

Successful Branding: 5 Key Elements and 1 Mantra!

Successful branding begins with a well-defined brand that is **RELEVANT** to your market. You might think that since you have a logo, tagline, and business card, you've completed your branding. But, unless you've carefully considered and defined **ALL** five of the key brand elements—position, promise, personality traits, story, and associations—you still have work to do.

And, until you've infiltrated your brand into every level of your organization and built the discipline of **CONSISTENCY** into every behavior, action, or communication—both internally and externally—you are not yet on the path to a successful brand strategy.

Branding is what takes your business from an economic activity it originally is and turns it into a living entity known as a company or organization. Branding is what gives your business its own unique personality that makes it to stand out tall [**SIGNIFICANT**] among its industry peers.

Five Key Brand Elements:

Brand Position

The Brand Position is the part of the brand that describes what your organization does and for whom, what your unique value is and how a customer benefits from working with you or your product/service, and what key differentiation you have from your competition. Once you've defined your brand position, make it available in 25, 50, and 100 word versions.

Brand Promise

The Brand Promise is the single most important thing that the organization promises to deliver to its customers—**EVERY** time. To come up with your brand promise, consider what customers, employees, and partners should expect from every interaction with you. Every business decision should be weighed against this promise to be sure that a) it fully reflects the promise, or b) at the very least it does not contradict the promise.

Brand Personality

Brand Traits illustrate what the organization wants its brand to be known for. Think about specific personality traits you want prospects, clients, employees, and partners to use to describe your organization. You should have 4-6 traits (5 is ideal), each being a single term (usually an adjective).

Brand Story

The Brand Story illustrates the organization's history, along with how the history adds value and credibility to the brand. It also usually includes a summary of your products or services.

Brand Associations

Brand Associations are the specific physical artifacts that make up the brand. This is your name, logo, colors, taglines, fonts, imagery, etc. Your brand associations must reflect your brand promise, **ALL** of your brand traits, and support your brand positioning statement.

One Mantra:

Once you've developed and defined a relevant brand, you must begin building the brand with employees, customers, prospects, partners, etc. through **CONSISTENT** execution. Repetition is key to the success of the branding process.

The most important elements of a brand should be:

Brand Position

- Who is addressed by company's branded products or services. What the company does and for whom
- The company's unique value and how customers benefit from products and/or services
- Key competitive differentiators, what makes the brand be chosen, be different from its competitors

Brand Promise

- The ONE most important thing that the brand promises to deliver to its customers — Every time!
- What customers and partners should expect from every interaction, how should they feel as brand's customers

Brand Personality

- What the brand is to be known for
- Personality traits that customers, partners, and employees use to describe the company. What comes to the (potential) customer's mind when addressed about the brand

Brand Story

- The company's history and how the history adds value and credibility to the brand
- A summary of products/services/solutions

Brand Associations

- Physical artifacts: name, logo, colors, taglines, fonts, imagery
- Ideally, it must reflect the all the above statements about the brand and the company

The importance of branding for sports teams

29 February 2012



Fivestarm Frog Splash (Leeds Met) Logo

If you are looking for examples of strong branding the sports industry is the place to look. Teams rely on having strong brand identity to engage their fans and give them the opportunity to feel involved in their team, and ultimately support them financially. This is achieved through team colour, a strong logo and a team identity to which fans are able to relate. The passion that sports fans provide is magical, they are loyal to their teams and would fight to defend them.

What about small sports teams? If your team's fan base consists of parents, friends or at most your university, is branding still important?

The single most important part of a team is the team. It is impossible to be successful if you cannot work together as a group to support and develop to reach your results, whether they are to win competition, or have a lot of fun trying! To gain this team spirit requires a strong brand identity, team members need to be able to relate with their team, feel involved with it and be able to engage with it.

While helping to run Leeds Met Ultimate Frisbee Team (Fivestarm Frog Splash) this has become all the more apparent to me. The club is very new and facing many of the challenges which come in this early stage of life. What has been important however is that all the members feel that they own their club. They get a say in decisions, they understand what is going on and they have influence.

We are still trying to find our identity, but the foundations are there and in time the identity will grow stronger as the club continues to adapt and grow. What was important in the early days was establishing the initial image, this included naming the club and creating a logo. The whole team was given the opportunity to contribute to this ensuring that they were satisfied and involved in the decision.

We recently acquired sports kit and this is another important step in our development, playing in the team colours is a reminder that we are part of a team and we need to work together to achieve our aims. As the club grows undoubtedly the brand identity will continue to be important as we purchase merchandise, such as branded discs, host tournaments and get better known throughout the Ultimate world.

