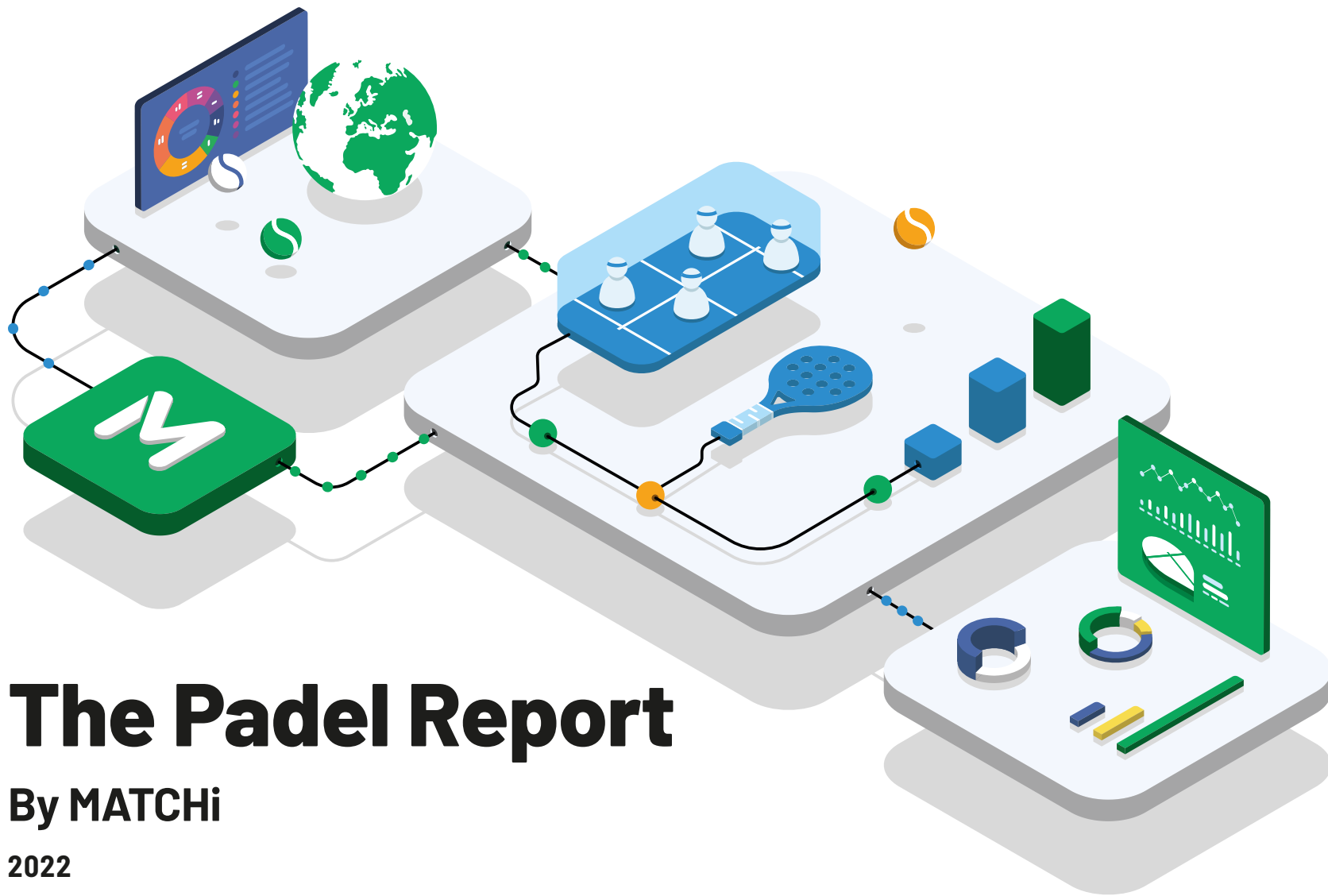




The Padel Report

By MATCHi

2022

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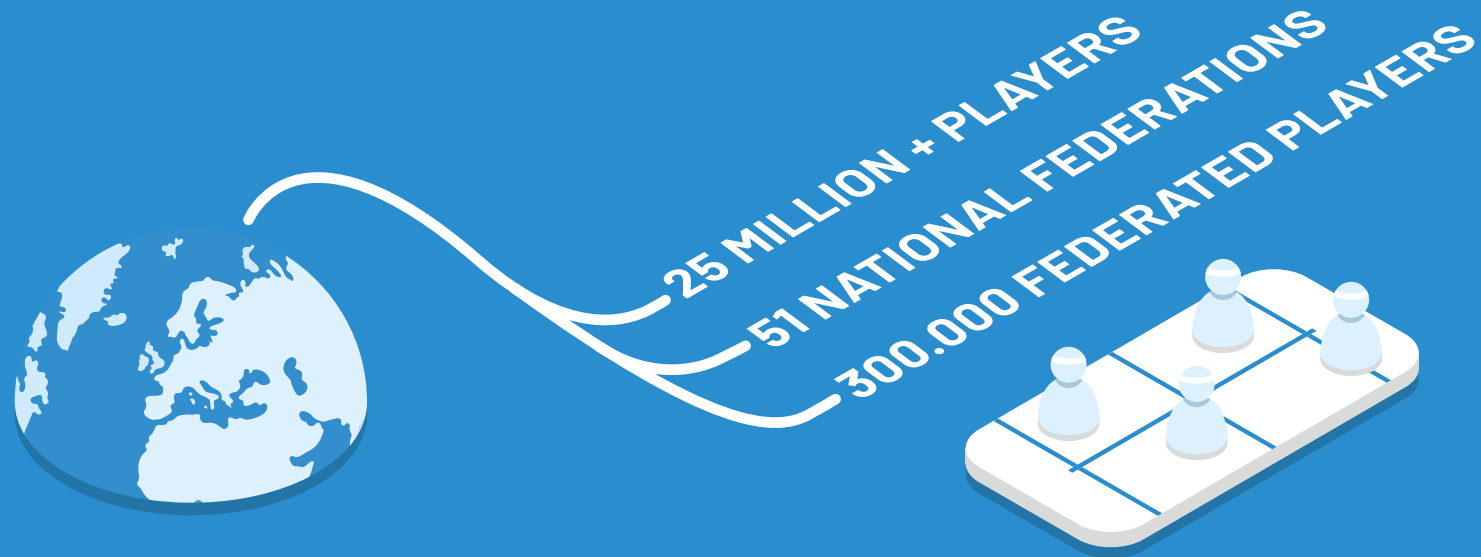
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The story of padel until now

Played in over 90 countries with an estimated 25 million plus active players, padel is without a doubt the boom sport of the post-2000s.

With everyone from French president Macron to sporting superstars like Andy Murray and Jürgen Klopp supporting and financially backing its growth, the sport has captured the hearts and minds of a growing number of devotees across a wide range of age groups and countries.

Thus, presenting a unique opportunity to get involved as an investor at the cusp of the boom.

This report breaks down the padel industry according to three key groups:

The European early adopter and **established market** like Spain, the **maturing, booming markets** of the Nordics, and the **emerging growth markets** such as the UK and France.

The analysis is built on online conversations, search behavior and consumer survey data, and is complemented by interviews with industry insiders involved in padel investment as well as padel players.

The established market

Strong traditions and development



Spain

Spain is undoubtedly the most established padel market in Europe, serving as a trend-setter and a market that has undergone a rapid transformation during the last decade. A sport that was once considered niche, has now grown to become the second most practiced sport in the country.

