Relationship Marketing in United States Professional Sport: Attitudes, Opinions, and Viewpoints of Sport Professionals

Rebecca M Achen, University of Kansas

Abstract

This study explored sport professionals’ viewpoints on relationship marketing in United States professional sport leagues to inform future research and affirm the legitimacy of relationship marketing in the sport industry. Professionals representing the National Basketball Association, Major League Soccer, National Hockey League, Major League Baseball, and Women’s National Basketball Association were interviewed about their familiarity with and opinion of relationship marketing, specific tactics used in their organizations, and assessment and evaluation of relationship marketing strategy. Respondents viewed relationship marketing as essential for the survival of professional sport teams and used numerous tactics to build and maintain customer relationships. Responses also indicated a need for development of measures to assess relationship marketing strategy and research into best practices in using marketing tactics to build relationships. Relationship marketing is a useful strategy in sport and professionals should be encouraged to implement relationship marketing in their organizations.

Introduction

Sport consumers have many options for sport participation and entertainment in a rapidly growing industry. Understanding how sport fans connect with a specific sport and make spending decisions is critical for a sport organization’s survival in a crowded marketplace (Rein, Kotler, & Shields, 2006). In a competitive industry, traditional professional sport leagues can no longer assume consumers will continue to be fans as other sport and non-sport entertainment options are constantly vying for their attention and discretionary dollars (Rein et al., 2006).

For sport organizations, relationship marketing provides an avenue for building and maintaining a loyal customer base that is less likely to defect to other sport options in a saturated marketplace. Relationship marketing is defined as a customer-focused strategy including all marketing activities directed toward establishing, developing, enhancing, and maintaining successful relational exchanges with consumers (Morgan & Hunt, 1994). According to Williams and Chinn (2010), “the goals of relationship marketing are to build long-term relationships with the organization’s best customers” (p. 423). Instead of marketing to merely drive transactions, relationship marketing focuses on building deeper connections with consumers. Berry (1995) proposed, “solidifying relationships, transforming indifferent customers into loyal ones, and serving customers as clients also should be considered as marketing” (p. 236). Grönroos (1996) suggested a company move from what it can do to its customers to what it can do for its customers.

Relationship marketing is of critical importance to sport marketers, especially within professional sport, who must compete in the entertainment industry for discretionary spending (Neale, Georgiu, & Purchase, 2003) while advertising, promoting, and selling an intangible,
uncontrollable, and constantly changing product. Intangibility of the sport product and repeated contact between customers and sport organizations create an ideal setting for relationship marketing strategy (Berry, 1995). A strong relationship with customers is essential, so if team performance is sub-par, customers will still financially support the organization by purchasing tickets and merchandise (Neale et al., 2003). In addition, increased customer retention is an outcome of relationship marketing and retention of game attendees, season ticket holders, and corporate sponsors maximizes revenue (Berry, 1995; Kim & Trail, 2011). Relationship marketing also can increase brand awareness and customer loyalty, provide additional value, and help recognize customer needs (Williams & Chinn, 2010).

Relationship marketing, while becoming increasingly popular, is not well understood in terms of actual tactics, use, and assessment. In studying Australian sport organizations, Stavros and Westberg (2009) indicated relationship marketing was acknowledged but implementation was undeveloped and largely unplanned. There is a dearth of research available on the frequency of relationship marketing, the tactics used, and whether professional sport organizations see any benefits from relationship marketing. The purpose of this study is to collect insights and learn from the experiences of professionals in major professional sport leagues to inform and guide further research in relationship marketing in professional sport.

Literature Review

The framework of relationship marketing

Sport is an ideal industry for relationship marketing strategy (Kim, Trail, Woo, & Zhang, 2011; Shani, 1997). Bee and Kahle (2006) expressed, “all sports marketing transactions, in fact, involve some type of relationship marketing” (p. 102). In sport, a high percentage of customers feel emotionally attached to and are fans of the team, which supports long-term relationship development. Kim et al. (2011) emphasized devoted fans are profitable because they continue to attend games regardless of team performance and purchase additional team products, such as merchandise. Long-term, devoted customers increase profitability, reduce costs, increase purchases, generate positive word-of-mouth comments, and boost employee retention (Kim et al., 2011). Once relationships develop, continuously cultivating these relationships yields a competitive advantage for organizations.

