2. Sport Marketing Methods and Tools

Sport marketing is simply put as taking all the principles of marketing that apply to organizations around the world and applying them to sport. As noted previously, there are many different evolving facts of the marketing industry that apply to sport. With that being said, sport has many differences from your average organization because of the complex relationship it has with communities, individual consumers, and entities that mange the individual sport itself. We will first take a look at the general principles as discussed before that apply to sport; then we will take a look at some differences with sport marketing as compared to other organizations outside of sport.

Sport has the unique ability to market itself to any consumer like any other form of services or products, but it also has the unique ability to market other products and services through itself. This makes the marketing plan of action and marketing possibilities within sport quite unique, and lends itself to unlimited possibilities. As a senior level executive within sport, you must leverage these possibilities and come up with unique ideas to be able to truly thrive with your marketing mission.

It is essential to understand that when looking at sport marketing, one must look at both levels of marketing execution as equally important. To be able to market the sport itself and to be able to market the non-sport related product through sport are both essential to success. It is with the execution of both models in which sport is truly a marketing treasure trove that organizations can grow and learn from. Also, sport has the ability to be carried by other avenues and channels within its own industry, which is not completely unique, but the ability to conjoin with others and profit from another organization's marketability is distinctive.

The two channels in which sport marketing is done and the understanding that both of these channels are essential is shown by fully understanding how to utilize capabilities and maximize the market. This also comes with a

downside, however, because some sport organizations lend themselves to emphasizing the selling part of sport marketing focusing on the transactional-based exchanges. When focusing on the transactional side of exchanges, organizations often miss out on the process that is so essential to performance. This process involves having a well-thought-out vision, strategy, and understanding of what their consumers want and what the best ways of delivering it are.

Before any exchange has taken place between a sport organization and its consumer, an organization is best served to have thought about what the long-term vision is for itself, as well as what strategy the organization has for delivering its partners to the same consumer because they are now teammates in a sort of fashion. When a consumer automatically has a thought or inference related to an organization within any facet of business, it is because the organization has built its image or *brand* within that certain sector. The process of building an organization and aligning it with a brand are two important factors within sport marketing. This is especially true when looking at it from an organizational and a senior-level executive point of view. The result of creating a successful brand is something that will pay dividends for the organization itself and all of its business partners for a long time to come. This is part of the idea of sacrificing the short-term gain for the long-term vision. When forming an organization within sport, it is essential to have the right quality and branding from the very beginning. The result of not doing this is to have your image, and therefore position within the market, becoming forever tainted.

2. 1 Guidelines of Marketing

Within every successful sport organization that has marketing purposes within its mission lies a set of guidelines to be followed on a regular basis by each individual within the organization, not just the marketing department.

The first guideline is to set all of the organization's decisions around the center of the consumer's wants and needs in order to satisfy the consumer. This is a part of establishing a clear objective and set of principles for the organization. The long-term and short-term objectives must be made with that specific guideline remaining at the forefront of the mind of everyone in the organization. The first reaction one often has to this guideline is that if each organization provided the consumer with everything they wanted and needed, then the organization would certainly go financially or morally bankrupt because it would not have set principles. Consumers are intelligent in many ways and they know the first rule in business is to make money, but in sports marketing, the first rule is to create an enjoyable experience for the consumer to attract attention in the right way. The organization must be willing to create a marketing philosophy in which it can create a mutually beneficial situation where profit is made and an enjoyable experience for the consumer is taking place.

The second guideline for the organization is to be firmly based on strategic methodology and to utilize analytics to create, develop, implement, and adopt every decision made by the organization. The successful organizations within sport are using these tools not only for the performance on the field, but also for the performance of every aspect of the organization. This will benefit the organization in satisfying the needs of the consumer as the collection, analyzation, and utilization of that quality data is essential to running a successful organization. This data and these strategic methods should be used in every facet of the organization. If used properly and collected accurately, this will be linked to every decision. As a senior-level executive within sport, it is important to remain focused on the point that the decisions should be centered on satisfying the customer's needs.

The third guideline that is essential for every sports organization is to be adaptable and nimble in everything it does, while sticking to its core principles established in the first guideline. Long gone are these days where organizations must be steeped within old processes and traditions that are done "because that is the way we always do them." Being adaptable in today's market will allow an organization the ability to adjust to the ever-changing climate within sport as well as the constantly changing climate with the consumer around sport. Being adaptable will also help the organization when aligning itself within the market. The organizations that have been able to adapt to the changing of times at a rapid pace are those who have been successful in the past and will be successful in the future.

