

How Sports Marketing and Athlete Branding Influence Public Consumption

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Abstract

This analysis will examine how sports advertising and athlete branding impacts the consumer. It will explore the impacts of advertising about knowledge of sports and the emotional aspects of consumer consumption. Regarding sports advertising, many people think of the Super Bowl or alcohol advertisements. The purpose of this study is to examine different types of advertising and its effects on its target audience. Super Bowl advertisements are showcasing a product or service, and this study targets advertising that involves sports teams and plays. Personal branding has drastically increased with the recent passing of the NCAA policy regarding college athletes profiting off their name, image, and likeliness. This study will investigate how personal branding impacts sports consumption. With the significant increase, it is important to understand how these changes impacts sports. With personal branding, many athletes have profited off the new regulations, but has this positively impacted sports media and its consumers? This study is going to attempt to understand how increased personal branding impacts sports and advertising. Also, viewing this study from the perspective of athletes can help gain more insights on the consumer impact as well. In conclusion, the thesis's purpose is to examine how consumers think and feel about sports advertisements and personal branding. In addition, the study will show how personal branding impacts major league sports. A survey has been conducted to view participants thoughts around the various topics discussed in this analysis. More than one hundred participants among the Tampa Bay area completed the survey and will aid to connect the dots regarding sports advertising, consumption, and athlete branding.

Background

Sports advertising can be dated all the way back to the 1800s when tobacco companies advertised their packaging with baseball players on it (Swem, 2019). The phenomenon grew when companies realized sports sells. In 1912, Fenway Park opened and set precedent for sports venues to host advertisements. Since stadiums are expensive to construct, teams use advertising methods to get a return on investment with their stadium while creating partnerships with businesses (Carruthers, 2014). The first United States sports game was televised in 1939 marking a start to the booming viewership of advertisements. Research shows that sports fans are extremely loyal to their favorite teams and players, so brands want to hop on the bandwagon to use the sports team's likability to drive profit (Open Media, 2018). In today's climate, sports advertising is still very prominent with no sign of slowing down. The question is, will advertisements stay updated with the rapidly changing wants of consumers?

In 1967, the first Super Bowl was played and was aired on NBC and CBS. The stations charged between \$75,000 to \$85,000 for a 60-second advertising spot and \$42,000 for a 30-second spot. To put into perspective, a 30-second advertisement spot costs about \$6.5 million dollars today (Southern Living Editors, n.d.). Super Bowl advertisements crossed the \$1 million threshold in 1995 (Super Bowl 29) and continued the upwards trend (Southern Living Editors, n.d.). Due to the increase of viewership and rating, the average cost for a 30-second advertisement in Super Bowl 56 was about \$6.5 million (Average cost of a 30-second Super Bowl TV commercial in the United States from 2002 to 2022, n.d.). The question may arise as to why companies spend millions of dollars on one advertisement during a sporting event. The simple answer is that companies see it is worth it. Since sports is one of the few television events that are watched live, there is no option to skip past commercials. Due to the Super Bowl being one of the most watched events of the year, viewers cannot skip the advertisements, so companies spend millions of dollars to get exposure. Since the Super Bowl is one huge game, rather than a series, companies know that viewers are not going to surf other channels during the game. Over the past few decades, advertisements of the Super Bowl have become part of the entertainment. Many people watch the sporting event just for the advertisements. \$6.5 million may seem like an outrageous number, but if you calculate the CPM (cost per thousand), it is actually a great number for advertisers (Dove, 2022).

The NCAA recently passed a policy allowing collegiate athletes to be compensated from their name, image, and likeliness (NIL). This policy was passed on June 30th, 2021, with the intentions of becoming a federal law to support collegiate athletes (Hosick, 2021). This policy changed the long-standing precedent of preventing college athletes from benefiting from their popularity and personal image. However, there are a few caveats to this policy. For instance, it is up to each individual state to implement the NCAA policy. Many athletes have spoken out about the state implementation efforts stating that they do not believe universities and states will follow the policy since the NCAA was against athletes getting compensated for over two decades (Hall & Fern, 2021).