Shani (1997) developed a framework to apply relationship marketing in sport that specifically focused on teams building strong bonds with customers to foster repeat attendance and encourage additional purchases. In Shani’s model, successful sport organizations first segment customers and then break the segments into smaller niche markets. Database marketing techniques convey messages to these customers, identify the best customers in the niche, and communicate with them on a one-to-one basis, moving the strategy from simple database marketing to relationship marketing. Then, according to his framework, the team builds relationships using financial, social, and structural bonding strategies.

Grönroos (2004) established a process for relationship marketing including interactions, integrated planned communications, and added value. Interactions include telephone calls or discussions with staff, attending games, participating in half-time entertainment or promotions, and making purchases during the event (Williams & Chinn, 2010). These authors asserted interactions are “…central to the relationship-marketing process” (p. 424) and meaningful interactions add value for the customer. Two-way integrated marketing communications where customer wants and needs are taken into consideration comprise essential parts of relationship
marketing strategy (Berry, 1995; Grönroos, 2004; Palmatier, Dant, Grewal, & Evans, 2006).

Anything that happens within the entire experience of attending a game affects the relationship between the customer and team, suggesting employees are a crucial piece in relationship marketing. Grönroos (1996) suggested people outside of the marketing department had a decisive impact on customer satisfaction, which in turn influenced word-of-mouth comments and future customer behavior. He asserted the whole chain of activities within the organization is essential for building and maintaining customer relationships and the integration of relationship marketing across all departments with all employees is necessary. According to Grönroos, “the success of relationship marketing is, to a large extent, dependent on the attitudes, commitment and performance of the employees” (p.12). The importance of interactions, communications, and employees gives guidance to the development of specific relationship marketing tactics.

**Relationship marketing tactics**

Relationships exist on a continuum from transactional to relational with relationship marketing designed to move customers across the continuum. Bee and Kahle (2006) explained that relationship marketing tactics either have a narrow perspective, focusing on short-term behavioral components, or a broader perspective, focusing on deep, long-term relationship goals. The narrow outlook, which is likely not effective on its own in the long-term, uses database marketing techniques and focuses on increasing the amount of transactional exchanges. The broader approach seeks to develop interactive and mutually beneficial relationships.

Prior to relationship building attempts, an organization must understand customers’ individual preferences, expectations, and needs (Mitussis, O’Malley, & Patterson, 2006) and database technology can manage information on customers. Additionally, direct mail, tangible rewards, interpersonal communications, memberships, and preferential treatment can be relationship marketing tactics (Doaei, Rezaei, & Khajei, 2011; Tseng, 2007). Studies also indicate social media and electronic communication as a means for building customer relationships (Kim et al., 2011; Grönroos, 2004; Williams & Chinn, 2010).

Relationship marketing is closely aligned with database marketing and customer relationship management (CRM). CRM allows organizations to track contacts and transactions with customers, which, in theory, allows employees to interact with customers effectively (Mitussis et al., 2006). However, these authors argue CRM may ignore the ideology of relationship marketing and thus serve only to create the illusion the organization is responding to specific customer needs. Instead of supporting relationship marketing efforts, CRM systems may actually stunt the practice of relationship marketing if organizations rely solely on them. In fact, use of CRM systems may lead to long-term failure (Mitussis et al., 2006), when teams fail to engage the customer in any relationship exchange or two-way communication. Simply implementing CRM as a technological component does not build a relationship.

