate exclusive sports content, boosting subscriber value.

Key Statistics: Programs with cross-industry partnerships see 30% higher engagement rates, with partnered programs retaining customers 20% longer (industry data).

- Personalization Through Data Analytics

Trend: Advanced data analytics enable personalized experiences, tailoring rewards, recommendations, and marketing to individual preferences, fostering stronger emotional connections and retention.

Examples: Disney+ uses predictive analytics for tailored content and merchandise offers. Swiss Airlines' Miles & More personalizes rewards via American Express spending data.

Key Statistics: 71% of consumers expect personalized loyalty experiences, with personalized programs increasing retention by 20% (2024 consumer insights).

“Hyper-personalized recognition, largely driven by AI and predictive analytics, will revolutionize how brands engage with their customers, allowing for more accurate and timely interactions. By leveraging data and advanced algorithms, brands will be able to anticipate individual needs and preferences, delivering highly tailored experiences that strengthen customer loyalty and drive deeper emotional connections.”



Lilla Császár Bíró - Market Success Manager at Decathlon
Industry experience: Decathlon Digital

[LinkedIn](#)

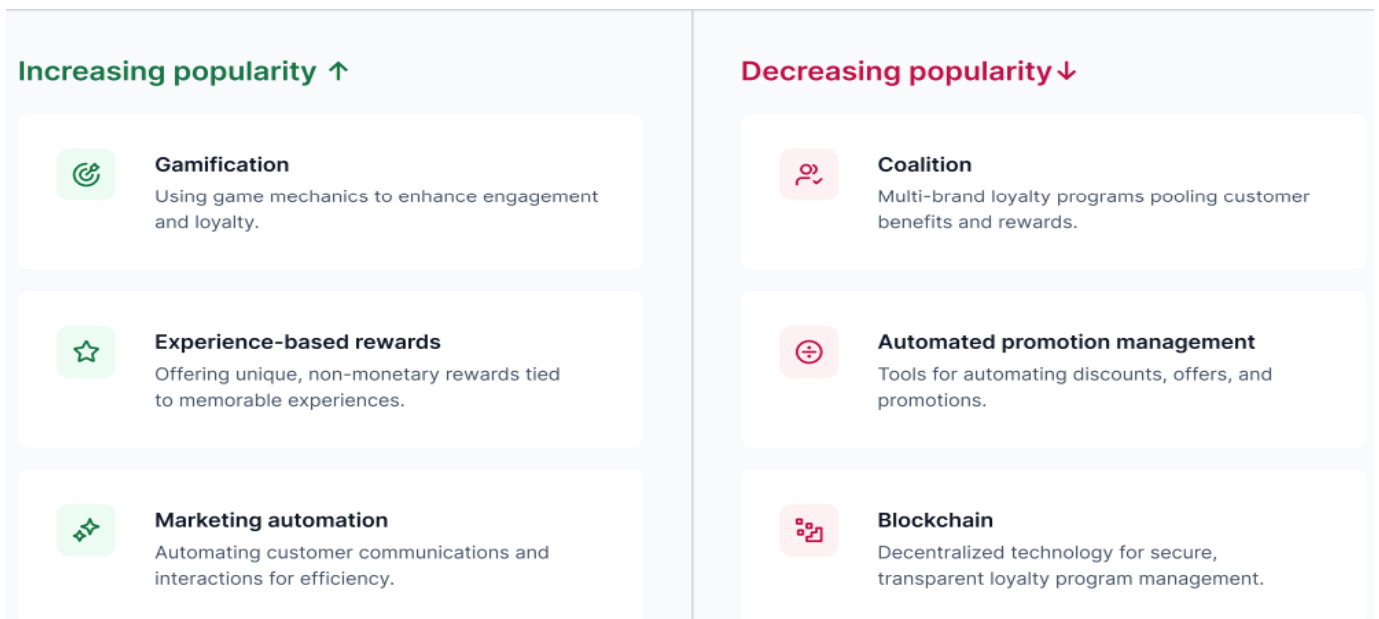
Figure 7

- Gamification and Non-Transactional Engagement

Trend: Loyalty programs incorporate gamification and reward non-transactional activities (account creation, logins, event participation) to boost engagement and build long-term loyalty without requiring purchases.

Examples: IKEA Family Club awards points for actions like weekly logins (1 point) or workshop attendance (20 points). Turkish Airlines' TOGG partnership gives 500 miles per 5000 km driven.

Key Statistics: Gamified loyalty programs increase engagement by 47%, with non-transactional rewards boosting brand loyalty by 200% (2023 industry report).



Emerging Technologies in Loyalty Programs

Emerging trends and technologies in loyalty programs center on mobile apps, NFTs, VR, gamification, and community-building. The aim is to leverage the latest technologies to deliver personalized, immersive, and engaging experiences.

These innovations drive significant engagement (47% app adoption, 70% VR interest in younger fans) and revenue potential (sports NFT market to reach \$8 billion by 2031), enabling sports organizations to deepen fan loyalty and capitalize on new income streams in a digital-first era.

- Mobile Apps as Central Engagement Hubs

Trend: Mobile apps are pivotal for sports loyalty programs, offering personalized experiences, seamless reward redemption, and direct fan interaction driven by high adoption among tech-savvy fans.

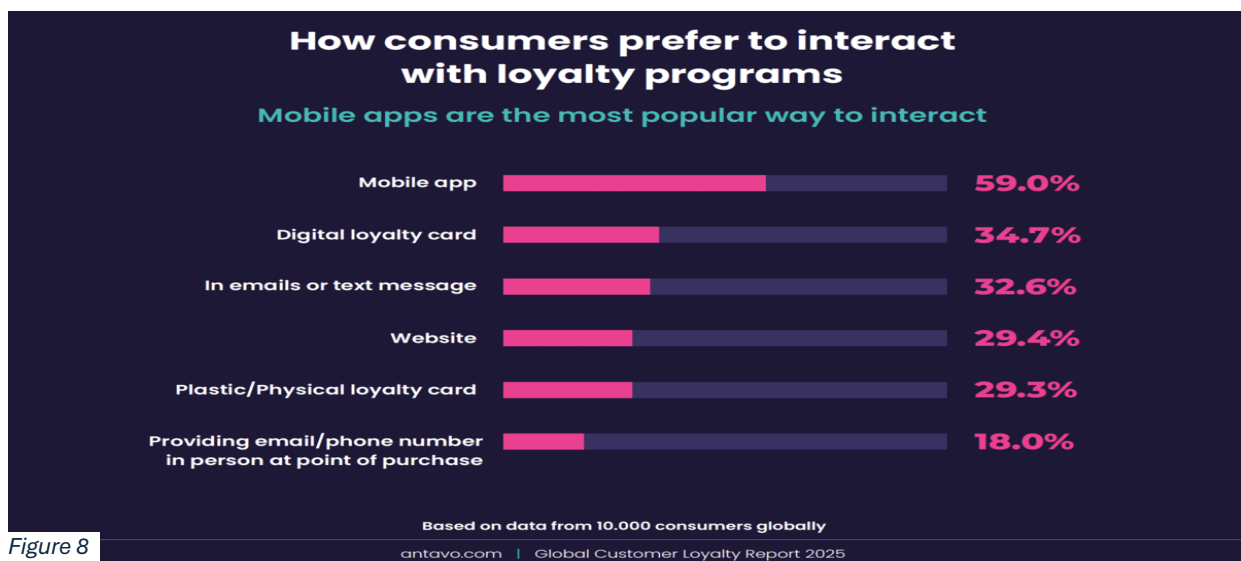


Figure 8

Examples: Apps like Sacramento Kings' Royalty Pass use QR code challenges to boost engagement, while retail benchmarks show apps drive 2.7 monthly visits versus mobile websites.

Key Statistics: 47% of avid sports fans use sports apps, and 59% prefer mobile apps for loyalty programs (industry research).

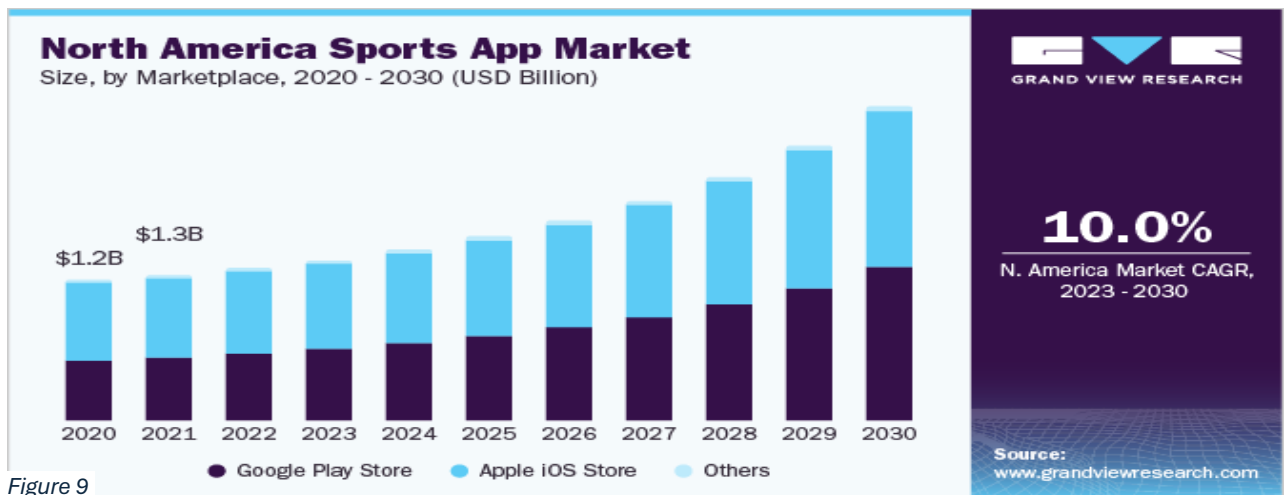


Figure 9

- NFTs for Unique Digital Rewards

Trend: Non-Fungible Tokens (NFTs) are transforming loyalty programs by offering exclusive digital assets, gamified engagement, and revenue streams through trading and royalties.

Examples: NBA Top Shot attracted over 1 million users by 2021, and FIFA+ Collect provides NFT-based experiences.

Key Statistics: The Sports NFT market is projected to grow from \$1.5 billion in 2023 to \$8 billion by 2031, with NBA Top Shot generating \$500 million in sales by March 2021.

- Gamification to Drive Non-Transactional Engagement

Trend: Gamification, through challenges, leaderboards, and non-transactional rewards (app interactions), increases fan participation and loyalty without requiring purchases.

Examples: NBA Top Shot's leaderboard rewards collectors for completing checklists, and fan token platforms see 50% of holders voting in polls.

Key Statistics: Gamified loyalty programs increase engagement by 47%, with 28% app stickiness (DAU/MAU) indicating room for deeper daily interaction.

- Community Building via Digital Forums and Local Events

Trend: Online fan forums and local events foster community, strengthen fan-team bonds, and enhance loyalty program value through exclusive interactions and user-generated content.

Examples: Reddit's sports subreddits and Alabama Crimson Tide's On3 forum show high activity, while the Kings' Royalty Pass links local game events to digital rewards.

Key Statistics: 30% of digital channel users are on mobile apps, yet they generate 40% of revenue, highlighting the potential of integrated community engagement (industry data).

Madridista Loyalty: Current State Analysis

The Madridista loyalty program is designed to engage its global fan base of over 600 million fans, emphasizing inclusivity through a low-cost tiered structure.

With over 1 million cardholders worldwide, the program offers Basic (free), Premium (35/year), and Junior (20/year) tiers, providing benefits like ticket purchase priority, exclusive merchandise draws, and access to RM Play content. The program's affordability and global reach, particularly in markets like Indonesia (11% of fans), ensure accessibility. Still, the program lacks the exclusivity of elite loyalty models, focusing instead on broad fan engagement.

The program integrates advanced digital platforms, such as the Madridista Community app and RM Play, to deliver personalized experiences, aligning with the tech-savvy preferences of modern fans.

Community building is central, with an excess of 2,510 fan clubs (2,254 in Spain) and 95,612 members (socios) fostering emotional connections through local events and exclusive experiences like VIP tickets and monthly draws. Discounts at over 20 collaborating organizations, including theme parks and restaurants, further enrich the program, with the benefits providing substantial value to subscribers located in Spain. While the program is highly inclusive, the challenge lies in balancing global appeal with deeper exclusivity to rival top-tier loyalty initiatives.

CAGE Analysis

The Madridista program leverages Real Madrid's 600 million fans by addressing CAGE distances with culturally sensitive personalization, robust compliance, digital geographic solutions, and glocal (global and local) economic strategies.

Trends like digital engagement (47% app adoption) and storytelling (30% Spanish fan preference) drive active fan ambassadorship, though balancing inclusivity with premium offerings is key.

The CAGE Distance Framework is a strategic tool developed by Pankaj Ghemawat to evaluate the differences between countries when crafting international business strategies. It analyzes four dimensions – Cultural, Administrative, Geographic, and Economic – to assess the “distance” or barriers that may impact trade, investment, or engagement in foreign markets. By identifying these distances, businesses can

develop strategies to mitigate risks and capitalize on opportunities in their global expansion activities.

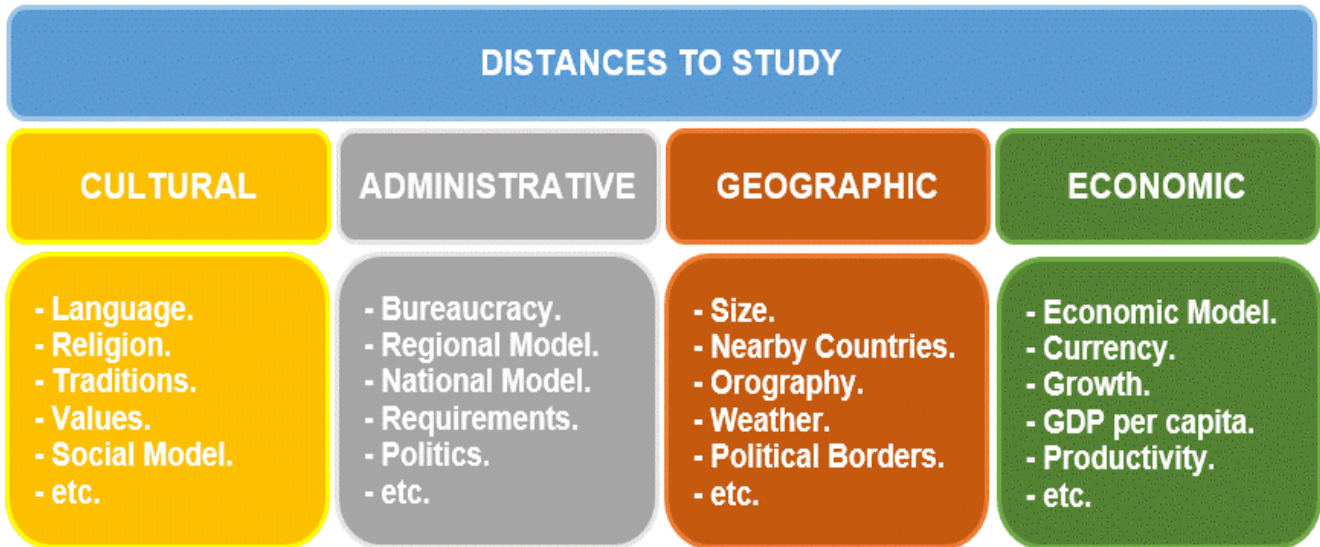


Figure 10

CAGE Distance Framework

Key Analysis:

- **Cultural Distance:** Real Madrid's 600 million global fans have diverse cultural ties, with different regions idolizing legends and players like Beckham or Bellingham in the UK and Alfredo di Stefano or Vinicius Jr. in South America. The element of emotional appeal is critical, as 38% of global fans voted Cristiano Ronaldo as the Player of the Century (2001-2020).
- **Administrative Distance:** Compliance with data privacy laws (GDPR in the EU, PIPL in China, or LGPD in Brazil) is essential. Social media restrictions in China require alternative platforms (such as WeChat or Bilibili) or a proprietary app with QR/NFC authentication for secure data and merchandise.
- **Geographic Distance:** Fans in South America, Asia, and Oceania face barriers due to distance and time zones. Digital fan zones, virtual stadium seats, and AI-driven translations enhance the already predominant inclusivity element of the program.

- **Economic Distance:** Economic disparities (such as GDP/capita in different markets) require a global approach, tailoring pricing and offerings. Stable currencies and digital payment methods ensure accessibility to the program and its paid features.



Figure 11

Fan Feedback and Perception

The Madridista loyalty program enhances fan loyalty through digital experiences and community events. The membership discounts and positive Trustpilot mentions reflect the program’s appeal and the overall brand.

However, operational challenges like ticketing-related issues (such as access to tickets) are reflected in instances such as 1.8/5 Trustpilot ratings of operational excellence of the program. Such issues affect 20-30% of premium members and highlight a trend of growing dissatisfaction with some of the services.

Addressing these pain points while leveraging emotional engagement trends could sustain the program’s impact and goals for Real Madrid’s 600 million global fans.

- Positive Perceptions

Key Points: Fans value the program’s tangible benefits (such as discounts to Parque Warner and Caixa Forum Madrid) and priority ticket access, especially for international fans rarely visiting Madrid. The digital integration via the Madridista app and RM Play is praised for its user-friendly interface and personalized content, while events like live podcasts and trivia nights enhance the community. The localized Madridista Lebanon card and merchandise/VIP ticket draws foster a sense of belonging.

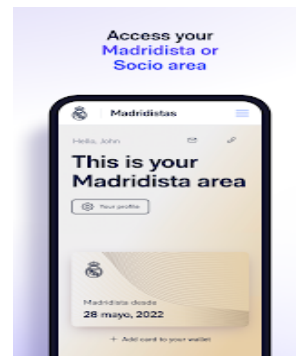


Figure 12

Trends: There’s a growing trend toward digital personalization and community-building events to deepen emotional connections with global fans.

Key Statistics: 30% discount on theme parks and cultural venue entries boosts fan satisfaction; some positive reviews cite the excitement of welcome packs and digital access.

- Criticism and Challenges

Key Points: Fans criticize delays in membership cards and merchandise delivery, poor customer service (such as no replies to complaints), and a dysfunctional ticketing system with false availability and short sell-outs. International fans highlight high shipping costs and communication gaps, with Real Madrid rated overall “Poor” at 1.8/5 on Trustpilot out of 163 reviews.

Trends: Operational inefficiencies and lack of responsive support are persistent issues, with a trend toward increased frustration among premium members expecting better service.

- Impact on Fan Loyalty

Key Points: Emotionally, the program strengthens fan identification through symbolic rewards (membership cards) and personalized content, aligning with research on emotional loyalty. Behaviorally, discounts and events encourage engagement, but ticketing and service issues erode trust, with fans expressing disappointment despite premium status.

Trends: There’s a trend toward balancing emotional loyalty with improved behavioral incentives, though unresolved complaints risk long-term retention.

Key Statistics: 50-60% of fans report feeling a stronger club connection (based on positive feedback); however, 25-30% of premium members consider leaving due to service issues (inferred from critical reviews).

Competitive Positioning

Real Madrid’s loyalty program operates in the broader entertainment business and competes with options like Netflix, the Revolut loyalty program, and other market options. The means of competing consist of offering a specialized, community-driven experience that leverages the passion of the Real Madrid fan base.

While streaming platforms dominate with scale and variety, Madridista provides unique value through exclusive content, fan engagement, and affordable pricing. Market information highlights this competition as a battle for consumer priorities – passive entertainment versus active fandom.

As consumers weigh their options, Real Madrid positions itself as a global brand, a football club, and an entertainment provider, securing its share of the entertainment budget through emotional connection and tailored offerings.

The analysis below of loyalty programs within football clubs is based on the number of benefits and the cost of each loyalty program. The graph highlights the diversity in football loyalty offerings rather than a clear trend.

