The Olympics' Business Model

Idea In Short

The International Olympic Committee [IOC] is a nonprofit organization that generates billions of dollars every four-year cycle without owning a stadium or employing an athlete. Its money comes from two main sources: broadcast rights and a small circle of global sponsors, supplemented by ticket sales, licensing fees and host city contributions. The IOC keeps only a fraction of what it collects. Most of the revenue flows back into the Olympic Movement, funding national federations, athlete programs and the organizing committees that stage each edition of the Games. Milano Cortina 2026, the first Winter Games held under IOC President Kirsty Coventry, tested that model again this year, drawing broadcasters and sponsors back to northern Italy. This article breaks down how the IOC turns a four-yearly festival of sport into a repeatable commercial structure.

Running Global Sport Like a Business

The International Olympic Committee [IOC] does not build stadiums, sign athletes or manufacture sporting goods. It owns something narrower and more valuable: exclusive rights to the five interlocking rings, the Olympic Games name and the broadcast and marketing rights tied to staging the world's largest recurring sporting event. The IOC is registered as a nonprofit under Swiss law and is headquartered in Lausanne, Switzerland. Its revenue depends almost entirely on two contract types, broadcast agreements and sponsorship deals, negotiated years in advance of each Games. Every four years, host cities and thousands of athletes turn that intellectual property into a live event, while the IOC collects licensing income and keeps the Olympic Movement running between editions.

From Coubertin's Congress to a Global Franchise

The modern Olympics trace back to a congress Pierre de Coubertin organized at the Sorbonne in Paris in June 1894, where delegates from more than 20 countries agreed to revive the ancient Games and created the IOC to run them.1

The first modern Games followed in Athens in 1896, with 245 athletes from 14 countries competing in nine sports. Coca-Cola became the first Olympic sponsor at the 1928 Amsterdam Games, a relationship that has lasted nearly a century. What began as an amateur sporting revival grew into a commercial property once television networks realized how many viewers a global multi-sport event could draw. That shift set the financial template the IOC still follows today.

New Leadership, Familiar Playbook

Kirsty Coventry became the tenth president of the IOC in March 2025, elected by IOC members in Costa Navarino, Greece, becoming the first woman and the first African to hold the role.2

A former Zimbabwean swimmer and seven-time Olympic medalist, Coventry inherited a commercial structure built over decades by her predecessors, Juan Antonio Samaranch and Thomas Bach and has kept it largely intact. Her early public focus has centered on athlete welfare and governance rather than a rewrite of how the IOC makes money. The revenue model she now oversees still rests on the same two pillars that have funded the Games since the 1980s: broadcast contracts and global sponsorship.

Broadcast Rights Anchor the Model

Broadcast rights remain the largest single line item in the IOC's accounts. For the 2021-2024 Olympic cycle, covering the Tokyo 2020 Summer Games, the Beijing 2022 Winter Games and Paris 2024, the IOC generated roughly 4.6 billion dollars from selling media rights to networks and streaming platforms worldwide. Paris 2024 alone accounted for close to 3.5 billion dollars in media rights value, sold to broadcasters including NBC, the European Broadcasting Union and Discovery.3

The IOC negotiates these deals years ahead of the actual Games, which gives it predictable cash flow regardless of how any single edition performs at the gate. That predictability lets the organization commit to multi-year athlete and federation funding.

The TOP Program Turns Brands Into Partners

The Olympic Partner [TOP] program, created in 1985, grants a small number of global companies exclusive marketing rights across every product category, from technology to payments to soft drinks. Current TOP partners include Coca-Cola, Airbnb, Visa, Samsung, Toyota, Deloitte and Intel, each paying for the right to be the only company in its sector associated with the Games. Coca-Cola has stayed in the program since the 1928 Amsterdam Olympics, the longest continuous sponsorship relationship in sports. Category exclusivity, not just brand exposure, is what companies pay the premium for.

Host Cities Carry the Operational Weight

While the IOC licenses the Games, an Organizing Committee formed by the host city and its National Olympic Committee builds and runs the actual event. Los Angeles will host the 2028 Summer Games and Brisbane will host the 2032 edition, continuing a bidding process that now favors cities with existing infrastructure over new construction.4

Host cities keep ticket sales, local sponsorship and hospitality revenue, but they also absorb most construction and security costs, which is why hosting has become a harder sell for many governments. The IOC contributes a share of its broadcast and TOP revenue to each host to offset those costs, but the split still leaves cities carrying most of the financial risk.