Once an organization has (1) developed a clear set of core principles establishing that every decision should be based on the center of satisfying the customer's need, (2) firmly based itself upon strategic methodology and analytics, and (3) created an environment of adaptability, the next step in the process is to (4) assemble the parts necessary to execute a properly sports marketing strategy. As mentioned before, the marketing of sport is uniquely different from marketing of other goods and services. The reason for this is that not many other goods and services can create the emotional connection and drive the passion that sport can. When thinking about establishing these guidelines and principles for an organization, one must realize they are not selling a bar of soap that will be used, forgotten about, and then discarded. Instead, what they are selling often times create memories that stick with an individual for a much longer period if not forever. Because sport is such an essential passion for so many and a way of life for others, it is important to realize why these guidelines must be based on creating the optimal experience for the consumer to have a long-standing and mutually beneficial relationship which makes a positive impact.

Looking at sport as a whole presents a wide range of markets and consumers to be able to market to. Some organizations have the goal of marketing globally, while others are worried about gaining a part of a city or even a neighborhood for that matter. Some organizations are looking to market to

specific races, classes, cultures, genders, etcetera, and others are looking to use a shotgun approach and spray as much collateral out there as possible and see what results are driven in. Whether an organization is one of the largest in the world or just a local grass-roots operation, the marketing mix is created to go along with these guidelines. For an organization to apply the guidelines previously mentioned to the marketing mix which specifically applies to sport, it must know its market and the opportunities within that market. In the next section we will dive deeper in defining those different sports markets and analyzing what those specific needs are for the market.

2. 2 External Factors

The first step for any successful organization when starting the sport marketing process is to know its market. In order to do this, there has to be a clear understanding of what the organization's objectives are, as well as all of the outside factors that are going to be affecting it going forward. We discussed the guidelines within which every sports organization must operate, but the organization needs to be even more specific and focused when entering the sports marketing planning process. Some of the external factors facing every sports organization are

- government or political trends in the arenas in which they operate,
- economic factors that face every sport organization,
- demographics in which they operate,
- social trends of those demographics,
- new technology, and
- technology changes that have occurred.

Every organization needs to examine these factors as to what they mean individually, but it also needs to have a bigger picture of what they mean when they are all put together. As a senior-level sport executive within the organization, it is implicit that these have been studied by a collection of the essential personnel involved in creating the marketing mission.

Government or political trends

These external factors can have a significant effect on the way a sports organization operates, and will have an even larger effect if there is instability within those political and government factors. A change in government and politics often means a change in environment. This change can sometimes lead to new rules and regulations. With new rules or regulations, there creates a chance for problems that can change key factors for any organization. These

changes are especially a significant factor for those sport organizations that are deeply entrenched and/or run by the government in their respective local.

Economy

An example of this external factor falls directly in line with the target market of the marketing strategy and the mission of the organization. These are especially important factors when there are independent variables affecting each non-sport organization that the sport organization is doing business with. The scope of the economy is not just limited to analyzing the local area of the organization, but rather the worldwide economy as well. This is especially significant for the sport executive as the trends of worldwide economic factors often affect major partners globally and not just in a specific area of industry. For example, a sport organization may have a naming-rights deal with a banking partner that is heavily tied to housing. A global trend of the raw materials supply might affect the housing market, which will affect the consumer residential market, which will affect the commercial residential and big developer market, which will affect the mortgage market, which will affect the mortgage-backed security market, which will then affect the bank in which the original deal is made with. As you can see from this ripple-like effect example, an organization might not think anything of a raw material shortage on the other side of the globe as a local problem; however, with the worldwide economy being more open than ever, anything in the market ripples the benefits and unfortunately the negatives to anything it is connected to.

Social and demographics trends

These two trends are often tied together because of the closeness in which they operate. The sport of baseball in the United States is a good example of how this can affect an organization and what its capabilities are. With the ever-changing society and with instant gratification desire on the rise, baseball has seen a steady decline in younger viewers during the past couple of decades. This is because baseball tends to be a slower and longer drawn-out game, which does not appeal to the rising interest of other action-packed

sports such as extreme sports and MMA (Mixed Martial Arts). This social trend of society needing and wanting more action right now causes effects by turning the demographic that continues to watch baseball into an older demographic. This change will directly affect who your target audience is and what type of non-sport partners you will be able to generate agreements with. Often times, the consumer base that the organizations are trying to reach is different. This is shown to be true as a pharmaceutical company might be trying to reach an older demographic for heart medication, while a gaming company would be trying to reach a younger demographic for a new console system. These are two of the many examples in which demographics play a part with external partners; the sport executive needs to think of these demographics as well when planning a marketing strategy. Sport organizations are often trying to reach a broad view of the audience, but it will not reach everyone the same. That is why the external factors of demographic and social trends are two key elements to any successful marketing mission.