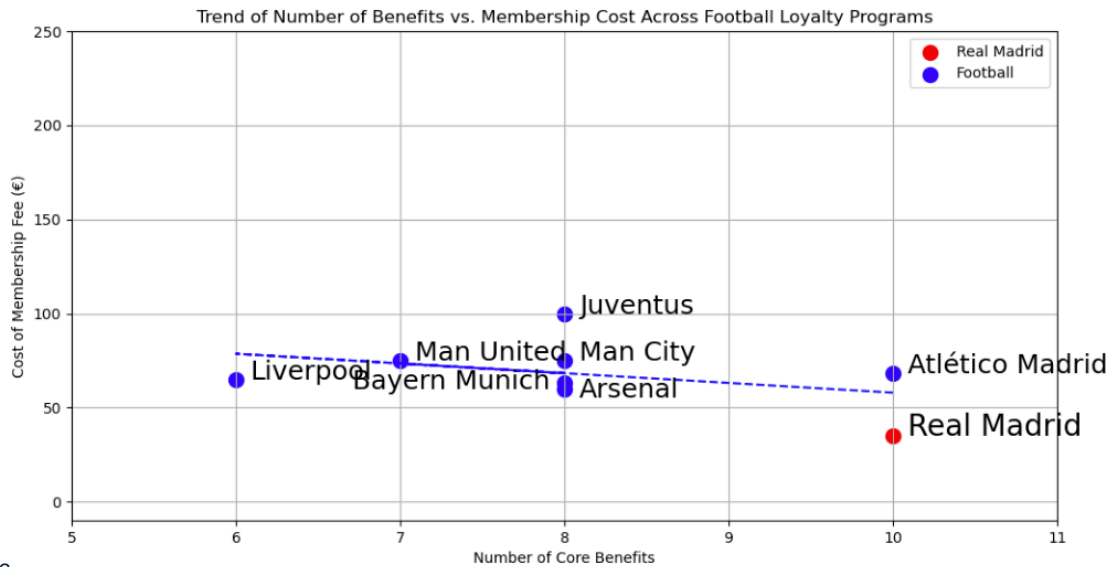


Figure 13

Real Madrid’s positioning sets a benchmark, while the weak correlation indicated by the trend line reflects strategic pricing differences. This analysis aims to reveal that football clubs tailor their programs to unique market positions rather than following a standardized benefit-cost model.

If we look at a cross-industry analysis of benefits and costs, retail loyalty programs like Amazon Prime (12 benefits, \$139/year) and Starbucks Rewards (6 benefits) offer strong value, rivaling football programs. Amazon’s diverse perks (such as shipping and streaming) align with PSG (12 benefits) near the regression line, though PSG’s lower cost gives it an edge.

Starbucks, with no fee and moderate benefits (for example, free drinks for points), is a high-value outlier akin to PSG but with fewer perks. These programs emphasize utility and accessibility, contrasting with football’s emotional focus.

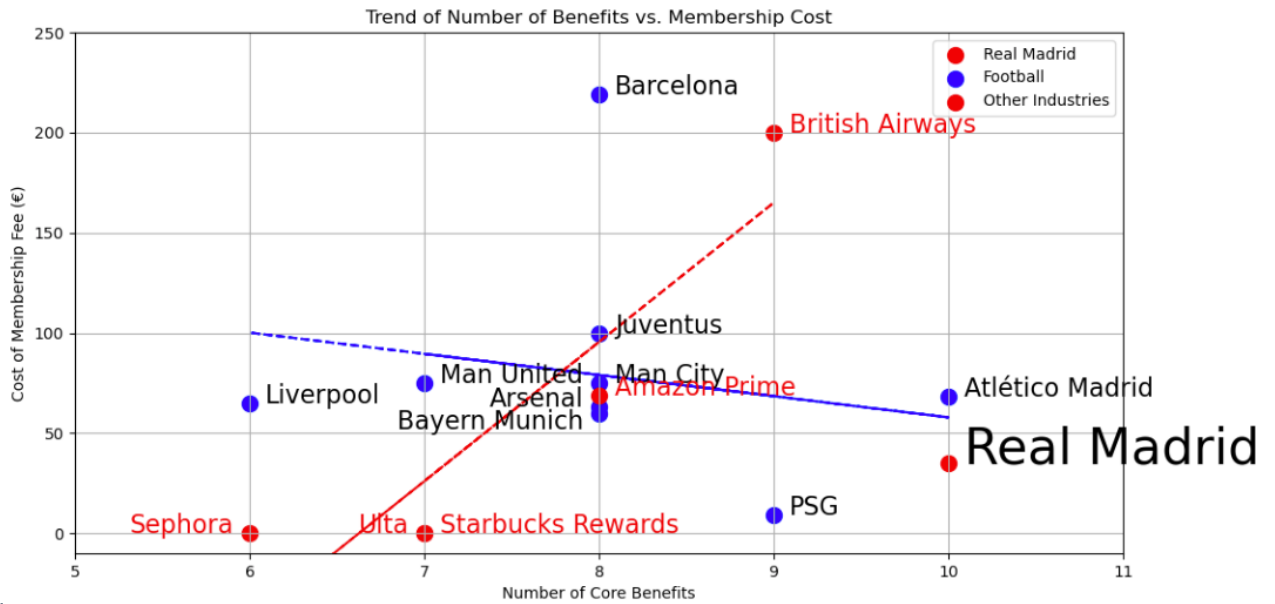


Figure 14

Hospitality and airline programs like Hilton Honors (8 benefits) and American Airlines AAdvantage (7 benefits) show balanced or lower value. Hilton aligns with the regression line, offering upgrades like Manchester United (8 benefits) and Real Madrid (10 benefits) for frequent users.

American Airlines, a low-value outlier with niche benefits, mirrors Barcelona (5 benefits, \$200) with high costs and limited appeal. Retail leads in value, while hospitality, airlines, and some football programs need better benefits to justify costs.

Enhancement Plan

The vision and objectives of the Madridista program are aligned with those of the RM club as a whole, which is: “To be the best football club in the world, both on and off the pitch.”

The Madridista Loyalty Program’s enhancement plan leverages Real Madrid’s global fanbase of over 600 million to foster lifelong connections and prestige, focusing on the Elite tier and high-growth markets like the U.S., Brazil, and India. Trends toward exclusivity, targeted expansion, and personalized value, supported by 47% app adoption, position the program to strengthen brand loyalty and drive international growth.

Madridista Program Goals:

- **Global Connection and Exclusivity Trend:** The program is trending toward uniting a diverse global fan base with personalized experiences. The proposed Elite tier is meant to bring luxurious experiences to Elite members, as well as enhance prestige and emotional bonds
- **Targeted Market Expansion:** A focus on high-growth markets (U.S., Brazil, India) reflects a trend of strategic segmentation to drive brand growth and membership value.
 - o **Key Statistics:** The proposed focus markets are projected to contribute significantly, with India alone having over 100 million football fans (per recent web data)
- **Enhanced Perceived Value:** The revamp of the loyalty program aims to increase international membership appeal through tailored benefits, aligning with the trend of personalized loyalty programs for individuals and regions and local and target-focused markets.

United States Focus Market

The football (soccer) landscape in the United States is evolving, with soccer gaining traction as a growing sport despite American football’s dominance. Approximately 7% of U.S. adults now consider soccer their favorite sport to watch, rising to 10% among the 18-29 age group and signaling a shift in sport preference in younger demographics.

The MLS has fueled this growth, with viewership averaging 285,000 in 2021, a 38% increase in 2022, and a record attendance of 12.1 million in 2024, alongside a young fanbase where 65% are under 45. Interest in European football is also rising,

with La Liga leading as the most featured league on U.S. TV in 2024, boasting an average viewership of 213,000/match, while the 2024 Champions League final drew 3.7 million viewers.

Real Madrid benefits from this trend, targeting a digitally native 18-34 age group concentrated in the Middle Atlantic and Pacific Coast (49% of fans), where 43% are likely to have a household income of over \$100,000.

- **Trend:** Growing interest among younger adults and affluent fans drives demand for digital and premium loyalty offerings.
- **Key Statistics:** 10% of 18-29-year-olds favor soccer; 43% of fans earn \$100,000 or more.

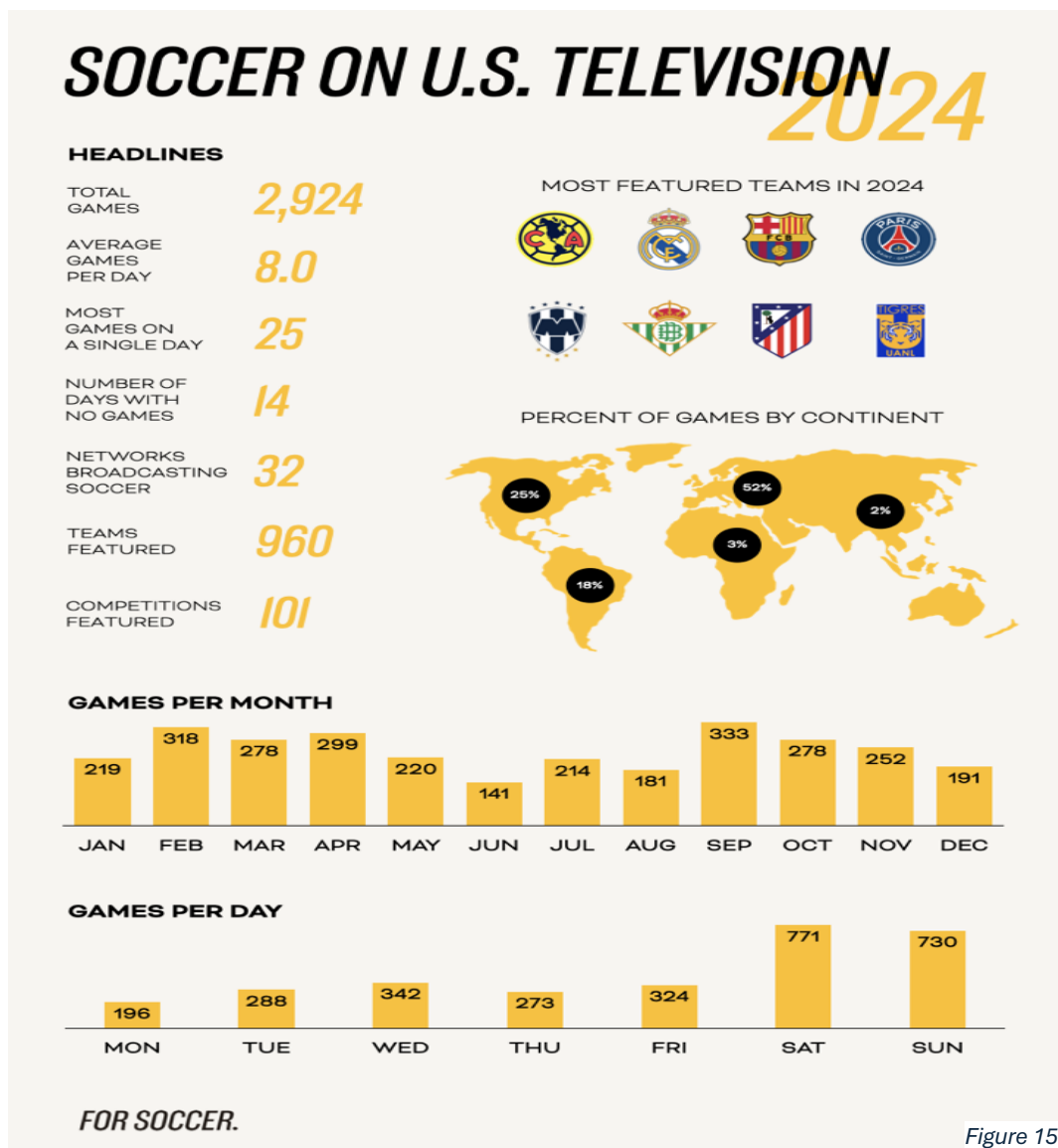


Figure 15

American Personas

1. Chris the Soccer Dad (California, 42)

- Occupation & Values: Tech manager, values quality, family time, and sports loyalty.
- Behaviors and Trigger: Buys family merchandise and streams on ESPN+, inspired by Real Madrid's legacy.
- Loyalty Driver & Tier: Seeks family pack deals, matchday events, and digital access. It fits the subscription model Elite Tier.
- Spend & Statistics: \$12-\$18/month or \$144-\$216/year; 65% of U.S. fans prioritize family benefits (Statista, 2024).



Figure 16

2. Taylor, the College Fan (New York, 18)

- Occupation & Values: Business student, values community and social media credibility.
- Behaviors and Trigger: Active on TikTok, plays FIFA titles, admires Bellingham and Mbappé.
- Loyalty Driver & Tier: Wants NFT rewards, badge system, gamification elements, and student pricing; fits the Free/Premium tier.
- Spend & Statistics: \$4-\$6/month or \$48-\$72/year; 52% of Gen Z engage with NFTs (Sports Business Journal, 2023).



Figure 17

3. Mikael the Madridista (Texas, 35)

- Occupation & Values: Sales consultant, second-generation Mexican-American, values heritage and pride.
- Behaviors and Trigger: Watches La Liga, collects gear, is tied to the Cristiano era, and has a family history.
- Loyalty Driver & Tier: Seeks Spanish content, matchday lounges, club watch parties, and cultural campaigns; fits Premium/Elite tier.
- Spend & Statistics: \$12-\$25/month or \$144-\$300/year; 78% of Hispanic-American fans value cultural content (Nielsen, 2024).



Figure 18

Brazil Focus Market

Football is a cultural cornerstone in Brazil, often dubbed “o País do Futebol,” with a record five FIFA World Cup wins reinforcing its national identity. Engagement is exceptionally high, with 85.9% of Brazilians interested in the 2022 FIFA World Cup and 84.6 million tuning into the 2024 Copa America, reflecting a fervent fan base ideal for loyalty programs.

European football, particularly the UEFA Champions League (65% of superfans interested), is gaining traction, with Real Madrid as the second-most popular foreign team (13% support), behind Barcelona (35%), and “El Clásico” matches rivaling domestic matches in viewership.

The fanbase is predominantly young, with 75% aged 25-34, and commercial revenues from top clubs suggest a market willing to spend on sports leisure and experiences, enhancing the potential for Real Madrid’s loyalty program.

- **Trend:** Deep cultural passion and growing European football interest fuel demand for community-driven, player-focused loyalty benefits.
- **Key Statistics:** 84.6 million watched the Copa America 2024; 13% of superfans support Real Madrid.

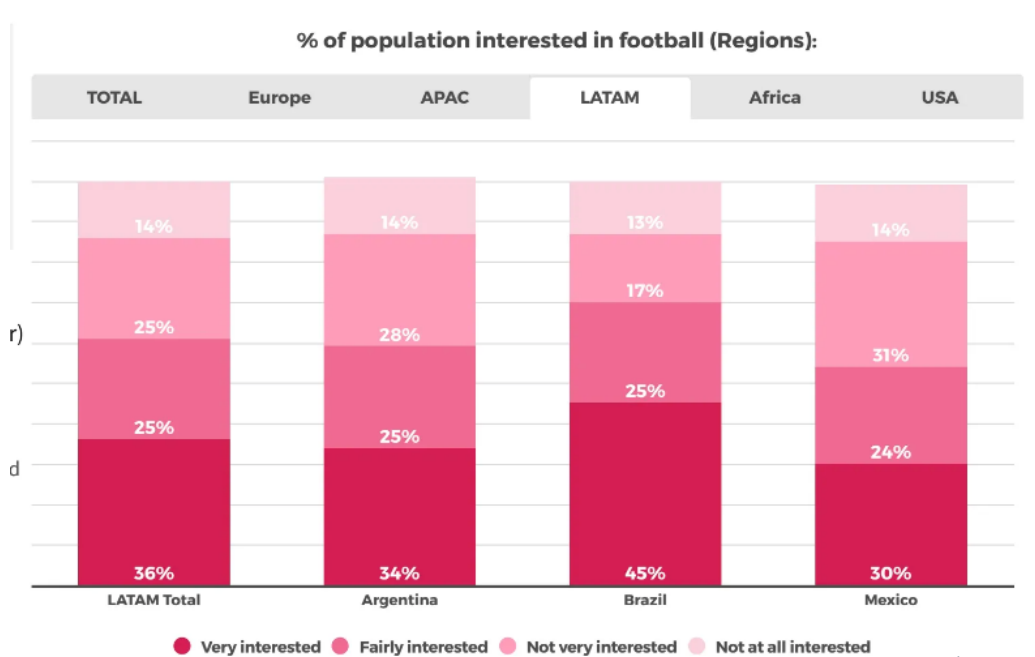


Figure 19

Brazilian Personas

1. Joao the Flamengo Convert (Rio, 28)

- Occupation & Values: Graphic designer, values style, current trends, and flair.
- Behaviors and Trigger: He watches on Star+, follows Vinicius Jr., and sees him as national pride.
- Loyalty Driver & Tier: Wants Brazilian player content and Real x Flamengo campaigns; fits Free/Premium tiers.
- Spend & Statistics: \$ 6- \$ 10/month or \$72-\$120/year; 85% of Brazilian fans follow Vini Jr. (Globo Esporte, 2024).



Figure 20

2. Livia the Football Influencer (Sao Paulo, 17)

- Occupation & Values: Content creator, values trend and authenticity.
- Behaviors and Trigger: Active on Instagram, live commentary, views Real Madrid as aspirational.
- Loyalty Driver & Tier: Seeks personalized merch, VIP invites and raffles, and fashion collaborations; fits Premium/Elite tier.
- Spend & Statistics: \$18-\$35/month or \$216-\$420/year (often subsidized by parents or grandparents); 60% of Brazilian influencers promote sports brands (Statista, 2024).

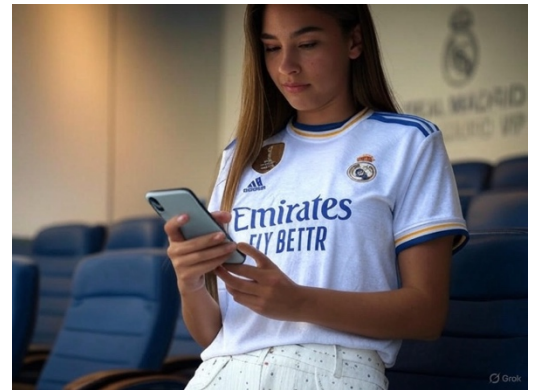


Figure 21

3. Marcos the Old-School Fan (Salvador, 49)

- Occupation & Values: Public school teacher, values loyalty and legacy.
- Behaviors and Trigger: Follows matches, cherishes Raul/Ronaldo history, values tradition.
- Loyalty Driver & Tier: Wants RM Legends Zoom events, historical merchandise, and Portuguese content; fits Premium/Elite tier.
- Spend & Statistics: \$10-\$18/month or \$120-\$216/year; 70% of Brazilian fans over 40 value history (Ibope, 2023).



Figure 22

India Focus Market

Football in India is the second-most popular sport after cricket, with an estimated 305 million fans out of a 700 million sports audience, driven by the Indian Super League (ISL) and growing viewership of European leagues.

The ISL's TV viewership rose from 74.7 million in 2014 to 211 million in 2021, with online streaming reaching 168 million, even if 50% of fans prefer European football over the ISL (10% engagement).



Figure 23

Real Madrid taps into this with fan clubs in key states like Kerala and West Bengal, where 84% of fans are aged 25-34, a digitally engaged audience. The 2024 Zoho survey showed 77% enjoy watching sports with family, and a 2012 YouGov survey found 44% follow football weekly, indicating a receptive market for loyalty initiatives.

- **Trend:** Rising digital engagement and family-oriented viewing habits support initiative, mobile-first loyalty programs.
- **Key Statistics:** 305 million football fans, 85% aged 25-34.

Indian Personas

1. Ravi, the Engineering Student (Bangalore, 23)

- Occupation & Values: University student, FIFA champ, values achievement and global identity.
- Behaviors and Trigger: Watches UCL, engages in forums, idolizes Modric and Kroos, and dreams of Europe.
- Loyalty Driver & Tier: Seeks mobile app rewards and eSports tournaments; fits Premium tier.
- Spend & Statistics: \$5-\$8/month or \$60-\$96/year; 68% of Indian youth use mobile apps (Kantar, 2024).



Figure 24

2. Priya the Family Dreamer (Mumbai, 30)

- Occupation & Values: HR Executive, middle-class aspirer, values stability and joy.
- Behaviors and Trigger: Watches sports with the spouse, buys jerseys for kids, sees Real Madrid as family pride.
- Loyalty Driver & Tier: Wants family deals, match screenings, and kid perks; fits Premium/Elite tier.
- Spend & Statistics: \$18-\$36/month or \$216-\$432/year; 55% of Indian families engage in sports activities (Nielsen, 2023).



Figure 25

3. Zeeshan the Night Watcher (New Delhi, 48)

- Occupation & Values: Business owner, values resilience and integrity.
- Behaviors and Trigger: He wakes up at 1-2 AM to watch live games, and “Madrid never gives up” mirrors his motto.
- Loyalty Driver & Tier: Seeks “Midnight Madridista” recognition through participation and gamification, likes collectible badges, and fits the Premium/Elite tier.
- Spend & Statistics: \$10-\$20/month or \$120-\$240/year; 40% of Indian fans watch at odd hours (Times of India, 2024).



