

International, Professional and Commercial Aspects

Edited by Harald Dolles and Sten Söderman



Sport as a Business

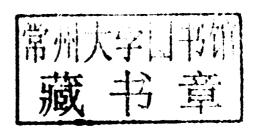
International, Professional and Commercial Aspects

Edited by

Harald Dolles

and

Sten Söderman







Selection, introduction and editorial content © Harald Dolles and Sten Söderman 2011

Individual chapters © the contributors 2011

All rights reserved. No reproduction, copy or transmission of this publication may be made without written permission.

No portion of this publication may be reproduced, copied or transmitted save with written permission or in accordance with the provisions of the Copyright, Designs and Patents Act 1988, or under the terms of any licence permitting limited copying issued by the Copyright Licensing Agency, Saffron House, 6-10 Kirby Street, London EC1N 8TS.

Any person who does any unauthorized act in relation to this publication may be liable to criminal prosecution and civil claims for damages.

The authors have asserted their rights to be identified as the authors of this work in accordance with the Copyright, Designs and Patents Act 1988.

First published 2011 by PALGRAVE MACMILLAN

Palgrave Macmillan in the UK is an imprint of Macmillan Publishers Limited, registered in England, company number 785998, of Houndmills, Basingstoke, Hampshire RG21 6XS.

Palgrave Macmillan in the US is a division of St Martin's Press LLC, 175 Fifth Avenue, New York, NY 10010.

Palgrave Macmillan is the global academic imprint of the above companies and has companies and representatives throughout the world.

Palgrave® and Macmillan® are registered trademarks in the United States, the United Kingdom, Europe and other countries.

ISBN 978-0-230-24925-7 hardback

This book is printed on paper suitable for recycling and made from fully managed and sustained forest sources. Logging, pulping and manufacturing processes are expected to conform to the environmental regulations of the country of origin.

A catalogue record for this book is available from the British Library.

Library of Congress Cataloging-in-Publication Data
Sport as a business: international, professional and commercial aspects /
[edited by] Harald Dolles, Sten Söderman.

p. cm.Includes index.

ISBN 978-0-230-24925-7 (hardback)

Sports administration.
 Sports—Management.
 Sports—Economic aspects.
 Sports—International cooperation.
 Dolles, Harald, 1961—II. Söderman, Sten.

GV713.S67215 2011

796.06'9-dc22

2011004893

10 9 8 7 6 5 4 3 2 1 20 19 18 17 16 15 14 13 12 11

Printed and bound in Great Britain by CPI Antony Rowe, Chippenham and Eastbourne

Sport as a Business

Also edited by Harald Dolles and Sten Söderman

HANDBOOK OF RESEARCH ON SPORT AND BUSINESS

DEVELOPING INTERNATIONAL SPORT

MEGA-SPORTING EVENTS IN ASIA Impacts on Business, Society and Management

Also edited by Sten Söderman

EMERGING MULTIPLICITY Integration and Responsiveness in Asian Business Development

Also edited by Harald Dolles

SINO-GERMAN BUSINESS RELATIONSHIPS DURING THE AGE OF ECONOMIC REFORM (with Torsten M. Kühlmann)

Notes on the Contributors

Alastair Anderson is Research Fellow in the School of Management at La Trobe University in Melbourne, Australia. His research interests are in the socialization of children into sport, fan identification and the psychological and sociological aspects of fan violence. Other research interests include sport sponsorship, ageing and physical activity and drug use among professional athletes.

Bernard Augé has a PhD in management science and is currently Assistant Professor at the Institute of the Sciences of the Enterprise and Management and a member of the Research Team on Firm and Industry – Finance, Accounting, Control and Strategy Group, at the University of Montpellier 1, Montpellier, France. He is the author of conference papers, articles and books on sports management and governance. His research deals with control and assessment of performances of public sector and sports organizations. As a former treasurer of Montpellier Rugby Club, Bernard is a member of the Board of the French National Association of the Elected Representatives in Charge of Sport (ANDES).

Christopher J. Auld is Professor and Dean of the Griffith Business School, Griffith University, Nathan, Queensland, Australia. Chris teaches in the area of sport economics and his current research interests include the recruitment, management and retention of sport volunteers, the impacts of major sport events and the board performance and governance in third sector organizations. In 2010, Chris was elected as a senior fellow and founding member of the World Leisure Academy.

