Edited by Simon Chadwick and Dave Arthur



# International Cases in the Business of Sport



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Butterworth-Heinemann is an imprint of Elsevier Linacre House, Jordan Hill, Oxford OX2 8DP, UK 30 Corporate Drive, Suite 400, Burlington, MA 01803, USA

First edition 2008

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**British Library Cataloguing in Publication Data** A catalogue record for this book is available from the British Library

**Library of Congress Cataloging-in-Publication Data**A catalog record for this book is available from the Library of Congress

ISBN: 978-0-7506-8543-6

For information on all Butterworth-Heinemann publications visit our web site at http://books.elsevier.com

Typeset by Charon Tec Ltd (A Macmillan Company), Chennai, India www.charontec.com

Printed and bound in Great Britain

08 09 10 10 9 8 7 6 5 4 3 2 1



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# Acknowledgements

Simon would like to thank Barbara and Tom for their patience and good humour as he prepared this book. He would also like to thank Dave for his wit and wisdom, both of which made the job of getting the book together so much easier. Dave would like to thank four very special people, Selena, Angus, Daisy and Charlotte, for just being there and his Mum and Dad for letting him go in the first place! Simon has been an inspiration to him throughout – without his drive and humour the book would have been impossible. Finally, Simon and Dave send massive thanks to Fran who is always supportive, enthusiastic and helpful and of course all the contributors for their tireless efforts.

# **Biographies**

#### John Amis

John is an Associate Professor in the Department of Management at the University of Memphis. His work has been published in journals such as Academy of Management Journal, European Marketing Journal, Organizational Research Methods, Journal of Applied Behavioral Science, Journal of Sport Management, European Sport Management Quarterly and Leisure Studies. He recently co-edited (with Bettina Cornwell) Global Sport Sponsorship (Berg, 2005).

## Harry Arne Solberg

Harry Arne Solberg is a Professor of Sports Economics/Sports Management at Trondheim Business School as Sør-Trøndelag University College. He has published several articles on the economics of sport and sporting activities – with special attention on impacts related to sport broadcasting and sporting events. Together with Professor, Chris Gratton, he has just come out with the book: *The Economics of Sport Broadcasting*. Harry Arne is a member of the editorial board for the International Journal of Sport Finance and European Sport Management Quarterly.

# Dave Arthur (co-editor)

Dave is a Senior Lecturer in the Department of Exercise Science and Sport Management at Southern Cross University where he co-ordinates the acclaimed Master of International Sport Management degree. Although this is his first co-edited book he has published many book chapters, a range of articles in leading sport journals and is a member of the editorial board of Sport Management Review. In addition to academia he has consulted to leading sporting organizations including the National Rugby League, South Sydney Rugby League Club and the Australian Sports Commission. His abiding sporting passion however is rugby union. As a practicing journalist he was accredited for the 2003 Rugby World Cup and in 2006 he was privileged to be the Pacific Islanders' Media Manager for their three Test series versus Wales, Scotland and Ireland.

# John Beech

John is the Head of Sport and Tourism Applied Research at Coventry University Business School, where he was previously Head of the Strategy and Applied Management Department and of the Leisure, Sport and Tourism Subject Group. He is a co-editor, with Simon Chadwick, of

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The Business of Sport Management, The Business of Tourism Management and The Marketing of Sport (all published by Pearson Education).

#### **Thomas Bezold**

Thomas is a Professor of Sport Management and Business Administration at the Reinhold Wuerth University, Kuenzelsau, a branch of Heilbronn University Germany. He started his academic career at the University of Bayreuth and holds a master degree in Sport Economics and in European Sport Management and a PhD in Sport Science, Marketing and Business Administration. His research focus lies in sport marketing, brand management and sports & media.

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Ann is Vice Principal for Teaching and Learning in the College of Business and Law at UCD and Senior Lecturer in Management at UCD Business School. She has published in many leading education and business journals and presented at international conferences and workshops. Her research interests include adult learning and curriculum design, international trade in higher education, career progression among aspiring elite athletes, sports scholarship programmes and governance of sports bodies. She is currently a Board Member of EASM (European Association of Sport Management).

