

# Sports Marketing - A Pioneering Style Of Marketing Management

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## Abstract

Now a day's Sports marketing became as a subdivision of marketing which focuses on the promotion of sports and also teams as well as the promotion of products and services through sporting events and sports teams. This is a service where the element promoted can be a physical product or a brand name.

**Keywords:** Broadcasting, advertising, social media, digital platforms, ticket sales, and community relations.

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## 1. INTRODUCTION

Now a day's Sports marketing became as a subdivision of marketing which focuses on the promotion of sports and also teams as well as the promotion of products and services through sporting events and sports teams. This is a service where the element promoted can be a physical product or a brand name. The main goal is to provide the client with strategies to promote the sport or to promote something other than sport through sports. Sports marketing are designed to meet the needs and wants of the consumer through exchange processes. These strategies follow the classical four "P"s of general marketing namely Product, Price, Promotion and Place.<sup>[1]</sup>

## 2. Sports marketing mix:

Additional four "P"s are added to the sport marketing, relating to the fact sports are considered to be a service. The additional 4 P's are: Planning, Packaging, Positioning and Perception. Sports marketing includes the element of sports promotion which involves a wide variety of sectors of the sport industry including broadcasting, advertising, social media, digital platforms, ticket sales, and community relations.<sup>[2]</sup>

### Benefits of Sports Marketing:

The benefits of sports marketing are as follows.

1. Stakeholders involved in sports include leagues, teams, athletes, and fans as well as cities and countries hosting sporting events.
2. The media and businesses who promote their products and services through sports also receive benefits.
3. Direct benefits to leagues, teams, and athletes include revenue from tickets, media rights, and sponsorships.
4. Cities and countries also receive revenue from taxes, and all of the stakeholders gain from the exposure provided

through sports.<sup>[3]</sup>

## 3. Challenge of Sports Marketing:

1. With millennial switching to new platforms to access sport, the role of traditional media and sports marketing is changing.
2. Outmoded inflexible contracts can leave little budget for the all-important activation, and with fans choosing rival unofficial channels for gossip and insider information, the rewards can be hard won.<sup>[4]</sup>
3. New and accessible ways to view sports, from mobile to social to VR, means there is less incentive for fans to attend events in person, while more expectation is placed on sports stars to pull off an authentic natural voice for their brand.

'Marketing Product through sport' is a concept that's been used since the 1980s, but has increased in importance in the last two decades due to the growth and expansion that the different types of sports have enjoyed since then. "Marketing through sports" it is a marketing strategy that can be used in sports in two different ways. First, the use of marketing and promotion can be carried out through the sport or through the sports club. In the first case, the use of marketing is under responsibility of the different sporting associations, while in the second case, the responsibility falls on the different sports clubs. In this manner, marketing and promotion through the sport and through the club involve sponsorship, corporate events and boxes, licensed merchandise, names and images also known as "endorsement", advertising through broadcaster, advertising such as advertising as ground signage/clothing/equipment advertising, promoting games, promoting using players/club/league or developing

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'business opportunities.'

The peculiarity of sports is that "sport is only entertainment where, no matter how many times you go back, you never know the ending." This singular fact is used by marketing companies as an advantage: every time the audience attends an event it will see the advertisements again and again, providing a wide range of opportunities for the different companies which operate on this field as follows.

### 1.Sponsorship of events

One of the oldest examples of the marketing of products through sports is Slazenger's supplying of the official ball of Wimbledon (1902- 2015). Another international example of marketing products through sport is Adidas' sponsorship of FIFA, which includes the company supplying the balls used in the World Cup and having its logo on the side boards along the field of play. In what it described as a "world first" in corporate sport sponsorship, in 2016 BNY Mellon and Newton Investment Management announced they had donated their title sponsorship of the annual Oxford and Cambridge Boat Races to Cancer Research UK.