I have been able to see the importance of brand identity within my small sports club, and understand how these principles can relate to other clubs. Your team's image needs to reflect your team members, this will ensure that as you develop you can ensure that you are growing in the right direction to achieve the most appropriate aims. It also helps attract future members who suit the culture of your club.

The world of sports branding is fascinating and offers brilliant case studies to show how branding can be effective.

A Sports Brand is More Than a Logo

by [Chris Conway](#) | June 20th, 2011

A brand is so much more than a logo and name and this applies to all organizations, sports or otherwise. One good definition of brand is by best-selling American author and marketer [Seth Godin](#) who states:

"A brand is the set of expectations, memories, stories and relationships that, taken together, account for a consumer's decision to choose one product or service over another".

Putting a dollar value on your brand is not an entirely easy exercise (and probably worthy of a separate post). In 2010, [Forbes ranked Manchester United the most valuable team brand](#), with a brand value of \$270 million, ahead of the New York Yankees, Real Madrid, Dallas Cowboys and Bayern Munich.



A brand encompasses all aspects of the sports team, both on and off the field, in season and out of season. Brand can mean many things to many people but will inevitably incorporate some, if not all, of the following factors.

Memories and stories

For a sports organization, brand is your team and the tradition, legends and heritage which made the team what it is today. [The New Zealand All Blacks rugby team](#) is one of the most valuable sports brands. The brand of the All Blacks relates as much to the style, success, and performance on the pitch as to the long history of the team which played its first home international in 1895. Sure the All Blacks have the instantly recognizable silver fern logo, the haka, and the all black jersey, but its brand is far more than that.

Marketing

Brand is your team's marketing. Giving away free caps at home matches is your brand. This tactic, employed from the 1970s, was just one contributing factor to making the New York Yankees brand what it is today – one of the most recognizable brands in the world. Your ticket prices are your brand. Your TV commercials are your brand.

Relationships and interaction with the general public

For a sports team or club, brand is represented by customer service from the ticketing agents, the hot dog sellers, and the public announcer on match day through to the CEO at the very top of the organization.

Communication

All communication constitutes your brand, from voicemail recordings left on your ticketing hotline through to official club communication in the press, on television and via social media channels. We've read about the [power of digital and mobile communications](#) on this site in the past. The challenge for sporting organizations is to ensure there is consistency and authenticity in communications irrespective of the channel used. The 'voice' and 'tone' of all communications must represent your brand and reflect your brand values.

People

Brand is represented by all individuals at the organization. For a sporting club, this means the players on the field and all the off-field staff, from the coaching group through to the HR department. For the playing team itself, brand is represented by the style of play, tactics employed and other factors such as discipline. A good team, in the larger context, is created by good hiring and consistent training and development. The other goal is to ensure that all individuals in the organization adhere to this brand or culture. The [Sydney Swans Australian Football team](#) famously had a 'no dickheads' recruitment policy under coach Paul Roos, which was one factor in the Swans success (a premiership in 2005 and a grand final appearance in 2006). The policy was part of a culture of honesty and accountability implemented by Roos. The club had a code underwritten by a set of rules signed off by the players and enforced by the leadership group, who are also elected by their peers.

Facilities

The brand of a sports team is highly dependent on the stadium or ground and the whole game-day experience for the fan. Is the place uncluttered and free of trash, are the toilets clean and is the venue signage consistent with the visual standards? Does the place look alive and welcoming? Would the uncommitted fan return? Does the stadium follow environmentally friendly practices? Your home ground is your brand.

In January 2011, SportsProMedia magazine compiled a global ranking of the world's most important sports venues. Interestingly the top venue in the list was not Cowboys Stadium or Wembley Stadium but the [World Games Stadium, Koashiung, Taiwan](#) – the world's largest solar stadium which has a roof with 8,844 solar panels.

Logo and visuals

A strong brand does of course deserve a good logo and smart graphic design and visuals. The narrow definition of brand is “name, sign or symbol”. Even in a sports context when results on the field have a huge importance, a good logo is important and not just for commercial reasons. Arguably the most recognizable sports logo of all is the iconic 5 Olympic rings.

[ESPN The Magazine's Ultimate Standings](#) are a good proxy for the value of a brand and relates to the last part of Godin's broad definition – “a consumer's decision to choose one product or service over another”. ESPN's Ultimate Standings:

“Measure how much MLB, NBA, NFL and NHL franchises give back to the fans in exchange for all the time, money and emotion the fans invest in them.”