#### **Anne Braedley**

Anne is a Student–Researcher in the School of Fashion at Ryerson University, working with both fashion and marketing instructors on various projects. Following the completion of her undergraduate degree in Engineering Mathematics at Queen's University in Kingston, Canada, she moved to Ryerson to study Fashion Design specializing in the design of both high-performance athletic gear and tailored garments. Anne is also an accomplished long-distance runner.

#### Cheri Bradish

Cheri, an Associate Professor, is entering her 11th year in the Department of Sport Management at Brock University. She has served as the Chair of the Department of Sport Management, and has worked with a number of professional sport organizations, including Nike Canada and the NBA Vancouver Grizzlies.

### Simon Chadwick (co-editor)

Simon is a Professor of Sport Business Strategy and Marketing, and Leader of the Ambushing, Sponsorship and Sport Marketing Group, at Coventry University (UK). He is also a Director of the Birkbeck Sport Business Centre at the University of London. He is a co-editor, with John Beech of *The Business of Sport Management, The Business of Tourism Management and The Marketing of Sport* (all published by Pearson Education), and is also an editor of the *International Journal of Sports Marketing and Sponsorship*, Elsevier's Sport

Marketing book series and the Henry Stewart Sports Marketing Talk Series. He has worked with numerous organizations from across sport including FC Barcelona, Atletico Madrid, Chivas US, the four Grand Slam tennis tournaments, the Football Association (FA), Sport England, the International Tennis Federation, Sport Business, Red Mandarin and International Marketing Reports.

## **Graham Cuskelly**

Graham is a Professor and Dean (Research) in the Griffith University Business School. He holds a Master of Science in Recreation Administration from the University of North Carolina at Chapel Hill and a PhD from Griffith University where he studied organizational commitment amongst sport volunteers. Professor Cuskelly has been awarded Australian Research Council funding for two separate projects examining volunteer and referee retention with the Australian Rugby Union and is an Associate Editor of the Sport Management Review.

#### **Simon Darcy**

Simon is an Associate Professor and Research Director in the School of Leisure, Sport and Tourism at the University of Technology, Sydney. Simon's research and teaching expertise is in sport, tourism and diversity management. He currently holds research grants investigating organizational responses to accessible tourism, sports management practices and protected area visitor management systems. All Simon's research is industry linked with the private sector, third sector or government organizations.

#### Michel Desbordes

Michel is a Professor at the University of Paris South, France. He is also an Associate Professor at the ISC School of Management (Paris, France). He is a specialist in sport marketing; his research focuses on the management of sport events, sports sponsorship and marketing applied to football. He is also a consultant in sport marketing and Associate Director of the company MX Sports (www.mxsports.fr).

#### Geoff Dickson

Geoff works at AUT University in New Zealand where he is Head of Research for the Division of Sport and Recreation as well as being an Associate Director of the New Zealand Tourism Research Institute. He is an editorial board member of the International Journal of Sports Marketing and Sponsorship, International Journal of Sport Management and Marketing, Annals of Leisure Research and the Sport Management Education Journal.

#### Allan Edwards

Allan is a Lecturer at Griffith University, Gold Coast campus. His research interest focuses on post-modern methodology and reflective practice. He is researching in the area of culture and surfing with Surfing Australia and the International Surfing Association. Dr Edwards has strong links with

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the Australian sports industry in particular the Australian Rugby League, Queensland Rubgy Union, Professional Golfers Association (PGA) and the Australian Paralympic Committee.

#### **Alain Ferrand**

Alain is Professor of marketing and Director of the business and management research centre (CEREGE) at the University of Poitiers. He is Associated Professor at University of Turin and Scuola Dello Sport in Rome (Italian National Olympic Committee). He is in charge of the Executive Masters in Sport Organisation Management (MEMOS) conducted in French. He has a large experience with the marketing issues of National Olympic Committees, National Federations and sport clubs around the world. He has written five books on sport organizations marketing.

