BINDURA UNIVERSITY OF SCIENCE EDUCATION

FACULTY OF SCIENCE AND ENGINEERING

DEPARTMENT: SPORTS SCIENCE

MASTER OF SCIENCE IN DEGREE IN SPORTS MANAGEMENT/

MASTER OF SCIENCE IN DEGREE IN SPORTS SCIENCE

SSM 502: SPORTS TECHNOPRENEURSHIP

DURATION: 3 HOURS

(Plus 15 Minutes for Case Reading)

TOTAL MARKS: 100



INSTRUCTIONS TO CANDIDATES

Section A is Compulsory. You are required to answer two (2) questions from Section B.

Section A

Question 1:

How Adidas is Owning the Digital Transformation Game

By <u>Elizabeth Mixson</u> (2022)

On March 19, 2021, Adidas outlined a new 5-year growth plan dubbed "Own the Game." The goal? Double online sales to €9 billion by 2025 while boosting profit margins and working towards climate neutrality.

Critical to this endeavour is Adidas' embrace of digital technology and automation. According to a blog post outlining the "Own the Game" strategy, "the company's digital transformation is driven by investments of more than € 1 billion until 2025. Core processes across the entire value chain will be digitalized: from the creation process with 3D design capabilities, via the sourcing of its products to selling them to customers and consumers. In 2025, the vast majority of Adidas' sales will be generated with products that were created and sold digitally. To achieve this, the company will expand its data and technology expertise internally and increase the size of its tech team. In 2021 alone, Adidas will hire more than 1,000 tech and digital talents. The company is also investing in the new ERP system S/4HANA."

According to additional reports, the S/4HANA will be fully integrated with AWS. Not only will the deployment of SAP on AWS streamline the company's global supply chain, inventory, and merchandising operations, but it will also enable the company to leverage machine learning techniques to deliver personalized customer experiences such as product and fit

recommendations. They also hope to use the technologies to create digital twins of products to help accelerate and increase the efficiency of the product development process.

Via a 2021 statement, Markus Rautert, senior VP, of technology enablement at Adidas AG, explained, "We want to drive innovation across our business, which includes everything from how we design our products to how we engage with the consumers who buy them. By committing to cloud infrastructure, we have the scalability and elasticity we need to handle the seasonality of our business during peak demand and support the projected growth in our e-commerce business in the years to come. Deploying SAP environments on AWS isn't just about transforming our technology, it's about transforming business opportunities and using AWS's wide range of cloud capabilities to create efficiencies and bring us closer to consumers."

Adidas sews a data mesh

By decentralizing and democratizing enterprise data, data mesh architecture has emerged as a powerful enabler of digital transformation. With this in mind, Adidas too has transitioned from a monolithic, centralized data architecture to a data mesh.

As Adidas Director Platform Engineering, Javier Pelayo, exclaims in a recent blog post that outlines how they successfully implemented a data mesh (which we highly recommend you read, "We can proudly say that Adidas has been successful in the Microservices journey; definitely, applying the same concepts to democratise the access to the data was a clear field of investment.

Also, to complete the context, we implemented a Data Streaming strategy based on Kafka that was following the main principles:

- Domain-oriented decentralized data ownership and architecture
- Self-serve data infrastructure as a platform"

Welcome to Ozworld

Like many retailers looking to target younger generations of consumers, Adidas is diving headfirst into the Metaverse. Phase one began in late 2021 when they launched and sold their first NFTs, the total sales of which amounted to over \$22 million.

Phase two began in April of 2022 with the launch of Ozworld, the world's first personality-based, Al-generated avatar creation platform, to help promote its OZWEEGO series of physical footwear. In short, after completing a highly designed, interactive questionnaire, Ozworld's Al generates an individualized Adidas-branded Avatar that can be downloaded and used across the web.

To celebrate the launch of Ozworld, they also co-hosted an online event at Tencent Music Entertainment Group's virtual music festival TMELAND. Using their Ozworld Avatars, users could attend a "concert" featuring Jay Park and MC Jin as well as socialize with friends and walk a virtual catwalk to show off their avatars.

Advancing the sustainability blockchain

Over the past decade, Adidas has emerged as a pioneer of sustainability. In addition to increasing the use of recycled materials in their products, the company has also vowed to reduce GHG emissions across its entire value chain by 30% by 2030.

Quantifying the environmental impact of a single garment is an incredibly difficult process. Organizations must look at everything from where the product was made, material waste and how the original raw materials were sourced, amongst a few dozen more variables.

To overcome these challenges, Adidas partnered with TrusTrace to more effectively aggregate and leverage material traceability data. According to TrusTrace's website, "Adidas chose Certified Material Compliance and they've integrated their systems with TrusTrace, ensuring seamless data flow between PLM, Purchase Order System, and Supplier Management systems. Besides automated data flows, the integrations also ensure data quality, as the data is continually updated, capturing last-minute changes to designs or purchase orders. adidas and the TrusTrace Business Services team also worked in tandem to onboard hundreds of suppliers and get them familiar with how to share documentation on TrusTrace within the first months."

Task:

- a. Identify the strengths and weaknesses of Adidas's digital strategy and make recommendations for improvement. (20 Marks)
- b. What lessons can sports organizations in your country learn from this case?

(10 Marks)

Question 2:

As an aspiring non-profit sports technopreneur, you have applied for a start-up loan to set up a non-profit sports advisory venture, from a local commercial bank. The bank requires that you attach a business plan to your application.

Task:

Prepare a draft of the business plan you are required to submit with your loan application.

[30 Marks]

Section B

Question 3:

As a sports innovation specialist, you have been tasked to advise a Zimbabwean National Sports Association on how it can use SCAMPER tools and the 4 Ps of Innovation to overcome resistance to change and unlock sustainable technology-based transformation to its coaching function.

Task: Prepare a summary of your advisory report.

[20 Marks]

Question 4:

As a sports scientist, you have been asked to assess the extent to which technology is being used to support athletes with disabilities in Zimbabwe and make recommendations for improvement

Task:

Prepare a draft of your advisory report.

[20 Marks]

Question 5:

As a sports innovator, you have been asked to present a paper at a sports innovation workshop on why your country has been slow in embracing electronic sports and proposed remedies informed by any change management models of your choice.

Task:

Prepare a summary of the key points and recommendations you will present

[20 Marks]

Question 6:

Assume you are a researcher and have been invited to make a conference presentation focusing on the status of the sport in Africa and the changes required for the sustainable commercialization of sport on the continent.

Task: Prepare a summary of your presentation.

[20 Marks]

Question 7:

Assume you have been invited to make a conference presentation focusing on evaluating the and extent to which Intellectual Property Rights are currently being used to protect monetise sports innovations and inventions in Zimbabwe and make suggestions for improvement.

Task:

Prepare a summary of your presentation.

[20 Marks]

END OF PAPER