

Long Distance Triathlon: Ironman vs. Norseman in 2016

The acquisition of Ironman (WTC) by China's Dalian Wanda Group for \$650 million in 2015 was watched anxiously by industry insiders who wondered about the future of triathlon racing. Ironman operates both "full distance" Ironman races, a grueling combination of a 3.8 km swim, a 180 km bicycle ride, and a 42.2km run, and also "half distance" events (1.9 km swim, 90km bike, and 21.1 run). Ironman also operates women's only Irongirl races. In total, it has over 150 such events across the world, with the majority of its races in North America and Europe.

Nonetheless, it is the full-distance Ironman events that are the most known for the company. Every year, approximately 110,000 athletes enter 40 "full" Ironman races. Races, typically in or close to large metropolitan areas, draw competitors from their local communities, but they also draw athletes from around the globe. The entry fee for an Ironman is often more than \$1000 CAD. The entry fee does not include the equipment required to do a triathlon, including specialized bicycle, helmet, clothing, shoes, wetsuit and other equipment, which can range from \$2000 to upwards of \$15,000. The entry fee does, however give athletes a high level of service on race day, including personalized "concierge" treatment to carry athletes' equipment during the transitions from swimming to biking and biking to running. All services are provided by hundreds of un-paid race day volunteers. As one athlete noted, "You're putting your health and welfare on the line that day, and most athletes I know don't take that lightly. Knowing that you will be taken care of in every way really matters: the quality of the water, the pot-hole-free roads, the aid stations, the abundance of EMTs, the wet suite [sic] strippers, the sunblock applicators, the "catchers" at the finish line. To safely put on an event of that caliber – where the typical number of volunteers is double the number of athletes on the course that day – requires experience, know-how and resources."¹

Costs for Ironman includes these and other race day expenses such as athlete safety, traffic management and course set-up; food and drinks at numerous staffed aid stations; timing and course marshals; "swag" bags for athletes that contain branded merchandise; finisher medals and awards for amateur competitors; and prize money for winners in the professional categories. Costs also include other expenses such as advertising/marketing and administrative overhead. Ironman has an extensive central office as well as regional support which coordinates the many aspects of the races. Ironman gets revenue from entry fees, but also from advertising/sponsorships, where organizations such as Pepsi provide supplies and/or money for featured promotion during the event. Advertising is seen by athletes, but also by the thousands of spectators who come to cheer athletes and celebrate their finish as well as any media coverage. Ironman offers prize money up to \$120,000 to the professional athletes who win its events.² While it does not give amateurs monetary awards, it does give slots to the notoriously difficult Ironman Championship (in Kona Hawaii) races to the top finishers.

The Ironman brand is one of the most recognized brands in sports. Ironman owns the trademark for the "Ironman" race—meaning any other race of 3.8 km swim, 180 km bike, and 42.2 km run cannot use the term "Ironman" in its description or title, a tactic primarily aimed at hampering its main competitors, including Challenge, which operates primarily in Europe, and Rev3, which operates in the United States.

Despite the success of many races, Ironman has been forced to close a number of long distance races in the past few years due to lack of participation. Additionally, frustrations from local towns because of traffic considerations as well as complaints by racers regarding difficulty of the race have led to several races altering their course for flatter, faster multi-loop courses. This is occurring coincidentally with a decline in overall numbers of long-distance racers in North America.

¹ <http://www.triathlonparents.com/wsj-ironman-branding-one-other-reason/>

² <http://www.ironman.com/triathlon/organizations/pro-membership/event-registration.aspx#axzz4qPZZT6jz>

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The Isklar Norseman Xtreme Triathlon, in a remote but picturesque part of Norway, is a very different race. Particularly well known among seasoned long-course veterans, Norseman is considered one of the most iconic and tough long-distance races. The course terrain is notoriously difficult and the weather is often unpredictable. Operating under the guiding principles of “True, Basic and Unique, “ athletes swim 3.8km in a cold fjord (13-15C) to the tiny town of Eidfjord; they then bicycle 180 km across 5 mountain passes (~5000 meters elevation gain).³ They then run 42.2 km to the mountaintop at Gaustatoppen (~1700 meters in elevation gain). The entire course (cycling and running) has two right hand turns. The route has course marshals during the race who monitor rule compliance, but no official athlete support is offered during the race except for supervision during the swim portion and two health checks during the run, necessary because of the challenging rocky terrain of the mountain. Athletes must provide their own support crews, who follow them in cars and on foot, providing all necessities and managing all equipment at the transition areas. The first 160 athletes are allowed to climb to Gaustatoppen and receive the race’s most prized offering: a black t-shirt. The remaining athletes finish on flat ground and receive a consolation white t-shirt. Soup is also provided to finishers, but it often runs out before all racers finish, since the fastest time ever recorded for Norseman was ~10 hours, and the slowest close to 20 hours. Locals in the small surrounding towns do watch the race, but the mountaintop finish, often covered in fog and precipitation, typically has only handful of waiting crew members, course marshals and medical personnel. The male and female winners receive a cash prize of approximately \$10,000, but it must be donated to a charity of their choice.

Norseman has a single full time employee and does little paid promotional activities, save for a well-watched video produced at the end of each year’s race. The few volunteers are members of the small local triathlon clubs in the towns of Eidfjord and Rjukan (near the mountain finish). Nonetheless it has a dedicated set of national (e.g. Isklar mineral water and Kongsberg bank) and international sponsors (Salomon, Rudy Project, Renault). Athletes pay approximately \$350 CAD—if they are lucky enough to receive one of the mere 250 entry slots each year. The odds of such a slot in 2016 were approximately 18:1. And, unlike many Ironman races, interest in Norseman continues to grow. On Slowtwitch.com, a leading triathlon website, Norseman was listed as the “race most Slowtwitchers wish they could gain entry to”⁴, (including the Ironman Championship). In fact, despite its small size, Norseman’s general manager, Dag Oliver, is an extremely sought-after speaker at industry trade events, such as the Triathlon Business International conference, where in 2015 the company won awards for best video and bucket list triathlon.⁵ Independent race directors and those of the leading multi-race companies alike wonder what can be gleaned from its unique business model.

³ www.nxtri.com

⁴ http://www.slowtwitch.com/News/Norseman_Live_Coverage_Streamed_Here_6487.html

⁵ <http://nxtri.com/awards2015/>