#### Sean Hamil

Sean is a Lecturer at Birkbeck College, University of London. A graduate of Trinity College Dublin and the London School of Economics, he has published in the areas of corporate social responsibility and the governance & regulation of sport. He has co-edited three books on regulation and governance in the football industry; The Changing Face of the Football Business: Supporters Direct (2001); Football in the Digital Age: Whose Game is it Anyway? (2000); A Game of Two Halves? The Business of Football (1999). He is a co-founder and member of Birkbeck College's Sports Business Centre, is an elected director of Supporters Direct, and was responsible for establishing Supporters Direct's activities in Scotland. Supporters Direct is funded by the UK government with the aim of promoting and supporting the concept of democratic supporter ownership and representation at football clubs through mutual, not-for-profit structures.

#### **Knut Helland**

Knut is a Professor at Department of Information Sciences and Media Studies, University of Bergen, Norway. His two main areas of research are relations between sport and the media on the one hand, and news production and journalism on the other. In his recent research he has, in particular, been concerned with how TV sports rights challenges long established journalistic ideals in journalism.

# Jaemin Hong

Jaemin works as London correspondent of South Korean daily newspaper *The Sports Seoul 21*. He studied MSc Sport Management and the Business of Football at Birkbeck, the University of London and regularly reports on the English Premiership for his newspaper.

# Maria Hopwood

Maria is an Associate Professor in Public Relations at Bond University in Queensland, Australia. Her research interests are in sports public relations and marketing communications in which areas she has published a number of book chapters and journal articles. A keen follower of cricket, particularly Durham County Cricket Club, she is especially interested in the continuing developments in that sport, but her work also demands her enthusiastic involvement in both codes of rugby and Australian football with a round ball.

## Russell Hoye

Dr Russell Hoye is with the School of Sport, Tourism and Hospitality Management at La Trobe University Australia. Russell is the editor of the Sport Management Series produced by Elsevier: Butterworth-Heinemann, a member of the editorial board for Sport Management Review and a board member of the Sport Management Association of Australia and New Zealand (SMAANZ).

#### Catharine Idle

Catharine is a Research Assistant in the Department of Sports Studies at the University of Stirling. She completed an MSc in Sports Studies at Stirling in 2006 and is now working on a number of projects related to cycling and other outdoor pursuits. Prior to post-graduate study, Catharine worked as Contracts Manager for a European leisure tour operator.

#### Kimio Kase

Kimio's interests lie in the area of corporate-level strategy. His recent research focuses on the transformational leadership from the viewpoint of leaders' mental scheme. Questions addressed relate to the interpretative process of business situations; 2005 saw the publication in the UK of a book he co-authored with two other academics on transformational CEOs. Dr Kase and his co-author are working on a book on the same topic due to be published in December 2007, by Palgrave UK. Dr Kimio Kase holds a BA from Tokyo University of Foreign Studies, Licenciatura en Ciencias Empresariales from ICADE, MBA from IESE and a doctor's degree in Business Administration from Manchester University.

#### Paul Kitchin

Paul works at London Metropolitan Business School where he is a programme leader for the MA in Sport Management. His research interests include marketing communications through sport and the marketing of new media. He is editor of the forthcoming London Journal of Tourism Sport and Creative Industries and has been on the editorial board of the International Journal of Sport Management and Marketing since 2006.

#### Chanil Lee

Chanil works at the Lotte, based in South Korea. He studied MBA Football Industries at the University of Liverpool and is in charge of developing, coordinating and promoting the sport business and sponsorship at the Lotte Group's headquarters.

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#### Carlos Martí Sanchis

Carlos is an Associate Researcher at the Centre for Sport Business Management, IESE Business School, and also an Associate Professor at the Law Faculty, University of Navarra. Carlos is a PhD candidate on Strategies in Communication Enterprises at Universidad Complutense, Madrid, and has consultancy experience as partner of Key International Sport.