Sungwon Bae received a BA in education at Yeungnam University and earned a Masters in sport administration from Ohio University, USA. After a two-year internship with Disney's Wide World of Sports, he obtained his PhD in sport management at Florida State University. Sungwon was an adjunct faculty member in the Department of Health, Physical Education and Recreation at Florida A&M University and Tallahassee Community College. He was also a visiting assistant professor in the Department of Health, Physical Education, Recreation

and Dance at Cleveland State University. Sungwon is now teaching as an Assistant Professor in the Health, Exercise, & Sport Sciences Department at Texas Tech University, Lubbock, USA.

Maureen Benson-Rea is Senior Lecturer in the Department of Management and International Business at the University of Auckland, New Zealand. She holds a PhD in marketing and international business, a Henley MBA and a BA (Hons) in European studies. Maureen has held academic positions in the UK and New Zealand, and several European roles with a major UK business organization. She specializes in international business strategy, with a particular focus on Europe, and has research interests in networks, internationalization strategies and cooperative business strategies in general and the global wine industry.

Anne Bourke is Vice Principal for Teaching and Learning at University College Dublin, College of Business and Law, Dublin, Ireland. In that role, she organizes and coordinates seminars and workshops designed to enhance student and staff learning within the university and the School of Business. Her teaching expertise is in international business, services management and research methods. Anne's research interests include governance in national sports bodies, elite athlete development, managing university sport, curriculum design and continuing professional education. Anne has presented at many international seminars and conferences and is currently a Board member of the European Association of Sport Management (EASM).

Christoph Breuer is Professor of Sport Management at the German Sport University Cologne, Cologne, Germany and specializes in research on sport demand, sport organizations and sport sponsoring. His research mostly relates to forecasting sport demand, identifying key drivers of viability of sport organizations and measuring the economic value of sport sponsoring. Christoph has published several articles in journals such as Research Quarterly for Exercise and Sport, Journal of Sport Economics, European Sport Management Quarterly, Sport Management Review and The German Journal of Sports Science.

Harald Dolles is Visiting Professor (full-time) in International Business at the School of Business, Economics and Law at the University of Gothenburg, Gothenburg, Sweden. He received his Doctorate in International Business/Strategic Management from the University Erlangen-Nuremberg in Germany, with a focus on East Asia. He has

been Assistant Professor at Bayreuth University (Germany) and taught on the university's sports business programme. During his professional career from 2001 to 2006, he was assigned by the German Ministry of Education and Science to serve in an official mission as expert on China and Japan at the economic section of the German Institute for Japanese Studies in Tokyo. He also taught in Japan before joining the German Graduate School of Management and Law as Professor of Management and International Business in 2006. Harald frequently contributes to scientific development in the fields of international business and international human resource management, entrepreneurship and innovations management, sports management and Asian studies. In this regard, he has a publication stream of articles and books, most recently 'Mega-sporting Events in Asia: Impacts on Society, Business & Management' (Asian Business & Management, June 2008, with Söderman); 'Developing International sport' (International Journal of Sport Marketing and Sponsorship, October 2008, with Söderman); 'Sponsoring the Beijing Olympic Games - Patterns of Sponsor Advertising' (Asia-Pacific Journal of Marketing & Logistics, January 2010, with Söderman), 'Addressing Ecology and Sustainability in Megasporting Events: The 2006 Football World Cup in Germany' (Journal of Management and Organization, September 2010, with Söderman) and 'Innovation, Creativity, Competitiveness and Globalization - European and International Perspectives' (International Journal Business Environment, April 2010, with Fernandes). Together with Sten Söderman he is currently editing the Handbook of Research on Sport and Business (Edward Elgar Publishing, 2012). Harald chairs the European Academy of Management (EURAM) Special Interest Group on 'Sport as a Business', a network of academics, practitioners, athletes and sport officials whose interests revolve around aspects of internationalization, professionalization and commercialization of sports in theory and in practice.

Andrea N. Eagleman is Assistant Professor in the Department of Physical Education at Indiana University-Purdue University Indianapolis in Indianapolis, USA. She earned her BA in journalism in 2001, a Master's in sport management and athletic administration in 2002 and her PhD in sport management with a minor in mass communication in 2008, all from Indiana University, Bloomington. Andrea's research interests focus on the portrayal of athletes in the mass media and the differences in media portrayals of race, nationality and gender.