Redistribution Keeps the Movement Funded

The IOC states that it redistributes about 90 percent of its revenue to the wider sporting movement, supporting National Olympic Committees, international federations and athlete programs across more than 200 countries and territories. That money funds Olympic Solidarity grants for developing athletes and the operating budgets of federations overseeing individual sports. Direct payments to athletes remain limited, since most competitors earn money through their national federations or personal sponsorships rather than from the IOC itself and prize money at the Games only started appearing in select sports in recent years.5

The redistribution model keeps the Olympic Movement financially connected even though the IOC itself employs a comparatively small staff in Lausanne.

Milano Cortina 2026 Puts the Model to the Test

The Winter Games in Milan and Cortina d'Ampezzo, held in February 2026, were the first edition staged under Coventry's presidency and the first Winter Games split across two host regions in northern Italy.6

Coventry opened the Games with a call for unity, describing the spirit she wanted to define the event:

> I am because we are

Broadcasters and sponsors treated Milano Cortina as a normal cycle event, renewing rights deals negotiated years earlier rather than pricing in any leadership transition risk. The Games wrapped without major financial disruption, which suggested the underlying commercial structure travels well across changes in Olympic leadership.

Key Partners

The IOC works with National Olympic Committees and international federations in every country that competes at the Games. Host city organizing committees plan and deliver each edition, while broadcasters and TOP sponsors supply most of the commercial funding. Local governments and security agencies complete the partner network that makes each Games happen.

Key Activities

The IOC's core activity is organizing the Summer, Winter and Youth Olympic Games on a four-year cycle. It negotiates and sells broadcast rights and TOP sponsorships years ahead of each edition to lock in revenue. It also runs athlete development and anti-doping programs through Olympic Solidarity and works with federations to set competition rules and qualification standards.

Key Resources

The Olympic rings, motto and Games name form a trademark portfolio the IOC protects closely. Exclusive hosting rights and long-term broadcast contracts give it predictable revenue years before any Games begins. Its Lausanne headquarters, Olympic Museum and relationships with roughly 200 National Olympic Committees round out its resource base.

Value Propositions

Broadcasters get exclusive access to a global audience that only assembles once every two years. Sponsors get category exclusivity and association with an event held across nearly every country. Host cities get global visibility, tourism and infrastructure investment tied to a fixed deadline. Athletes and federations get funding, competition platforms and development support they could not generate alone.

Customer Relationships

The IOC manages long-term contracts with broadcasters and TOP sponsors that run four to eight years. It maintains formal governance relationships with National Olympic Committees and international federations through Olympic Solidarity funding and voting rights at IOC sessions. Fans engage with the brand more directly through Olympics.com, the Olympic Channel and social media during and between Games.

Channels

Olympics.com and the Olympic mobile app serve as the primary digital channels for fans and results during the Games. Broadcast and streaming partners such as NBC, the European Broadcasting Union and Discovery distribute the competition footage worldwide. Social media accounts and the Olympic Channel keep audiences engaged between editions, while host organizing committees run local ticketing platforms.

Customer Segments

Global broadcasters and streaming platforms pay for the right to air the Games in their territories. Multinational sponsors buy category-exclusive marketing rights through the TOP program and local organizing committee deals. Host cities and national governments invest in hosting for visibility and infrastructure. Spectators, both in stadiums and watching from home, along with National Olympic Committees, round out the segments the IOC serves.

Cost Structure

The IOC's largest costs are grants distributed to National Olympic Committees, international federations and Olympic Solidarity athlete programs. It also funds a share of each host city's organizing budget, plus governance, anti-doping and administrative operations run from Lausanne. Games-time costs, including technology, judging systems and ceremonies, are largely borne by the host organizing committee rather than the IOC directly.

Revenue Streams

Broadcast rights sales make up the largest share of IOC revenue each four-year cycle. The TOP sponsorship program contributes the next largest share, followed by ticketing, licensing and hospitality revenue collected mainly through host organizing committees. Smaller amounts come from IOC investment income and donations to the Olympic Foundation.

- 1Pierre De Coubertin Founded The Modern Olympic Movement
- 2Kirsty Coventry Elected IOC President
- 3Paris 2024 Media Rights And Sponsorship Figures
- 4Olympic Host Cities Through 2032
- 5How Olympic Athletes Get Paid
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Summary

The Olympics business model works because the IOC controls a scarce asset: the exclusive rights to stage the world's largest recurring sporting event. Broadcasters pay for global reach, sponsors pay for association with an event held across nearly every country and host cities pay for the visibility and infrastructure that come with hosting. In return, the IOC channels most of what it earns back into national federations, athlete development and the organizing committees that build each Games from scratch. That redistribution model has kept the Olympic Movement funded through wars, boycotts, doping scandals and a pandemic. Milano Cortina 2026 renewed the four-year cycle and Los Angeles 2028 and Brisbane 2032 are already lined up behind it. The business model has held up, even as the costs and politics of hosting grow more complicated for cities.