Technology

Technology is one of the wildcards when looking at external factors because of the unpredictability that the technology market brings. A marketing mission by an organization can be significantly boosted –and also tremendously undercut– with certain types of technology. An organization has the ability to develop a new way to interface with its consumers making it leading-edge and something everyone wants to be a part of, thus increasing its market share. In this case, the sport executive has created a new way to channel to the consumer. Technology can also play a negative aspect; this happens when certain forms of technology being available to the consumer expose parts or members of an organization that cause great damage. Internal technology and the ever-changing factor of external technology, however, is something that is definitely crucial to any sports marketing mission, specifically when it comes to branding. The external technology and the costs of that technology can be associated with the ever-changing mind of the consumer as in what channel the consumer would like to consume the product through. It is important to be as diversified as possible, but excellent standards must remain when setting up any technology.

All of these external factors are also tied in into the profitability of the sport origination and how it operates. Another extremely important factor for a sport organization to analyze when creating a marketing plan is the industry that it resides in. The industry of a sport organization has many factors that can determine the relative heath of the organization itself and also of its competitors within that industry. How profitable an industry is, is usually the determining factor of whether or not it is appealing. Although this may be true in most industries, often the main goal of some sports organizations is not just profitably, but rather winning and sustainability. There are different parts a sport executive within this industry must analyze:

- the competition within,
- the market share of allegiances,
- other sport products that could serve as a replacement,
- the talent pool availability, and
- the possibility of expansion.

Competition within the industry

This is often thought of by many to be other teams and/or clubs within the league in which you operate, but this also can be defined in many other ways as well. For example, a sport apparel company might have looked at the scene in the early 2000s and thought that there was too much competition from Nike, Adidas, etcetera, to have a significant impact and create a market share. This proved to be incorrect because a company like Under Armour created a niche for itself in a certain market. Once Under Armour made market penetration within that niche, it expanded its brand and it is now looked upon as one of the leaders within sport apparel, especially within the United States. As you can see by this example, it is not just the competition with teams that is significant within the sport industry, but also the competition for everything attached to those teams.

Market share of allegiances

When paying attention to the market share of allegiances, the sport executive must analyze the capacity that is available to a finite number of allegiances by consumers within a specific market. Once those allegiances are built in, it is hard to penetrate that market and gain significant ground, especially when it is referring to a team. In American football, for example, there is two NFL (National Football League) franchises based in New York: the New York Jets and the New York Giants. These sport organizations have both been long-standing members of the NFL and have significant fan bases in New York along with the rest of the country. Even though there might be enough people in New York to support another team, through expansion the league decided to try and reach different parts of the country like Jacksonville or Charlotte. Although these cities might not have 1/3 of the population of New York City, they serve as bases for fans of in the surrounding areas to now consume the product. This way, the league does not split its already existing consumers into one specific market, but rather tries to expand into different markets in which it does not have any footprint.

Replacement products

This factor is something that has greatly affected sport organizations and leagues for many years. The reason for this is that there has been more attention paid to the profitability and reach of sport, as detailed in the first section. Because of this explosion onto the scene for many new sporting products and organizations, there will always be investors trying to create the next NFL or MMA. This is especially important when pertaining to league partnerships for media rights and viewership consumption. If the public is swinging in a way that the pendulum shifts to another sport organization, it is hard to get that momentum back the other way. Consumers in general like being part of the *in* thing, especially in the look-at-me-now demographic. It is crucial to remain ever-present and on top of any new products that might be coming onto the market or already existing products who are now reinventing themselves. The sport executive must always remember that there is much competition out in world for consumer discretionary income and their

entertainment dollars, not just within sport. Replacement products and the innovation behind them are extremely important when analyzing the market.

Actors within the organization

In order to expand and truly grow an organization, the senior sport executive must have the exact right people in place. A sport organization needs to be quality and have first-class participants on every level. When looking at a sport marketing mission and the objectives the organization is trying to create, the sport executive must realize the factor of the talent pool. If the marketing mission is based on one individual or even a small number of factors, it can be unstable. This is the reason why it is best to have a well-thought-out and detailed mission that can be executed without dependence on one individual. The actors are also a factor when establishing the quality of an organization for branding. An organization wants to be known for excellence across the board and not just one great product that has a specific life cycle.

Expansion within industry

Expansion can be viewed as a benefit if an organization is an owner of the league in which it is expanding, but it can also have negative effects on a stand-alone organization as well. Quantity does not always mean quality; it could devalue the particular organization while raising the value of the league overall if the product is not superior. Expansion can also lead to realignment and the creation of super leagues, which can disrupt an organization all together thus making it change its structure. Being in a stable environment is ideal for an organization that is profitable. Steps should be taken by the senior sport executive to provide stability not only within the organization, but within the industry as a whole.

2. 3 Internal factors

Leaders of sport organizations must account for all of the external factors to determine which variables exist outside of an organization as well as outside of its industry. In the role of the sport executive, it is just as important to realize what exists outside of the organization as it is to realize what exists inside the organization. These realizations will help to determine specific capabilities and markets in which the organization wants to engage in. One example of this would be that while paying attention to technology as an external factor, an organization might realize the need for digital and vibrant content to advance to the next step to its marketing mission. Realizing that this is an important step is only meaningful if the organization can have the ability internally to deliver content in such a channel and platform. This has never been more evident than with the past evolution of the radio to television and, more recently, the conversion to the digital age of streaming and multi-platform engagement. This is not only important for organizations that operate on a global level but for organizations that operate on a local level as well. As a senior-level sport executive, it is essential for true growth to understand that many of the industries that operate globally today were once local organizations. These local organizations set themselves apart by having the internal ability to deliver progressive marketing results through many channels, which helped make them the global brand they are today.