While database marketing is often used as a synonym for relationship marketing, in reality relationship marketing is much more than data mining (Grönroos, 1996). Stavros, Pope, and Winzar (2008) and Shani (1997) viewed database marketing as the first step in relationship marketing where the most profitable customers are identified and tracked to drive retention strategies. Ideally, CRM and database marketing inform the use of relationship marketing through data analysis and customer segmentation.
Membership and loyalty programs attempt to enhance relationships by providing customers with added benefits. However, these programs often attempt to build a financial bond, by using reduced per game ticket costs and coupons or discounts on merchandise and concessions, which does little to protect the organization from effects of negative events on attendance and purchases (Shani, 1997). While financial incentives could trigger initial interest, monetary incentives alone are not sufficient enough to build strong relationships with customers. In fact, Hennig-Thurau, Gwinner, and Gremier (2002) reported economic-based loyalty programs might be insufficient because they fail to increase loyalty or satisfaction. Additionally, Hennig-Thurau et al. suggested price reductions "...may lower profitability without turning customers into loyal relationship partners" (p. 244). McDonald (2010) posited loyalty programs focused on rewards for attendance or purchases have little effect on customer retention and typically reward already loyal customers.

Often, membership programs include gifts, incentives, or special treatment. While gift giving is commonly used in sport to reward and help establish an identity for fans (Bee & Kahle, 2006), successful loyalty programs need to include more than gifts or incentives. Hennig-Thurau et al. (2002) suggested special treatment benefits, although valued by customers, are only successful in keeping customers loyal temporarily instead of building deeper relationships. Membership and loyalty programs focusing on what customers receive are not sufficient in building long-term relationships if they fail to facilitate interaction and two-way communication between the customer and the organization.

Shani (1997) proposed an organization could create social bonds by using a customer’s name in transactions, providing the person with a direct team representative contact, and offering customized events. Also, creating chances at the sporting event for social interactions can build relationships (Bee & Kahle, 2006). Events outside of the game itself allow fans to interact with the organization, employees, and other fans in multiple ways and different social situations strengthening the connection to the organization. Social bonding may cause customers to be more tolerant of service failures (Berry, 1995) or team failures, affording an organization the opportunity to retain customers who may defect otherwise.

Kim et al. (2011) and Williams and Chinn (2010) identified social media, social networks, and email marketing as popular platforms for relationship marketing. Social media sites enable two-way communications, which were described by Grönroos (2004) as essential in relationship marketing strategy. Social networks provide a location for fans not only to be informed about the organization and players but to share opinions and reactions (Williams & Chinn, 2010). Also, fans can share content and actively participate in a network with other fans.

There is some indication sport organizations are recognizing their customers are strongly attached to the team and embracing social media as a relationship marketing approach (Williams & Chinn, 2010). Reporting on a website content analysis, Kim et al. (2011) found all professional teams in Major League Baseball (MLB), National Basketball Association (NBA), National Football League (NFL) and National Hockey League (NHL) use social media tools like Facebook or Twitter to communicate with customers. In fact, teams view a Facebook account as a way to strengthen relationships with fans (Williams & Chinn, 2010).

Also, relationship marketing is possible within a business-to-business context (Gummesson, 2004), indicating sport sponsorship relationships may benefit from the same tactics. Cousens, Babiak, and Bradish (2006) recognized relationship marketing with corporate sponsors, in addition to the more common ticket-buyer focus, as important. A mutually beneficial, long-term
relationship adding value for the sponsor and organization is advantageous for both parties. Helping the sponsor reach specific goals and objectives through continuous communication improves relationships and builds trust between parties (Cousens et al., 2006). Tactics for building and enhancing relationships with customers also are useful for improving sponsorship relationships.

**Measuring and assessing impacts**

Sheth and Parvatiyar (2002) emphasized the importance of measuring the impact of relationship marketing and performance of the organization utilizing the strategy. Understanding the effects of relationship marketing on customer behavior and its reflection on productivity are necessary to advance the relationship marketing paradigm (Bush, Underwood, & Sherrell, 2007; Sherrell & Bejou, 2007). Bush et al. (2007) concluded relationship marketing initiatives increase customer retention, yet little exists on exactly how initiatives are evaluated.

