

# Sports Marketing



# Sports Marketing

*An Australian Perspective*

*DR JESSICA RICHARDS*



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# Introduction

Welcome to Western Sydney University newest Sports Management course **BUSM 2048 Sports Marketing**.



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*view them online here:*

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Sports marketing encompasses the utilisation of athletic events, personalities, and teams as a means to advertise and sell goods and services. The implementation of an effective sports marketing strategy is vital for the growth and success of a sports organization, as it helps to establish brand awareness, foster customer loyalty, and generate revenue. Companies operating in the sports industry adopt a range of marketing techniques, including attracting junior players, involving parents and the community, enhancing their public image, entertaining spectators, securing sponsorship deals, and negotiating broadcast rights agreements, to accomplish their objectives.

By working through this Pressbook you will learn general marketing knowledge and theories relevant to the sports industry, such as sponsorship, endorsements, customer experience, pricing and operations.

## *Learning Objectives*

1. Examine sports marketing strategies and the role of marketing in promoting sports nationally and globally.
2. Apply marketing theoretical frameworks and concepts to the unique factors and characteristics of the modern sports industry.
3. Analyse market research sources necessary to understand the effectiveness of a marketing campaign
4. Identify the evolution of sports marketing from a production, product, and sales focus.
5. Describe the unique nature of sports marketing and the various stakeholders who make up the sports industry.

To reach these learning goals, this unit covers a range of topics and themes throughout various learning modules.

Together we will explore the following

- The unique nature of sports marketing
- Sports markets and stakeholder engagement
- Sports consumers and fan typologies



- Market segmentation and target marketing within the sports industry
- Managing and promoting a sports brand
- Sponsorship, corporate partnerships and the role of game-day activations
- Different modes of sales and service in the sports industry
- Value of market research and analytics for the sport industry



Cover image attribution: 'Stadium seating that is empty'© Jessica Richards is licensed under a CC0 (Creative Commons Zero) license

# Acknowledgment of Country

Western Sydney University acknowledges the custodians of the lands in which we meet, work, learn and socialise. We pay respect to the peoples of the Darug, Tharawal, Eora and Wiradjuri nations where our campuses are located. We acknowledge that the teaching, learning and research undertaken across our campuses continues the teaching, learning and research that has occurred on these lands for tens of thousands of years. We acknowledge and pay our respect to the Elders past, present and emerging.



*Indigenous artwork titled *Matta: Meeting Place* which was co created by Jason and Trevor Dalmarri Western Sydney University staff*

Co-created by the team of WSU School of Business, Parramatta, this artwork represents the lands and communities upon which the Parramatta City campus is built. The word Parramatta comes from the Aboriginal word 'Baramada or Burramatta'. The Burramatta people (Burra meaning place and

Matta meaning the eels) belong to the Dhurug people, who lived in this food-rich area before the time of the white invasion.

The story to this artwork is the land you work on today, showing the diversity of the area and paying respects to the past.

The “Matta” roamed along these rivers and grew large along the banks of the Burrumatta river and in abundance. The green and blue waterways run through the artwork as they moved ever so gracefully up and down the inlets. The artwork shows the bubbles, the current, and the plentiful fish running through what today is known as Parramatta. The shoreline depicts the edge of the land as the waters head out to Sydney Harbour and the ocean.

The colourful sections represent all the towns surrounding Burrumatta. Inside those towns are circles belonging to multicultural families now living on Dhurug country. The dot lines and tracks were once walking lines of the Dhurug people, now turned into roads, routes, and railway lines.

These lands occupy the growth of the town now called Parramatta in honour of the first Australians. Western Sydney University acknowledges the Dhurug nation as the traditional owners of the lands we work and live on today.

## Media Attributions

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# From inception to publication: A heartfelt thank you to the team

I would like to take this opportunity to express my deep appreciation to all those who have contributed to the creation of this book.

I am deeply appreciative of the exceptional efforts made by the Western Sydney University library team, particularly Paul Jewell and Karen Sheehy, who served as my MVP (most valuable players) at the WSU Library team.

Their vital contributions in maintaining the high quality and excellence of this book since its inception were instrumental in shaping it into what it is today. Their unwavering dedication and expertise were essential to the success of this project, and I am extremely grateful for their support. Thank you both!

Additionally, I would like to express my heartfelt thanks to Lucy Walton and Jeffrey Har for their outstanding contributions and collaboration in the final stages.

I would like to recognise Frank Hill, our University Copyright Officer, for his indispensable support in navigating the intricate world of copyright law.

Lastly, I would like to extend my appreciation to the industry partners and sports staff who provided me with the relevant and practical content to create a real-world-focused textbook for students in sports marketing.

**To all who have played a part in bringing this book to life, I express my heartfelt gratitude. Without your unwavering support and contributions, this project would not have been possible.**

# Meet The Author



*Photo of Dr. Jess Richards*

Hi, I am Dr. Jess Richards.

I am currently a Senior Lecturer in Sports Management in the School of Business at Western Sydney University. My research broadly focuses on sports management, sports marketing, event management and measuring the social impact of sports for all members of the community. I aim to contribute to our understanding of sports consumers and provide sports organisations with opportunities to grow and sustain their

current fan base with new and innovative strategies. My research also aims to explore the benefit of engaging with sport for all members of the community, with a focus particularly on advancing the visibility of women's sports.

I wrote this Pressbook for you, because, at the time of designing this unit, I struggled to find a textbook I thought would suit the aims and outcomes of this unit. With Australia having such a unique relationship with sports, I wanted to showcase some of the great (and not-so-great) things happening within our industry when it comes to marketing. This book is filled with real-world industry case studies and examples that are contextualised with the overall global sporting world.

I hope you enjoy working through this material as much as I had creating it.

Contact me: [j.richards@westernsydney.edu.au](mailto:j.richards@westernsydney.edu.au)

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# 1. The unique nature of sport marketing

## *Learning objectives*

- Understand the size and scope of the Australian sports industry and what has contributed to this growth.
- Recognise the unique relationship between marketing and sport.
- To become acquainted with the complex nature of marketing sport as a product.

## **Introduction**

This chapter sets the scene for students in terms of the key issues that the book addresses. It provides an introduction and overview of the foundational concepts of the 'sports industry' and 'marketing'. We then discuss the key events that have shaped the Australian sports industry. Although the sports industry is already a major industry, the business of sports continues to expand. To help us understand how sport maintains its economic, social and cultural currency this chapter provides an overview of the basic concepts of marketing.



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## How big is sport in Australia?

The Australian sports ecosystem has evolved to be a \$32.2 billion dollar industry and is one that employs over 120,000 people all over the country<sup>1</sup>. Leading sports industry experts have predicted that we are expecting a “golden decade” for employment, with Australia set to host the Olympic Games in 2032 and the Commonwealth Games in 2026.

However, in order to understand the sports industry and what employment in this field will look like, it is important we consider what the sport industry is. What is included in the sports industry and how has that evolved with social and technological developments within broader society? Whilst social media has been a major contributor to the growth of

1. KPMG 2020, *Sports Industry Economic Analysis Exploring the size and growth potential of the Sport Industry in Australia*, viewed 2 October 2021 <<https://www.health.gov.au/sites/default/files/documents/2020/05/sports-industry-economic-analysis.pdf>>



sport communication employment, there are many layers to the Australian sports sector.

## What is the sports industry?

The sports and entertainment sector is a huge industry offering numerous products and services. It is estimated that the Australian sports industry generated approximately \$32.2 billion in sales in 2016/17, resulting in a contribution to gross domestic product (GDP) of approximately \$14.4 billion. It also supports approximately 128,000 full-time equivalent jobs<sup>2</sup>.

For context, this is approximately 0.8% of GDP and 1.5% of total Australian employment<sup>3</sup>. The sports industry itself is incredibly diverse, encompassing three key sectors: *public, non-profit and the commercial sector*<sup>4</sup>. It is important to consider however that rather than being independent, these sectors overlap, and sector boundaries are becoming increasingly blurred with multiple streams of income often

2. KPMG 2020, *Sports Industry Economic Analysis Exploring the size and growth potential of the Sport Industry in Australia*, viewed 2 October 2021, <<https://www.health.gov.au/sites/default/files/documents/2020/05/sports-industry-economic-analysis.pdf>>
3. KPMG 2020, *Sports Industry Economic Analysis Exploring the size and growth potential of the Sport Industry in Australia*, viewed 2 October 2021, <<https://www.health.gov.au/sites/default/files/documents/2020/05/sports-industry-economic-analysis.pdf>>
4. Pitts, BG & Zhang, JJ (eds) 2016, *Global sport management: Contemporary issues and inquiries*, vol. 1, Taylor & Francis, London.

coming from all three to fund and support sport all over the country.

- *Public Sector:* Australian governments at all levels play a leading role in delivering sport and sport related policies and programs. This includes providing support and funding to sporting organisations, clubs and individuals, being major investors and contributors to building and maintaining sports related infrastructure, and sponsoring the hosting of major sports events<sup>5</sup>. For example, the Australian Government is committed to supporting sport in Australia from grassroots to elite, including: increasing participation in physical and recreational activities to promote physical and mental health; staging world class major sporting events; and utilising sport as a vehicle to address disadvantage and social inclusion challenges.

**Did you know:** Western Sydney Stadium, commercially known as CommBank Stadium, is actually owned by the NSW Government. Whilst it is operated by VenuesLive it is owned by the NSW Government who foot the \$300 million bill to build the stadium which opened in 2019.

- *Non-Profit Sector:* The non-profit or voluntary sector is made up of community-based clubs, community-led governing associations and sport organizations that

5. Pitts, BG & Zhang, JJ (eds) 2016, *Global sport management: Contemporary issues and inquiries*, vol. 1, Taylor & Francis, London.

provide competition and participation opportunities, regulate and manage sporting codes but at a grassroots or amateur level<sup>6</sup>. This group also comprises of the charity and other organisations that use sport as a tool for social development and inclusion.

Some examples of this include;



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- *Commercial sector:* The commercial sector is comprised of professional leagues and their member teams, as well as allied organisations such as sporting apparel and equipment manufacturers, media companies, major stadia operators, and event managers. It is a huge industry and one that has a purpose on making financial gain through sport<sup>7</sup>. This section of the sport industry is very fluid and adaptable to change over time. For example, to remain successful in the sport industry commercial partners need to show creativity, innovation and adaptability. This includes accounting for changing consumer behaviours when it comes to consuming sport. We all know spectators

6. Bradbury, T & O'Boyle, I (eds), 2017, *Understanding sport management: International perspectives*, Taylor & Francis, London.

7. Westerbeek, H (ed.) 2013, *Global sport business: Community impacts of commercial sport*. Routledge, Oxon.

want more from the game-day experience- and this is evident by the growth of more engaging and immersive experiences inside and around stadium areas. There is also rapid growth in sports not traditionally considered by this sector. For example, the growth of e-sports, extreme sports and combat sports (such as MMA fighting).

## Case study: A stadium for Tasmania?

The Tasmanian government's plans for a \$750 million stadium on Hobart's waterfront have been welcomed by AFL heavyweights, but there are questions over where the money will come from and how many games would now be played in the north of the state. However, the Australian Liberal Party is becoming more divided on the controversial new million dollar stadium set to be built in Hobart at Macquarie Point. Federal Liberal Member for Bass Bridget Archer has stated that she does not believe that taxpayers should be paying for a new stadium, while veteran Liberal advisor Brad Stansfield has labelled it 'madness'. I spoke to reporter Hamish Spence about the proposed stadium in Tasmania. Read the article he wrote on the topic here: [How Hobart Stadium can become more than a 'bargaining chip'](#)<sup>8</sup>.

8. Spence, H , 2022, *How Hobart Stadium can become more*

After reading the article, watch the following video<sup>9</sup> and then consider the following questions ahead of this week's class.



*One or more interactive elements has been excluded from this version of the text. You can view them online here:  
<https://westernsydney.pressbooks.pub/sportmarketing/?p=5#oembed-2>*

So, should Governments be funding stadiums?  
What are the benefits and limitations of funding stadiums?

*than 'bargaining chip', 23 October, News.com.au, <<https://www.news.com.au/entertainment/how-hobart-stadium-can-become-more-than-bargaining-chip/news-story/adea52ec4362050cceded8dd499a9f1d>>.*

9. ABC News Australia 2022, *Tasmanian government announces a new stadium site ahead of AFL bid*, 19 September, online video, <[https://www.youtube.com/watch?v=E\\_9VI5UloUI](https://www.youtube.com/watch?v=E_9VI5UloUI)>.

# What is the relationship between marketing and sport?

The relationship between marketing and sport is a complex one. It can be used to increase fans interest, drive sports participation and/or the consumption of sports-related products (such as broadcasting events and merchandise). Sports marketing is a way that companies can use a persons love of sports to make a profit and reach out to people who may not otherwise be exposed to their brand.

Athletes and brands share a long history, which has made their relationship more prominent overtime. This is why athletes are a medium for advertising and promoting popular brands and their products. Fans of players and of sports perceive athletes as role models, which in turn raises the popularity of the sponsored brand of the athletes.

*However, this relationship has not always been a comfortable one!*

## ***Where Do You Draw The Line?***

Some might say we have come a long way from the Benson and Hedges series and the Winfield cup, but have we really? The relationship between sports and advertising is a long one, and it's not always been comfortable. As players increasingly scrutinise what it is they are wearing and tacitly endorsing, are we as fans also reconsidering what it is we are supporting?

Have a listen to this podcast that explores the

uncomfortable relationship between sports and advertising<sup>10</sup>

[Aired: 27 October 2022]

## How does sport and marketing work together?

Companies have long recognised the value of sport as a catalyst for communicating to the masses and often use sport as a means to advertise their products. However, increased financial pressures, combined with a growing number of different sponsors has forced sports marketers to become more innovative and creative when designing and activating sports sponsorship. Marketers have the tricky job in ensuring that their brand aligns with that of the sport code and the athletes that sporting code represents.

There are two definitions that can help us understand on a basic level the relationship between sport and marketing.

Firstly, we have the “*marketing of sport*”, i.e. the set of activities and competences intended for the promotion and improvement of sports enjoyment and consumption. Then we have “*marketing with or through sport*” which is the use of

10. Hunt, R & Carter, J 2022, *The uncomfortable relationship between sport and advertising*, ABC Melbourne Radio, 27 October, online audio, <<https://www.abc.net.au/melbourne/programs/theconversationhour/the-conversation-hour/14089876>>

sport as a communication tool for businesses to sell or position/ market their product<sup>11</sup>.

Examples of *marketing of sport* include Electronic Arts (EA) Sports who have just signed a new partnership with Sky Sports, which will see the gaming firm sponsor the UK pay-TV network's Premier League coverage. The deal, which kicks in from the 2022/23 season, will see EA Sports branded content used across Sky's Premier League coverage until the end of the 2024/25 campaign, using a blend of gameplay video from the FIFA gaming series with real-life action. See the video below<sup>12</sup>.



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<https://westernsydney.pressbooks.pub/sportmarketing/?p=5#oembed-3>

Examples of *marketing through sport* include brands such as Gillette who have utilised the popularity of Raheem Sterling to promote its latest razor. The England footballer and anti-racism campaigner is the face of a new 2022 TV advert, which sees the star demonstrating the perfect shave before showing off some fancy footwork. Dominated by the black-and-green

11. Venturoli, E 2022, *Sport Marketing types: marketing of sport and marketing through sport*, RTR Sports Marketing, Available at <<https://rtrsports.com/en/blog/sports-marketing-types-marketing-of-sport-and-marketing-through-sport/>>
12. The Media Leader 2022, *EA reveals idents for Sky Sports Premier League three-year sponsorship*, 4 August, online video, <<https://www.youtube.com/watch?v=zoltz0mZgs4>>



visual identity of the Gillette Labs Exfoliating Razor as a backdrop, the campaign conveys the message that your morning routine can be effortless when you have the right tools for the job. Take a look at the campaign in the below video<sup>13</sup> and tell us what you think?



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Now let's have a go – using the examples below type into the box either “marketing of sport” or “marketing through sport”



*An interactive H5P element has been excluded from this version of the text. You can view it online here:*  
<https://westernsydney.pressbooks.pub/sportmarketing/?p=5#h5p-1>

13. Gillette UK 2022, *Gillette Labs x Raheem Sterling - exfoliating razor*, 23 February, online video, <<https://www.youtube.com/watch?v=wg6VLAcBpv0>>.

## What are the experts saying about the future of sports marketing?

According to some experts, the future of marketing could come from some technologies that until yesterday seemed almost science fiction. We're talking about **Virtual Reality, Augmented Reality, and Hybrid Reality**<sup>14</sup>. Many brands in the sports industry have made, or are making, interesting experiments in this direction. Throughout this unit we will be exploring these trends as well as the fundamentals of sports marketing.

**Where we were, where we are now and where we are going in relation to the commercial side of sport will be covered throughout this unit.**

14. Mamo, Y, Su, Y & Andrew, DP 2022, 'The transformative impact of big data applications in sport marketing: current and future directions', *International Journal of Sports Marketing and Sponsorship*, vol. 23, no. 6, pp. 594-611.

# 2. Understanding the sport consumer

## *Learning Objectives*

- An understanding of the different types of sport consumers.
- Explain the sport decision-making process and the factors that influence an individual's decision to consume a particular sport or sport-related product, such as situational factors, personal factors, and social factors.
- Analyse the factors that affect the types of sport consumers, including age, gender, income, education level, geographic location, and cultural background.
- Evaluate the role of attitudes in sport marketing, including the tri-component model of attitudes, which includes affective, behavioral, and cognitive components.