At the time of writing, approximately **6 million people are playing padel on a regular basis** in Spain. The number of registered players is expected to reach 100,000 in 2022, a number that is likely to grow continuously during the upcoming years. To shed even more light on its popularity, in 2020, tennis had 70,000 registered players compared to padel's 75,000.

Looking at the online padel conversation, Spain's dominant position as padel market leader becomes even more undisputed. Spain generated 76% of total mentions about padel when we combined the data from all markets analyzed.

Potential investors hoping to capitalize on the growth of the sport in other European countries would be wise to analyze how the sport has evolved in Spain in order to gain valuable insights as to how they should enter new markets.



"I'm absolutely sure that once padel reaches a country, it's there to stay. In five years time this sport will be 10 times bigger"

– **Paquito Navarro**, a world-renowned professional padel player who travels the world playing the sport, thinks Spain is just the tip of the iceberg.

Maturing markets

The Nordic Padel Boom



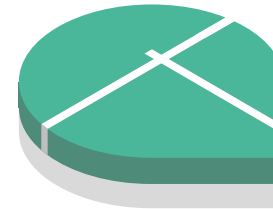
The Nordics

Evidence that padel's popularity is not dependent on climate or culture can be found in the north of Europe.

In Sweden, the already ongoing rise of the sport was given significant publicity when Jonas Björkman and Måns Zelmerlöw opened their first padel venue under the PDL brand in 2015, and success led to many more venues opening the following years.

