



Social Network Sites and Relationship Marketing Communications: Challenges for UK Football Clubs

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What we will cover

- ✓ Research context
- ✓ Knowledge gaps
- ✓ Methodology
- ✓ Key findings
- ✓ Conclusions

Changing Landscape

- Internet users are becoming increasingly active in their use of social media moving through phases of:
 1. text-based sharing medium;
 2. audio visual medium;
 3. democratised influence
 4. motivated through shared interest(s)
 5. desire for brand interaction

(Universal McCann 2008, 2009, 2010)

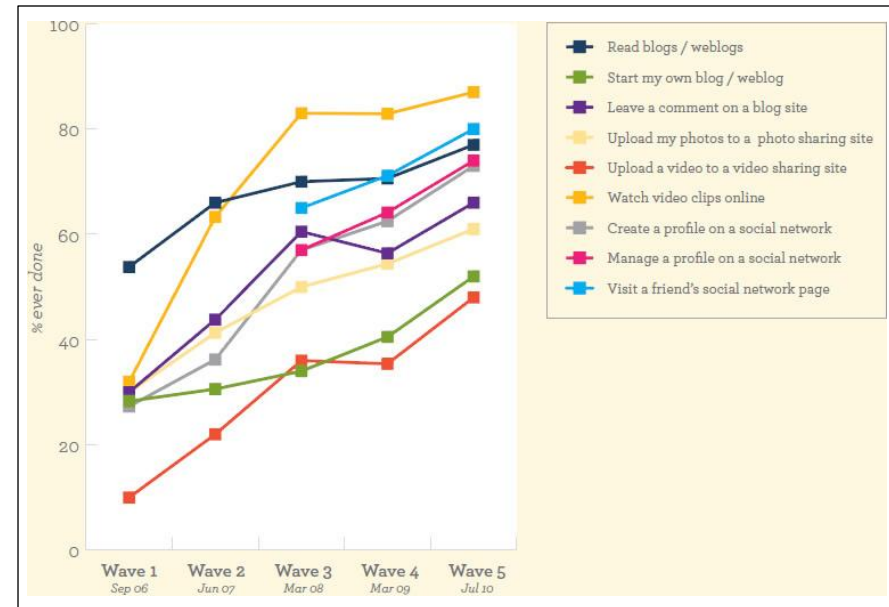


Figure 1: Active Internet Users: Thinking about the internet, which of the following have you ever done ?
Source: Universal McCann, 2010:17.

Research Aim & Objectives

AIM:

To explore the impact of SNS on relationship marketing activity of football clubs.

Objectives:

1. To determine the nature of football club relationship marketing activity, focusing predominantly on website and email marketing.
2. To identify clubs' concern with unofficial sites and SNS.
3. To explore the willingness and ability of clubs to respond to the SNS phenomena.

The Business of Football

- English professional football was worth £957m in 2008/09 tax contributions (Deloitte, 2010).
- Football clubs “face extraordinarily turbulent conditions” (Deloitte, 2009:2).
- EPL operating profits falling by more than half to £79m whilst TFL clubs spending 86% of revenue on wages on average (Deloitte, 2010)