### 2.Sponsorship of teams

Sponsorship of teams is found throughout sports. Some of the most visible examples are found in the MLS as company names and logos are featured on team jerseys. For example, Alaska Airlines is the official jersey sponsor of the Portland Timbers while Valspar is the official sponsor of the Chicago Fire. These are examples of sponsorships of companies that are not related to sports. Turkish Airlines established a sports marketing strategy involving high-profile sports teams, players, and sport associations including Manchester United, FC Barcelona, the Euroleague basketball competition, NBA player Kobe Bryant, the Turkey national football team, and tennis player Caroline Wozniacki. Another example of sports marketing through sponsorships of teams is the apparel contracts seen throughout sports. In 2011 Nike agreed to become the official apparel company of the NFL in exchange for around \$220 million per year a deal that has been extended through 2019. At the college level, Ohio State and Nike maintain a contract that provides the school a value of \$16.8 million per year in cash and product through the 2033-34 academic year. Michigan meanwhile receives a total value of \$15.3 million per year. Under Armour and Adidas are also major apparel brands as Under Armour sponsors Notre Dame for \$9 million per year while Adidas provides more than \$7 million each year to both UCLA and Louisville. These are examples of sports marketing because as it is defined, sports marketing are a marketing strategy in which companies related to sports products or services promote their trademark through design, production or other resources. In this case apparel companies Nike, Under Armour, and Adidas, which are all completely related to sports, design the uniforms of these teams and as a consequence their trademarks are being promoted every time there is a game.

### 3.Sponsorship of athletes

Apparel companies also sponsor professional athletes such as Kevin Durant who receives \$30 million per year from Nike. Stephen Curry is speculated to receive even more money than Durant from his contract with Under Armour. Meanwhile, Puma pays sprinter Usain Bolt \$10 million per year. Many athletes

maintain contracts with a variety of companies, some that are related to sports and others that are not. Roger Federer holds agreements with Nike, Wilson, Rolex, Mercedes-Benz, and Gillette, worth in sum close to \$60 million each year. LeBron James' contracts with Nike, Beats by Dre, Coca Cola, Kia, McDonald's, and Samsung accrue the NBA player more than \$40 million per year.[32] Peyton Manning meanwhile holds sponsorship agreements with companies including Buick, DirecTV, Gatorade, Nationwide and Papa John's worth in sum approximately \$12 million per year. Fellow NFL quarterback Drew Brees earns \$11 million each year from his contracts with Wrangler, Vicks, Verizon, Nike, and Microsoft. Another example of marketing through sports is the strategy used by Gillette to promote its personal hygiene products through representative figures of each sport on television during broadcast sports events. Gillette uses athletes such as tennis player Roger Federer, golfer Tiger Woods, and soccer player Thierry Henry. In the commercial these celebrities appear using the products of the company showing the results in order to demonstrate that if successful people use the products you should use them to. It is a clear example of this concept, because the company using this marketing strategy is not related to sports at all, but through important personalities of each sport it has the possibility to get to its target audience. Nike and Gatorade also hold sponsorship agreements with top athletes. Included among Nike's clients are Federer, Woods, golfer Rory McIlroy and tennis player Rafael Nadal while Gatorade has deals with NBA star Dwayne Wade, Serena Williams, and Peyton and Eli Manning.

Grassroots sport marketing is part of the field of marketing known as social marketing. This refers to marketing something that is of benefit to the public, and is normally done by government or charities rather than private sector organizations. It is normally done with a much smaller budget than marketing of sports teams and event or marketing of products through sports as it does not bring any direct financial benefit. Although this marketing normally drives people to clubs where they will pay to play sport it still needs to be subsidized in order to be run. The money therefore comes from local councils with a remit to increase participation or from public health sector which wants to decrease the cost of disease. Examples of the promotion of sport to increase participation is the United States Golf Association's initiatives to increase golf participation as well as MLB's One Baseball campaign, which attempts to unify baseball organizations at all levels with the overall goal of increasing youth participation and consequently creating new fans.

### 4.Relationship Marketing Sports

Relationship marketing encompasses the notion of preserving customers through the success of long-term reciprocated contentment by an organisation and their customers. Sport businesses need to communicate and participate in discussion with their customers in order to create, sustain and improve relationships. Existing studies offer insightful information into relationship marketing and the general consensus that sport businesses can benefit from its use. In many situations, sports marketing affairs include some sort of relationship marketing, where clubs,

organisations, fans and athletes have relationships with one another that are dependent on the successful management of those relationships. In order for sport businesses to be successful in their goals, they should view their customers as partners for life rather than here and now consumers, and attempt to understand their ever-evolving needs, desires and values. By doing so, sport businesses are able to maintain and enhance their fan base easier than through the more commonly used short-term transactions such as merchandise and ticket sales, with the use of social media enabling this to be practiced much more effectively.