Simon Ford is Research Associate at the Centre for Technology Management at the University of Cambridge, UK. He was an Advanced Institute of Management (AIM) Research Fellow on the Innovation and Productivity Grand Challenge from 2007 to 2009, during which he focused on how established firms generate breakthrough innovations. His current research activities include understanding how firms acquire external technologies and the protection strategies they can adopt, and the complex co-evolutionary dynamics underpinning industrial emergence.

John D. Francis is Assistant Professor of Management at San Diego State University (SDSU), San Diego, USA specializing in international strategic management. He teaches the globalization of sport business for SDSU's Sports MBA programme and has taught internationally in Taiwan and the Dominican Republic. His research focuses on the interface between institutions and internationalizing firms. His work has been published in Journal of International Business Studies, Journal of World Business, Management International Review, International Business Review, and the Journal of Business Research. John served on the faculty of Iona College and received his PhD from the University of Memphis before coming to SDSU.

Anthony K. Kerr is Lecturer in the School of Management (and member of the Centre for Sport and Social Impact) at La Trobe University, Melbourne, Australia. He earned his PhD from the University of Technology, Sydney, a MBA from the University of Oregon and a MS in Sport Management from the University of Massachusetts. He has worked in marketing, public relations and media relations for sport organizations worldwide and on consulting projects for some of the world's most famous brands. His research interests focus on the brand equity of professional sport teams in a global marketplace and team fandom in foreign markets.

Clive Kerr is Research Associate at the Centre for Technology Management at the University of Cambridge, UK. His current research interests are visual strategy, roadmapping, technology intelligence, technology insertion and through-life capability management. Prior to joining Cambridge, he was a research officer in Engineering Design at the Enterprise Integration Department of Cranfield University. Clive has a First Class Honours degree in electrical and mechanical engineering, a Diploma degree in economics, a Postgraduate Certificate in the social sciences and a Doctorate in engineering.

Kathleen M. Lloyd is Lecturer in the Department of Tourism, Leisure, Hotel and Sport Management at Griffith University, Nathan, Queensland, Australia. She currently teaches in the areas of venue and event management, sport facility planning and work integrated learning. Her research interests include the relationship between leisure and quality of life, planning liveable communities through the development of leisure initiatives, event impacts and the impacts of women's physical activity experiences on their psychological well-being.

Simon G. Martin has held a number of academic positions in New Zealand and the UK over the past 15 years, mainly teaching on sport marketing and management courses. His PhD examined high performance networks in an elite sports context, his research interests are in the sports industry and in particular in networks and business clusters. He also has ten years marketing and public relations experience in the sports and health sectors. Simon has a background in sport coaching and has a number of coaching awards. Currently Simon is Senior Lecturer at the Auckland University of Technology in the Centre for Interdisciplinary Studies, Auckland, New Zealand.

Erin L. McNary studied sport management at the University of Illinois Urbana-Champaign and received her graduate degrees from Indiana University, Bloomington. Currently, McNary serves as the Director of the Sports Management Program and is Sports Management Assistant Professor in the College of Global Business and Professional Studies at Fontbonne University, St Louis, MO, USA. Erin's research interests include the promotion of and ethics in youth sport, history, marketing and promotion of women and minority in sport, current media portrayals and historic media coverage of youth, women and minority in sport and pedagogy in sports management.

Nitha Palakshappa is Senior Lecturer in the Department of Communication, Journalism and Marketing at Massey University, Albany, New Zealand. Before coming to Massey she was at the University of Waikato. She has a PhD in Management from the University of Canterbury. Nitha specializes in teaching marketing strategy at both the undergraduate and post-graduate level. Her current research interests are in the area of alliances and networks in general. More recently she has been involved in research focusing on non-profits, social partnerships and social enterprises.

Tim Pawlowski is Junior Professor of Sport Economics at the German Sport University Cologne, Cologne, Germany and specializes in research on sports demand as well as league economics. His research mostly relates to factors influencing physical activity and stadium attendance, measurement of competitive balance in sports leagues and measurement of the fiscal political importance of sports. Tim has published in journals such as *Journal of Sport Economics, European Sport Management Quarterly* and *Sport Management Review*.

Arnaud Pedenon is a graduate in sports management from the Sports Science Department of the University Victor Ségalen–Bordeaux 2, France. Arnaud is currently manager of webstrategies, a communication consultant firm. He is the author of articles on sports management and is the co-founder of Sport Strategies.