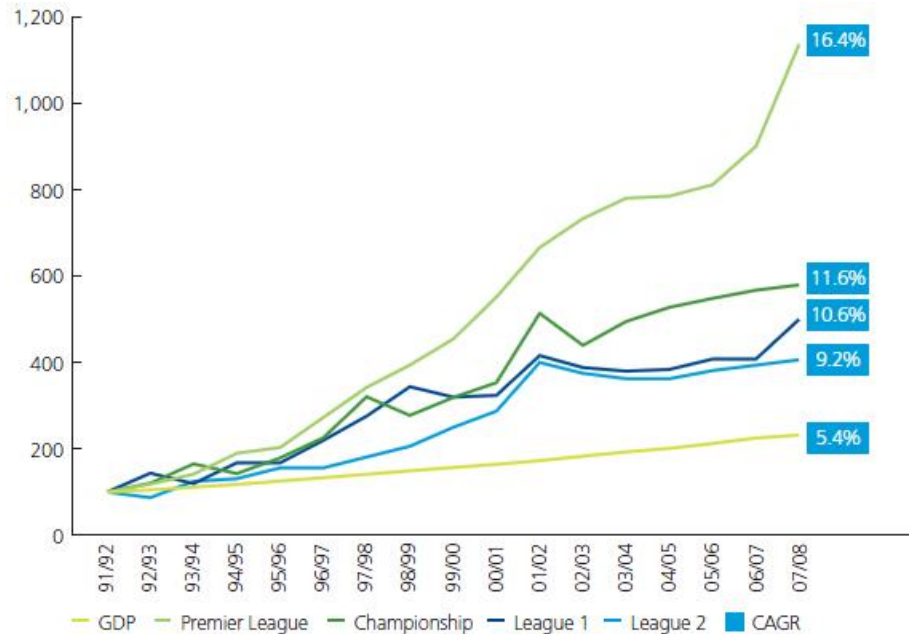


Figure 2: Nominal UK GDP growth rate and leagues' revenue growth, indexed, 1991/92-2007/08 (Index 1991/92 = 100)

Source: Deloitte, 2009:1

Football Online



The screenshot shows the FLinteractive website. At the top left is the logo for FLinteractive, featuring a stylized football icon and the text 'FLinteractive'. Below the logo is a navigation menu with six items: 'WHO WE ARE', 'WHAT WE DO', 'PARTNERS', 'CONTACT US', 'THE FOOTBALL LEAGUE', and 'PRESS'. The main content area features a green map of England with a network of white nodes and lines connecting them, representing a sports network. To the right of the map is a blue banner with the text 'FL INTERACTIVE - REALISING YOUR POTENTIAL ONLINE'. Below the banner is a paragraph of text: 'With a network of 80 clubs, we are the largest sports network in the world with an average of more than 5.7 million monthly users.' At the bottom right of the banner is a button that says 'Find out more...'

Figure 3: FLinteractive network

Source: <http://www.flinteractive.com/clubs.aspx>, accessed 07/09/11.

- Early research established the growing but poor quality of information provided by football club websites despite increasing demand for information from fans in England and globally (Green, 1999).

Knowledge Gaps

- The field of social network sites (SNS) is lacking in theoretical foundation (Fuchs, 2009) and the request has been made for researchers to contribute to this field (Beer, 2008).
- There is a distinct lack of research into the understanding of relationship marketing theory in the context of the sport industry (Bee and Kahle, 2006; Stavros and Westberg, 2009).
- Also limited academic discussion “...about emerging changes in the market environment and their potential direct effect on the practice of RM.” [(Veloutsou *et al.* 2002).

Methodology

- Multiple case study approach
 - Purposive sampling strategy
 - Semi-structured interviews with FC marketers
 - Data analysis



Figure 4: Individual Cases

Source: <http://www.performgroup.co.uk/FootballCaseStudies>, accessed 14/09/11.

- Within-case analysis preceded across-case analysis (Patton, 2002; Perry, 1998)



Figure 5: Within-case coding process

Considered important to stay close to the data for emergent categories rather than focus on allocating existing codes from the literature (Mello

and Flint, 2009).

