

Value Co-Creation among Stakeholders of a Commercial Sport Event: The Case of the X-Games Norway

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Aim

The X Games Norway was the first large-scale sport event in Norway that was solely hosted by commercial companies (SAHR, TV2, and ESPN). Since the Norwegian sport system is highly institutionalized under the umbrella of the Norwegian Olympic and Paralympic Committee and Confederation of Sports (NIF), the hosting of the X Games outside Norwegian organized sports triggered an intensive sport political discussion. It was argued that a for-profit-oriented event is challenging the values of Norwegian organized sports, characterized by volunteerism and democracy and driven by non-profit organizations. Despite this debate, athletes, spectators, National Sport Organisations (NSOs) and other stakeholders of the event found great value in the event. Providing substance to the debate whether NIF's position that commercial sport events threaten traditional organized sport is in fact constructed, this research aims at identifying if there are any differences between traditionally organized and commercial sport events, and if so whether these are harmful for traditional sports. The research aim is approached by examining how stakeholders of a commercial event co-create value and comparisons with traditional sport events.

Theoretical Background and Literature Review

Even though one focal actor might be responsible for the event, they are in fact co-created. "Other stakeholders at various stages before, during, or after the event also contribute to its value" (Woratschek, Horbel, & Popp, 2014, p. 10). Therefore, stakeholder theory is used to identify the relevant actors and their roles in value co-creation of the event (Donaldson & Preston, 1995; Freeman, 1984; Parent, 2015). Both, stakeholder contributions to the event and benefits from participating as well as their interaction and relationships to other event actors are analysed in order to better understand overall value co-creation.

Research Design and Data Analysis

The study is based on qualitative inquiry comprising 1) media analyzes, 2) semi-structured interviews, and 3) document analyzes. Through the analysis of 265 articles published in Norwegian media, key periods and issues of the political discussions concerning the X Games Norway were identified. Furthermore, relevant event stakeholders and their perception and relationship to the X Games as well as the issues raised in the public debate were revealed. Semi-structured interviews were conducted with key informants of ten different organizations which were identified as stakeholders of the X Games Norway, such as NSOs, NIF, political parties, TV stations, journalists, sponsors and sport clubs.

The documents included written agreements, budgets, and other appendices sent to public administration by the event stakeholders.

The data collected is analyzed through coding based on the dimensions of value co-creation suggested by Ranjan and Read (2016).

Results and Discussion

The stakeholder groups identified for X Games Norway are overall the same as those identified for large-scale traditional sport events (Chappelet & Parent, 2015). However, some of these have different roles, for example the sport organizations, who are not the event

owners. Furthermore, NIF was perceived as an opponent to the event, which was perceived challenging by the event organizers due to its dominance in the Norwegian sport system. The general dimensions and elements of value co-creation (Ranjan & Read, 2016) are reflected in the data about X Games Norway and specific manifestations of the context can be found. For example, knowledge sharing between the co-creating stakeholders mainly included aspects of the sport itself, broadcasting and media coverage as well as anti-doping issues and measures.

Value at X Games Norway was further co-created through the mutual understanding of most stakeholders about the goal, a common understanding for the culture of action sports that differs from traditional sport, and the high exposure the event received. This led to benefits for the involved stakeholders, which was in the end even admitted by NIF. Some dimensions of the value co-created at the X Games might impose more substantial challenges to the traditional sport system. First, higher economic benefits than generated through most traditional events might increase the government's interest in supporting commercial events and therefore threaten governmental funding of traditional events. Second, the X Games reached a young crowd which attracts sponsors, media, and the government. Finally, the success of the X Games proves that large-scale sport events can effectively be created outside the traditional model, even in a context where the traditional sports system dominates.

Conclusion and Implications

Overall, this research contributes to the literature of value co-creation within sport management by being first to provide an in-depth understanding of value co-creation among stakeholders of a commercial sport event. In particular, our results indicate many similarities of stakeholder roles, contributions and benefits, but also some unique stakeholder relationships with specific value co-creation outcomes that characterize commercial sport events. Our findings thus contribute to a better informed debate around the effects of commercial sport events on traditional sport. Furthermore, it adds knowledge to the political debates among sport event organizers in fight for governmental subsidies.

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