



Driven to Evolve: The Changing Values of Motorsport

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Motorsport occupies an essential position within the auto industry, providing visibility and entertainment to millions of consumers every year. The saying “win on Sunday, sell on Monday” acts as a motto for many manufacturers across the globe and generations. In the current day, consumer values have evolved to favour products that not only perform but also are produced in environmentally conscious ways. As motorsport adapts to these new values, its audience adapts with it, as increasingly younger consumers are rediscovering the wonders of racing. Though today, most road-legal cars do not debut on a speedway, they do benefit from years of development and testing of ground-breaking technology created to push high-performance racing to the edge, now with the additional consideration for environmental consciousness.

For over a century, motorsport has developed across the

globe, creating its own culture and identity. However, many people both inside and outside these cultures consider auto racing to be only for specific demographics. The main thought by those both inside and outside the industry is often that racing is specific to the older male demographic. This is highlighted plainly in the example of Formula 1 (F1). Often considered the pinnacle of motorsport with the fastest race cars in the world, F1 is an international racing spectacle combining entertainment and innovation. In 2019 the average age of an F1 viewer was 40 with top executives expressing disinterest in any younger viewers (Sylt, 2019). Motorsport tycoon and former F1 owner Bernie Ecclestone said his target audience was the “70-year-old-guy who has cash” (Noble, 2014). The refusal of the world’s premier racing series to engage with new generations alienated many, causing its viewing numbers to steadily decline. However, 2021 has seen a 36%

increase in viewers since 2019 and the average age of these viewers is around 32 (Motorsport Network, 2021). This change is not special to F1, motorsport series around the world are experiencing similar resurgences.

The key to this revival of racing has been in how corporations have adapted their product to reflect the emerging consumer values of younger audiences. Today, consumers are far more aware of and motivated towards environmental sustainability (Lai, 2021). Each new generation values sustainability more than the last, with 85% of global consumers indicating that in the past five years they have changed their purchasing behaviour towards more sustainable products and services (Business Wire, 2021). Roughly a third of people globally are willing to pay a premium for sustainably produced products (Business Wire, 2021). This is an opportunity for corporations to capitalize on emerging markets and evolve the perception of motorsport. Many consumers will naturally view motorsport in opposition to their environmental values, however, this provides an ideal sector for racing series to focus on as the sport is pivoting to reflect such values. Referring to F1, in the largest global fan survey the group has ever conducted, fans identified developing sustainable fuels as F1's number one priority as a sport (Motorsport Network, 2021). This survey was also the youngest ever sample recorded with the highest female participation F1 has seen (Motorsport Network, 2021). This is a massive change for the world's largest racing series, putting sustainability as a major priority alongside innovation and spectacle. As motorsport categories around the world shift to accommodate this new consumer model, a few groups have taken the next step in capturing younger audiences through pivoting racing series to focus on the emerging sector of electric vehicles.

In recent years, the motorsport audience has had an

entirely new world opened to them: Electric Racing. As electric vehicles grow their market share yearly, a similar hunger for electric racing has shone through. First held in 2014, Formula E (FE) is now the largest electric racing series in the world and is the only single-seater racing series besides F1 to have world championship accreditation. With a cumulative audience in 2018 of 411 million viewers (Nelson, 2021), FE has firmly cemented itself as a reputable global brand and serious racing series, attracting top driving and management talent. The competitors in FE are some of the most revered automobile brands in the world such as Mercedes, Nissan, and Porsche to name a few, and some of the most exciting emerging electric brands such as NIO, DS Automobiles, and Venturi. Similarly, the Extreme E racing series debuted in 2021 to an audience of 18.7 million viewers for its inaugural race weekend (Extreme E, 2021). Extreme E (XE) is an entirely electric global off-road SUV series that requires teams to have one male and one female driver and is unique in its immense focus on environmental sustainability. Travel to locations is entirely by sea freighter which reduces carbon emissions, the main transport ship is a mobile environmental research laboratory, and all events implement a local environmental relief aspect such as collecting waste in local areas in collaboration with the residents. Massive names in motorsport such as Lewis Hamilton, Nico Rosberg, and Carlos Sainz Sr. have teams competing in the series further elevating its stock, and next year luxury automobile brand McLaren will join the field as it expands its electric expertise, already providing the batteries for FE. The status of electric racing has come a long way from being laughed off by motorsport fans to now holding immense market value through effectively understanding audience preferences and creating racing spectacles along the way.

There is still so much for corporations to learn in this field as these series are still in their infancy, however, the

opportunity to capture whole new younger markets while creating breeding grounds for technological innovation is an inviting proposition. Motorsport is pivoting towards new values, a reflection of the world at large. Here we can see the importance of adapting business models to cater towards emerging markets built on the rise of younger demographics. No business exists without the consumer, and often the consumer is the best resource for product development.

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