Research Methodology

The purpose of the survey was to understand consumers' point of views regarding sports advertisement, sporting events, and athlete branding. The survey was distributed on multiple social media platforms, such as Facebook, Instagram, and GroupMe, to people around the Tampa Bay area. The Tampa Bay area consists of four counties: Hillsborough, Pinellas, Hernando, and Pasco (Tampa Bay Subdivisions, n.d.). Following the conclusion of the survey, there were 116 respondents over a two-week time frame. The survey's platform was Qualtrics and had branching questions based on respondent's individual answers. The questions branch off after the first question which asks respondents to rate how often they watch sports on a scale from one to ten. If respondents answered below a five, then respondents were taken to a different set of questions for non-sport watchers. If respondents answered five or above, they were taken to two different blocks of questions. The thought process behind the branch was to divide respondents between ones who do and don't watch sports since there would be different perspectives for each group.

Results

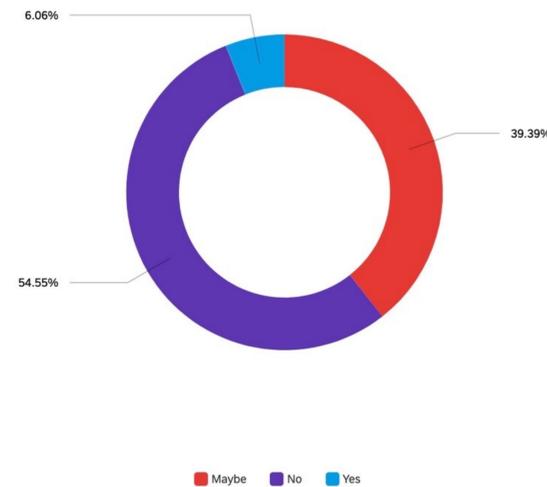
I do not understand how most sports games are played.



I watch the Super Bowl every year.



Would watching more sports advertisements make you want to watch sports more?



What factors influence you to watch sports?



Analysis

The following images are results for the questions that the non-sport watchers group answered. Image 3 shows that most respondents do not believe that watching more sports advertisements would make them want to watch sports more. About 40% of respondents answered "maybe" and this could be a target audience that advertisers could reach to try to get more sports consumers. For the second statement, 58% of the respondents watch the Super Bowl every year although not all the respondents understand how sports are played. This demonstrates that the Super Bowl audience reaches beyond sports watchers which can be an important tool for advertisers. The next question asked what three sports the respondent consumes the most. The bar chart shows the top three reported sports were football, hockey, and baseball, respectively. These results were not surprising since those three sporting activities are Tampa Bay's most popular professional sport leagues. If the survey was conducting in another area of Florida or a different state, would the results be the same? The last question of the survey for the sports-watchers group was to list what factors influence them to watch sports. The image at the top of this column is a word cloud that shows the most common answers as the middle words with less common answers surrounding them. The most common words include family, tradition, love, and enjoyment. If advertisers try to create advertisements around these concepts, they could have a greater return on investment. For example, creating a sports advertisement that depicts families participating in traditions could reach a stronger target audience and induce more action.

Conclusions

Overall, research and the survey show that sports advertising and athlete personal branding does influence sports consumption. Advertisers may be quick to jump onto sports advertisements to try to influence consumers, they need to be aware of what their target audience wants and desires. For instance, sports advertisers should try to create ads that depict sporting events to try to grab the attention of non-sports watchers to be interested in consuming sports. Performing necessary research is an important aspect for advertisements to ensure their ads maximize revenue and serve its purpose. A huge impact on sports consumption is the Super Bowl. This is an enormous event that millions of people watch every year and is a huge opportunity for brands to create advertisements to boost revenue. The survey shows that people who do not watch sports will watch the Super Bowl; this can increase sports consumption by increase interest in watching sports through this event. Although advertisements may cost upwards of \$5 million, it may be worth it to some companies because of the guaranteed reach. When it comes to athlete branding, the survey shows that it does not seem to impact consumption as much as sports advertising, but it does to some extent. Personal branding can increase public consumption by creating a greater reach to products with athletes who have a big following on social media; however, the survey shows that it does not always mean a purchase will happen. This can help advertisers create different athlete campaigns to try to increase consumption and create a greater demand for products or services that the athlete is promoting.

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