

SPORT MARKETING STRATEGY AS A PREDICTOR OF SPORTS DEVELOPMENT IN SOUTH-WEST, NIGERIA

BY

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Abstract

The study investigated sport marketing strategy as predictor of sports development in South-West, Nigeria. The sample used for the study was two thousand four hundred and forty-one respondents. These respondents were classified into three: sports council officials, corporate organisations personnel, and sports fans. Stratified, simple random, and purposive sampling techniques were applied to select the respondents. Three research instruments were used for data collection: Corporate Promotional Strategies Questionnaire (CPSQ), Sports Organisation Questionnaire (SOQ) and Sports Fans Questionnaire (SFQ). The reliability coefficient of the instruments were 0.85, 0.79 and 0.86 respectively. The questionnaire copies were administered on the selected respondents. The hypotheses of the study were tested at 0.05 level of significance using inferential statistics of Multiple Regression Analysis. Findings of the study established that direct marketing and public relations strategies would be a predictor of sports development in South-West, Nigeria. Based on the findings, it was recommended that Sports managers should be enlightened on the numerous opportunities available to their organisations through the establishment of partnership with corporate bodies and take the advantage of such in ensuring sports developments in all ramifications.

Key Words: Promotional strategies, Sports development, Direct marketing, Public relations

Introduction

The attraction and patronage that sports command in the business world cannot be underestimated. The emergence of various sports brand has given rise to different Promotional or marketing strategies. According to Kotler (2007). Marketing is 'a social and managerial process by which individuals and groups obtain what they need and want through creating and exchanging products and value with others. The identification of consumer needs and wants is a critical aspect of the marketer's role. Marketing strategies must be based on known consumer needs.

Sport Marketing consists of all activities designed to meet the needs of sports consumer through exchange processes. Sport Marketing has developed two major thrusts; the marketing of sports products and services directly to consumers of sports, marketing of others and consumer and industrial products or services through the use of sports promotions (Mullin, Hardy, and Sutton, 1993). Sport marketing is the anticipation, management and satisfaction of the consumers wants and needs through the applications of marketing principles, process and practice.

Nicolaud (2000) opines that sports promotion begins and ends with consumers, participant and the user. It relates to the various service provided and activities, programmes and events implemented and how well these services It has been assumed that the original form of the game is naturally attractive and therefore satisfies consumer needs. An analysis of sporting organisations in Australia shows this to be an outdated view (Petersen, 1996). Many sports have modified rules to make their games more attractive, and in the case of cricket, one-day matches have become an important part of the range of product offerings. One-day international matches played throughout an Australian summer have more readily satisfied consumer need for compressed entertainment and a quick result (Shank, 2009).

The sport marketer must identify what needs and wants are being satisfied through the exchange process. Kotler (2007) identify the process of exchange 'as the act of obtaining a desired object from someone by offering something in return'. What is offered in return for the sport consumer's membership fees or entry fee may include social interaction, physical activity, and an avenue for

competition, health and fitness, as well as entertainment. Identifying the needs of various segments of the population is the challenge inherent in the early phase of the marketing process (Tripod, 2001). Obtaining this information will allow the sport product benefits to be communicated in such a way as to define the sport's positioning. For example, the product attributes of one-day cricket matches and five-day Test match cricket are different, and are likely to attract different segments of the market (Valinkangas & Lehtinen, 2004).

In 1980, Mullin identified, for the first time, a series of characteristics of the sport product that affect the marketing process (Mullin, Hardy & Sutton, 2007). Mullin argued that sport had progressed from a form of institution that was simply 'administered' to a form of organisation that required 'managing'. In making this distinction, Mullin noted that sport had reached a phase in its development where it was incumbent on the sport manager to be actively seeking ways to expand the revenue base of the organisation. Typically, the administrator is responsible for maintaining the status quo within the sporting organisation. The manager, on the other hand, is responsible for assessing and evaluating environmental trends likely to affect the organisation's survival and ultimately, its success. The modern sport marketer is charged with one simple responsibility: to increase the sources of revenue for the sport (Hur, Jae & Valacich, 2011).