### 5.Social Media and relationship marketing

Social Media and relationship marketing in sport Used as global communication and interaction channel, social media has changed the conventional offline business to customer relationship into a tool that enables customers' engagement into an instantaneous and active back-to-back conversation. Customers are increasingly incorporating social media within their daily lives and using it as part of their communication mix. Today, sport businesses can use social media to actively listen to their customers, recognise and follow their specific needs and wants rather than use out-dated methods of data collection such as surveys and focus groups, which do not provide rich information to better understand customers. It allows sport businesses to keep their customers updated on the latest news and information as well as interacting with them on an individual basis. This instant, two-way dialogue available to sport businesses, which allows them to provide quality content within short time frames, can be seen as a form of competitive advantage. They are able to interact the way they want, in the way that they wish, through whichever medium they feel best. This gives sport businesses an added impetus to effectively utilise social media in order to provide their customers with the best possible experience and to expand their marketing abilities. As well as sport businesses benefiting from the use of social media in the context of relationship marketing, customers also experience the same level of benefits. The constant interaction between sport businesses and their customers allows organisations to know and learn about each individual customer on a deeper level. As a result of this, customers feel a greater sense of value from the organisation and in return, offer a greater amount of loyalty. Social media enables sport businesses to involve customers in the marketing process by receiving feedback and ideas, which can then be implemented in future products and services. By doing so, sport businesses emphasise the engagement between organisation and customer, and reinforces the importance that customers hold in the brand building process.

### 6.Sport marketing through social media

Professional leagues, teams, and athletes have begun using social media as part of their marketing strategy in recent years. The most popular social media platforms are Facebook and Twitter, but athletes and teams have begun using sites including Instagram and Snapchat. Like all business, the advantages of social media use in sports include building brand awareness, reaching a large audience in an easy and cost-effective way as well as creating brand advocates and engaging passionate sport fans. Numerous examples exist

within sports of athletes and teams using social media well to execute their strategy. For a brand like Babolat, for example, having a world icon like Rafael Nadal as its top representative is priceless. There is no better way to stand up to your competition than by joining up with the strongest. But you must know how to do it, it is not a case of anything goes. And this is where knowing how to use social media is fundamental. "A message on Twitter is not just an advertising channel with which you can win an audience. Its power lies in the message being relevant and credible", explains Edwin Schravessande.

**7.Baylor Rewards Program:** When fans decide to "Like" or "Follow" Baylor athletics on either Twitter or Facebook, they are given day-to-day updates on their favorite teams. From a marketing aspect, the Baylor athletics page on Facebook and Twitter (@BaylorAthletics) keeps track of fans who have "tweeted" or "commented" on certain links, posts, or tweets. There is an incentive for these fans to post and tweet because at the end of each year, the top three posting or tweeting fans who are selected receive prizes, from free jerseys and merchandise to season tickets]

**8.Michigan Presale Incentive:** Michigan created a very clever way to enhance the total amount of "likes" or "followers" for their Face book and Twitter Pages in order to obtain recognition. In order to have the opportunity to apply for pre-sale tickets for their Michigan football games, at the largest football arena in the nation 'The Big House,' fans are required to "follow" or "like" their page on Face book or Twitter, which allows them to be able to purchase pre-sale tickets for any game that they desire, making this method of marketing a great tool to gain awareness for their team and many other things.

**9.Louisville Slugger Scavenger Hunt:** After the St. Louis Cardinals won the World Series in 2011, Hillerich & Bradsby, makers of Louisville Slugger bats and other baseball equipment, created a scavenger hunt through Twitter in order to raise awareness for their company. The hunt involved baseball hats, scattered all over the city of St. Louis, Missouri. The Louisville Slugger Twitter page posted "tweets" that hinted at where the hats were located within the city. The fan or participants used their mobile phones in order to be up to date on the specific "tweets" referring to the hunt. If a fan or participant found one of the several hats, the participant was told that they were to be kept by the seeker. The reason this company held a scavenger hunt was to receive recognition and to increase their followers on Twitter. The statistics shows that their fan base skyrocketed 143%. Many teams have incorporated sponsorships into their social media, such as the Minnesota Vikings "Touchdown Tracker" Instagram image, which was sponsored by FedEx. The Cleveland Browns also displayed sponsorship integration in their tweets recapping touchdown drives, sponsored by Cooper Tires. Many athletes including Kobe Bryant, Russell Wilson, and Rafael Nadal have taken advantage of social media to increase their followers and enhance their brand.[54] Athletes have also engaged in promoting brands through social media

including Russell Wilson's sponsorship of Recovery Water and Serena Williams' promotion of Wheels Up.[55] Because of this marketing tool, these fan-based website pages have increased greatly in numbers and give them the recognition that they were looking for.

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Due to speed at which the COVID-19 virus is growing and affecting the lives of people, it is declared a pandemic. Covid