Overview of Findings

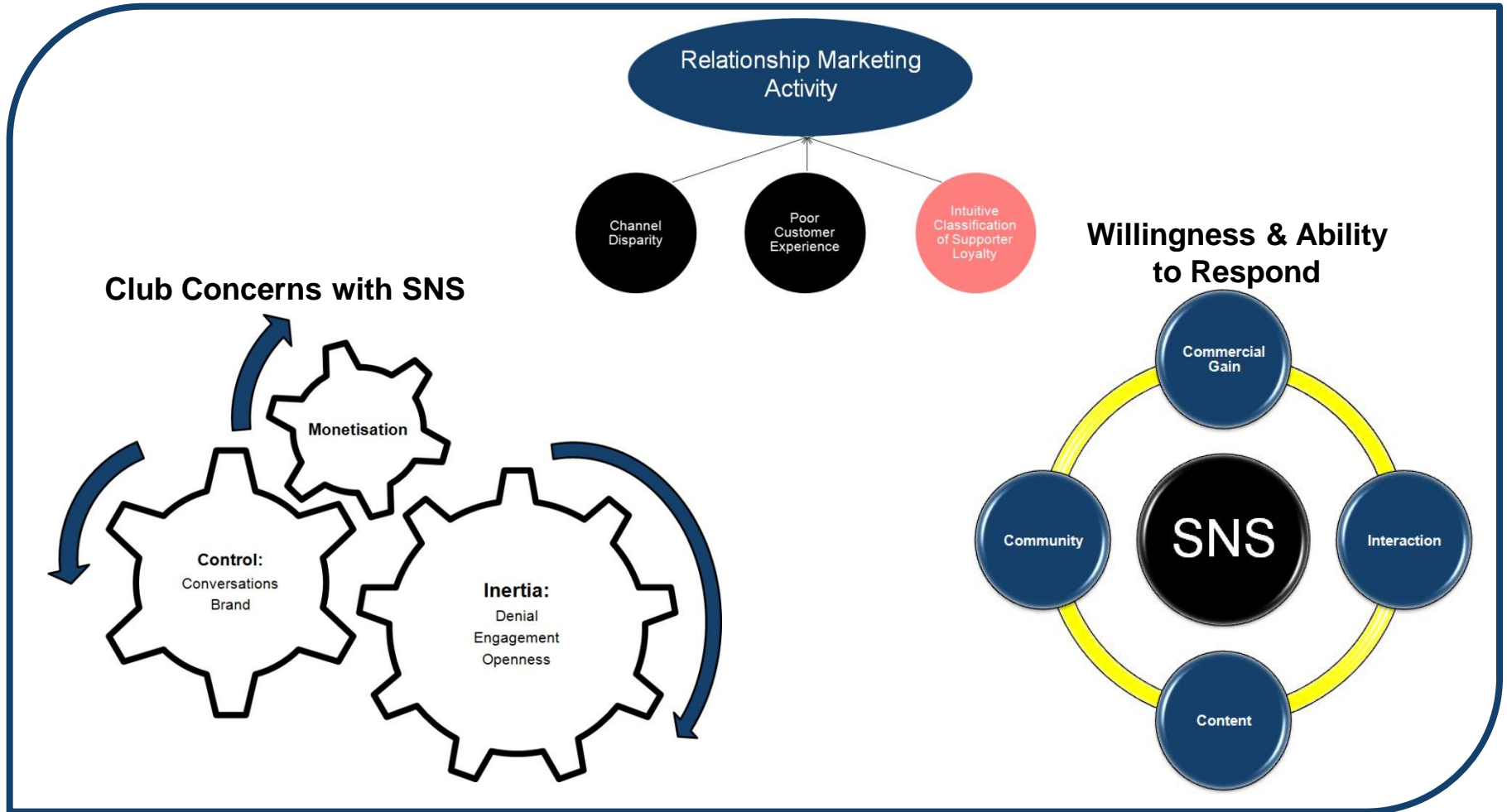


Figure 6: Research Findings

Club Concerns: Theme 1 “Inertia”

- Denial



“... in the rest of the football industry I’m not convinced anybody is doing it particularly well. ...I think that we’re miles behind.”

(Head of Customer Operations, Case A)

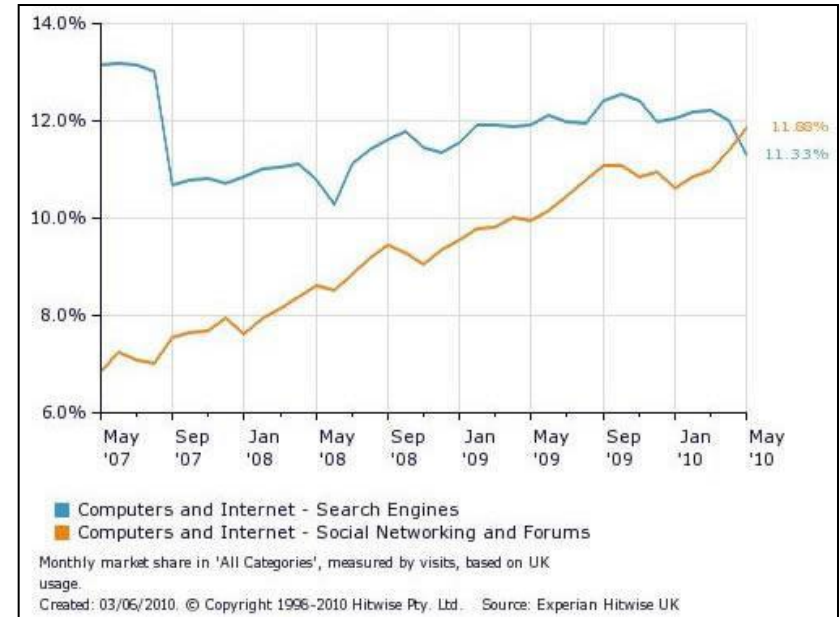


Figure 7: UK Internet Visits to Social Networks and Search Engines
Source: Hitwise, 2010.