## **Introduction**

Sports consumers refer to individuals or groups who purchase products or services related to sports, such as tickets to games,

team merchandise, or equipment for participating in a sport. They may also include individuals who regularly watch sports on television or streaming platforms or engage with sports content on social media.



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*<https://westernsydney.pressbooks.pub/sportmarketing/?p=25#oembed-1>*

## Types of sport consumers

There are several types of sport consumers, which can be grouped based on different characteristics such as their level of engagement with sports, their purchasing behaviour, or the types of products or services they consume<sup>1</sup>

Some examples of types of sport consumers include:



*An interactive H5P element has been excluded from this version of the text. You can view it online*

1. Adapted from Stewart, B, Smith, A & Nicholson, M 2003, 'Sport consumer typologies: A critical review', *Sport Marketing Quarterly*, vol. 12, no. 4, pp. 206-16.

*here:*

*<https://westernsydney.pressbooks.pub/sportmarketing/?p=25#h5p-4>*

These are just a few examples of the many types of sport consumers that exist. It's important to note that individuals may also belong to multiple categories and their behaviour may change over time. Think about how you may change on a yearly or even weekly basis!

**What is the difference between a sport fan and sport consumer?**

A sports fan is someone who actively follows and supports a particular team or athlete, often attending games or watching them on TV. They may also have an emotional connection to the team or athlete. A sport consumer is someone who purchases goods or services related to sports, such as tickets to games, merchandise, or subscriptions to streaming services that show live games. They may be interested in the sport, but not necessarily emotionally invested in a particular team or athlete.

**Can a sport fan be a sport consumer?**

Yes, a sports fan can also be a sports consumer. They may purchase tickets to games, merchandise, and subscriptions to

streaming services to show their support for their favourite team or athlete. However, not all sports fans are sports consumers, and not all sports consumers are sports fans. Some people may choose to consume sports content, such as watching games on TV or streaming them online, without actively following or supporting a particular team or athlete.

Make sure you have a look at how other scholars have described and defined different types of fans (specifically!) in the extra readings available for this week! These include works by Stewart et. al<sup>2</sup> which explains the difference between **dualistic**, **tiered** and **multidimensional** fan typologies.

## Sport consumption decision-making process

The sport consumption decision-making process refers to the series of steps that a consumer goes through when deciding to purchase a product or service related to sports. It is important to understand the sport consumer decision-making process because it can provide valuable insights into how individuals make choices related to sport participation and consumption<sup>3</sup>.

By understanding the various factors that influence the decision-making process, organisations and businesses in the sport industry can develop more effective marketing

2. Stewart, B, Smith, A, & Nicholson, M 2003, 'Sport consumer typologies: A critical review', *Sport Marketing Quarterly*, vol. 12, no. 4, pp. 206-16.
3. Yim, BH & Byon KK 2020, 'Critical factors in the sport consumption decision making process of millennial fans: A revised model of goal-directed behavior', *International Journal of Sports Marketing and Sponsorship*, vol. 21, no. 3, pp. 427-47.

strategies, improve customer engagement and satisfaction, and ultimately increase revenue.



*One or more interactive elements has been excluded from this version of the text. You can view them online here:*

*<https://westernsydney.pressbooks.pub/sportmarketing/?p=25#oembed-2>*

As the video above explains, these steps may include<sup>4</sup> :

1. **Need recognition:** The consumer realises that they have a need or desire for a product or service related to sports.
2. **Information search:** The consumer seeks out information about different products or services that could fulfil their need or desire related to sport.
3. **Evaluation of alternatives:** The consumer evaluates the different options they have found and compares them to one another in

4. Adapted from Hartley, P 2021, *Types of consumer decisions*, 23 April, online video, <<https://www.youtube.com/watch?v=OSVngDbxx5Q>>.

terms of features, benefits, and costs.

4. **Purchase decision:** The consumer makes a choice of which product or service to purchase.
5. **Post-purchase evaluation:** The consumer evaluates their satisfaction with the product or service they have chosen after they have used it.

## Factors that affect what types of “sport” is consumed?

There are many factors that can affect sport consumption, including both internal and external factors. Understanding the factors that affect sport consumption can also help to design policies and programs to promote sport participation, and create a more inclusive and equitable environment for all individuals, regardless of their background or abilities.



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*here:*

*<https://westernsydney.pressbooks.pub/sportmarketing/?p=25#h5p-5>*

These are just a few examples of the many factors that can



affect sport consumption behaviour. It's important to note that the significance and impact of these factors may vary depending on the individual, the context, and the specific product or service being consumed.

**Note:** This is at the most basic level with scholarship providing various models to help us explain this in a far more meaningful way – let's explore one now (with additional ones in the weekly additional readings)

## Understanding Attitudes

The concept of attitudes in marketing explores the cognitive, affective, and behavioural dispositions of consumers towards a particular product, brand, or company. This is a complex and multifaceted topic that encompasses various theoretical perspectives. However, for the purpose of this unit, it is essential to limit the scope of analysis to a specific theoretical approach, in order to gain a deeper understanding of the subject matter.

In its basic form attitudes can be positive, negative, or neutral. Attitudes are formed through a person's experiences, beliefs, and values. Marketing campaigns aim to influence consumer attitudes by highlighting the benefits of a product or brand and addressing any potential concerns. Positive attitudes towards a product or brand can lead to increased brand loyalty and repeat purchases. Negative attitudes can make it difficult for a company to sell their products or services. Understanding consumer attitudes is important for businesses as it helps them to develop marketing strategies that effectively target their audience.

## The tri-component model of attitudes

The tri-component model of attitudes is a popular way for us to understand theoretically how attitudes towards sport are formed and maintained by those consuming it. The model consists of three components: affective, behavioural and cognitive<sup>5</sup>.

1. **Affective component:** This refers to the emotional or feelings aspect of attitudes towards sport. It includes positive or negative feelings such as pleasure, excitement, and satisfaction that people have towards a sport or sport-related object.
2. **Behavioural component:** This refers to the actions or behaviours that people exhibit as a result of their attitudes towards sport. For example, a person who holds a positive attitude towards a sport may engage in behaviours such as watching games or attending events.
3. **Cognitive component:** This refers to the beliefs, knowledge, and perceptions that people hold about a sport or sport-related object. For example, a person who holds a positive attitude towards a sport may believe that the sport is exciting and fun, while a person who holds a negative attitude may believe that the sport is boring or uninteresting.

5. The framework was established by Rosenberg, MJ & Hovland CI 1960, 'Cognitive, affective, and behavioural components of attitudes', in MJ Rosenberg & CI Hovland (eds), *Attitude organization and change: An analysis of consistency among attitude components*, Yale University Press, New Haven, CT, pp. 1-14.

**How can this help us understand sport: Let's look at buying a pair of sports shoes!**

The tri-component model of attitudes can be applied to a case study involving sport purchasing by analysing the cognitive, affective, and behavioural components of a specific individual or group. For example, consider a case study of a consumer who is looking to purchase a new pair of running shoes.

In terms of **cognitive component**, the consumer may have knowledge and beliefs about the sport such as the importance of proper footwear and the different types of running shoes available. They may also have perceptions about different brands and the features they offer.

In terms of **affective component**, the consumer may have positive feelings and emotions towards the sport such as enjoyment and excitement, and they may also have a sense of accomplishment when they run. They may also have a sense of health and fitness associated with the sport.

In terms of **behavioural component**, the consumer may engage in behaviours related to the sport such as running regularly, watching running competitions on television or online and talking about running with friends and family. They may also be more likely to purchase running shoes and other equipment to improve their performance

Overall this model suggests that attitudes towards sport are a

combination of emotions, actions, and beliefs, and that these three components are interrelated. Change in one component may lead to change in other components. For example, if a person experiences a positive emotional response to a new sport, they may develop a more positive attitude towards it and be more likely to engage in behaviours such as watching games or attending events.

Okay, we have covered a lot this week so let's do a knowledge check!



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*here:*

*<https://westernsydney.pressbooks.pub/sportmarketing/?p=25#h5p-6>*

# 3. Selling an experience: marketing intangible objects

## *Learning Objectives*

- Explain the concept of “experience marketing” and its importance in the context of sports marketing, including the role of emotions, memories, and nostalgia in creating a lasting impression on target audiences.
- Apply the BETTER Model developed by Shirra Smilansky (2017) to the sports marketing industry, including the factors of brand personality, emotional connection, target audience, two-way interaction, exponential elements, and reach.
- Analyse and critique real-world examples of sports marketing campaigns to gain a better understanding of the application of experience marketing in the sports industry.
- Understand the process of conceptualising and executing a sports marketing campaign that sells an experience, including the creation of unique, memorable, and personalised experiences for a target audience.

## Introduction

In the world of sports, people want more than just a ticket to a game. They want an experience that connects with them on an emotional level. This is where experience marketing comes in – instead of just selling a product, it's all about selling feelings, memories, and personal connections. And it's becoming a big deal in the sport industry, as fans want more than just a game – they want to feel like they're part of the team and the event.

The sports industry in Australia is a thriving sector with a strong following. The popularity of sports such as Australian Football League (AFL), National Rugby League (NRL), netball and cricket, has created a demand for marketing intangible objects, such as experiences and memories. This chapter will discuss the marketing of intangible objects in the sports industry in Australia, focusing on the unique challenges and opportunities that come with marketing experiences and memories in this sector.



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*<https://westernsydney.pressbooks.pub/sportmarketing/?p=174#oembed-1>*

## What is experience marketing?

Experience marketing has become a popular approach for companies and brands to create memorable experiences for

customers and gain a competitive advantage. This trend is seen a lot in the sport-service industry, where professional clubs, leagues, and sporting events are implementing this approach to attract more attendees and increase revenue.

It is important to think about the goal of experience marketing – which is to create a lasting, emotional connection between a brand and its customers by providing them with unique and memorable experiences. This approach is used to differentiate a brand (a sports club or league) from its competitors and create a strong, positive brand image in the minds of consumers<sup>1</sup>.

One study that looks into this issue sought to understand the personal experiences of sports spectators and how these experiences impact their behaviour and perception of the brand. To do this, the researchers interviewed 26 fans who had visited Stade Français Paris Rugby Club games at the Stade de France<sup>2</sup>.

The study analysed the experiences of sports event spectators and the impact of experiential marketing on the sports service brand.

- First, the research looked at different consumer profiles in relation to the type of experience they searched for and how it relates to unique experiences.
- Second, the impact of the experience marketing strategy on the sports event brand was evaluated.
- The study found that many of the spectators interviewed

1. Tyman, C & McKechnie S 2009, 'Experience marketing: a review and reassessment', *Journal of Marketing Management*, vol. 25, no. 5-6, pp. 501-17.
2. Chanavat, N & Bodet, G 2014, 'Experiential marketing in sport spectatorship services: A customer perspective', *European Sport Management Quarterly*, vol. 14, no. 4, pp. 323-44.

had an interactive profile, seeking extraordinary and emotionally intense experiences. Socialising and communal activities, such as attending events with family and friends, were also a common theme among the participants. Pricing was also a significant issue for many, with some having obtained free or cheap tickets, which could indicate an opportunistic profile rather than an interactive one.



*A picture of a full sports stadium*

The results from this research showed that ambiance was a crucial aspect of the experience, with the more people in attendance, the better the atmosphere. This was particularly important for the Stade Français PRC's pricing strategy, which aimed to fill the Stade de France with a lively crowd. The study found that aesthete and supporter spectators had different preferences and experiences, with games at the regular home ground being more immersive and enjoyable for supporter spectators.



## Selling an experience

One of the biggest challenges in marketing experiences is that they are intangible, meaning that they cannot be touched, held or seen. However, this intangible nature also presents a unique opportunity to create a lasting impact on the consumer. To successfully market experiences, companies in the sports industry must focus on creating **memorable** and **unique** experiences for their consumers/fans.

This can include offering exclusive access to players, creating interactive events, or incorporating technology to enhance the experience. Take a look at this video of Sam released for those who follow Chelsea football club on Youtube<sup>3</sup>. It also links fans to the app, where they can receive more content.



*One or more interactive elements has been excluded from this version of the text. You can*

*view them online here:*

*<https://westernsydney.pressbooks.pub/sportmarketing/?p=174#oembed-2>*

Selling an experience is popular in sports because it often creates a strong emotional connection with fans. This can lead to more loyalty and repeat business. Plus, it sets a team or event apart from the competition, as people don't compare experiences in the same way as physical products. Selling an

3. Chelsea Football Club 2021, *Exclusive behind the scenes access to Sam Kerr's contract signing*, 17 November, online video, <<https://www.youtube.com/watch?v=HISgRxs5fHY>>.

experience is a critical component of sports marketing as it taps into the emotional side of the consumer and creates a lasting connection with them.

In today's highly competitive market, creating a memorable experience for fans can set a team or event apart from others and foster customer loyalty. This is because experiences are unique and personal, and people are less likely to compare them to other products or experiences in the same way they might compare physical products.

### *A study of returning "home"*

Studies have shown that customers are more likely to be repeat customers (attend more games) and recommend a team or event to others (such as their family and friends) if they have had a positive emotional experience.

For example, I led a research project that explored this issue when I partnered with the Parramatta Eels to understand how fans can build an emotional connection with their built home stadium, Commbank Stadium, when it opened in 2019. Our study explored what it's like for fans of the Parramatta Eels to go to a game, and we asked them what they thought about the fan experience at their newly built stadium.

The goal of the research was to understand how the different areas within the newly built stadium affected how fans act and interacted with each other. Two specific areas were looked at, the *"fan zone"* and the

“stadium concourse“, and it was found that these areas play a big role in shaping the behaviour and atmosphere of the fans.



*A picture of sports fans cheering at a sports game*

Interestingly, our research also found that the traditional way of experiencing a footy game at a stadium can be altered and enhanced by these new areas, and that fans were very positive in talking about the change. You have probably heard about fans protesting at the thought of a “new” or “souless” stadium, fearing the new builds would lose the feeling and fan experience.

However, our research found that those experiences can be recreated and reimagined in a newly built modern stadium (with cleaner toilets!). We have written two articles about this issue and how Parramatta Eels created a memorable match-day experience which you will find referenced here in the following footnotes<sup>45</sup>, but also on vUWS.

## The importance of standing out

Selling an experience and not just a ticket can also help to differentiate a team or event from its competitors. In the crowded and highly competitive world of sport marketing, creating a unique and memorable experience for fans can help a team or event stand out and attract new fans. By focusing on the emotional side of the consumer, teams and events can create a unique and memorable experience that will be difficult for competitors to replicate.

Teams can make their experience unique by having special events, making the atmosphere at games special, and offering

4. Richards, J, Spanjaard, D, O'Shea, M & Garlin, F 2022, 'The changing carnival: reimagining and recreating the match-day experience in multi-purpose stadiums', *Journal of Sport & Tourism*, vol. 26, no. 3, pp. 269-84.
5. Richards J, O'Shea, M, Spanjaard, D & Garlin, F 2021, 'You can rent it for a while, but it is our house': Sports fans' experience of returning 'home' to a new multipurpose stadium', *International Review for the Sociology of Sport*, vol. 56, no. 7, pp. 981-96.

exclusive benefits to fans. For example, teams might offer behind-the-scenes tours of the stadium, chances to meet players, or special seating areas with extra perks.

Teams can also use technology to make the experience better, like having a mobile app for buying tickets and merchandise or using virtual reality to enhance the experience at the stadium. By making the fan experience different, teams can create a stronger emotional connection with their fans and increase their revenue through ticket sales and merchandise.

### **Behind the scenes: Take a tour of Tottenham Hotspur Stadium<sup>6</sup>**



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*view them online here:*

*<https://westernsydney.pressbooks.pub/sportmarketing/?p=174#oembed-3>*

**In class: Bring to class an example of a fan experience that you think was effective!**

## **Marketing memories/nostalgia**

Memories are a powerful tool in the marketing of intangible objects in the sports industry. The experiences created at live events or virtual experiences can evoke strong emotions and

6. Roobenstein 2019, *Tottenham Hotspur stadium tour!* *Tottenham Hotspur FC!*, 23 December, online video, <<https://www.youtube.com/watch?v=kZJ5ahIYFZE>>

create lasting memories for consumers. To effectively market memories, sport organisations must focus on creating unique, personalised and emotional experiences for consumers. This can include offering merchandise with personalised signatures or photographs, creating experiences that allow consumers to interact with their favourite players, or offering access to exclusive events or experiences<sup>7</sup>.

The use of nostalgia in advertising and marketing sport is a technique that appeals to people by triggering memories of happy times from their past. People who are considered to be nostalgia-prone are those who constantly use these memories as a reference point in their enjoyment of experiences or products. Sport marketers also acknowledge the use of memories, both personal and collective, as a way of attracting sport consumers to keep coming back.

Click here<sup>8</sup> to read a study by Summers et al. (2001) that specifically focuses on the relevance of nostalgia-proneness to sport consumption.



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7. Gordon, KO 2013. 'Emotion and memory in nostalgia sport tourism: Examining the attraction to postmodern ballparks through an interdisciplinary lens', *Journal of Sport & Tourism*, vol. 18, no. 3, pp. 217-39.
8. Summers, J, Johnson, M & McColl-Kennedy J 2001, 'Evoking the Past: Exploring Nostalgia's Relevance to Sport Consumption', in PM Tidwell & TE Muller (eds), *AP - Asia Pacific Advances in Consumer Research*, vol. 4, Association for Consumer Research, Provo, Utah, pp. 108-13.

