

SPORTS MARKETING: A CRITICAL ANALYSIS ON ITS NATURE

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Abstract- Sports marketing has established itself over the last three decades not only as a very special form of marketing but also as an own subject of research. However, it is quite surprising that nature of sports marketing is relatively unknown as different definition of sports marketing indicate. Indeed, a generally accepted definition does not exist to date and opinions about the nature of sports marketing differ widely. This paper examines the nature of sports marketing and therefore seeks to contribute to the on-going discussion as to whether sports marketing are any different from principal marketing or just a modified version. It starts with a discussion of three different definitions of sports marketing. Then the unique characteristics and features of sports and sports marketing are described followed by implications for sporting organisations, companies involved in sports marketing and sports marketing academics. This paper concludes with a summarizing concept of sports marketing that illustrates the critical analysis on the nature of sports marketing both verbally and graphically.

Keywords: Sports, Sports Marketing, Promotion, Profitable, etc.

INTRODUCTION

One of the most profitable industries today is the sports industry. Major sports like cricket, football, tennis, as well as the country-specific favourites like Indian Hockey, American football, rugby and so on are followed by people all over the world.

People are willing to spend money on going to watch sporting events and they are also willing to spend money on products because of sports. Products endorsed by athletes, like products endorsed by actors, appeal to a wide consumer base. Advertising products during televised sporting events is a tired-and-true marketing technique.

It is especially prevalent for brands to promote products which are linked to sports and athletes and sports team. Athletes are celebrities and a pair of sneakers endorsed by someone who is famous because of their physical prowess is very successful with consumers. It is also common for organisations which are sponsoring a major sporting event to have the competitors promote their products. Sponsors also advertise their products in the arena where the sporting event is taking place.

Meaning

Sports marketing refer to promoting goods and services through the use of sporting events and the endorsement of athletes and sport teams. It also involves the promotion of athletes, sport teams, and sporting events to raise revenue from the public interest that is generated.

Sports Marketing is about promoting sports in general and promoting other products through sports. It is less about using a particular strategy and more about using sports to help the marketing efforts. This can be especially effective when a major sporting event is underway and popular interest is high. Sports marketing is carried out on a variety of platforms, including billboards, boards inside the stadium, television advertising, print media advertising and social media advertising.

Evolution of Sports Marketing

- The Production Focus
- The Product Focus
- The Sales Focus
- The Marketing Focus

Unique Features & Characteristics

Marketing of sport products and services may vary from the way mainstream goods and services are marketed because of the following peculiar characteristics:

- Intangibility and Subjectivity
- Simultaneous Production and Consumption
- Inconsistency and Unpredictability
- Dependence on Social Facilitation
- Emotional Attachment and Identification
- Focus and Locus of Control

Sport Marketing Mix

The 4P's of Marketing:

- Product (sporting product / event)
- Price (the price placed on the product / event)
- Promotion
 - Advertising
 - Personal Selling
 - Promotions
 - Sponsorship
 - Public Relations
 - Promotional licensing
- Place (distribution)

Paradigms of Sports Marketing

Marketing of sport – Marketing and promotion of the sport by association involves:

- ❖ Promotion of the elite form of the sport
- ❖ Encouragement of participation
- ❖ Defining sporting rules, regulations and format to match social trends and improve watch-ability

Marketing through sport – Marketing and promotion through the sport by association involves:

- ❖ Sponsorship, Corporate events and boxes, Licensed
- ❖ Advertising through broadcaster, Advertising such as ground signage etc.,
- ❖ Promoting at games, Promoting using players/club/league

REVIEW OF LITERATURE

Milestones in Sports Marketing

Post World War-II Sport's popularity increase because it acted as a "Healing mechanism" and represented hope

1968 Tennis moves into the "open era" of professionalism

1984 The LA Olympics marks the 'growing up' of sport as an industry

1988 Adidas generates \$1 million from sales of Manchester united replica gear

1990's NBA and Nike took the lead in globalising their competition by using profile athletes

2006 Soccer World Cup in Germany showcases all elements of modern sports marketing

Dean Bonham, CEO, The Bonham Group: "The days of slotting ex-players, equipment managers or relatives of influential team owners into executive positions within our industry are quickly coming to an end. Our business is simply becoming too sophisticated and the stakes are getting too high."

Donath (1991): There is an overemphasis on price and product as marketing instruments and an under emphasis on place and promotion. A danger exists in sports marketing is that the organisations will therefore make a misallocation of organisational resources between the four marketing mix instruments.

