

# The Hidden Game



## How New Sports Marketing Platforms are Producing New Levels of Performance

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To the casual fan, it's the heroic actions of superstars that make the difference between a mediocre season and a season for the ages.

True students of the game, however, realize the foundations for success on the field go far beyond individual heroics. Teams that succeed do so because they have been painstakingly architected to win. There is a system in place, with roles for each contributor and a solid game plan to follow.

Led by general manager Billy Beane, the Oakland A's revolutionized baseball using breakthrough statistical analysis to judge the performance of players. Under legendary head coach Bill Walsh, the San Francisco 49ers pioneered a game-changing pass play system known as the "West Coast Offense" that delivered repeat championships. On the playing field, smart and systematic approaches have produced remarkable success.

Now, the same can be said for the business of sports. As top sports marketers realize they must adapt to how their customers buy today, we are witnessing the steady transformation of sports and entertainment marketing.

Challenging the status quo, these forward-looking marketers have reinvented their growth strategies and driven marketing performance to new levels. Like their counterparts on the field of play, they are now aggressively competing in the hidden game.

They are going beyond the highly visible, yet poorly measured, mass market advertising that dominates today's sports marketing spend. They are abandoning the manual, ad hoc and brute-force methods that undermine marketing productivity.

Instead, they are personalizing, automating and systemizing their actions through new sports marketing platforms. They are identifying new strategies and tactics that deliver a superior return on marketing investment (ROMI).

Of course, it takes an unconventional thinker to spot hidden opportunities – even when they are hiding in plain sight.

## **Competing for Entertainment and Sponsorship Dollars**

There's a clear shift now underway as more and more fan-related transactions and interactions take place online. Customers now expect service that matches that of other consumer online service providers – be it eBay, eTrade or Amazon.com.

Fans seeking tickets want instant gratification. They want camaraderie, recognition and access. Sponsors also expect more from sports teams and stadium operators. They want attention, consideration and action.

Sports marketers, meantime, are challenged to move beyond the mass advertising methods associated with billboards and taxi tops.

They are expected to drive incremental and profitable growth without increasing underlying costs. They are charged with building deeper relationships with customers – understanding their behavior and anticipating their needs. They also are under severe pressure to measure their results and report on their performance.

Sports marketers are not merely challenged to outperform past results. They are locked in a competitive struggle for consumer entertainment and corporate sponsorship dollars – a dynamic, fast-changing market that's loaded with choices.

## 5 Critical Challenges Facing Sports Marketers

Given the hyper-competitive environment in which today's sports marketers must operate and the increasingly high expectations placed on them, it's not surprising that many teams and organizations are struggling.

We have identified five critical challenges facing sports marketers in this arena. They are challenged to:

1. **Profile and understand customers.** Whether one is focused on fans, groups or corporate sponsors, marketers are increasingly expected to possess a "360 degree view" of their customers. They are expected to know their needs and interests, past transactions and online activities. But marketers are flying in blind if they lack the systems necessary to capture and analyze this vital information – or if it is spread out across an array of systems that don't talk to each other.
2. **Sell more tickets, packages and sponsorships.** Not only are marketers under pressure to sell more individual tickets, they are expected to sell more season tickets, ticket packages and corporate sponsorships as well. Unfortunately, they often lack the flexible systems necessary to filter, segment and manage their lists. They cannot rapidly execute targeted campaigns based on a fan's specific interests or even particular teams coming to town. While personalized, multi-touch campaigns to targeted markets promise high response rates, they are unable to conduct them quickly and effectively.
3. **Cross-sell and up-sell to increase per capita spend.** Some of the most profitable opportunities for growth lie in merchandise and concession sales as well as other targeted offerings. However, sports organizations often lack insight into the needs, interests and transactional histories of their customers. They have no single, unified tool for managing information about their customers and campaigns. Indeed, they constantly miss the opportunity to make specific offers – for a specific food item or a team jersey, for instance – because they have not profiled their customers and cannot anticipate their needs. They rely on stadium and arena sales to increase per capita customer spending, missing the chance to present targeted offers before and after events that will reliably drive growth.
4. **Increase productivity – do more with less.** While the expectations on sports marketers continue to rise, their budgets and headcounts are not keeping pace. They are expected to accomplish more than ever with their existing resources. As it stands, marketing activities often are mired in administrivia, ad hoc actions and brute force methods. Because marketing departments often manage multiple, disconnected systems – covering everything from ticketing data to fan communications – there is plenty of manual work to be done. Whether they are uploading data for a report or posting a recap of the game, marketers often find themselves engaged in tedious, manual work that delivers little value.