In 2011, The Super Bowl champion Green Bay Packers took top spot, due in part to the performances of star quarterback Aaron Rodgers and,

“below-average ticket prices and unmatched customer service were also a key point among fans as evidenced by the Packers finishing first in such categories as ‘fan friendly environment at games’ and ‘provides an avenue for fan feedback’ “.

To summarize, brand is caring about every aspect of your sporting organization, team or club. It includes the big things like vision and mission but also your people, your fans, and every interaction ever made between a stakeholder and your organization.

What is sports marketing?

A special case of what?

Some might argue that sports marketing is a “special case” of marketing, meaning there are theoretical and practical dimensions of marketing peculiar to sports marketing. For instance, courses are offered in services marketing, international marketing, internet marketing, business-to-business marketing and the like because the applications of marketing to these particular contexts require adaptation specific or special to each case. Following this logic, we should accordingly treat sports marketing as a special case to study because its processes do not function or generalize well for other goods and services. That is, special cases of marketing do not possess theoretically sound (or law-like) principles or axioms that guide practice across a variety of other business contexts.

If, however, sports marketing better explains and predicts effective marketing when compared to other product and services marketing, then one might argue that marketing is actually a special case of sports marketing. General theories of marketing should ultimately possess superior predictive and explanatory powers of marketing effectiveness. As we examine the differences between typical goods/ services marketing and sports marketing, consider which characteristics better explain optimal buyer-seller relationships.

What’s the difference?

If a customer is a loyal Folgers coffee customer, we can predict that s/he will likely continue to buy Folgers coffee at the grocery store. A loyal Folger’s customer may, however, switch to similar coffee (Maxwell House) or buy Folgers at another store if appropriately discounted. You won’t see many Folger’s customers wearing shirts with its brand name emblazoned across the chest.[1] Nor are you aware of many people, who of their own free will, frequently visit www.folgers.com. If so, they must be the same people who are visiting www.tide.com, www.zest.com, or www.crest.com. The consumer’s purchase of Folgers is primarily an economic decision based upon the **perceived value** of what one gets (coffee) for what one pays (e.g., \$4.29 for a 13 oz can). Some may also perceive that the best part of waking up is Folgers in the cup, but we know of no empirical evidence to support this.

If an individual is a fan of a professional or major college sports team, even a losing team,[2] we can predict the fan will likely:

Hemispheric Lateralization

	Left Brain	Right Brain
1. Identify with and follow the behavior of the team and individual players on that team, on and off the field (via www.espn.com , team websites, newspapers, television, radio, wireless, etc.).	Logic	Intuition
2. Purchase licensed merchandise (jerseys, automobile paraphernalia, caps, mugs, etc.) promoting the team.	Reason	Emotions
3. Donate or pay for permanent seat-licenses (PSLs) in order to buy season tickets.	Objective	Subjective
4. Travel to see games of that team outside the local market.	Verbal	Visual
5. Support tax-based initiatives to pay for a new arena or stadium for the team.	Self-oriented	Group-oriented
6. Be a supporter of the conference or league in which the team plays.	Categorical	Relational
7. Devote significant social time attending, watching and discussing the team with others devoted to the same or other teams.	Detail focused	Whole picture
	Mimicry	Creativity
	Purposefulness	Playfulness
	Economic Exchange	Social Exchange

While consumers of most goods and services see value as primarily an economic evaluation (Which detergent is the best buy?), the value fans derive from attending sporting events is likely to be more of an emotional decision. In fact, when teams make fans focus on the price they are paying, they are focusing on the wrong side of the brain. The whole point is to make them fans—

not consumers in the traditional sense. Building a fan base, not a customer base, is the first fundamental difference between sports marketing and marketing of most goods and services. While not ignoring the reasoning function of the left brain, we want to engage fans more in line with the functions of the right brain.

Compared to typical goods and services marketing, sports marketing differs in at least ten respects (see table below). We begin by discussing the difference between customers and fans.

1. Fanatics

A central point of differentiation between sports marketing and traditional goods/services marketing (hereafter, GSM) is how we view individual purchasers. One typically refers to customers when the subject is goods and services. Sports teams and players have fans. Dictionary.com defines a customer as: "One that buys goods or services." A fan is "An ardent devotee; an enthusiast." A fanatic is "a person marked or motivated by an extreme, unreasoning enthusiasm, as for a cause."