— excluded from this version of the text. You can view them online here:  
<https://westernsydney.pressbooks.pub/sportmarketing/?p=174#oembed-4>

As the above video<sup>9</sup> explains, user-generated content has revolutionised the way that sports organisations create fan experiences and sell them! In the past, sports teams would rely just on their own marketing efforts, such as advertisements and promotional events, to create a positive experience for fans. But with the rise of social media and online platforms, fans are now able to share their own experiences and opinions about their favourite teams.

This has changed the game for sports organisations as they now have access to a wealth of information about what their fans like and dislike about the team, its games and events, as well as what they would like to see improved.

Pretend you are a fan who attends a Sydney FC game and you post a picture of yourself on Instagram with a caption about how much you enjoyed the experience of watching the Sky Blues beat the Wanderers. Other fans then start to engage with your post, either by liking it, leaving a

9. GoDaddy 2019, *What is user generated content and can it help your business?*, 19 June, online video, <<https://www.youtube.com/watch?v=6Jv0wsAlFnU>>.

comment, or sharing it with their own followers.



*A photo of twitter on a mobile phone*

This type of user-generated content can be a valuable source of information for Sydney FC as they can track the reach and engagement of different types of posts to see what resonates most with fans. In this way, sports organisations can make data-driven decisions about how to improve the fan experience and ensure that they are meeting the needs and expectations of their fans.



# The BETTER model for experience marketing

As we have discussed experience marketing is a way for companies to connect with their customers by creating memorable and meaningful experiences that engage their senses, emotions, and intellect. The BETTER model<sup>10</sup> developed by Shirra Smilansky in their 2017 book *Experiential Marketing: A Practical Guide to Interactive Brand Experiences* sets up for us a framework for better understanding the best way sport teams can engage and understanding their consumers. Below you will find this model broken down.



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here:

<https://westernsydney.pressbooks.pub/sportmarketing/?p=174#h5p-10>

11

By using the BETTER model, sport organisation's can design experiences that are not only enjoyable, but also leave a lasting impact on customers. This can lead to increased brand loyalty,

10. Smilansky, S 2017, *Experiential marketing: A practical guide to interactive brand experiences*, Kogan Page Publishers, London.
11. Adapted from Smilansky, S 2017, *Experiential marketing: A practical guide to interactive brand experiences*, Kogan Page Publishers, London.

positive word-of-mouth, and the potential for repeat business. In short, experience marketing is a valuable approach for companies looking to create memorable and impactful interactions with their customers.

## Media Attributions

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# 4. The marketing plan

**Disclaimer:** This weeks focus on a marketing plan framework will serve as the foundation for your marketing proposal that you will be submitting as part of your course assessment. You may be wondering why we're discussing it so far in advance, but trust me, it's for a good reason! By having a clear understanding of the assignment requirements early on, you'll be able to fully grasp the weekly content and see its relevance to your overall plan. Think of each week as building up to the big event, just like how each training session leads to a winning game. So don't drop the ball and stay focused on the end goal! It might be a good idea for you to have a look at the assessment instructions for the portfolio ahead of this week.

## *Learning Objectives*

- To understand the importance of an executive summary in a marketing plan and how it summarises the key elements of the plan.
- To begin analysing the environment in which the sports organisation operates and the factors

that impact its marketing efforts

- To explore the specific, measurable, attainable, relevant, and time-bound marketing objectives for the sports organisation
- To be aware of the importance of effective marketing strategies that align with the organisation's goals and target audience
- To understand the need to evaluate the success of the marketing plan and make modifications as needed to ensure that the objectives are being met.

## Introduction

Success in the sports industry requires a strong plan to promote and sell products, services, and events to the target audience. A well-structured marketing plan plays a crucial role in this effort. In this chapter, we'll be exploring a marketing plan framework developed by Paul Blakey in his book on Sports Marketing (2011) and expanding and extending it to the example of the Australian sporting market. This framework encompasses several essential components, including an **executive summary, analysis of the environment, marketing objectives, strategies, resourcing requirements and evaluation.**<sup>1</sup>

1. Blakey, P 2011, *Sport marketing*, SAGE, Exeter, UK.



*One or more interactive elements has been excluded from this version of the text. You can view them online here:*

*<https://westernsydney.pressbooks.pub/sportmarketing/?p=202#oembed-1>*

## Executive Summary

A marketing plan's executive summary is a short overview of what the plan covers. It explains the purpose of the plan and outlines the main points that follow. Essentially, it's like a summary of a summary!

An executive summary for a sports marketing plan should provide a succinct overview of the key elements of the plan. It should include information for your reader (or marker!) on the target audience, the objectives of the marketing campaign, the strategies and tactics that will be used to reach those objectives, and an overview of the budget and timeline for the campaign.

Additionally, it should provide a brief overview of the competitive landscape and the unique value proposition of the sports team or brand being marketed. It's important to remember that the executive summary should be a "home run" in terms of catching the reader's attention and making them want to dive into the details of the full plan. Just like a great play on the field, the executive summary should highlight the excitement and potential impact of the marketing plan. Keep it short, succinct and focused!

There are plenty of examples of good 'executive summaries' of research reports. Have a look here at one I found online

which was published by Women in Sport (affiliated with Sport England) titled: Reframing Sport for Teenage Girls: Tackling Teenage Disengagement (the full report is available here<sup>2</sup>)



*Group of women in a huddle at a hockey game*

**Remember:** the executive summary of a research project only needs to be a quick rundown of the most important findings and suggestions for busy executives who might not have the time or interest

2. Sport England 2022, *Reframing sport for teenage girls: Tackling teenage disengagement*, Women in Sport, <<https://womeninsport.org/wp-content/uploads/2022/03/Tackling-Teenage-Disengagement-March-2022.pdf>>

to read the full report. It should be easy on the eyes and easy to understand, using simple words and clear headings to show off the main points. Working in sport, the executive summary is a crucial tool for sharing research findings with decision-makers and people who matter (the ones who decide what and who gets what and when). It needs to be attention-grabbing and memorable, so that the research has the biggest impact and makes a real difference. By giving the reader the important elements of your plan in a quick, clear, and easy-to-digest way makes sure the research has a real impact.

As an academic who works in this space, I have written my fair share of executive summaries. Our executive summary had some important statistics, insights into what's happening across the different clubs, and some suggestions for what Tennis Australia can do to be more inclusive. The goal was to give the reader a quick but solid understanding of what's important and what needs to be done to make tennis more inclusive for all members of the community!

You can see the full open text on the research here but below is a photo of the ONE PAGE executive summary of this huge report!<sup>3</sup>

3. Storr, R, Richards, J & Curro, G 2020, *Game on: LGBT+ inclusion in Australian tennis*, Tennis Australia, <<https://researchdirect.westernsydney.edu.au/islandora/object/uws:58017/>>



Tennis is a popular sport in Australia. Tennis Australia is committed to diversity, in particular adult participation, and recognises LGBT+ inclusion as an important area of growth and development.

Evidence suggests that LGBT+ people attempting to participate in sport often find themselves in environments that are unwelcoming, hostile and discriminatory. This study explored the lived experience of LGBT+ participation and engagement with tennis, and a set of recommendations (targeted initiatives) has been developed for Tennis Australia to promote and enact LGBT+ inclusion.

Firstly, we present an overview of the current state of inclusion in various sports including exploring issues and challenges currently being faced by LGBT+ communities, as well as programs and research currently in Australia and overseas. To gain a

We conducted a total of 44 interviews – current players of tennis (N=27) and those not currently engaged with tennis (N=17). In addition, we conducted 3 focus groups and over 50 hours of observations at various LGBT+ tennis tournaments in Sydney, Hobart, Perth and Melbourne. The report is structured into four themes offering a depth of discussion to inform Tennis Australia about approaches for creating a more inclusive experience for LGBT+ tennis players.

#### Discrimination

This theme details the current lived experience of LGBT+ communities and the discrimination they faced engaging with sport. For Tennis Australia these are important insights, the impact discrimination has had on participants' perceptions of sport cannot be ignored. Sport is a prime site of abuse for some participants, and associated feelings of shame and judgement were common. Derogatory slurs and exclusion practices together with other forms of homophobic biphobia and transphobia continue to exist within sport today.

#### Barriers and challenges

This section of the report reflects on the barriers that LGBT+ communities have and continue to face engaging with sport. It explores common anxieties experienced by the LGBT+ communities such as fear of being 'out' and sexual identity management. Additionally, this section highlights how improvement to the overall sport governance of tennis at the club level could greatly reduce the discrimination faced by participants.

#### Safe spaces

The importance of Tennis Australia creating and maintaining 'safe spaces' for all tennis players is discussed in this theme. It highlights how a tennis club can be a safe space for members of LGBT+ communities. Tennis clubs can create welcoming, supportive and inclusive environments free of bias, conflict and criticism. Overall, the organisation of Tennis Australia was perceived by players and

#### Benefits

Finally, this theme explores the overall benefits of participation and engagement with tennis. This section is the importance of community culture and the capacity for tennis to capitalise amongst its players. The research that those who play tennis reported improved their mental and physical health. The aim of Tennis Australia to enhance the social, mental and physical benefits to players through active and promotion of LGBT+ tennis tournament.

#### Recommendations

To increase participation and engage more people in tennis within Australia, eight key recommendations are suggested. Deeper understanding of the histories of exclusion support for LGBT+ tennis structures, govern support, establish a national LGBT+ advice, establish a peer support program, develop communication strategy, develop and deliver participation programs and finally, positive social benefits to LGBT+ community.

#### Conclusion

Tennis is well positioned to emerge from its pandemic as an inviting and accessible sport. It is a valuable resource to reconnect people with their local communities and people. This is one of the first pieces of Australian research documenting the positive impact playing sport, specifically tennis, has on LGBT+ people. It highlights the importance of social connections, maintaining health or while enjoying a hobby without fear of judgement, hostility, or discrimination. Tennis Australia placed to use its platform and reach to all people in Australia and across the globe, a sport where you can be your authentic self and accepted and welcomed for who you are and where people can just be themselves.

Our report begins with a brief introduction

## A picture of an executive summary for a report on LGBT inclusion in tennis


If you're still struggling with putting together your executive summary, don't worry, there are plenty of resources out there to help you. In addition to the research project executive summary I mentioned earlier, you should also check out the video below<sup>4</sup> for more guidance on this section of your marketing plan. There is also more resources on the vUWS site to help you ahead of your assessment submission!



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4. Young Entrepreneurs Forum 2018, *How to write an executive summary for your business plan?*, 26 November, online video, <<https://www.youtube.com/watch?v=PXoE2wMVTVE>>



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<https://westernsydney.pressbooks.pub/sportmarketing/?p=202#oembed-2>

## Background to the Plan

The background section explains why the marketing plan is important for the sports organisation. It should also describe what the plan covers and what the organisation wants to achieve through its marketing efforts. What kinds of things might you want to include in your “background” section of your marketing plan?

In order to paint a clear picture of the situation, it’s important to include specific information in the background section. For example, you might include demographic data about the area, such as information on the age, gender, education, income, and cultural and social experiences of the people who live there. Additionally, you could provide an overview of the values of the sports teams in the area and how they align with or differ from the values of the community they are located in.

Data sets from sources such as the ABS can provide valuable insights into the broader context of the environment (don’t worry we explore this in **Week 6- Market research in the sport industry**). Information about community engagement and how the sports teams in the area are involved in the community, as well as how they are perceived by local residents, is also important to include.

By including all of this information in the background section of your proposal, you create a comprehensive and well-

informed picture of the environment in which your strategy will be implemented. Having this clearly explained will provide a strong foundation for the rest of the proposal and helps to ensure that your strategy is data-driven and well-informed.

In class this week we will segment Sydney into four sections *Northern Sydney, Western Sydney, the Sutherland Shire and Sydney City!* As the assessment instructions suggest, you will be assigned **one area** and a specific Rugby League team to form the basis of your marketing plan. Whilst we are drilling down into Sydney, Sydney itself has its own culture- have a look at this video by comedian Jimmy Rees<sup>5</sup> for some insights before we head into class.




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## Environmental Analysis

The environmental analysis is all about understanding the factors that can impact the sports organisations marketing efforts. This includes looking at both internal and external factors, like the competition and the target market. A SWOT analysis and market research are also done as part of this step.

5. Rees, J 2023, *Border Control for Sydney ... you wanna go in?* , 8 February, online video, <[https://www.youtube.com/watch?v=F\\_6EwCVpcsQ](https://www.youtube.com/watch?v=F_6EwCVpcsQ)>.



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<https://westernsydney.pressbooks.pub/sportmarketing/?p=202#oembed-4>

As the above video<sup>6</sup> explains, SWOT Analysis is a marketing tool that helps organisations identify and understand their strengths, weaknesses, opportunities, and threats. It is a strategic method used to evaluate the internal and external factors that can impact a business. In the context of sports within Australia, a SWOT Analysis can help a sports organization determine its position in the market and identify areas for improvement. See below for a full breakdown that has been adapted to the definitions provided by Lee and Walsh (2011)<sup>7</sup>



6. SmartDraw 2018, *SWOT analysis - What is SWOT? Definition, examples and how to do a SWOT analysis*, 8 August, online video, <<https://www.youtube.com/watch?v=JXXHqM6RzZQ>>
7. Adapted from Lee, S & Walsh, P 2011, 'SWOT and AHP hybrid model for sport marketing outsourcing using a case of intercollegiate sport', *Sport Management Review*, vol. 14, no. 4, pp. 361-9.



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*here:*

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By conducting a SWOT Analysis, any sport team can get a better understanding of its position in the market and identify areas for improvement. This information can then be used to develop a strategic plan that capitalises on the organisation's strengths, addresses its weaknesses, takes advantage of opportunities, and (understand) then minimises threats.

### *Case Study: The argument for hosting events in Australia*



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This week we will be debating in class using the SWOT tool to understand how hosting mega events, such as international sporting competitions or large-

scale cultural festivals, can bring both positive and negative impacts to a region. It is important for you to understand and identify these impacts as they play a crucial role in decision making and event planning. Check out the above video<sup>8</sup> for context

Also, one of this weeks extended readings is by Kostas Karadakis et al. (2010) called *Event leveraging of mega sport events: a SWOT analysis approach*<sup>9</sup>.

## Marketing Objectives

The marketing objectives section of a sports organisation's marketing plan serves as a crucial component in outlining the foundation for the entire marketing strategy. By establishing specific, measurable, achievable, relevant, and time-bound (SMART) goals<sup>10</sup>, the organisation can effectively allocate its resources and efforts towards realising these objectives. Watch

8. Sky News Australia 2023, '*Petty*' rivalry between states over hosting sporting events is 'exhausting', 5 February, online video, <<https://www.youtube.com/watch?v=il-P9FbLgbU>>.
9. Karadakis, K, Kaplanidou, K & Karlis, G 2010, 'Event leveraging of mega sport events: a SWOT analysis approach', *International Journal of Event and Festival Management*, vol. 1, no. 3, pp. 170-85.
10. Da Silva, EC & Las Casas, AL 2017, 'Sports marketing plan: an alternative framework for sports club', *International Journal of Marketing Studies*, vol. 9, no. 4, pp. 15-28.

the below video <sup>11</sup>, noting we will be going through these more in class this week!



*One or more interactive elements has been excluded from this version of the text. You can view them online here:*

*<https://westernsydney.pressbooks.pub/sportmarketing/?p=202#oembed-6>*

## Marketing Strategies

The marketing strategies section of your marketing plan will outline the approach the sports organisation you have chosen will take to achieve its marketing objectives. This includes identifying the market segment and target market, figuring out what makes the organisation unique (its unique selling proposition to this market), and deciding how to promote and sell its products and services (the marketing mix). A good friend of ours Blair Hugh's has set up a website where he is tracking all the fun, exciting and unique marketing strategies of sport organisations all over the world – you can check out his website here .

Next week, in **Week 5 (Market segmentation and target marketing)** we explore target marketing and marketing segments within the sports industry. This focus will enable for

11. Marr, B 2021, *How to set SMART goals & objectives*, 31 August, online video, <<https://www.youtube.com/watch?v=pdPtuhZiSq4>>.

you to be able to address this section of the marketing plan and understand how what you design and create needs to not only hit a brief, but hit a brief with a particular demographic.

## Resourcing Requirements

The resourcing requirements section explains what resources the sports organisation will need to put its marketing plan into action. This could include things like a budget, personnel, and equipment.

The **budget** is a vital resource that should be included in the resourcing requirements section. It should detail the cost of each marketing activity and the overall cost of the marketing plan, taking into account any potential cost overruns and contingencies. The budgeting process in sports marketing can have a big impact on the success of the marketing strategy. You need to get the resources they need and make decisions about how to allocate those resources among different marketing activities. To make sure the budget supports the marketing strategy, those responsible for the budget should understand how to use the organization's financial resources effectively. The budget should give priority to activities that support the strategy, but not waste resources by over-allocating funds. The budgeting process may also need to change in response to unexpected events or changes in strategy<sup>12</sup>.

**Personnel**, both internal and external, are an important resource that should be considered. This section should outline the roles and responsibilities of each individual involved in executing the marketing plan.

12. Shank, MD & Lyberger, MR 2014, *Sports marketing: A strategic perspective*. Routledge, London.

**Equipment and technology**, such as data capturing software, hardware, and production equipment, should also be included in the resourcing requirements section. The section should specify the type and quantity of equipment required for each marketing activity.

A **timeline** for implementation is also a critical resource, outlining the start and end dates for each marketing activity and the overall timeline for the marketing plan. This helps to ensure that the marketing plan is executed in a timely manner and that all activities are completed as scheduled.