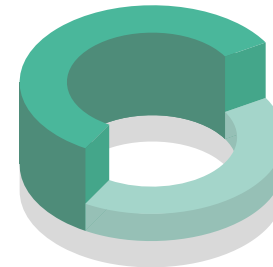
A development that is representative of the Swedish padel market as a whole: as of 2021 there were more than 4,100 padel courts in total, the number more than doubling in a year and an increase of 310% since 2019.

Denmark and Finland are now seeing a similar development unfold, with a 516% and 592% increase in the number of courts respectively over the same time period.



5500+

Available courts in The Nordics



58%

Of Swedish players learned about the sport through their social networks

"The sport is growing so fast that the federation has a hard time to keep track..."

– Aftenposten, Norway's largest printed newspaper

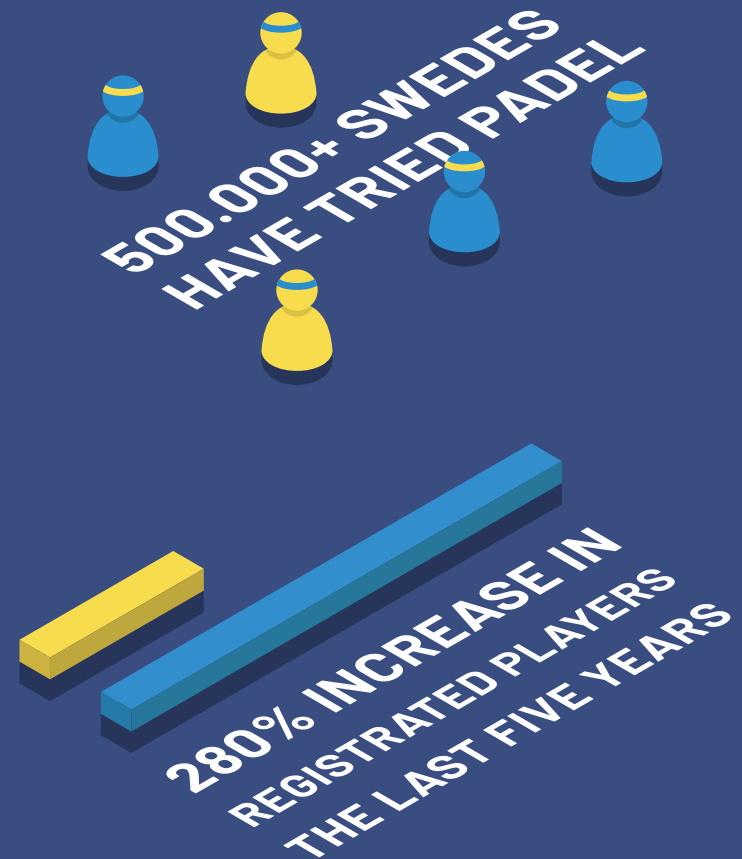
Sweden

Swedish interest in padel has become so strong, it has now established itself as a spectator sport, with on-line conversations hitting a peak point in May 2021 thanks to the World Padel Tour airing on a major Swedish broadcaster.

When it comes to participation, topic analysis reveals “Courts & Venues” make up the largest proportion of Swedish padel conversations, reflecting the hunger to find and book new courts so enthusiasts can continue their regular padel participation.

“The low entry point makes padel unique. That’s why such a wide range of people play it”

– **Jonas Björkman**, former Tennis Doubles World #1
& PDL Group Co-Founder



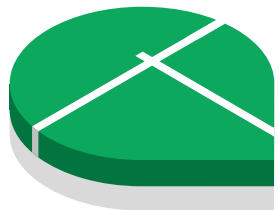
Finland

A similar interest can be seen in neighboring Finland, where “Courts & Venues” is the subject that accounts for **56% of online conversations** about padel. This is most likely thanks to the excitement over news stories about new Finnish padel venues being built all over the country.

PDL Group Co-Founder, Jonas Björkman, says harnessing strong ambassadors could be key to help Finland repeat the success of Sweden.

“We can all see how padel is growing quickly in Finland. The question is if they get the same kind of support from strong ambassadors who can boost the sport, like we have seen in Sweden”

– Jonas Björkman, former Tennis Doubles World #1 & PDL Group Co-Founder

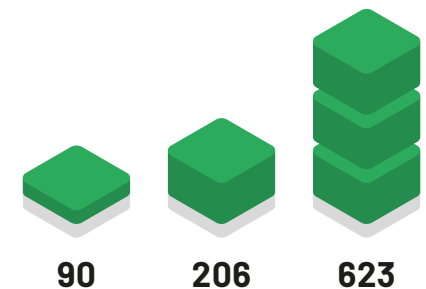


33%

Of people have heard of padel through their social network

592%

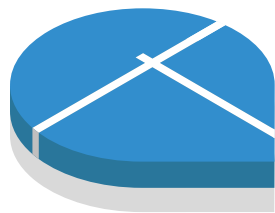
Increase of courts between 2019-2021



Denmark

In Denmark, the importance of padel as a way of socialising is reflected in how the “Social” subtopic accounts for **22% of online conversations** about padel.