5. **Capitalize on opportunities tied to online marketing.** Customers are increasingly wired – and wireless. They go online to find relevant information and conduct quick transactions. Unfortunately, sports organizations often have no visibility into the online behavior of their customers. They cannot track their prospects when they are on their web sites. They cannot refine their marketing activities to reflect trends and patterns that emerge in online behavior. Despite the value of information about web site activity, the sales team is unable to gather intelligence, take action and close the deal. At this point, a sports marketer’s web site is often an undeveloped, undervalued and unrealized asset.

Today’s top sports marketers, however, are overcoming these challenges. They are breaking with convention, systemizing their marketing activities and driving marketing performance to new levels. They are taking the actions necessary to win the hidden game.

In order to deliver superior marketing performance, today’s top sports marketers are relying on a new approach that systemizes their campaigns and communications while automating their reporting and measurement activities.

How are they doing it?

## Reaching the Next Level with a Unified Sports Marketing Platform

They have implemented a *Unified Sports Marketing Platform*.

This platform automates a host of marketing activities – everything from lead capture and management to customer profiling to campaign execution to web site tracking to measurement and reporting.

Unified Sports Marketing Platforms help marketers correlate actions with outcomes, ensuring they are maximizing their marketing investments and realizing optimum returns.

But they also help marketers automate and execute key functions, contributing to significant productivity and performance gains. Among the platform’s key dimensions:

- **Campaign Execution and Management.** Central to the marketer’s success is the ability to conduct multi-touch, multi-channel campaigns in an automated fashion. Whether the channel is email, print, RSS, voice, or text messaging, the platform enables personalized and relevant communication that drives sales.
- **Sales Lead Management.** By automating lead scoring and nurturing, marketers can effectively present highly qualified opportunities to the sales team. As a result, lead qualification can be measurably linked to activity and behavior as opposed to speculation about its value.
- **Marketing Performance Management.** To help the marketer identify ROI at a campaign level or even drill down to personal profiles on the individual level, the platform provides sophisticated reporting, tracking and measurement capabilities. Such analytics track everything from response rates to trends in customer behavior.
- **Data Management.** Today’s marketers require a 360 degree view of the prospective customers. They depend on clean, accessible and actionable data that enables them to present relevant communications and offers. The platform is designed to ensure marketers possess the data they need to run effective,

targeted campaigns and drill down on specific customers and target groups as necessary.

Through a Unified Sports Marketing Platform, sports organizations gain the smart capabilities necessary to engage their customers – be they fans, groups or sponsors – at entirely new levels. As a result, they will realize several core benefits:

- **Increased Revenue and Profitability**
- **Heightened Marketing Productivity**
- **Enhanced Lead Management**
- **Strengthened Sales Pipelines**
- **Deepened Customer Relationships**

This platform automates core activities and eliminates low value work. It also enables sports marketing organizations to run increasingly personalized campaigns that are relevant and effective. Such factors contribute to the overall business case that has encouraged sports organizations to invest in these advanced platforms.

## **Conclusion: Winning the Hidden Game**

As the experiences of top marketers in professional sports suggests, the game of sports marketing is changing. The *visible game* of mass advertisements, ad hoc marketing and heroic sales stars is no longer sustainable – or effective.

The new opportunities for profitable growth now revolve around the *hidden game* linked to personalized, online and measurable marketing.