Have a watch of this video that explains “*what’s wrong with sports marketing*”<sup>13</sup> from over 10 years ago. Let’s see if the same “problems” still exists today?



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<https://westernsydney.pressbooks.pub/sportmarketing/?p=202#oembed-7>

We will go through this in more detail in **Week 10 (Sponsorship, corporate partnerships and sponsors)** and **Week 11 (Community and Stakeholders)**, but keep these things at the back of your mind at the point of thinking about how you are going to market to your group. We encourage you to be ambitious – but you need to think about how much input will be **required** for your **strategy** to thrive!

13. Forbes 2011, *Problems with sports marketing*, 16 June, online video, <<https://www.youtube.com/watch?v=TEW648hPABI>>



## Control and Evaluation

The control and evaluation section is the heart of any marketing plan. Here's where the sports organization will track its marketing success using metrics like ticket sales, merchandise sales, sponsorship revenue, and ad campaign effectiveness. With these results, the organization will tweak its marketing plan to ensure it's on track to hit its goals. This section is arguably the MOST crucial part of any marketing plan. Why? Having clear, measurable objectives is key to success. Find out more in **Week 9** when we dive into **(Promotion and Sales)**.

## Media Attributions

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# 5. Market segmentation and target marketing in sport

## *Learning Objectives*

- To gain a comprehensive understanding of market segmentation and its practical application in the sports industry.
- To develop the ability to critically evaluate the rationale behind the selection of a target market and the methods used to achieve it. This includes understanding the factors that influence target market selection, such as consumer needs, preferences, and behaviours.
- To understand the different approaches to targeting a market, including concentrated marketing, undifferentiated marketing, and differentiated marketing. This includes an appreciation of the benefits and limitations of each approach, and the ability to evaluate the most appropriate approach for a given business or marketing situation.

# Introduction

This week is all about understanding the key concepts of identifying and reaching your desired audience (whatever that looks like!) through tailored marketing strategies. We'll cover the basics of market segmentation, including how to break down consumer segments based on common characteristics and behaviours, and how to use these segments to inform your marketing efforts. We'll also delve into the different approaches to targeting a market, including concentrated marketing, undifferentiated marketing, and differentiated marketing, and explore the pros and cons of each approach.



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## What is market segmentation?

Market segmentation is the process of dividing a market of sport consumers into smaller groups of consumers with similar characteristics, needs or behaviour. The goal of sport consumer segmentation is to identify high yield segments – that is, those segments that are likely to be the most profitable or that have growth potential – and then target them effectively with the appropriate products, services or marketing campaigns.

*Check  
out this  
article!*

The  
changin  
g face of  
the  
Parram  
atta Eels  
fan base

There are many ways to segment sport consumers, such as:

1. **Demographic segmentation:** This involves dividing sport consumers into groups based on characteristics such as age, gender, income, and education<sup>1</sup>.
2. **Geographic segmentation:** This involves dividing sport consumers into groups based on where they live, such as by region, city or neighbourhood<sup>2</sup>.
3. **Behavioural segmentation:** This involves dividing sport consumers into groups based on their behaviour, such as how often they watch sports, how often they purchase sport-related products or services, or what types of sports they are interested in<sup>3</sup>.
4. **Psychographic segmentation:** This involves dividing sport consumers into groups based on their lifestyle, values, personality, and interests<sup>4</sup>.

1. Adapted from Brochado, A, Cristovao Verissimo, JM & de Oliveira, JCL 2022, 'Memorable tourism experiences, perceived value dimensions and behavioral intentions: A demographic segmentation approach, *Tourism Review*, vol. 77, no. 6, pp. 1472-86.
2. Adapted from Funk, DC, Alexandris, K & McDonald, H 2022, 'Sport consumer research and segmentation', in *Sport Consumer Behaviour*, Routledge, London, pp. 49-71.
3. Adapted from Funk, DC, Alexandris, K & McDonald, H 2022, 'Sport consumer research and segmentation', in *Sport Consumer Behaviour*, Routledge, London, pp. 49-71.
4. Funk, DC, Alexandris, K & McDonald, H 2022, 'Sport consumer research and segmentation', in *Sport Consumer Behaviour*,

5. **Loyalty segmentation:** This involves dividing sport consumers into groups based on their loyalty to a team, league or brand<sup>5</sup>.
6. **Benefit segmentation:** This involves dividing sport consumers into groups based on the benefits they seek from consuming sports, such as entertainment, socialization, or self-improvement<sup>6</sup>.

Once a market is segmented, the sport organisation can develop specific marketing strategies and programs to target these segments, which will increase the chances of success. Let's have a listen to Jeffrey Burner<sup>7</sup> about market segmentation to provide further details into this important aspect of sports marketing.

Routledge, London, pp. 49-71.

5. Adapted from Funk, DC, Alexandris, K & McDonald, H 2022, 'Sport consumer research and segmentation', in *Sport Consumer Behaviour*, Routledge, London, pp. 49-71.

6. Adapted from Funk, DC, Alexandris, K & McDonald, H 2022, 'Sport consumer research and segmentation', in *Sport Consumer Behaviour*, Routledge, London, pp. 49-71.

7. Burner, J 2020, *Sports Marketing Unit 3 Module 2- Market Segments*, 9 September, online video, <[https://www.youtube.com/watch?v=Rnz1o\\_Pys9Y](https://www.youtube.com/watch?v=Rnz1o_Pys9Y)>.



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<https://westernsydney.pressbooks.pub/sportmarketing/?p=99#oembed-2>

Understanding market segmentation in sport is important because it allows sport organisations to identify specific groups of consumers with similar needs and characteristics, and tailor their marketing strategies and tactics to effectively reach and engage those groups. By segmenting the market, sport organisations can more effectively target their advertising, promotions, and other marketing efforts, which can ultimately lead to increased sales and revenue. Additionally, market segmentation can also help sport organisations to better understand their customers and develop more personalised and effective products and services that meet the specific needs and preferences of different segments of the market.

## Case Study: Market Segmentation for an E-Sports Streaming Platform

### Case Study: Market Segmentation for an E-Sports Streaming Platform

**Background Information:** Oz-E-Sports Inc. (please a

round of applause for this pun!) is a new e-sports streaming platform that is set to launch in Australia in the winter sports seasons. The company wants to establish itself as a major player in the e-sports streaming industry by providing high-quality content and user-friendly features. However, the e-sports streaming market is highly competitive, and the company wants to ensure that its marketing efforts are targeted to the right audience.

**What is the problem?** Oz-E-Sports Stream Inc. wants to segment its market in order to identify the most profitable segments and target its marketing efforts accordingly.

**What can they do?** Oz-E-Sports Inc. decides to conduct market research to gather information about the e-sports streaming market. This will include gathering information on potential users of their platform including;

- Demographics: Age, gender, income, education, etc.
- Geographic: Location, region, etc.
- Behavioural: Frequency of e-sports watching, types of games watched, etc.
- Psychographic: Lifestyle, values, personality, interests, etc.

Based on the research, the company segments the market into the following groups:

1. **Segment 1:** *Casual e-sports viewers* (ages 18-24, mostly male, low income, and live in Western Sydney, )

2. **Segment 2:** *Hardcore e-sports viewers* (ages 25-35, mostly male, high income, and live in Sydney City)
3. **Segment 3:** *[Emerging market] Female e-sports viewers* (ages 18-35, mostly female, varying income levels, and live in both Western Sydney and Sydney City)



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<https://westernsydney.pressbooks.pub/sportmarketing/?p=99#h5p-7>

We have discussed just a few examples of the many factors that can affect sport consumption behaviour. It's important to note that the significance and impact of these factors may vary depending on the individual, the context, and the specific product or service being consumed. That's why in class this week we will look at the different types of sport consumers and factors that may influence their consumption of sport gear and apply it to the following case study.

Simply, market segmentation is when a market is split into smaller groups of people with similar needs or characteristics. The goal is to find the most



profitable or growing groups, and then target those groups with specific marketing efforts.

***So once we have decided on a way to segment our customers – what next? The answer is: to target your market segment!!***

## **What is target marketing?**

Target marketing is when the marketing is focused on a specific group of consumers that have been identified through market segmentation. This is done by making the marketing mix appeal to that specific group of people. Target marketing in sport consumers is the process of identifying specific segments of sport consumers that are likely to be the most profitable or have growth potential, and then tailoring marketing efforts to effectively reach and appeal to those segments<sup>8</sup>.

For example, a sport organisation might conduct market research and identify that a specific segment of sport consumers are young, affluent, and highly engaged with social media. To target this segment, the organisation might develop a marketing strategy that emphasises the use of social media platforms to reach and engage with these consumers. This could include creating engaging and shareable content, running social media advertising campaigns, and leveraging

8. Reihani, E & Khatibzadeh, M 2021, 'Marketing mix in sport tourism context', *Journal of New Studies in Sport Management*, vol. 2, no. 3, pp. 247-55.

influencers and ambassadors who are popular among this target segment.

## Active Sport Tourists: Millennials vs Baby Boomers

A study by Ruth IJspeert and Gilda Hernandez-Maskivker (2020)<sup>9</sup> found differences between the millennial and baby boomer active sport tourists in terms of social-economic characteristics, with baby boomers being mostly male, having a higher education level, and a higher income, while millennials were more female, had a higher education level, and a lower income.

9. IJspeert, R & Hernandez-Maskivker, G 2020, 'Active sport tourists: Millennials vs baby boomers', *Journal of Tourism, Heritage & Services Marketing (JTHSM)*, vol. 6, no. 2, pp. 12-20.



*Woman jumping while on a hike*

Additionally, differences were found in motivations for active sport tourism, with millennials being more motivated by thrill and sensation, overcoming challenges, and adrenalin, while baby boomers were more motivated by health-related activities. These differences are important for tourism practitioners to take into consideration when creating marketing strategies and offering products that match the needs of these different segments.

It's important to note that targeting specific segments of sport consumers requires a deep understanding of their characteristics, needs, and behaviour. Market research and data analysis are crucial tools that can help sport organizations identify and understand these segments, and develop effective marketing strategies to target them. In simple terms,

market segmentation is about finding groups of consumers in a market, and target marketing is about using specific strategies to reach those groups.

### ***Classroom Case Study: Targeting Sport Consumers in Parramatta***

**Background:** Peter Wynn Score (a sports retail company) is a small business that specialises in selling sport-related products such as equipment, clothing, and accessories. The company has been in business for several years, but has struggled to generate significant profits. The company is located in Parramatta with a population of around 250,000 people, and has a limited budget for marketing and advertising.

**What is the problem?** Peter Wynn Score wants to increase its sales and profits by targeting sport consumers more effectively. However, the company does not have a clear understanding of who its target consumers are, or how to reach them.

**What can they do?** Peter Wynn Score conducts market research to gain a better understanding of its target consumers. The research includes a survey, as well as focus group with consumers who have purchased sport-related products from the company in the past.

The survey results show that the majority of sport consumers are from Parramatta and that they are male, between the ages of 18 and 35, and have an average income of around \$70,000 per year. The research also shows that the most popular sports in Parramatta are rugby league, football, and basketball.

The focus group interviews reveal that this group of sport consumers in Parramatta value convenience, quality, and good customer service when purchasing sport-related products. They also prefer to shop at stores that have a wide selection of products and knowledgeable staff.

### **Solution?**

*Let's discuss this in class!*

## **Choosing the right strategy**

Any sports organisation must now carefully consider its approach to targeting its market and determine the most appropriate marketing strategy to use. Choosing the right marketing approach is crucial for the success of the organisation, as it can directly impact its ability to reach and engage its target audience. The options available include **concentrated marketing**, **undifferentiated marketing**, and **differentiated marketing**, each with its own unique approach and benefits<sup>10</sup>. The organisation must assess its target market

10. Adapted from Hofacker, M 2022, 'What is differentiated marketing, concentrated, and undifferentiated marketing?', 21

and determine the strategy that will best meet its needs and effectively communicate its value proposition to its target audience.



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Here are some examples of each<sup>11</sup>;

**Concentrated marketing** can be seen in a small surf brand targeting the niche market of surfers in the Byron Bay region of Australia. The brand focuses on providing high-quality surf gear specifically for this group.

**Undifferentiated marketing** is demonstrated by a large supermarket chain offering a generic range of

November, *ReferralRock*, <<https://referralrock.com/blog/differentiated-concentrated-undifferentiated-marketing/>>.

11. Adapted from Hofacker, M 2022, 'What is differentiated marketing, concentrated, and undifferentiated marketing?', 21 November, *ReferralRock*, <<https://referralrock.com/blog/differentiated-concentrated-undifferentiated-marketing/>>.

sports equipment for all types of sports, appealing to a wide range of customers.

**Differentiated marketing** can be illustrated by a sports nutrition company offering different products for specific sports, such as protein bars for bodybuilders, hydration drinks for runners, and recovery shakes for soccer players. The company segments its target market based on the nutritional needs of each sport, resulting in more specialised and effective marketing.

Now you have a go?



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*here:*

*<https://westernsydney.pressbooks.pub/sportmarketing/?p=99#h5p-9>*

## To wrap up this week

**Market segmentation** and **target marketing** are essential components of a marketing strategy. Market segmentation divides the market into specific groups based on common characteristics and behaviours, allowing for more effective targeting. Target marketing involves selecting a particular segment to focus marketing efforts on, with the goal of

effectively reaching and engaging the target audience. By using these techniques, a business can tailor its marketing efforts to reach its desired customer base and achieve its marketing objectives.

We then explored the three strategies (**concentrated, undifferentiated and differentiated**). It is important to note that each approach has its own advantages and disadvantages, and the choice of which approach to use will depend on the business's goals, resources, and target market. By understanding the relationship between these concepts, businesses can make informed decisions on how to effectively target and reach their desired customers.

## Media Attributions

- Woman jumping while on a hike © Peter Conlan



# 6. Market research in the sport industry

## *Learning Objectives*

- Define market research and explain its importance in the context of sports marketing.
- Analyse different market research methods used in the sports industry, such as focus groups and interviews, and understand how to apply these methods effectively.
- Evaluate the benefits and limitations of using market research to inform sports marketing strategies.
- Analyse how sports organisations can use data to make informed decisions, such as analysing customer demographics, preferences, and behaviour.
- Understand the concept of customer relationship management (CRM) and its relationship with sports marketing.

## **Introduction**

Sports marketing is a highly competitive industry where

success depends on effectively reaching and engaging with a large and loyal fan base. To achieve this, market research and data analytics are crucial tools to help sports marketers understand their target audience and develop effective marketing strategies. While last week we discussed market segmentation and target marketing, it's important to understand how fans perceive a sports brand.

This week we will emphasise the significance of market research and data analytics in sports marketing and how they can provide a competitive advantage. While you are already exploring these concepts in the Fundamental of Marketing Analytics unit, we will delve deeper and apply them specifically to the sports industry.



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*<https://westernsydney.pressbooks.pub/sportmarketing/?p=171#oembed-1>*

## What is market research?

Market research encompasses various components beyond just telemarketing and focus groups in the new age of digital fan engagement. Sports organisations can use market research to gain a deeper understanding of their customers (fans), their environment, and the values that are significant to them.

There are numerous ways that market research can assist

sports organisations. Watch the following video<sup>1</sup> to get some insights into how some companies have used market research to better position their brand in competitive markets.



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*<https://westernsydney.pressbooks.pub/sportmarketing/?p=171#oembed-2>*

Now let's test your knowledge on this video!



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*<https://westernsydney.pressbooks.pub/sportmarketing/?p=171#h5p-13>*

**So that is interesting for non-sports brands but what are some of the most common ways sport clubs gather information from their fans?**

- **Focus Groups:** Focus groups are always a collective of people (more than 2 people who are usually sat together)

1. Attest 2022, *How TOP brands use market research – with examples!*, 14 January, online video, <<https://www.youtube.com/watch?v=HtPCyQaMeu8>>.

and asked their opinions on a topic.

According to Caroline Oates and Panayiota Alevizou (2018), the three types of focus groups that can be used by the sports marketing team to understand their fans better are **unstructured focus groups**, **exploratory focus groups**, and **semi-structured focus groups**. Focus groups are where a bunch of fans (can either be from a **particular segment** or just random) sit in a room and are asked questions about their thoughts and experiences<sup>2</sup>.



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*here:*

*<https://westernsydney.pressbooks.pub/sportmarketing/?p=171#h5p-12>*

- **Interviews:** Interviews are valuable for sport marketers to gain insights into the thoughts and perceptions of their fan base, especially when focusing on specific segments such as female fans under 30, to understand their perspectives on their club or interest in sports.

However, interviewing fans is tricky (trust me I know) and to ensure you get the most out of the interview it is important to know how to ask the right questions! Let's look at a research study conducted by Ron Garland and others who wanted to

2. Oates, C & Alevizou, P 2018, *Conducting focus groups for Business and Management students*, SAGE, London.

know why NZ Rugby Union had declined – in a similar fashion to the decline of Rugby Union in Australia<sup>3</sup>.

*Here is some context for you.*<sup>4</sup>



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You will find a full copy of their research in this weeks extended readings but basically the researchers wanted to find out two things;

1. To identify issues that influence New Zealand provincial rugby union spectators to attend professional provincial rugby events.
2. To identify the differential influence of these issues upon different groups of fans with a view to adopting segmentation strategies for subsequent marketing effort.