This is similar to fellow maturing market Sweden, where “Social” conversations make up 23%, and a reminder that the low entry level and high likelihood of enjoyment regardless of age or fitness level is key to padel’s allure and rapid success.



49%

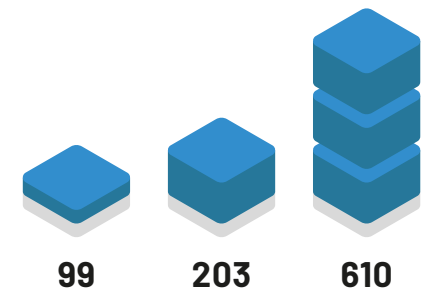
Of people in Denmark
have heard of padel

But while Denmark’s hunger to socialise via padel is clear, it cannot yet match Sweden in terms of access to courts, as impact investor and padel venue owner Morten Bugge explains:

“Though a lot of courts are being built, in Denmark demand is increasing, and there’s still more demand than courts. Copenhagen in particular lacks them. There’s work to be done there as investors”

516%

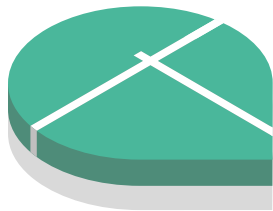
Increase of courts
between 2019-2021



Norway

Wrapping up the Nordics in Norway, consumer data shows continuous growth in online padel conversations and points towards a future positive trend that looks even stronger than Denmark.

The total number of conversations was the lowest in the Nordic nations, but so too was the total number of courts available, suggesting Norway is at the earliest, if not the first phase of padel's growth among the Nordics.



50%

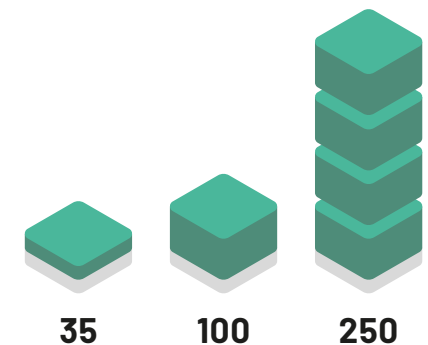
Of people in Norway
have heard of padel

This could present an opportunity for padel investors who have already had success in Sweden to expand their activities to Norway.

"I think padel will definitely break through in nearby nordic markets. As consolidation now occurs in the Swedish market, these stakeholders will likely also be important in establishing padel in newer markets" – Malin Ahnvik, Chief Marketing & Sales Officer (Padel United).

