Sports Marketing Analysis

A Look at the NFL and NHL

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Sports Marketing Analysis

**Presentation Overview**
- Current market situation and trends for NFL & NHL
- Market Demographics and Target Markets
- Marketing Mix - 4 P’s - Using Lions and Red Wings as local examples
- SWOT Analysis
- Marketing Strategies
- Summary and Conclusion
Current Situations & Trends

**NFL**
- Most Popular league in all of professional sports
- New Football Stadiums - 23 in the last decade
- Make up of the league
  - Less games played (Supply & Demand)
- All time attendance record set in Year 2000
  - Averaged 66,000 fans per game
  - This is over 248 games
- Focus is on the “Event” not just the game
NFL - Team Penetration
Current Situations & Trends

**NHL**

- Currently in expansion and growth mode
- Broadening fan base through network television
- Migration of teams to bigger, more profitable markets
  - Carolina Hurricanes
  - Colorado Avalanche

- In comparison to NFL 2000 Record setting attendance:
  - NHL average per game crowd was 16,563
  - This is over 1,230 games
NHL - Team Penetration
Demographics

**NFL**
- The largest target market of the NFL continues to be Males 18-35
- Efforts are being made to attract women and children
- Monday night Football
- Opens doors for different types of advertisers
NHL

- Statistics show that the NHL is currently aiming its marketing towards the affluent male viewer:
  - 68% of NHL spectators are male
  - Average age of male fan base is 36
  - 55% of the fans have a professional or managerial job
  - Average household income of fan base is $81,000

- NHL draws the highest concentration of young upscale viewers than any other televised sport.

- NHL is attempting to market to women
NFL Marketing Mix - 4 P’s

Local Perspective - Detroit Lions

**PRODUCT**
- The games themselves
- Merchandise and Interactive experiences
- Use of the New Ford Field to promote product
- Marketing of the game “experience” as a product
Local Perspective - Detroit Lions

PLACE

- New Ford Field - called the “benchmark” of how sports arenas today should be.
NFL Marketing Mix - 4 P’s

Local Perspective - Detroit Lions

PROMOTION

- In a study that rated all 121 major league sports web sites - Detroit Lions placed 2nd

- “Lions E-Report” On-line newsletters

- Fantasy Football Leagues used to promote teams

- The Super Bowl
NFL Marketing Mix - 4 P’s

Local Perspective - Detroit Lions

PRICE

- Average ticket price
  - In 2001 average price was $39.05, one of the lowest in the league.
  - In 2002, with the new Ford Field - average ticket price has jumped to $57.85

- Parking at the new stadium is $50 per game

- Average cost for a family of 4 to attend a game is $300 - $400
NHL Marketing Mix - 4 P’s

Local Perspective - Detroit Red Wings

PRODUCT

- The games themselves
- Merchandise and Interactive experiences
- Superior Product (i.e., Stanley Cup Champs)
- Use of “Hockey Town” as an experience that fans want to be a part of.
Local Perspective - Detroit Red Wings

PLACE

- Joe Louis Arena - Wings have played in Joe Louis for over 20 years - Several drawbacks
  - Few bathrooms - causing long lines
  - Small concourses - slow traffic flow
  - Few amenities (i.e., cup holders, comfortable seats)
NHL Marketing Mix - 4 P’s

Local Perspective - Detroit Red Wings

**PROMOTION**

- Wings website needs improvement
  - In the same study of 121 major league team websites, the wings placed 121st.

- Stanley Cup Champion status helps in promotion
  - Parade downtown
  - Rally at Joe Louis Arena

- One of the “Original 6” NHL Teams
NHL Marketing Mix - 4 P’s

Local Perspective - Detroit Red Wings

**PRICE**

- Average Ticket Price (more than double for playoffs)
  - Average ticket price in 2000/2001 season was $53.00
  - Average ticket price in 2001/2002 season was $56.40

- Parking at and around Joe Louis Arena is $5-$15

- Average cost for a family of 4 to attend a game is $255.00
SWOT Analysis

**NFL**

**Strengths**
- Successfully markets to male audience
- Half time entertainment at Super Bowl
- Pre-Game shows

**Weaknesses**
- Length of Games
- Players Salaries
- Ticket Prices

**Opportunities**
- Marketing to Women and Children
- Expand Internationally
- Introduce Minor League Teams or Women’s Football League

**Threats**
- Public interest in other professional sports
- Criminal conduct of players
## SWOT Analysis

**NHL**

### Strengths
- Brand Image / Good Product
- International presence
- History

### Weaknesses
- Ticket Prices
- Depressed Television Rating
- Low scoring trend

### Opportunities
- New Markets / International
- Web site promotion and advertising
- Grassroots marketing through loyal fans

### Threats
- Small Market / Canadian Market
- Competition with other professional sports
- Competition for TV Contracts
- Salary / Talent Disparity
Current Marketing Strategies

- Marketing the games as an interactive “event”
- Marketing to ethnic minorities
- Marketing to women and children
- User friendly web sites and links to Fantasy Football
Current Marketing Strategies

- Marketing to the “family” and to urban area youths and minorities
- Marketing of Individual players instead of Teams
- Utilization of NHL.com website
- Support junior and minor hockey systems
Conclusion

- Endless opportunities for growth in Sports Marketing
- Ever evolving strategies
- Going “Wireless” opens up a whole new world of possibilities
Sports Marketing Analysis

QUESTIONS?