SWOT Analysis

A traditional but yet still extremely effective step for all sport organizations when it comes to developing a marketing mission is to perform a SWOT (Strengths, Weaknesses, Opportunities, Threats) analysis. This SWOT analysis is aimed at aligning what strengths and weaknesses the organization has compared to others, along with its industry's opportunities and threats. This serves as a commonly used tool for sport organizations to identify what Strengths and Opportunities to capitalize on, and what Weakness and Threats need to be controlled or contained. Strengths are tools, abilities, or any advantages that are identified in relation to competitors. Weaknesses are

limitations in skill and resources that are a disadvantage to any competitors. Opportunities are favorable conditions in a sport environment. Threats are unfavorable conditions in a sport environment. View the diagram below in order to gain an understanding of how a SWOT analysis is usually set up and the specific details to it.

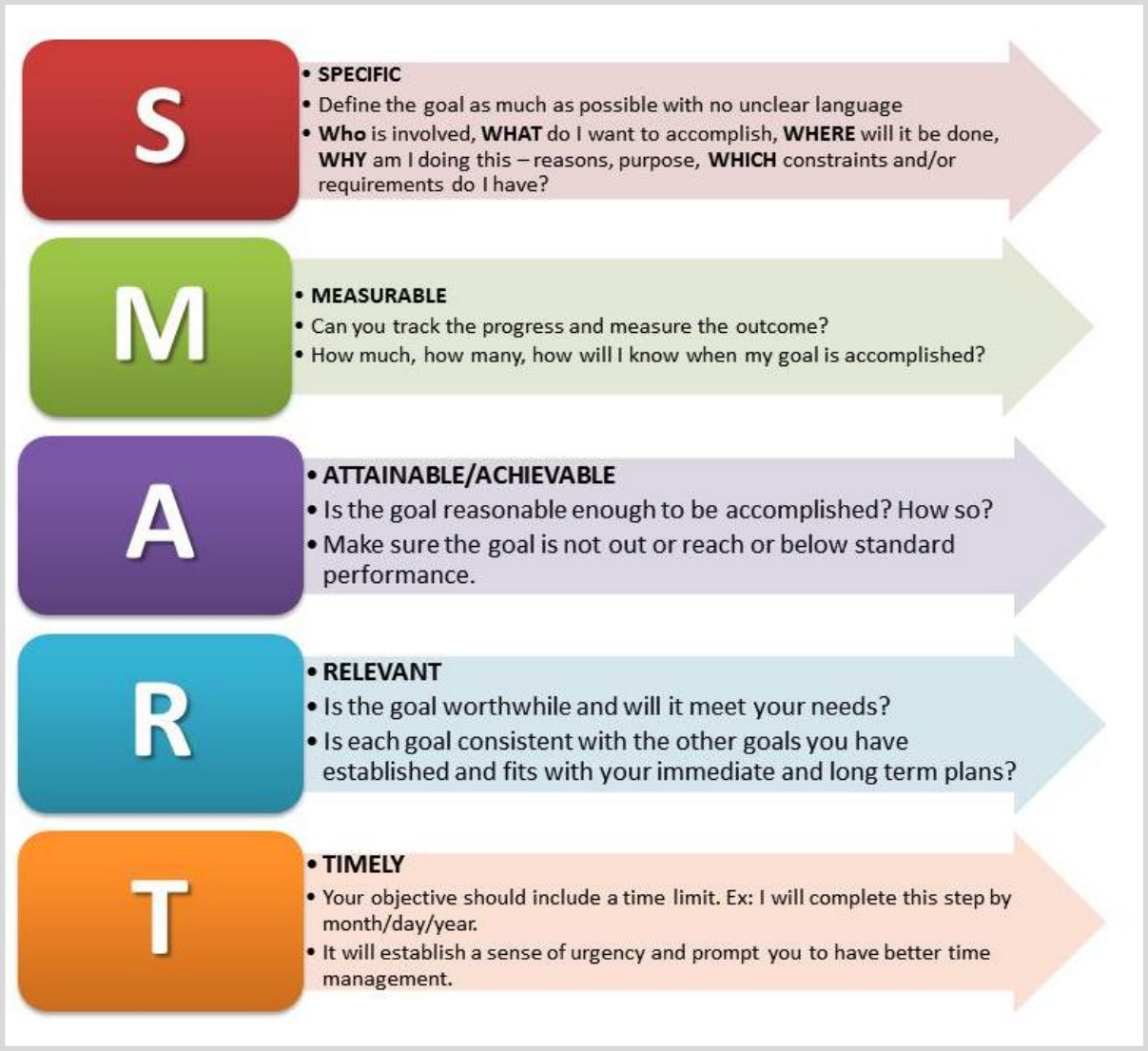
Figure 1: SWOT Analysis

Source: Connvero Consulting Services Pvt. Ltd., 2016, http://goo.gl/ClVG3s

Once the internal capabilities are determined with the SWOT analysis, an organization must focus even more on defining the mission and specific objectives related to the organization itself, as well as the marketing mission. Sport organizations are often different in this manner compared to other industries. As many senior-level sport executives know, there are key differences within sport to determine what your mission and objectives are. For example, a sport organization operated by the government within the non-profit amateur arena will have significantly different missions and objectives than a for-profit sport organization operated within a premier

professional league at the highest level. This is not unique to those types of sport organizations either as the for-profit entity will also have significantly different objectives of a sport accessory company operating within the retail side of the sport industry. These differences in aligning what an organization's true mission and objectives are must not be overlooked; this it makes it truly focused on the organization's goals and the ability to achieve them. A mission is focused on having the broad scope of the organization in mind and it is usually a one-sentence statement. The specific goals are usually smaller in scale and can be based on sectors or branches of the organization. The objectives to each one of these goals should be SMART objectives; they will provide the essential information in completing the goals, which in turn will advance the mission. When referring to SMART objectives, senior sport executives and their organizations are referring to the following:

Figure 2: SMART goals



Source: TeacherWeb, Inc., n. d., https://goo.gl/XctKTh

Once the SMART goals are established in alignment with the organization's mission and guidelines, the organization should engage in doing market research to investigate more into their consumer and who their target members are. The target audience may be different for every organization, and organizations often have different marketing missions of separate target markets. As mentioned earlier, this is part of understanding the different social and demographic trends operating within the industry as well as determining what type of strategy the organization wants to implement to get to each market.