One reason for the lack of research into the effectiveness of relationship marketing may be the lack of sound measurement tools and metrics. Potential metrics include customer or brand equity, customer loyalty, and relationship quality (Bush et al., 2007; Hennig-Thurau et al., 2002; Sherrell & Bejou, 2007; Williams & Chinn, 2010), although research connecting specific tactics to these outcomes is limited. Hennig-Thurau et al. (2002) proposed using positive customer word-of-mouth communication to measure relationship marketing success, which could be measured via social media. Regardless of measures used, organizations should collect data to verify the usefulness of their tactics.

There is also a lack of information about methods for assessment in the literature, although a few studies have attempted to more clearly examine these methods. There is a need for development of standardized metrics to evaluate relationship marketing performance and its antecedents (Sheth & Parvatiyar, 2002). Kim and Trail (2011) suggested systematically examining relationship quality to assess relationship marketing strategy and improve relationships by identifying relationship problems early and working to fix them. In the sport industry, a potential metric for measuring relationship quality as an outcome of relationship marketing tactics exists. The Sports Consumer-Team Relationship Quality Scale (SCTRQS), developed by Kim et al., (2011), is a potentially useful scale for understanding relationship quality. The scale is designed to be useful for researchers and practitioners, although it has yet to be examined extensively by researchers.

This literature review suggests relationship marketing is a recommended and useful strategy in sport, however, little work has been done to verify current sport professionals’ views on relationship marketing as a useful strategy. The identified relationship marketing tactics were drawn from many other industries and no research exists to determine what is actually being used in the sport industry. Additionally, assessment of relationship marketing has made theoretical strides as potential measurable outcomes have been determined, but little exists in regards to actual measurement using these outcomes.

This study attempts to verify whether or not relationship marketing is pertinent to sport organizations, identify examples of tactics actually being used specifically in sport, and determine if assessment is currently being considered by conducting in-depth interviews with a professional in each of five professional sport leagues. Relationship marketing strategy sounds beneficial and logical when viewed from an outside perspective, however, theoretical research should be blended with current practical application to be most beneficial to sport professionals.
The purpose of in-depth interviews was to ascertain the answers to the following research questions; 1) Is relationship marketing used in professional sport leagues and, if so, in what ways?; 2) What relationship marketing strategies are professionals in sport marketing or sales using?; 3) Are current marketing professionals measuring the effectiveness of relationship marketing?; and 4) Do current marketing professionals believe relationship marketing is an important strategy for continued success in the sport industry?

Method

The study was designed as a qualitative exploration using individual semi-structured interviews of professionals working in sport. Qualitative research provides depth and insight into a topic with the goal of illuminating fundamental meanings and understanding reality (Smith & Stewart, 2001). The author intended to include one interview from each of the six major United States professional leagues. Stavros and Westberg (2009) determined selecting organizations from multiple major professional sports increases the strength of information collected. These authors concluded this approach allowed for comparison of themes and contrasts among sports. In their study, the transferability of information on the state of relationship marketing within Australian sport was improved by using various sports.

Prior to conducting interviews, a list of interview questions was developed by the author to measure the following: 1) Are marketing professionals familiar with relationship marketing?; 2) What specific relationship marketing tactics are used in his or her organization?; and 3) If assessment of the effectiveness of relationship marketing strategies is conducted, how is this being done? Interview questions, developed by the author, were sent for review to four of the author’s professional contacts working for sport organizations as marketers. Revisions to the interview questions were made based on suggestions from this expert panel. After interview questions were finalized, the author received approval from the institutional Human Subjects Committee to conduct the research study.

The author used a small, purposive convenience sample. To determine which individuals to contact for interviews, the literature on relationship marketing within sport was reviewed to identify any specific teams known for their use of the strategy. To identify teams in leagues where no organization was mentioned in the literature, staff directories on team websites were perused for job titles such as customer services representative, customer relations director, fan experience coordinator or specialist, and customer relationship management coordinator. A few individuals were contacted at the suggestion of the author’s professional contacts in the sport industry. An email was sent to either the website contact form or a specific staff member’s email address explaining the study and requesting participation. The author contacted multiple individuals in each of the six leagues: Major League Baseball (MLB), Major League Soccer (MLS), the National Basketball Association (NBA), National Football League (NFL), National Hockey League (NHL), and Women’s National Basketball Association (WNBA), to improve chances of obtaining at least one respondent from each league. Telephone calls were completed to follow-up with individuals not responding to the email. Respondents were sent interview questions and given the option of a telephone or email interview.

