

A Serenity Prayer for the Sports Industry

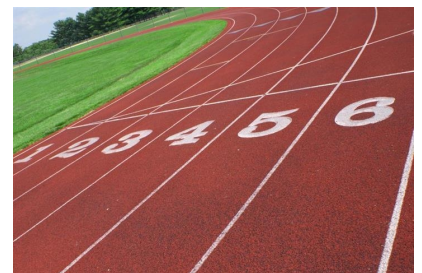
'The beer is always colder after a win.' – A former colleague of mine used to incorporate that one-liner into client meetings regularly. I would cringe every time.



The comment was usually made within the context of a presentation of fan research results and was meant to acknowledge that – yes – the outcome of the event does have an impact on the fan's perception of their experience at said event. He would quickly move on to outline all of the elements of the "gameday" experience where the client had a bit more control, in other words, those completely unrelated to the outcome on the field, court, track, rink or course. In many instances, however, the damage had been done. His background was not in the sports industry, so he never realized that he was offering up the number one crutch in sports business as an appetizer, if the audience was hungry enough to scarf it down, the main course to follow went undigested.

If we don't win, we can't sell. We can't draw. We can't compete. WE. CAN'T.

It would be foolish to ignore wins and losses completely, as they bubble up to the surface as a "key driver" of fan behavior in some form in virtually every study on the fan experience. The key is to attempt to separate the competitive product (how good is the team?) from the overall experience (how does this event make me feel?). As an executive on the business side of a sports organization, chances are you aren't being invited into the war room to set the draft board, so your mandate is to identify everything that falls into the latter bucket. Your job as a business–identify what we can control...and how we can deliver on those elements of the fan experience in such a way that we give ourselves the best possible chance of success.



It's not often that I quote the theologian Reinhold Niebuhr, but he is the one widely accredited with penning the "Serenity Prayer." Not familiar? You'll know it when you read it below, as it's been widely co-opted by everyone from Alcoholic's Anonymous to 50 Cent.

Grant me the serenity to accept the things I cannot change, courage to change the things I can, and wisdom to know the difference.

If you work in sports and you're not involved in coaching, playing or personnel, this is the perfect mantra. If you have no input into that (admittedly important) component of the product, then don't agonize over it. You do need to agonize over making sure that you have a full understanding of everything else that impacts the fan experience, the relative importance of these "touch points," and your organization's ability to execute at each "moment of truth."

The December 1st issue of Sports Business Journal printed a "Team Brand Index" study, which concluded that winning teams had stronger brands. No great surprise there. The words of Greg Economou, former senior vice president with the NBA and CMO of the Charlotte Bobcats, were more revelatory. He noted:

"Winning is going to drive a lot of your brand strength. What you want to figure out is, How much? If there's a 60 percent lift when you win and make the playoffs, that means that there's 40 percent out there that I have control over. I need to make sure I'm getting every bit of that 40 percent."



Niebuhr couldn't have said it better himself. Think of the fan experience as a giant debit card. Each interaction with a fan – a ticket purchase, in-game promotion, a wink and a nod with an usher, buying Dipping Dots for the kids – is an opportunity to make a deposit onto that debit card. The more deposits you make over the course of your relationship with that fan, the better able you are to withstand the withdrawals that inevitably accompany a loss. This dynamic has never been more true than in the current economy, where fans – whether they are households or corporations – are scrutinizing every discretionary dollar spent. By focusing on all that takes place outside of the actual competition, you are making your product less discretionary, more necessary...whether that necessity manifests itself in "feeling good" or "spending time with the family" or "doing business."

So unless you are going to spend long hours vastly improving your jumper, curveball, slap shot, putting, spiral or driving, it's best that you try to forget about the W's and the L's. Your standings appear on a financial statement, in the instance your team or event isn't as competitive as you'd like, your challenge is to separate the profits on that financial statement from the losses on the field.

By Zach Conen

<http://www.lraworldwide.com>

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