

Lesson 2.2

The Fusion of Marketing with Sports & Entertainment



What is SEM?

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Sports Marketing is the act of using sports as a platform to market products or services and increase sales *or* the process the of marketing and selling the sports property itself



Fundamental Concept of SEM:

Marketing through Sports & Entertainment

vs.

Marketing of Sports & Entertainment

What is SEM?

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Marketing *through* Sports & Entertainment

Companies use sports and entertainment as a vehicle to gain exposure for their products



oca-Cola, Samsung, Panasonic, Visa, General Electric and others spending millions to sponsor the 2018 Winter Olympic Games in PyeongChang as a tool to brand their product globally on the international stage



Gatorade affiliating its product with athletes like Usain Bolt, Serena Williams, JJ Watt, Cam Newton, Paul George, Abby Wambach and Bryce Harper

Marketing *through* Sports & Entertainment

McDonalds introducing a red and green burger in Chinese markets in conjunction with the release of the highly anticipated 2016 film, ‘Angry Birds’



What is SEM?

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Marketing *through* Sports & Entertainment

A CEO entertaining potential customers at a PGA Golf Event in the hospitality area as a sales tool



What is SEM?

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Marketing *through* Sports & Entertainment

Companies use sports and entertainment as a vehicle to gain exposure for their products

Acura aligning its brand with some of the biggest entertainment events by sponsoring the Sundance Film Festival and New Orleans Jazz & Heritage Festival



Marketing *through* Sports & Entertainment

Product placement is a tactic companies use to place their products within a particular form of entertainment to gain visibility or exposure

Marketing *through* Sports & Entertainment

Brands like Audi, Dell, Lego and Doritos being prominently featured in the blockbuster film, 'Spider-Man: Homecoming'



What is SEM?

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Marketing of Sports & Entertainment

Marketing of Sports & Entertainment involves the promotion and sales of the sports and entertainment products themselves



The Potomac Nationals baseball club selling special "Holiday" ticket packages



Organizers of the 2016 Summer Olympics in Rio branding the Games with the slogan "A New World" in hopes of communicating a message of the World building a better future together

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Marketing of Sports & Entertainment

Marketing of Sports & Entertainment involves the promotion and sales of the sports and entertainment products themselves

Sony Pictures spending a whopping \$400 million in marketing (including "promotional partnerships and the studio's own spending" according to the LA Times) on the 2016 box office success 'Angry Birds'



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Marketing of Sports & Entertainment

Marketing of Sports & Entertainment involves the promotion and sales of the sports and entertainment products themselves

The Hollywood Reporter suggests, based on information from industry insiders, marketing a film worldwide now costs around \$200 million. Compare that to 1980 when the average cost of marketing a studio movie in the U.S. was \$4.3 million.



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Marketing of Sports & Entertainment

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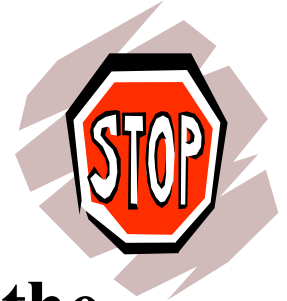


New Balance advertising the launch of a new sneaker or shoe line



FieldTurf selling and installing a synthetic grass football field at a local high school

Discussion Topic



Let's say Adidas invests in a luxury suite at the Staples Center in Los Angeles. Is this an example of the marketing *of* sports or an example of marketing *through* sports?



What is SEM?

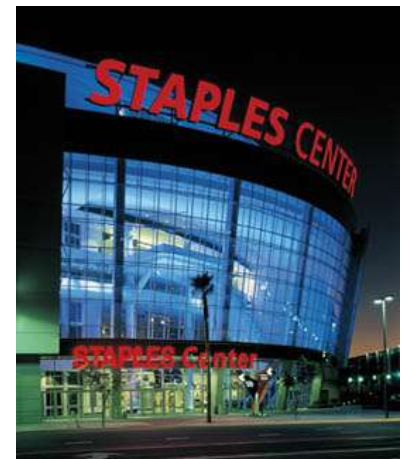
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Discussion Topic



The Adidas investment in a luxury suite at the Staples Center arena provides an example of BOTH marketing *of* sports and marketing *through* sports





Discussion Topic



Marketing of Sports:

The marketing OF sports occurs as the Staples Center marketing staff actively engages in the activity of selling suites to corporations, thereby marketing their products



Discussion Topic



Marketing through Sports:

Occurs as Adidas uses the suite for events (NBA's Lakers or Clippers basketball games, Disney on Ice, Rolling Stones Concert, Barnum & Bailey Circus, Harlem Globetrotters, NHL's Kings, WNBA's Sparks etc.) to entertain customers, prospective customers and employees

Sports Management vs. Sports Marketing

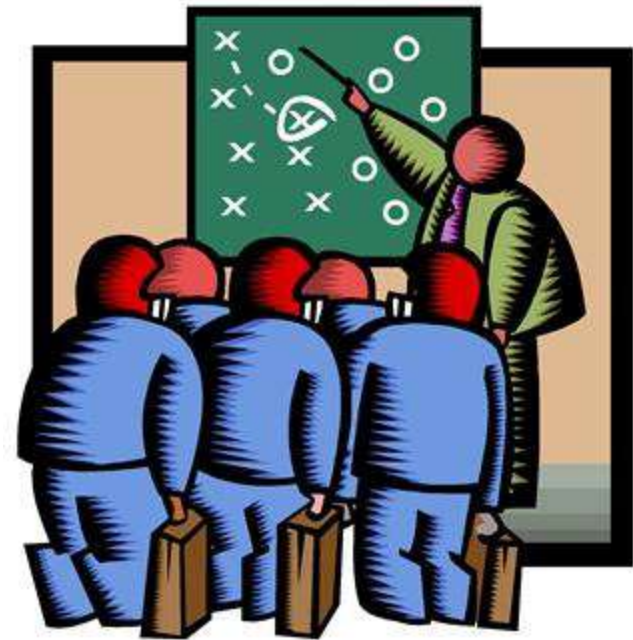
Sports management is the study and practice of all people, activities, businesses or organizations involved in producing, facilitating, promoting or organizing any sport-related business or product

What is SEM?

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Sport management areas of study might include:

- **Sport law**
- **Facility management**
- **Human resources**
- **Sport governance**
- **Leadership**



What is SEM?

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Examples of Sports Marketing

- Allstate sponsoring the Sugar Bowl
- A MLS team offering payment plan options for season ticket buyers
- The Big East athletic conference agreeing to a 7 year television contract with ESPN worth an estimated \$130 million



Examples of Sports Marketing

- A corporation's purchase of a courtside tickets to entertain clients at NBA games
- A sign or banner displaying a company's logo at a hockey rink
- Coca-Cola paying for "pour rights" at an event or facility

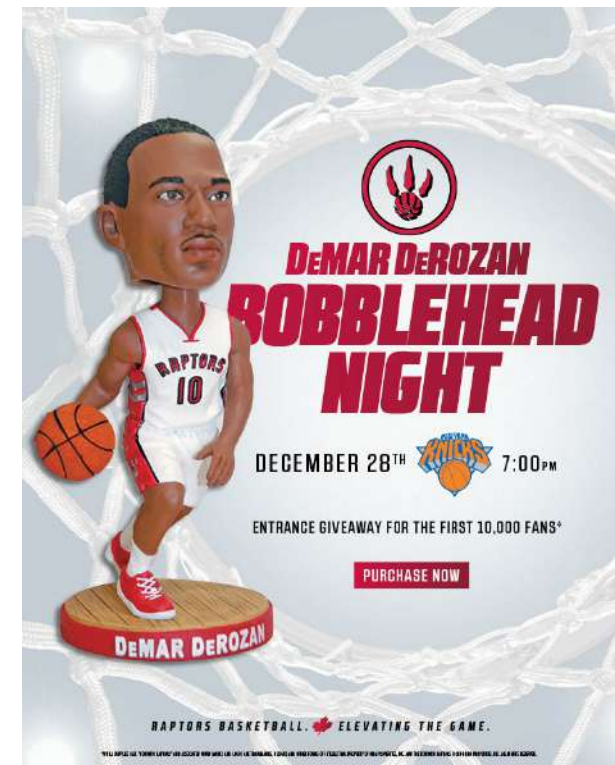


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Examples of Sports Marketing

- Blimp flying over sporting events
- Fans receiving free bobble head dolls at a basketball game



What is SEM?

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Examples of Sports Marketing

- **Foot Locker stores offering special sales or coupons to help increase sales**
- **A local restaurant sponsoring the local high school soccer team**



What is SEM?

