MARKETING – MODERN APPROACH
IN MANAGEMENT AND ECONOMY OF A SPORTS CLUB

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The expansive character and increasingly obvious on the sports domain regarding the aspect of "business" requires a special focus on monetization of sports activity and the image of those involved.

There is a trend that is outlined in the belief that humanity is heading rapidly towards a new type of economy, and therefore, of management. The knowledge’s revolution designates fundamental shift from an economy based on physical resources – represented by the traditional factors of "value or power", material, human, money – to an economy mainly based on knowledge.

At the level of a sports club the knowledge can be found in the player’s and coach’s labor force (human capital), in the fans or supporters requirements and preferences ("clients" capital), in the sporting performance processes and systems (structural capital).

In the last years, this manifestation brought to the forefront the priority of importance and usefulness of information’s which have a common denominator in knowledge and underlie the modality of operationalization for specialists in terms of scope, nature and purpose.

Although the Romanian sport is in its early stages in terms of acquiring, obtaining or creating knowledge using knowledge strictly designates an intensification of the absorption capacity of data, as cumulative stock of information that can be combined between each segments of a managerial system.

Regarded as a system, the club holds mechanisms in its organizational structure specific for sports domain which operates on the basis of focused strategies objective and objective-oriented by generating levers for competitiveness and performance.

Sports marketing is a specialized industry based closely on the "know-how" as typology of knowledge indispensable in order to produce (it is understandable to market products, services) as a result of a profitably brand, is one of the most important "players" in the club, regardless of sporting skill discipline adopted.

Fundamentation elements of sports marketing in Romania...
Sports operates in two directions that must be driven properly, interacting inevitably as conditioning factors: on the one hand, attracting fans, on the other hand, obtaining competitive advantage, translated here as sports results.
Sports’ marketing is based on three important sources of funding:
- the sale of television rights;
- sponsorships;
- merchandising.
All three sources equally depend on the above-mentioned conditions without which there can be optimized, being in a vicious circle.

For the development strategy of the sports club, in conditions of market economy, the attention is on "commercial functions", that given ongoing sales activity. "Feedback" is formulated based on market studies that aim to shape the club's strategy in relation to "the market". Therefore, the sports marketing rely heavily on:
- increasing the show/performance value;
- fans fidelity;
- a very good branding competitions and sports clubs;
- developing personal brands for athletes;
- the accuracy modalities of calculating return on investment (ROI).

The flow of information's specific to sales provides, ensure the framework and conditions that are possible and stimulates the act of selling, which actually performs, in order to recover expenses incurred for preparing the product sell and obtaining at the same time, a profit.

How sports marketing optimizes the desire’s companies to associate generally with the sport’s values (performance, motivation, power), and particularly with a sports discipline, but also with a particular sport’s entity (team or players), handling the communication media TV channel represents the most important way in promoting the sport. Therefore, the main interest in this field is increased visibility, as well as increasing the value of show, in terms of performance.

For example, people look at rugby games and not at GO-board game for the show, for the dynamics, for adrenaline. Once the gain is greater interest from fans, press, "the influencers", the more effective is the association.

With predilection in Romania, the sale of television rights is made collectively by the major structures (sports federations), being those who "monopolize" marketisation sport he coordinates and also the athletes they represent, although, in first instance they belong to clubs, which are members of federations and can mandate it for an eventual negotiation...

We believe that it is preferable to selling TV broadcasting rights by individual club in part because it can be profitable in the economy of a team, in terms of social welfare. This indicator can be valued according to market share that the reputation of a team occupies in mass-media, for example.

Collective selling is preferable when a sports federation has a small impact in the media (television ratings indicated by) on their competition (relatively homogeneous in level of "interest") and aims to provide visibility for at least one of them. Are obtained, however, small incomes for high performance clubs, diminished in relation to the added value of such competition.

At international level, sports’ marketing is an extremely prolific domain because the amounts involved are considerable, in the order of millions of euros. On the other hand, it's not too easy to attract millions of people to watch a game or to cheer an athlete.

In Romania, the sports marketing efforts indicate a trend, unfortunately, rather than a reality, and this situation is created by specific administrative organization of sports domain in our country.

