



CAREER CLUSTER
Finance

CAREER PATHWAY
Corporate Finance

INSTRUCTIONAL AREA
Economics/Customer Relations

BUSINESS FINANCE SERIES EVENT

PARTICIPANT INSTRUCTIONS

PROCEDURES

1. The event will be presented to you through your reading of these instructions, including the Performance Indicators and Event Situation. You will have up to 10 minutes to review this information to determine how you will handle the role-play situation and demonstrate the performance indicators of this event. During the preparation period, you may make notes to use during the role-play situation.
2. You will have up to 10 minutes to role-play your situation with a judge (you may have more than one judge).
3. You will be evaluated on how well you meet the performance indicators of this event.
4. Turn in all your notes and event materials when you have completed the role-play.

PERFORMANCE INDICATORS

1. Describe the functions of prices in markets
2. Describe factors that affect the business environment
3. Identify factors affecting a business's profit
4. Adapt communication to the cultural and social differences among clients
5. Describe the use of technology in customer relationship management

EVENT SITUATION

You are to assume the role of HEAD FINANCIAL ADVISOR for the AFA (AMERICAN FOOTBALL ASSOCIATION). Mr./Ms. Rogers, the AFA Commissioner (judge), has asked you to come present to him on three different options for their Thursday night sports package they are trying to sell to television and online networks. Upon conclusion of reviewing the quotes you will be asked to give your recommendation to the commissioner on which you believe is best.

The league is in negotiations with three different networks that carry their Sunday and Monday games. This new Thursday time slot will give the league the ability to reach another audience and network on another night. The league expects viewership on average of 12 million people each Thursday and a total of 15 weeks will be played on Thursday nights.

Below are three quotes that have been received from different avenues including online only hosts, commercial broadcast stations, and cable stations. Find the average revenue for each quote and make a recommendation on which avenue you believe the association should take.

Online streaming- Tala	Network Station- DEF	Cable Station- ASN
<p>-47 million people have used Tala services.</p> <p>-Free viewing service with in-game advertisements and a paid service (\$10 month) no advertisements in game.</p> <p>- Usage by age -65% of Millennials -28% of Generation X -22% of Baby Boomers</p> <p>Tala will pay the league \$6.5 million per game week up front.</p>	<p>- One of the 5 “local” commercial broadcast television networks that anyone can pick up with an antenna anywhere in the U.S.</p> <p>- Free viewing with HD antenna</p> <p>- Usage by age -50% of Millennials -80% of Generation X -85% of Baby Boomers</p> <p>DEF will pay the league \$.33 per viewer each week, that will be paid the following Monday of every week.</p>	<p>- All sports station that has been around since 2015, has a parent company in the commercial broadcast networks.</p> <p>- Can be viewed with any standard cable subscription. (\$39 month)</p> <p>Usage by age -28% of Millennials -56% of Generation X -60% of Baby Boomers</p> <p>-ASN will pay the league an estimated \$60 million of yearly advertising sales in addition \$3 million dollars per game week.</p>

The AFA Commissioner would like you to explain the following:

- What are the different prices for viewers/customers to watch the game?
- What is the revenue that the AFA will receive from each avenue?
- What are the factors that affect the decision to go with your recommendation?
- What factors can affect how much revenue the AFA makes during Thursday night Football?
- What are some of the characteristics that matter about our viewing customers?

You will present your analysis to Mr./Ms. Rogers, the commissioner of the AFA, in a meeting to take place in the commissioner's office. The commissioner will begin the meeting by greeting you and asking to hear your recommendations. After you have presented your analysis and have answered the commissioner's questions, they will conclude the discussion by thanking you for your work.

JUDGE'S INSTRUCTIONS

DIRECTIONS, PROCEDURES AND JUDGE'S ROLE

In preparation for this event, you should review the following information with your event manager and other judges:

1. Procedures
2. Performance Indicators
3. Event Situation
4. Judge Role-play Characterization
Participants may conduct a slightly different type of meeting and/or discussion with you each time; however, it is important that the information you provide and the questions you ask be uniform for every participant.
5. Judge's Evaluation Instructions
6. Judge's Evaluation Form
Please use a critical and consistent eye in rating each participant.

JUDGE ROLE-PLAY CHARACTERIZATION

You are to assume the role of COMMISSIONER of the AFA (AMERICAN FOOTBALL ASSOCIATION). The AFA is the largest American football league in the United States. You have asked your head financial advisor (participant) to take a look at three quotes for your Thursday night Football package. You would like to meet with the head financial advisor today to discuss the quotes and for the participant to present their recommendation.

The league is in quote with three different networks that carry their Sunday and Monday games. This new Thursday time slot will give the league the ability to reach another audience and network on another night. The league expects viewership on average of 12 million people each Thursday and a total of 15 weeks will be played on Thursday nights.

Below are three quotes that have been received from different avenues including online only hosts, commercial broadcast stations, and cable stations. The math has been completed for you on the average revenue each deal will bring the AFA.