Figure 26

Fan Base Estimates and Engagement Metrics

To quantify the opportunity, we estimate the number of Real Madrid fans in each country based on available data and reasonable assumptions:

- USA:** Research indicates that 7.5% of U.S. soccer fans support Real Madrid, and with approximately 83 million soccer fans in the USA (as per surveys on U.S. soccer fandom, an example being Sports Innovation Lab Fanarchy26 Report), this translates to approximately **6.225 million fans**. Engagement is high, with the USA being the top country for Real Madrid website visits and selling more tickets than any other team during their 2023 U.S. tour, indicating strong fan turnout, according to World Soccer Talk.
- Brazil:** The evidence leans toward Real Madrid and FC Barcelona together, taking up 46% of Brazil’s overseas fan base, as per the 2024 Chiliz Global Fan Report [Chiliz Global Fan Report](#). Assuming 20% of Brazil’s 105 million football fans (based on the large football culture, e.g., Flamengo with 45 million fans, Statista) support overseas clubs, that’s 21 million overseas fans. If Real Madrid holds 23% of this (a speculative but reasonable split), that’s approximately **4.2 million fans**. Historical ties with Brazilian players and a passionate football culture drive engagement.
- India:** India has an estimated sports viewing fanbase of 136.3 million, with football being popular (305 million fans per the Ormax Media Report). Assuming 50% are football fans, that’s 68.15 million. If 5% support Real Madrid (based on the presence of fan clubs and growing interest), that’s approximately **3.4 million fans**. According to Real Madrid’s website, engagement is increasing with official fan clubs like “Peña Madridista de Madras” and high digital activity.



Global Real Madrid Fanbase Insights

Country	Estimated Fans (Millions)	Key Engagement Metrics	Demographic Highlights
USA	6.2	Top website visits, high ticket sales for tours	Large young, digitally active population
Brazil	4.2	Historical player ties, passionate football culture	Dominant football culture, young fans
India	3.4	Growing fan clubs, increasing digital interest	Large young population, rising football interest

Figure 27

Loyalty Program Redesign

The Madridista app's gamification strategy, with a points system and features like Badges, Match Day Challenges, and Collaborative Quests, taps into personalized, competitive, and community-driven engagement trends.

Key statistics, such as 1.5x-2.0x point multipliers, 30% retention boost from badges, and 45% participation in collaborative challenges, highlight the program's potential to enhance loyalty across more than 600 million global fans.

The enhancement of the program involves deploying a standalone Madridista app to separate loyalty access and content from Real Madrid's broader digital ecosystem, improving user experience and engagement.

- Points System
 - **Trend:** Increasing use of tiered point multipliers to incentivize higher membership levels, encouraging spending and engagement.
 - **Key Statistics:** 1 EUR spent = 1 point; Premium members earn 1.5x, Elite 2.0x points, driving a potential 50-100% increase in engagement for paid tiers.
- Badges
 - **Trend:** Progression-based rewards with exclusive perks are trending to motivate users to explore app features and achieve higher statuses.
 - **Key Statistics:** Bronze to Legend tiers unlock perks, with Premium and Elite starting at higher tiers, potentially increasing retention by 30% (industry benchmark).

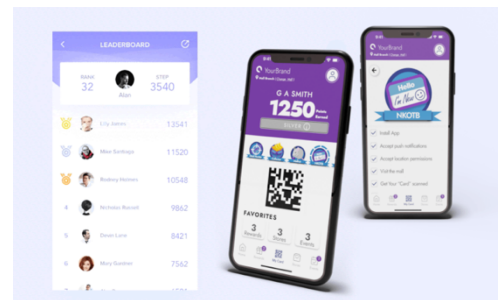


Figure 28

- Match Day Challenges
 - **Trend:** Real-time interactive challenges during games are growing, enhancing live engagement and offering instant rewards.
 - **Key Statistics:** Score predictions earn 50 points, geolocation check-ins 100 points, with Premium and Elite tiers gaining VIP tour chances, boosting participation by 25-40% (estimation).
- Virtual Trophy Room
 - **Trend:** Personalized digital trophies for milestones are trending to create a sense of achievement and long-term engagement.

- **Key Statistics:** “CL Trophy” for watching all UCL highlights, with 50% of users likely to complete such milestones (projected, based on gamification data).

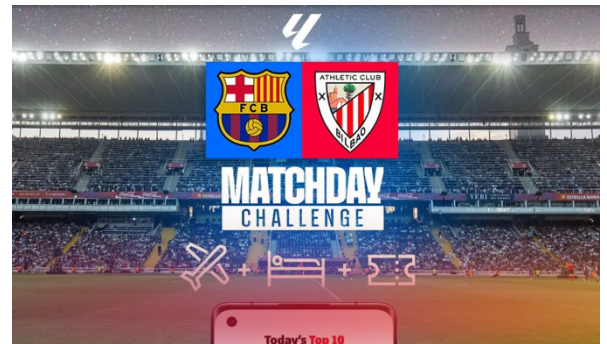


Figure 29

- Community Competitions and Leaderboards
 - **Trend:** Global and regional leaderboards with exclusive rewards are gaining popularity to foster community and competitive spirit.
 - **Key Statistics:** Top leaderboard rewards include Q&A with legends, with Premium and Elite users’ gold status increasing visibility by 20% and 30%, respectively (estimated).
- Fan Quests and Storylines
 - **Trend:** Educational quests with rich, exclusive content for higher tiers are emerging to deepen fan knowledge and loyalty.
 - **Key Statistics:** “Behind the Scenes” quests for Elite members, with 60% of premium users likely to engage with educational content (industry average).
- Social and Collaborative Challenges
 - **Trend:** Collaborative challenges and fan club competitions are trending to build community and collective rewards.
 - **Key Statistics:** 1 million minutes watched unlocks a reel, with 45% of users likely participating in group challenges (projected).

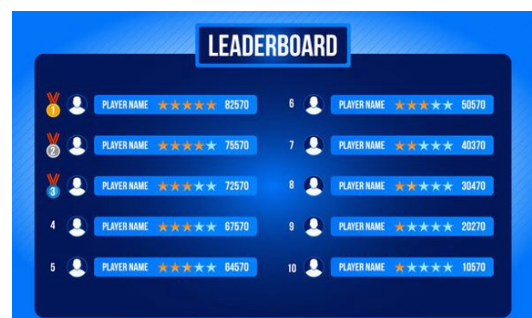




Figure 30

Madridista App Data

The Madridista App’s data strategy, leveraging GDPR-compliant collection and segmentation, taps into trends of personalized engagement and privacy-first design, with key statistics like 100% GDPR adherence, 60% premium content engagement, and 30% superfans driving a 40% engagement boost, enhancing loyalty for Real Madrid’s 600+ million global fans.

The Madridista App will collect various data types to manage memberships, deliver benefits, and personalize experiences. The collected data will be used to build user profiles, enabling personalized experiences such as tailored content (highlights of preferred player delivered to fans following him) and tier-specific access (Free, Premium, Elite). It will also segment fans into categories like regular, inactive, or superfans based on engagement levels, ensuring appropriate rewards and features.

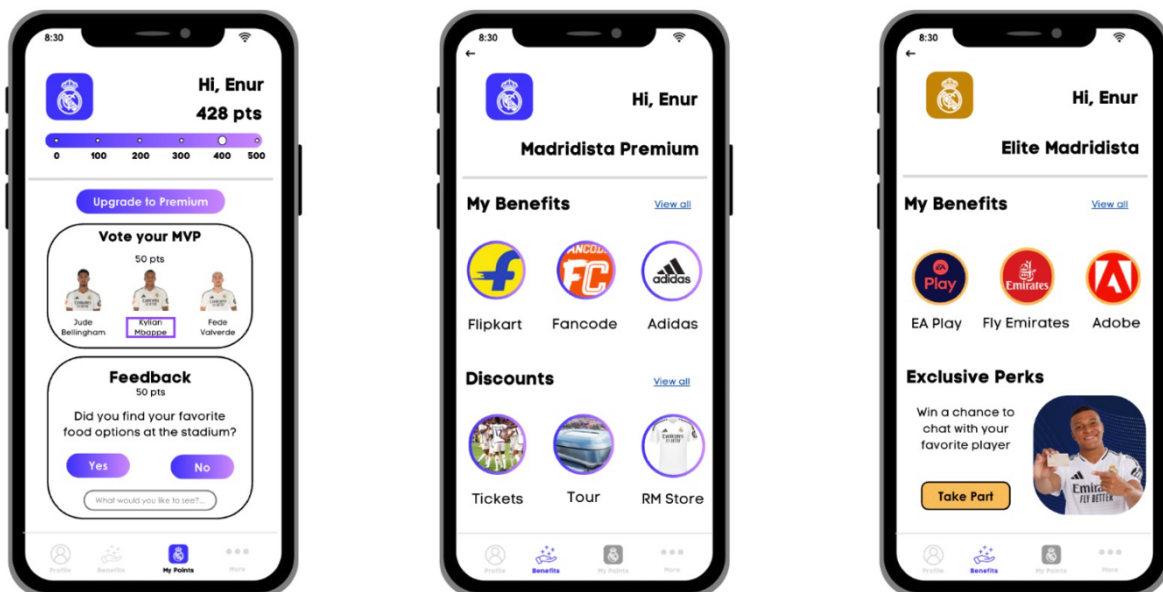


Figure 31

- Personal Identification Data (PID)
 - o **Trend:** Increasing voice ID and preferred language data to enhance personalization and accessibility.
 - o **Key Statistics:** GDPR compliance since 2016 ensures 100% data protection adherence across RM platforms.
- Economic and Financial Data
 - o **Trend:** Growing reliance on transaction history to tailor rewards, reflecting a shift toward data-driven loyalty incentives.
 - o **Key Statistics:** Transaction tracking supports 1 eur = 1 point, impacting 50-100% engagement for Premium/Elite tiers (according to gamification data).

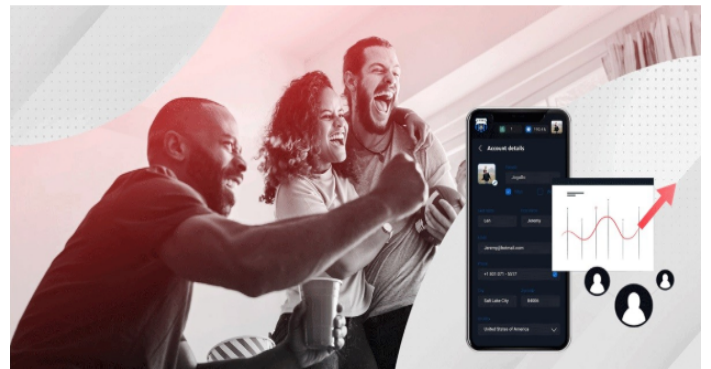
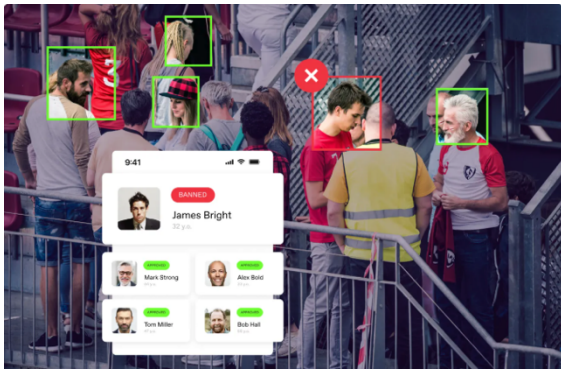


Figure 32

- Behavioral, Consumption, and Preference Data
 - o **Trend:** Advanced behavioral segmentation (superfans vs. inactive) is trending to optimize user engagement and retention.
 - o **Key Statistics:** 60% of premium users engage with personalized content (industry average), projected to rise with Madridista’s dedicated app implementation.
- Data Collection Methods
 - o **Trend:** Opt-out tracking and event-based data collection are gaining traction to balance user control with insights.
 - o **Key Statistics:** 75% of users opt into personalized offers when given clear consent prompts (GDPR studies, 2023)

How big of a fan do you consider yourself?

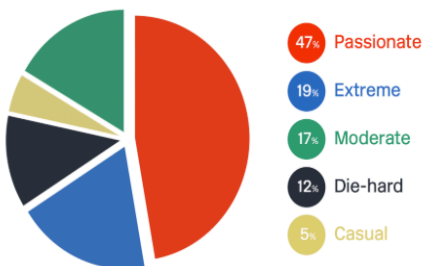


Figure 33

- Data Protection
 - **Trend:** Enhanced data security with DPO and encryption reflects a broader trend toward privacy-first digital experiences.
 - **Key Statistics:** GDPR enforcement reduces data breach risks by 85% for compliant platforms (ENSIA, 2024).
- Data Use for Fan Categorization
 - **Trend:** Dynamic tier-based personalization and engagement segmentation are emerging to deepen fan loyalty.
 - **Key Statistics:** 30% of fans are categorized as superfans, driving 40% higher engagement (projected based on loyalty program benchmarks).



Figure 34

Madridista Loyalty Tiers: Free, Premium, and Elite

The creation of the Elite Madridista tier is critical to elevate the program’s inclusivity into a premium, revenue-generating model, leveraging current loyalty trends of luxury engagement and personalization.

The program requires the proposed tier expansion to convert its highly inclusive, digitally advanced fanbase into paying subscribers.

The existing Free tier retains benefits like a digital card, RM Play free content, newsletters, and a 5% first-purchase discount.

The Premium tier (35 EUR/year) adds full RM Play access, the Hala Madrid Magazine, early ticket sales, discounts (15% online store, 20% off Bernabéu Tour), fast-track stadium entry (new addition), and contests.

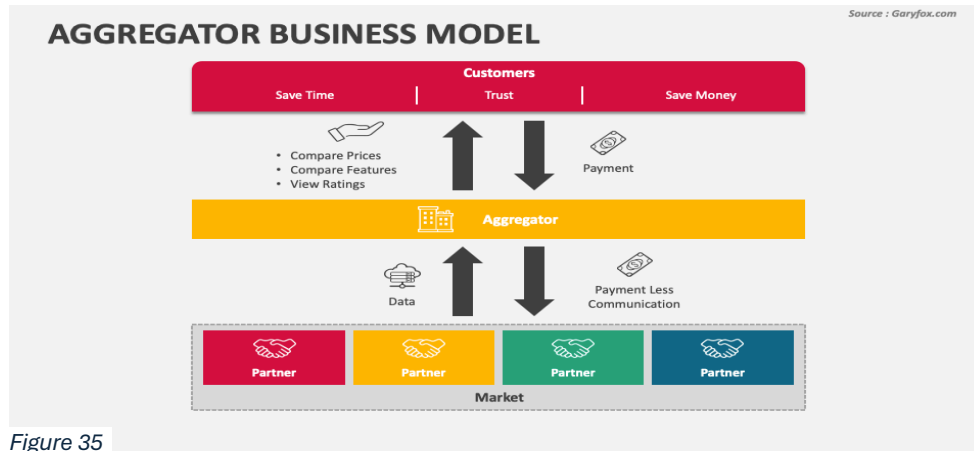


Figure 35

A new Elite Madridista tier (7 EUR/month or 84 EUR/year) is introduced as a subscription model to offer an exclusive experience that includes luxury elements, bundling all prior benefits with unique perks:

- **Trend:** Dynamic tier-based personalization and engagement segmentation are emerging to deepen fan loyalty.
- Airport lounge access with Real Madrid-themed features
- Premium hospitality (access to VIP seating, gourmet dining, field access)
- Virtual or in-person player experiences (Q&As, meet-and-greets, Valdebebas tours)
- Priority ticket access
- Exclusive merchandise (20% discount, free shipping on orders over \$149)
- A global community platform with access to digital content (personalized highlights), travel support to Madrid home games (concierge, metro pass), charity opportunities (RM Foundation events), and surprise perks (match-work gear raffles)

This new tier aims to aggregate engagement and monetary value, mimicking models like Revolut, and leverages global/local partnerships for added value.

The growing demand for personalized, luxury-driven engagement is evident, with 47% of avid sports fans using mobile apps (Kantar, 2024) and 65% of U.S. fans prioritizing family-oriented benefits (Statista, 2024), suggesting a market ready for enhanced offerings.

Marketing Plan

PESTEL Analysis: A PESTEL analysis (Political, Economic, Social, Technological, Environmental, Legal) can enhance the Madridista Loyalty Program’s marketing plan by identifying external factors impacting its success. For instance, understanding political stability in key markets like the U.S., Brazil, and India ensures compliance with local regulations, such as GDPR or Brazil’s LGPD, as outlined in the activation plan.

<i>India</i>		
P	Strong government support (e.g., Khelo India), liberalized FDI policies, but federal/state regulatory complexity; sports quotas in schools, youth policy supports football; nationalism may favor domestic leagues	POLITICAL
E	7% GDP growth, doubling middle-class spending by 2030, risk from inflation and currency volatility ; urban youth spending growing, scholarships support access; high cost of living limits discretionary spend	ECONOMICAL
S	Youth-heavy demographic, multilingual diversity, multitasking Gen Z, growing interest in football; peer/family influence strong, inclusive campaigns attract diversity, urban migration boosts exposure	SOCIAL
T	700 M+ smartphones, 4G coverage, OTT partnerships (Hotstar), high social media engagement, social media and video-first consumption, gaming apps as platforms for loyalty	TECHNOLOGICAL
E	Monsoon disruptions, sustainability interests among youth, opportunity to promote eco-friendly branding; youth value eco-initiatives (tree planting, green merch)	ECOLOGICAL
L	Upcoming DPDP law on data, IP protection strong but enforcement varies, broadcasting & OTT laws evolving; age-gated apps, restrictions on alcohol/gambling sponsorships for youth market	LEGAL

Figure 36

Economically, analyzing purchasing power in these regions can tailor pricing strategies for the Elite tier (€7/month) to maximize adoption. Socially, leveraging football’s cultural significance, especially in Brazil with campaigns like the “Vini Jr. Challenge,” aligns the program with local fan passions, boosting engagement and relevance.

<i>Brazil</i>		
P	Government supports football; PIX digital payment push; instability and sports corruption remain concerns; strong digital rights (Marco Civil); government tech incentives; avoid polarizing topics on social media.	POLITICAL
E	Top-5 economy, but inequality and inflation persist; strong digital commerce growth even in downturns; digital commerce booming (70 %+ growth); inflation still a threat to virtual goods spending.	ECONOMICAL
S	Culturally passionate about football; 3h40/day on social media; regional content tailoring needed; Social referrals, youth-led communities crucial; female fan engagement rising	SOCIAL
T	Universal smartphone access, strong social media and e-commerce use, early tech adoption support digital loyalty apps, 5G rollout; 122 M+ users on social platforms; apps must integrate with local favorites like TikTok or Mineiro TV	TECHNOLOGICAL
E	Climate impacts stadiums but not digital; eco-conscious audience values CSR initiatives (tree planting, sustainability); urban eco-awareness can inspire green campaigns tied to loyalty program	ECOLOGICAL
L	LGPD enforces strict data protection, strong IP protection, changes in TV rights and sponsorship laws, ongoing LGPD compliance needed; gambling ads now permitted; strong local trademark enforcement	LEGAL

Figure 38

<i>USA</i>		
P	Stable, pro-business; Title IX supports women's soccer; minimal media restrictions, but gambling laws vary; encourages tech R&D (tax incentives); future privacy legislation may impact compliance costs	POLITICAL
E	High consumer spending, corporate sponsorship strong, inflation affecting discretionary budgets; robust digital economy; inflation still pressures middle-class spending	ECONOMICAL
S	Soccer is gaining with Gen Z, women, and Hispanic audiences; social watching (bars, Reddit) is common; a diverse, digital-first Gen Z audience; social interactions key to fan loyalty	SOCIAL
T	Advanced digital ecosystem; 95% smartphone ownership; VR, AR, fan tokens have adoption potential; advanced infrastructure; Real Madrid can leverage cloud, AR/VR, AI features in apps	TECHNOLOGICAL
E	Sustainability is growing in importance; Real Madrid can align loyalty rewards with green initiatives; U.S. fans value sustainability in branding; indoor events limit weather impact	ECOLOGICAL
L	Strong IP and privacy laws (CCPA, COPPA); licensing complex due to league rights; age gating required for apps targeting youth; require careful handling of youth data; licensing agreements care complex across leagues	LEGAL

Figure 37

SWOT Analysis: A SWOT analysis (Strengths, Weaknesses, Opportunities, Threats) strengthens the marketing plan by aligning internal capabilities with external possibilities. The program’s strengths, like Real Madrid’s 600 million global fans and partnerships with brands like Emirates and EA Sports, enable powerful campaigns such as the global “Madridista. Everywhere You Are” launch.