Diametrically opposite manner of organizing the phenomenon of "sports performance" in our country, both structural development strategy and the performance development, must be emitted by sports clubs. A strong federation is based on some strong clubs! Development plans should be proposed by the clubs, the federation having a centralized role of subsequent decisions which will be implemented nationally.
Furthermore, the federations are financed by the state government, so the funds are low. Of course, they may conduct branding campaigns and/or marketing to attract sponsorship and private investment, but they don’t have sufficient budgets.

A distinct and major place is occupied by the marketing investment in the structure of a sports club. Functional integration in the economic activity of native clubs and transformation into an effective instrument of action precedes achieving the proposed objectives by financing investment.

Starting from the ideal economic principle in sport – self-financing – the most "wanted" source of financing in terms of ownership is attracted funding sources.

Capital injections of legal persons are transformed into investment (shareholder capital subscription).

Romanian reality requires in most cases a lack of funds in sport, once established the necessary financial resources (club budget for a competitive season).

**THE INVESTMENT VALUE IS DIRECTLY PROPORTIONAL TO PERFORMANCE SPORTS LEVEL**

Sports structures do not apply marketing due to lack of funds and from the lack of know-how. If we were to look at the bright side, however, we could say we have prospects to implement sports marketing because the market is almost nonexistent, but with potential. As long as we have World and Olympic champions, as long as we still practicing, we have opportunities to develop in our country.

Most of the funds are targeted to athlete’s training and participation in their competitions. Also, the sponsoring of sports performance projects exists, actually, only to football. Otherwise, attracting sponsors for other sports disciplines is incredibly difficult.

Unfortunately, only few are interested in large projects development, of strategy. Many others calling for punctual projects such as organizing sporting events or achieving specific communication materials. Moreover, organizing sports events is currently the most visible and most developed segment of the Romanian sports marketing.

The sports market value is given by the dimension of the financial flows that this domain "moves". Most of these fluxes has origin from marketing budgets of companies partner’s of the club, who are sponsors and "have a significant quota" in the budget share affected by the sport’s structure for a season.

Without an effective promotion of actions and events that the club organizes we can not hope to obtain necessary funds to ensure continuity.

To promote a club must be assumed that the sport is not in the top three in terms of popularity; in these circumstances must be done two times higher efforts to get the same results.

Like it or not, yet sport as a business has a narrow spread in Romania. This is due to certain issues:
- no information regarding on certain sports disciplines;
- poor coverage after 1990;
- insufficient knowledge of the phenomenon by the general public;
- lack of specialists in media (dedicated commentators or journalists).

The sports marketing "target" aim’s to bringing in forefront the phenomenon, the event, and the decision to apply sports marketing does not take both of the category, as the
perceived similarity between the brand and a particular sport/athlete. Brands categories involved in sports marketing includes: drinks (especially beer), sports equipment manufacturers, banks and mobile providers – especially companies that have a broad or directly related to a particular sport.

In Romania’s case, the issue in sports marketing, we consider, must be applied by the "small steps" method, ignoring in the first instance major and immediate effects that can really change, and betting "step by step" on added value that can bring in order to improve performance as better image/exposure/promotion.

Change should start from the mentality and investments. The most difficult is to create the mentalities! There is no reason we could not implement sports marketing in our country, on the contrary: Romanians prefer to watch sport, not to practice, and, on the other hand, we have valuable athletes and teams. We are lack, however, in understanding of benefits that marketing brings and the ability to change.

Educating this issue must start from within the phenomenon which is able to generate preferential information in conjunction with accession at the sports outcome, prerequisite for the projection of the correct application of marketing.

It often creates confusion: anything related to sports is sports marketing. This, of course, is not true. For example, if a fitness club is promoted through promotions campaigns, flyers or holds a website, making sports marketing does not mean that just because its field of activity is the sport domain. The instruments that uses must be specific exactly to domain.

**Sponsorship and advertising – a viable solution of sports marketing...**

The sponsor’s "seekers" of the club must familiarize themselves with how well it can be used vocabulary and actions of companies (potential partners) in their marketing. Is always needed a common language and intensive communication within the management club members.

Like promotion or public relations, sponsorship is therefore now a communication method with full rights, very efficient, on condition that it meets certain special needs and integrates harmoniously into an overall strategy.