Helitzer (1996), The Dream job- sports publicity, promotion and marketing: "The Business ends of sport publicity fundamentals are promotion techniques, Marketing fundamentals and public relations."

Van Heerden (2001) defined sports marketing as: "Sport marketing is the specific application of theoretical marketing principles and processes to sport products and services; the marketing of non-sport and sport related product and services through an association – such as sponsorship-with sport; and the marketing of sport bodies and codes, their personalities, their events, their activities, their actions, their strategies and their image."

Shekhar (2021): Current technologies advancements and the massive usage of social media have aroused the interest of sports marketers.

INDUSTRY PROFILE

The Sports Industry

Sport is quite often described as a part of entertainment industry. Indeed, certain similarities cannot be denied. People watch sports in order to be entertained. However, sports might be entertainment, but it also differs in some

aspects from other entertainment sectors or ordinary businesses. Sporting Organisations often operate in a cartel-like competition. The governing bodies of the league set the rules of the game and the competition in order to guarantee a certain level of competitive balance. They compete on and off the pitch but need each other in order to produce the sporting competition. The sports industry and sporting organisations have a sometimes relatively ‘unhealthy’ relationship to the principle of profitability. The public perception of some sports (Rugby, Cricket, Formula I, etc..) is extraordinary and beyond any comparison with any other business sectors.

The Sports Product

The Sport Product is defined as ‘a good, a service or any combination of the two that is designed to provide benefits to a sports spectator, participation, or a sponsor.’ Sports Products are provided by sporting organisations which can be divided as the core product and product extensions. The core product is the initial game, the sporting event or competition, whereas the product extensions are all goods or services which are related to the core product such as merchandising, catering, hospitality, or information services. Teams or Individuals need each other to create the core sports product. In addition, Sports Marketers have no control over the quality of the core product because every game or competition is highly spontaneous and unpredictable.

The Consumer

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. 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.

Consumption of Sports Product

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.

By understanding the various factors that influence the decision-making process, organisations and businesses in the sport industry can develop more effective marketing strategies, improve customer engagement and satisfaction, and ultimately increase revenue.

- **Need recognition:** The consumer realises that they have a need or desire for a product or service related to sports.
- **Information search:** The consumer seeks out information about different products or services that could fulfil their need or desire related to sport.
- **Evaluation of alternatives:** The consumer evaluates the different options they have found and compares them to one another in terms of features, benefits, and costs.
- **Purchase decision:** The consumer makes a choice of which product or service to purchase.
- **Post-purchase evaluation:** The consumer evaluates their satisfaction with the product or service they have chosen after they have used it.

CONCEPTUAL FRAMEWORK

Sports marketing refer to promoting goods and services through the use of sporting events and the endorsement of athletes and sports teams. It also involves the promotion of athletes, sports teams, and sporting events to raise revenue from the public interest that is generated.

Sports’ marketing is about promoting sports in general and promoting other products through sports. It is less about using a particular strategy and more about using sports to help the marketing efforts. This can be especially effective when a major sporting event is underway and popular interest is high. Sports’ marketing is carried out on a variety of platforms, including billboards, boards inside the stadium, television advertising, print media advertising and social media advertising.

The agent of an athlete typically ensures that they endorse certain brands and products along with maintaining their professional career. In fact, where certain factors are considered, such as the high degree of popularity enjoyed by male cricketers in India, it is part of the professional career of certain athletes to endorse products.

Athletes and teams may endorse a particular product or just a brand image. Mainly, anything, from a charitable cause to a sportswear brand may be promoted by sportspersons. Athletes and sports teams are extremely popular with a wide demographic and by making use of this popularity both producers of goods and services that are being endorsed and the athletes and teams themselves can profit.

The consumer becomes part of a process by purchasing products endorsed through sports, the producer of which then sponsors athletes, teams, and events.

Sports marketing strategies are in accordance with the four “P”s of general marketing. They are Product, Price, Promotion, and Place. Because sports are a service, an additional four “P”s are part of sports marketing. These are Planning, Packaging, Positioning, and Perception. This addition is called the “Sports marketing mix”.