Current GSM focuses primarily upon creating customer satisfaction. **Satisfaction** occurs when expectations are met or exceeded. Satisfied customers mean three things to the company.[3] First, satisfied customers increase the value of the firm to shareholders. Second, satisfied customers assure the firm of future cash flow. Third, satisfied customers reduce the variability in future cash flow.

As with GSM, sports teams seek to satisfy customers. We would expect, however, that fanatics of a team or brand are more than satisfied. Fans experience pleasure and satisfaction with successful teams. But, they also experience feelings of delight or excitement deeply resonating within the identity of the individual fan, such that the effects are likely to be long term.[4] **Delight** is a combination of pleasure and arousal with an element of surprise that is frequently experienced in the sports world. Further, fanatics are resilient in the face of service failure (viz., the team loses), when delight and excitement may turn to distress and gloom. Sports teams develop a faithful fanatical following primarily due to high levels of identification, which is the second point of differentiation between GSM and sports marketing.

Top 10 Differences Between Goods/Services Marketing and Sports Marketing

	Dimension	Goods/services	Sports & Entertainment
1	Purchasers	Customers	<u>Fanatics</u>
2	Adoption	Loyalty—repeat purchasers of the same brand (viz., lack of switching behavior)	Psychological <u>identification</u> with individuals and teams that goes beyond mere loyalty
3	Promotion & Media	Owner pays media for promotion	Fans, sponsors, and media pay to promote team/event
4	Distribution Channel	Static; More site-limited	Mobile; more flexible
5	Product	Adapted	Global
6	Price	Customer pays a given price for good/service	Two-part: Fans frequently pay for the right to pay for tickets
7	Facilities	Corporate owner buys/builds own facilities	Government (taxpayer) typically pays for facilities
8	Competition	Individual branding in competitive markets	Cooperative contractual relationshipsàmonopoly power & anti-trust exemption
9	Exchange	Principally economic exchange	Principally social exchange
10	Employees	Contractual power favors owners	Contractual power favors employees (players)

2. Identification

Consumers are loyal to goods and services while fans identify with teams, organizations, and individuals. **Loyalty** is the repeat purchasing of a good or service by a consumer. A loyal customer is sensitive to differences in brands and prefers a brand or set of brands over others. **Identification** is when an individual reacts to events that occur to the team or player as if the events happened to him or her. A highly identified fan will describe one's self to others in terms of being a team fan, perhaps to the point that the fan feels like s/he is part of the team. Fans are certainly loyal to the team in terms of repeat purchases, but fan identification is a deeper psychological affiliation that is a basis for a fan determining his self-esteem and self-worth. Chapter 1 deals more specifically with how teams and players can build fan identification. Because of high fan identification, fans passionately seek ways to promote the team to others.

3. Promotion & Media

Third, the manufacturer and/or retailer of goods and services pays for the development and placement of brand advertising and promotions. In contrast, sports teams, organizations, and individuals (players, drivers, and artists) receive **indirect and direct financial support** to advertise and promote themselves. Fans indirectly promote by buying and wearing or displaying licensed merchandise. Sponsors directly promote the team and individuals, paying for the advertising and media to do so. For instance, AT&T initially paid the Dallas Stars to host the team website (attwireless.dallasstars.com). Similarly, radio and TV broadcasts of sporting events are "brought to you by" the sponsors.

Much of the actual product, particularly in terms of revenue, is in the broadcast of the games or event. The fact that sports and entertainment are broadcast, in and of its self, differentiates from other goods and services. Typical goods and services find it difficult to entertain using its product as the star of a broadcast, although more than a few have created infomercials featuring already fit models promoting either the Ab Doer Pro, Ab Dolly, Ab Energizer, Ab Flex, Ab Force, Ab Rocker, Ab Roller, Ab Slide or the Abtronic—guaranteeing that you will look just like the model without "any effort from you." Anyway, the point is that sports are different because others pay for the team's advertising, promotion and broadcast—in a way typical goods and services find difficult to achieve.

Goods and services marketers typically pay for media to broadcast or to print advertising and promotional information while the media pays sports teams for the right to broadcast or print team and event information. For example, CBS and Turner Broadcasting agreed to pay \$10.8 billion over 14 years to broadcast the NCAA "March Madness" basketball tournament. In contrast, no network is bidding hundreds of millions, let alone billions, of dollars to broadcast, "Inside the Making of Tide Detergent."