Through interviewing 150 fans they found that most important factor influencing attendance was the live sport action itself. However, other factors such as stadium conditions,

3. Garland, R, Macpherson, T & Haughey, K 2004, 'Rugby fan attraction factors', *Marketing Bulletin*, vol. 15, article 3.
4. ABC News Australia 2021, *What went wrong? A look at the state of Rugby Union | The Drum*, 5 March, online video, <<https://www.youtube.com/watch?v=6HfuC-Xeffs>>.

atmosphere, and community involvement, affected different fan groups differently, indicating targeted marketing tactics may encourage home game attendance<sup>5</sup>.

Imagine you are the head of marketing for NZ Rugby Union – what might you do with this information? What would be your next steps? What other ways could you understand this issue?

## Data Diving

Sports organisations can utilise a vast amount of data to inform their marketing strategies. Unlike interviews and focus groups, the collection and analysis of big data can provide a holistic picture of the market. This can include broad demographic information from sources like ABS data (Australian Bureau of Statistics) or more specific data gleaned from fan engagement with the sports organisation's **app, website, ticketing, and membership purchases.**

5. Garland, R, Macpherson, T & Haughey, K 2004, 'Rugby fan attraction factors', *Marketing Bulletin*, vol. 15, article 3.



Computer screen showing data

Sports organisations can use different types of data to help guide their marketing strategies. Data can come from a variety of sources, such as fan engagement, demographic information, and data from Ausplay, which shows what sports people enjoy and how much they are moving. This information can be helpful for teams to grow their brand exposure and make sure they have fans for a long time, not just attending games.

Remember- having strong junior numbers is important for the financial success of sports teams, so it's essential to improve the teams reach at the grassroots level. Using data in these ways can help sports organisations stay competitive and successful. Have a look at the most recent AUSPLAY report (click the link here)<sup>6</sup> and answer the following questions.

6. Australian Sports Commission 2022, *AUSPLAY™: National*



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here:

<https://westernsydney.pressbooks.pub/sportmarketing/?p=171#h5p-16>

Sports organisations can also collect data from their own platforms, such as their website, app, and ticketing system. This data includes information about who downloads their app, purchases tickets and merchandise, and who is reading news about player signings. For paid members of a sports team, it is likely they may receive targeted emails about special tickets and discounts or personalised messages. For example, every year I receive an email from Everton Football Club wishing me a happy birthday! This data helps sport organisations to better understand their audience and create targeted marketing campaigns.

But it goes further...

Have a read of the article linked here called *How The Patriots Use Data To Try To Improve The Fan Experience*<sup>7</sup>

As the above article explains, the New England Patriots, a professional American football team, have a team of data experts called the *Kraft Analytics Group (KAGR)* who collect data about their fans' behaviours. They track fan purchases,

*sport and physical activity participation report: November 2022*, Australian Government Publishing Service, Canberra.

7. Springer, S 2016, 'How the Patriots use data to try to improve the fan experience', 22 December, *wbur: Morning Edition*, <<https://www.wbur.org/morningedition/2016/12/22/kraft-analytics-group>>.



ticket sales, email responses, and even parking lot attendance to understand their customers and improve their fan experience. KAGR's data helps the Patriots make better decisions about game-day staffing, stadium improvements, and ticket prices. The team can also use this data to forecast when fans will arrive at the stadium and how many will show up for each game. KAGR even tracks which fans are missing games and why which means the Patriots can use this information to build stronger relationships with their fans. While some people might be concerned about the team collecting so much information, the Patriots say it's a way to serve their fans better.

## What is CRM and its relationship with market research in sport?

In this week's additional reading Fried and Mumcu (2016) offers you a detailed explanation of what analytics in sports marketing can look like. They argue that the goal of sports marketing is to attract individuals to games and events, **but being a fan does not always convert individuals into loyal attendees**<sup>8</sup>. *Think about your own fandom – are you a fan of a club possibly overseas where you don't necessarily attend the games or a fan of your local team but rarely make it to live games?*

We know that the challenge for sport marketers is to convert fans into long-term loyal customers who are active in their consumption of tickets and other sport related items. Fried

8. Fried, G & Mumcu, C (eds) 2016, *Sport analytics: A data-driven approach to sport business and management*, Routledge, London.

and Mumca (2016) explains that customer relationship management (CRM) then becomes a crucial tool for successful sport organisations to engage with their customers effectively by sending the right message, to the right person, at the right time via the right platform.

Mumca in her chapter on analytics in sports marketing argues that CRM systems provide a comprehensive view of an organisation's customer base via information technology systems<sup>9</sup>. Whilst this is a HUGE topic and you don't need to know the intricacies of operating systems it is important to understand how CRM is increasingly becoming one of the most important tools for sports teams to use to hit the mark with their fans!



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*<https://westernsydney.pressbooks.pub/sportmarketing/?p=171#oembed-4>*

As the above video<sup>10</sup> explores, Customer Relationship Management (CRM) and analytics are both important components of sports organisations. CRM refers to the processes and technologies used by sports teams to manage

9. Mumcu, C 2016, 'Analytics in sport marketing', in G Fried & and C Mumca (eds), *Sport Analytics*, Routledge, London, pp. 113-36.
10. Salesforce 2021, *What is CRM and how does it work?*, 24 March, online video, <<https://www.youtube.com/watch?v=SlhESAKFITk>>.

and analyse their interactions with fans and customers, while analytics involves the collection, processing, and analysis of data to derive insights and make informed decisions<sup>11</sup>.

So the relationship is simple! In the sports industry, analytics is used to build on a sports team CRM strategies by providing teams with a better understanding of their fans and customers. By analysing data from sources such as ticket sales, social media, and online engagement, teams can gain insights into their customers' behaviours and preferences. This information can then be used to tailor marketing campaigns and improve the overall customer experience, ultimately leading to increased revenue and fan engagement.

**Therefore successful sport organisations practice CRM as a business philosophy and use data analytics to understand their fans in great detail to build deeper long-term relationships and add value.**

## Media Attributions

- Computer screen showing data © Carlos Muza

11. Kim, KT, Kwak, DH & Kim, YK 2010, 'The impact of cause-related marketing (CRM) in spectator sport', *Journal of Management & Organization*, vol. 16, no. 4, pp. 515-27.

# 7. Sports marketing in an omnichannel world

## *Learning Objectives*

- Define sports marketing and explain how it has evolved in the context of an omnichannel world.
- Analyse the differences between traditional marketing and omnichannel marketing in the context of sports marketing.
- Understand the concept of an omnichannel approach and how it can be used to create a cohesive and seamless customer experience across multiple channels.
- Understand how case studies of successful omnichannel sports marketing campaigns can lead to better outcomes for the commercial sports market.

## **Introduction**

In today's fast-paced and ever-changing business landscape, marketers face new challenges and opportunities to connect with their customers like never before. With the rise of digital technologies, consumers have become more empowered and

demanding, expecting seamless and personalised experiences across multiple channels.



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Omnichannel marketing is founded on the understanding that modern consumers frequently switch between various channels during a single transaction. These channels include retail stores, computers, smartphones, tablets, in-store kiosks, and social media sites<sup>1</sup>. Both customers and sports organisations utilise these channels and touchpoints regularly, interchangeably, and simultaneously<sup>2</sup>.

In the context of purchasing sports merchandise, omnichannel marketing enables customers to utilise various channels and devices throughout the entire buying process. This process typically involves discovering the product, researching relevant information, making a purchase,

1. Berman, B & Thelen, S 2018, 'Planning and implementing an effective omnichannel marketing program', *International Journal of Retail & Distribution Management*, vol. 46, no. 7, pp. 598-614.
2. Verhoef, PC, Kannan, PK & Inman, JJ 2015, 'From multi-channel retailing to omni-channel retailing: Introduction to the special issue on multi-channel retailing', *Journal of Retailing*, vol. 91, no. 2, pp. 174-81.

completing payment, receiving the order, and handling product returns.

As an example, a customer could use an iPad to preview a Sydney Sixers cricket jersey, a computer with multiple screens to compare prices and read product reviews, a smartphone to make a credit card payment while physically in a store, and then arrange for in-store pickup or return, as well as receiving instructions about the product at the nearby store. Omnichannel marketing empowers customers to tailor their purchasing experience according to their preferences and needs, allowing them to switch seamlessly between channels to complete their desired outcome. This is very important for the sports industry, whether it is buying the latest jersey or purchasing tickets to their teams match!

## **Traditional marketing vs omni-channel marketing**

As we have already discussed, marketing is about creating, communicating, delivering, and exchanging products or services that are valuable to customers, clients, partners, and society. Throughout history, marketing was mostly the same until radio, television, and billboard advertising made it possible to reach more people. Now, with the internet and mobile devices, marketing has changed even more, allowing companies to connect with many more people using advanced tools and techniques.

Today, sport companies must make sure they tailor their marketing strategies to reach their customers. This means that they need to provide a seamless and personalised experience for consumers across all channels and devices, whether they use a physical store, an online website, a mobile app, or social media. It's important to make sure that customers have a consistent experience, no matter how they engage with a company.

To make this happen, sport companies must understand what their customers want and need and make sure that they can provide a consistent and seamless experience across all channels. As we discussed last week in **Week 6 (Market research in the sport industry)**, this involves doing research and thinking about the customer's point of view and integrating the customer experience across all channels to create a seamless and consistent experience.

Overall, omni-channel marketing requires a deep understanding of consumer behaviour, preferences, and needs, and a commitment to delivering a seamless and personalised experience that exceeds their expectations.

*In focus: Nike*

Have a read of the following articles;

- **Nike Is Setting The Standard For Omnichannel Loyalty In Every Industry<sup>3</sup>** .

3. Forrester 2019, 'Nike Is setting the standard for omnichannel loyalty in every industry', *Forbes*, 26 December,

- **Nike goes the distance with omni-channel retail transformation**<sup>4</sup>.

Nike has developed a loyalty program called NikePlus that is an essential part of its direct-to-customer growth strategy. Members of the program, which has over 170 million people, get benefits for shopping and using Nike's apps. Nike's approach to loyalty is different from other brands because it emphasises exclusivity, access, and innovation, rather than just offering discounts.

Nike also brings the member experience to life in its stores with express checkout, special store hours for members, and a members-only floor at its flagship store in New York City. The company is also using data from the program (remember last week!) to enhance the value it provides to members. Nike's success with the program shows how important it is for companies to provide a consistent and personalized experience across all channels and devices that their customers use, whether it's in-store, online, or via mobile.

**This is a good example of omni-channel marketing, and it is becoming increasingly important for sport**

<<https://www.forbes.com/sites/forrester/2019/12/26/nike-is-setting-the-standard-for-omnichannel-loyalty-in-every-industry/?sh=3ed249cb1ebb>>.

4. Lauchlan, S 2019, 'Nike goes the distance with omni-channel retail transformation', *Diginomica*, 4 July, <<https://diginomica.com/nike-goes-distance-omni-channel-retail-transformation>>.



**related companies to implement to remain competitive in the modern business landscape.**



*One or more interactive elements has been excluded from this version of the text. You can view them online here:  
<https://westernsydney.pressbooks.pub/sportmarketing/?p=167#oembed-2>*

**Watching this video<sup>5</sup> and reading the article consider the following questions**

- How does Nike's approach to omnichannel marketing help it stand out from other retailers, and what can other companies learn from Nike's strategy?
- What role do data and analytics play in Nike's omnichannel marketing strategy, and how does the company use them to deliver a more personalized experience to its customers?
- How might Nike's approach to loyalty and membership change in the future, and what impact could this have on its business?

5. Advertising TV 2017, *Introducing NikePlus Unlocks* - Nike, 26 November, online video, <<https://www.youtube.com/watch?v=lzJF6Hml09c>>.

- How does Nike balance the need for exclusivity and innovation with the goal of providing a consistent experience for all customers, regardless of the channel or device they use?
- How can smaller businesses and startups incorporate elements of Nike's omnichannel marketing strategy into their own marketing plans?

In one of this weeks additional reading **Maximising Sponsorship ROI in an Omni-Channel World**<sup>6</sup> the authors work through some examples of omni-channel marketing in sport.

As the authors note, omni-channel marketing is the practice of creating a seamless and integrated experience for customers across all channels. It means that customers can move between different platforms, such as a sports team's website, their social media profiles, and a physical store, while still experiencing a cohesive and consistent message. One successful example of omni-channel marketing is when NASCAR drivers interact directly with fans on platforms like Facebook Live.

This has resulted in higher engagement and delivered a younger audience. NASCAR has also partnered with Twitter to create fun, interactive content, including The Hashtag 500, a NASCAR fan race on Twitter. During the DAYTONA 500, fans were able to use DAYTONA 500-themed emojis and a Snapchat

6. Scott, N 2017 'Maximising sponsorship ROI in an omni-channel world', *Journal of Digital & Social Media Marketing*, vol. 4, no. 4, pp. 318-28.

live story was created, resulting in significant social media engagement.



*Photo of two race cars with fans*

**The NASCAR Mobile App is another key part of their omni-channel strategy.** This app features race highlights and lifestyle content for all three national racing series, allowing fans to access the latest news and media experiences with greater multimedia support. Through digital and social media, NASCAR has been able to engage core fans while also reaching new audiences and introducing them to the sport.

Their social channels have amassed 11 million followers and 1.9 billion social impressions in 2016<sup>7</sup>. By utilising a data-driven approach (remember last weeks insights!) and understanding the roles of each platform, sports marketers can successfully win over the crowd and create lasting connections with their fans.

## Take a closer look with this weeks second

7. Scott, N 2017, 'Maximising sponsorship ROI in an omni-channel world', *Journal of Digital & Social Media Marketing*, vol. 4., no. 4, pp. 318-28

## reading

The second assigned reading for this week is on vUWS (titled: *What omnichannel really means?*) provides a detailed and comprehensive explanation of the practical application of omni-channel marketing.<sup>8</sup>

The article emphasises the importance of supporting customers in one channel through another, for instance, enabling them to place online orders and collect their products in-store, especially outside regular business hours. It stresses the importance of supporting customers in one channel through another, for instance, enabling them to place online orders and collect their products in-store, especially outside regular business hours.

The author also argues that retailers should offer support for returns and exchanges of products purchased online at their brick-and-mortar stores. I recommend reading this short article carefully and attempting to answer the questions provided<sup>9</sup>. The authors argue that retailers should offer support for returns and exchanges of products purchased online at their brick-and-mortar stores- has this ever happened to you? It can be very frustrating.

**After reading this short article (again it is on vUWS) carefully and attempting to fill in the right answers below to check your understanding of this weeks content.**

8. This weeks reading is **Akter, S, Hossain, TMT & Strong, C 2021, 'What omnichannel really means?', *Journal of Strategic Marketing*, vol. 29, no. 7, pp. 567-73.**
9. Akter, S, Hossain, TMT & Strong, C 2021, 'What omnichannel really means?', *Journal of Strategic Marketing*, vol. 29, no. 7, pp. 567-73.



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*here:*

*<https://westernsydney.pressbooks.pub/sportmarketing/?p=167#h5p-17>*

## Media Attributions

- Photo of two race cars with fans © Tim Trad

# 8. Managing a sports brand

## *Learning Objectives*

- Define the concept of a sport brand and explain its importance to sport marketing.
- Analyse the various components of the BILP model and how it applies to sport marketing.
- Assess the effectiveness of case studies sport branding and marketing campaigns.
- Explain the concept of ambush marketing and its potential impact on sport organisations and official sponsors.

## **Introduction: What is a sports brand?**

A sports brand is a brand or a company that specialises in producing and selling sport-related products such as sportswear, equipment, accessories, and nutrition products. Sports brands are typically associated with a particular sport or

type of sport, and may also sponsor teams, events, and athletes to promote their products and gain exposure<sup>1</sup>



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view them online here:

<https://westernsydney.pressbooks.pub/sportmarketing/?p=106#oembed-1>

Examples of sports brands include Nike, Adidas, Puma, Under Armour, and Reebok. These brands design, manufacture and distribute a wide range of sportswear and equipment for different sports such as running, soccer, basketball, and many more. They also sponsor major teams, events and athletes in many sports like Football, Basketball, Tennis and many more.

Sports brands may also use different marketing strategies to attract and retain customers. As we have discussed last week this can include using social media and digital marketing, sponsoring teams and events, and creating engaging and shareable content to promote their products and build brand awareness. *In short, a sports brand is a company that creates, sells and promotes sport-related products and services, and often has a strong connection to a particular sport or sports culture.*

1. Kunkel, T & Biscaia, R 2020, 'Sport brands: Brand relationships and consumer behavior', *Sport Marketing Quarterly*, vol. 29, no. 1, pp. 3-17.

## Let's look at this a bit closer: Manchester United

An example of a sport organisation that has a strong “brand” is Manchester United Football Club, one of the most successful and recognised football clubs in the world (though not as good as Everton Football Club obviously!). Manchester United’s brand is built on its rich history, success on the field, and a global fan base that spans all countries!

The club has a distinctive visual identity, which includes a red devil logo and a red and white colour scheme, and a messaging platform that emphasises its heritage, winning culture, and global reach. The club also has a strong activation strategy through its merchandise sales, fan engagement, and sponsorship deals. They also have built a museum in the stadium so fans can have insight into the club and its rich history. Have a watch of the following video<sup>2</sup> where the commentator discusses the “brand” value of Manchester United.



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*<https://westernsydney.pressbooks.pub/sportmarketing/?p=106#oembed-2>*

2. Interbrand 2016, *Interbrand's Global CEO examines the Manchester United brand on CNN*, 27 May, online video, <<https://www.youtube.com/watch?v=YuvgKpzCBgQ>>.



This weeks the additional reading is focused on Manchester United. In this 2006 article titled **Globalisation and sports branding: the case of Manchester United**<sup>3</sup>.