#### **Jason Means**

Jason completed his Masters degree in sport management at Georgia Southern University in 2006. Since then he has worked with the Chick-Fil-A Bowl, an event of the Atlanta Sports Council in Atlanta, Georgia. Currently he is an Event Manager at JW Marriott Buckhead, Buckhead, Georgia, USA.

#### Rudi Meir

Rudi is a Senior Lecturer at Southern Cross University. He has published numerous articles on a wide range of topics related to the management and marketing of team sport. He has a particular interest in developing strategies that facilitate and encourage 'tribal' support of fans in professional team sport.

#### Stephen Morrow

Stephen is Head of the Department of Sports Studies at the University of Stirling. His research concentrates on financial and governance aspects in sport and he is the author of *The People's Game? Football, Finance and Society* (Palgrave, 2003) and *The New Business of Football* (Macmillan, 1999). Stephen is a member of the editorial board of the International Journal of Sport Finance.

#### Paul Muller

Paul is a graduate of Southern Cross University's Master of International Sport Management. He has since left the racing industry and now resides in Tasmania. Paul currently works closely with Cricket, Australian Football and the Tasmanian Rugby Union and is continuing research in the field of sport.

#### Paul M. Pedersen

Paul is an Associate Professor of Sport Communication at Indiana University. His primary scholarly interests are sport communication and sport management, areas in which he has published over 40 scholarly articles. Pedersen, a former sportswriter and sports business columnist, is the author of Strategic Sport Communication (2007) and the editor of the International Journal of Sport Communication.

# John Nauright

John is a Professor of Sport Management and Director of Graduate Programs in the School of Recreation, Health and Tourism at George Mason University in Virginia, USA. He is the author or editor of 9 academic books and 50

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Norm O'Reilly

Norm is Director and Associate Professor at the School of Sports Administration at Laurentian University in Sudbury, Canada, where he is also Director of the Institute of Sport Marketing. He has published in numerous refereed journals and conference proceedings in sport marketing, social marketing, sport finance, management education, ambush marketing, sport tourism and sponsorship.

Sean Phelps

Sean is a Senior Lecturer in Sport and Recreation Management at AUT University where he teaches at both the undergraduate and graduate level. He has extensive practitioner experience in sport having worked for USA Triathlon, Montana and Florida State Games, Special Olympics and the Winter Olympics.

#### **Frank Pons**

Frank Pons is an Associate Professor at Université Laval (Canada). He has published in the *Journal of Business Research*, *Psychology and Marketing*, the *Journal of Services Research or Sport Marketing Quarterly*. He is on the editorial board of the International Journal of Sports Marketing and Sponsorship and was guest editor of several special issues in sport marketing journals.

#### K.K. Ramachandran

K.K. Ramachandran is a Director of GRD School of Commerce and International Business, Coimbatore, India. He holds an MBA, MFT, MCom, MPhil and a PhD. He is an educator and an administrator. He is an adviser for a couple of brand building companies. He is an inspiring thought leader in the field of Sport marketing, Brand management and strategy. He frequently writes for top journals across the globe. He is a Brand, Marketing and Strategy specialist.

Santiago Ramallo

Santiago is the first ever sports marketing manager in Argentine Rugby with the famous San Isidro Club. He worked previously for a sports event marketing company and his research focuses on the sports sponsorship and management applied to football. He is also an Associate Professor at ESEADE for the Executive Program of Sports Business Management and

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a visiting lecturer and researcher in sport marketing for the University of Greenwich. He was a contributor to Marketing & Football: An International Perspective by Desbordes.

#### André Richelieu

André is an Associate Professor at Université Laval, specialized in Brand Management and Sport Marketing. Andre's research interests relate to: (i) how professional sports teams can leverage their brand equity by capitalizing on the emotional connection they share with their fans; (ii) how professional sports teams can internationalize their brand; (iii) how sports teams can improve fans' experience at the sport venue and increase fans' attachment to both the game and the team and (iv) how sports teams and equipment makers can capitalize on the Hip Hop/Urban movement.