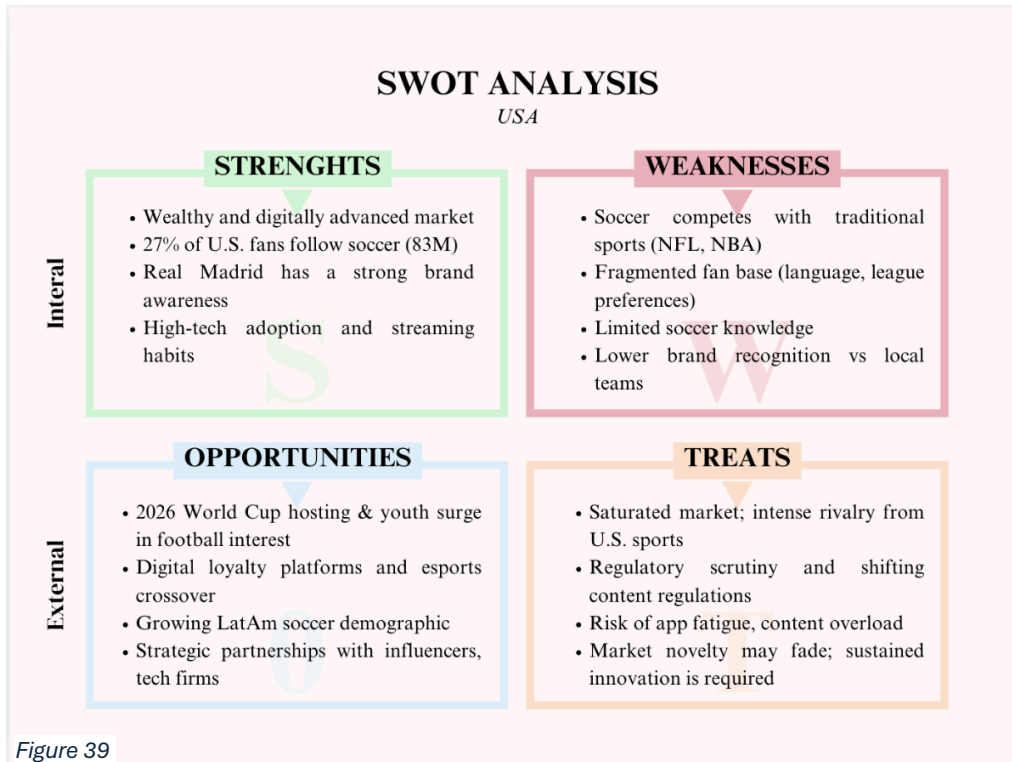


Figure 39

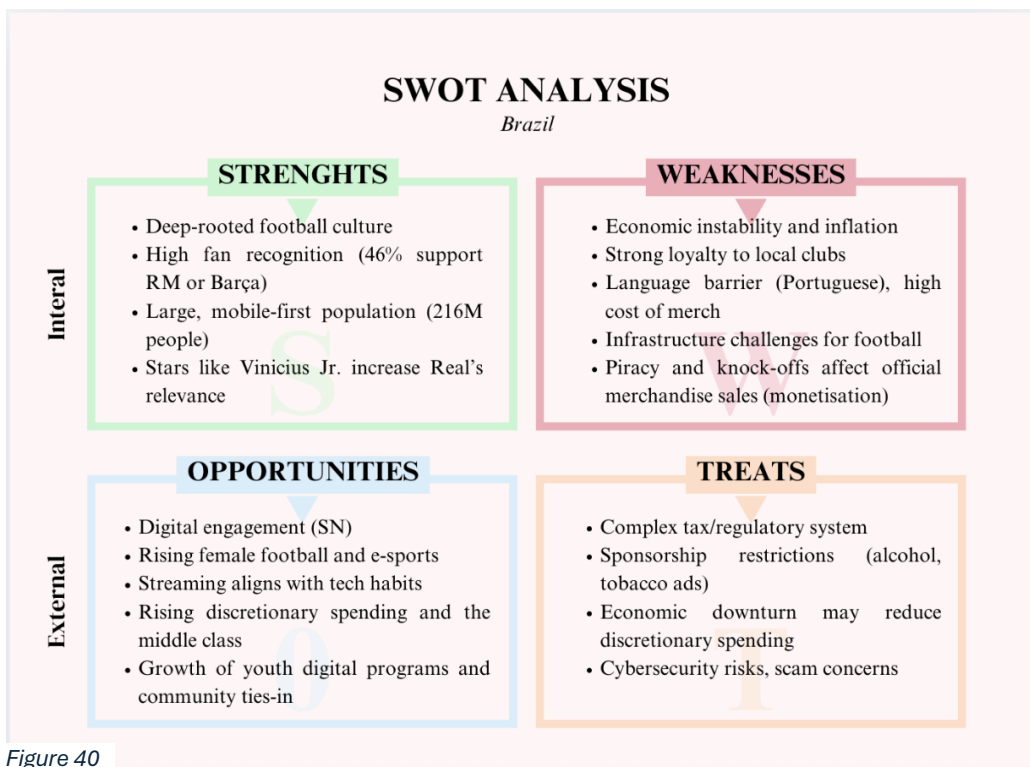


Figure 40

Weaknesses, such as potential app adoption challenges in less tech-savvy markets, can be addressed through localized onboarding, like India’s “Midnight Madridista” campaign. Opportunities include expanding digital fan zones, while threats like data privacy concerns can be mitigated with robust compliance, enhancing trust and participation.

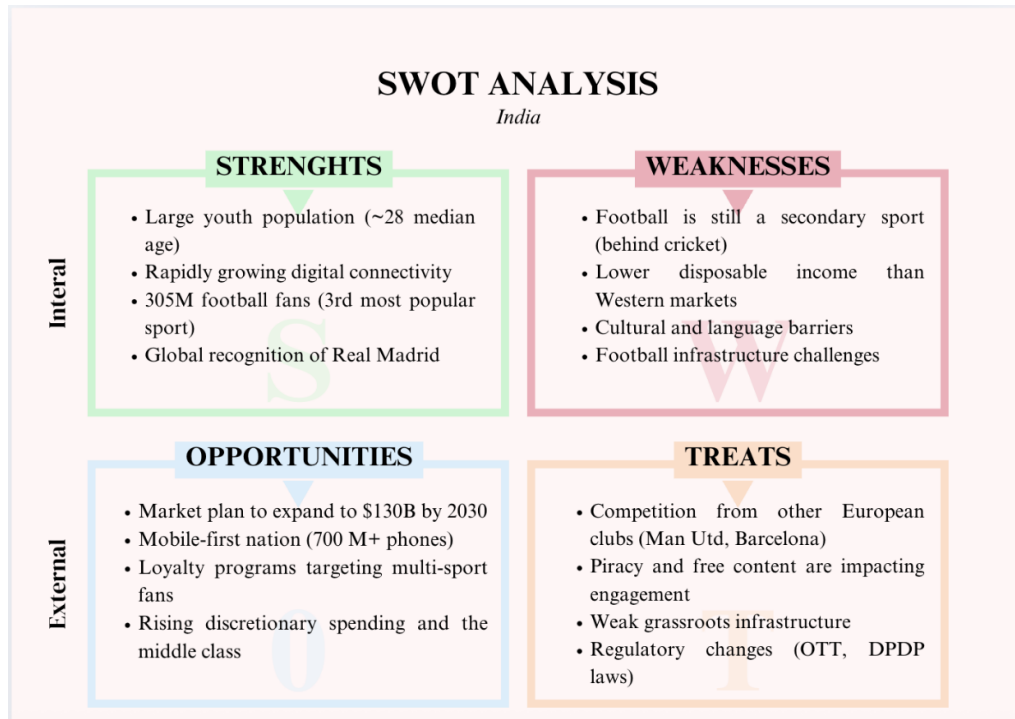


Figure 41

Porter's Five Forces Analysis: Applying Porter's Five Forces (competitive rivalry, bargaining power of buyers, bargaining power of suppliers, threat of new entrants, threat of substitutes) refine the marketing plan by assessing competitive dynamics.

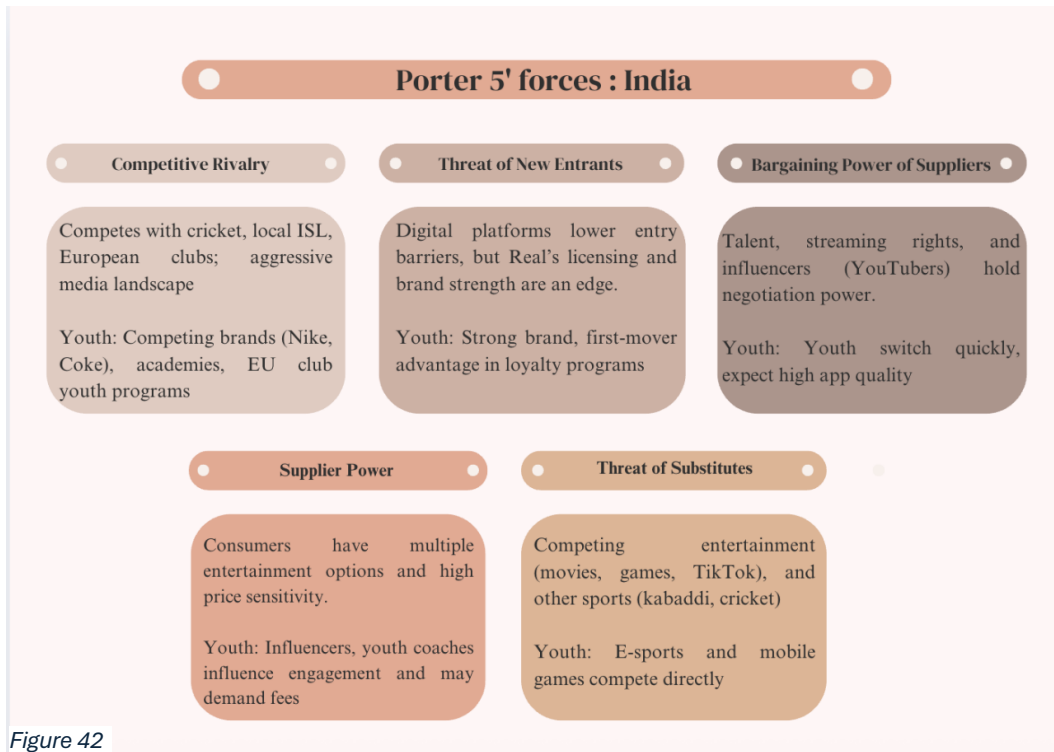


Figure 42

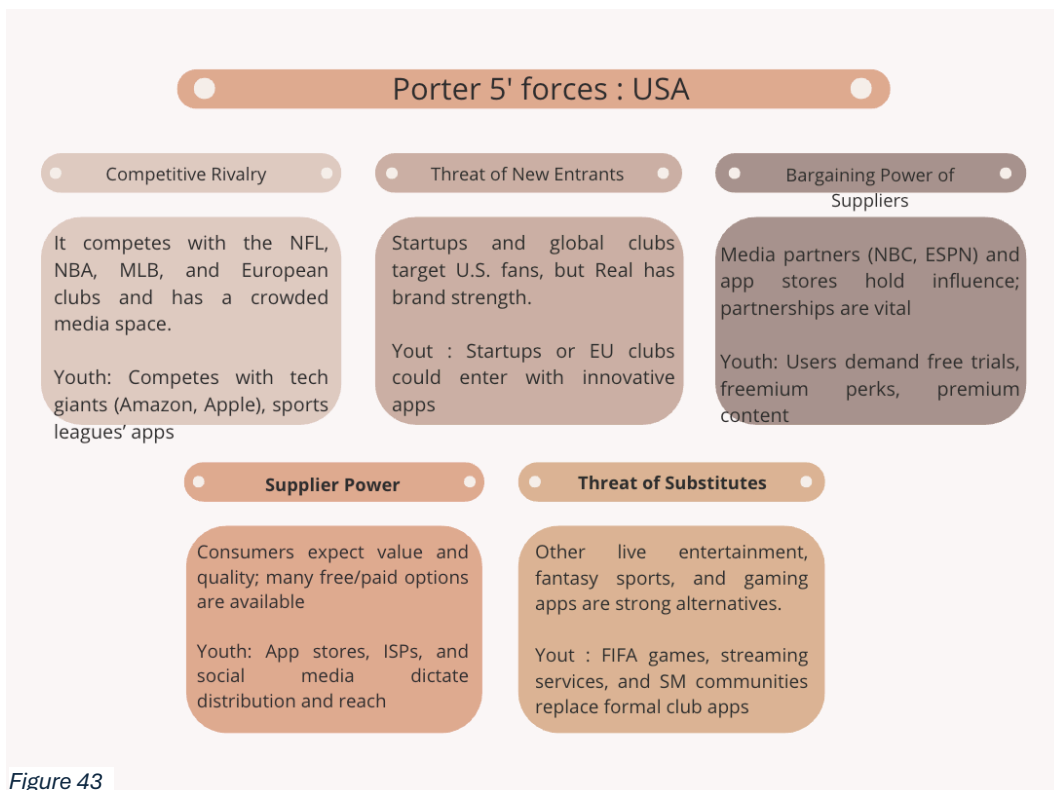


Figure 43

Intense rivalry in sports loyalty programs necessitates differentiation through unique features like gamified QR code hunts and virtual fan zones. Fans (buyers) have moderate power due to alternative clubs, but exclusive rewards (such as NFT-style badges) increase retention.

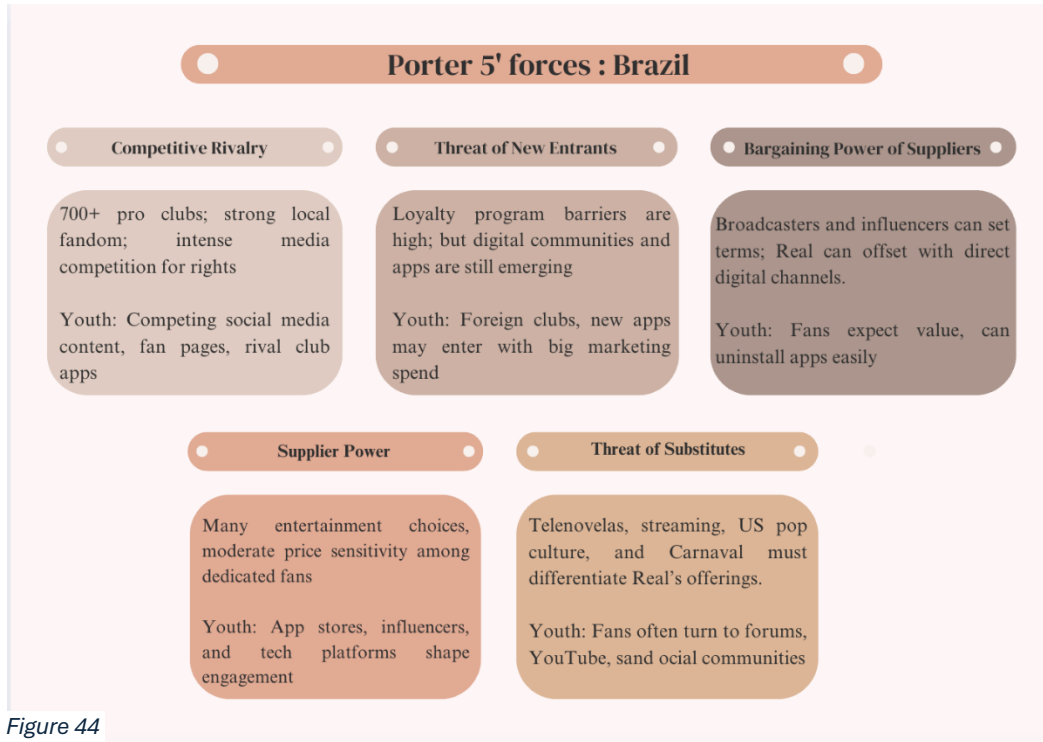


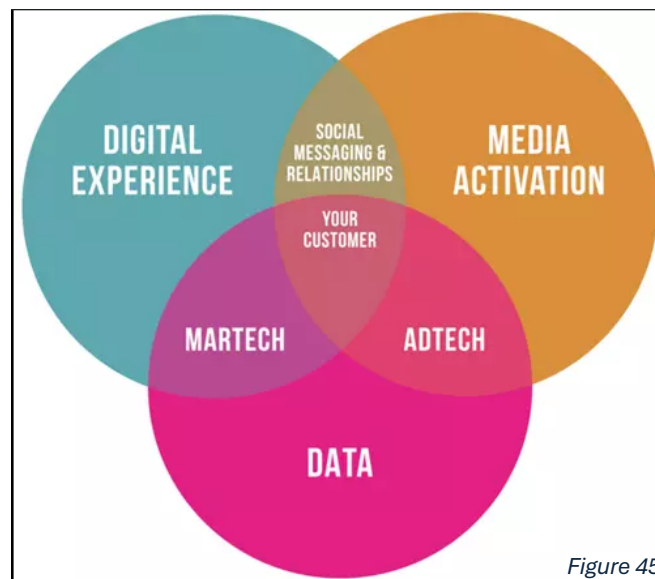
Figure 44

Suppliers, like app developers or partners like Adobe, have limited power due to Real Madrid's brand strength, allowing favorable deals. The low threat of new entrants and substitutes, given Real Madrid's global dominance, supports bold investments in campaigns like the global livestream with club legends, driving loyalty and revenue.

Activation Plan

The activation of the redesigned Madridista Loyalty Program aims to establish Real Madrid as a global leader in digital fan engagement, emotional loyalty, and lifestyle branding. With over 600 million fans worldwide, the club holds unmatched potential to convert its supporters into active, lifelong ambassadors.

The activation plan is structured in three phases: pre-launch preparation, launch campaign, and regional activation and personalization. Each phase builds anticipation, ensures seamless adoption, and localizes value across markets.



Phase 1: Pre-Launch Preparation

This initial phase lays the groundwork for a smooth and impactful rollout. The project begins with formally structuring the new loyalty tiers: Free, Premium, and a newly introduced Elite membership. Each level will offer increasingly personalized access to content, experiences, and benefits. The Elite tier, in particular, is crafted to provide luxury and emotional prestige, aligning with Real Madrid's premium global image.

A major focus of the pre-launch work is developing the standalone Madridista mobile app, which will become the central platform for all fan engagement. Unlike the current app bundled into the general Real Madrid ecosystem, this version will be tailored exclusively to loyalty. It will feature dynamic gamification, a tier-based points system, fan storylines, prediction games, virtual trophy rooms, and a digital user membership card.

From a compliance perspective, the program will ensure full alignment with international privacy laws. Regulations such as the GDPR in the European Union, PIPL in China, and LGPD in Brazil will be respected from the outset, with opt-in data usage, encryption standards, and transparent fan profiling systems.

The program will also integrate benefits and offers from Real Madrid’s official global partners. These include Emirates for travel and hospitality promotions, EA Sports for exclusive digital collectibles and in-game content, BMW for fan contests and sustainable mobility campaigns, Adobe for creative content personalization, Mahou for special edition products, and Visit Dubai for tourism-related loyalty rewards. These collaborations will increase real-world value for members while reinforcing the club’s aspirational brand.

To ensure the app’s usability and appeal, a beta-testing phase will be rolled out across two initial markets: Spain and the United States. Select superfans and influencers will gain early access to the program in exchange for feedback, which will help identify technical issues and fine-tune the onboarding experience before the global launch.



Figure 46

Phase 2: Launch Campaign

The launch of the Madridista Loyalty Program will be treated not as a simple product release but as a global cultural event. The campaign will revolve around a central message: “*Madridista. Everywhere You Are.*” This slogan emphasizes that being a Madridista is not defined by proximity to the Bernabéu but by emotional connection no matter where fans live.

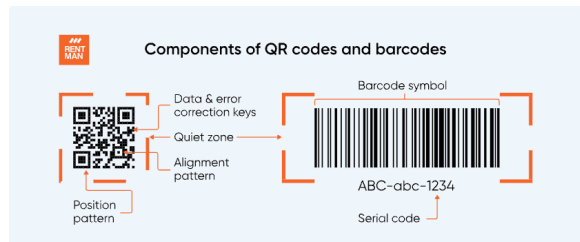
The campaign will begin with a countdown and teaser phase across Real Madrid’s digital channels, featuring video snippets, influencer challenges, and sneak peeks of app features. A hero video will then be released globally, showcasing fans from different continents, for example, Lagos, Mumbai, New York, and São Paulo, celebrating goals in unison. This cinematic approach evokes pride and unity, key emotional triggers for global fans.

The Madridista app’s debut is at the launch’s center, positioned as a gamified gateway into Real Madrid’s world. The launch will be celebrated through a series of special digital events:

- Early adopters will receive limited-edition digital rewards, such as NFT-style badges and exclusive trophies, which are only available in the first week. It is important to note that NFTs are trending but volatile, making them risky for loyalty programs. Their value can fluctuate wildly, undermining customer trust and program stability.
- A QR code treasure hunt will occur in major cities, including Madrid, New York, Rio de Janeiro, and Mumbai. Scanning these codes will unlock points, discounts, and surprise perks, blending digital engagement with real-world excitement.
- A global live-streamed event will feature iconic players and club legends such as Raúl, Modrić, or Vinícius Jr., who will participate in fan Q&As and challenge fans to complete app-based missions.