All interviews were semi-structured. Smith (2012) indicated semi-structured interviews allow researchers to guide the interview using preset questions while asking multiple open-ended questions and probing for deeper explanations. The developed questions were asked, but the researcher also allowed respondents the latitude to share any information prompted by the preset question, even if it was not directly related to the original question. Follow-up questions were
asked when clarification or elaboration was needed. Telephone interviews were recorded and transcribed. Responses to email interviews were reviewed, and respondents were called or sent a follow-up email if clarification or elaboration was necessary. The ability of the researcher to redirect questions and probe answers leads to more truthful, in-depth, and quality information (Smith & Stewart, 2001).

In qualitative research using interviews, data analysis involves transcribing and reviewing interviews to examine them in a meaningful way to extract pieces without compromising the meaning of whole statements by the respondent (Smith & Stewart, 2001). Once interviews were transcribed and compiled, the researcher conducted a content analysis of typed interview transcripts. Content analysis is an accepted practice used by researchers to determine common themes and categories through a coding process (Biddle, Markland, Gilbourne, Chatzisarantis, & Sparkes, 2001). Coding data and organizing it for reporting allows the researcher to combine data from multiple respondents to communicate its meaning (Biddle et al., 2001; Smith & Stewart, 2001). During coding, dominant concepts, themes, and issues are assigned to categories (Smith & Stewart, 2001). In this study, coded data were compiled for organization, analysis, and reporting. Responses also were mined for assessment measures and statements regarding the state of relationship marketing in the industry.

Results

Professionals (N = 5) responded representing five sport leagues, the Women’s National Basketball Association (WNBA), National Basketball Association (NBA), National Hockey League (NHL), Major League Baseball (MLB), and Major League Soccer (MLS). A male, about to begin his second year as Service and Experience Coordinator for the franchise, responded from the WNBA organization. He was involved with season ticket holder retention and game day experience. The NBA male respondent had worked with the current franchise for 18 years and had a wide range of experiences including sales, retention, and guest services. He was currently the Senior Vice President of Guest Relations. The respondent from the NHL was a male, worked as the Director of Client Services and Fan Development, and was responsible for relationship marketing efforts toward season ticket holders, suite holders, and other luxury seat holders. The respondent from the MLB was a male, had the job title of Database and Customer Relationship Management Operations Manager, and had worked for the organization for 10 years, working extensively with the CRM system. The MLS respondent was a female Senior Director of Marketing and had a range of experiences in different leagues and with different teams spanning 20 years.

Respondents from each league identified varying uses of relationship marketing and different specific tactics used in their organizations. Results were reported addressing each interview question. Overall, respondents were familiar with relationship marketing and using the strategy, although it was used in different ways. Specific relationship marketing tactics identified by the respondents included CRM systems, special events, loyalty programs with exclusive benefits, in-game seat visits, customer surveys, social media, personalized responses to communications, and employee-customer interactions. All respondents indicated relationship marketing as vitally important in the sport industry and were adamant about supporting its use in their respective leagues. Detailed interview responses are reported in Table 1.
### Table 1