John Hill and John Vincent outline why the club has been able to be such a global powerhouse through discussing their impact under four headings: **the brand as a product, the brand as an organization, the brand as a person, and the brand as a symbol**. All brands are part of broader product classes that define the parameters within which the brand operates<sup>4</sup>

*After reading this academic paper answer the following questions as a knowledge check!*



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here:

<https://westernsydney.pressbooks.pub/sportmarketing/?p=106#h5p-18>

3. Hill, JS & Vincent, J 2006, 'Globalisation and sports branding: The case of Manchester United', *International Journal of Sports Marketing and Sponsorship*, vol. 7, no. 3, pp. 61-78.
4. Hill, JS & Vincent, J 2006, 'Globalisation and sports branding: The case of Manchester United', *International Journal of Sports Marketing and Sponsorship*, vol. 7, no. 3, pp. 66-7.

## Understanding how to 'brand' and market a sport organisation

Sport organisation, like Manchester United, branding process refers to the process of developing and promoting a distinctive brand identity for a sport organisation. This can include creating a name, logo, and visual identity that represents the organisation and its values, as well as developing a messaging platform and key brand attributes that communicate the organisation's mission and personality.

**Brand equity** is a term used to describe the value of the brand, but is not limited to financial value even though equity is a financial term. But brands can also build equity in **perceptions and attitudes**. Strong brands have high levels of awareness, clearly defined attributes, and attract favourable attitudes<sup>5</sup>.

An effective sport organisation brand can help to differentiate the organisation from its competitors, create a loyal fan base and increase revenue through increased ticket sales, merchandise sales and sponsorship. A strong brand can also help to build trust and credibility with sport consumers, and create a sense of community and belonging among fans.

### What is the BILP model?

The BLIP model is a framework for developing and managing sport organisation brands. It includes four key steps: **Building**

5. DeGaris, L 2015, *Sports marketing: a practical approach*, Routledge, London.

## **Brands, Leveraging Brands, Identifying and Measuring Brands, and Protecting Brands.**<sup>6</sup>

But a quick summary is as follows noting this was presented at the *Institute for Research in Marketing's Carlson on Branding Conference May 19-20, 2006*. [Link to text in footnotes]<sup>7</sup>

1. **Building Brands:** This step involves creating a distinctive and compelling brand identity for the sport organisation that aligns with the expectations and preferences of its target consumers. This can include developing a name, logo, and visual identity that represents the organisation, as well as a messaging platform that communicates the organization's mission, values, and personality.
  2. **Leveraging Brands:** Once the brand has been developed, it is important to leverage it to create value for the organisation and its stakeholders. This can include using the brand to differentiate the organisation from its competitors, to increase revenue through increased ticket sales, merchandise sales, and sponsorship, and to build
- 
6. Roedder John, D 2006, Strategic 'Brand Management on the Cutting Edge: Building, Leveraging, Identifying, and Protecting Brands', *Institute for Research in Marketing's Carlson on Branding Conference, May 19-20*, University of Minnesota, Summary available at <http://assets.csom.umn.edu/assets/75903.pdf>.
  7. Adapted from Roedder John, D 2006, Strategic 'Brand Management on the Cutting Edge: Building, Leveraging, Identifying, and Protecting Brands', *Institute for Research in Marketing's Carlson on Branding Conference, May 19-20*, University of Minnesota, Summary available at <http://assets.csom.umn.edu/assets/75903.pdf>.

trust and credibility with sport consumers.

3. **Identifying and Measuring Brands:** This step involves identifying and measuring the effectiveness of the brand. This can include tracking and analysing data on consumer behaviour, such as ticket sales, merchandise sales, and social media activity, as well as conducting market research to gain a deeper understanding of sport consumers and their preferences.
4. **Protecting Brands:** This step involves protecting the organisation's brand from unauthorised use and infringement. This can include registering trademarks and copyrights, monitoring for potential infringement, and taking legal action to protect the organisation's intellectual property.

*In focus: Sydney Swifts Netball Team*

The Sydney Swifts is a women's netball team in Australia, which means they face specific opportunities and challenges when building and protecting their brand. One way to approach brand management for the Sydney Swifts is by using the BILP model, which includes four key steps: building the brand, leveraging the brand, identifying and measuring the brand, and protecting the brand.



*Woman exercising*

When **building the brand**, the Sydney Swifts can focus on promoting gender equality, empowering women in sports, and creating a positive and inclusive community. This can be achieved by highlighting the achievements of female athletes, promoting gender diversity in leadership and coaching positions, and showcasing the importance of women's sports in the community.

To **leverage their brand**, the Sydney Swifts can partner with organisations and businesses that support women's sports and share their values. This can include collaborating with other women's sports teams or working with companies that have a strong commitment to diversity and inclusion.

The Sydney Swifts can measure the **impact of their brand** on their target audience by conducting surveys and focus groups that specifically focus on the experiences of women and girls in the community (grassroots!). This can help them better understand how their brand is perceived and how it can be improved to better support gender equality in sports.

Finally, the Sydney Swifts need to **protect their brand** from negative comments and feedback that can be directed towards women's sports. They can do this by actively promoting positive messages about women's sports on social media and addressing any negative comments or feedback quickly and effectively.

## What is ambush marketing in sport

Ambush marketing is a tactic used by companies to associate themselves with a sports event or team without officially sponsoring it<sup>8</sup>.

This can include using similar branding, imagery, or slogans to those used by official sponsors, or running advertising campaigns that make it appear as though the company is an official sponsor. An example of ambush marketing in sport would be a company that is not an official sponsor of a sports event, but still uses tactics to associate themselves with the

8. Scott, OK, Burton, N & Li, B 2022, 'Sponsor and ambush marketing during the 2018 Commonwealth Games on Twitter and Instagram', *International Journal of Sports Marketing and Sponsorship*, vol. 23, no. 3, pp. 612-27.

event in order to gain exposure and leverage the event's popularity.

One example, taken from this guardian newspaper article<sup>9</sup> was during the 2010 FIFA World Cup, Budweiser, an official sponsor of the tournament, had exclusive rights to sell beer in the stadiums. However, Bavaria, a non-sponsor company, distributed thousands of orange dresses to female Dutch fans who attended the game between Netherlands and Denmark, the dresses were similar to the national Dutch team's colours. As a result, many fans were ejected from the stadium, and Bavaria was accused of ambushing Budweiser's sponsorship.

The example shows how Bavaria used similar branding and messaging to that of the official sponsors (Budweiser) in order to create confusion and associate themselves with the event without having to pay the high sponsorship fees. This type of marketing can be damaging to the official sponsors and the sport organisations, as it can dilute the value of official sponsorship and mislead consumers.

**BIG THREAT: Ambush marketing video focusing on Amex and Visa.**<sup>10</sup>

9. *World Cup 2010: Women arrested over 'ambush marketing' freed on bail* 2010, The Guardian, 17 June, <<https://www.theguardian.com/football/2010/jun/16/fifa-world-cup-ambush-marketing>>.
10. Marketing91 2021, *Ambush marketing - direct and indirect ambush. Examples of Amex and Visa (Marketing video 108)*, 18 January, online video, <<https://www.youtube.com/watch?v=I-obXf0qYWU>>.



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Sports organisations can protect their brand from ambush marketing by implementing a number of strategies.

The industry report into this title “Brands in the Boardroom” (2010)<sup>11</sup> suggests several legal strategies to counter the threat of ambush marketing.

- One of these is to secure trademark and copyright registrations for all marks, logos, and images associated with an upcoming event in all active markets. A publicity campaign warning against unauthorised use of the marks can also act as a deterrent.
- Another strategy is to impose contractual obligations on cities, athletes, in-stadium spectators, and broadcasters to limit their commercial association with competitors of official sponsors in and around stadia. These restrictions are typically set out in contracts and may involve a clash between event, team, and individual sponsorship contracts.

In summary, sport organisations can protect their brand from

11. Kaur, B 2010, *Brands in the Boardroom: Apprehending an ambush – how to defend against ambush marketing*, IPM Media Group, India, <<https://www.remfry.com/wp-content/uploads/2018/02/ambush-marketing-2010.pdf>>.



ambush marketing by implementing a combination of trademark and copyright protection, clear guidelines and regulations, legal action, monitoring, building strong relationships with official sponsors and educating the public about the negative impact of ambush marketing.

## Media Attributions

- Woman exercising © Jonathan Borba

# 9. Promotion and customer service

## *Learning Objectives*

- Define promotion in the context of the sports industry and identify different types of promotional strategies used to engage with fans and build brand awareness.
- Discuss the role of customer service in the sports industry and explain the concept of service encounters, including the elements that make for a successful service encounter.
- Evaluate different approaches for managing and dealing with customers, including best practices for handling customer complaints and resolving conflicts.

## **Introduction**

In the realm of sport marketing, promotion and customer service hold great significance. Promotion involves generating consciousness and curiosity in a sport-related product or service through various methods such as advertising, public relations, personal selling, sales promotion, and direct

marketing, with the ultimate aim of persuading people to purchase it. On the other hand, customer service relates to the way a product or experience is sold to the fans. It involves all the activities and processes involved in ensuring that the customers receive the best possible experience with the product or service. **Remember that the quality of customer service can greatly impact the overall success of a sport product or service!**



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## Promotion

Promotion is the plan of action which helps to diffuse the information to increase the sale capacity. Drawing on Brassington & Pettitt textbook “Principals of Marketing”<sup>1</sup>, Kumar and Patra in an article written in 2017 classify “promotion” into five components these are especially: Advertising, Sales Promotion, Public Relations, Personal Selling, and Direct Marketing<sup>2</sup>.

1. Brassington, F & Pettit, S 2000, *Principles of Marketing*, 2nd edn, Pearson Education, Harlow, UK.
2. Kumar, S & Patra, S, 2017, 'Does promotion mix really help to enhance brand equity: A literature review', *Indian Journal of Commerce and Management Studies*, vol. 8, no. 2, pp. 80-6.



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There has been considerable talk surrounding the AFLW's decision to provide free tickets to fans during the 2020 season as a promotion strategy. As outlined in the article below, the Australian Football League Women's (AFLW) lack of a ticketing system has led to some issues. While the AFL had previously offered free entry to women's games to allow the competition to establish its supporter base, some say that this approach may actually hinder the growth of the AFLW. Concerns have been raised about whether it might be beneficial for the AFLW to begin offering tickets for certain games, such as the season opener, to reduce fan anxiety regarding capacity limitations.

*Are free tickets (Sales Promotion) a problem for women's sport?*

This 2020 article highlights how giving away free tickets can be problematic. Have a read.

AFLW's free games without tickets are proving to be a surprising problem for fans<sup>3</sup>



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The AFLW claimed at the time this article was written was that ticketing would create a price barrier, which could deter potential fans from attending. However, this claim seems unfounded as fans regularly express their desire to contribute financially to the game, as evidenced by their willingness to purchase player sponsorships and club memberships. Furthermore, the lack of ticketing also provides ammunition for critics of the league, who argue that the AFLW lacks support because games are free to attend.

We know that a focus on crowd numbers can be misleading and fail to recognise the underlying issues faced by women's sport, such as gender equity and LGBTIQ inclusivity.

3. O'Halloran, K 2020, 'AFLW's free games without tickets are proving to be a surprising problem for fans', *ABC News*, 10 February, <<https://www.abc.net.au/news/2020-02-10/aflw-no-tickets-a-problem/11949354>>.

**Let's discuss this in class!**

So we can see that in the sport industry, having a solid promotion strategy and understanding the target market is crucial for success. A well-designed promotion strategy can help sports organisations effectively reach and engage with their target audience, such as fans, athletes, or other stakeholders (like sponsors, NGO's or Government). This strategy can encompass various techniques, such as advertising, social media marketing, and event promotion.

However, in order to make these “promotional methods” work, it is essential you have a clear understanding of the target market and their motivations (*see how the weeks are linking together!*).

By identifying their interests, preferences, and needs, sports organisations can **tailor their promotion strategies** to effectively connect with their audience and build meaningful relationships. Ultimately, a strong promotion strategy that is well-suited to the target market can lead to increased visibility, engagement, and revenue in the sport industry.

**But remember – a promotion strategy without good customer service and follow up will likely fall flat on its face.**

## **Sales and selling strategies: Customer service**

As sports management students, it's important to understand the significance of customer service in the highly competitive sports industry. When I interviewed past students from our sports management program last year a lot of them (after graduation) worked in customer service roles. However, some

of them expressed that they didn't feel adequately prepared for the unique challenges of dealing with customers. So this week has been designed to give you some tips and tricks in managing customers and hitting the mark when it comes to customer service.



*Two people in a customer transaction*

Providing excellent customer service is not only essential in building and maintaining a loyal fan base, but it also has the potential to increase revenue and brand loyalty. Academics have described “service encounters” as “*the direct interaction between a service operation and its customer/client*”<sup>4</sup>.

In the sports industry, providing quality service encounter is

4. Lewis, BR & Entwistle, TW 1990, 'Managing the service encounter: A focus on the employee', *International Journal of Service Industry Management*, vol. 1, no. 3, pp. 41-52.

crucial for attracting and retaining customers- whatever the business is! According to Lewis and Entwistle (1990)<sup>5</sup>, there are several areas of customer service that are essential for successful service encounters.

- Firstly, **process, procedural, and technical skills** are important for ensuring that the services provided meet customers' needs and expectations. This includes having a thorough understanding of the products and services offered, as well as the ability to efficiently and effectively carry out tasks related to customer service<sup>6</sup>.
- Secondly, **interpersonal or “people skills”** are vital for creating positive and engaging service encounters. This involves having the ability to communicate effectively with customers, establish rapport and build relationships, and provide personalised service to meet individual needs<sup>7</sup>.
- Thirdly, **behavioural flexibility and adaptability** are critical for handling a range of customer interactions and situations. This includes being able to adjust communication and service approaches to suit different customers and scenarios, as well as being able to handle and resolve customer complaints or issues<sup>8</sup>.

5. Lewis, BR & Entwistle, TW 1990, 'Managing the service encounter: A focus on the employee', *International Journal of Service Industry Management*, vol. 1, no. 3, pp. 41-52.
6. Adapted from Lewis, BR & Entwistle, TW 1990, 'Managing the service encounter: A focus on the employee', *International Journal of Service Industry Management*, vol. 1, no. 3, pp. 41-52.
7. Adapted from Lewis, BR & Entwistle, TW 1990, 'Managing the service encounter: A focus on the employee', *International Journal of Service Industry Management*, vol. 1, no. 3, pp. 41-52.
8. Adapted from Lewis, BR & Entwistle, TW 1990, 'Managing the service encounter: A focus on the employee', *International*



- Lastly, **empathy** is a key element of customer service in the sports industry, as it involves understanding and responding to customers' emotions and concerns. This can include actively listening to customers, showing compassion and understanding, and providing emotional support when needed<sup>9</sup>.

Now, let's test your understanding of these concepts



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Applying this insight, have a look at the following example which explored how important customer service was to those working in the physical health (gym) industry.

*Selling Gym Memberships*

*Journal of Service Industry Management*, vol. 1, no. 3, pp. 41-52.

9. Adapted from Lewis, BR & Entwistle, TW 1990, 'Managing the service encounter: A focus on the employee', *International Journal of Service Industry Management*, vol. 1, no. 3, pp. 41-52.

In recent years, fitness centres have become increasingly popular in the sports industry, as people have become more focused on health and wellness. Prior to the COVID-19 pandemic, the global fitness industry had experienced steady growth, with millions of people worldwide actively using fitness services<sup>10</sup>.

Multiple studies have discussed how the fitness services (like gyms, workout-classes etc.) rely heavily on social interactions, such as interactions between staff and customers, and between customers themselves<sup>11,12</sup>.

In this weeks additional reading titled “Service encounter and repurchase intention in fitness centres: perceived value as a mediator and service innovativeness as a moderator”<sup>13</sup> explores these issues

10. Moxham, C & Wiseman, F 2009, 'Examining the development, delivery and measurement of service quality in the fitness industry: A case study', *Total Quality Management*, vol. 20, no. 5, pp. 467-82.
11. Nathan, RJ, Tan, PK & Victor, V 2022, 'Fitness trainers' physical attractiveness and gym goers' exercise intention', *International Journal of Business and Society*, vol. 23, no. 1, pp. 496-517.
12. Amjad, T 2020, 'Contemporary challenges in entrepreneurial marketing: development of a new pedagogy model', *Journal of Entrepreneurship Education*, vol. 23, no. 3, pp. 1-22.
13. Wang, FJ & Chiu, W 2023, 'Service encounter and repurchase intention in fitness centers: perceived value as a mediator and service innovativeness as a moderator', *International Journal of Sports Marketing and Sponsorship*, vol. 24, no. 1, pp. 145-67.

and gives us some valuable insights into this important area of customer service.

In this study, the researchers aimed to investigate the impact of service encounters on customers' perceptions and behaviours in fitness centres. Specifically, they examined the relationship between service encounters, perceived value, service innovativeness, and repurchase intention. The study involved 806 participants who were members of fitness centres in Taiwan.

The study found that when customers have good experiences with fitness centre employees, they are more likely to think the service is worth the price and come back again. It also found that when the fitness centre introduces new and innovative services, this makes the customers feel like they're getting more value from their experience with the employees and the overall fitness company.



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## Dealing with customers

Customer service is one of the most critical components of sport management, as the success of any sports organisation is ultimately determined by the satisfaction of its customers. This section aims to provide an overview of how to effectively deal with customers- including providing you some strategies for building rapport with customers, addressing customer concerns, and resolving customer complaints.