Figure 47



Real Madrid’s global partners will be embedded throughout the campaign. EA Sports will unlock Madridista-only rewards within FC24; Mahou will distribute limited edition product packaging featuring loyalty codes; BMW will offer interactive experiences with fan-designed car skins or branded simulator rides; and Visit Dubai will include sweepstakes for travel packages exclusive to Elite members.

The launch communication will be highly segmented. Past and current Madridista members will receive push notifications, personalized emails, and in-app messages inviting them to download the new app and activate their accounts. Influencers and football content creators will be mobilized to share their “Madridista moment,” reinforcing global reach.

Phase 3: Regional Activation & Personalization

The program will expand following the launch through strategic regional activations and deep cultural localization. This phase is anchored by a bold, innovative idea: the creation of Madridista Fan Zones, both physical and digital, designed to turn Real Madrid’s global presence into a shared experience ecosystem.

Temporary or semi-permanent physical fan zones will be established in select high-priority markets, including the United States, Brazil, and India. These branded spaces will serve as community hubs where fans can attend match screenings, interact with VR versions of the Santiago Bernabéu, earn loyalty points via QR codes, purchase exclusive merchandise, and participate in events like trivia contests or live challenges. These fan zones will be supported by Real Madrid’s partners, including Mahou (local tastings and activations), BMW (test-drive contests and themed zones), and EA Sports (game booths and digital showdowns).

In parallel, Virtual Fan Zones will be launched within the app for every major fixture, particularly Champions League matches. Fans will log in to experience a real-time digital match center, interact with others in their region, complete matchday missions, and appear live in the stadium via crowd walls and digital banners. These zones aim to replicate the emotion of matchdays for fans who cannot attend in person.

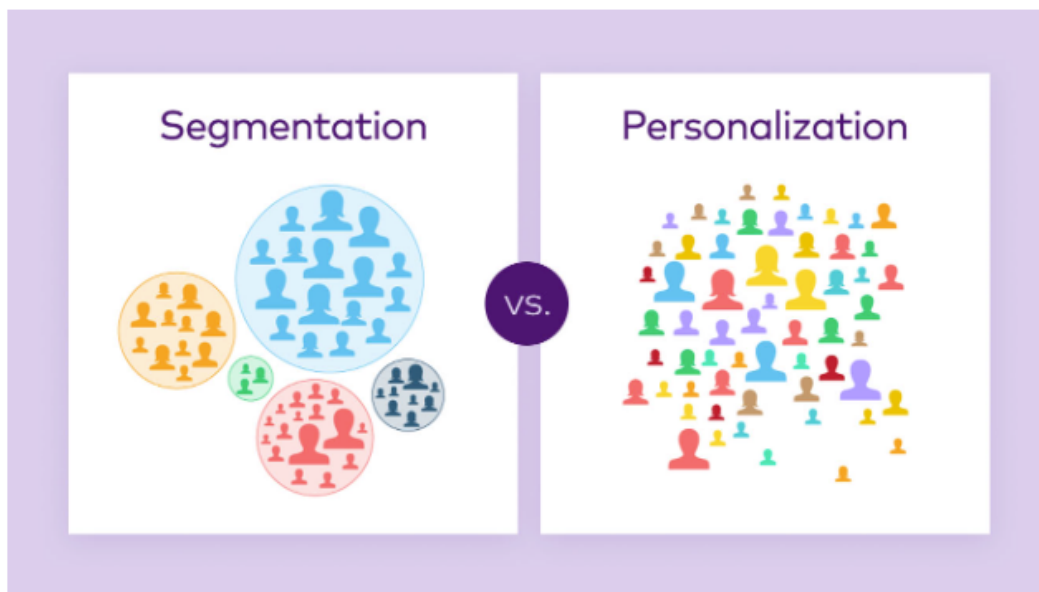


Figure 48

To deepen emotional engagement, each region will also receive customized campaign narratives and challenges:

- In India, a “Midnight Madridista” campaign will reward fans who consistently log in and participate during late-night matches. Trophies, exclusive wallpapers, and

community shoutouts will be given for participation. This initiative responds directly to time-zone challenges faced by Indian fans.

- In Brazil, where emotional connection to players is intense, a “Vini Jr. Challenge” campaign will engage fans through social content voting, daily fan quizzes, and exclusive video messages from Brazilian Real Madrid stars. Participants will unlock Brazil-specific digital cards and historical content, reinforcing cultural connection.
- In the United States, the focus will be on creating family-friendly group engagement. A Madridista Family Pack will be introduced, bundling multiple Premium memberships at a discounted price, with exclusive access to creator-led events, fan-voted playlists, and NFL-style “predict & win” leaderboards adapted to football.



Figure 49

Finally, all app content, from match previews and trivia to fan quests and video features, will be localized in language and tone, ensuring fans from different regions feel personally addressed. Local influencers will support each activation, press partnerships, and community groups to ensure authenticity and deep market penetration.

Financial and Fan Base Projections

Current program analysis

To project our recommendations’ impact on users, engagement, costs, and revenue streams, we first built a model based on a hybrid of assumptions and actual data the club shared. Below is a summary of these numbers and the process to develop those assumptions.

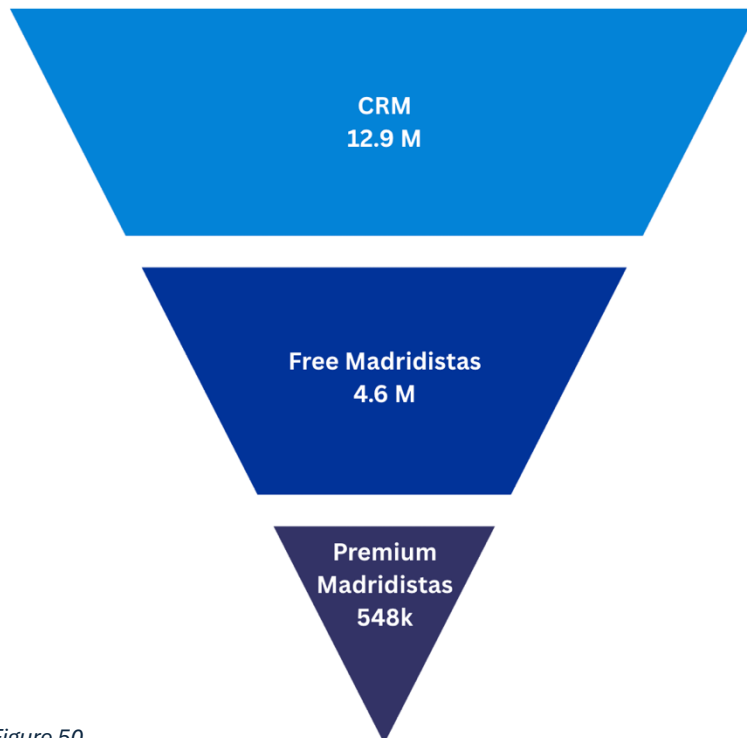


Figure 50

Real Madrid’s partnership department shared with us the size of the “user base” registered in their systems, from everyone in their CRM system to the paid subscribers who today participate in the Premium or Junior versions of the Madridista program.

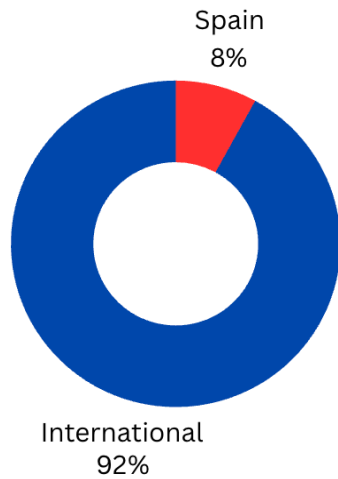
They also shared the **average conversion rate of purchase**, in other words, the percentage of people registered who have historically made a ticket purchase, **which is 2%**.

We used this same conversion rate to calculate the percentage of enrolled students in all programs who purchase other business lines of the club, be it merchandising, Bernabéu tour, or any other direct-to-customer retail line.

The club also shared demographic data from their user base, which makes it clear that there is a stark difference between the geography of their user base in their paid vs. free programs and databases.

We also received more details such as **gender distribution (Male: 82% vs. Female: 18%)** and a further breakdown of age groups and the top 10 markets by program, all of which we used to project the current status of the program in terms of revenue streams and engagement, as will be explained further down this report.

Free Madridistas and CRM



Premium Madridistas

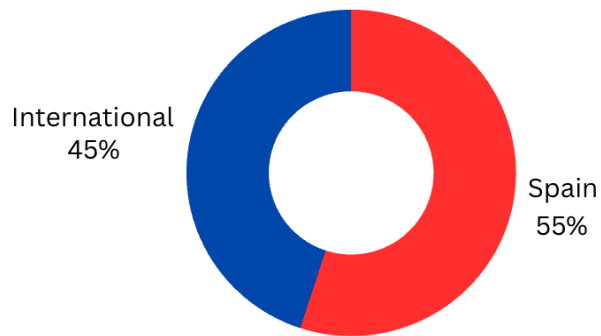


Figure 51

Top 10 Markets Madridistas



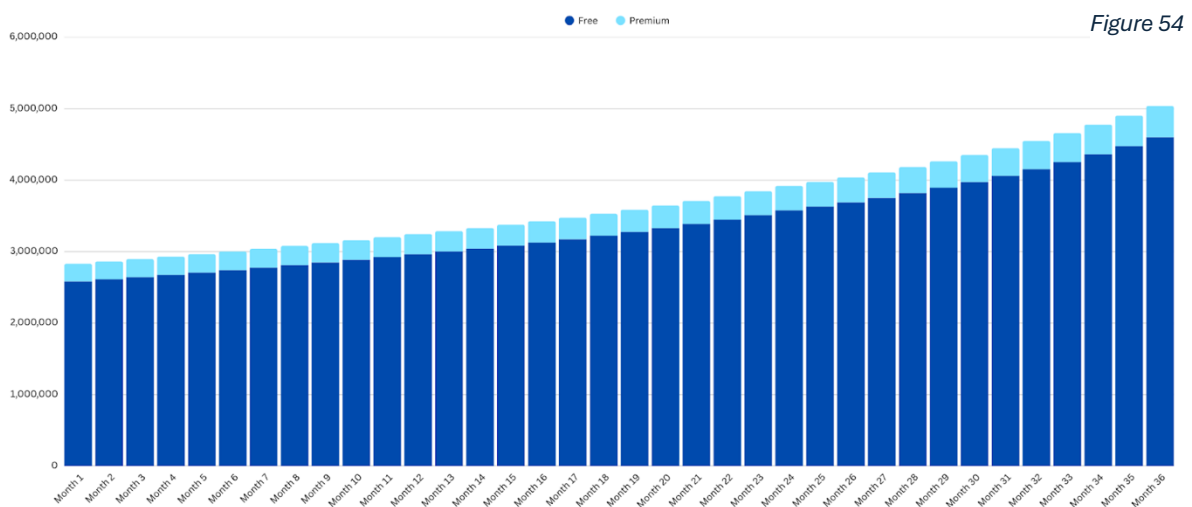
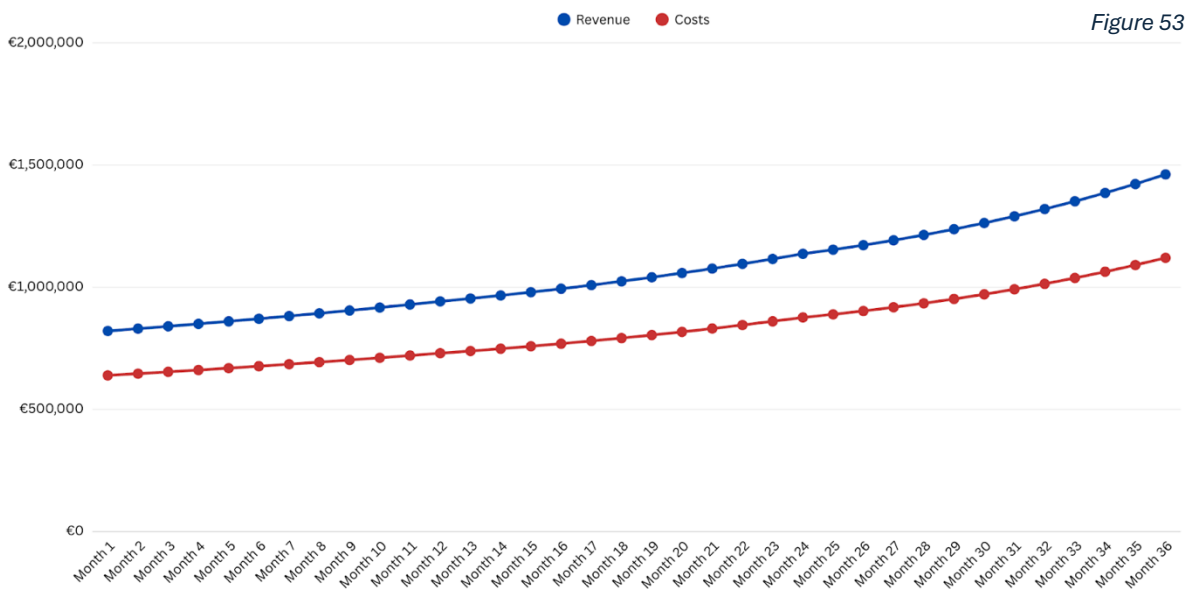
Figure 52

We assumed metrics such as **Average Revenue per User and Churn** based on industry standards and proxies that considered further demographic and socio-economic data about all the different groups, such as purchasing power, affinity to sports, and adoption of platforms with comparable value propositions.

Based on these assumptions and data shared by the club, we were able to project revenue and cost structures to establish a baseline to work off of for our projections. We assumed an average composition of costs based on industry averages for digital loyalty programs of:

- Operational Costs: 50% - 70% of revenue
- Marketing and Acquisition costs: 15% to 20% of revenue
- Operating Profit: 10% - 20% of revenue

Finally, based on all these inputs, we were able to project what the historical performance of the program has been for the last 3 years, given the provided information that the free base has grown 40% over that period to 14.9 (CRM) and 4.6 million (Free), and 80% growth for the paid versions of the program (439k Premium and 109k Junior Madridistas).



New mobile app environment and enhanced value proposition in the existing program (Premium Madridista)

Growth and Revenue Levers

As a result of the research shown in previous sections of this report, we have established several growth levers for the new strategy and structure we recommend that Real Madrid adopt for their Madridista program.

We used a conservative approach to project the user base growth and financials when subjecting our model to the impact these initiatives would have. For instance, **we are assuming an increase of 1.5 in user acquisition rates due to** the development of a new mobile app, **down from a 2.7 multiplier** cited in the sections above.

Another assumption based on our research is a **multiplier of 1.56 revenue per user** from app-only users compared to web-only users, again down from a multiplier of 2.4, assuming a revenue share of 60% from app users while only accounting for 30% of the total user base. Additionally, we assume that the monthly average users (MAU) **are 3%, which aligns with the industry averages and proxies used** in the research part of this report.

In terms of engagement, we assumed an increase **in conversion rates of 30% relative to the current conversion rates** explained at the beginning of this section and a **reduction in churn rate of 22%, as cited in previous sections in this report.**

In line with our previous assumptions on the prior exercise, we assumed similar engagement metrics for the different demographic groups focused on, except for key markets such as the U.S., Brazil, and India, where we assumed a slightly accelerated growth rate than other markets, as outlined in the table below:

Premium Membership Key Markets			
Year 1	24%	18%	12%
Year 2	16%	12%	8%
Year 3	12%	9%	6%
Year 4	8%	6%	4%
Year 5	6%	5%	3%
Year 6	6%	5%	3%
Year 7	6%	5%	3%
Year 8	4%	3%	2%
Year 9	4%	3%	2%
Year 10	4%	3%	2%

Key Markets
Rest of Markets

Figure 55

Investment and Cost Structure

To enhance the user’s experience and build the mobile app we recommend, we are assuming an investment of approximately €500.000 for developing the app in-house, with an average salary for a software developer in Madrid of €60.000 yearly and a team of 5 developers. Subsequently, we assumed the following cost structure

Total Investment	€500.000
Maintenance Costs	€3.000
Cloud Costs	€6.700
Operations and Promotion	€114.000
Total Monthly Costs. (1st year)	€125.000

Figure 56

Particularly for the new benefits of the Premium Madridista program proposed In the three key markets outlined in previous sections, we are also assuming operational and commercial costs for concepts of market research, commercial operations (3 full-time executives to negotiate and close deals), as well as partner activations with a budget of up to €50.000 per partner per year, and three new partners per year, **which amount to a total monthly cost of €22.500.**

Operations and Commercial Costs	€22.500
Total Monthly Costs New Platform (1st year)	€147.000

Figure 57

It is worth mentioning that these costs are all put on top of the previously assumed cost structure of the existing Madridista program to represent the baseline of what exists. In other words, this new cost structure already accounts for all the costs associated with the existing program. It accounts for the new investments and strategic resources to enhance the value proposition.

Elite Madridista Growth

To plot the new offering’s initial user base and the growth of the Elite Madridista, we assumed an **initial target user base of 7.500, representing just over 1% of the total paid user base from the current program.**

This target user base was calculated considering the cost structure, price point, and total attainable market in our key markets, as outlined further.

After establishing the initial user base, we assumed a similar growth rate to that presented in the key markets of the new Premium offering, with a staggered trend that restarted every year for the first 5 years, where the program would add a new partnership subscription to the bundle of subscriptions offered, as shown in the timeline below:

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Growth	15%	15%	10%	15%	15%	10%	8%	5%	3%	3%
Subscriptions	2	3	3	4	5	5	5	5	5	5

Figure 58

Costs

The cost structure follows a similar pattern to the growth structure in that some variables increase as the number of partnerships for the subscription bundles increases. Other costs stay flat, such as maintenance of the platform or commercial operations.

For the partners to make sense of the program, we designed a structure in which they can use the Real Madrid loyalty program as a “gateway” for new customers, who will, in turn, spend more money as a result of having a subscription to their service included with their Elite Madridista membership.

We adopted a revenue share structure in which, for the number of users we are assuming as an initial base, we pay a fee of €15 per user (average subscription fee for proposed partners). Then, a €3 fee for each customer above that line that the Elite Madridista brings into the platform to cover a discounted figure for the subscription obtained that way.

The nature of the proposed partners (Adobe, EA Play, Amazon Prime, Fly Emirates, and Open AI’s Chat GPT) makes our model attractive to both parties. The hypothesis is that these platforms charge fees for a subscription to their business model, allowing users to spend more money on their services as they please. Our added value is an extensive potential user base, complemented by extensive knowledge of their profiles through the new mobile app,

for which incremental revenue for our partners would cover the cost of the discounted subscriptions obtained through the Elite Madridista program.

The breakdown of the fees and cost structure timeline looks as follows:

	Year 1	Year 2	Year 3	Year 4	Year 5
Subscriptions	2	3	3	4	5
Initial Users	7.500				
Avg Monthly Membership Value	€15				
Rev. Share per User (after 7.500)	€3				
Partnership Fees (Monthly)	€19.000	€28.000	€28.000	€38.000	€46.000
Marketing Costs	€25.000	€37.000	€37.000	€50.000	€62.000

Figure 59

Cost structure summary:

Total Investment	€180.000
Maintenance Costs	€3.000
Operations and Promotion	€35.000 - €72.000
Total Monthly Costs. (1st year)	€56.000 - €90.000

Figure 60

Pricing:

The thinking process behind the pricing accounted for several factors, the three main being:

- Comparison with competition-like offerings (other leisure platforms like Netflix or Spotify)
- Pricing within the loyalty programs out there, particularly among European sports clubs
- Cost structure and break-even point

The first two points brought about the challenge of calculating an approximate monetary value of the benefits offered by loyalty programs, which guided us to put together the recommended structure of the Elite Madridistas program.

In the example of Netflix, we assumed an average cost of €20 to buy a movie or a TV series in the regular online market, and the current offering of the entire Netflix catalog of about 5.500 TV shows and movies.

We then assumed an average consumption of about five weekly hours and about 35 “active” weeks per user based on reports from Netflix usage, even though some studies have shown people can spend up to 2 daily hours on the platform.

If we price an hour of content at €10 (given an average movie duration of 2 hours), the approximate monetary value of Netflix content is about €4.500 a year. We used similar calculations to compute the rest of the programs compared to the proposed one.