*Quotes from Interview Respondents*

<table>
<thead>
<tr>
<th>1) How familiar are you with the concept of relationship marketing (RM)?</th>
<th>2) How do you currently use RM in your organization?</th>
<th>3) If so, can you describe specific RM strategies you use?</th>
<th>4) How do you believe you can improve your RM strategy?</th>
<th>5) If you do not use RM, can you explain why?</th>
<th>6) If you do not use RM, how might you begin using this approach?</th>
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<tbody>
<tr>
<td><strong>MLB</strong></td>
<td>Pretty familiar</td>
<td>CRM system, “anytime a customer is touched….getting that in the system so we have a total view of that customer and how they react with us. Then the goal is to take that information and actually use that.”</td>
<td>CRM system, events, membership/loyalty program</td>
<td>More data, “…always more you can learn about your customers.”</td>
<td>Not applicable</td>
</tr>
<tr>
<td><strong>NHL</strong></td>
<td>Very familiar</td>
<td>Efforts limited to season ticket holders, but do some email blasts, social media activities, and phone calls to single-game ticket buyers</td>
<td>CRM to track customer contacts, events, surveys, seat visits, gift deliveries</td>
<td>Cost is a main factor for lack of in-depth RM for non-season ticket holders</td>
<td>Not applicable</td>
</tr>
<tr>
<td><strong>MLS</strong></td>
<td>Very familiar</td>
<td>“Social media, CRM system and promotions and sponsorship programs.” “…very focused on the service delivery by trying to create repeat customers by caring for them.” “…core strategy is team as one, all of us together…”</td>
<td>“Social media, CRM system and promotions and sponsorship programs.” “Fan engagement.”</td>
<td>Not applicable</td>
<td>Not applicable</td>
</tr>
<tr>
<td><strong>NBA</strong></td>
<td>Familiar with the term</td>
<td>24/7 texting platform, immediate, personalized responses to email, texts, and mail, begging for comments and concerns, employee-to-fan interaction</td>
<td></td>
<td>Not applicable</td>
<td>Not applicable</td>
</tr>
<tr>
<td><strong>WNBA</strong></td>
<td>Familiar with the basic term</td>
<td>Use in a lot of ways, one of the foundations of the company</td>
<td>Touch-point system, CRM, season ticket holder events (kick-off party, annual party, town hall form), seat visits, wellness calls, customized attention in staff interactions, exclusive benefits to season ticket holders</td>
<td>Not applicable</td>
<td>Not applicable</td>
</tr>
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<tr>
<th>7) Have RM techniques benefited your organization? If so, in what ways?</th>
<th>8) Have you collected data to measure effectiveness?</th>
<th>9) If so, what type of data have you collected? What has the data indicated?</th>
</tr>
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<tbody>
<tr>
<td><strong>MLB</strong></td>
<td>Not applicable</td>
<td>Yes, surveys</td>
</tr>
<tr>
<td><strong>NHL</strong></td>
<td>“…allowed us to learn more about what predicts an account’s likelihood of renewal. We’ve also learned what factors might not be important in renewal prediction.”</td>
<td>* Yes; we review the information after each renewal campaign to tailor future campaigns.*</td>
</tr>
<tr>
<td><strong>MLS</strong></td>
<td>“Yes”; “Better communicate with fans and target marketing.”</td>
<td>In process</td>
</tr>
<tr>
<td><strong>NBA</strong></td>
<td>Not applicable</td>
<td>Yes, intercept surveys, secret shopping, receipt surveys</td>
</tr>
<tr>
<td><strong>WNBA</strong></td>
<td>“Definitely benefit us.” high retention rates, “…our culture spills over into other departments”; positive word-of-mouth</td>
<td>Surveys, data on attendance and interaction, touch-point scale</td>
</tr>
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<tr>
<th>10) If not, do you plan to collect measurement data? How do you plan to collect the data?</th>
<th>11) Do you have a plan in place to manage your RM activities? How are activities managed?</th>
<th>12) How have you collected and measured data on season ticket holders and their satisfaction levels with your customer relationship strategies? Game attendees? Sponsors?</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>MLB</strong></td>
<td>Not applicable</td>
<td>Respondent handles reporting, leads, and service activities. Another employee dedicated to membership program, events, and surveys</td>
</tr>
<tr>
<td><strong>NHL</strong></td>
<td>Not applicable</td>
<td>Likely launch new strategies when hockey starts up again and be more strategic with them</td>
</tr>
<tr>
<td><strong>MLS</strong></td>
<td>“CRM system, events and ticketing.”</td>
<td>“CRM system in work in progress.”</td>
</tr>
<tr>
<td><strong>NBA</strong></td>
<td>Not applicable</td>
<td>Not applicable</td>
</tr>
<tr>
<td><strong>WNBA</strong></td>
<td>Not applicable</td>
<td>Yes. Director and respondent look at information. Respondent makes suggestions for changes, oversees, and communicates strategy to team of eight for implementation.</td>
</tr>
</tbody>
</table>
Table 1 cont.