614%

Increase of courts
between 2019-2021



Sweden



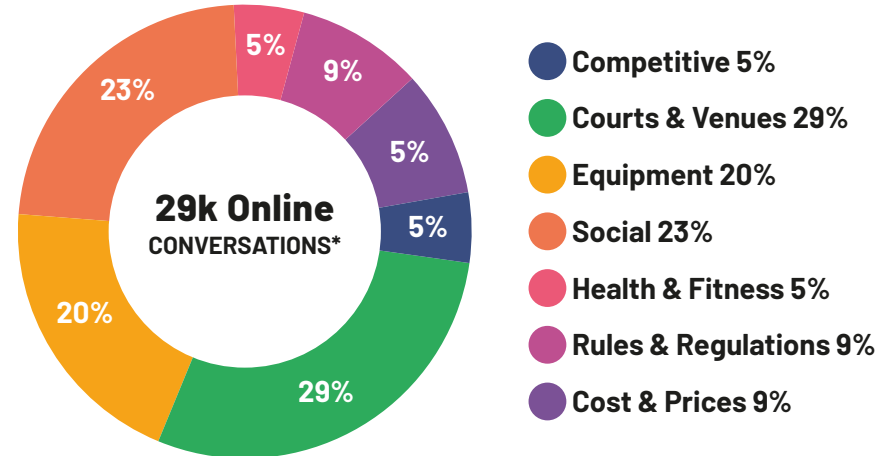
1100+
Active
Venues



4100+
Available
Courts



310%
Courts growth
2019-2021



Finland



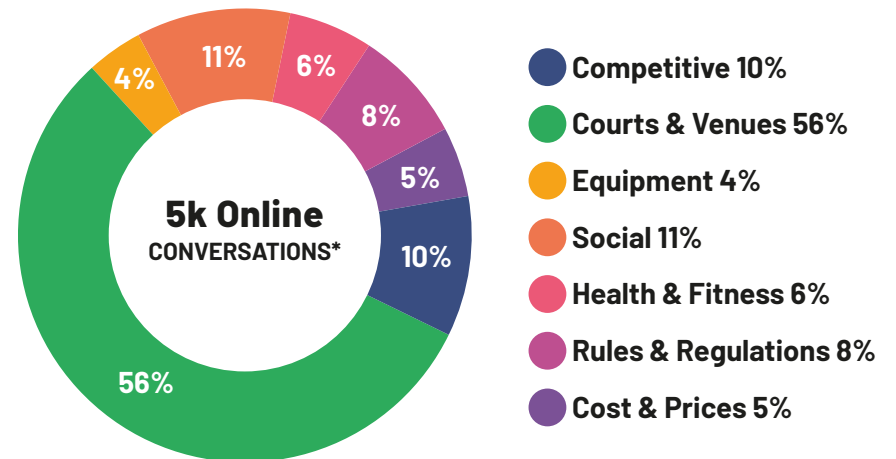
110+
Active
Venues



623+
Available
Courts



592%
Courts growth
2019-2021



** Based on online conversations on open social media accounts. The online conversations are qualitatively assessed to ensure relevant data. The time period is January 2018 - January 2022.*

Denmark



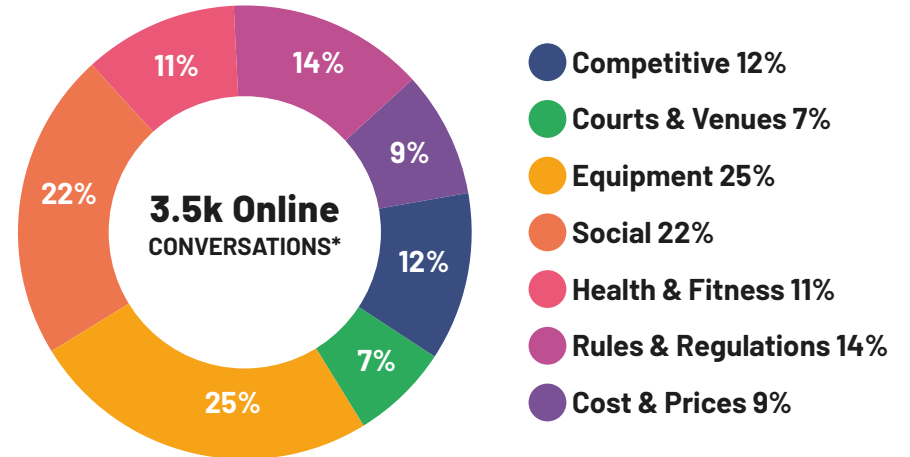
277+
Active
Venues



610+
Available
Courts



516%
Courts growth
2019-2021



Norway



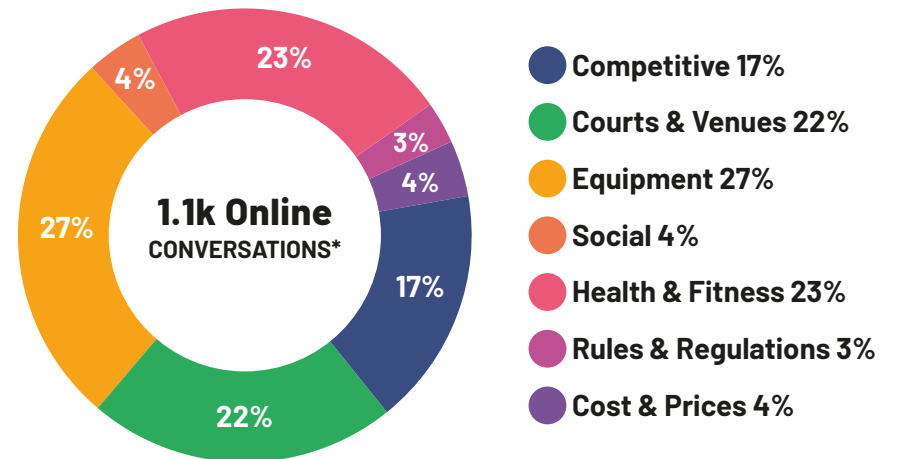
90+
Active
Venues



250+
Available
Courts



614%
Courts growth
2019-2021



** Based on online conversations on open social media accounts. The online conversations are qualitatively assessed to ensure relevant data. The time period is January 2018 - January 2022.*



Growth markets

The UK & France

Padel on the rise

In the UK there are clear signs that the padel market is starting to take off, recently exemplified by the UK padel chain, Game4Padel. The UK front runner is backed by former tennis world number one, Sir Andy Murray and is valued at £18 million, following a fourth investment round in three years.