Online streaming- Tala	Network Station- DEF	Cable Station- ASN
<p>-47 million people have used Tala services. -Free viewing service with in-game advertisements and a paid service (\$10 month) no advertisements in game.</p> <p>- Usage by age -65% of Millennials -28% of Generation X -22% of Baby Boomers</p> <p>Tala will pay the league \$6.5 million per game week up front.</p> <p>\$6.5 million*15 games= \$97.5 million revenue</p>	<p>- One of the 5 “local” commercial broadcast television networks that anyone can pick up with an antenna anywhere in the U.S.</p> <p>- Free viewing with HD antenna</p> <p>- Usage by age -80% of Millennials -80% of Generation X -85% of Baby Boomers</p> <p>DEF will pay the league \$.33 per viewer each week, that will be paid the following Monday of every week.</p> <p>12 million*.33=4 million 4 million*15 games= \$60 million</p>	<p>- All sports station that has been around since 2015, has a parent company in the commercial broadcast networks.</p> <p>- Can be viewed with any standard cable subscription. (\$39 month)</p> <p>Usage by age -37% of Millennials -56% of Generation X -60% of Baby Boomers</p> <p>-ASN will pay the league 50% of yearly advertising sales (expected to be \$60 million) in addition \$3 million dollars per game week.</p> <p>\$3 million*15 games= \$45 million+\$60 million= \$105 million</p>

The Head Financial Advisor (participant) is to take the following questions into consideration when preparing a recommendation:

- What are the different prices for viewers/customers to watch the game?
 - Tala has either ads customers will have to watch during the game, or they must pay \$10 a month to remove the ads.
 - DEF is free with an antenna
 - ASN comes with a basic subscription of cable. (\$39 month)
- What is the revenue that the AFA will receive from each avenue?
 - Tala will have \$97.5 million in revenue
 - DEF will have \$60 million in revenue
 - ASN will have \$105 million in revenue
- What are the factors that affect the decision to go with your recommendation?

- Depending on their decision, it could be demographics maybe they want a younger market. They can go with the largest viewing population. They may go with the largest revenue.
- What factors can affect how much revenue the AFA makes during Thursday night Football?
 - For the DEF deal it is contingent on viewers, if a large amount of viewers watch the more money the league will be paid. For the ASN deal it is based on advertising dollars the more advertising that ASN receives the more AFA can receive.

The Head Financial Advisor (participant) will present to you in a meeting to take place in your office. You will begin the meeting by greeting the Head Financial Advisor and asking to hear about his/her recommendation.

During the course of the meeting you are to ask the following questions of each participant:

1. Do you believe that having a viewer have to purchase a subscription of some kind will decrease our viewership?
 1. *Possible Solutions: It may lower viewers in certain age ranges. If you go with online streaming Generation X and Baby boomers have not yet jumped on to the online streaming services, yet Millennials are not hooked up to cable as the other two age groups are.*
2. What are some of the characteristics that matter about our viewing customers?
 1. *Possible Solutions: This may include demographics like: age, gender, income, nationality, education, and ethnicity, geographics and psychographics like: attitudes, aspirations, interests, opinions and beliefs.*

JUDGE'S EVALUATION INSTRUCTIONS

Evaluation Form Information

The participants are to be evaluated on their ability to perform the specific performance indicators stated on the cover sheet of this event and restated on the Judge's Evaluation Form. Although you may see other performance indicators being demonstrated by the participants, those listed in the Performance Indicators section are the critical ones you are measuring for this particular event.

Performance Indicator Information

Economics

1. **Describe the functions of prices in markets:** Whenever resources are scarce, (in this case both AFA games and nights of the week) demand exceeds supply and prices for the product are driven up. The reason for this is to discourage demand. This is happening when it comes to three different quotes all of them have different prices and if there was more time there may even be a bidding war.
2. **Describe factors that affect the business environment:** This may include political factors, social factors, and technological factors. In this case both social factors and technological factors are being pushed. If the Advisor is to go with online streaming of games it is going to change the viewership of the AFA completely.
3. **Identify factors affecting a business's profit:** Much like with pricings of a product the profit of your product can change. This can happen due to external factors like economic health, market stability, and natural factors such as weather- related disasters. In this case profit can affect you if ASN does not get as much advertising dollars. The less they get the less money you get. This also works in DEF's case the viewers that you get for the game determines your revenue.

Customer Relations

4. **Adapt communication to the cultural and social differences among clients:** There is a possibility to change cultural norms in this case study. If the participant decides to go with online streaming games, it will leave out a large majority of the older population. If they go with cable it will leave out the younger population.
5. **Describe the use of technology in customer relationship management:** The more technology that you can use will usually help the younger generations and hurt the older generations short-term, mid-term, and long term financial goals. Also, the participant should consider any life changing events that could happen in the client's life.



BUSINESS FINANCE SERIES, 2018

Participant: _____

JUDGE'S EVALUATION FORM
DISTRICT EVENT

I.D. Number: _____

INSTRUCTIONAL AREA

Economics/Customer Relations

Did the participant:

		Below Expectations	Meets Expectations	Exceeds Expectations	Judged Score
PERFORMANCE INDICATORS					
1.	Describe the functions of prices in markets	10-11	12-13	14	
2.	Describe factors that affect the business environment	10-11	12-13	14	
3.	Identify factors affecting a business's profit	10-11	12-13	14	
4.	Adapt communication to the cultural and social differences among clients	10-11	12-13	14	
5.	Describe the use of technology in customer relationship management	10-11	12-13	14	
21st CENTURY SKILLS					
6.	Reason effectively and use systems thinking?	4	5	6	
7.	Make judgments and decisions, and solve problems?	4	5	6	
8.	Communicate clearly?	4	5	6	
9.	Show evidence of creativity?	4	5	6	
10.	Overall impression and responses to the judge's questions	4	5	6	
TOTAL SCORE					

Exceeds Expectations

Participant demonstrated the performance indicator in an extremely professional manner; greatly exceeds business standards; would rank in the top 10% of business personnel performing this performance indicator

Meets Expectations

Participant demonstrated the performance indicator in an acceptable and effective manner; meets at least minimal business standards; there would be no need for additional formalized training at this time; would rank in the 70-89th percentile of business personnel performing this performance indicator

Below Expectations

Participant demonstrated the performance indicator with limited effectiveness; performance generally fell below minimal business standards; additional training would be required to improve knowledge, attitude and/or skills; would rank in the 50-69th percentile of business personnel performing this performance indicator