The revenue generated from TV contracts is the principle differentiating factor between the healthiest sports leagues (NFL, NBA, MLB, NASCAR) and the less healthy (NHL, MLS, and WNBA). The proliferation of broadcast and other media outlets for sports also points to the fact that the distribution for sports is increasingly electronic and not limited to static locations.

4. Distribution Channel: Static vs. Mobile

Goods and services designate specific geographic outlets. Customers purchasing from Sears buy products at a local Sears store or order products to be shipped from a Sears' distribution center. The distribution channel for Sears is relatively static, changing only when stores open or close. Sporting events and teams, on the other hand, are basically traveling road shows, moving from location to location, city to city, nationally and globally.

The experiential and transitory nature of sporting events (as well as other competitive broadcast events such as "Survivor") lends itself to electronic forms of distribution. That is, sports and entertainment are suitable for mediated distribution through broadcast and online video. The NFL, for example, is broadcast in 231 countries across 24 time zones for upwards of 200,000 hours of programming in 32 languages.[5] Similarly, cable and internet broadcast systems have developed new distribution channels such as NBA.TV, blurring the lines between traditional broadcasts and online services that make the product available anytime, anywhere.

5. Product: Adapted vs. Global

Due to the nature of the events and the distribution channels, sports such as soccer, basketball, baseball, tennis, golf and motor sports are truly **global products** needing little translation or alteration of the marketing mix to gain acceptance across cultures. The marketing mix (product, place, promotion, pricing) for typical goods and services are typically adapted to local markets.

Compared to most sports, frequently cited "global" products such as Coke and McDonald's are not actually standardized global products. Coke alters its packaging, name and syrup content in foreign countries. McDonald's offers beer in German restaurants and cooks its hamburgers rare in France. In contrast, the content or product of the NFL, Formula1 Racing, Olympics Downhill Racing, or

the NHL remains the same throughout the world. In a sense, given its electronic broadcasts, the distribution is standardized around the world. Obviously, the promotion (e.g., language) and pricing (e.g., costs of cable or PPV) aspects of the marketing mix may be adjusted by global markets.

6. Two-part Pricing

Customers typically pay one price for a given product or service. When you go to a grocery store, you select your favorite grocery items[6] and pay the prices marked on the items. You are not required to pay admission to the store so that you can shop. However, some exceptions exist resembling fan loyalty—and even fanaticism—in customer products. For instance, people pay an annual fee to shop at Sam's Clubs or Costco. Some people we know actually get very excited about being able to shop at these places. Such organizations are the exception to the rule—and add evidence to the premise that the most successful marketers are those emulating sports marketers.

Professional sports and major college sports fans frequently pay a two-part tariff (or price). While some services with relatively inelastic demand (electricity, utilities, etc.) use a **two-part pricing system** (basic fee + additional user fees) due to monopoly power, even sports organizations operating in competitive entertainment markets frequently charge two prices. In sports, an initial payment (donation to the university, payment for a seat license, membership fees) is frequently necessary to allocate a limited inventory of preferable seats. Fans paying the initial fee are then given the opportunity to purchase tickets.

Another aspect of two-part pricing in sports is the event itself. Fans pay for a ticket to enter the event (initial payment) and then purchase other products (food, drink, souvenirs) after entering. Thus price-setting in most sports settings must consider various forms of **price bundling**. Season tickets are offered at a bundled price for the entire season and are de-bundled in the form of smaller ticket packages or individual tickets. Offering tickets with a hot dog and soft drink for a single price is another example of price bundling in that it combines the prices of what would normally be two-part pricing. Price bundling is common among services (e.g., vacation package of flight, hotel, and ground transportation; cable TV packages), so this aspect doesn't by itself differentiate the marketing of goods/services vs. sports. Yet, it is common practice in all sports marketing contexts, but is not common to all goods/services contexts. Interestingly, fans are typically paying for admission to a publicly-owned facility, even though the bulk of the ticket sales proceeds go directly to the team owners.

7. Facilities: Taxpayers vs. Corporate Support

Although the subject of much public policy debate, sports team owners often do not pay for their own facilities. A new Nissan automobile plant may be able to acquire favorable tax status and property in Mississippi (\$695 million in tax breaks and incentives over 20 years), but will still pay for building their own facilities (\$930 million in Canton, MS). In contrast, the majority of NBA owners' facilities are largely or entirely paid by taxpayers. In addition, naming rights by sponsors add additional revenue to the team. Even when owners invest private dollars into the facility, the reason isn't necessarily because public monies are unavailable. In these cases, owners invest in order to control revenue available only if they own the facility.