The conceptual or different methods of getting into these demographics will depend heavily on what type of data is collected and what you know about your consumer. Sport organizations and their executives are often looking for any competitive advantage they can gain in order to get ahead in their respective industries and/or leagues. One way to gain a competitive advantage is by using a market penetration strategy in which the sport organization increases their number of sales to existing consumers. From a league standpoint, it simply means you want fans to engage in more league activities and watch more games per consumer. From a team standpoint, this could mean that you would like your fans to buy more tickets and/or have individual team sponsors purchase the rights for more events

Another form of gaining a competitive advantage of a sport organization is to use a market development strategy. This method is used when you are trying to create new markets for products that already exist. An example of this would be an organization that tries to engage otherwise previously unengaged groups into their marketing cycle and have them engage with the product. From an apparel standpoint, it is as simple as having a different consumer buy an already existing product.

Another method is to have product development; this can be the riskiest as well as the most expensive method within a sport organization. It involves offering a new and/or changed product to markets that are currently engaged. This can create a split of the market, as one segment might prefer the old product and stop being engaged if they are not interested; besides, the new product might be well received at first but not be sustainable, in which case the organization has to go through the stage of product development again. This is most common on apparel companies within sport, but it is also apparent on an individual sport level as well, as we see changes in the mainstream sports happening everyday with new rules and regulations. Whether or not these new rules or regulations constitute a different product is arguable, but it is a form of the product development method.

The last popular method is product diversification in which a sport organization develops a new product for a new market. This is not common among the mainstream sports themselves, but it can be seen in certain sport organizations within those sports, who have extended their business interests to medicine and research facilities as well as retail entities. This method offers a chance for the sport organization to be globally balanced not just in geographic terms, but also in terms of product diversity. In order to be successful at any of these methods, the organization and its senior-level sport executives must know the consumer. To understand this in a capacity to be helpful in an organization, we must refer back to another one of the guidelines in being firmly rooted in the proper collection and analysis of data. It is only with this accurate process that the organization will achieve its goals, advance its mission, and truly understand the sport consumer.