By profiling their customers, automating their marketing activities and measuring their results, today's top sports marketers are beginning to systemize excellence. They are taking their own performance to the next level and thriving in today's hyper-competitive sports and entertainment market.

### ***Case in Point: The Philadelphia 76ers***

The marketing unit for the 76ers sought ways to increase online renewals and win back past season ticket holders. Unfortunately, they had fragmented ticketing, analysis and email systems preventing them from running targeted campaigns in an automated fashion. They also had unclean data – riddled with errors and duplications.

Not any longer. Having invested in a unified sports marketing platform, the marketing group has since begun to produce impressive results. Now, the team can run automated campaigns that target prospective customers in a consistent and personalized way.



*Without Eloqua, analyzing the results across channels would have been very difficult. Eloqua integrated and automated this analysis, helping us to become more efficient and giving us better metrics.*

*Mark DiMaurizio, Vice President of Technology Solutions, Comcast-Spectacor*



Through one online renewal program, the team generated over \$1 million worth of season tickets online. That figure represented 10% of all renewals – a 1000% increase from the previous year.

In another “win back” campaign, the marketing group targeted 1,257 patrons who held season tickets over the last five years. The multi-channel campaign encompassed direct mail, email, follow up phone calls and personalized web pages inviting prospects to Select-a-Seat. With an investment of just \$2,143, the group produced \$71,251 in revenue by encouraging 10 past ticket holders to purchase season tickets again.

Comcast Corp., which owns the 76ers, sees opportunities to further leverage this marketing platform into the future. Considering that it also owns the Flyers and runs other events out of the Wachovia Center in Philadelphia, the company recognizes the opportunity to up-sell and cross-sell various sports packages, merchandise, concessions and even concert tickets to its existing customer base.

### ***Case in Point: The Sacramento Kings***

Marketers for the NBA’s Sacramento Kings have big plans for growth. They are intent on rolling out increasingly personalized campaigns that address the particular needs, interests and intentions of their customers. They not only intend to increase revenues, they plan to increase the loyalty and lifetime value of their customer base. To achieve these goals, they recognize they must hold themselves accountable – clearly demonstrating marketing’s impact on sales and return on investment.

The organization wasn’t going to meet these objectives without rethinking its strategies and systems, however. It realized it needed to centralize its data governance and marketing execution – going beyond the siloed and fragmented systems that made it impossible to automate, track and personalize campaigns in a unified way.

With their sports marketing platform, however, the team’s marketers can now run targeted campaigns and nurturing programs in an automated fashion. Leveraging customer profiles, they can now use personalization to present offers and messages that are truly relevant to their customers. For instance, they can direct Nike or Adidas merchandise offers to fans that have stated a preference for those brands. They can present content that reflects an individual fan’s interest in a particular player.



*Eloqua has provided the platform and technology necessary for us to dramatically shift the focus of our business from mass media to a true one-to-one communication strategy.*

*Kyle Eichman – Director, Relationship Marketing, Sacramento Kings*



Sophisticated reporting, meanwhile, will enable them to track the impact of their campaigns and refine their approach for better results. The payoff won’t stop with the Kings, however. Arco Arena, which is home to the Kings, will further capitalize on this system to market its WNBA team, the Monarchs, and other concerts and events that occur at the site.

## About Eloqua

Eloqua is the leading provider of demand generation applications and best-practice expertise for business marketers. Our mission is to make our customers the most effective marketers on Earth. Thousands of customers from businesses like the Philadelphia 76ers, Sacramento Kings, Miami HEAT, The Wachovia Center, Portland Trailblazers and many other teams and arenas rely on Eloqua's products and services to execute, automate and measure programs that generate revenue. By using Eloqua to integrate key marketing and lead management processes and read their buyers' Digital Body Language™, these customers improve the quality and quantity of sales leads, increase efficiency and accelerate the selling process. Eloqua Corporation is headquartered in Vienna, Virginia, with offices in Toronto, London, Singapore and throughout North America. For more information, please call 866-327-8764 or email [demand@eloqua.com](mailto:demand@eloqua.com).