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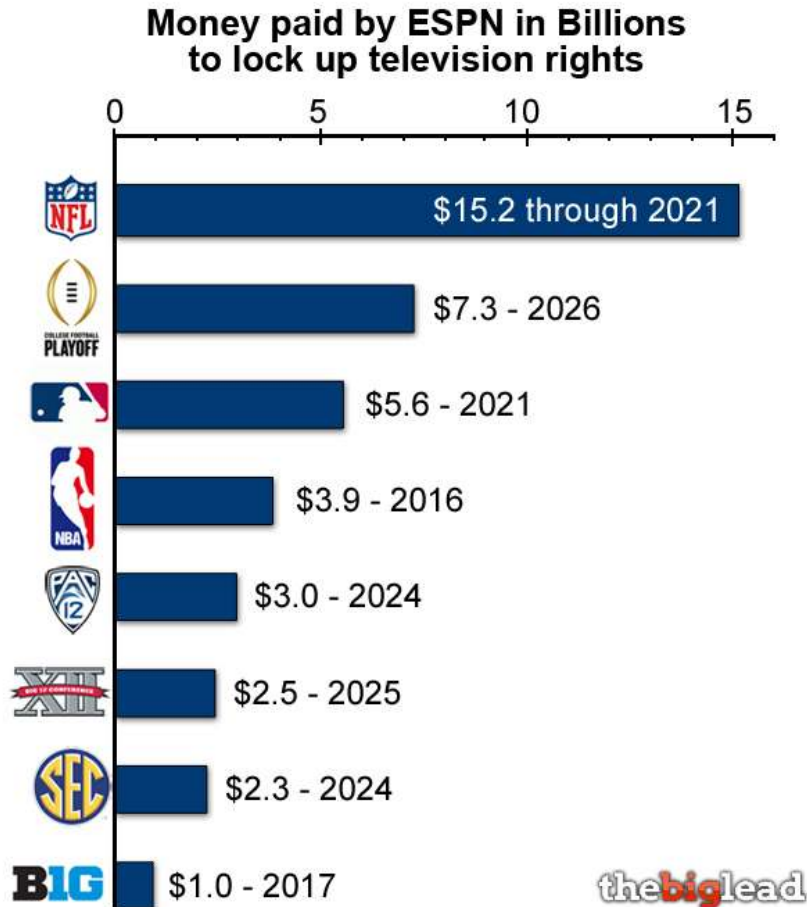
Entertainment Marketing is the process of developing, promoting, and distributing products, or goods and services, to satisfy customer's needs and wants through entertainment, or any diversion, amusement, or method of occupying time



What is SEM?

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Examples of Entertainment



Much like paying rights fees to sports leagues, broadcast companies also pay for the rights to broadcast major television events

Examples of Entertainment

According to the Hollywood Reporter, NBC is paying an estimated \$21.5 million per year through at least 2018 for the rights to broadcast the next four Golden Globe shows



Examples of Entertainment

Last year alone, film studio marketers spent almost \$2.4 billion on television advertising to promote their films (according to Variety)



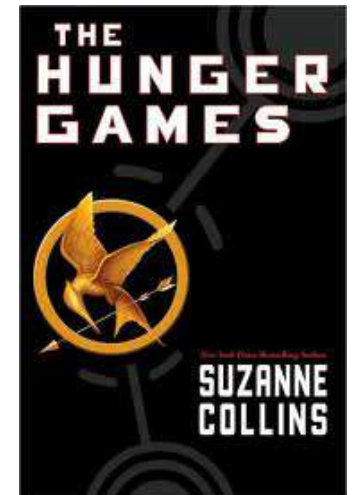
What is SEM?

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Examples of Entertainment

- Seeing the Houston Symphony perform at Jones Hall in downtown Houston
- Attending a LSU Tigers football game
- Reading one of Suzanne Collins' novels in Games trilogy

The Hunger



What is SEM?

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Examples of Entertainment

- Visiting the Seattle Aquarium
- Going to a Zac Brown Band or Adele concert
- Listening to the newest Justin Timberlake song on your mp3 player
- Watching the Broadway musical “Lion King”



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Examples of Entertainment

- Seeing a Cirque du Soleil show in Las Vegas
- Six Flags Great America theme park opening the new 4D interactive attraction JUSTICE LEAGUE
- Sea World announcing a major new “aquarium based” ride opening in 2017 in an effort to revive its brand



LESSON 2.2 REVIEW (ANSWERS)

What is SEM?

1) Explain the two primary types of sports and entertainment marketing

1-Marketing of sports & entertainment

2-Marketing through sports & entertainment

3) Compare and contrast sports marketing and entertainment marketing

Sports are entertainment but several key differences separate the two: sports are unscripted, sports customers are extremely loyal and an emotional attachment is very prevalent in sports

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