Lesson 9.4 –

Ticketing Technologies

SPORTS
CAREER
CONSULTING

LESSON 9.4

How has technology improved the ticketing process?

➢ Distribution

➢ Database Marketing

➢ Service

➢ Sales

LESSON 9.4

Ticketing Technologies

Technology has streamlined the distribution of tickets

The world wide web provides many access points for fans wanting to purchase tickets online

➢ TicketMaster.com

➢ Individual team, league or event websites

➢ Online ticket brokers

➢ Fandango.com

Ticketing Technologies

Technology has streamlined the distribution of tickets

Two years ago the Denver Nuggets became the first NBA team to give their fans the option to buy tickets <u>directly</u> through their Facebook page.

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Ticketing Technologies - Discussion

AT&T Park, home to Major League Baseball's San Francisco Giants, was the first professional sports franchise in the U.S. to implement a barcode system for scanning tickets as fans enter the stadium through electronic turnstiles.

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Ticketing Technologies - Discussion

What are some advantages?

1) Enables the team to avoid common ticketing problems

2) Staff can quickly deactivate lost or stolen tickets and reissue new ones

3) Virtually eliminates the possibility of erroneously selling the same seat more than once

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Ticket Distribution

The technology, along with many other advances, is now very prevalent in all sports venues, from the professional ranks to college.

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Ticket Distribution

All events hosted at the Intrust Bank Arena in Wichita feature mobile ticketing options in which tickets are delivered directly to customers' cell phones.

If customers select mobile delivery, they then receive a digital bar-coded picture message that serves as an alternative to a physical, hard copy ticket.

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The Billboard Summer Blowout party (summer concert) was billed as the first event for which every ticket distributed via mobile devices, perhaps offering a glimpse of the concert industry's potential plans for a widespread shift from paper ticketing to future paperless ticketing strategies.

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Last season the New York Jets announced plans to move to a paperless system for all season ticketholders, allowing for a better user experience for fans.

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2015 marked a major shift in ticket distribution and fan experience for attendees of the NCAA Men's NCAA Basketball Tournament as 67% of the host venues offered paperless and phone entry.
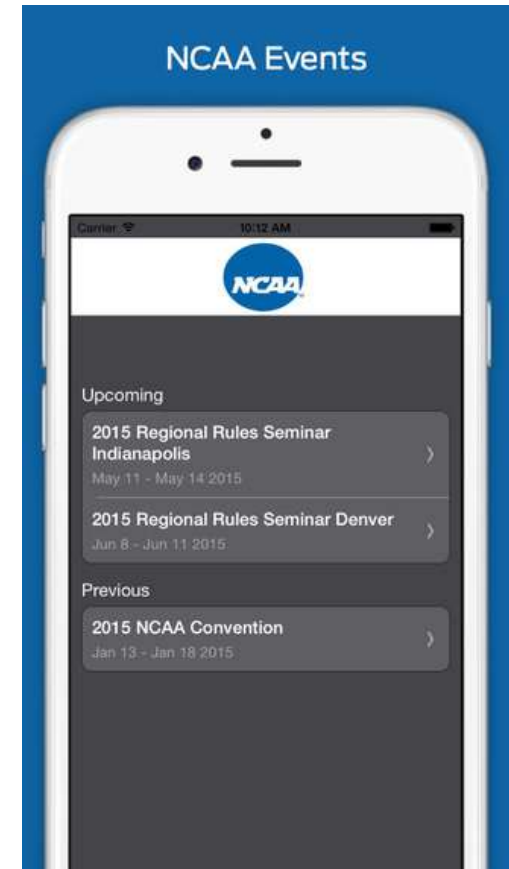
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Some MLB teams like the New York Yankees and Colorado Rockies offer biometric fingerprint readings at specific entry points for speed and security

In 2017, the Kansas City Chiefs introduced a "mobile only" season ticket option (at a price point of $200 and in limited quantities)

Tickets are delivered to the cell phone of the registered purchaser the morning of the game and cannot be printed

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Database and analytical marketing has enjoyed continued growth as the new trend in direct marketing among most sports and entertainment organizations

Database marketing is the process of gathering information about existing and prospective customers, entering that information into a centralized database, and using that database to drive marketing efforts

LESSON 9.4

Database Marketing

Database marketing enables marketers to capture information directly relating to their fan bases and allows for a more effective direct marketing campaign
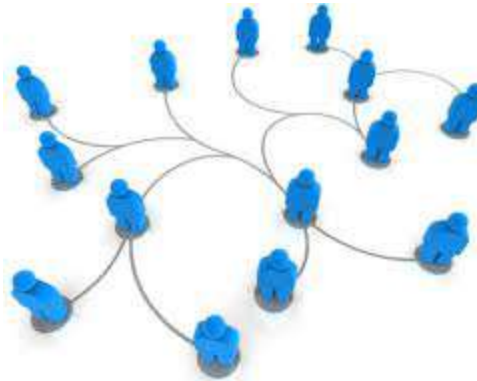
LESSON 9.4

Database Marketing

Thanks to an effective database marketing strategy, Minor League Baseball's Indianapolis Indians managed to increase online ticket sales 64% in just one season with an email campaign.