Jennifer Rieck completed a BA in leisure management at Griffith University. Her research focused on South East Queensland University students' perceptions of the benefits and costs of hosting major sports events in the region. She is currently a research assistant in the Key Centre for Ethics, Law, Justice and Governance at Griffith University, Nathan, Queensland, Australia and is working on the Pathways to Prevention Project, a joint initiative with Mission Australia and Education Queensland that seeks to identify pathways to crime prevention for socially disadvantaged communities in Brisbane.

John Schulz worked for the Queensland Government Education Department for 13 years, providing technical support for the production of professional development resources. John also worked as a volunteer running wilderness camps for teenagers and sat on the Board of Directors of several large charities and volunteer-based organizations. John studied sport and outdoor recreation at Griffith University, where he completed his PhD. After his doctoral studies he moved to Scotland, where he lectured in sport management and research methods at the University of Edinburgh. John currently lectures in research methods and organizational psychology at the University of Southampton, Southampton, UK. His research is located in the fields of social psychology and organizational psychology.

Narelle F. Smith has a Bachelor of Economics with First Class Honours in Economic Statistics from the University of Sydney. After several years

working in market research and education she joined the University of Technology Sydney (UTS) as part of the lecturing staff in mathematical sciences. During her time at UTS she has developed a special interest in two particular areas: education and the design and analysis of questionnaire surveys. Narelle completed her PhD with a thesis titled 'The Use of Balanced Incomplete Block Designs in Designing Randomized Response Surveys' and is involved in many projects involving statistical analysis, particularly of surveys.

Sten Söderman is Professor of International Business at Stockholm University, School of Business, Stockholm, Sweden and a Visiting Professor at the University of Luxembourg. Previously he was a Professor at Luleå University of Technology and a business consultant specializing in startups (in Manila, Geneva and Brussels). His research has focused on market strategy development and implementation and is currently on the international expansion of European firms in Asia and the global entertainment economy. He is the author and editor of many books, case studies and articles. His most recent publications include 'Mega-sporting Events in Asia: Impacts on Society, Business & Management' (Asian Business & Management, June 2008, with Dolles); 'Developing International Sport' (International Journal for Sport Marketing and Sponsorship, October 2008, with Dolles); 'Sponsoring the Beijing Olympic Games - Patterns of Sponsor Advertising' (Asia Pacific Journal of Marketing & Logistics, January 2010, with Dolles), 'Addressing Ecology and Sustainability in Mega-sporting Events: The 2006 Football World Cup in Germany' (Journal of Management and Organization, September 2010, with Dolles) and 'Skills and Complexity in Management of IJVs: Exploring Swedish Managers' Experiences in China' (International Business Review, 2007, with Demir). Together with Harald Dolles he is currently editing the Handbook of Research on Sport and Business (Edward Elgar, 2012). Sten co-chairs the European Academy of Management (EURAM) Strategic Interests Group on 'Sport as a Business'.

Alexandre Vernhet graduated in business law and in accounting from the Faculty of Law at the University of Montpellier 1, Montpellier, France. Alexandre is currently Associate Professor at the Institute of the Sciences of Enterprise and Management and a member of the Research Team on Firms and Industry - Finance, Accounting, Control and Strategy Group, at Montpellier. He is the author of works on accounting, auditing, governance and sports management. His research work deals with the control and the assessment of the performances, the governance of public sector and sports organizations.

Pamela Wicker is Research Assistant and Lecturer at the Chair for Sport Management at the German Sport University Cologne, Cologne, Germany. She has specialized in research on sport demand and sport organizations. Her research mostly relates to willingness-to-pay and price elasticity of sport demand, factors influencing sport participation and identifying key drivers of viability of sport organizations (particularly non-profit sport clubs). Pamela has published several articles in journals such as Research Quarterly for Exercise and Sport, European Sport Management Quarterly, Sport Management Review and European Journal for Sport and Society.

