A CASE STUDY

Changing the Game

How the Canadian Football League Understands Its Data to Unleash Its Potential
Imagine having half the budget of your average competitor. That’s exactly the business situation Billy Beane faced when he served as general manager of the Oakland Athletics. And yet, using data as a competitive advantage, they outperformed with stunning results.

Beane valued performance over panache, utilizing analytics to evaluate players and build his team, as opposed to gut feel. Despite consistently having one of the smallest payrolls in Major League Baseball, the A’s of the early aughts consistently ranked among the top teams. He invested in data specialists to develop insights that impacted not only his team but the entire game of baseball.

“The problem we’re trying to solve is that there are rich teams, and there are poor teams. Then there’s 50 feet of crap. And then there’s us. It’s an unfair game.”

BILLY BEANE, GENERAL MANAGER @ OAKLAND ATHLETICS
“We are a large brand, but believe it or not, we are a small business.” That’s Trevor Hardy, director of business operations for the Canadian Football League (CFL).

Founded in 1958, the CFL comprises nine member clubs who compete for the championship Grey Cup. While much smaller in size than the NFL, the Canadian league’s “big game” has existed 58 years longer than the Super Bowl; and they have produced some big-name talent, including Warren Moon, Doug Flutie, and Joe Theismann.

“We simply don’t have the resources to hire people whenever we have a specific need.” As a result, much of the “data stuff” fell to Hardy, because “he was the accountant, so he must be good with numbers.”

From ticket sales to television ratings, players’ performances to their salaries, fan demographics to engagement, the CFL was data-rich. More accurately, the CFL was in a state of data stupor. All those numbers were dumped into Excel tables, captured but incomprehensible.

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As a result, the CFL, like so many other organizations, could not even comprehend the potential of those numbers. Instead of making sense of them to make sound business decisions, they were operating on gut, hunches, and anecdotes. Fortunately for Trevor, he found his own Billy Beane, as it were, to show him the way.

At a board meeting of his child’s school, Hardy was impressed to see the treasurer perform a budget analysis to evaluate the impact of purchasing new playground equipment. “I saw graphs he built in Excel that had sliders attached to them,” Hardy recounted. “The graphs moved when he clicked on various areas.” Curious about how it all worked, the treasurer introduced Trevor to Microsoft’s new business analytics service, Power BI.

“I couldn’t sleep at night because I was thinking about all the applications of what I was learning,” Hardy said.

The CFL’s data was treasure hidden in plain sight. “Our data was so rich, but I had no idea where to start.”

Google led Trevor to P3 Adaptive’s website, and their approach resonated with him immediately. It was as if P3 Adaptive spoke directly to him. Unlike other BI sites, P3 Adaptive’s gave him the sense that they understood how the world of data actually works in the trenches. And, that they understood him. He immediately got to work soaking up as much knowledge as he could.

“I was all-in,” said Hardy. “I signed up for P3 Adaptive’s training. I bought their book. I watched all of their videos and read all of their blogs.” As he was learning, he was applying his newfound knowledge to real-life scenarios at the CFL.

Two of the most obvious scenarios for him included the CFL’s major source of revenue (television rights) and major costs (player salaries). Yet, Hardy soon realized there were many more questions that effective data analysis could answer. He had truly opened a can of worms.
“What Trevor experienced is a common theme we see from our clients,” P3 Adaptive’s founder and CEO Rob Collie explained. “When you gain the ability to answer questions at an accelerated pace, you develop your question-asking muscles, which in turn leads to better questions and more answers. It’s a rapid and continuous cycle of improvement.”

Along with Collie and the P3 Adaptive team, Hardy developed those muscles and built dashboards and analytical models to send the CFL into that cycle of improvement. Through an intensive kickoff and co-development sprints, they started to generate insights, spot opportunities, and take action.

This partnership proved fruitful. Trevor was learning the skills while making an impact. “I leaned on Rob and the consultants,” Hardy recalled. “They helped me tremendously with solving complicated problems that would probably still be unsolved today.”

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— Rob Collie, Founder & CEO @ P3 Adaptive
The CFL is now empowered with data that they can leverage in their television rights negotiations. Whereas the media companies previously had all the power to determine the league’s worth, Hardy said, “Now, we can arm our media rights consultants with the information they need to properly value our contracts.

“And we’re able to do agile analysis on the fly during negotiations. I can answer questions now in seconds where previously it would be a massive effort for someone to build one-off projects.”

Beyond television rights, the CFL has applied Power BI across its other major revenue streams: ticket sales, sponsorships, and IP licensing.

Power BI has also helped the league be smarter about operating expenses like travel and compensation for coaches, player salaries, and employee benefits.

While negotiating its collective bargaining agreement, the CFL performs sensitivity analyses to understand the financial impact of various decisions, like employer pension contributions. ”I can quickly build models in Power BI to make more informed decisions,” Hardy said. ”It gives us the power of knowledge.”
The Offensive Line of Data

The prevalence of data has led to many slick-looking data visualization companies that are often valued higher than the value they provide. As a well-known brand in the sports world, the CFL is often targeted by these companies.

"None of them can provide a value proposition that Microsoft isn’t providing," Hardy shared. "Why would I pay thousands of dollars each month for their software license for something I can do better and faster in Power BI for virtually free?"

Like linemen protecting a quarterback, Power BI helps Hardy defend the CFL and set it up for long term success. "I'm ultimately responsible to our nine member clubs," said Hardy. "I saw an opportunity to give them greater access to the information they need to run their businesses. Sports are competitive. For the CFL to be truly successful, all our clubs need to be successful."

On a personal level, Hardy feels his work is also protecting his job. "If I hadn't had the initiative, the organization would have found someone else to do it," he speculated. "It's given me added value. I've been able to help the organization save significant money and solve some significant problems."
Becoming Data-Driven

The CFL is moving toward being a truly data-driven organization that no longer relies on gut feelings to make decisions. With Power BI, they are doing it better, faster, and cheaper than other software solutions. As Trevor Hardy continues to improve his analytical skills, he is eyeing new opportunities to help his member clubs and increase fan engagement. The next steps for the CFL’s data revolution involve outfitting players with wearable technology and improving reporting for teams and league departments.

Data for All

There are lessons here for small and large businesses alike. In 2004, the Boston Red Sox, with the second-highest payroll in MLB, co-opted the A’s data-driven approach. They won the World Series that year, breaking the 86-year Curse of the Bambino.

Despite how it might feel, data’s not daunting. The CFL is proof of the immense power of Power BI to unlock your data, wherever it may live, however it may be organized. At P3 Adaptive, we’re built in the image of these tools. We understand this new way of understanding data.

Billy Beane bemoaned that it was an unfair game. It doesn’t have to be. No matter your league or size, P3 Adaptive and Power BI will help you level the playing field.
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