Be it known now – we will be doing some role playing in class this week, so make sure you watch the video<sup>14</sup> and come prepared to be both the “cranky customer” and “caring and competent staff” across multiple scenarios!



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One of the best ways to deal with customers who may not be in the best mood is tricky. In an article written by SBCC Small Business British Columbia titled “10 Tips for Dealing with Customers”<sup>15</sup> they give us some great tips in approaching

14. Skillsoft YouTube 2019, *Handling Customer Complaints:*

*Defusing Frustration*, 22 August, online video,  
<[https://www.youtube.com/watch?v=WphIXqTp\\_es](https://www.youtube.com/watch?v=WphIXqTp_es)>.

15. SBCC, *10 Tips for Dealing with Customers*,

customers when in a customer facing role. I have taken their 10 tips and adapted them for you to the sport industry.



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*<https://westernsydney.pressbooks.pub/sportmarketing/?p=169#h5p-21>*

**Make sure you go over these before class this week as we will be practicing these with multiple scenarios in our workshop.**

## Media Attributions

- Two people in a customer transaction © Clay Banks

<<https://smallbusinessbc.ca/article/ten-tips-dealing-customers/>>.

# 10. Corporate sponsorship and memberships

## *Learning Objectives*

- Understand corporate sponsorship and identify the ethical issues associated with it in the sports industry.
- Explore the different types of corporate sponsorship that exist
- Analyse and assess case studies of corporate sponsorships and evaluate their effectiveness in achieving the sponsor's goals and the team's objectives.
- Understand the importance of memberships in the sports industry and how they can benefit fans and sports teams.

## **Introduction**

In the world of sports marketing, corporate sponsorship and memberships play a crucial role in achieving success. Corporate sponsorship and memberships are important as

they allow organisations to establish connections with fans, enhance brand visibility, and generate revenue through sales. In this chapter, we will be discussing the various types of corporate partnerships, and memberships and the significance of these for you all studying sports marketing.



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## Corporate sponsorship

There are different types of sponsorship in sports, such as team sponsorship, athlete sponsorship, and event sponsorship. Team sponsorship involves providing financial aid and resources to a sports team in exchange for brand visibility. This type of sponsorship is usually observed in professional sports, where companies display their logo on jerseys, stadium signs, and other promotional materials.

The topic of sports sponsorship has become increasingly complex in recent years. While there used to be a clear consensus on the unacceptability of certain companies, like tobacco companies, sponsoring sports teams, the line has become blurrier. You may have heard about the complex relationship between sport and sponsors in the media. As societies value change, this is leading to a change to how sport teams want to align their brand with non-sports related business organisations.

For example, last year Australian energy and resources

companies like *Woodside Energy* and *Alinta* were facing criticism for their sports sponsorships. Australian cricket player, Pat Cummins, decided not to feature in any promotional material for Alinta Energy during the final year of their sponsorship deal with Cricket Australia. Cummins is an advocate for climate action and has previously appeared in TV adverts for the energy company. He raised objections to Cricket Australia about the sponsorship deal, but the governing body says that this had no bearing on the forthcoming end to the partnership.



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Questions to think about;

1. How important is it for sports organisations to consider their athletes' personal beliefs and values when selecting sponsorship partners?
2. How might a sports organisation balance the financial benefits of a sponsorship deal with the potential reputational risks posed by a controversial sponsor?



Also, Netball Australia recently pulled out of a \$15 million sponsorship deal with Hancock Prospecting, a mining company, after Indigenous player Donnell Wallam who plays on the national team, objected to wearing a uniform bearing the company logo, citing the company founder's controversial views on Indigenous people. Her teammates also joined the boycott, leading to the cancellation of the sponsorship deal.

However, not everyone agreed with this position and many in the media argued that the financial sustainability of Netball was at risk due to this decision.



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We will discuss this example in class- but have a look online to see if you can find some other examples of controversy sponsorship deals.

Researchers have also investigated and published research on sponsorship- for example in a study that explored sponsorships deals with regional Rugby Union teams in New Zealand interviewed members from six different rural teams to get their understanding of this dynamic. They explored their

perspectives on using sponsors that could be seen to promote “unhealthy lifestyles”<sup>1</sup>.

The article (one of this weeks additional readings) discusses the challenges that regional Rugby Union sport organisations (RSOs) in NZ face. It highlights the difficulty of balancing the benefits and risks of sponsorship deals with fast food and soft drink companies. Whilst these companies provide substantial funding that RSOs need to maintain and develop their programs, they are associated with unhealthy products that contradict the health and fitness goals of many sports organisations<sup>2</sup>.



*Group of people playing Rugby Union*

1. Batty, RJ & Gee, S 2019, 'Fast food, fizz, and funding: Balancing the scales of regional sport organisation sponsorship', *Sport Management Review*, vol. 22, no. 1, pp. 167-79.
2. Batty, RJ & Gee, S 2019, 'Fast food, fizz, and funding: Balancing the scales of regional sport organisation sponsorship', *Sport Management Review*, vol. 22, no. 1, pp. 167-79.

The authors in their interviews with sponsorship managers and CEOs gathered really interesting insights and recommendations on the issue. They found that some teams implemented policies to reduce the availability of unhealthy food and drinks at their events and venues, whilst others found alternative funding sources<sup>3</sup>.

The article suggests that teams need to **balance** financial sustainability with promoting healthy lifestyles by considering the long-term impacts of sponsorships on their values and community health. To make informed sponsorship choices, the authors recommend that RSOs engage in transparent and collaborative decision-making processes with stakeholders<sup>4</sup>.

## Deloitte Report

The linked Deloitte report “Sponsoring sports in the digital age”<sup>5</sup> (your second additional reading for this week) examines how sports sponsorship is changing in the digital age and provides a use case from the 2019 FIFA Women’s World Cup to illustrate its key findings. The report highlights that digital technology has changed the way fans consume sports content and interact with their favourite teams and players. As a result,

3. Batty, RJ & Gee, S 2019, 'Fast food, fizz, and funding: Balancing the scales of regional sport organisation sponsorship', *Sport Management Review*, vol. 22, no. 1, pp. 167-79.
4. Batty, RJ & Gee, S 2019, 'Fast food, fizz, and funding: Balancing the scales of regional sport organisation sponsorship', *Sport Management Review*, vol. 22, no. 1, pp. 167-79.
5. Deloitte 2020, *Sponsoring sports in the digital age*, <<https://www2.deloitte.com/content/dam/Deloitte/lu/Documents/sports-consulting/lu-sponsoring-sports-today-digital-age.pdf>>

they suggest in this report that sports sponsorship needs to adapt to these changes and focus on engaging fans in new and innovative ways.



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*here:*

*<https://westernsydney.pressbooks.pub/sportmarketing/?p=176#h5p-22>*


## Not all sponsorships are the same

An article published by Prachar Communications described how sports sponsorship is an important aspect for athletes, sport teams and events to earn revenue through endorsements. They note in this article that there are different types of sports sponsorships such as **title sponsor**, **official sponsor** and **technical sponsor**. Flip the cards to learn more about the different types of sponsorships<sup>6</sup>.



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6. Prachar Communications 2021, *Sport Sponsorship Marketing: What are the Different Types?* <<https://prachar.in/sports-sponsorship-marketing-what-are-the-different-types/>>

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<https://westernsydney.pressbooks.pub/sportmarketing/?p=176#h5p-24>

## Memberships: The art of selling

Understanding the various types of sports memberships available is crucial for sports teams to build a successful membership program that resonates with their target market. These memberships come in different shapes and sizes, each offering unique benefits and experiences to fans.

Typically, membership packages are structured in a tiered system, which means that each package offers different benefits and rewards based on the fan's or organisation's financial contribution to purchase membership tickets. By comparing different sports teams' membership packages, we can gain insight into how they are positioning their memberships to cater to different segments of their fan base.

So, before our class discussion, it is recommended to have a look at the Western Sydney Wanderers' and Newcastle Knights membership packages to understand how they are structured and the benefits they offer to their members.

A-League Women – Western Sydney Wanderers FC

A-League Men – Western Sydney Wanderers FC

NRLW – Newcastle Knights

NRL – Newcastle Knights



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## Benefits of membership for a fan

Becoming a member of a professional sports team offers a wide range of benefits that extend beyond the simple pleasure of watching your favourite team or player play. While discounts on merchandise are definitely perks of membership, the community and networking opportunities that come with being a member are often overlooked.

Being part of a sports team community can offer you the chance to connect with like-minded individuals who share your passion for the sport (so a social good!), whilst also giving you access to unique events and opportunities that are not available to the general public.

Often professional sports teams often offer their members **exclusive access** to events such as player meet and greets, behind-the-scenes tours, and even VIP seating at games. These events not only offer you the opportunity to get up close and personal with your favourite player/s, but they also provide a chance to network with other fans who share your enthusiasm for the sport.

Networking with fellow members can lead to the development of new friendships, business partnerships, and even career opportunities.

Check out this 2020 fan day vlog created by a Parramatta Eels fan<sup>7</sup>.



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*view them online here:*

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Moreover, sports teams often engage in community outreach programs and initiatives that provide their members with opportunities to give back to their communities. Members may be able to participate in charity events, volunteer programs, and community service projects that allow them to make a positive impact on the lives of others. Being part of a sports team community can give members a sense of pride and fulfilment that extends far beyond the sport itself.

For example, **Souths Cares** is the official charity arm of the South Sydney Rabbitohs NRL team, focused on making a positive difference in the community. Fans of the team have the opportunity to support Souths Cares by donating to the charity or by participating in various fundraising events held throughout the year.

Through their work, Souths Cares aims to empower and inspire individuals, particularly in Indigenous communities, to make positive changes in their lives and become active

7. ENTERTAIN HOUSE 2020, *Parramatta Eels fan day vlog 2020*, 22 February, online video, <<https://www.youtube.com/watch?v=zpqR5realZQ>>.

members of their community. Watch the following video that explores their 2022 year in review<sup>8</sup>.



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*<https://westernsydney.pressbooks.pub/sportmarketing/?p=176#oembed-6>*

In summary, becoming a member of a professional sports team can offer benefits that go far beyond simply watching the team play. Membership can provide access to exclusive events and networking opportunities, as well as opportunities to give back to the community and make a positive impact on the lives of others. We will explore this in more detail next week (**Week 11- Community and Stakeholders**).

Let's do a knowledge check of this week content.



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*<https://westernsydney.pressbooks.pub/sportmarketing/?p=176#h5p-25>*

8. South Sydney Rabbitohs 2022, *Souths Cares - year in review*, 5 September, online video, <[https://www.youtube.com/watch?v=\\_4yYJdLVtKY](https://www.youtube.com/watch?v=_4yYJdLVtKY)>.



## Media Attributions

- Group of people playing Rugby Union © Quino AI

# 11. Community and stakeholders

## *Learning Objectives*

- Understand the importance of community and stakeholder relationships in sports marketing.
- Evaluate the impact of corporate social responsibility (CSR) in the sports industry.
- Develop effective community plans and strategies for sports organisations.
- Develop and implement effective stakeholder engagement plans and programs
- Evaluate the success of community and stakeholder engagement strategies in the sports industry

## **Introduction**

Sports organisations play an essential role in their communities, and their influence can have a significant impact on society. By supporting various initiatives that promote health and fitness, education, diversity, and inclusion, sports organisations can make a positive difference. Through their involvement in community initiatives, sports organisations can

strengthen their relationships with all different kinds of stakeholders, including fans, sponsors, athletes, employees, and governing bodies.



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## **Building strong relationships with the community: CSR**

Building stronger relationships through community involvement can enhance a sports organisation's reputation and contribute to its success. By aligning their community involvement with their brand values and objectives, sports organisations can create a positive impact on society while enhancing their brand image. Sport fans increasingly seek to support socially responsible and sustainable organisations, and sports organisations that engage in community initiatives can differentiate themselves from their competitors.

One way sport teams do this is by adopting to the principals of **CSR**. CSR stands for "Corporate Social Responsibility". In its basic term it is a business model that involves companies taking responsibility for their impact on society, both economically and socially.

Companies are expected to act in the best interest of their

community and their stakeholders- including customers, employees, shareholders, and the wider community<sup>1</sup>.

Research has found that Corporate Social Responsibility (CSR) has a positive impact on marketing performance, and it is made up of different dimensions that relate differently to various stakeholders. One way to create a CSR perception of a brand is through sponsoring charities and professional sports teams<sup>2</sup>.

Sports provide stakeholders/business organisations to establish a socially responsible image due to sports unique position in society and the emotional attachment to sport teams people have. Sponsorship therefore creates a halo effect where consumers' goodwill towards a sports team rubs off on a sponsoring brand.

Therefore, through sponsorship of consumer-favoured sport teams, other business brands can generate a socially responsible image in the eyes of consumers<sup>3</sup>.

The video below are comments made by members of various football organisations talking about why CSR is important as a tool to also give back to the community (we can't be too negative to the intentions of brands here!)<sup>4</sup>

1. Demirel, A 2020, 'CSR in sport sponsorship consumers' perceptions of a sponsoring brand's CSR', *International Journal of Sports Marketing and Sponsorship*, vol. 21, no. 2, pp. 371-88.
2. Bradish, C & Cronin, JJ 2009, 'Corporate social responsibility in sport', *Journal of Sport Management*, vol. 23, no. 6, pp. 691-7.
3. Demirel, A 2020, 'CSR in sport sponsorship consumers' perceptions of a sponsoring brand's CSR', *International Journal of Sports Marketing and Sponsorship*, vol. 21, no. 2, pp. 371-88.
4. EFDN Foundation 2019, *Why do you think football clubs*



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<https://westernsydney.pressbooks.pub/sportmarketing/?p=178#oembed-2>

Let's have a look at how the premiers of the NRL are making an impact on their community.

### *Penrith Panthers: Panthers on the prowl*

Penrith Panthers, as part of their CSR, have a community program called “Panthers on the Prowl”, which supports children through access to programs and resources promoting healthy lifestyles and initiatives targeting at-risk students. The Panthers have developed a close relationship with over 250 schools in Western Sydney, and the Penrith Junior Rugby League is the largest Rugby League nursery in the country.

The Panthers also provide partnership opportunities for businesses to (co)deliver Corporate Social

*should organise CSR activities*, 13 December, online video, <<https://www.youtube.com/watch?v=4D828fjbQo0>>.

Responsibility obligations and engage with the community.

The teams community programs are designed around a 4 pillar framework: **Education, Social Inclusion, Engagement, and Healthy.**

Have a look at the Panthers website and watch the below video to find more about the specific programs they have created to give back to their community<sup>5</sup>.



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<https://westernsydney.pressbooks.pub/sportmarketing/?p=178#oembed-3>*

It is important to remember that to create successful community programs, it's essential for a sport team to have a deep understanding of the community they represent. This includes knowledge of the community's demographics, the challenges and issues faced by different groups within the community, and the community's needs and aspirations.

5. panthersontheprowl 2019, *Panthers on the Prowl*, 14 February, online video, <<https://www.youtube.com/watch?v=ebCVclroiWE>>.

By having this understanding, sport teams can create programs that are tailored to the specific needs of the community, ensuring they are effective and well-received. Additionally, by engaging with the community and getting feedback on their programs, sport teams can continually improve and adapt their initiatives to better meet the community's needs.

## Creating a (good) community plan

To create an effective community plan, sports organisations should identify the needs and interests of their communities and align them with their brand values and objectives. For example, they can partner with local organisations and non-profits to support initiatives that align with their values and objectives.

By communicating their community involvement initiatives effectively, sports organisations can showcase their positive impact on society and enhance their reputation. Ultimately, community involvement can benefit both the sports organisation and the broader society it serves.

It is important to remember that when implementing a community strategy, clubs need to clearly outline their **goals**, the **type of program** they will deliver, the **external partners** they will engage to help deliver the program, the **target group** for the program, and the **desired outcomes** of the community strategy.

*Clear goals* help clubs to identify the specific outcomes they want to achieve through their community programs. A well-defined program design ensures that clubs deliver activities that align with their goals, and that are appropriate for their target audience.

Engaging *external partners* helps to expand a club's reach and resources, and to ensure that their programs are more effective and relevant to the community they are serving.

Identifying the *target group* for the program helps clubs to ensure that their programs are tailored to meet the specific needs of their community – with a very specific focus (this could be related to targeting individuals from particular age, gender or cultural background)

Finally, outlining desired *outcomes* ensures that clubs can measure the impact of their programs, and determine whether they have achieved their goals.

Let's look at an example on the Bulldogs website that related to the "multicultural" pillar of their strategy and how they have implemented a program in their local community.

For example, the Canterbury-Bankstown Bulldogs engaged with their local community to develop their community strategy that was collaborative and unique to their local area. Throughout this process, the Bulldogs and their local community, identified the following 'community pillars' that they believe will highlight and address local social needs. These are: **Multicultural, Arts and Culture, Participation.**





*A photo of different hands celebrating multiculturalism*

*Bulldogs Community Strategy: Multiculturalism Pillar*

**Goal:** Leverage the power of sport to create a harmonious community by actively engaging and celebrating our proud diverse community.

**Program:** Motivating classroom students to be active in the community.

**External Partners:** Canterbury League Club,

Community Minds Inc, Western Sydney University and City of Canterbury Bankstown

**Target Group:** Primary school children aged 9-11, Canterbury-Bankstown area

**Outcomes:** Increase community and civic participation among children, Improved and increased community connectedness of students, Increase engagement between Bulldogs and school children, Increase participation in junior rugby league, Increased sense of pride in community, Shifting mindsets from deficit thinking to positive asset-based thinking

*(please note this is adapted from their website)*

As we can see, community involvement can have a broader impact on society, beyond the immediate benefits to the sports organisation. By supporting health and fitness initiatives, sports organisations can promote physical and mental well-being in their communities.