Quotes from Interview Respondents

<table>
<thead>
<tr>
<th>13) Would you recommend RM as an effective strategy in sport organizations in the future? If so, how important do you believe it is to sport marketers?</th>
<th>14) What do you foresee happening in the future of sport marketing in the: NFL, NBA, MLB, WNBA, MLS, NHL?</th>
</tr>
</thead>
</table>
| MLB  
"Really important for most businesses if not all."  
Relationship marketing will become future of how things will operate in any business, “You can’t just put up a sign anymore, you need to find out what customers like, what specific customers like and break it down into what benefits them.” |  
NHL  
Critically important, effective strategy; "Teams must reciprocate by learning what is important to their fans, and giving them interesting, useful content.", “Effective RM requires time, money, and creative strategy.”  
Best practices in the very near future and more teams will be required to define successes and failures using marketing metrics; social media analysis will be more and more prominent, so instead of just looking at “likes” and “re-tweets” the emphasis will be on how many ticket sales were coming from social media sites  
MLS  
“Yes, and it is very important. Engages fan, communication and builds relationship.”  
“Increase in fan/club interaction via social media.”  
NBA  
“No question about it.; “...people need to get away from the whole fundraising attitude...and get more into friend raising.”, “...it is easy to say no to something,...when you develop relationships it is pretty tough to say not to somebody”, much more effective, sustainable, and less expensive to keep a current customer than get a new one  
The NBA and other leagues will prioritize relationship building with customers and have a qualified, experienced, credentialed individual in charge of customer relationships.  
WNBA  
“Absolutely.... if we didn’t care about what they thought, if we didn’t take their feedback, if we didn’t care about their satisfaction, it just isn’t sustainable.”, “Business goes where it is invited but stays where it is appreciated.”; Very important  
“For the future of WNBA for the next five years have to keep relationship because we are growing and can leave nothing to chance...” |

**Additional themes**

During the interviews, a culture of relationship building was cited as important. The MLB respondent mentioned the importance of having every department using the CRM system, including group sales, inside sales, sponsorship sales, service, and community relations. The NBA respondent hoped the guest relations department would set a tone for the franchise and show the team was in the people business first. The respondent from the WNBA highlighted...
how the focus on customer relationships spilled over into other departments reinforcing the culture.

A CRM system was used by the organizations in the MLB, NHL, MLS, and WNBA to classify, segment, and target customers based on information on attendance, communication, interactions, and spending. Information from surveys was used to make changes to season ticket holder benefits and the customer experience by MLB, NHL, NBA, and WNBA. Most mentions of social media indicated a different department or a separate entity handled it and it was not under the respondent’s control.

**Discussion**

It is evident from interviews in five professional sport leagues that relationship marketing is an important and useful strategy, although, there is a broad interpretation of what constitutes relationship marketing. Slight differences in the focus of relationship marketing, data-driven versus customer-service focused, exist between leagues. These differences could be attributed to league policies and customer profiles. As suggested by Egan (2004), relationship marketing strategy may vary from business to business, meaning what works for one may not work in another, and it is likely this is true from league to league. Also, length of season, number of home games, and a team’s success likely impact the need for relationship building activity and affect the focus of relationship marketing for each team. Studying leagues individually or grouping teams by market or on-field success may lead to more useful results for sport marketers.

It is apparent CRM systems are used in sport organizations but there is a wide variation in systems and level of integration with relationship marketing strategies. As suggested in the literature (Grönnroos, 1996; Mitussis et al., 2006; Shani, 1997), it is not enough for an organization to simply operate a CRM system as interviewees reveal the use of the data to segment and target customers is a large part of their efforts to build relationships. More data collected on customers create more individualized communications and interactions. A personalized note, gift, or telephone call from an employee builds a connection to individuals and humanizes the organization. Customers who are attached to something outside of team performance are more likely to remain loyal to an organization during less successful seasons or negative events.