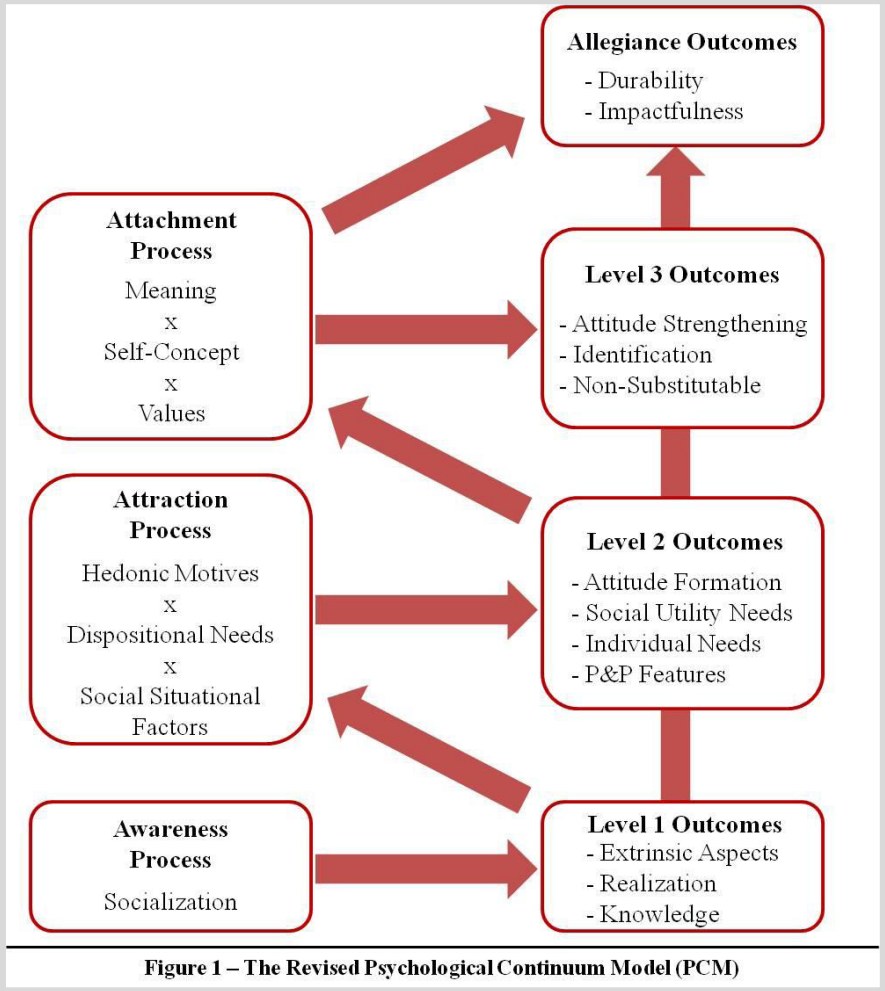
Research and the sport consumer

Understanding the sport consumer is the first part of the research. As discussed before within the evolution of sport, the sport executive must realize that understanding the sport consumer has its differences from understanding the traditional consumer of other goods and services. The sport consumer behaviors and the study of them have been the subject of many research projects within academia as well as the sport marketing world. In spite of the differences with the sport consumer behavior, there are some similar aspects to the behaviors of the traditional consumer. These similarities are that each consumer has its own perceptions, interests, personalities, and attitudes coming from significant life experiences that are viewed through the prism of their own system of morals and beliefs. Sport organizations and the executives within them use this research to determine how to plot out and plan the correct marketing strategies and apply the most impactful marketing mix for the segments they are trying to reach. The passion for sport and the desire to be engaged within its realm on a daily, if not constant, basis is something that sport organizations should utilize when the sport consumer is looking for a mainly non-tangible product. Daniel Funk, who has studied consumer behavior both within and out of sport, stated

> "Sport consumer behavior is about the journey not the destination", describes the essence of sport and event consumer behavior. Sport consumer behavior whether, it is watching or participating in a sport event, is about the experience. A desire to seek out a consumption experience reflects a desire to satisfy internal needs and receive benefits through acquisition. (Funk, 2011, p. 4).

It is with this understanding that a sport organization can start to develop the process of the different stages of their consumer as it relates to the different life cycles of their products. These relationships are looked on differently by some within the sport consumer market because it is a passion of life and not just a good or service they could easily discard. Funk and Jeff James went a step further in establishing the Psychological Continuum Model (PCM), and then the revised PCM with outcomes (shown below) which shows the stages of engagement of the sport consumer with the sport organization (Funk & James, 2001)

Figure 3: Psychological Continuum Model (PCM)



Source: Yoon, Backman, Sanderson, Denham, & Ram, 2013, http://goo.gl/iKGtWY

By following this model, it shows that the sport consumer can not only have an awareness of the product and still be considered engaged, but also be on the levels where outcomes of the consumer are identifying with the sport organization itself and the product as part of themselves. This is important when putting together the marketing mission for the sport organization as it will have a tremendous impact for certain market segments in the way they can be engaged into the organization. Another factor to consider when seeing this level of engagement is the concept of *positioning alliances* within and outside of the arena of sport. Branding is an essential part to consider by the sport executive when running a sport organization along with advancing the mission, as stated. Along with the revised PCM, Funk and James also

introduced a series of inputs, processes, and outputs relating to the sport consumer. The inputs (personal, psychological, and environmental) represent a multitude of factors that skew the consumer when viewing the sport product in the second phase which is the process. During this process, cognitive actions such as memory, motivation, perception, and attitude are being completed by the consumer's mind. After these processes are functioning in the consumer mind on varying different levels based on the involvement of the decision-making process, an output is made in either a psychological or behavioral manner (Funk & James, 2001).