Why do city, county and state officials want to attract sports organizations? Why are they, and their taxpayers, willing to pass referendums to pay for these facilities? The case can be made for a variety of motives (mainly political and economic) for this support. However, from a broader sociological perspective, sports teams provide a city (or state) with a **social identity** that can represent who they are to others. The successful state university sports team allows constituents to represent themselves to others as winners. The tough blue-collar character of the Steelers over the years symbolizes who Pittsburgh fans are to the rest of the country. The black uniforms, skull-and-crossbones, and intimidating players for the Oakland Raiders, for better or worse, mostly identify their fans. We are not sure what the men dressed up as hogs in dresses at Washington Redskins games means. In contrast, major cities that have lost or are without major league sports spend considerable resources searching for an identity by way of alluring sports franchises.

Consider what is sold in gift shops in airports. You will always find jerseys, mugs, and other merchandise that represent the city to others who pass through the area. The merchandise may feature the licensed logos of local golf courses or minor league teams in Charleston (SC), the Cowboys in Dallas (TX), or the Jazz and Olympic logos in Salt Lake City (UT). The point is that communities represent themselves to others through their identification with a sports organization. Interestingly, visitors buy the licensed merchandise from these cities to represent to others that they visited there. The identity of the sports organization offers social meaning and value both to those who live in the city and to those who visit the city. In any case, the social value of the professional sports team often goes beyond simply the directly relevant economic value of the team to the community.

8. Competition: Cooperative (monopoly) vs. Individual (monopolistic)

Branded goods and services have traditionally not cooperated in their marketing efforts. At the wholesale level and in some highly competitive retail markets, goods and services may engage in co-branding or cooperative strategic alliances in order to offset or

balance competitive weaknesses and strengths. As a rule, however, goods and services marketers do not cooperate in cross-promotions and work in-league with each other on a permanent basis as do sports. Admittedly, this is an area in which some sports organizations do better than others. In addition to the major professional leagues, excellent examples are also found in major college sports conferences (SEC, Big 10, etc.) that negotiate and promote for the benefit of the league and its members. Fans of the teams are also ardent supporters of the league and enjoy following other team members or players in addition to their favorites (e.g., NASCAR and NASCAR drivers).

The nature of sports leagues, particularly at the professional level, has evolved to the point where the leagues operate as monopolies, controlling entry and exit into the industry. For both practical and legal purposes, Major League Baseball is a monopoly. The league continues to be exempt from anti-trust laws. While Microsoft is sued by the U.S. Justice Department for restraining trade and other major industries vital to U.S. markets (telephone, transportation, airlines) have been broken up to allow free entry into markets, Major League Baseball is still allowed to control the granting and retraction of franchises, develop television contracts that preempt feasible entry into the market, and (dependent upon the source you listen to) control the labor market.

Other pro sports leagues operate in a similar fashion, such that virtually any new league has no opportunity to compete. A clear example of this monopoly control of sports leagues is in the NFL, where the city of Los Angeles has no NFL team, despite the fact it is the second most populated market in the U.S. The NFL's revenue sharing plan has contributed to the fact that the barrier to entry in the form of an initial franchise fee into the LA market for a prospective team owner exceeds \$700 million (the amount the Houston Texans paid for entry into the Houston market). Obviously, a free market would have a pro football team in Los Angeles. A monopoly, in this case, does not.

In summation, the point here is that every other goods and services marketer must abide by federal anti-trust laws. Professional sports, in large part, do not. The logic presented is that the leagues must maintain control for the integrity of the sport, as they seek to protect the social welfare of fans.

9. Exchange: Economic vs. Social

As inferred earlier, customers pay an economic price for the goods or services that they purchase while fans make a social investment in the transaction. Customers typically give up monetary value in **exchange** (what one gives up for what one gets) for the good or service, although time and search effort may also be expended. In most cases, however, only limited social exchange occurs. When you go out with friends to eat dinner on Friday night, you may be largely motivated by social reasons to go to a particular restaurant and consume certain food and beverages. In the same venue, however, individual and groups of customers may at the same time purchase a meal where social exchange accounts for little or no part of the encounter. In either case, the exchange with the restaurant is still premised upon the purchase of the meal. Clearly, the more that the restaurant can do to make the purchase based more on the experience (e.g., Rainforest Café, ESPN Zone, etc.), the more they are practicing what is common to sports marketers.