Online conversations about padel are also steadily trending upwards, with one explanation for the momentum being that after a long period of limited access to padel venues, the desire to play is now starting to be catered to, with new padel courts opening.

“Padel firm backed by Sir Andy Murray scores further £1.3m and valued at £10m”

– The Scotsman, a Scottish newspaper

“It’s the second biggest sport in Argentina and Spain, 25 MILLION people play worldwide...”

– Daily Mail, a British newspaper and news website

“If you want to take a role in the padel market in any country and the tipping point has started, you have a two year window of opportunity to really put yourself at the top”

– Patrick Pihan, Facility owner Padelbox Germany

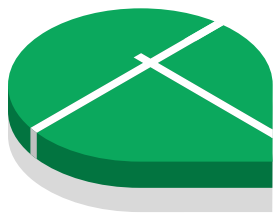
The United Kingdom

Wales building its first ever padel venue in January 2022 resulted in a peak in conversations. While the number of courts did increase by 72% in two years, there is still a clear opportunity for further expansion to meet consumer demand.

The total number in The UK only stands at 136 courts as of 2021. Following the proof of concept from oth-

er similar countries and The UK interest in the sport already established from online conversations, more facilities will likely be needed to keep up with demands.

“I think we could easily have a few thousand padel courts in the UK in five years. There’s a potential snowball effect. There’s no reason to think it can’t follow similar trajectories to Sweden” – Peter Gordon, Game4Padel COO.

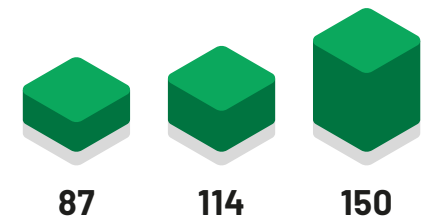


25%

Of people in The UK
have heard of padel

72%

Increase of courts
between 2019-2021



87

114

150

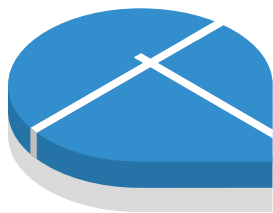
France

France, with a similar population to the UK, could serve as a forerunner for how the British market could grow if demand is met. Between 2019 and 2021, the number of padel courts in France doubled, reaching almost 1,000 in total as of 2021.

Perhaps the most eye-catching new court was opened last year at Roland Garros, the iconic location for the tennis French Open. Online conversation and search

data supports the logic behind the increasing expansion of padel courts in France.

The number of conversations and searches is trending upwards, and a recent peak in French social media discussions about padel in January 2022 coincided with French President Emmanuel Macron's announcement that further padel courts will be part of a major sporting facilities investment in the next two years.

