

(SP) INTERNET RELATIONSHIP MARKETING AND PROFESSIONAL FOOTBALL CLUBS-AN INTERACTIVE FUTURE

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Introduction

Relationship marketing within the Web retail market consists of three main components: database, interaction and network (Wang, Head and Archer, 2000). The nature of the activity of professional football and the characteristics of the fans suggest that a range of electronic activities might hypothetically take place either in the form of direct e-trading between club and fan or in the form of indirect customer service. This would in the longer term lock the fan more tightly into a relationship with the club, and hence encourage a longer term 'spend' with the club.

The increasing shift from the match-day gate revenue as the major contribution to club finances (Szymanski and Kuypers, 1999) necessitates the development of information-based relationship marketing, which continues to be delivered at appropriate levels of speed, content and quality. If this development does not materialize, the strength of the club brand will be eroded in the perception of the individual fan. The Web site might thus lead a football club to a position of competitive disadvantage if mismanaged (Beech, Chadwick and Tapp 2000).

Therefore, the advocacy of quality principles to develop a sustainable competitive advantage in service, and hence deliver relationship marketing, is a way of management of football clubs that sports executives may have to address. The interactive nature of Internet activity raises a further issue in determining their cybermarketing strategy. The sites spawned by football clubs are generally not antagonistic, but their natural loyalty and support is for the club rather than for the management (Brown, 1998).

The challenge for clubs is thus three-fold: (1) To attract fans and sell the club's products to them (2) To retain fans and build their loyalty to prevent them defecting to support other clubs (3) To maintain a dominant position against the competition offered by unofficial sites.

The main purpose of this paper is to examine the scope, nature and content of football club Web sites from a relationship marketing perspective. It also seeks to highlight the competitive advantages that the clubs may derive from their sites.

Methodology

The paper is based on an existing model for analyzing sports Web sites, adopted by Brunelli and Semprini (2000), and involved site surveys. They conducted a pilot test, which revealed a high level of change in many sites over short periods of time and considerable ambiguity in sign posted contents. This led to a 21-item proforma development under six headings. 1.Selling features 2.Information headings 3.Promotional headings 4.Communication headings 5.Data collection headings 6.Design headings It was decided that audits, of a stratified sample, of 14 European clubs (Manchester United, Newcastle United, Chelsea, Leeds United, Real Madrid, Barcelona, Valencia, AC Milan, Inter Milan, Juventus, Bologna, Fiorentina, Bayern Munich and Paris Saint Germain) was appropriate. The authors wanted to ensure that the sample reflected key

variables. These were felt to be club turnover (which is thought to have a key impact on Web site sophistication), sites created by external experts and those sites developed in-house and the nature of recently established sites compared with longer established sites. The data were segmented into meaningful fragments and constructed around issues that were explored in the audit. These were: 1.Public Relations 2.Sophistication 3.Cyber Awareness 4.Club Structure and Marketing Objectives 5.Interaction-Relationships with Customers 6.Transaction-Attracting and Monitoring New and Existing Customers.

Results

The marked difference between the structures of the sites can be noted from the fact that, of the 21 items under consideration, no site contained all of them. The most common elements (13/14) were news about the clubs, presentation of the teams and updated results and table standings.

Public relations

The Web sites of the Italian clubs are used mainly for communication reasons and for institutional information. They assume the form of a communication instrument, exclusively at the disposal of the club. The opportunity to use them in order to create more complex relationships with fans is confined to periodic updating of team news and the opening of spaces for dialogue with the fans and between the fans themselves.

Sophistication

The notions of competitive advantage or value added that perhaps should underpin site development appeared to be missing from most of the club sites. The clubs provide electronically what can be accessed from elsewhere in non-electronic form.

Cyber awareness

Clubs had become much more aware of the uniqueness of the medium in which they were operating, and those in the industry of the medium had started to take far more notice of football club sites. The web site of Manchester United provides an excellent example. The title page of this site acknowledges the 6 sponsors of the club.

Club structure and marketing objectives

Significant variations were found between clubs in their allocation of departmental responsibilities for their sites. One reason for the different styles of the club web sites was that clubs had different views of which department within the organisation should have responsibility for the web site. While all saw the web site as notional a marketing operation, their general lack of integrated approach to marketing saw responsibility fall to Ticketing, Merchandising, and Public Relations departments. The notion of competitive advantage is not a strong one in football sector and clubs consequently did not view their sites as a tool of competition.

