

Sport as a platform for value co-creation

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Aim of the abstract/paper

Knowledge focusing on value creation within and through sport is scattered throughout literature and a systematic understanding of how value creation manifests itself between sports and its socio-economic environment is inadequate. In order to fill the knowledge gap and inspired by the works of Smith and Westerbeek (2007) who addressed sport as a vehicle for deploying corporate social responsibility, this paper conceptualizes sport as a platform for value co-creation.

Theoretical background

Theoretically the paper leans on service-dominant logic (Vargo & Lusch 2004) and new economic sociology (Swedberg 2004). We presume that value cannot be embedded in the value provider's output and captured by price – instead we see that value is fundamentally derived and determined in use. We further suggest that nothing is valuable until it is made valuable. Value is not an objective feature of the entity neither subjective opinion of the evaluator but a phenomenon that emerges from the interaction. Value co-creation may take different forms in the context of sports, such as economic, symbolic, emotional, functional and social.

Methodology and research design

This paper employed a systematic review of the literature. Firstly, a computerized search (keywords: sport, value, business, management, society, community, CSR) was carried out in the four relevant scientific data bases. The search yielded 253 articles. Secondly, the abstracts of the articles were read cursorily by the six researchers. The abstracts reduced the number of articles to 125. Thirdly, the 125 articles were read in full. This phase reduced the number of articles to 125. The final phase consisted of reducing and combining the various forms of value creation around sport. The total number of articles under review for this study was 32.

Results

The analysis of the literature enabled to categorize four areas for using sport as a platform for value co-creation.

Companies

Companies can use sport for value co-creation in three areas: brand building, CSR and organizational development.

Brand equity has been essential in the team sports industry. Customer based brand equity of a sport team has been shown to affect different consumers' behavioral intentions as well as brand extension opportunities.

The 'CSR in sport' concept means that sport organizations connect themselves with their stakeholders, while 'CSR through sport' refers to the situation in which companies use sport as a vehicle for deploying CSR

Sport is also used for developing organizations internally at least in two ways: i) sport as a vehicle is based on the idea that sport has positive attributes (e.g. enthusiasm, respect, community spirit) that can be transferred into companies'

human resource policies and ii) sport as a model providing examples for the leadership and change management.

Communities

Sports facilitates social inclusion and develops social capital. Social capital (trust, norms, and networks) is created when people practice sports together. Community self-esteem and collective conscience are reported benefits to citizens who live in a city with a successful professional sports team.

Public sector

Cities and municipalities provide public subsidies, financial incentives and public services for sport teams in order to attract and retain them. Three interrelated realms of leveraging opportunity can be identified: economic development, place marketing and social welfare. In addition, sport brings health benefits which facilitate the pressure around the public sector. Active people are less likely to be obese or have other diseases that present a financial burden for health systems worldwide.

Individuals

Sport participation increases social interaction and immediate gratification benefits. Sport allows a platform for co-creation practices in individual-to-individual level by providing a domain to associate and dissociate, engage and share, compete, intensify and exchange. It is worth noting that fans and spectators are not passive consumers but value co-creators by participating in sporting events, acting emotionally and creating atmosphere.

The paper contributes to the sports management research by providing a holistic view of value co-creation between sport and its socio-economic environment. In accordance with the value co-creation logic, the different actors participating in sports are both value-creators and value-beneficiaries who all together determine how value manifests itself.

References

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