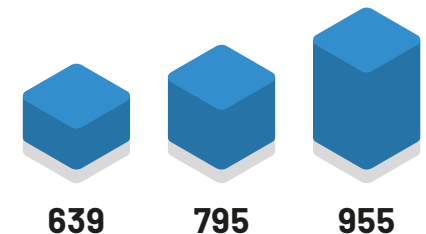


44%

Of people in France
like padel as a sport

49%

Increase of courts
between 2019-2021



639

795

955

The United Kingdom



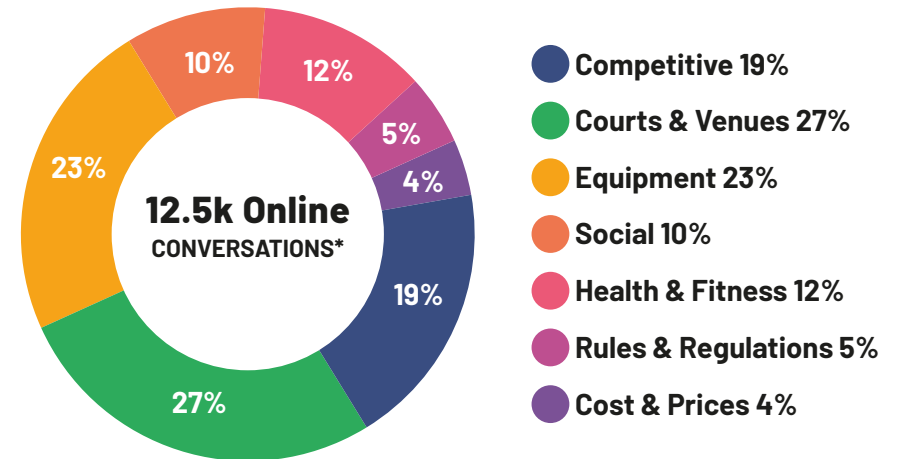
69+
Active
Venues



150+
Available
Courts



72%
Courts growth
2019-2021



** Based on online conversations on open social media accounts. The online conversations are qualitatively assessed to ensure relevant data. The time period is January 2018 - January 2022.*

France



530+

Active
Venues



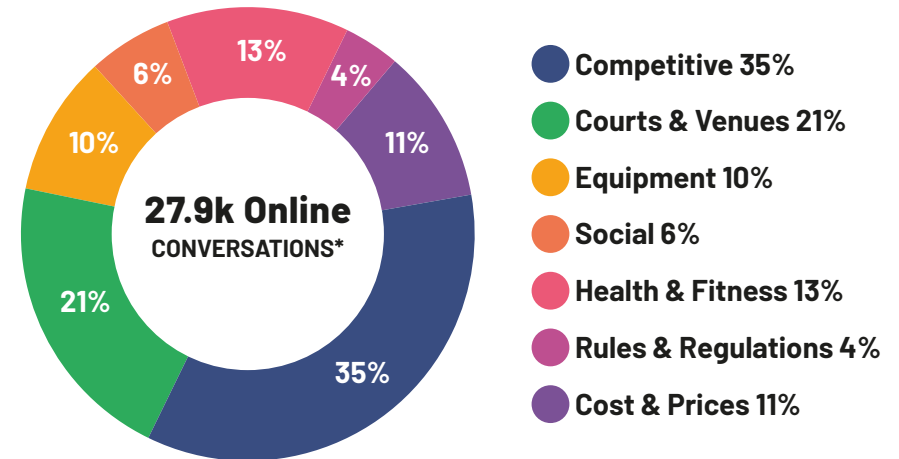
955+

Available
Courts



49%

Courts growth
2019-2021



** Based on online conversations on open social media accounts. The online conversations are qualitatively assessed to ensure relevant data. The time period is January 2018 - January 2022.*



Key person insights

The inside perspective on padel



Jonas Björkman

**Former Tennis Doubles World #1
Co-Founder of PDL Group, Sweden**

“For me, padel worked really well because it’s very social and there’s a great mix of levels which I liked. And it was a challenge to learn something entirely new. So I thought the entire concept was fantastic, it was really fun when I first tried it.

There has been an explosion of padel in Sweden. It was also a ‘padel pandemic’, as we were allowed to keep courts open, which really benefited Swedes I think.

I think we can all see how in Norway and Finland padel is growing quickly. In Denmark it’s similar. Whether the demand will be the same as in Sweden depends.

The question is whether other Nordic countries get the same kind of support from strong ambassadors who can boost the sport. But I believe it will grow in those places.”



Paquito Navarro

Professional padel player, Spain

“A lot of people instantly falls in love with this sport because it’s quite easy to start playing, you don’t need to be a superstar to begin. It only takes an hour of your time, it’s easy to arrange for the four people you need to play a match, and it doesn’t discriminate against your physical level. You don’t need to be a top athlete to have a rally and enjoy it. So this list of factors when they’re all combined means it has become so successful.

Padel is a great fit for places like Scandinavia or the U.K because it’s an indoor court. You don’t need a lot of space to make a court, so that means it will boom sooner rather than later in these places. The reason it hasn’t boomed in some countries yet could be because it hasn’t been given the level of media exposure it needs for that, but I’m absolutely sure that once padel reaches a country it is there to stay.”



Patrick Pihan

Facility owner Padelbox, Germany

“There’s definitely a hunger for padel in Germany. We already have a proof of concept for the sport, all over Europe. It’s proven that the sport has the right to be established and taken seriously as a major sport – it’s not a trend or hype. The sport has a legacy already.

That’s what makes padel different, there’s a history, it’s a sport in its own right not a variation of something else. It has its own unique character, techniques, target groups. People have been waiting for that: A new passion that can bring a lot of people back to sport too.

We’re just about at the tipping point in Germany: in all other countries ahead of us, we’ve seen that if you’ve reached the padel tipping point, it only takes two years for the first exponential growth to have been fulfilled. So if you want to take a role in the padel market in any country and the tipping point has started, you have a two year window of opportunity to really put yourself at the top.”



