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## **THE EMERGENCE OF TAILGATING AS AN INDUSTRY STANDARD**

### **An Examination of the Global Implications and Possibilities**

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Synopsis:

Tailgating at sports contests have evolved into an popular phenomenon in recent years as fans of all sports have adopted this ritual and adapted it to fit their specific needs. While the majority of this sport-based entrepreneurial growth has occurred in the United States, the global nature of the sport industry encourages the examination of the possible expansion and implementation of the tailgating model in the international setting.

Abstract:

Tailgating ,the social gathering of people in adjacent areas before and after sporting events has evolved into an international phenomenon in recent years as fans of all sports have adopted this ritual and adapted it to fit their specific needs (James, Breezeel, & Ross, 2001). However, only recently has focus been placed on the economic implications of tailgating activities (Gillentine & Miller, 2015). As sports organizations have recognized tailgating activities as effective marketing tools to help promote their sport product(s), innovative sport entrepreneurs and organizations have capitalized on the popularity of tailgating as a revenue source (Gillentine & Miller, 2015). Although Total early-stage Entrepreneurial Activity (TEA) has been low in Europe for nearly a decade, a study by the European Commission (2012) reported favorable attitudes towards entrepreneurial endeavors as 79% of Europeans agreed that entrepreneurs create new products and services. Thus, while the majority of this sport-based entrepreneurial growth has occurred in the United States, the global nature of the sport industry encourages the examination of the possible expansion and implementation of the tailgating model in the international setting.

Private tailgating enterprises have been established throughout the United States to provide fans (consumers) with the finest tailgating amenities, services and game day environment to generate profits for the enterprise owners. Most of these enterprises are best described as Cottage Industries or micro

enterprises are typically defined as a small-scale and often informally organized industry, with relatively few employees or a limited but enthusiastic customer base or low and/limited economic impact.. These industries supply goods and services to heighten the tailgating experience. However not all of these new enterprises have remained small informal organizations. Many tailgating focused businesses have evolved to fully functioning incorporated business. Rosa and Scott (1999) provide support for this contention as they reported that the greatest growth occurred in companies that were embryonic business clusters rather than a single one-dimensional business. This suggests that the greatest source of new high-growth potential businesses tends to come from entrepreneurs with existing businesses. Their unique ways of thinking and experience with earlier ventures seems to provide a corridor for additional entrepreneurial pursuits. Thus, a cottage industry such as that occurring in tailgating at athletic events could grow to offer more and potentially better services.

An entrepreneurial opportunity consistently addresses the advancement of a novel concept that others have disregarded or chosen not to pursue. In his seminal work on economic development, Schumpeter (1934) theorized that innovation proceeded in an uneven and irregular fashion. After the entrepreneur first introduces a breakthrough service or product and experiences a level of success, other entrepreneurs will emerge and “swarm” to offer imitations of the initial service. As such, it is not unusual for entrepreneurial agencies to act in one of two ways. First, they may be concerned with protecting their services from potential, emerging threats. Secondly, they may possess an entrepreneurial cognition which allows them to continue to probe for new opportunities. Entrepreneurial cognition provides important insights for understanding why entrepreneurs often see and act on opportunities that others fail to recognize. According to Westhead and Wright (1998) entrepreneurial cognition offers a theoretical rationale for research into entrepreneurship.

The theory of entrepreneurial cognition recognizes the way some people think and make decisions allows them to function effectively (Westhead & Wright, 1998). In this presentation, we propose that this is true with entrepreneurial recognition for tailgating at sports events. Those with an entrepreneurial cognition perspective tend to use experimental based, rather than factual-based, logic to develop their service or product. In other words, those entrepreneurs that offer additional tailgating services recognize the opportunity but fail to base their logic for success on facts.

This presentation will introduce the theory of entrepreneurial recognition, which will be defined as the recognition of opportunities for future growth possibilities in the tailgating industry. A review of the growth and type of businesses that have developed as a result of tailgating activities and explore the potential economic benefits as well as challenges and lost opportunities for sport and entertainment organizations will be explored. Secondly, we will offer various views on how the tailgating industry can benefit both the sport and entertainment organization and the entrepreneurial pioneers. The goal is to build theory of entrepreneurial recognition as a way to examine tailgating businesses about potential micro to macro concerns or problems with current business practices, which can also serve as a source of information for future owners of private tailgating enterprises.

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