

Social Networks That Break a Sweat

Sports-related sites are quickly drawing new users—and high-caliber advertisers

by Paula Lehman

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After years of trekking from Jacksonville to the ski trails of Appalachian Ski Mountain in North Carolina, Brandon Witkovich, 24, is moving from Florida to Colorado with his fiancée to be closer to the slopes. To learn about the area and potential ski buddies, he signed on to SkiSpace.com. The brainchild of downhill idol Bode Miller, the social-networking site allows Witkovich to check out resorts and connect with skiers who frequent them. "It's almost the same template as MySpace, with winter sports thrown in," Witkovich says. "What SkiSpace is trying to do is connect anyone who has a passion for the mountains."

As networking sites like MySpace (NWS) and Facebook grow bigger and more amorphous, niche communities are gaining in popularity. By one measure, traffic on MySpace grew 9% from 2006 to 2007, but traffic on sites like Flixster, a networking site for movie-lovers, tripled. Sports-related social networks are among the fastest-growing of these new communities. SkiSpace, for example, has jumped to 10,000 members in the month since it launched.

"A HUGE AMOUNT OF MONEY"

Sports social networking would seem to be a natural since fans are tribal by nature. And if the sports world has taken a while to capitalize on the obvious, that's changing fast. In the past year pro leagues—including the NBA, NHL, Nascar, and PGA Tour—have opened up their sites, allowing fans to post comments on message boards and create interest groups. Now athletes and teams are taking social networking a step further, establishing communities outside league sites.

Miller, who broke the U.S. record for most World Cup titles on Jan. 20, launched SkiSpace.com on Dec. 1. Users can share video content, blog from mobile phones, arrange trips, and buy and sell gear. SkiSpace cost nearly \$500,000 to start up, split between Miller and PathConnect, a software-development company founded by Ryan Blair. Miller and Blair each own 45%. Lowell Taub, Miller's agent, owns the remaining 10%.

"There's a distinction between a social network that's simply a social network and one that provides tools for people who are already involved in a sport or industry," says Miller. "A huge amount of money is spent on [skiing] and the lifestyle that surrounds it. This is an untapped market."

Advertisers appear to agree, and not just resorts and makers of ski gear like Head. Motorola (MOT), Sanyo, and Sony (SNE) have all bought space on the site. And some resorts are spending as much as \$50,000 for campaigns that interact more directly with members by using features such as mobile blogging widgets and RSS feeds. Because SkiSpace caters to a niche market and offers a chance for

targeted ads, Blair says it brings in more money per view than less customized social networks do. Blair expects the site to be profitable by the end of the ski season.

Another athlete pushing into social networking is Dale Earnhardt Jr., co-founder of Infield Parking, a site for Nascar enthusiasts. Launched in December, 2006, Infield draws advertisers such as SprintNextel (S) (the sponsor of Nascar's premier series), Bank of America (BAC), Harley-Davidson (HOG), and ESPN (DIS). According to Ed Sullivan, Infield's co-founder, revenues have been plowed back into developing the site and covering revenue-sharing agreements with top drivers—including Jeff Gordon, Jimmie Johnson, and Kasey Kahn—who maintain online profiles of their individual teams. Sullivan declined to disclose specific numbers. Infield Parking boasts 42,000 members, double the number of registered users on Nascar's own social-networking site, established in May.

Unlike official destinations, such as Nascar.com or NBA.com, social-networking sites started by star jocks or teams generate more fervor. Says sports marketer Jeff Bliss, president of Javelin Group: "The league sites have a broader reach, but the team sites have the passion."

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