Morten Bugge

Impact Investor in padel
Denmark and UK

“As an investor you should carefully consider in your budgeting that you can expect hourly rates to come down. They haven’t in Denmark – yet. For some clubs in Sweden, who have more famous players perhaps and get more attention than clubs in Denmark do, they can perhaps maintain higher rates for longer, but in Denmark I’m quite sure that more and more clubs aside from competing on quality, will have to compete according to price.

The biggest change in the coming years will be the shift from availability to quality, where players focus on quality clubs covering the full range activities, training academy, tournaments, and community as well as venues with the ideal settings for padel with up to 10 meters ceiling height.

In the long run you’ll need quality, activity and to do something for your members’ benefit.”



Peter Gordon

**Founder of Scottish Padel Federation, UK
C.O.O – Game4Padel, The United Kingdom**

“We’ve tried to be flexible so you don’t need to be a member to use our facilities. In The UK the culture for a lot of sports is you join the club for the year, you pay your annual membership fee and you’re locked in.

The Netflix model of paying monthly gives more flexibility. It can be good to use other sports to get started, but padel is at a scale in some countries now where it doesn’t need that, and is probably better off without it.

Our plan is to build 200 courts, other operators are looking at 30 or 40. The LTA set a target of around 400 for the end of 2023, though Covid impacted that. If we get close to 400 that would be significant. There are around 3,000 tennis clubs in The UK though, with four or five courts, so we’re a long way from that level – the capacity for expansion is large.

In five years time, I think we could easily have a few thousand padel courts here. There’s a potential snowball effect.”



Malin Ahnvik

**Chief Marketing & Sales
Officer – Padel United, Sweden**

“This will be the new global sport, and will definitely break through in nearby markets both in the Nordics and other parts of Europe. We will definitely see a broad establishment in new markets in the coming years. There’s a lot to learn from Sweden, and as consolidation occurs in the Swedish market now, those players will likely also be important in establishing padel in new markets.”



Oscar Fagerström

Deputy C.E.O – We Are Padel, Sweden

“Padel will change a lot. We’re only at the start now, those who are developing at the same pace as the sport will do well. I also think even more padel clubs will be founded, and more kids and young people will have the chance to be coached in and play padel at a good level.”

Key takeaways

A few learnings to consider





Our conclusions

- 1 Analysing how padel became Spain's second most practiced sport tells us much about why its success is likely to repeat in other markets: the low threshold for getting started, a wide range of demographics who can participate and visually appealing nature as a spectacle have all combined to create the perfect storm for widespread popularity.
- 2 Access to courts is clearly a key factor in the maturing Nordic markets. In Sweden where Padel is most established, the extreme growth of new facilities that we have seen in the last couple of years has led to a market consolidation that is now well underway. However, in the other Nordic markets, demand still outstrips supply which suggests that it could be only a matter of time before established Swedish actors enter those similar markets with their expertise.
- 3 Consumer data shows that in both the most established and maturing markets, the social side of padel is vital to its success. In correlation with the expert interviews conducted, the quality of facilities and social experiences they offer should not be ignored when making decisions about investments.
- 4 Markets like the UK and France are still at the beginning of their Padel journey. France's decision to make a clear effort to build more courts in a short time period looks likely to pay off as demand grows, and the UK still has plenty of room for growth in that area. Experts interviewed suggest an increase in access will soon follow as Brits, and not least British regulators, become more familiar with padel as a concept.

MATCHi

We exist to empower people in racket sports through user-friendly tech.

MATCHi's booking platform helps clubs administer less and connects venues with players through its marketplace. Founded in 2012, MATCHi was created to facilitate the growth of racket sports and has in recent years grown to become one of the world's largest companies in the segment. With over 1500 venues in 15 countries, over 1 million players, and close to 100 employees spread out across the globe - MATCHi's vision is to be the go-to platform for the global racket sports community.



#PLAYMORE

This market report is conducted by Whispr Group. The purpose of the report is to analyze and explain the trends and developments of padel, in general, and across specific markets.

Please reach out to Whispr Group Account Director Erik Ask at erik.ask@whisprgroup.com or Product Director Petter Jonason at petter.jonason@whisprgroup.com if you have any questions in regards to the report.

Sources: Online conversations, online news, search data, data from MATCHi and tennis/padel federations, surveys across markets, and interviews with key players and investors within padel.

*Time period online conversations: January 2018 - January 2022.
Time period padel statistics: Januari 2018 - December 2021.*