THE DEMAND FOR FOOTBALL: ABOUT THE GROWTH IN NEW MEDIA PRODUCTS AND THE RISK OF CANNIBALISM

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Abstract

The demand for elite sport has received substantial attention in sport economic literature. See, for example, Borland & McDonald (2003) and Simmons (2006) for an overview. For many years, analyses of this issue were mainly synonymous with analyses of the demand for tickets at arenas. This, however, has altered in recent years. Although it has been an option to watch sport on TV for several decades, there has been a manifold growth in TV sport in recent years. Additionally, technology innovations have opened up for new products, for example watching sport on the Internet and mobile phones.
This development has provided sport fans with a number of new alternatives compared to some years ago. In turn, this represents both opportunities and challenges for producers and distributors operating at the supply side, i.e. sport governing bodies, event organisers and teams. On one hand, they now have more options to reach fans than ever before. On the other hand, it can be complicated to find the optimal mixture of products on an increasing number of communication channels. In order avoid cannibalism, the producers need information about how sport fans rank the alternative products. To what degree TV and Internet regarded as an alternative to attending arena? (Alland & Roy, 2008)

This requires information about the price elasticity for the various products. For many years, traditional TV viewing was free of charge, with the exception of license fees and general admission fees to cable- and satellite operators. This pattern has changed significantly, since Pay TV channels and many other providers of sports programmes charge fees from their customers (Hammevold & Solberg, 2006).
This development raises several questions about the preferences of sports fans, of where some will be addressed in this paper. The research is based on a survey of Norwegian football spectators. It measures and compares their preferences for alternative football products, including willingness to pay.

Data collection - methodology
The data comes from an email-survey of more than 12000 Norwegian football spectators. Fourteen of the 16 elite clubs allowed us to use the email addresses to those who purchased tickets and season cards during the 2010 season. The questionnaires focused on attitudes we expected could influence their demand for football.

Results
The results in Table 1 reflect the respondent's willingness to pay for various categories of TV football. Table 2 focuses on how they ranked alternative products against each other. These questions were answered by means of a Lickert scale ranging from 1 to 7, with 1 indicating strong disagreement and 7 strong agreements.

Discussion
The results illustrated that the respondents were more willing to pay for watch their favourite team on TV than their national team as well as the final rounds in FIFA and UEFA championships for national teams. They also documented that fans in general preferred to be at the stadium instead of watching the matches on TV. The survey documented mixed results with regards to the teams they preferred to watch on TV. The conference presentation will go into details on these matters and present regression analyses that explain the factors which influenced the variables in the tables.

References:

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