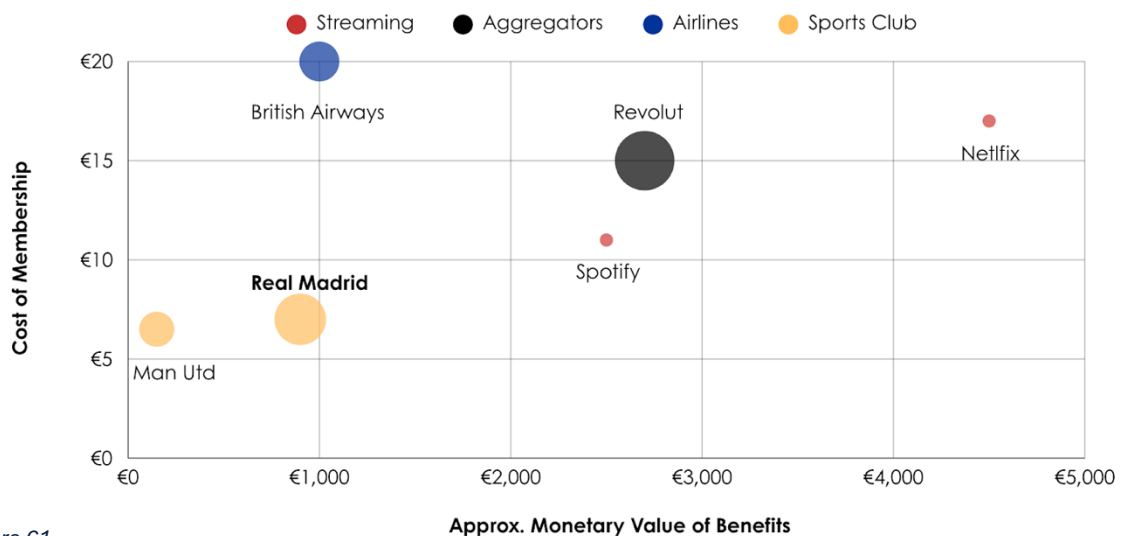


Figure 61

On average, these programs offer between €100 and €200 of monetary value per €1 of membership charged. We opted for a price point that placed the program within this range, which gave us a range of between €5 and €10 monthly.

This price point range aligns with other “Elite” branded loyalty programs from other European and American sports clubs and is significantly below other programs and platforms that offer a higher monetary value in benefits.

Finally, we ran several simulations with different price points and compared revenue and cost structure trends to figure out a price point that allowed us to pay the program “by itself” at some point. With the current price point of €7 a month, the program would consistently pay for itself with subscription and “incremental revenue” from the money generated for direct-to-customer lines like tickets, merchandising, etc., from year 6 on.

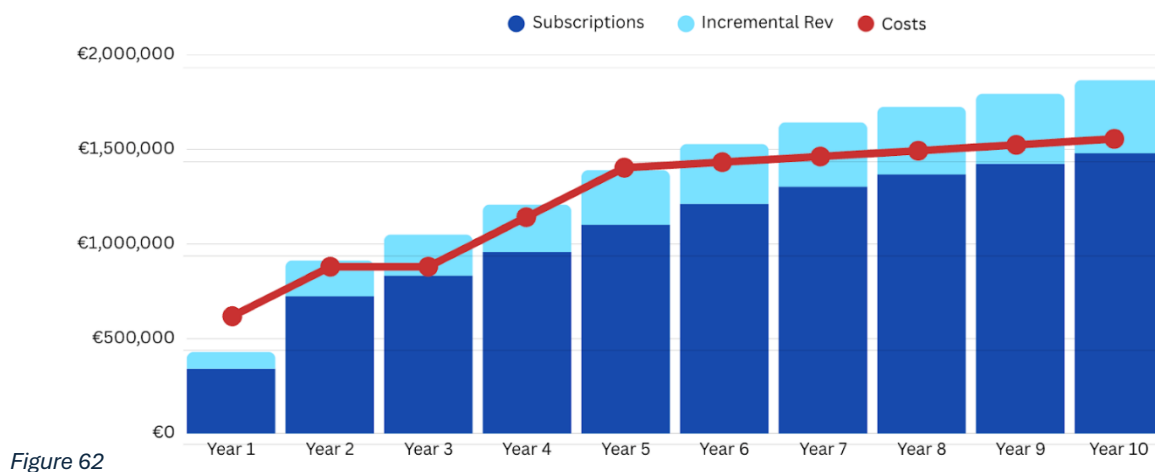


Figure 62

Total Costs, Revenues, and ROI

Overall, this program’s cost and revenue structures allow it to be sustainable over time. With an assumption of €500.000 investment in years 0 and 5 to keep the platform as updated as possible, and the associated costs outlined in this section, as well as a perpetual cost growth rate of 2% after variables, we find the operating profit to be positive since year 2.

It is important to note that **only revenue associated with membership payments is taken into account; all other incremental revenue** assumed from conversion rates belongs to merchandising and/or stadium operations and is **not taken into consideration for the valuation of the project**

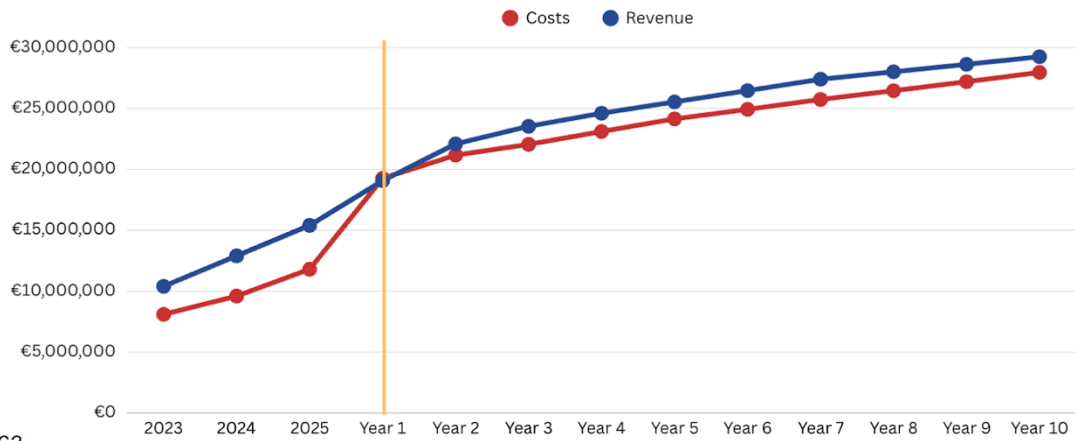


Figure 63

Impact

In the total attainable market figures we calculated, based on our projections of growth and the TAM figures provided in the sections above, the % of market penetration, which is calculated in inverse, represents the market opportunity in each of these key markets.

	% Free	% Paid	% Elite
Total Attainable Market USA	18%	0.4%	0.004%
Total Attainable Market Brazil	44%	0.6%	0.01%
Total Attainable Market India	13%	0.32%	0.003%

Figure 64

Engagement metrics improve thanks to a more immersive and “sticky” experience that keeps the user returning, increasing incentives to spend more often. This increase was also potentiated by introducing a new, more costly tier that contributed greatly to the overall revenue generated despite significantly lower user base numbers.

	Current	New Structure
ARPU	€33.48	€34.50
LTV	€143	€170
CAC	€21	€23
Lifetime Duration	4.3 years	4.9 years
Churn	25%	19.5%

Figure 65

Finally, the value of this project was calculated through the DCF model, with an assumed cost of capital of 20%, in line with the strictest industry indicators, resulting in very high rates of return.

NPV	€2.5 million
IRR	75%
Payback Period	3 years

Figure 66

Discounted Cash Flow Projections

	Discounted Cash Flow Projections (thousands €)										
	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Gross Income		19.068€	22.091€	23.532€	24.602€	25.534€	26.459€	27.939€	28.002€	28.613€	29.238€
EBITDA		-193€	924€	1.480€	1.496€	1.395€	1.536€	1.658€	1.550€	1.442€	1.284€
Amortization		-96€	-96€	-96€	-96€	-96€	-96€	-96€	-96€	-96€	-96€
EBT		-289€	828€	1.384€	1.400€	1.299€	1.440€	1.562€	1.454€	1.326€	1.188€
Net Income		-289€	621€	1.038€	1.050€	974€	1.080€	1.171€	1.090€	994€	891€
CAPEX	-480€	0€	0€	0€	0€	-480€	0€	0€	0€	0€	0€
Cashflow Balance	-480€	-385€	717€	1.134€	1.146€	590€	1.176€	1.267€	1.186€	1.090€	987€

Figure 67

Conclusions



The MBA thesis on the Madridista Loyalty Program offers a comprehensive analysis of Real Madrid's fan engagement strategy. It proposes enhancements to strengthen emotional and behavioral loyalty among its 600 million global fans.

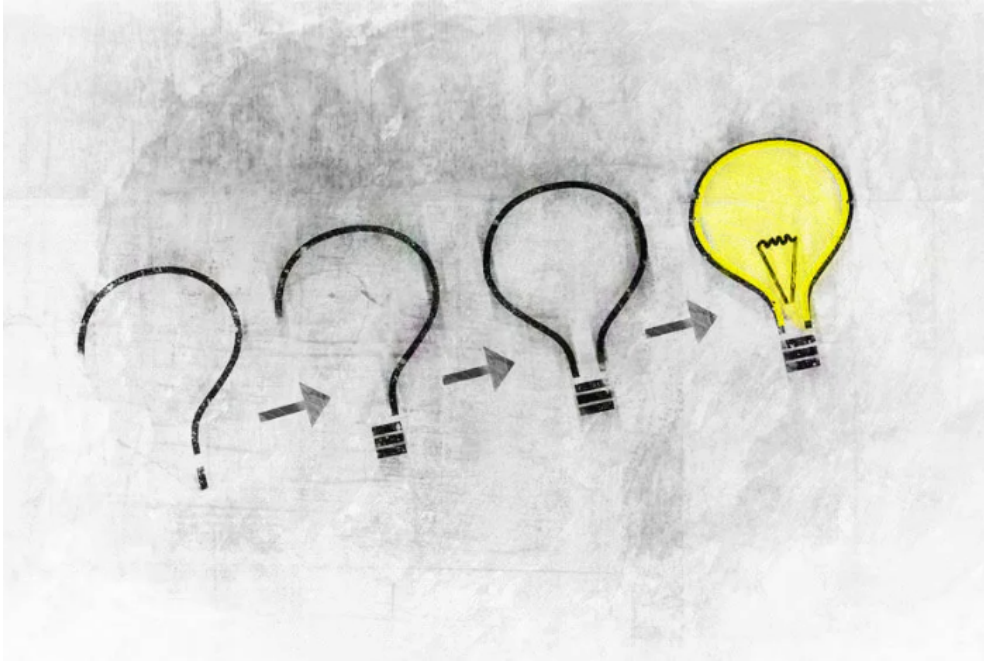
By leveraging trends like tiered structures, gamification, and digital integration observed in football and cross-industry loyalty programs, the thesis introduces a new Elite tier and a standalone Madridista app to deliver personalized, premium experiences.

The focus on high-growth markets like the U.S., Brazil, and India, supported by tailored personas and culturally sensitive campaigns, aims to boost engagement and revenue while addressing operational challenges in areas like ticket access and increasing the satisfaction and rewards for premium international fans.



The proposed redesign introduces a robust activation plan, including a global “Madridista. Everywhere You Are” campaign, physical and virtual fan zones, and strategic partnerships with brands like Emirates and EA Sports to enhance value.

Financial projections indicate sustainability, with an initial €500,000 app development investment yielding positive operating profit by year two, driven by a 30% increase in conversion rates and a 22% reduction in churn. The Elite tier, priced at €7/month, aligns with competitive loyalty offerings, balancing accessibility with exclusivity to convert fans into lifelong ambassadors.



The thesis presents a forward-thinking vision to elevate the Madridista program into a global benchmark for sports loyalty. By integrating advanced technologies, localized engagement strategies, and a premium tier, Real Madrid can deepen fan connections and capitalize on its massive fanbase.

However, success hinges on addressing operational shortcomings and ensuring seamless app adoption across diverse markets to maintain trust and maximize the program's impact.

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Annexes

Annex 1: Financials

NOTE: The financial projections are accessible below in the embedded Excel or PDF formats. Most of the financial projections have also been listed as standalone tables.



Churn Progression

Year	1	2	3
Churn Paid	10%	16.67%	30%
Churn Free	10%	14.95%	25%
Spain	10%	13.33%	20%
Intl	10%	17.04%	31%
Male	10%	13.17%	20%
Female	10%	23.33%	50%
16-24	10%	12.67%	18%
25-34	10%	14.00%	22%
35-44	10%	16.00%	28%
45-54	10%	19.30%	38%
55-64	10%	19.30%	38%
Older	10%	19.30%	38%

ARPU Breakdown

		Category	Weight	ARPU	WTD ARPU
International	Paid	Madridistas	80.11%	€2.89	€2.67
		Junior	19.89%	€1.79	
	Free	CRM	73.71%	€0.024	€0.04
		Free	26.29%	€0.099	
Spain	Paid	Madridistas	80.11%	€3.17	€2.92
		Junior	19.89%	€1.92	
	Free	CRM	73.71%	€0.05	€0.09
		Free	26.29%	€0.20	

Age Groups					
	Paid	16-24	25%	€1.93	€2.79
		25-34	38%	€1.93	
		35-44	19%	€4.26	
		45-54	11%	€4.26	
		55-64	4%	€4.26	
	Free	Older	3%	€4.26	
		16-24	25%	€0.03	€0.04
		25-34	38%	€0.03	
		35-44	19%	€0.07	
		45-54	11%	€0.07	
55-64	4%	€0.07			
		Older	3%	€0.07	

All	Paid	Madridistas	80.11%	€3.04	€2.79
		Junior	19.89%	€1.79	
	Free	CRM	73.71%	€0.025	€0.04
		Free	26.29%	€0.100	

Fan Base

User Base	
CRM	12,900,000
GDPR & mail	100%
Partner comms	80%
Conversion Rate CRM	2%
Growth over the last 3 years (CRM, Free)	40%
Growth over the last 3 years (Premium, Junior)	80%
Conversion rate from Paid Users (MAU)	10%
Average ticket size	€15.00
Conversion Rate Premium Spain (MAU)	20%
Conversion Rate Free Spain (MAU)	4%
Conversion Rate Premium (redeems discount)	5%
CAC	15%
Paid	3.04%
Free	96.96%
Female	18%
Male	82%

Signup Channel Assumptions	
CRM organic	25%
Retail Stores	15%
Official Stores	15%
Partner Activations	5%
Stadium	40%
Total	100%

Madridistas	Precio	Fans
Free		4,600,000
Premium	€35	439,000
Junior	€20	109,000
Socios		95,000

Cost structure		
Operational Costs	60%	60%
Fixed Costs	20%	20%
Profit	20%	20%

Madridistas Market Data		
Country	Paid	Free
Spain	55%	8%
Mexico	2%	5%
USA	2%	5%
France	1%	3%
Brazil	4%	8%
India	1%	2%
Colombia	1%	3%
Peru	1%	2%
Argentina	1%	2%
Morocco	1%	2%
Algeria	1%	2%
Egypt	1%	2%
Indonesia	0%	1%
Other Markets	13%	27%
Unknown	14%	28%

Churn

Engagement Metrics	
churn rate free	25%
churn rate paid	30%
churn rate international	31%
Spain assumed churn rate	20%
Female Churn Rate	50%

Churn Progression			
Year	1	2	3
Churn Paid	10%	16.67%	30%
Churn Free	10%	14.95%	25%
Spain	10%	13.33%	20%
Intl	10%	17.04%	31%

Male Churn Rate	20%
16-24 Churn Rate	18%
25-34 Churn Rate	22%
35-44 Churn Rate	28%
45-54 Churn Rate	38%
55-64 Churn Rate	38%
Older Churn Rate	38%
churn_rate overall	25%

Male	10%	13.17%	20%
Female	10%	23.33%	50%
16-24	10%	12.67%	18%
25-34	10%	14.00%	22%
35-44	10%	16.00%	28%
45-54	10%	19.30%	38%
55-64	10%	19.30%	38%
Older	10%	19.30%	38%

Age Group	Weight	Contribution	Churn Rate	Resp. Weights	WTD Avg
16-24	25%	6%	18%	30%	82%
25-34	38%	10%	22%	46%	22%
35-44	19%	5%	28%	23%	
45-54	11%	3%	38%	61%	18%
55-64	4%	1%	38%	22%	38%
Older	3%	1%	38%	17%	

Revenue Growth

Year	Distribution	Free	Paid			Free	Paid
0				100.00	100.00		
1	20%	8%	16%	108.00	116.00	8.00%	16.00%
2	30%	12%	24%	120.00	140.00	11.11%	20.69%
3	50%	20%	40%	140.00	180.00	16.67%	28.57%
		40%	80%				

Purchasing Power Index				
Young	63%	6	35.29%	55%
Old	37%	11	64.71%	
		17		

ARPU Breakdown					
		Category	Weight	ARPU	WTD ARPU
International	Paid	Madridistas	80.11%	€2.89	€2.67
		Junior	19.89%	€1.79	
	Free	CRM	73.71%	€0.024	€0.04
		Free	26.29%	€0.099	
Spain	Paid	Madridistas	80.11%	€3.17	€2.92
		Junior	19.89%	€1.92	
	Free	CRM	73.71%	€0.05	€0.04

	Free	Free	26.29%	€0.20	€0.09
Age Groups	Paid	16-24	25%	€1.93	€2.79
		25-34	38%	€1.93	
		35-44	19%	€4.26	
		45-54	11%	€4.26	
		55-64	4%	€4.26	
		Older	3%	€4.26	
	Free	16-24	25%	€0.03	€0.04
		25-34	38%	€0.03	
		35-44	19%	€0.07	
		45-54	11%	€0.07	
		55-64	4%	€0.07	
		Older	3%	€0.07	
All	Paid	Madridistas	80.11%	€3.04	€2.79
		Junior	19.89%	€1.79	
	Free	CRM	73.71%	€0.025	€0.04
		Free	26.29%	€0.100	

10	21%	10.59%	3%	0.281
11	21%	8.36%	2%	0.245
12	21%	6.61%	2%	0.211
13	21%	5.22%	1%	0.180
14	21%	4.12%	1%	0.153
15	21%	3.26%	1%	0.130
16	21%	2.57%	1%	0.109
17	21%	2.03%	1%	0.092
18	21%	1.61%	0%	0.077
19	21%	1.27%	0%	0.064
20	21%	1.27%	0	0.000
Average Lifetime Duration New Structure				4.905

Lifetime Calculation				
Year	Churn Rate	Survival Prob	Prob Churn	Lifetime Contrb
0	0%	100.00%		
1	10%	90.00%	10%	0.100
2	16.67%	75.00%	15%	0.300
3	30%	52.50%	23%	0.675
4	30%	36.75%	16%	0.630
5	30%	25.73%	11%	0.551
6	30%	18.01%	8%	0.463
7	30%	12.61%	5%	0.378
8	30%	8.82%	4%	0.303
9	30%	6.18%	3%	0.238
10	30%	4.32%	2%	0.185
11	30%	3.03%	1%	0.143
12	30%	2.12%	1%	0.109
13	30%	1.48%	1%	0.083
14	30%	1.04%	0%	0.062
15	30%	0.73%	0%	0.047
16	30%	0.51%	0%	0.035
17	30%	0.36%	0%	0.026
18	30%	0.25%	0%	0.019
19	30%	0.17%	0%	0.014
20	30%	0.12%	0%	0.010
Average Lifetime Duration Current Structure				4.372

Assumed Monthly Churn Progression			
1	0.90	0.80	0.70
2	0.92	0.84	0.75
3	0.94	0.87	0.81
4	0.95	0.91	0.86
5	0.97	0.95	0.92
6	0.99	0.98	0.97
7	1.01	1.02	1.03
8	1.03	1.05	1.08
9	1.05	1.09	1.14
10	1.06	1.13	1.19
11	1.08	1.16	1.25
12	1.10	1.20	1.30

Month	1	2	3	4	5	6	7	8	9	10	11	12
Progression Y1	0.90	0.92	0.94	0.95	0.97	0.99	1.01	1.03	1.05	1.06	1.08	1.10
Progression Y2	0.80	0.84	0.87	0.91	0.95	0.98	1.02	1.05	1.09	1.13	1.16	1.20
Progression Y3	0.70	0.75	0.81	0.86	0.92	0.97	1.03	1.08	1.14	1.19	1.25	1.30
Churn Rate Paid	10.00%	16.67%	30.00%	30.00%	30.00%	30.00%	30.00%	30.00%	30.00%	30.00%	30.00%	30.00%
Churn Rate Free	10%	14.95%	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%

Lifetime Calculation				
Year	Churn Rate	Survival Prob	Prob Churn	Lifetime Contrb
0	0%	100.00%		
1	7%	88.33%	12%	0.117
2	12%	69.78%	19%	0.371
3	21%	55.13%	15%	0.440
4	21%	43.55%	12%	0.463
5	21%	34.41%	9%	0.457
6	21%	27.18%	7%	0.434
7	21%	21.47%	6%	0.400
8	21%	16.96%	5%	0.361
9	21%	13.40%	4%	0.321