The club's focus on building and maintaining an extensive database resulted in access to the email addresses for 60,000 previous ticket purchasers and fans who had previously signed up to receive emails from the team.

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Database Marketing

Ten years ago, the Staples Center hosted its first prime time boxing event (De La Hoya vs. Mosley). Arena marketers made a conscious effort to capture information about ticket buyers and begin building a database. Since then, the database has grown significantly and has helped the facility enjoy some of the most profitable nights in Staples Center history.

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The Golden State Warriors utilize data from Facebook to purchase and create more personalized ads to help promote last minute ticket sales. According to adweek.com, each ad reached as many as 50,000 of the team's Facebook followers (potential buyers) and have helped the Warriors sell out 175+ straight games over the past few seasons.

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According to a report in the *Sports Business Journal*, the average NBA franchise has 500,000 names in its database, with some big-market teams having about 1 million names, allowing them to personalize the sales experience.

LESSON 9.4

According to chicagobusiness.com, the majority major league franchises in Chicago are encouraging fans to use digital tickets instead of traditional paper tickets by offering incentives from food discounts and faster entry into venues to credits toward special in-stadium experiences and merchandise.

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By segmenting fans based on their buying habits and demographic information, an organization can:

- ➢ Generate new business

- ➢ Boost renewal and retention rates

- ➢ Establish sales leads

- ➢ Increase fan loyalty

- ➢ Strengthen relationships with customers

- ➢ Improve communications with fans

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Data mining is a term used to describe the process of collecting and analyzing information within a database in an effort to discover information that can help increase an organization's sales.

Data mining has become a critical tool for many sports and entertainment organizations as it provides the sales staff with information that can help sellers to connect with consumers, particularly when cold calling.

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SPORTS DATA MINING

For example, thanks to data mining, an inside ticket sales representative for a MLS team might know that the fan they are cold calling has already attended two MLS games, searched ticket websites for other sporting events or concerts and typically only makes a purchase decision when tickets are discounted.

MLS MAJOR LEAGUE SOCCER

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Spain's premier soccer league, LaLiga, partnered with Microsoft to utilize programs like Azure and Power BI to help LaLiga connect with their 1.7 billion fans around the world in a more personalized manner depending on fans' location and preferences

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The Chicago Cubs adopted Bypass, a point-of-sale system, to help them track how well certain merchandise and concessions sell in real time

Said Justin Piper, general manager of spring training business operations for the Cubs in an interview with AdAge: "We can track categories—do you like little logos or big logos? What colors? Those are the types of things that we can start looking at."

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Churchill Downs teamed with Emarsys, a marketing cloud company, to improve the level of insight they have on horse racing fans

Data captured includes fans' favorite horses, jockeys, trainers as well as how much they bet on races

This information is used to create more targeted and personalized marketing campaigns, resulting in higher profits

CHURCHILL DOWNS

LESSON 9.4

Service

Many organizations have implemented online account manager programs for their season ticket holders as a vehicle for improving customer relations

Technology makes communication easier and more effective between teams and consumers

The Memphis Grizzlies season ticket holders enjoy many benefits via the team's Website

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Service

➢ Forward tickets electronically, allowing customers to email tickets to friends, family or clients—even at the last minute

➢ Manage tickets by tracking ticket usage and managing guest lists online

➢ Edit personal profiles to keep account info updated

➢ Make payments, view statements, and renew ticket packages

LESSON 9.4

Pricing

Dynamic ticket pricing refers to the process of adjusting ticket prices on the basis of changing variables like weather, opponent, demand, availability or who is scheduled to pitch on a particular day.

Many teams already charge different prices for seats based on the opponent or other factors, but the dynamic pricing allows an organization to manage ticket sales efforts by carefully measuring supply and demand and creating price points accordingly.

LESSON 9.4

Pricing

For example, a Field Plaza level ticket at Petco Park in San Diego for a Saturday game against the rival Los Angeles Dodgers was priced at $59.00 on padres.com. That ticket drops to $35.00 for the same exact seat on the following Tuesday night for the game against the Arizona Diamondbacks.

LESSON 9.4

Pricing

More than 50 percent of professional sports teams have now adopted some form of variable ticket pricing. Even NFL teams are getting into the action as the San Francisco 49ers announced in 2015 that tickets to ALL home games (for single game tickets) would be subject to a dynamic pricing structure.

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Pricing

According to Wikipedia, the term "digital wallet" refers to an electronic device that allows an individual to make electronic commerce transactions. This can include purchasing items on-line with a computer or using a smartphone to purchase something at a store.