The PCM and the outputs derived from it will tell the sport organization a great deal about the amount of subconscious effort which has gone into the consumer when assigning allegiance to the organization. It should also be noted that this process is one that is highly intricate, as it has been the study of sports marketers and academics for decades. Understanding that this is such an intricate process, an organization within sport should do the proper and necessary amount of research. As a senior sport executive, it is key to have a consumer initially engaged. This process also explains some of the behaviors that every organization wants and needs for sustainability, like loyalty from consumers that could be around for a lifetime.

Every organization in the world needs data and information to make informed decisions about the marketing mission. The accuracy of the data and how it is utilized can be key factors into determining how successful the marketing mission is and the sustainability of the organization. Some suggest that market data collection and market research is the most vital part in an organization. Whether an organization believes it to be the most important part of its success or not, it must realize that big data and research can eliminate many of the problems that have been seen in the past. Along with eliminating past problems, the senior sport executive can use this data to avoid many of the pitfalls in the future. The first thing a sport organization needs to do is to invest properly in developing some sort of marketing data and/or marketing information system. This will allow the data to be collected

properly and accurately, which will provide a platform for it to be utilized effectively. General market data gathered from the arena that the sport organization operates in is the first key set of data needed. This could be called a baseline data point in which the organization needs to operate on a basic analytic level.

Two other sources of necessary data collection would be information from its consumers and information from its competitors. When collecting information from the consumer, it is necessary to gather the information referred to in the PCM as closely as possible. A sport organization's best tool when it comes to delivering essential products for its consumers comes from the consumer itself, as you may have guessed. The information collected can range anywhere from the consumer's attitude toward a specific product, the organization as a whole, and specific contact information about the consumer including (not limited to) how they like to engage with the organization itself. Without this correct information, a marketing mission can be viewed as incomplete. Information from a sport organization's competitors can also be very valuable as it provides a window into trends and demographics that could be beneficial for the marketing mission. A sport organization could find out that the identical demographic that are their most loyal consumers are also the most loyal consumers of a competitor who is in a slightly different arena. This may not be the case with individual teams as a lot of allegiances are regionally or family based, but within a league format or even an independent event format this is highly possible. A soccer club's most loyal fans might also be the most loyal fans of triathlons in the same region, but one might not know that unless peripheral data is collected.

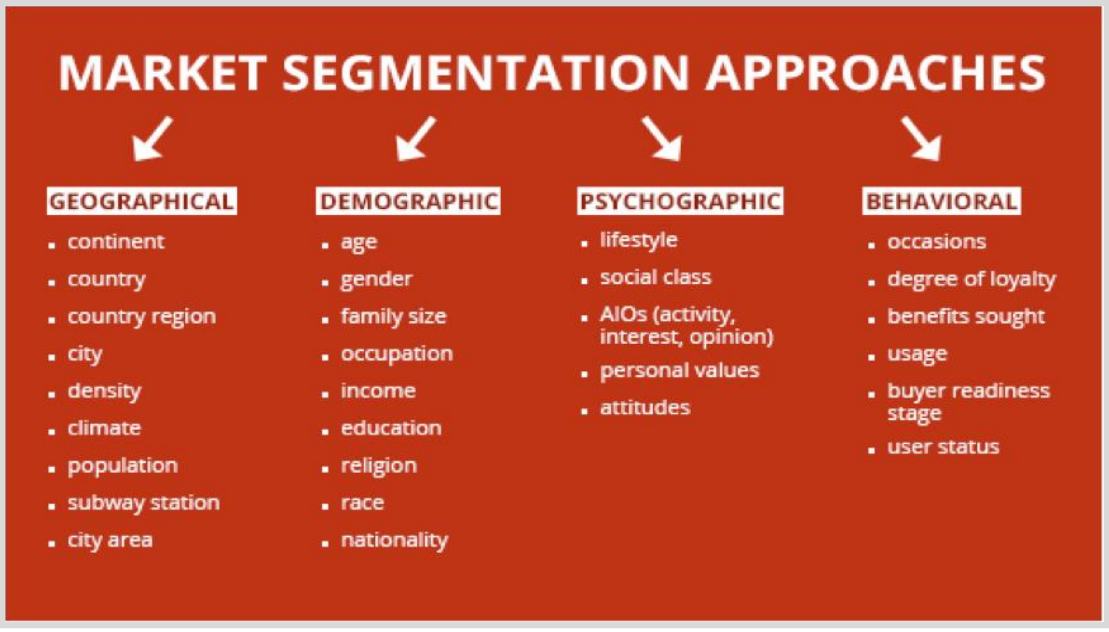
Sport organizations that utilize different data collection methods are giving themselves the best possible chance of gathering a wide range of data because they are engaging the consumer on different levels through different channels. This may be counterproductive for some organizations without the internal capabilities to take advantage of the data, which is why a clear SWOT analysis is needed before any sort of data collection is started for a marketing