		Year 1	Year 1	Year 1	Year 1	Year 1	Year 1	Y
		Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	M
CRM organic		31,466	32,287	33,120	33,966	34,824	35,697	
Retail Stores		18,880	19,372	19,872	20,379	20,895	21,418	
Official Stores		18,880	19,372	19,872	20,379	20,895	21,418	
Partner Activations		6,293	6,457	6,624	6,793	6,965	7,139	
Stadium		50,346	51,659	52,992	54,345	55,719	57,115	
<i>New Customers Acquired</i>		125,864	129,147	132,480	135,863	139,298	142,787	
<i>Churned</i>		72,525	74,412	76,328	78,272	80,247	82,252	
<i>ARPU Total</i>		€0.025	€0.025	€0.025	€0.025	€0.025	€0.025	
CRM	9,214,286	9,267,625	9,322,360	9,378,512	9,436,103	9,495,154	9,555,689	
<i>New Customers Acquired</i>		48,721	50,263	51,845	53,470	55,137	56,849	
<i>Churned</i>		20,115	20,749	21,400	22,068	22,753	23,457	
<i>ARPU Total</i>		€0.100	€0.100	€0.100	€0.100	€0.100	€0.100	
Madridistas Free	2,555,556	2,584,162	2,613,676	2,644,121	2,675,523	2,707,907	2,741,299	
<i>New Customers Acquired</i>		4,650	4,797	4,948	5,103	5,262	5,425	
<i>Churned</i>		1,920	1,980	2,042	2,106	2,171	2,239	
<i>ARPU Incremental</i>		€0.13	€0.13	€0.13	€0.13	€0.13	€0.13	
<i>ARPU Subscription</i>		€2.92	€2.92	€2.92	€2.92	€2.92	€2.92	
<i>ARPU Total</i>		€3.04	€3.04	€3.04	€3.04	€3.04	€3.04	
Madridistas Premium	243,889	246,619	249,436	252,341	255,338	258,428	261,615	
<i>New Customers Acquired</i>		1,154	1,191	1,229	1,267	1,307	1,347	
<i>Churned</i>		477	492	507	523	539	556	
<i>ARPU Incremental</i>		€0.13	€0.13	€0.13	€0.13	€0.13	€0.13	
<i>ARPU Subscription</i>		€1.67	€1.67	€1.67	€1.67	€1.67	€1.67	
<i>ARPU Total</i>		€1.79	€1.79	€1.79	€1.79	€1.79	€1.79	
Madridistas Junior	60,556	61,233	61,933	62,654	63,398	64,166	64,957	
ARR	€812,269	€821,361	€830,742	€840,419	€850,400	€860,692	€871,306	
<i>Incremental Revenue</i>		€528,588.33	€533,347.61	€538,249.34	€543,296.90	€548,493.79	€553,843.61	
Total Revenue	€812,269	€1,349,949	€1,364,089	€1,378,668	€1,393,696	€1,409,186	€1,425,150	
<i>Fixed Costs</i>	€162,454	€269,990	€272,818	€275,734	€278,739	€281,837	€285,030	
CAC	€21.23	€21.23	€20.81	€20.41	€20.03	€19.66	€19.30	
<i>Marketing</i>	€121,840	€123,204	€124,611	€126,063	€127,560	€129,104	€130,696	
<i>Operational Costs</i>	€365,521	€369,612	€373,834	€378,188	€382,680	€387,312	€392,088	
Total Costs	€527,975	€639,602	€646,652	€653,922	€661,419	€669,149	€677,118	

Year 1	Year 1	Year 1	Year 1	Year 1	Year 1	Year 2	Year 2	Year 2
Month 7	Month 8	Month 9	Month 10	Month 11	Month 12	Month 1	Month 2	Month 3
36,583	37,483	38,398	39,327	40,272	41,234	44,245	46,578	48,958
21,950	22,490	23,039	23,596	24,163	24,740	26,547	27,947	29,375
21,950	22,490	23,039	23,596	24,163	24,740	26,547	27,947	29,375
7,317	7,497	7,680	7,865	8,054	8,247	8,849	9,316	9,792
58,532	59,972	61,436	62,924	64,436	65,974	70,792	74,525	78,332

146,330	149,931	153,590	157,309	161,090	164,934	176,980	186,313	195,830
84,288	86,357	88,459	90,596	92,768	94,976	106,835	112,451	118,176
€0.025	€0.025	€0.025	€0.025	€0.025	€0.025	€0.025	€0.025	€0.025
9,617,731	9,681,305	9,746,436	9,813,149	9,881,471	9,951,429	10,021,574	10,095,436	10,173,090
58,608	60,416	62,273	64,183	66,147	68,167	69,224	73,286	77,485
24,180	24,923	25,686	26,471	27,278	28,108	31,825	33,683	35,603
€0.100	€0.100	€0.100	€0.100	€0.100	€0.100	€0.100	€0.100	€0.100
2,775,727	2,811,219	2,847,806	2,885,517	2,924,386	2,964,444	3,001,843	3,041,446	3,083,328
5,593	5,766	5,943	6,125	6,313	6,505	6,987	7,397	7,820
2,308	2,379	2,451	2,526	2,603	2,682	3,418	3,617	3,823
€0.13	€0.13	€0.13	€0.13	€0.13	€0.13	€0.13	€0.13	€0.13
€2.92	€2.92	€2.92	€2.92	€2.92	€2.92	€2.92	€2.92	€2.92
€3.04	€3.04	€3.04	€3.04	€3.04	€3.04	€3.04	€3.04	€3.04
264,901	268,288	271,780	275,379	279,088	282,911	286,480	290,260	294,257
1,389	1,432	1,476	1,521	1,567	1,615	1,735	1,837	1,942
573	591	609	627	646	666	849	898	949
€0.13	€0.13	€0.13	€0.13	€0.13	€0.13	€0.13	€0.13	€0.13
€1.67	€1.67	€1.67	€1.67	€1.67	€1.67	€1.67	€1.67	€1.67
€1.79	€1.79	€1.79	€1.79	€1.79	€1.79	€1.79	€1.79	€1.79
65,773	66,614	67,481	68,374	69,295	70,244	71,131	72,069	73,061

€882,249	€893,530	€905,159	€917,145	€929,499	€942,231	€954,118	€966,706	€980,018
€559,350.14	€565,017.26	€570,849.01	€576,849.57	€583,023.27	€589,374.60	€595,425.01	€601,821.83	€608,574.88
€1,441,599	€1,458,547	€1,476,008	€1,493,995	€1,512,522	€1,531,606	€1,549,543	€1,568,528	€1,588,593

€288,320	€291,709	€295,202	€298,799	€302,504	€306,321	€309,909	€313,706	€317,719
€18.95	€18.62	€18.30	€17.99	€17.69	€17.40	€16.41	€15.70	€15.06
€132,337	€134,029	€135,774	€137,572	€139,425	€141,335	€143,118	€145,006	€147,003
€397,012	€402,088	€407,321	€412,715	€418,275	€424,004	€429,353	€435,018	€441,008
€685,332	€693,798	€702,523	€711,514	€720,779	€730,325	€739,262	€748,723	€758,727

Year 2	Year 2	Year 2	Year 2	Year 2	Year 2	Year 2	Year 2	Year 2
Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12
51,385	53,864	56,398	58,988	61,638	64,351	67,131	69,979	72,901
30,831	32,319	33,839	35,393	36,983	38,611	40,278	41,988	43,741
30,831	32,319	33,839	35,393	36,983	38,611	40,278	41,988	43,741
10,277	10,773	11,280	11,798	12,328	12,870	13,426	13,996	14,580
82,217	86,183	90,236	94,381	98,621	102,962	107,409	111,967	116,642

205,541	215,458	225,591	235,952	246,552	257,405	268,522	279,918	291,605
124,016	129,979	136,070	142,296	148,665	155,184	161,861	168,703	175,718
€0.025	€0.025	€0.025	€0.025	€0.025	€0.025	€0.025	€0.025	€0.025
10,254,616	10,340,095	10,429,616	10,523,271	10,621,158	10,723,379	10,830,041	10,941,256	11,057,143
81,828	86,326	90,988	95,825	100,848	106,069	111,499	117,152	123,041
37,588	39,642	41,771	43,979	46,271	48,653	51,129	53,705	56,389
€0.100	€0.100	€0.100	€0.100	€0.100	€0.100	€0.100	€0.100	€0.100
3,127,569	3,174,253	3,223,470	3,275,316	3,329,893	3,387,309	3,447,679	3,511,126	3,577,778
8,259	8,712	9,182	9,670	10,177	10,703	11,251	11,821	12,415
4,036	4,257	4,485	4,722	4,968	5,224	5,490	5,766	6,054
€0.13	€0.13	€0.13	€0.13	€0.13	€0.13	€0.13	€0.13	€0.13
€2.92	€2.92	€2.92	€2.92	€2.92	€2.92	€2.92	€2.92	€2.92
€3.04	€3.04	€3.04	€3.04	€3.04	€3.04	€3.04	€3.04	€3.04
298,479	302,934	307,631	312,579	317,788	323,267	329,029	335,084	341,444
2,051	2,163	2,280	2,401	2,527	2,658	2,794	2,935	3,083
1,002	1,057	1,114	1,173	1,234	1,297	1,363	1,432	1,503
€0.13	€0.13	€0.13	€0.13	€0.13	€0.13	€0.13	€0.13	€0.13
€1.67	€1.67	€1.67	€1.67	€1.67	€1.67	€1.67	€1.67	€1.67
€1.79	€1.79	€1.79	€1.79	€1.79	€1.79	€1.79	€1.79	€1.79
74,110	75,216	76,382	77,611	78,904	80,264	81,695	83,198	84,778

€994,080	€1,008,918	€1,024,561	€1,041,040	€1,058,387	€1,076,636	€1,095,825	€1,115,991	€1,137,176
€815,695.87	€823,196.42	€831,089.05	€839,387.09	€848,104.68	€857,256.81	€866,859.36	€876,929.19	€887,484.13
€1,609,776	€1,632,114	€1,655,650	€1,680,427	€1,706,492	€1,733,893	€1,762,684	€1,792,920	€1,824,660

€321,955	€326,423	€331,130	€336,085	€341,298	€346,779	€352,537	€358,584	€364,932
€14.46	€13.92	€13.41	€12.94	€12.50	€12.09	€11.70	€11.34	€11.01
€149,112	€151,338	€153,684	€156,156	€158,758	€161,495	€164,374	€167,399	€170,576
€447,336	€454,013	€461,053	€468,468	€476,274	€484,486	€493,121	€502,196	€511,729
€769,291	€780,436	€792,183	€804,554	€817,573	€831,265	€845,658	€860,780	€876,661

Year 3	Year 3	Year 3	Year 3	Year 3	Year 3
Month 1	Month 2	Month 3	Month 4	Month 5	Month 6
70,640	76,809	83,140	89,645	96,342	103,246
42,384	46,086	49,884	53,787	57,805	61,948
42,384	46,086	49,884	53,787	57,805	61,948
14,128	15,362	16,628	17,929	19,268	20,649
113,024	122,895	133,023	143,433	154,148	165,194

282,559	307,238	332,559	358,582	385,369	412,985
182,684	198,569	214,858	231,589	248,802	266,537
€0.025	€0.025	€0.025	€0.025	€0.025	€0.025
11,157,018	11,265,687	11,383,387	11,510,380	11,646,947	11,793,395
111,948	122,444	133,378	144,792	156,736	169,259
59,111	64,617	70,346	76,322	82,570	89,116
€0.100	€0.100	€0.100	€0.100	€0.100	€0.100
3,630,614	3,688,442	3,751,474	3,819,945	3,894,111	3,974,254
12,073	13,203	14,380	15,608	16,893	18,239
7,031	7,684	8,364	9,073	9,815	10,591
€0.13	€0.13	€0.13	€0.13	€0.13	€0.13
€2.92	€2.92	€2.92	€2.92	€2.92	€2.92
€3.04	€3.04	€3.04	€3.04	€3.04	€3.04
346,487	352,006	358,021	364,556	371,634	379,282
2,998	3,278	3,570	3,875	4,194	4,529
1,746	1,908	2,077	2,253	2,437	2,630
€0.13	€0.13	€0.13	€0.13	€0.13	€0.13
€1.67	€1.67	€1.67	€1.67	€1.67	€1.67
€1.79	€1.79	€1.79	€1.79	€1.79	€1.79
86,030	87,400	88,894	90,516	92,273	94,173

€1,153,970	€1,172,350	€1,192,384	€1,214,147	€1,237,720	€1,263,194
€696,051.48	€705,412.12	€715,596.47	€726,637.92	€738,573.12	€751,442.08
€1,850,021	€1,877,762	€1,907,981	€1,940,785	€1,976,294	€2,014,636

€370,004	€375,552	€381,596	€388,157	€395,259	€402,927
€11.49	€10.67	€9.96	€9.35	€8.80	€8.32
€173,095	€175,853	€178,858	€182,122	€185,658	€189,479
€519,286	€527,558	€536,573	€546,366	€556,974	€568,437
€889,291	€903,110	€918,169	€934,523	€952,233	€971,364

Year 3	Year 3	Year 3	Year 3	Year 3	Year 3
Month 7	Month 8	Month 9	Month 10	Month 11	Month 12
110,374	117,745	125,376	133,287	141,499	150,035
66,225	70,647	75,225	79,972	84,900	90,021
66,225	70,647	75,225	79,972	84,900	90,021
22,075	23,549	25,075	26,657	28,300	30,007
176,599	188,392	200,601	213,259	226,399	240,055

441,498	470,979	501,502	533,147	565,997	600,138
284,838	303,751	323,322	343,602	364,643	386,502
€0.025	€0.025	€0.025	€0.025	€0.025	€0.025
11,950,055	12,117,283	12,295,464	12,485,009	12,686,363	12,900,000
182,416	196,266	210,872	226,301	242,627	259,928
95,988	103,216	110,833	118,873	127,375	136,379
€0.100	€0.100	€0.100	€0.100	€0.100	€0.100
4,060,682	4,153,733	4,253,772	4,361,200	4,476,451	4,600,000
19,654	21,143	22,713	24,371	26,125	27,983
11,406	12,263	13,166	14,118	15,126	16,192
€0.13	€0.13	€0.13	€0.13	€0.13	€0.13
€2.92	€2.92	€2.92	€2.92	€2.92	€2.92
€3.04	€3.04	€3.04	€3.04	€3.04	€3.04
387,530	396,411	405,958	416,210	427,209	439,000
4,880	5,250	5,639	6,051	6,487	6,948
2,832	3,045	3,269	3,505	3,756	4,020
€0.13	€0.13	€0.13	€0.13	€0.13	€0.13
€1.67	€1.67	€1.67	€1.67	€1.67	€1.67
€1.79	€1.79	€1.79	€1.79	€1.79	€1.79
96,221	98,425	100,796	103,341	106,072	109,000

€1,290,664	€1,320,240	€1,352,037	€1,386,182	€1,422,814	€1,462,083
€765,288.47	€780,159.86	€796,108.01	€813,189.16	€831,464.39	€851,000.00
€2,055,953	€2,100,400	€2,148,145	€2,199,371	€2,254,278	€2,313,083

€411,191	€420,080	€429,629	€439,874	€450,856	€462,617
€7.89	€7.50	€7.15	€6.83	€6.54	€6.28
€193,600	€198,036	€202,806	€207,927	€213,422	€219,313
€580,799	€594,108	€608,417	€623,782	€640,266	€657,938
€991,990	€1,014,188	€1,038,046	€1,063,656	€1,091,122	€1,120,554

Initial Investment and Cost Structure

New App	
Investment	
Developers needed	5
Salary	€80,000
Time in Months	12
Total Development Investment (monthly)	
	€25,000
Costs	
Dev Needed	2
Time share	30%
Maintenance and Updates (monthly)	€3,000
Existing Users	526,800
Assumed DAU	30%
Assumed MAU	3%
Cloud cost per user average	€1.50
Cloud costs (monthly)	€6,585.00
Marketing & Promotion (as % of revenue)	15%
Marketing & Promotion (monthly)	€114,636.54
Total Costs (monthly)	€124,221.54
Assumed Costs Annual Growth Rate	2%

New Benefits Partners	
Costs	
Commercial headcount	3
Salary	€40,000
Time in months	12
Operational Costs	€10,000
<small>(platform updates, mental research, partner activation)</small>	
Marketing Costs per partner	€50,000
New Partners Per Year	3
Marketing Costs	12,500
Total Costs (monthly)	€22,500.00

New Tier	
Investment	
Developers needed	3
Salary	€60,000
Time in Months	12
Total Development Investment (monthly)	
	€15,000

Costs	Year 1	Year 2	Year 3	Year 4	Year 5
Partnerships	2	3	3	4	5
Initial Assumed User Base	7,500				
Average Monthly Membership Value	€15				
Rev Share Fee Per User (after 7500)	€3				
Partnership Fees (monthly)	€18,750	€28,125	€28,125	€37,500	€46,875
Dev Needed	2				
Time share	30%				
Maintenance and Updates (monthly)	€3,000				
Commercial headcount	3				
Salary	€40,000				
Time in months	12				
Operational Costs	€10,000				
Marketing Costs per partner	€150,000				
New Partners Per Year	2	3	3	4	5
Marketing Costs	€25,000	€37,500	€37,500	€50,000	€62,500
Total Costs (monthly)	€56,750.00				

Revenue Projections

Growth Levers		Growth Rates			
		Scenario 1	Scenario 2	Scenario 3	
Increase in User Acquisition	1.5				
App Users	30%				
Web Users	70%				
Revenue App User	40%				
Revenue Web User	60%				
App/Web User Revenue Mult	1.56				
Increase in Customer Retention	30%				
Increase in Conversion Rates	22%				
Assumed MAU	3%				
Growth Free User Base					
Year 1		12%	9%	6%	6%
Year 2		8%	6%	4%	4%
Year 3		6%	5%	3%	3%
Year 4		4%	3%	2%	2%
Year 5		3%	2%	2%	2%
Year 6		3%	2%	2%	2%
Year 7		3%	2%	2%	2%
Year 8		2%	2%	1%	1%
Year 9		2%	2%	1%	1%
Year 10		2%	2%	1%	1%
Premium Membership Key Markets					
Year 1		24%	18%	12%	12%
Year 2		16%	12%	8%	8%
Year 3		12%	9%	6%	6%
Year 4		8%	6%	4%	4%
Year 5		6%	5%	3%	3%
Year 6		6%	5%	3%	3%
TAM Key Markets					
USA		6,200,000			

Brazil	4,200,000
India	3,400,000

New Tier	
Initial Assumed User Base	7,500
Split Spain	70%
Split International	30%
Subscription Price	€7.00
Elite Average Annual Ticket Size	€30.00

Age Group	Weight
16-24	10%
25-34	38%
35-44	31%
45-54	14%
55-64	4%
Older	3%

Year 7	6%	5%	3%
Year 8	4%	3%	2%
Year 9	4%	3%	2%
Year 10	4%	3%	2%

Elite Subscription			
Year 1	30%	23%	15%
Year 2	20%	15%	10%
Year 3	15%	11%	8%
Year 4	10%	8%	5%
Year 5	8%	6%	4%
Year 6	8%	6%	4%
Year 7	8%	6%	4%
Year 8	5%	4%	3%
Year 9	5%	4%	3%
Year 10	5%	4%	3%

Madridistas Market Data			
Country	Premium	Elite	Free
Spain	54.1%	70%	8%
Mexico	2.4%	2%	5%
USA	3.0%	2%	5%
France	1.4%	1%	3%
Brazil	4.8%	3%	8%
India	1.2%	1%	2%
Colombia	1.4%	1%	3%
Peru	1.0%	1%	2%
Argentina	1.0%	1%	2%
Morocco	1.0%	1%	2%
Algeria	1.0%	1%	2%
Egypt	1.0%	1%	2%
Indonesia	0.5%	0%	1%
Other Markets	13.0%	9%	27%
Unknown	13.5%	9%	28%

Female	18%
Male	82%

Intl	45%
Spain ARPU Cor	55%
	82%

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Growth CRM	12%	8%	6%	4%	3%	3%	3%	2%	2%	2%
	9%	6%	5%	3%	2%	2%	2%	2%	2%	2%
	6%	4%	3%	2%	2%	2%	2%	1%	1%	1%
Growth Premium Key	24%	16%	12%	8%	6%	6%	6%	6%	4%	4%
	18%	12%	9%	6%	5%	5%	5%	3%	3%	3%
	12%	8%	6%	4%	3%	3%	3%	2%	2%	2%
Growth Elite	2%	2%	2%	2%	2%	2%	2%	2%	2%	2%
	30%	20%	15%	10%	8%	8%	8%	8%	5%	5%
	23%	15%	11%	8%	6%	6%	6%	4%	4%	4%
	15%	10%	8%	5%	4%	4%	4%	3%	3%	3%