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Pricing

In 2015, Apple Pay and MasterCard teamed up with Major League Baseball to make mobile payments available at Great American Ball Park and the Duke Energy Convention Center for All-Star Game activities Cincinnati.

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Pricing

The Oakland Raiders website offers an interactive, 3D seat map enabling ticket buyers to preview sightlines before purchasing tickets.

FIND YOUR SEATS WITH OUR 3D SEATING MAP

LESSON 9.4

Pricing

Fans interested in purchasing Atlanta Falcons season tickets can preview seat locations online through the team's "Virtual Seat View" application, providing a realistic feel for available seat locations.

LESSON 9.4

Social media platforms such as Twitter and Facebook proven to be as much as three times more effective in selling tickets than traditional marketing platforms, according to research from Ticketmaster

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Drawbacks to the Advancement of Ticketing Technologies

The selling of tickets by an unauthorized third party, called "ticket scalpers" or online brokers, has become commonplace online.

This practice has a negative impact on an organization's bottom line, and ultimately drives ticket prices up for consumers.

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Drawbacks to the Advancement of Ticketing Technologies

The state of Florida recently toughened its ticket scalping laws to help consumers when Gov. Charlie Crist signed into law a new ticket resale bill that requires Internet brokers to offer better guarantees, outlaws the sale or use of "bot" software, and makes it illegal to scalp tickets to charity events.
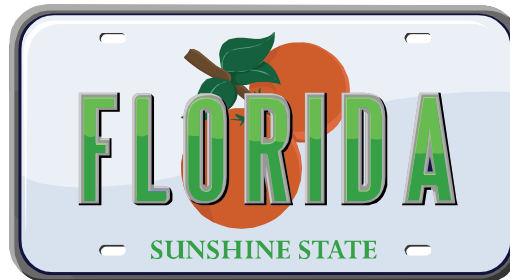
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Drawbacks to the Advancement of Ticketing Technologies

In 2015, Calgary Flames playoff tickets were a hot item but it led to a number of fans getting burned by scammers allegedly selling tickets online.
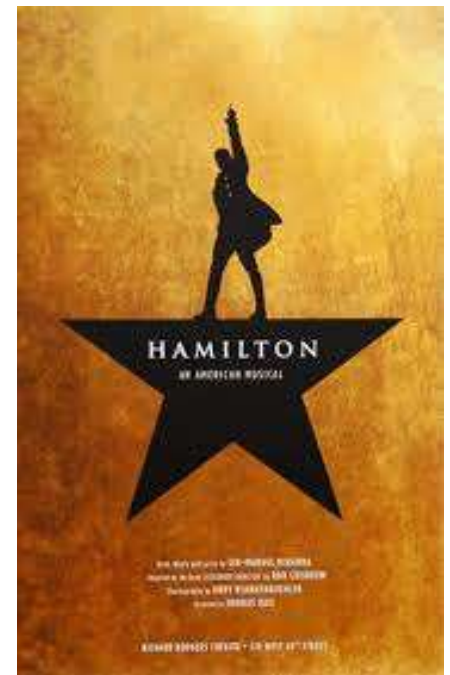
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Drawbacks to the Advancement of Ticketing Technologies

The USA Today reported that one of the hottest tickets in New York City in 2016 was to see the award winning musical Hamilton, where seats on the secondary market sold for thousands more than their face value. Show organizers also saw a large increase in the number of fake tickets being sold and warned fans many scalpers make their fake tickets look just like the real ones.

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Drawbacks to the Advancement of Ticketing Technologies

Because of a high risk of counterfeit tickets flooding the market during the 2016 NHL Playoffs, the St. Louis Blues took a proactive approach in alerting their fans via social media, tweeting: "Fans, please be cautious buying Playoff tickets via 3rd-party sellers outside @ScottradeCenter. There have been many fakes sold."

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Sports and entertainment properties are now being challenged to adapt to the seismic growth and legalization of the secondary ticket market

StubHub boasts partnerships with St. John's, USC, Wisconsin and Georgetown Athletics (among many others) as the "official ticket marketplace"

RazorGator stakes its claim as the "official ticket package partner of the Ultimate Fighting Championship"

LESSON 9.4

Ticketing Technologies

Sports and entertainment properties are now being challenged to adapt to the seismic growth and legalization of the secondary ticket market

Ticketmaster paid $265 million for ticket reseller TicketsNow to secure a larger piece of the secondary market.

TicketLiquidator boasts an inventory that includes more than 4 million tickets for over 83,000 events worldwide.

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The relocated Winnipeg Jets NHL hockey club, understanding the demand for tickets will be extremely high after quickly selling out of 13,000 season tickets, took a proactive approach to ticket resale. The team announced it would launch an extension of their website that would allow season ticket holders to post tickets they want to sell online and allow fans to buy them just like they would any concert or sporting event ticket.

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