

The Match-day Event: Analysing Supplier Relationships in Professional Football

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Aim

Given the importance of cooperating and creating strategic supplier partnership in various industries there is a lack of research within the domain of sport (Kauppi et al., 2013). To address this gap, this research is concerned about the relationship between professional football clubs (PFCs) and the suppliers of the core product, the production of sporting events (Szymoszowskyj et al., 2016). Hence, the aim of this study was to explore how PFCs strategically choose, evaluate and integrate their match-day suppliers in their match-day supply chain.

Theoretical Background and Literature Review

The term ‘supply chain’ evolved from Porter’s value chain and can be conceptualized as a network of organizations that are involved (through upstream and downstream linkages) in the different activities that produce value in the form of products and services into the hands of the end consumer (Christopher, 1998). The management of these relationships is supply chain management (SCM) aiming to help managers to create and operate a seamlessly co-ordinated supply chain. We employ one of the five distinctive dimensions of SCM practices (Li et al., 2006). Strategic partnerships with suppliers enable organizations to work more effectively with a few important suppliers who are willing to share responsibility for the success of the products and/or services (ibid.). With the commercialization of the game and developments of stadium designs, match-day operations of PFCs covers various areas, e.g. ticketing activities, catering activities from kiosks to high quality catering in the hospitality areas and VIPs, where added customer value is created through better seats, restaurant quality food and features of enhanced comfort, services and exclusivity. In addition, services related to a one-stop shop and/or various booths selling numerous merchandize products and entertainment activities for different types of fans need to be organized alongside other supportive services such as internet technology, security, logistics, and cleaning.

Methodology and Data Analysis

A multiple case study design was adopted for research covering 5 PFCs with similar characteristics (SMEs, strategic aims, successful in their domestic leagues in Europe). Purposeful sampling during 2017 was used to identify the right respondents (CEOs and Operation managers) and administrative documents as well as in-depth semi-structured interviews (N=10) were used as a unit of analysis. Nvivo 10 analysis software was used to code and thematically organize the transcribed data. Braun and Clarke’s (2006) step-by-step guide on thematic analysis was used as the general procedure for data analysis.

Results and Discussion

Given its recurring character we assumed that matches of PFCs are rather standardized. That was not the case; each match-day supply chain differs from one PFC to another. Moreover, each match need to be prepared differently given the importance and size of the match (e.g. standing of opponent, distance, competition). Some of the PFCs perform match-day activities in-house while others rely on third-party suppliers through subcontracting or outsourcing

partnerships for event and promotion activities perceived as not core to the event, like security, catering, stewarding, ticketing). Choosing an external supplier for specific support services was also due to a higher competence by the supply chain partner and/or the lack of expertise by the PFC. In other cases, the PFCs' operation managers are aware that they might receive better prices and arguably a better quality from other suppliers, however do not consider to switch as these suppliers are also engaged as sponsors. This strategy can be characterized as strategic cooperative relationships with a supplier in order to achieve a long-term goal, especially when the supply chain partner delivers his products or services as sponsorship in kind. Whether these kind of exchange relationships is the most effective choice in business terms, this needs to be further investigated.

Conclusion and Implications

Given the football business PFCs have to rely on suppliers that are flexible in their services. Suppliers need to be able to handle unpredictability with speed and flexibility. Evidently, these agile processes do not apply for all services at the match-day, for instance ticketing service processes can be standardised. Our sample also implies that PFCs today put more strategic awareness on services at match-day and therefore, PFCs have become more and more depended on their suppliers. However, supplier evaluation seems to be completed on an improvised basis in PFCs and they rarely seem to have distinct supplier evaluation criteria in place. Overall, the supplier capabilities and criteria, which seem to matter most, are quality, both in terms of the product/service itself and their delivery capabilities, and flexibility. Finally, we conclude that PFCs integrate business processes with suppliers. However, supplier integration is mainly in form of supplier's behaviour monitoring. Some of the PFCs seem to strategically initiate activities with their suppliers such as integrating behaviour, facilitate information, share risk and reward, unite goals and tighten long-term relationships with the aim to co-create value in serving match-day event customers.

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