#### **German Robles**

Germán, Director Centro de Estudios e Investigación of Atlético de Madrid, SAD is in charge of marketing and institutional relations. Germán has a degree in economics from Madrid's Autonomous University and works closely with IESE Business School's Centre for Sports Business Management and authored several research papers with it.

#### **James Santomier**

James is currently a Professor in the John F. Welch College of Business and Director of the Sport Management Program at Sacred Heart University, Fairfield, Connecticut, USA. He is also a Visiting Professor at the University of Bayreuth, Germany, and the University of Florence, Italy. He received a BA and MA in Physical Education from Montclair State University, and a PhD in Physical Education from the University of Utah. Areas of study included sport management and the psychosocial aspects of physical activity and sport. Dr Santomier has published extensively in the areas of sport management, sociology of sport and psychosocial aspects of sport. He has presented at international and national conferences and has appeared on numerous radio and television programmes.

# Leigh Sparks

Leigh is a Professor of Retail Studies at the Institute for Retail Studies at the University of Stirling. For the last seven years he has been involved in developing and running undergraduate and postgraduate modules in Sports Marketing, including on the MSc programmes in Marketing and Sports Management. His research interests are mainly in the area of retailing and he has been adviser and consultant to many governments and private retail companies. Leigh is currently seeking to combine his interests in retailing and sport through a study of the development of sports goods retailing and experiential sports retailing. He is an avid Welsh rugby supporter, which is of course a blessing and a curse.

# **International Cases in the Business of Sport**

#### Dave Stotlar

Dave teaches on the University of Northern Colorado faculty in the areas of sport marketing, sponsorship and currently serves as the Director of the School of Sport & Exercise Science. He has had over 60 articles published in professional journals, has written several textbooks in sport marketing and serves as a consultant in sport marketing to multinational corporations and international sport managers.

#### **Tracy Taylor**

Tracy is a Professor of Sport Management at the University of Technology, Sydney. Her research focuses on managing people in sport, and particularly in the areas of diversity and gender.

#### Paul Turner

Paul is a Senior Lecturer and Discipline Coordinator of Sport Management with the Bowater School of Management and Marketing at Deakin University in Melbourne, Australia. His scholarly interests are in the areas of sport media (particularly sport broadcasting) and event management.

#### Ignacio Urrutia

Ignacio is an Assistant Professor in the Accounting and Control Department at IESE, Madrid. His qualifications include a PhD in Financial Economics and Accounting, Universidad Complutense de Madrid, Degree in Economic and Business Science, Universidad Complutense de Madrid. He is an academic Director of the Center for Sport Business Management where his areas of specialization include strategic and control management in sport organizations; value creation in sport organizations; sport and corporate social responsibility and business models of sport organizations.

#### **Geoff Walters**

Geoff Walters is a Research Associate of the Football Governance Research Centre at Birkbeck, University of London. He is currently working on a PhD funded by the Economic and Social Research Council looking at corporate governance in the football industry, with a specific focus on the stakeholder model of governance.

#### Nick Wilde

Nick Wilde lectures in Sports Marketing at the University of Liverpool and Birkbeck University on their highly acclaimed MBA's in Football Management, He is a Senior Lecturer in Marketing at the University of Greenwich and visiting lecturer at the University of Buenos Aires and ESEADE University in Argentina. He is currently writing up his PhD at the University of Liverpool, His research looks at the impact of merchandising at football clubs in England, Spain and Argentina. A frequent visitor to Argentina he works closely with Boca Juniors, Racing Football Club

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and Estudiantes de la Plata as well as with SIC, Argentina's leading rugby club. He is co-author of Marketing and PR with Phil Holden. Published by A&C Black the book offers practical advice for small businesses and in the process of writing a follow up book for small businesses. He is a life-long Sheffield United supporter and a 'new fan' of Argentinian football.