While the literature suggests social media as a relationship marketing tactic (Kim et al., 2011; Grönnroos, 2004; Williams & Chinn, 2010), respondents do not focus much attention on its use. The lack of attention social media receives is surprising, however, this could be attributed to the position and job duties of the individuals interviewed or the fact that social media responsibilities are housed in media and public relations instead of in marketing. Possibly, marketing professionals have yet to view social media as a relationship-building tool and instead use it for dissemination of information or host social media accounts because it is the norm. A higher degree of collaboration, communication, and cooperation across departments in the organization could result in a more successful implementation of relationship marketing using social media.

Season ticket holder benefits, akin to a membership or loyalty program, are a popular strategy for building and improving relationships with this group of customers. To be successful in relationship building, however, season ticket holders must value benefits. Asking for feedback
and opinions from season ticket holders could aid in determining season ticket holder values and responses could shape program benefits.

As suggested in the literature (Berry, 1995; Grönroos, 1996; Grönroos, 2004; Hennig-Thurau et al., 2002) and reinforced by the interview results, interaction with employees and staff is an integral part of building and maintaining customer relationships. Because of this, professionals should avoid getting absorbed in strategies and tactics and pay significant attention to the importance of hiring, training, and retaining quality employees. Those employees building the relationships are the foundation of relationship marketing strategy and their hiring and training should be a primary concern to sport organizations.

Results indicate teams are attempting to measure data on effectiveness of relationship marketing strategies by surveying customers and monitoring retention rates. Surveys allow organizations to learn customers’ values, needs, and opinions leading to informed choices regarding the way business is conducted. Standardized measurement scales linking relationship marketing tactics with their level of impact on customer’s intentions to renew and customer satisfaction levels could aid in identifying best practices.

One purported benefit of building sound relationships with customers is positive word-of-mouth comments. Interviews indicate positive word-of-mouth comments allow the organization to learn about the experiences of ticket holders and serve as a marketing tool to increase single-game attendance. Sport organizations should focus on the customer experience and employee interactions to foster positive word-of-mouth comments, which positively impact the bottom-line.

Relationship marketing appears to be viewed favorably by the interviewees and is used in many ways in the professional sport industry. However, these professionals stressed strategies must be well-thought out and organization-wide to be most effective. Findings suggest in the future building long-term relationships with customers will be necessary for teams’ financial security and possibly survival. Actively engaging fans and determining and then meeting their wants and needs is vital to sustaining an organization when team performance declines or negative publicity threatens team image. Segmenting and targeting specific groups of customers and integrating data-driven strategy with relationship building tactics can solidify a sport organization’s presence in the marketplace. The importance each professional gave relationship marketing should motivate more researchers to examine specific relationship marketing tactics, evaluation of relationship marketing, and outcomes related to relationship marketing strategies.

Limitations and Future Research

The major limitations of this study are the small sample size and use of convenience sampling. The author recognizes the mixture of phone and email interviews potentially impacted the understanding of the respondents and limited asking follow-up questions. This may have influenced the depth and precision of some responses. Findings are suggestive of trends and viewpoints from individuals who believe they utilize relationship marketing at their organization. While the results do not speak to the frequency of teams using relationship marketing, they do suggest relationship marketing is used, at least at some level, in each of the five leagues studied.

This qualitative study illuminates many potential research areas in professional sports relative to relationship marketing. In the future, research on the specific tactics used in each league and their effectiveness in retaining current customers and converting single-game attendees to long-
term season ticket holders should be conducted to support their use. In today’s results-driven society, practitioners need evidence of effectiveness to advocate strategies used in daily operations. Research into the use of relationship marketing tactics will help expand use of the strategy in professional sports and add legitimacy to the emerging approach to marketing.

Research into relationship marketing within professional sports can inform and improve practical application of the strategy. Professional sports are big business and thus require proven marketing strategies. Retaining current customers is imperative for survival in a highly competitive and evolving marketplace. Relationship marketing has significant potential to increase the profitability and sustainability of sport organizations.

References


