

An Analysis of Sports Marketing

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Abstract: Sports is a large global business. Billions of dollars are spent at sporting events, on sports teams, on sports events, as well as on sports-related equipment and apparel. Sports marketing is a subdivision of marketing which focuses both on the promotion of sports events and teams as well as the promotion of other products and services through sporting events and sports teams. It is a service in which the element promoted can be a physical product or a brand name. The goal is to provide the client with strategies to promote sports or to promote some other product, service, business or cause through sports. This paper mainly discusses about sports marketing, including its origins, advantages and disadvantages and sports marketing strategies and so on.

1. Introduction

Sports marketing uses sports, in any form, to help sell goods and services. This particular style of marketing is less about using a single strategy and more about using the content of sports to assist marketing efforts. This is not limited to professional sports, and may include college athletics, minor leagues, or alternative sports. Sports marketing is divided into three sectors. The first is the advertising of sport and sports associations such as the Olympics, Spanish Football league, NFL and the IPL, as well as sport teams like Real Madrid and the New York Yankees. Because of the focus on professional sports, the Olympics and other traditional events are not events that are included on a larger scale. Sports marketing is an element of sports promotion which involves a wide variety of sectors of the sports industry, including broadcasting, advertising, social media, digital platforms, ticket sales, and community relations. The increasing popularity of sports has meant an increase in the visibility of teams and most importantly, its athletes. This has meant advertisers have found it increasingly valuable to team up with sports stars to make their brands even more visible [1]. Marketers use sports to reach a certain segment of the population. Typically, the target market is men, but there are exceptions. Figure skating, for instance, attracts a large female audience. Products that appeal to men like beer, trucks, and snack foods are marketed heavily during sporting events for this reason. The only real qualification for using sports marketing is having a product with a wide appeal. The maker of highly specific business software would gain nothing from the wide net cast by sports marketing. It is important for any sports marketer to understand the audience for sports. Different customers favour different sports. The UFC attracts a younger crowd while the audience for the PGA tends to be older. The Olympics, for instance, are widely loved despite being held every 4 years [1, 2]. Major sports like hockey and golf are less popular than college athletics and individual sports like gymnastics. Marketers use data like this to help them reach their target audience.

2. Sports Marketing

Subconsciously we make choices that are guided by marketing strategies adopted by the company. Particularly during sporting events, there is heavy advertising which influences our choices while buying products and also helps the company to capture the imagination of the public so when they think of sports they automatically associate a product with it. Such advertising has given rise to the marketing term “Sports Marketing.” The sun is out, you get ready for your morning workout. Donning your Nike sports shoes and Adidas training tee, you start your workout and finish it up by drinking your favourite energy drink Gatorade. Do you realize the common thread that connects them? Sports

marketing can be defined as a marketing strategy that is aimed at promoting sporting events, equipment or products and services using an athlete or a team [3]. Using an athlete or a team has one clear motive. An athlete or a team acts as influencers which have a direct impact on the audience. For example, Nike partnered with Mike Jordan a famous basketball player for its new line of shoes which were branded as Air Jordan's. These Air Jordan's introduced by Nike created a craze for sneakers and also formed a subgroup that started collecting sneaker. This group gave rise to a new group called Sneaker heads which gave rise to an all-new market for sneakers.

3. Advantages and Disadvantages of Sports Marketing

The biggest advantage of sports marketing is that it allows marketers to piggyback on the popularity and devotion many fans feel towards their favourite teams and athletes. If a baseball fan has loved a specific team since childhood, any marketer who associates themselves with that team gains instant credibility in that fan's mind. Since the revenue ultimately goes to support the team, the marketer is considered a sponsor and invested in the team's success. The only major disadvantage is that the sports marketing industry is so large that it can be hard to stand out in the crowd. A fan who watches a three hour football game will be exposed to dozens of different marketing messages. Marketers must advertise to a wide range of customers, but risk that their ad gets overlooked by fans more interested in the game [2].

4. Sports Marketing Plans

Using sports to sell products presents many opportunities that bring both risk and reward. A successful sports marketing campaign can linger in the minds of consumers for years, while an ineffective one can be a significant waste of money. All marketing efforts must be guided by a comprehensive marketing plan if they hope to succeed. The plan begins with a number of logistical questions, such as budget estimations and resources. Sports marketing can get expensive quickly hence the companies need to use their resources wisely. They also need to establish a time frame for the campaign. Will it run for a week, an entire season, or involve a multi-year marketing effort like buying stadium naming rights? Different marketing objectives involve different plans. A team of creative professionals work on developing ads whether they are TV spots, billboards, or radio ads. Research findings should determine the goals of the advertisements, but ad makers will develop the content that they think can best speak to the target audience. They use team colors, slogans, and sports imagery to create a link between the product and the sport. Once the ad campaign begins, the company needs to evaluate how effective it is. Metrics like increased sales, Twitter followers, and brand awareness are all indicators of how well a campaign is being received. The metrics should reflect the goals established in the marketing plan. If the goals are being met, the campaign can be continued and built upon. If the number falls short, the marketing strategy have to be revised [2].