In Nigeria, sponsorship of sport by firms is an example of marketing 'through' sport. Some large corporations usually use sport as a vehicle to promote and advertise their products, usually to specifically identifiable demographic markets known to follow a particular sport (Oladuni, 2011). The Global communication contributes to Nigeria sports with significant sponsorship of the nation Premier League. The Nigeria Football Federation has made the television right and packages within the right time to be very attractive to the communication firms. The company seeks to promote their products through an association with sport (Philips, 2007). The Nigeria Sport licenses programme is another example of marketing through sport. Typically, major companies such as Guilder and Coca-Cola pay for the right to use a sport logo to place on their products to stimulate sales in the country (Ugboaja, 2010).

Valinkangas and Lehtinen (2004) observed that having established the range of

product attributes in relation to needs and wants, the sport marketer embarks on the challenge of affecting the exchange. Sporting organisations must develop a mix of marketing strategies to influence consumers to buy their products, via either attendance or participation.

Hypotheses

1. Direct marketing strategy will not be a significant predictor of sports development in Nigeria.
2. Public relations strategy will not be a significant predictor of sports development in Nigeria.

Methodology

A descriptive survey design was adopted in this study. The population comprised five categories of individuals - athletes, coaches, sports council officials, staff of corporate organisation and sports fans. The sample for this study was made up of 2441 participants across the five categories of the population. A total of 1123 sports council officials from 12 states drawn from three geo-political zones of South-South, South-West and North-Central. Five corporate organisations (N=1078) and sports fans (N=240). The states are:

1. South-South: Bayelsa, Edo, Delta and Rivers
2. South-West: Lagos, Oyo, Ogun and Ekiti
3. North-Central: Kogi, Benue, Kwara and Plateau

The five corporate organisations are: Nestle Plc., DSTV, Globacom, Guaranty Trust Bank and MTN. Twenty (20) percent of the state sports council participants were selected from the population, while corporate organisation participants were all individuals whose duty involved promotional activities and sports fans were twenty (20) participants from each selected states.

Stratified sampling technique was used to select three geo-political zones for the study. A simple random sampling technique using fish bowl method with replacement was adopted for selecting four states each from the selected zones. Also, a simple random technique using fish bowl method without replacement was adopted for selecting respondents from the selected states. The corporate organisations were however selected purposively on the premise of their

preference for sports. Purposive method was also used to select the sports fans.

Three self-structured research instruments were used for data collection: Corporate Promotional Strategies Questionnaire (CPSQ), Sports Organisation Questionnaire (SOQ) and Sports Fans Questionnaire (SFQ). The reliability coefficient of the instruments were 0.85, 0.79 and 0.86 respectively. The questionnaire copies were administered on the selected respondents. The hypotheses of the study were tested at 0.05 level of significance using inferential statistics of Multiple Regression Analysis.

Results

Test of Hypothesis One (H_0): The hypothesis states that “direct marketing strategy will not be a significant predictor of sports development in Nigeria”. The stated hypothesis was tested using the Regression analysis, with level of significance set at 0.05. The result is presented in the table below:

Table 1: Regression analysis showing direct marketing strategy as predictor of sports development in Nigeria

Model	B	Std. Error	Beta	T	Sig.t	R	R ²	F
Constant	11.790	0.094		125.773	0.000			
Direct marketing	0.072	0.023	0.066	3.084*	0.002	0.066	0.004	9.508*

P<0.05

Table 1 reveals that the relationship between direct marketing strategy and sports development in Nigeria is statistically significant at 0.05 level ($t = 3.084$, $P < 0.05$). The null hypothesis was rejected. Therefore, there was significant difference between direct marketing strategy and sports development in Nigeria. The composite relationship between direct marketing strategy and sports development in Nigeria is low, positive and significant at 0.05 level ($r = 0.066$, $P > 0.05$). The F-value (9.508) for the regression is highly significant. This shows that direct marketing strategy would be a significant predictor of sports development in Nigeria.