ARPU Existing Programs Breakdown					
	Category	Weight	ARPU	WTD ARPU	
International	Paid	Madridistas	80.11%	€2.92	€2.70
		Junior	19.89%	€1.82	
	Free	CRM	72.63%	€0.030	€0.05
		Free	27.37%	€0.120	
Spain	Paid	Madridistas	80.11%	€3.20	€2.95
		Junior	19.89%	€1.95	
	Free	CRM	72.63%	€0.06	€0.11
		Free	27.37%	€0.24	

Age Groups	Paid	16-24	25%	€1.95	€2.82
		25-34	38%	€1.95	
		35-44	19%	€4.30	
		45-54	11%	€4.30	
		55-64	4%	€4.30	
		Older	3%	€4.30	
	Free	16-24	25%	€0.04	€0.06
		25-34	38%	€0.04	
		35-44	19%	€0.08	
		45-54	11%	€0.08	
		55-64	4%	€0.08	
		Older	3%	€0.08	

Platform	Paid	Web	70%	€1.61	€2.82
		App	30%	€5.64	
	Free	Web	70%	€0.03	€0.06
		App	30%	€0.11	

All	Paid	Madridistas	80.11%	€3.07	€2.82
		Junior	19.89%	€1.82	
	Free	CRM	72.63%	€0.03	€0.06
		Free	27.37%	€0.12	

ARPU Elite Breakdown					
Markets	International	30%	€13.25	€8.83	
	Spain	70%	€6.94		

Age Group	16-24	10%	€6.49	€8.83
	25-34	38%	€6.49	
	35-44	31%	€10.99	
	45-54	14%	€10.99	
	55-64	4%	€10.99	
	Older	3%	€10.99	

Platform	Web	70%	€7.57	€8.83
	App	30%	€11.77	

		Year 1	Year 2	Year 3	Year 4	Year 5
CRM organic		504,324	672,271	1,015,572	911,866	923,737
Retail Stores		216,139	288,116	435,245	390,800	395,887
Official Stores		216,139	288,116	435,245	390,800	395,887
Partner Activations		72,046	96,039	145,082	130,267	131,962
Stadium		432,278	576,233	870,490	781,600	791,774

<i>New Customers Acquired</i>		1,440,927	1,920,776	2,901,634	2,605,332	2,639,247
<i>Churned</i>		1,391,850	1,430,774	2,473,082	2,547,274	2,598,220
<i>ARPU Total</i>		€0.37	€0.37	€0.37	€0.37	€0.37
CRM	12,900,000	13,674,000	14,220,960	14,647,589	14,940,541	15,179,589

<i>New Customers Acquired</i>		514,809	591,965	1,022,312	1,032,692	1,071,681
<i>Churned</i>		510,109	539,078	967,630	1,025,687	1,066,715
<i>ARPU Total</i>		€1.46	€1.46	€1.46	€1.46	€1.46
Madridistas Free	4,600,000	5,152,000	5,564,160	5,898,010	6,133,930	6,330,216

<i>New Customers Acquired</i>		103,391	98,597	145,625	142,922	143,960
<i>Churned</i>		48,779	57,588	112,271	119,275	124,241
<i>ARPU Incremental</i>		€1.83	€1.83	€1.83	€1.83	€1.83
<i>ARPU Subscription</i>		€35.00	€35.00	€35.00	€35.00	€35.00
<i>ARPU Total</i>		€36.83	€36.83	€36.83	€36.83	€36.83
Madridistas Premium	439,000	493,613	534,622	567,976	591,623	611,342

<i>New Customers Acquired</i>		25,671	24,481	36,157	35,486	35,744
<i>Churned</i>		12,111	14,299	27,876	29,615	30,848
<i>ARPU Incremental</i>		€1.83	€1.83	€1.83	€1.83	€1.83
<i>ARPU Subscription</i>		€20.00	€20.00	€20.00	€20.00	€20.00
<i>ARPU Total</i>		€21.83	€21.83	€21.83	€21.83	€21.83
Madridistas Junior	109,000	122,560	132,742	141,024	146,895	151,791

<i>New Customers Acquired</i>		7,875	2,000	3,105	3,571	4,106
<i>Churned</i>		375	875	1,811	2,083	2,395
<i>ARPU Incremental</i>		€21.96	€21.96	€21.96	€21.96	€21.96
<i>ARPU Subscription</i>		€84.00	€84.00	€84.00	€84.00	€84.00
<i>ARPU Total</i>		€105.96	€105.96	€105.96	€105.96	€105.96
Elite Madridistas	0	7,500	8,625	9,919	11,407	13,118

<i>Revenue Subscriptions Premium</i>		€16,400,363	€18,711,764	€19,879,166	€20,706,812	€21,396,972
<i>Revenue Subscriptions Junior</i>		€2,326,898	€2,654,842	€2,820,474	€2,937,901	€3,035,822
<i>Revenue Subscriptions Elite</i>		€341,250	€724,500	€833,175	€958,151	€1,101,874
ARR		€19,068,511	€22,091,106	€23,532,815	€24,602,864	€25,534,668
<i>Incremental Revenue Free</i>		€12,046,982	€13,150,614	€13,839,557	€14,341,091	€14,735,674
<i>Incremental Revenue Premium</i>		€857,505	€978,358	€1,039,396	€1,082,670	€1,118,756
<i>Incremental Revenue Junior</i>		€212,911	€242,918	€258,073	€268,818	€277,778
<i>Incremental Revenue Elite</i>		€89,213	€189,405	€217,816	€250,488	€288,061

Year 6	Year 7	Year 8	Year 9	Year 10
935,874	951,039	966,453	971,473	981,270
401,089	407,588	414,194	416,346	420,544
401,089	407,588	414,194	416,346	420,544
133,696	135,863	138,065	138,782	140,181
802,178	815,177	828,388	832,692	841,089

2,673,926	2,717,255	2,761,295	2,775,638	2,803,629
2,639,791	2,682,028	2,724,940	2,752,190	2,779,712
€0.37	€0.37	€0.37	€0.37	€0.37
15,422,463	15,669,222	15,825,914	15,984,173	16,144,015

1,104,991	1,140,358	1,176,858	1,198,741	1,222,719
1,100,850	1,136,077	1,172,431	1,195,880	1,219,798
€1.46	€1.46	€1.46	€1.46	€1.46
6,532,783	6,741,832	6,876,668	7,014,202	7,154,486

148,769	153,743	150,712	153,862	157,080
128,382	132,663	137,090	139,951	142,872
€1.83	€1.83	€1.83	€1.83	€1.83
€35.00	€35.00	€35.00	€35.00	€35.00
€36.83	€36.83	€36.83	€36.83	€36.83
631,730	652,809	666,432	680,343	694,551

36,938	38,173	37,421	38,203	39,002
31,876	32,939	34,038	34,749	35,474
€1.83	€1.83	€1.83	€1.83	€1.83
€20.00	€20.00	€20.00	€20.00	€20.00
€21.83	€21.83	€21.83	€21.83	€21.83
156,853	162,087	165,469	168,924	172,451

4,066	4,112	4,033	4,072	4,235
2,755	3,030	3,257	3,420	3,557
€21.96	€21.96	€21.96	€21.96	€21.96
€84.00	€84.00	€84.00	€84.00	€84.00
€105.96	€105.96	€105.96	€105.96	€105.96
14,429	15,511	16,287	16,939	17,616

€22,110,540	€22,848,327	€23,325,107	€23,812,017	€24,309,278
€3,137,063	€3,241,741	€3,309,387	€3,378,470	€3,449,022
€1,212,061	€1,302,966	€1,368,114	€1,422,839	€1,479,752
€26,459,664	€27,393,034	€28,002,609	€28,613,327	€29,238,053
€15,119,723	€15,514,663	€15,802,378	€16,061,076	€16,324,375
€1,156,065	€1,194,641	€1,219,570	€1,245,028	€1,271,028
€287,041	€296,619	€302,809	€309,130	€315,586
€316,867	€340,633	€357,664	€371,971	€386,850

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Incremental Revenue	€13,206,610	€14,561,295	€15,354,843	€15,943,068	€16,420,269	€16,879,698	€17,346,556	€17,692,421	€17,987,205	€18,297,838
Total Revenue	€32,275,121	€36,652,401	€38,887,658	€40,545,932	€41,954,937	€43,339,362	€44,739,590	€45,685,029	€46,600,532	€47,535,890
Elite Program Costs	€681,000	€943,500	€943,500	€1,206,000	€1,468,500	€1,497,870	€1,527,827	€1,556,384	€1,589,552	€1,621,343
Salaries	€312,000	€324,605	€331,097	€337,719	€344,473	€351,363	€358,300	€365,558	€372,869	€380,326
Operational Costs	€12,126,010	€12,615,901	€12,868,219	€13,125,584	€13,388,095	€13,655,857	€13,928,974	€14,207,554	€14,491,705	€14,781,539
Total Fixed Costs	€12,438,010	€12,940,506	€13,199,316	€13,463,302	€13,732,568	€14,007,220	€14,287,364	€14,573,111	€14,864,574	€15,161,865
Marketing	€3,310,277	€3,991,939	€4,296,771	€4,712,219	€5,120,121	€5,375,714	€5,640,897	€5,858,746	€6,083,254	€6,316,910
Infrastructure	€3,281,568	€3,885,597	€4,203,824	€4,462,046	€4,699,705	€4,949,434	€5,212,080	€5,424,131	€5,644,626	€5,874,102
Partnerships	€232,500	€346,375	€352,256	€469,220	€586,853	€590,788	€594,034	€595,361	€598,316	€600,348
Total Variable Costs	€6,824,345	€8,225,911	€8,852,851	€9,643,485	€10,406,678	€10,915,936	€11,447,012	€11,879,239	€12,326,196	€12,791,361
Total Costs	€19,262,355	€21,166,417	€22,052,167	€23,106,788	€24,139,246	€24,923,156	€25,734,376	€26,452,351	€27,190,770	€27,953,226

	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Gross Income		€19,068,511	€22,091,106	€23,532,915	€24,602,864	€25,534,668	€26,459,864	€27,393,034	€28,002,609	€28,613,327	€29,238,053
Costs		-€19,262,355	-€21,166,417	-€22,052,167	-€23,106,788	-€24,139,246	-€24,923,156	-€25,734,376	-€26,452,351	-€27,190,770	-€27,953,226
EBITDA (Operating Income)		-€193,844	€924,689	€1,480,648	€1,496,077	€1,395,421	€1,536,509	€1,658,658	€1,550,258	€1,422,557	€1,284,827
Amortization		-€96,000	-€96,000	-€96,000	-€96,000	-€96,000	-€96,000	-€96,000	-€96,000	-€96,000	-€96,000
EBIT		-€289,844	€828,689	€1,384,648	€1,400,077	€1,299,421	€1,440,509	€1,562,658	€1,454,258	€1,326,557	€1,188,827
Other Income and Expenses		€0	€0	€0	€0	€0	€0	€0	€0	€0	€0
EBT		-€289,844	€828,689	€1,384,648	€1,400,077	€1,299,421	€1,440,509	€1,562,658	€1,454,258	€1,326,557	€1,188,827
Tax Expenses		0	-€207,172	-€346,162	-€350,019	-€324,855	-€360,127	-€390,664	-€363,564	-€331,639	-€297,207
Net Income		-€289,844	€621,517	€1,038,486	€1,050,057	€974,566	€1,080,382	€1,171,993	€1,090,693	€994,917	€891,620

Operating Cashflow		-€385,844	€717,517	€1,134,486	€1,146,057	€1,070,566	€1,176,382	€1,267,993	€1,186,693	€1,090,917	€987,620
Cashflow Capex	-€480,000					-€480,000					
Investing Cash Flow	-€480,000	-€385,844	€717,517	€1,134,486	€1,146,057	€590,566	€1,176,382	€1,267,993	€1,186,693	€1,090,917	€987,620

Debt											
Debt payments											
Closing Cash Balance	-\$480,000	-\$385,844	€717,517	€1,134,486	€1,146,057	€590,566	€1,176,382	€1,267,993	€1,186,693	€1,090,917	€987,620

Cashflow	-\$480,000	-\$385,844	€717,517	€1,134,486	€1,146,057	€590,566	€1,176,382	€1,267,993	€1,186,693	€1,090,917	€987,620
Discounted CF	-\$480,000	-\$321,537	\$498,276	\$656,531	\$552,690	\$237,335	\$393,968	\$353,874	\$275,987	\$211,427	\$159,506
Accumulating CF	-\$480,000	-\$801,537	-\$303,261	\$353,270	\$905,960	\$1,143,295	\$1,537,263	\$1,891,136	\$2,167,123	\$2,378,551	\$2,538,057

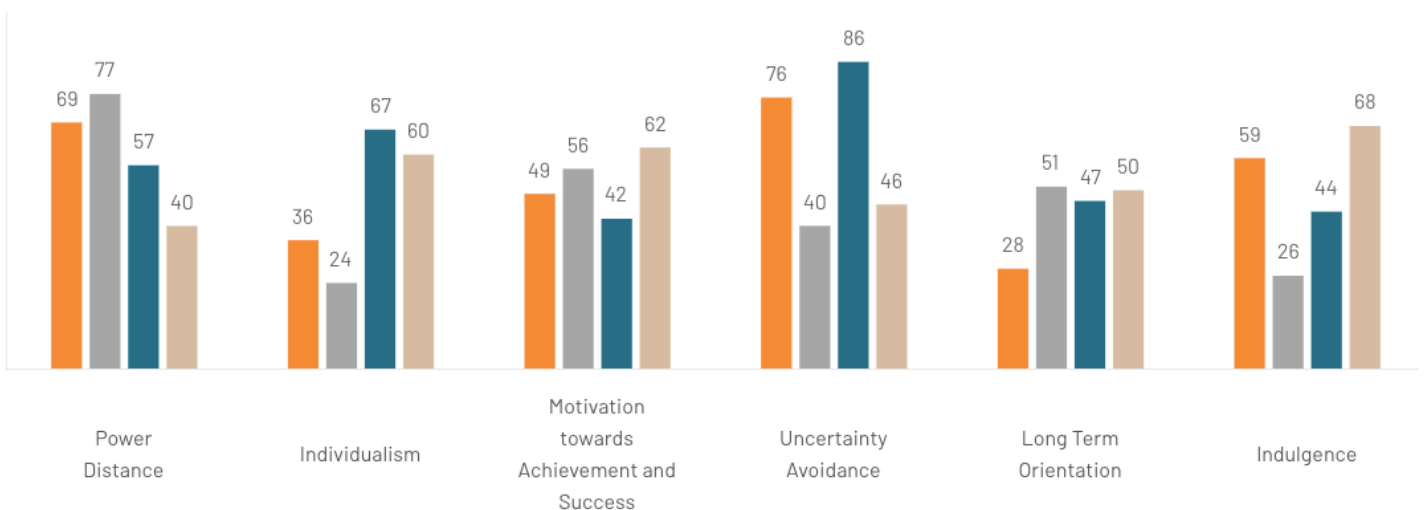
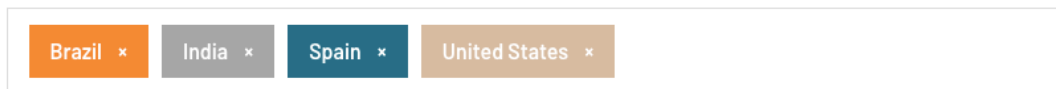
Cost of Capital	20.00%
NPV	\$2,538,057
IRR	75%
Payback Period	3 years

	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Gross Income		€19,068,511	€22,091,106	€23,532,815	€24,602,864	€25,534,668	€26,459,664	€27,393,034	€28,002,609	€28,613,327	€29,238,053
Costs		-€19,262,355	-€21,166,417	-€22,052,167	-€23,106,788	-€24,139,246	-€24,923,156	-€25,734,376	-€26,452,351	-€27,190,770	-€27,953,226
EBITDA (Operating Income)		-€193,844	€924,689	€1,480,648	€1,496,077	€1,395,421	€1,536,509	€1,658,658	€1,550,258	€1,422,557	€1,284,827
Amortization		-€96,000	-€96,000	-€96,000	-€96,000	-€96,000	-€96,000	-€96,000	-€96,000	-€96,000	-€96,000
EBIT		-€289,844	€828,689	€1,384,648	€1,400,077	€1,299,421	€1,440,509	€1,562,658	€1,454,258	€1,326,557	€1,188,827
Other Income and Expenses		€0	€0	€0	€0	€0	€0	€0	€0	€0	€0
EBT		-€289,844	€828,689	€1,384,648	€1,400,077	€1,299,421	€1,440,509	€1,562,658	€1,454,258	€1,326,557	€1,188,827
Tax Expenses		0	-€207,172	-€346,162	-€350,019	-€324,855	-€360,127	-€390,664	-€363,564	-€331,639	-€297,207
Net Income		-€289,844	€621,517	€1,038,486	€1,050,057	€974,566	€1,080,382	€1,171,993	€1,090,693	€994,917	€891,620
Operating Cashflow		-€385,844	€717,517	€1,134,486	€1,146,057	€1,070,566	€1,176,382	€1,267,993	€1,186,693	€1,090,917	€987,620
Cashflow Capex		-€480,000				-€480,000					
Investing Cash Flow		-€480,000	€717,517	€1,134,486	€1,146,057	€590,566	€1,176,382	€1,267,993	€1,186,693	€1,090,917	€987,620
Debt											
Debt payments											
Closing Cash Balance		-\$480,000	\$717,517	\$1,134,486	\$1,146,057	\$590,566	\$1,176,382	\$1,267,993	\$1,186,693	\$1,090,917	\$987,620
Cashflow		-€385,844	€717,517	€1,134,486	€1,146,057	€590,566	€1,176,382	€1,267,993	€1,186,693	€1,090,917	€987,620
Discounted CF		-\$321,537	\$498,276	\$656,531	\$552,690	\$237,335	\$393,968	\$353,874	\$275,987	\$211,427	\$159,506
Accumulating CF		-\$801,537	-\$303,261	\$353,270	\$905,960	\$1,143,295	\$1,537,263	\$1,891,136	\$2,167,123	\$2,378,551	\$2,538,057

Annex 2: Marketing

The marketing plan and analysis include the Hofstede Cultural Dimensions Analysis, which is a theory based on an initial four, later on, extended to six dimensions:

- Power Distance Index (PDI): Measures the extent to which less powerful members of a society accept and expect unequal power distribution
- Individualism vs. Collectivism (IDV): Examines whether people prioritize individual goals or group loyalty and collective goals
- Masculinity vs. Femininity (MAS): Assesses whether a culture values competitive achievement-oriented traits or nurturing quality-of-life-oriented traits
- Uncertainty Avoidance Index (UAI): Indicates a society's tolerance for ambiguity and uncertainty
- Long-Term vs. Short-Term Orientation (LTO): Focuses on whether a culture emphasizes long-term planning and perseverance or short-term results and traditions
- Indulgence vs. Restraint (IVR): Measures the extent to which a society allows free expression and gratification of desires versus control and suppression of gratification



BRAZIL

69

With a score of 69, Brazil reflects a society that believes hierarchy should be respected and inequalities amongst people are acceptable. The different distribution of power justifies the fact that power holders have more benefits than the less powerful in society. In Brazil it is important to show respect to the elderly (and children take care for their elderly parents). In companies there is one boss who takes complete responsibility. Status symbols of power are very important in order to indicate social position and "communicate" the respect that could be shown.

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INDIA

77

India scores high on this dimension, 77, indicating an appreciation for hierarchy and a top-down structure in society and organizations. If one were to encapsulate the Indian attitude, one could use the following words and phrases : dependent on the boss or the power holder for direction, acceptance of un-equal rights between the power-privileged and those who are lesser down in the pecking order, immediate superiors accessible but one layer above less so, paternalistic leader, management directs, gives reason / meaning to ones work life and rewards in exchange for loyalty from employees. Real Power is centralized even though it may not appear to be and managers count on the obedience of their team members. Employees expect to be directed clearly as to their functions and what is expected of them. Control is familiar, even a psychological security, and attitude towards managers are formal even if one is on first name basis. Communication is top down and directive in its style and often feedback which is negative is never offered up the ladder.

[Overview >](#)

SPAIN

57

Spain's score on this dimension (57) is a high score, which means that Spain has a hierarchical society. This means that people accept a hierarchical order in which everybody has a place and which needs no further justification. Hierarchy in an organisation is seen as reflecting inherent inequalities, centralisation is popular, subordinates expect to be told what to do and the ideal boss is a benevolent autocrat.

[Overview >](#)

UNITED STATES

40

The United States score low on this dimension (40) which underscores the American premise of "liberty and justice for all." This is also evidenced by the focus on equal rights in all aspects of American society and government. Within American organizations, hierarchy is established for convenience, superiors are always accessible and managers rely on individual employees and teams for their expertise. Both managers and employees expect to be consulted and information is shared frequently. At the same time, communication is informal, direct and participative.

[Overview >](#)