Interaction –relations with the supporters

The first analysis demonstrated that from the highest reading (12/14) for the first category, there was a steady diminution down to a lower reading, 8/14 for interactive elements and on down to a markedly low reading for on line trading, with only three cases of electronic ticket sales availability. The fact that the number of the more complex and interactive elements of the sites was on average lower indicates that the nature of the sites is in continuous evolution. On those forums, which allow the web site visitor to interact, the forum and chat rooms are most important. We have noted 12 sites with this possibility. Only four sites offer a personalized e-mail service, limited to the club name.

Transaction-Attracting and Monitoring New and Existing Customers.

There are 6 on-line stores. What can be said, however, is that the greater importance of the on-line store as compared to online ticket sales is due to the complex implications of simultaneously selling tickets via a variety of channels – Internet, box office, fan clubs and ticket agencies. Similarly, although the majority of the clubs provides detailed information about the merchandise, there is less evidence that moves towards on-line buying are taking place. It was also noted that 6 out of 14 sites had another version (besides their native). The sites of Barcelona, Real Madrid, Inter, Milan, Juventus, Inter and Bayern Munich offered an English version, whilst the Premier League clubs did not offer any other version.

The authors found that, despite improvements to earlier studies, most club sites remain underdeveloped and that many clubs have still to seize the opportunities that the Web offers. While some clubs are becoming more sophisticated in their use of Internet relationship marketing, all clubs need to address a number of issues. The paper thus highlights intermediation organizational change, and the development of marketing activities and functions as key areas for discussion.

Discussion

Intermediation

The challenge for web site developers in this context is that of how to attract and engage users, how to make them aware of the existence of a site and ensure that they access it, is a key challenge. A fundamental question is how you found out what supporters want. It is clear from the findings that many clubs use browser cookies technology. That is, users are not asked to register to use a site, or to provide any other than basic information when engaging in a transaction. Should clubs decide to collect this type of information, there are a number of benefits that may occur. At the very least, clubs would be able to identify first visitors and repeat users. But available technology allows a level of sophistication beyond this. Browser cookies can indicate which parts of a Web site have been accessed and how the supporter has used them once there (McCarthy 1999). This potentially allows the site manager to build up a profile of users and their areas of interest. In turn, this can facilitate the provision of other supporter services. For those who use Web sites to buy tickets on line cookie technology enables clubs to target them with e-mail offers.

Change

At the club level, the change is towards lower dependence on gate receipts; higher dependence on revenues from broadcasting rights (although this is actually generated at league level rather than club level, its distribution results in club income). Clubs should be able to provide, under payment, audiovisual materials such as highlights from the games and interviews with players, which supporters can download and view on-line.

A number of American sites (www.nba.com) allow supporters to take on-line tours of their stadium facilities. Linked to this, there is also growing evidence of sites that allow supporters to access the view from each section of the ground. On line tickets purchases can then be made using the information and the supporter can decide the payment method and mode of delivery for the ticket. At present, most football clubs do not approach this level of sophistication

As a signal of intent, clubs should at least provide users with the option to view the sites in language other than the native. Beyond this, sites should acknowledge the global nature of club support as the basis for amore sophisticated approach to site development.

Marketing development

During this research a number of key observations can be made. First, the existence of a significant array of unofficial club sites supports the view that there is a healthy counterculture among football web site users. Second, in strategic terms, the development of football club web sites is largely characterised by emergent club strategy rather than being a deliberate or planned strategy.

What clubs should remember, however, is the proliferation of Internet technology and the impact that this is predicted to have on the media rights market and sports broadcasting. The use of the web as a medium of communication is thus likely to extend beyond providing basic club information into providing users with a multimedia experience. At an industry level this will impact upon the balance and allocation of revenues, and for smaller clubs or the technically less competent, may have serious long-term consequence (Duncan and Campell,1999)

Firstly, regardless of site type, maintaining a site presence on the Web is vital to keep up with the competition, but Web efforts should not necessarily be expected to generate revenue for a few years. With the current user base and the Web's limited ability to generate significant online revenue, in the short term, maintaining a Web site should be treated as marketing tactic designed to maximize exposure for the property in, which is the site associated. Any ancillary revenues generated in the interim should be viewed as offsetting this marketing cost. With this said, however, there appear to be high expectations for the profit potential of the Internet (Caskey and Delpy, 1999)

To achieve this potential the priority of goals may need to be reassessed with greater emphasis on profit. In addition, more human and financial resources should be devoted to the effort and marketing campaigns, which need to become more defined and targeted directly to the current and potential Internet user. What ones was a wide-open medium is quickly becoming cluttered and marketers need to establish relations early on the six items as essential considerations for effective interactive sport marketing on the www- mission, margins, mechanics, maintenance and metrics (Pope and Forrest, 1997) This research has shown that clubs had undertaken little market research, and had scarcely started to develop strategies of either database marketing or relationship marketing.

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