In sports, attendance is nearly always (98-99% of the time) with at least one other person. The sports fan pays a price for the right to enjoy an emotional experience with others. The fan goes to the game to be with others to share the experience in this **social exchange**. More broadly speaking, unlike most other retail settings, large crowds have positive psychological effects. No line at the grocery check-out will make most shoppers happy, but no line to see a ballgame or a concert is a definite cue to a fan that either this is a lousy event or the fan has arrived at the stadium on the wrong date. The excitement of the competition and the aura of the star power of the players on the team are such that the experience is best enjoyed in the presence of others.

10. Contractual Power: Owners vs. Employees

Finally, the size and power of the manufacturer or retailer of goods and services affords the owner contractual leverage over its employees in most goods/services contexts. Salaries, benefits and tenure are largely controlled by the owners. Employees have mobility, but are rarely able to single-handedly affect the outcome of the firm by making contractual demands.

Employees (viz., players) of sports teams, however, are more likely to possess contractual power over employers. Contract concessions, renegotiations and arbitrations generally favor players. At the same time that union membership has declined in manufacturing over the past four decades, union membership in professional sports leagues have grown relatively strong due to the leverage held by the players. Consequently, work stoppages in major sports leagues have become commonplace in the past decade. In 2004-05, the NHL shut-down due to the players' unwillingness to abide by owners demands in its new labor contract. Similarly, MLB players forced the cancellation of most of the season and the World Series in 1994. We await the outcomes of the NFL and NBA negotiations in 2011.

Although the first nine differences are positive aspects of sports marketing, the leverage or power of individual players in major college and professional sports has clear negative implications. The average fan has difficulty in identifying with 21-year-old multimillionaires

who often appear ungrateful for what they have. Players and coaches willingly trade team allegiances for more money. Teams uproot overnight and move to another city. Motor sports drivers trade sponsors for more money. While most fans may not blame the teams or players for maximizing their financial positions, the ultimate fact is that such fluctuations erode loyalty and identification. Just as brands lose customers when they change advertising agencies and campaigns from year to year, teams lose identified fans as they shift player personnel and team names in search of making more money.

So, what is sports marketing?

As with any taxonomy, exceptions exist. Some entertainment services, such as the movie industry, share some characteristics with sports teams and players. In the same way, we can think of some sports marketing contexts in which the owners do not share some of these characteristics. Yet, as can be seen from these 10 dyadic illustrations, the norm in sports marketing is different from the norm in other forms of marketing.

In summary, then, what is sports marketing? **Sports marketing** is building a highly identified, passionate fan base such that fans, sponsors, media and government pay to promote and support the organization for the benefits of social exchange and personal, group and community identity within a cooperative competitive environment.

The following chapters will offer the necessary components for effective sports marketing strategies that result in maximizing fan identification.

Conclusion and Framework

Do conventional goods and services marketing best explain and predict effective marketing? Or does sports marketing?

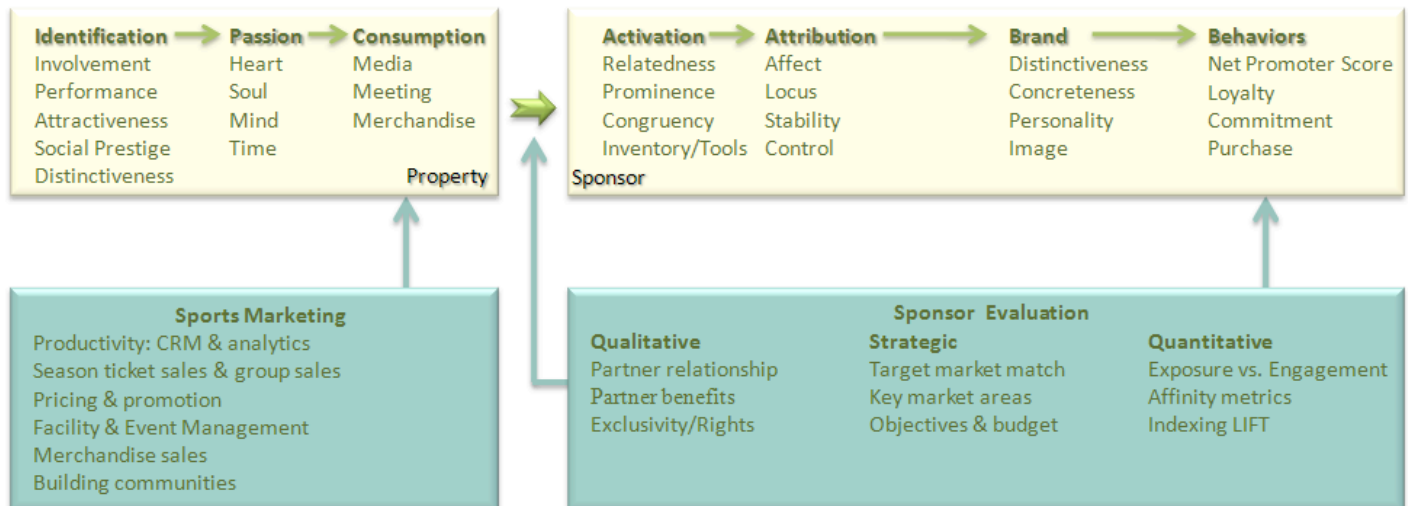
Effective sports marketing is primarily premised upon building fan identification. Customers can identify with a branded good or service, as when customers wear a particular clothing brand prominently displayed on their clothing. As such, it can be argued that identification is merely a deeper level of loyalty. However, the best examples of fanatical followings are within the realm of sports marketing.