By supporting education initiatives particularly, they can provide opportunities for learning and skill-building in new and exciting way. By supporting diversity and inclusion initiatives, they can promote a more equitable and just society.

## Evaluation of community programs

This week I am asking you to read through the “Her Sport Her Way Grant Program Evaluation report”<sup>6</sup>



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<https://westernsydney.pressbooks.pub/sportmarketing/?p=178#oembed-4>

As the video<sup>7</sup> above shows, the Her Sport Her Way Grants was a grant program initiated by the New South Wales (NSW) government in Australia to support initiatives aimed at increasing the participation of women and girls in sports.

The program was part of the NSW Government’s women in sport strategy, which aimed to create gender-inclusive sports environments. The grants were awarded to state sporting organisations (SSOs) and state sporting organisations for people with disabilities (SSODs), to develop and deliver initiatives towards this goal.

6. SPRINTER 2021, *Her Sport Her Way Grant Program Evaluation Report (2020-2021)*, <[https://www.sport.nsw.gov.au/sites/default/files/2021-12/HSHW%20Grant%20Program%20Evaluation%20Round1\\_FINAL%20REPORT\\_Website.pdf](https://www.sport.nsw.gov.au/sites/default/files/2021-12/HSHW%20Grant%20Program%20Evaluation%20Round1_FINAL%20REPORT_Website.pdf)>.
7. Office of Sport 2019, *Her Sport Her Way Grants announced*, 6 December, online video, <<https://www.youtube.com/watch?v=QS9nsS1iUsc>>.

The program was evaluated to monitor changes in the funded organisations' towards making the sports sector more gender-inclusive

You need to understand that evaluation procedures are crucial in ensuring that community initiatives are effective and impactful. Without proper evaluation, it is difficult to determine whether the programs are achieving their intended goals and making a positive difference in the lives of the target audience.

When I spoke to industry partners about creating this unit, this was an area in which they ALL feel graduates need to have more experience.

What we know is that empirical research is also essential in providing **evidence of the impact** of community initiatives. This evidence can be used to attract additional funding and support from stakeholders, including government agencies, philanthropic organisations, and private sector companies.

By demonstrating the positive outcomes of the programs, sports organisations can increase their credibility and expand their reach to benefit more individuals and communities.

In addition to attracting funding, empirical research can also **inform the design and implementation of future community initiatives**. By analysing the results of previous programs, sports organisations can identify areas for improvement and adjust their strategies accordingly. This can lead to more effective and sustainable community initiatives that have a greater impact on the target audience.



*Women running on track field.*

The Her Sport Her Way Grant Program was designed to make sports environments more gender-inclusive. The program was evaluated using a survey administered by the Office of Sport and SPRINTER. The survey the designed collected information from those who took part that included: membership data by gender, and policies/strategies in place<sup>8</sup>.

## 8. SPRINTER 2021, *Her Sport Her Way Grant Program Evaluation*

The survey was administered twice, once **before** program delivery and **12 months later**, to allow for a pre-post comparison. Only organisations that completed the survey at both time points were included in the report for comparison to previous year's data.

The evaluation of the program in this report shows *why* evaluating community programs is so important. The program was designed to create gender-inclusive sports environments, and the evaluation showed that it achieved its long-term objectives, despite the challenges posed by the COVID-19 pandemic.

The report tells us that grant funding provided organisations with necessary resources to experiment with and deliver new initiatives towards increasing participation of women and girls in sports, both on and off the field. By evaluating the completed initiatives, the evaluation did however identify certain strengths and challenges faced during grant delivery.

So, watch the video and make some notes on this report and bring them to class to discuss this week! In the meantime, have a go at finding at this crossword drawn from this weeks content as your knowledge check!



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*here:*

*Report (2020-2021), <[https://www.sport.nsw.gov.au/sites/default/files/2021-12/HSHW%20Grant%20Program%20Evaluation%20Round1\\_FINAL%20REPORT\\_Website.pdf](https://www.sport.nsw.gov.au/sites/default/files/2021-12/HSHW%20Grant%20Program%20Evaluation%20Round1_FINAL%20REPORT_Website.pdf)>.*

<https://westernsydney.pressbooks.pub/sportmarketing/?p=178#h5p-27>

## Media Attributions

- A photo of different hands celebrating multiculturalism © Clay Banks
- Women running on track field © Jonathan Chng

# 12. Introducing the "Sports Marketing Mix"

## *Learning Objectives*

- Identify and evaluate the role of product in sports marketing, including product development, branding, and packaging strategies.
- Examine the significance of pricing in sports marketing, including the various pricing strategies used in the industry.
- Understand the importance of promotion in sports marketing, including the use of traditional and digital media, sponsorships, and endorsements.
- Analyse the importance of place in sports marketing, including the physical and online location of products and services.

## **Introduction**

Congratulations!

We've made it to the final week of content for this unit. This week is where we bring everything together and provide you



with a comprehensive approach to executing your sports marketing plan. By the end of this week, you will have a solid understanding of the marketing mix and how it can be applied to the sports industry. So, let's get ready to wrap up this unit on a high note and equip ourselves with the necessary knowledge to excel in our sport marketing proposal.



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I know that introducing a typology at the end of a semester might seem out of place, but trust me, it's worth it. To truly grasp the concept of the sports marketing mix, it's crucial to have a comprehensive understanding of each element individually. By looking back at all the weeks and reflecting on what we've learned, we can now connect the dots and see how each element works together to form a cohesive strategy.

It's important to note that while the marketing mix has become a go-to framework in the sports industry for developing and implementing marketing strategies, it's not a one-size-fits-all solution. Other marketing experts and scholars

have also contributed to its evolution and refinement over time, bringing new perspectives and insights to the field<sup>123</sup>.

To keep things simple (you're welcome!) we are using the framework as outlined by Schwarz and Hunter (2017), drawn from their textbook "Advanced Theory and Practice in the Sports Industry"<sup>4</sup>

So, let's dive into this concept and see how we can use it to excel in the dynamic world of sports marketing!

## The 4 P's (applied to sports marketing)

**Disclaimer:** For those of you who have studied marketing units before, you may be familiar with the traditional 4 P's of the marketing mix. However, when applied to the context of sports marketing, the framework takes on new meaning and significance. It requires a unique and tailored approach that

1. Matic, RM, Maksimovic, N, Vukovic, J, Corilic, D, Bujkovic, R & Jaksic, D 2019, 'Marketing mix in team sports in Serbia', *Journal of Anthropology of Sport and Physical Education*, vol. 3, no. 3, pp. 3-10.
2. Fetchko, MJ, Roy, DP & Clow, KE 2018, *Sports marketing*, Routledge, London.
3. Reihani, E & Khatibzadeh, M 2021, 'Marketing mix in sport tourism context', *Journal of New Studies in Sport Management*, vol. 2, no. 3, pp. 247-55.
4. Schwarz, EC & Hunter, JD 2017, *Advanced theory and practice in sport marketing*, Routledge, London.

considers the specific characteristics of the sports industry and the behaviour of sports consumers.

## Product

This refers to the sports product or service being offered to consumers. This includes various sports-related items such as teams, athletes, events, merchandise, and other sports-related services. Seems simple enough but when we delve into this aspect of the sports marketing mix what is revealed is that the notion of a “sports product” is very complex.

Armstrong and his colleagues are prominent marketing academics who argue in their textbook “Principles of Marketing” that “product” encompasses multiple dimensions<sup>5</sup>. By incorporating the concepts of core product, actual product, and augmented product, we can gain a better understanding of product within the context of sports marketing mix.

The **core product** is the fundamental benefit or experience that the customer is seeking when they purchase a product or service. This could be the thrill of watching a live game or the sense of accomplishment and camaraderie that comes from participating in a sporting event. This is the primary reason why fans/customers are interested in the product or service and is what sets it apart from other options in the marketplace<sup>6</sup>

5. Armstrong, G, Adam, S, Denize, S & Kotler, P 2014, *Principles of marketing*, 6th Australian edn, Pearson Australia, Melbourne, Vic.

6. Armstrong, G, Adam, S, Denize, S & Kotler, P 2014, *Principles of*

The **actual product**, on the other hand, is the tangible item or service that the customer receives as a result of their purchase. This could include physical products such as game tickets, team merchandise, or sports equipment, or services such as sports coaching, training programs, or access to fitness facilities. These are the tangible things that customers receive and can physically use or interact with<sup>7</sup>.

Finally, the **augmented product** includes any additional features or services that go beyond the core and actual products and provide added value to the fans/customers. This could include VIP seating, access to pre-game activities or post-game events, exclusive merchandise or experiences, or personalised coaching or training programs. These are the extras that make the product or service more desirable and valuable to customers and can help differentiate it from competitors in the marketplace<sup>8</sup>



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*here:*

*<https://westernsydney.pressbooks.pub/sportmarketing/?p=204#h5p-29>*

*marketing*, 6th Australian edn, Pearson Australia, Melbourne, Vic., p. 206.

7. Armstrong, G, Adam, S, Denize, S & Kotler, P 2014, *Principles of marketing*, 6th Australian edn, Pearson Australia, Melbourne, Vic., p. 206.

8. Armstrong, G, Adam, S, Denize, S & Kotler, P 2014, *Principles of marketing*, 6th Australian edn, Pearson Australia, Melbourne, Vic., p. 206.

## Price

This refers to the monetary value placed on sports products or services. Factors such as the cost of production, the level of competition, and the perceived value of the product or service can influence pricing decisions.

As we have previously explored, price is the way in which customers assess the value of a product or service, and it strongly influences their decision-making when choosing between competing brand. In fact, effective pricing can be a powerful tool for business success. While many people see pricing as something beyond their control, it can actually be managed effectively – and needs to be in the context of sport!

The revenue of a sports organisation is heavily influenced by pricing decisions. However, traditional approaches to pricing may not be suitable for all sport teams (which vary across codes). Due to the unique characteristics of fans/customer perceptions, sports organisations must carefully consider pricing decisions to ensure they reflect the true value of their offerings<sup>9</sup>.

9. Drayer, J & Rascher, DA 2013, 'Sport pricing research: Past, present, and future', *Sport Marketing Quarterly*, vol. 22, no. 3, pp. 123-8.



*Person holding sport game tickets*

Sports franchises have a long history of utilising price discrimination techniques to their advantage. One such strategy is offering bundled tickets, volume discounts, fully loaded tickets, giveaway days, and two-part tariffs to customers.

Furthermore, modern sports stadiums tend to offer more diverse pricing options and a wider range of seating sections to cater to varying price points. For instance, if we compare the pricing and seating arrangements of corporate venues at Commbank Stadium to that of a suburban sports ground (like Belmore Oval or Kogarah Stadium), we can observe significant differences in their tiered ticketing structures<sup>10</sup>.

10. Drayer, J & Rascher, DA 2013, 'Sport pricing research: Past, present, and future', *Sport Marketing Quarterly*, vol. 22, no. 3, pp. 123-8.

Interestingly, teams with a higher level of uncertainty in their demand, as indicated by a greater standard deviation in their past winning records, typically provide more pricing options, which can ultimately increase their profitability.

However, setting pricing strategies for a new club can be a complex thing to do- have a read of the following article on the ROAR titled: The A-Leagues great membership price divide<sup>11</sup> to compare the cost of memberships for different teams within the same league.

**Something to think about when reading this article is do you think that sports teams should be able to set their own ticket prices or should there be a one price fits all for general admission?**

Allowing sports teams to set their own ticket prices provides them with the flexibility to adjust prices based on market demand and other factors. This can help teams maximise revenue and ensure that they are able to cover their costs. On the other hand, a one-price-fits-all approach for general admission may be more equitable and ensure that everyone has equal access to sporting events, regardless of their ability to pay.

Lovelock et al. (2009) framework for pricing objectives in service organisations provides a useful approach for sports

11. The Roar 2022, *The A-Leagues great membership price divide*, 6 September, <<https://www.theroar.com.au/2022/09/07/the-a-leagues-great-membership-price-divide/>>.

marketing professionals to consider when developing pricing strategies<sup>12</sup>.



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To test your understanding of the pricing objectives framework proposed by Lovelock et al. (2009) you can apply this approach to various examples within the context of sports. By doing so, you can gain a deeper understanding of how each pricing objective can be utilised in real-life situations and how they can impact revenue generation, customer loyalty, and capacity utilisation – have a go below.



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*here:*

*<https://westernsydney.pressbooks.pub/sportmarketing/?p=204#h5p-31>*

12. Lovelock, C, Wirtz, J & Chatterjee, J 2009, *Services marketing*, 5th edn, Pearson Education, New Delhi, pp. 143-4.



## Promotion

This involves the various tactics used to promote and advertise sports products or services. We have covered this topic quite extensively in this textbook, but here is a bit of a recap.

Throughout this Pressbook we have explored how promotion plays a critical role in sports marketing, as it helps to raise awareness, spark interest, and generate excitement for a particular sports event, team, or product.



*Promotion signs*

We have explored various examples of successful promotion

strategies and understood how they are essential for sports marketers to reach their intended audience and achieve their marketing goals. We unpacked how marketers use a variety of methods such as advertising, public relations, social media marketing, sponsorship, direct marketing, experiential marketing, and content marketing.

Basically, effective promotion in sports marketing necessitates an in-depth understanding of the target audience, and the capacity to create compelling messages and experiences that resonate with them. A well-rounded promotion strategy that utilises multiple channels (omnichannel marketing) to reach fans and customers is also essential.

## Place

This refers to the channels through which sports products or services are made available to consumers. This includes physical locations such as sports stadiums, retail stores, and online environments.

I found an interesting article called “Increasing the Focus on ‘Place’ in the Marketing Mix for Facility Dependent Sport Services” by Hans Westerbeek and David Shilbury, which was published in 1999 which aims to draw attention to the importance of the “place” element in the marketing mix of facility-dependent sports services<sup>13</sup>.

The authors argue that while most sports organisations prioritise product, price, and promotion when developing their marketing strategies, place is often overlooked. They suggest

13. Westerbeek, HM & Shilbury, D 1999, 'Increasing the focus on “place” in the marketing mix for facility dependent sport services', *Sport Management Review*, vol. 2, no. 1, pp. 1-23.

that place is a crucial factor in the success of sports organisations, as it can significantly affect consumer behaviour and their overall experience.



*Stadium grass*

*But why?*

The article talks about how sports organisations can create an effective marketing strategy by focusing on “place,” which refers to the location where sports services are provided. The authors provide a framework that includes four essential elements: **location, accessibility, atmosphere, and design**<sup>14</sup>.

They explain that a sports facility's location can significantly impact its success and that accessibility is also important in

14. Westerbeek, HM & Shilbury, D 1999, 'Increasing the focus on “place” in the marketing mix for facility dependent sport services', *Sport Management Review*, vol. 2, no. 1, pp. 1-23.

attracting customers from a wide geographic area. The authors suggest that creating a positive atmosphere through factors like music and lighting can enhance the customer experience and encourage repeat business.

They also assert that design is an essential aspect of place marketing and can help differentiate a facility from competitors and make it more appealing to customers<sup>15</sup>.

What I like most about this reading is that the authors also note that place is not only important in the offline world, but also in the online world. They argue that the concept of place extends beyond the physical location of a facility and includes its virtual presence, such as its website and social media pages. In the online world (just like in the outside world) a sports organisation's virtual presence **serves as its place**, and its design, accessibility, and atmosphere play a crucial role in attracting and retaining customers<sup>16</sup>.

## Putting them all together

Marketing is an essential aspect of sports organisations in Australia, with the industry constantly evolving and becoming more competitive. The 4 Ps of marketing – product, price, promotion, and place – provide a framework for sports marketers to develop effective strategies to attract and retain customers. In the Australian context, sports organisations need

15. Westerbeek, HM & Shilbury, D 1999, 'Increasing the focus on "place" in the marketing mix for facility dependent sport services', *Sport Management Review*, vol. 2, no. 1, pp. 1-23.
16. Westerbeek, HM & Shilbury, D 1999, 'Increasing the focus on "place" in the marketing mix for facility dependent sport services', *Sport Management Review*, vol. 2, no. 1, pp. 1-23.

to be creative in their marketing efforts to stand out from the crowd, particularly with the country's love for sports.

Watch this video which further summarises all four and puts them together for a more holistic understanding of the sports marketing mix<sup>17</sup>



*One or more interactive elements has been excluded from this version of the text. You can*

*view them online here:*

*<https://westernsydney.pressbooks.pub/sportmarketing/?p=204#oembed-2>*

## **That's all folks ...**

As the author of this Pressbook I would like to express my appreciation for your hard work and commitment this semester. I hope you found my book to be a valuable resource in guiding your understanding and discussions of the key concepts and practices in the field.

17. Burner, J 2020, *Sports Marketing Unit 1: Module 1.2 Marketing Mix*, online video, <<https://www.youtube.com/watch?v=IMih38-9yEM>>.

It is always my goal to provide students with a comprehensive and engaging guide to the subject matter, and I hope that my book has contributed to your overall learning experience.

I hope that the knowledge and skills you have gained from this unit will be useful in your future studies or career endeavours.

Sport Marketing really is an exciting and dynamic field that requires continuous learning, and I encourage you to keep exploring and expanding your knowledge.

## Media Attributions

- Person holding sport game tickets © Andy Li
- Promotion signs © JJ Ying
- Stadium grass © Blocks Fletcher

# Appendix

This is where you can add appendices or other back matter.