5. Manifestations of Sports Marketing

Take a major sporting event like the recently concluded FIFA World Cup. It was viewed by over half of the world's population. Popular sports brands like Nike, Adidas and Puma sponsored various teams by providing the football kit. Even the fantasy league during the World Cup was associated with McDonald's. Super Bowl halftime shows usually have celebrities performing and there is a prime time slot for commercials to be played which is why companies shell out money to promote their product as Super Bowl is viewed by millions of people across the globe. Even during the offseason, companies like Coke tried their drinkable advertisement to promote their product. Here's what Steve Jobs had to say, "Nike sells a commodity, they sell shoes. And yet when you think of Nike you feel something different than a shoe company. In their ads, as you know, they don't ever talk about the product, they don't ever talk about their air soles, or how they're better than Reebok's air soles. What's it that Nike do in their advertising? They honour great athletes and they honour great athletics. That is what they are about. GoPro has had competitors that were technically as good if not

better – but none of them came close to appreciating their customers’ wants. GoPro focused on making its users look as cool as possible, and allowed them to show off to their friends and to the world. It became the obvious choice for high-performance athletes, and the obvious gift for hobbyists and adventurers [4].

6. The Various Sports Marketing Strategies

Consumer choices are influenced when there are promotional activities done by influencers and experts. Celebrities usually have a large fan following and thus act as a perfect fit for the companies to use them in their advertisement to increase the reach of their product through their followers. For example during Super Bowl season, celebrities like Kevin Hart are roped in to promote a certain product via funny commercials that are aired during primetime. Companies also prefer to use athletes who are well known in a particular sport for promotional purpose. Promotion by experts turns out to be more genuine than from random celebrities. For example, Nike has employed Usain Bolt to promote their clothing line as well as shoes specially designed for track sports. Innovative marketing strategies by using a certain event in sporting history are also becoming a norm in sports marketing. For example, following Colin Kaepernick famous kneel during the national anthem, Nike recently launched the campaign for their 30th anniversary with Colin spearheading the commercials. Social Media has changed the way of traditional marketing. It has opened a new horizon for the companies as well as the people to engage and due to increasing popularity of smartphones, strategies are being employed by the companies to promote their products and make them go viral. The traditional four “P”’s of general marketing are - Product, Price, Promotion and Place. Another four “P”’s are added to sports marketing, relating to the fact sports are considered to be a service. The additional 4 P’s are: Planning, Packaging, Positioning and Perception. The addition of the four extra elements is called the “sports marketing mix.” Following such strategies, companies try to accomplish two of the 7 Ps of marketing which are People, Promotion [1, 4, 5].

7. Conclusion

People are taking out time from their schedule to watch such events. Access to various streaming services have made it possible to witness these events on the go, and this trend is likely to stay. It is the perfect time for the companies to cash in and reap the fruits of Sports Marketing. To thrive in this new age of sports marketing, brands will need to look to how they can, instead of simply putting their logo on a team uniform or associated team properties, become a valued member of the community of fans who love the sport or team they choose to align themselves with. To get this right, it won’t necessarily be about being on the biggest stage but being on the right stage. A stage where the brand has an authentic reason for being and upon which they can authentically add value. This is how they will build brand affinity within the audience. And, once they have that right, they’ll need to look past traditional branding solutions and how to act like a publisher producing content that lives across traditional and non-traditional channels enabling them to drive the narrative of the sponsorship and own their place within the platform’s audience. All of this condenses down into one simple fact: sports marketers are going to need to relook how they approach the discipline they love and savvy marketers, brands and sports properties who adapt within this changing world will thrive as those who do not, fall away. The sports brand is the company’s most valuable asset and the sole responsibility to create a brand lies on the shoulder of the marketing department of the organization. The market is full of similar products and the only thing which makes the company stand out is its brand. Today, the brand is not just a combination of name, symbol, and design, it is the business-consumer relationship, the consumers’ perception, and the consumers’ opinion about the company and its products [6].

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