Chapter 8

Sports Promotion

Section 8.1 Planning the Promotion

Section 8.2 Advertising and Sales Promotion

Section 8.3 Public Relations and Personal Selling
Chapter Objectives

- Define event marketing.
- Explain promotion and the promotional mix in sports marketing.
- Identify the roles of advertising and sales promotion in sports marketing.
- Describe the use of technology in promotion.
- Identify the roles of public relations and personal selling in sports marketing.
- Explain the types and steps of selling.
Event Marketing

Developing an effective promotional mix and corresponding budget requires an understanding of event marketing and types of promotions.

event marketing all activities associated with the sale, distribution, and promotion of a sports event
Sanctioned league events are presented by sports franchises.
- Licensing, sponsorships, and special promotions are governed by league policies

Internationally, various organizations govern worldwide sports.
- Promotions are organized by a committee

Promotions function in sports to generate sales, attract a targeted audience, and create a positive image.
The different forms of promotion can be combined into a company’s promotional mix.

**promotional mix** any combination of advertising, sales promotion, publicity, direct marketing, and personal selling
The functions of promotion in sports marketing are:

- Generate sales
- Attract a targeted audience
- Help create a positive image
The three ways to determine a promotional budget are:

- Percentage of sales
- Competitive parity
- Objective-and-task method
Operating an e-tail business on an electronic channel—the Web—can be costly, due to design, delivery, returns, and operating expenses. Though many larger dot-com companies crashed in the 1990’s, small stores like Harris Cyclery of West Newton, Massachusetts, actually increase sales using a basic Web site. Today, a third of Harris’s bicycle business rides in on the Web to get hard-to-find parts and personal service.

Describe an e-business’s home page to your class after viewing one through marketingseries.glencoe.com.

In fact, Web business contributes to a growing portion of sports revenue—an estimated 15 percent in 2004. The Internet has been friendly to sports, as cyber giants such as Yahoo! and AOL offer sports online. Auto racing and golf are also using the medium. However, football dealmakers are reluctant to embrace Webcasts if television revenue is lost in the deal.

Where can you watch live baseball, highlights, and replays at any time? On TV? On video? It’s available online through MLB.TV—that’s dot-TV, not dot-com. Viewer fees make this sports outlet a profitable business.

For more information on sports and entertainment marketing, go to marketingseries.glencoe.com.
1. What are the three functions of promotion in sports marketing?

2. Explain the promotional mix.

3. List the three ways to determine a promotional budget.
The Role of Advertising

Since a company pays for advertising, it has control over the message it wants to deliver.

Two types of advertising are:

- **Promotional advertising**
- **Institutional advertising**

**advertising** any paid promotion of an idea, good, or service by an identified sponsor

**promotional advertising** advertising with a goal or selling an item being promoted

**institutional advertising** advertising with a goal of developing goodwill or positive image
The four types of advertising media are:

- **Print**
  - Newspapers, magazines, direct mail, outdoor advertising, station posters, stadium signage

- **Broadcast**
  - Radio and television

- **Direct marketing**
  - Many media used to communicate directly with consumers

- **Online advertising**
  - Banner advertising, company Web sites, online promotions
## Types of Media: Print

<table>
<thead>
<tr>
<th>Media Type</th>
<th>Description</th>
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</thead>
<tbody>
<tr>
<td>Newspapers</td>
<td>Local; targets customers in home town</td>
</tr>
<tr>
<td>Magazines</td>
<td>Regional or national; large specific audience</td>
</tr>
<tr>
<td>Direct Mail</td>
<td>Personalized message; may be considered “junk mail”</td>
</tr>
<tr>
<td>Outdoor Advertising</td>
<td>Geographically selected audience; short message</td>
</tr>
<tr>
<td>Station Posters</td>
<td>Geographically selected audience; short message; aimed at travelers</td>
</tr>
<tr>
<td>Stadium Signage</td>
<td>Seen by people at an event and television viewers; often used by sponsors</td>
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</tbody>
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Types of sales promotions include:

- Coupons
- Rebates
- Samples
- Premiums
- Contests
- Sweepstakes

sales promotion a short-term incentive to get consumers interested in buying a product
Companies, teams, and individual athletes have the ability to target their markets and fans with a great variety of medial and promotional tools.
1. What is the difference between promotional and institutional advertising?

2. What are the major types of advertising media?

3. List the different forms of sales promotions.
**Publicity** gives a company an image that must be handled by a company’s **public relations department**.

**publicity** the free mention of a product or company in the media

**public relations** activities that promote the image and communications a company has with its employees, customers, investors, and public
To alert the media in hopes of getting media coverage, companies, teams, and individuals prepare press kits and press releases. A newsworthy article that provides the basic information to answer questions such as who, what, where, when, and why.
Personal selling is important as part of the promotional mix because it allows for two-way communication between the buyer and seller.

personal selling direct communication by a salesperson to potential customers either in person or by telephone.
There are two types of selling—order taking and order getting.

There are two ways to prepare for the sales process—prospecting and preapproach strategies.
The seven steps of professional selling are:

1. Approach.
2. Determine needs.
3. Present the product.
4. Overcome objections.
5. Close the sale.
6. Perform suggestion selling.
7. Follow up.
Power of the Promotional Mix

The right combination of all the elements of the promotional mix works to create synergy.

- Advertising
- Sales promotion
- Publicity
- Personal selling

- Attract customers and fans
- Sales
- Positive image
1. What are the advantages and disadvantages of publicity?

2. Explain the role of media in public relations.

3. List and explain the steps in the selling process.
1. **Define** event marketing.
2. **Identify** the elements in the promotional mix.
3. **Explain** a budget in sports marketing.
4. **Identify** the roles of advertising and sales promotions.

4. Advertising gives a company control over the message it wants to deliver as the company pays for it. Sales promotions are usually part of advertisements or a personal sales pitch designed as short term incentives to interest consumers through vehicles such as coupons, rebates, samples, premiums, contests, and sweepstakes.

continued
5. **Define** public relations and personal selling.

6. **Differentiate** between contests and sweepstakes.

7. **List** the steps in the selling process.

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7. The steps are: approach, determine needs, present product, overcome objections, close the sale, perform suggestion selling, and follow up.

continued
Critical Thinking

8. Explain the role that the various media play in public relations.

8. The media—magazines, newspapers, television, radio—provide outlets for public relations to function; anything newsworthy will be picked up by the media. Sports organizations, as well as all other companies, rely on the media to get the news out, but it is the media that decide what news to use on any given day.
End of Chapter 8

Sports Promotion