Social computing is now mainstream and cannot be dismissed by companies

(JRC-IPTS, 2009).

Club Concerns: Theme 1 “Inertia”

- **Engagement**
 - Lack of engagement and interaction a major concern
 - “Next generation” possibly seeking other forms of entertainment
- **Openness**

Clubs need to be much more open in appreciating their value as a “*social business*” with emphasis on their impact on the local community and stakeholders (Supporters Direct and Substance, 2010:4). Private ownership cited as a major factor.

Club view appears to be slowly changing; from “building gangways” comes a degree of openness.

Club Concerns: Theme 2 “Control”

1. Conversations

“These supporters are saying it in the pubs, or on the terraces, or in the shops, wherever they meet and congregate. So denying them that space on the website doesn’t mean that those views will go away.”

(Marketing Manager, Case C)

Findings appear to concur with literature defining the immersive experience of interaction and community involvement on such sites as Facebook and Twitter (Keenan and Shiri, 2009).

2. Brand

Clubs *“...have just shied away from any level of interaction and engagement with our supporters.”* (Head of Customer Operations, Club A).



Club Concerns: Theme 3 “Monetisation”

The commercialism of football has been widely researched (cf. Bridgewater and Stray, 2002; Chadwick *et al.* 2008; Gibbons and Dixon, 2010; Harris and Ogbonna, 2008).

“... the danger is that you make it overtly commercial. That’s the big, big issue.”

(Marketing Manager, Club C)

“We have to be a little bit careful that we don’t push them [fans] into finding information elsewhere in terms of the stuff we put out from a Club point of view.”

(Marketing Manager, Club D)

Findings illustrate the pressure to use SNS as a commercial space (Beer, 2008).

The term ‘moderated freedom’ of consumer content is proposed , i.e. to allow freedom but to reserve the right to moderate extreme or profane postings.

Key Conclusions

1. The findings did not concur with the accepted view that commitment is influenced by trust (Bee and Kahle, 2006).
2. Football club concerns regarding SNS are identified and must be addressed in developing a strategic response to the social web.
3. The willingness and ability of clubs to respond to SNS reflects the balance to be achieved in building club commercial gain and facilitating supporter engagement and commitment.
4. This examination is distinguished from the presently accumulated knowledge in that it suggests:
 - (i) clubs are aware of collaborative opportunities with successful unofficial SNS owners and writers, or supporter branch Chairmen, in order to build their online customer relationships through empowerment (Thorbjornsen *et al.* 2002).
 - (ii) clubs see collaboration with customers or unofficial site owners and contributors, as a potential means of co-creating value in their community (Rowley *et al.* 2007; Schau *et al.* 2009).

Research Contribution

1. This study questions the role of trust as a central construct in relationship marketing theory in sport.
 - The construct of 'passion' is proposed as an alternative
2. The themes of 'Inertia', 'Control' and 'Monetisation' provide a contribution to theory building in SNS literature.
3. The ubiquity of SNS is causing clubs to accept a more open and collaborative relationship with their fans.

Future Research

- PhD: “Social Media: Friend or Foe of the Football Club?”
- Opportunities:
 - (1) single or multiple case research from the club or team perspective
 - (2) case research from the fan viewpoint
 - (3) a blend of the two
 - (4) unofficial site and fan perspective

Questions/comments please!



Figure 8: ear

Source: http://www.google.co.uk/search?hl=en&biw=1484&bih=996&qbv=2&tbm=isch&sa=1&q=listening+ear&oc=listen&aq=7&aqi=q10&aql=&q_s_sm=e&q_s_upl=113061119491018297161010101012581109310.4.21610, accessed 07/09/11.

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Impact

- The study shows how the short-term generic approach to monetising web traffic is potentially harming the longer-term revenue potential of official club sites. Clubs can no longer afford to be so passive with either no SNS presence or a simple replication of club news and offers, via an unofficial platform such as Facebook or Twitter.
- Difficulty is in balancing the commercial potential of SNS [9] against the proven risk that users will simply switch SNS if they perceive overt commercial influence being applied in that environment [12].
- This research will begin to inform how clubs balance the commercial realities of business with the potential to develop fan relationships through:
 - Modular CRM development
 - Embracing the opportunities and risks of social network sites
 - Harnessing the power of the tribal fan community