

English League clubs outside the top flight: Architects of their own brand range?

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Aim of paper

The article investigates the portfolio of products of professional football clubs in England, that are not members of the Premier league (EPL). It investigates the extent to which they have extended their range and added new products/services and brands.

Theoretical background / literature review

The UK is home to a large number of professional sports teams who are classified as Small and medium Enterprises (SMEs) as their turnover is less than €50 million per annum. The market for their core product, sport, is limited by interest in the sport/league they play in. They are in effect regional brands as most of their revenue is derived from their geographical locality (Couvellaere and Richelieu, 2005). For this reason, brand extension and management is important as there is a need to diversify into new markets for financial viability as income from the core product may be insufficient to operate professionally (Pritchard, 2016).

This paper examines the portfolios of professional clubs outside the top level of English professional football, the EPL. These teams were selected as their number is far greater than those in the top tier. There is a wide gulf in revenue between EPL teams and the rest, the former receive most of their income through broadcasting and commercial agreements as a result of the strong equity of the brand name. Broadcasting income alone is over €50 million per annum for each of the 20 clubs. Some teams outside the EPL may remain outside the SME category because of payments they receive from the league after being relegated, but these only last for three years. In effect the only way a football club in England and Wales can move out of SME status is by being in the EPL.

A number of these clubs have moved to new stadiums since 2000 and for others development of their grounds is ongoing. The paper examines the range of products they offer, within their portfolio and the branding approach adopted. It uses the constructs of resource based theory (RBT) together with those drawn from brand architecture and brand extension to investigate the range of products/services offered.

RBT maintains that competitive advantage is gained by ownership and deployment of resources (Kozlenkova et al., 2014) and has been applied in a sporting context before although not to the product portfolio and off field activities. Brand architecture describes the structure of an organization's portfolio of brands and the relationship between them (Aaker and Joachimsthaler, 2000) and has been used to contrast the offering of sports and leagues (Kunkel et al. 2014). Brand extension typologies have been developed by a number of authors (Pritchard, 2016). However, the three factors have not been combined, through the lens of a professional sports team. In this context there is a marked difference to generic businesses; in that clubs resources as sub-brands are linked to the master brand the league in a form of brand architecture

Methodology, research design and data analysis

A range of secondary sources were used to examine and categorize the offerings of the teams who had moved to new stadiums. These were then classified using the typology of extensions devised by Pritchard (2016). The typology was also extended to incorporate the different brands marketed by the clubs (Kunkel et al. 2014) dividing those that were national and regional in nature.

Results, discussion and implications

Teams offer a range of products under a number of different brand names, some that were targeted at other markets, particularly in terms of conferences and events. Working with local authorities and organizations was also evident. In addition to the core product of the resident football team a number had staged other sports on a one off basis; others shared their grounds with teams from other sports. These teams are mainly regional brands although there were some attempts to market national teams, particularly in niche sports. Co-branding of the stadium was common using the sponsors and stadium name, although it was noticeable that the name of the football club was seldom used in branding.

Developing a strong regional presence increases income and it is accepted that this is an important factor in success in football as it allows for the buying of better players. This in turn would help gain promotion to a league with greater revenue and brand equity.

Note: research is not yet complete but will be by September.

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