Explicitly taken into account, the sponsorship dimensions – the company and the event, the audience or target of the operation – the objective being to strengthen or build a brand image, creating in the public mind (the metronome success of a club activity) a strong association between an event and product or company.

Sponsorship has the advantage of reaching targets very precise determined, due to the choice of event support. On the other hand, this approach works very cleverly by transferring the image that the product has the event over sponsor or partner companies. Characteristics of the invested domain or of the supported personality will have some influence on the brand.

Sponsorship is not effective unless it is part of a long-term strategy and if investments occasions are renewal regularly, for a period established from the outset: a brand image is not built in one shot, as often, companies seem to believe it. This is a valid argument when it comes to convince a sponsor to renew the operation, which has already supported the club.

Using the potential of public sympathy for the team can determine a company to create prototypes, depending on the requirements of their "baby".

Anatomy of sponsorship states a lot of reasons for which a economic responsible operator may be determined to consider the participation in club under sponsorship form. Each of these reasons will provide an argument to convince. We classify into two categories: good reasons and true reasons.
Good reasons:
- awareness = imposition of brand name or a firm company among the largest possible public (target classes);
- brand image = the association of sport image with the company or its products;
- the product must come alive = sponsorship allows removal of the product from advertising illusion and placing it on reality. Associated with concrete actions (stage championship, friendly matches), the product comes out from commercial fiction to begin his existence, to live;
- originality in front of competitors (the firm's partner club) is limited to classical advertising vectors. This type of motivation denotes an evolved sponsor who already thinks in terms of communication strategy competition.

Those good reasons of doing sponsorship can be added systematically (if the sponsor has not taken into account) four types of motivation, undivided from sponsorship, which in any operation, give the opportunity of small peripheral exploitation called "satellite operations".
1. PROMOTION
2. RELATIONS WITH CUSTOMERS
3. RELATIONS WITH VENDORS
4. STAFF RELATIONS

The real reasons:
- sympathy for the sponsorship offer "creator";
- shared passion for sports phenomenon and affinity on it.

At the simplest level, managers can analyze in order to make the internal and external strategic position of the club. Strengths and weaknesses are specific factors to the club, opportunities and threats arise from the external environment.

**The role marketing** in this situation is to "accelerate" the strategy arguments. Applied correctly, it can bring added value due to speculation opportunities existing in the market, reported in terms of space and time. Also, it constitutes connection between economic entity and the external environment.

Being an area of innovation, which requires a permanent and accentuated dynamic for informational purposes, the infusion of know-how, sports marketing can offer a wide range of elements filling an "image" that must be always in a new light. Flexibility lies in varied approaching to create a "story" up to the rank of concept, thanks to obtain a reputation that is based on the resonance received from the market domain profile.

**Risks of sports marketing** can have a boomerang effect, because at the decision-making level managers may have:
- proactive attitude – is based on the allocation of significant resources (financial, material and human) to predict unwanted future events;
- reactive attitude – intends to approaching and solving various problems on the extent of their occurrence.

It is obvious that proactive attitude generates long term profits for the club, much higher profits than the reactive one. Should not be forgotten that this kind of attitude should be supported with a strong financial and human support, which not many businesses men can afford the promises made.
Risk is a characteristic of those actions can be completed in several results, knowing the probability of each outcome. Uncertainty expresses insecurity about the future. Economic uncertainty has as source either unpredictable character of economical process or incompleteness of information’s available at a time.

But, according to the principle "nothing venture nothing have" regardless situations arise, the decision must be adjusted, submitted to "sell".

In general, the promotion is informing the potential mass public about the existence of a team/athlete from a club, where/whom you can associate a product with the possibility of being provided with its conditions and characteristics. Advertising is the most important way for stimulating and animating sales. Advertising is interpreted differently by each person. Thus, for some of it is a state, for others is a bloody battlefield. Money and egos make this world, but based on the algorithm studied by repeated attempts of permutations of components management system. And, despite this scenario, even the most hardcore pessimist is obliged to recognize that parties merge with each other to compose a well organized whole, in the end.

The actual functioning of economic systems is a compromise between institutions, between the traditions of each people and natural-constant laws applying to all human societies and which constitutes the game rules in this area.