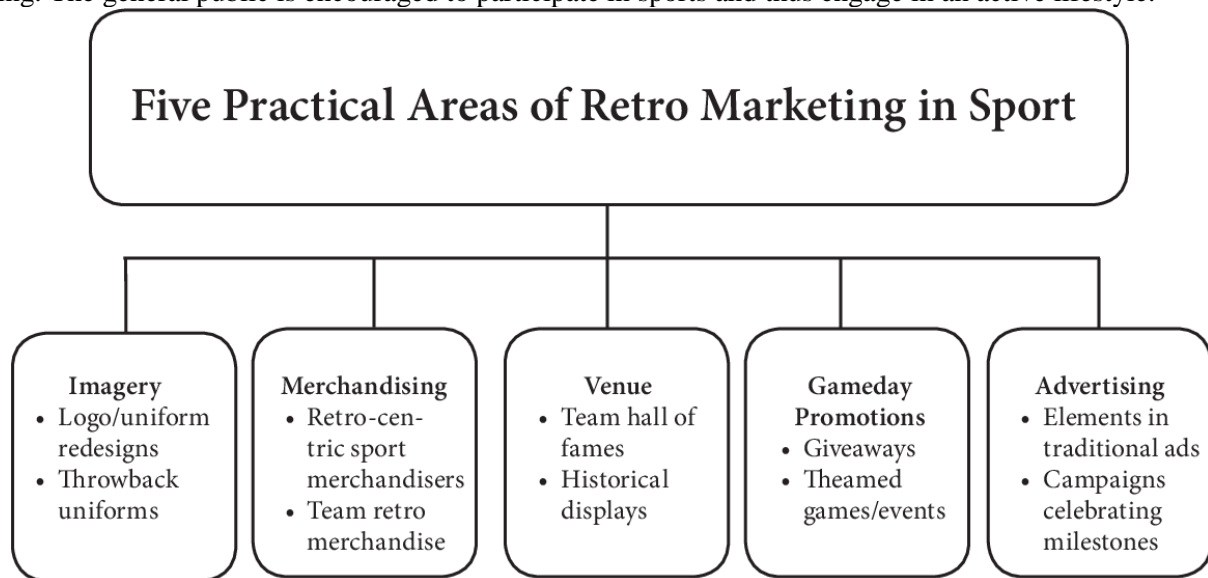
Sports marketing is very useful in multiple ways, mostly in conjunction with how the popularity of sports can be used by the business industry and used to promote sports in return.

Brand recognition: Sporting events are very widely and repeatedly viewed. By advertising their products in the stadium and during the telecast of events, companies can ensure that viewers will be constantly and consistently exposed to their products. By having popular athletes and sports teams promote their products; organizations can leverage the faith of the fans of those athletes and teams. Basically, if the consumer’s favourite athlete or team endorses a brand, the consumer puts their trust in the brand because of the endorsement. Many brands even become permanently linked to a particular event, athlete or team, and the public associates the two and trusts the brand because of it.

Promoting new products: By having an athlete or team endorse a new product, organizations can market the product more easily. While people would be reluctant to put their faith in a new good or service that they do not have first-hand knowledge of, having sports celebrities promote the product makes use of the status of the celebrity to raise public faith and interest in the product. This is a marketing technique that is especially useful for sportswear and health food. A testimonial from a sportsperson makes these products more trustworthy.

Raising viewership and revenue: Promoting sporting events and associations, as well as teams across a variety of platforms like print media, television, social media, and billboards ensures that there will be widespread interest in those events, associations, and teams. Revenue will increase along with interest as people watch the events both in person and at home and decide to follow those teams and the sports of those associations. The sports industry needs followers of sports as well as players. Without any outside interest in sports, the industry would suffer monetary loss. Promoting sports leads to people who are not actually players becoming invested in the sport, which is good for the industry and the sport itself.

Public service: Sports marketing can be used to serve the needs of the public. Athletes promote charitable causes and because of their celebrity status, can raise aid for those in need easily. The government can promote sports to at-risk youth and by subsidizing their participation, can raise participation in the sport as well as provide the youth with an avenue to income. Promoting sports to raise public awareness about personal health is another use of sports marketing. The general public is encouraged to participate in sports and thus engage in an active lifestyle.



CONCLUSION

This is essentially what sports marketing is. It is more than just fans watching their favourite sports teams, may that be a baseball game, a basketball game, the World Cup, or any other similar sporting event. It is what happens behind the scenes, what happens before the actual event itself. More so, it is about the power of sports to unite people of different backgrounds toward one common interest. Sports marketing has been in the market and will be in the market for a very long time.

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