mission. One of the reasons is that if a sport organization is going to utilize a mail survey or telephone survey, it will likely reach a different consumer that will engage with them as opposed to using an internet based survey or social media platform to conduct its research collection methods. When collecting this data, the cost for an organization must be accounted for as well because there is no need to collect massive amounts of data for one hundred different projects if you are only able to utilize 5 of them. It would be more beneficial in some circumstance to collect data pertaining to 50 projects and be able to execute 10 of them efficiently with precision and expertise. An important rule is to remember that large data is the goal but accurate data is the key. It is only with accurate data being analyzed and utilized properly that you will see true advances in the marketing mission methods taking place. Some examples of different types of data collection methods utilized are observation, internet surveys, questionnaires, interviews, focus groups, and mail surveys, among many others. Regardless of the method, the process must be standardized and exact to keep the integrity of the data intact.

Along with collecting data on their own, sport organizations must rely on data collected from third-party and outside sources. Every sport executive is in a different situation and some have to rely on others more heavily depending on the capacity and capability of their staff. This outside data can come from a number of sources within the industry, within academic circles, and from governmental agencies that have access to mass data. Although it has not always been looked on favorably by some as quality resource in the past, more and more sport organizations are hiring outside analytics firms to run their market research or data collection processes. Utilizing all of this data, and especially the data collected by the sport organizations, leads to more informed and efficient decisions by the organization. How and why decisions are made often vary in different organizations depending on the size. With that being said, it is becoming increasingly evident that the new *science* of sport, analytics, is now taking center stage within high levels of organizations. This also has another effect as well with the addition of a younger demographic of consumers and sport organization owners.

Once the data is collected, a sport organization can begin to segment the sport market into the pockets of which it will derive more information. Once these segments are determined, the sport executive and its team will use the information to create a more efficient and more effective marketing mission. Marketing segmentation is the process in which consumers that may have similar cognitive processes are grouped together, as mentioned in the PCM previously. Segmenting consumers is also an important benefit for the consumer, because its goal is to focus on what exactly appeals to them and engages them, while leaving the rest of it out. This is an important part of the marketing mission which is often forgotten or disregarded by many unsuccessful and inefficient organizations, especially those within sport. Marketing segmentation also allows for organizations to observe certain behaviors and actions after being segmented. This is essential to gather even more information and understand the consumer of sport and their particular information. Although segmenting can be done on the most micro of levels, most market segmentation begins with some basic parameters. The different segments that are used more often are geographical, demographic, psychographic, and behavioral.

Figure 4: Market Segmentation



Source: Pilla, 2015, http://goo.gl/tkAeJO

Keep in mind that with this segmentation a sport organization can be as specific as they want to target any market they would like. Although it is good to have a specific target market in mind, an organization should know that too much segmenting can eliminate possible consumers away from the product. This can be done by not having the complete collection of data needed to properly segment every consumer in an accurate manner, thus eliminating potential consumers because of data inefficiency.

Target market selection is the next step in the process of segmentation and should identify the exact sport consumer(s) that are going to be engaged with the marketing plan. The target market selection process is focused on addressing the specific customer needs that the sport organization is wanting to fulfill, as well as the emotional attachment to those needs. Below are a few sample questions the sport executive must consider when deciding the target market for the marketing mission of the sport organization:

- What is the precise need of the consumer the organization is trying to meet?
- In what way, if any, is the consumer having this need met? And if so, by what channel?
- Does the organization itself have current processes in place, or are they willing to create these processes in order to meet the expected needs of the consumer?
- Why is the organization interested in providing this need to the consumer? Does this align with the mission of the organization?

Once the target market is decided, the sport executive and the organization must ask themselves the following questions:

- Are the market segments large enough to qualify for a marketing mission?
- Are the resources of the consumer available for specified products?

- In what way does the organization have a channel to reach the target market?
- Is the target market different enough from other target markets so that it will be definable and measureable?

Once these questions are answered, the sport organization should be able to identify the target market(s) to justify a marketing mission. The last step in segmentation and choosing the target market(s) is the process of customizing the marketing mix to each of the target market(s). The marketing mix should place the organization in the correct position to be able to execute the objectives that were stated within the mission. Often times, because of the saturation of ideas and organizations within the industry, the thought of positioning yourself first in the market is not able to be done by the sport organization. If the organization cannot be the first to come to the table with a specific marketing mission, the goal must be to create something unique to set your organization apart. Sport organizations often have fallen into the trap of being copycat for many reasons. Once the success is seen by one organization, many follow in line thinking it will happen for them as well. It is only with the proper vision and research of what is truly sustainable that a sport organization can stand out amongst its competition and differentiate itself in the market. Once these markets are set (the organization and sport executives within them) it is time to create the proper marketing mix, and in turn, develop a true marketing plan.

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