Branded goods and services emulating sports marketing practices build highly identified customers. Services such as eBay can generate fanatical support such that users form and meet in clubs for social benefits associated with being with fellow eBayers. Branded products such as Apple can generate enough unreasoning enthusiasm among its fans that they will pay a premium in order to purchase the new version of the product before others. These examples, however, are the exceptions proving the rule: Sports marketing principles best exemplify effective marketing.

Nonsports organizations can benefit from understanding and practicing sports marketing principles. Brands that seek to build levels of identification like that found in the wide world of sports can generate fans that are willing to proudly wear their brand names (e.g., Nike) and otherwise display unyielding devotion. So, whether your career is in sports marketing or grocery shopping, this text should provide guidance for excellence in marketing.

The text is organized around a framework of understanding how buyers respond to the property (i.e., organization, team, athlete, artist) and its sponsors. Sports marketing practices are based on building a highly identified fan base for the property. While we focus primarily upon team sports, the property could just as easily be other entertainment entities which generate highly identified fans, such as musical artists, music concerts & venues, movies and actors, museums, or theatres. As seen in the “Property” box in the framework, highly identified fans develop a passionate connection with the property, leading to the consumption of media, events (meeting with other fans), and merchandise.

A Framework for Team Sports Marketing: How Fans Respond to Properties & Sponsors



The role of the organization in marketing sports entertainment begins with knowledge of the individual fan, generated and maintained through customer relationship management (CRM) systems and analyzed to gain fan insights. Armed with this knowledge, the organization develops ticket plans to meet the desires of passionate fans. Prices and promotions are designed to add value and generate revenue for the organization. The facility sportscape is designed and maintained to attract fans to the venue and make them want to stay as long as possible. Capitalizing on fan passion, the organization develops licensed merchandise strategies to satisfy fans' desire to identify with the team and its players. Incorporating all of these components, fans feel like they are part of a fan community intimately connected with the team and other fans.

Brands seek alignment with properties owning an active, avid fan base. The goal is to activate the sponsoring brand in the minds of fans so the affinity for the property transfers to the brand. When this happens, fans attribute positive associations with the brand, making it more distinct. Based on these positive attributes associated with the brand from the sponsorship activation process, passionate fans respond positively in terms of support behaviors—namely buying more of the brand.

Sponsorships are largely sold on the basis of relationships between representatives of the property and the sponsor, but also rely heavily on qualitative, strategic, and quantitative evaluations.

[1] Folger's has, however, sponsored NASCAR drivers with the Folger's name prominently displayed on caps, shirts and other merchandise fans have worn.

[2] Fisher, Robert J. and Kirk L. Wakefield (1998), "Factors leading to group identification: A field study of winners and losers," *Psychology & Marketing*, 15 (January) 23-40.

[3] Gruca, Thomas S. and Lopo L. Rego (2005), "Customer satisfaction, cash flow, and shareholder value," *Journal of Marketing*, 69 (July), 115-130.

[4] See Oliver, Richard J., Roland T. Rust and Sajeew Varki (1997), "Customer delight: Foundations, findings, and managerial insight," *Journal of Retailing*, 73 (Fall), 311-336.

[5] http://www.bizoffootball.com/index.php?option=com_content&view=article&id=312:complete-listing-nfl-broadcasted-in-231-countries-and-territories&catid=40:television&Itemid=57

[6] Namely Pop-Tarts, Cheese Whiz, Cool Whip and frozen pizza.