Test of Hypothesis Two (Ho): The hypothesis states that “Public relations strategy will not be a significant predictor of sports development in Nigeria”. The stated hypothesis was tested using the Regression analysis, with level of significance set at 0.05. The result is presented in the table below:

Table 2: Regression analysis showing Personal selling strategy as predictor of sports development in Nigeria

Model	B	Std. Error	Beta	T	Sig.t	R	R ²	F
Constant	12.691	0.103		123.652	0.000			
Personal selling	0.159	0.023	0.146	6.936*	0.000	0.146	0.021	48.106*

P<0.05

Table 2 shows that personal selling strategy had significant correlation with sports development in Nigeria ($t = 6.936$, $P < 0.05$). The null hypothesis was rejected. This implies that there was significant difference between personal selling strategy and sports development in Nigeria. The correlation analysis showed that there was significant positive relationship between personal selling strategy and sports development in Nigeria ($r = 0.146$, $P < 0.05$). The linear regression reveals that personal selling strategy accounted for a significant, but very low amount of variation in sports development in Nigeria ($r^2 = 0.021$; $F = 48.106$; $P < 0.05$).

Discussion of Findings

The significant F-value (9.508) obtained at 0.05 confidence level while testing hypothesis one established the basis for its rejection. Thus, it was discovered that there was a significant relationship between direct marketing strategy and sports development in Nigeria. The influence of this independent variable on all components of sports development was further observed to be significantly

varied and specific, of which sports facility development was noticed to be the most influenced sports development component. This finding agree with Chadwick and Thwaites (2003) who submitted that direct marketing aims to affect behaviour response from consumers as in purchasing tickets to a game and is usually done through advertising. Hence, the purpose of direct marketing is to induce action.

Tapp and Clowes (1999) observed how Coventry City Football Club used direct marketing to acquire and retain customers. This primarily involved building a database of match-day attendees, ticket purchases and registered supporters, leading to a subsequent analysis of their behaviour. This enabled the club to understand what attracted supporters to a game and how they could appeal to them. In one instance, Coventry decided to send free tickets to people they knew had been season ticket-holders in the recent past. This served a number of purposes: it increased crowd sizes, which improved the atmosphere at games; people whose attendance had lapsed began to reconsider their decision not to attend games; people who went to football matches buy programmes, refreshments and merchandise and thus increased revenue.

Omolawon (2014) and Kotler (2007) also posited that direct marketing can be used for sports in two different ways. In the first order, the use of marketing and promotion can be carried out through the sports or through sports club. Firstly, the use of marketing is under the responsibility of different sporting associations, while in the second case, the responsibility falls on the different sports clubs. In this manner, marketing and promotion through the sport and through the club involve sponsorship, corporate events and boxes, licensed merchandise and names as well as images also known as endorsement, advertising through broadcast, ground signage/ clothing/ equipment, promoting games and promoting players/ club/ league.

In the process of testing hypothesis two, a significant F-value (48.106) was obtained at 0.05 confidence level and this led to the rejection of the stated hypothesis. Personal selling strategy was found to have had a significant correlation with sports development in Nigeria. It was further observed that personal selling strategy had significantly varied individual influence on specific sports development components. However, influence of personal selling strategy was higher on sports facility development component when compared with others.

This finding confirms Kelley, Hoffmann and Carter (2009) who identified personal selling as an important component of a relationship marketing strategy. By charging affordable ticket prices, this can enhance relationships with fans and result in increased loyalty and commitment to a club or a team. In this vein, Sunderland Football Club chose to freeze season-ticket prices, while reducing match-day ticket prices for specific supporter segments (Greechan, 2010). This strategy represents a change in the way the club wants to think about its supporters. Rather than see them as a guaranteed source of revenue, the club is keen to attract and retain young supporters.

Conclusion

In line with the findings of this study, the following conclusions were drawn:

1. Direct marketing strategy would be a significant predictor of sports development in Nigeria.
2. Personal selling strategy would be a significant predictor of sports development in Nigeria.

Recommendations

Based on the findings of this study, the following recommendations were made:

1. Sports administrators and managers should be orientated on the numerous opportunities available to their organisations through the establishment of partnership with corporate bodies and take the advantage of such in propelling themselves to maximal heights at all levels.
2. Private support initiatives should be encouraged for a robust facility development across the country and to also facilitate constant maintenance of existing facilities.
3. It is established that sponsorship is important to sports development hence it should be sought with seriousness for a speedy facility and personnel development in the sports industry. This should be done through government policy that could attract potential sponsors into sponsorship of sports programmes.

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