#### **Brita Ytre-Arne**

Brita holds a master degree in media studies from the University of Bergen. She wrote her thesis on the Norwegian football deal of 2005 and its consequences for Norwegian broadcasting. Together with Knut Helland she has written a report for the Norwegian Union of Journalists on sports rights and journalism. She is currently working as a Lecturer and Researcher at Volda University College in Norway.

# Introduction

For many people, sport is a leisure time activity, a hobby, a route to good health and wellbeing, possibly even a way of life - long may this continue! Yet it is increasingly accepted that sport is also an industry in its own right and, in some cases, is even perceived as being a commercial activity. The evidence is compelling: the United Nations believe that sport may account for almost 3 per cent of global economic activity; in the European Union, the figure is thought to be around 1 per cent of Gross Domestic Product (GDP) and in the UK sport is thought to generate around 2.5 per cent of GDP. Estimates for the USA indicate that sport is worth almost \$300 billion per annum to the US economy. Contributing to these figures, some sports and sporting organizations are of such a size and scale that they warrant comparison with large, global organizations. For instance, Manchester United is reputed to have 100 million fans worldwide, while Real Madrid turns over almost \$300 million worth of business each year. At the same, there are numerous organizations across the world that are smaller in scale, more localized, often culturally specific, but no less important in terms of the impact they have on the commercial, economic or socio-cultural development of the countries in which they are located.

Whether large or small, national or international, rich or poor, each sport or sports organization will inevitably face its own, sometimes very distinct, challenges. This could be an industrial challenge such as the need to restructure and reorganize; it could be a marketing problem such as falling attendances; it could be an issue of technological or regulatory change such as in broadcasting; it could be a human resource matter such as motivating workers. These challenges are increasingly set against a backdrop of sporting megachange, that is events beyond the control of any one individual sport. Such events include: technological change; internationalization and globalization; social change; a growth in the power of television and the media; the proliferation of commercial sports rights markets; changes in service expectations and the rise of professionalism, managerialism and commercialism in sport.

It would be difficult, if not impossible for any book, case study or otherwise, to address all the challenges facing a large number of sports. What this book therefore sets out to achieve is an examination of the major issues facing a representative sample of sports and sporting organizations across the world. In doing so, the book aims broadly to do the following things:

- Provide case material and learning resources.
- Be an informative source about sport, especially for those seeking lecture, seminar and project materials.
- Stimulate interest in the area of international sport business management.

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- Enhance readers understanding of international sport business management.
- Illustrate and highlight key concepts in international sport business management.
- Provide an insight into the practical challenges facing international sport business managers.

# Reader Benefits

The book is intended to be a comprehensive resource consisting of high profile international sport business cases, analysed by leading sport experts. As such, the editors believe that readers should derive numerous benefits by reading it that include the following:

- Cutting edge analysis of major international sport business cases.
- Clear and structured presentation and examination of key issues in international sport businesses.
- Comprehensive diagnoses of leading international sport business cases.
- A strong balance of academic and practical analysis and comment.
- An informative and comprehensive resource for those seeking a better understanding of developments in international sport.

# Case Study Structure

Each of the case studies appearing in this book is structured in the following way:

- 1 Case title.
- 2 Author names.
- 3 Case focus a brief description of the fundamental nature of the case.
- 4 Keywords up to six words characterizing the case.
- 5 Case summary a paragraph summarizing the case.
- 6 Case elements the main part of the case focusing on a sport, an organization or some other entity directly related to sport under examination.
- 7 Case diagnosis a statement explaining the key issues relating to the case.
- 8 Case questions up to six questions that can be used by students, academics and practitioners seeking to explore the case in more detail.
- 9 Case resources additional readings and/or websites that are relevant to the case.
- 10 Further information any other information that you feel should be included but does not fit into any of the headings above.

# Learning Matrix

Rather than being written around specific themes or concepts, contributors to this book were asked to provide case studies that (a) have been written