Contents

List	of Figures and Tables	vii
Not	es on the Contributors	ix
	rt as a Business: Introduction ald Dolles and Sten Söderman	1
Paı	et I Sport Consumers' Perspective	
1	'As American as Mom, Apple Pie and Dutch Soccer?': The Team Identification of Foreign Ajax FC Supporters Anthony K. Kerr, Narelle F. Smith and Alastair Anderson	15
2	Decision-making Styles in Purchasing Sport Products: An International Comparison Between American and Korean College Students Sungwon Bae	35
3	Travel Time Elasticities in Recreational Sports: Empirical Findings for the Professionalization in Sports Facility Management Tim Pawlowski, Christoph Breuer and Pamela Wicker	53
Pa	rt II Sport Events and Sport Facilities	
4	Perceptions of the Impacts of Major Commercial Sport Events Christopher J. Auld, Kathleen M. Lloyd and Jennifer Rieck	75
5	Gender, Race and Nationality: An Examination of Print Media Coverage of the 2006 Winter Olympics Andrea N. Eagleman and Erin L. McNary	99
6	Enhancing Public Sports Facilities: A Representation of the Global Value Bernard Augé, Arnaud Pedenon and Alexandre Vernhet	115

Part	III	Sports	Organizations	and	Governance
------	-----	--------	----------------------	-----	------------

7	Sports Organizations, Professionalization and Organizational Conflict: A Review of the Literature John Schulz	137
8	International and Professional Dimensions of National Governing Bodies: Insights from the Gaelic Athletic Association Anne Bourke	153
9	The Role of Central Brokers and Their Influence on Effectiveness in an Intentionally Created Sports Professionalization Network Simon G. Martin, Maureen Benson-Rea and Nitha Palakshappa	170
10	Business Ecosystem Co-evolution: The Ultimate Fighting Championships Simon Ford and Clive Kerr	194
11	Learning from Failure: Is Major League Soccer Repeating the Mistakes of the North American Soccer League? <i>John D. Francis</i>	213
12	Learning from Success: Implementing a Professional Football League in Japan Harald Dolles and Sten Söderman	228
Ind	lex -	251

List of Figures and Tables

T10		res
-	o	TAN
11	Zu	

6.1	The functional model of the value – an application of	
	the value of a public sports facility	124
6.2	Representation of the convergences, Town A	129
6.3	Representation of the association matrix of the director	
	of the town sports service in Town B	131
6.4	Representation of the association matrix of the elected	
	town councillor in charge of sports in Town B	131
9.1	NZAS-North network stages of development	176
9.2	NZAS-Central network stages of development	177
9.3	NZAS-South Island network stages of development	179
10.1	Gate receipts for Las Vegas-based UFC events	201
10.2	Growth in the number of UFC events	203
12.1	Network of Value Captures in professional football	235
12.2	J-League – sample team emblems and mascots	244
Tabl	es	
1.1	Importance of reasons in original Ajax FC support	22
1.2	Mean scores of the important reasons in original Ajax	
	FC support (satellite supporters versus expatriate fans)	24
1.3	Behaviour to support Ajax FC (during season)	26
1.4	Behaviour to support Ajax FC (out of season)	27
2.1	Factor loadings and Cronbach's alpha coefficients	40
2.2	Frequency of distribution and percentage	42
2.3	Nationality comparison of the United States and South	
	Korea	44
2.4	The results of mean comparison for nationality	45
3.1	Descriptive statistics data set Stuttgart and Cologne	58
3.2	Descriptive statistics time variables Stuttgart and	
	Cologne	61
3.3	Simulated time elasticities in Stuttgart and Cologne	62
3.4	Descriptive statistics involvement variables Stuttgart and	
	Cologne	63

3.5	Multiple regression between MTIME and factors in	
	Cologne	66
3.6	Multiple regression between MTIME and factors in	
	Stuttgart	67
4.1	Sporting involvement	83
4.2	Perceived economic benefits agreement scores	84
4.3	Perceived social benefits agreement scores	85
4.4	Perceived economic and social costs agreement scores	86
4.5	Infrastructure investment agreement scores	87
4.6	Differences in costs and benefits scales mean scores	88
4.7	Correlations between sport participation, sport	
	watching, attendance at events and agreement mean	
	scores	90
5.1	2006 Olympic games coverage by gender	106
5.2	2006 Olympic games coverage by race	106
5.3	2006 Olympic games coverage by nationality	107
5.4	Readership demographics of news outlets examined	111
6.1	Global typology of the components of the value	120
6.2	Distribution of the variables between the components	
	of the global value of a sports facility	126
8.1	Sport governing bodies – forms and activities	156
9.1	Summary of interviews	175
0.1	Significant rules change introduced to the UFC	199
0.2	Salaries of three selected UFC fighters	205
0.3	Number of bouts competed in by UFC fighters in 2007	206
0.4	UFC record of fighters leaving the organization in 2007	207
1.1	Key similarities and differences between NASI and MLS	220