# MANAGING RELATIONSHIPS WITH CONSUMERS IN SPORT

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Abstract: The world of sport, ever since the beginning, was not so good communicatively linked as today is, nor is it today connected good, as it will be in the future. Digital media abolished the longstanding obstacle - the spatial and temporal distance. Today is no longer important in which part of the planet sport events are taking place relevant and important to enjoy the "the most beautiful secondary thing in the world" - the sport, since global media landscape of the sports world, is available at each local level. Such global image, attract, invite and consist of a large number of lovers of this art called sport, consumers, who make up most of the world population .They are unavoidable army of lovers and fans, and the management of relations with them is in the focus of any marketing research. These marketing researches allow identifying basic questions to be answered in order to adequately meet the needs and desires of consumers. Satisfaction, and achievement of desires and needs, provides long-term profitability of each firm. In the conditions of market economy, knowledge, efficient and effective use of information is the comparative competitive advantage of market-oriented companies. The focus of activities, market leading companies, knowledge of customers and manage relationships with them, is one of the key determinants for achieving success in relation to competition, successful business, and gaining a leader in the global market. Consumers' satisfaction is largely conditioned by the values of products and services. The link between customer loyalty and satisfaction is not linear, nor is it independent of competitive conditions in the environment so only those consumers who consider themselves more than satisfied become loyal and faithful.

Keywords: sports consumer, consumer behavior, customer relations, customer satisfaction

### INTRODUCTION

American Marketing Alliance (AMA) defines consumer behavior as "the dynamic interaction of affects and thinking, behavior and environment, by which human beings manage aspects of exchange in their lives."93 In this definition, there are three significant points that each in its own way reflects the temperament and the nature of consumer behavior. First, consumer behavior is **dynamic**, in both time and space, so there is no universal marketing strategy of companies that would apply at any time, for all products and services, markets, and so on. Another important point, reflecting that behavior of consumers is caused by the interaction of affect and thinking, behavior, and environment factors, therefore it is important what people think, what they are feeling, how and what to do, and the events surrounding the most influence in shaping their behavior. Finally, the third point is conditioned by the process of **exchange**, very important for the survival and development of humanity. This indicates and confirms consistency of the definition of consumer behavior with valid and current marketing definitions, which also focus on the process of exchange, for a continuous flow of business activities and growth of living standards of the population. The place and role of consumer behavior in marketing research are defined by the importance of that

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<sup>&</sup>lt;sup>93</sup> J.Paul Peter – Jerry C. Olson, Consumer Behavior and Marketing Strategy,7 Edition Irwin Boston 2005 str. 5-9

analysis and forecasting of demand and sales they have in market researches of companies. We are not talking about the knowledge of economic, but also other vocational secondary aspects of consumer behavior, necessary for the planning of marketing activities. Marketing approach, in the study of consumer behavior, incorporates i.e. integrates all the test results, which specialized disciplines such as sociology, anthropology, psychology, history, etc. provide, which from its point of view contribute to a better recognizing and understanding of human needs, to their satisfaction, and to achieve better business success.

According to the level, consumer behavior is among the primary micromarketing researches, whose purpose is to identify specific needs, wants, and desires of consumers, it is important for business companies. Psychological and sociological researches give specificity to micro-approach, given the concepts and methods of their implementation. However, consumer behavior has focused on macro market research, given the demographic, geographic, economic, and cultural - social aspect, in the broader macro environment of the company. It is wrong to think that consumer behavior is often identified with the marketing research. These terms are used as synonyms, however it is the use of formalized concepts, procedures, and methods for the better and faster "systematic collection, recording, and analyzing of all relevant data and information about consumers, relating to the marketing of goods and services."94 "From the standpoint of marketing, consumer behavior related to human responses in the commercial world: how and why people buy and use products, how they are reacting to prices, economic propaganda, and other means of promotion and what are those invisible machinery functions in stimulating and interfering consumption."95 "Consumers do not want just the right product or service at a reasonable price; they want more than just personalization, personal relationship with the dealer, service, not to be forgotten after purchase. We must observer the consumer behavior as a specialized discipline within the framework of broader marketing research activities where consumers are the centerpiece of the overall business activities, and a source of competitive advantage. Therefore, managing customer relationships (customer relationship management - CRM) represent a broader business strategy designed to reduce the costs that business risks and increase profitability by increasing lovalty and attention to customers.

# CONDUCTING AND MANAGEMENT OF RELATIONSHIPS WITH CONSUMERS IN SPORT

In the field researching the behaviors of sport consumers, marketing researchers have tried to incorporate the theories and models from the broader field of psychology and consumer behavior. Concepts, based on **self-efficacy** (confidence and expanded powers), **self-esteem** (psychological assessment of the relationship between different sets of attitudes towards oneself), **self-schemata** (repeat social behavior), and matching

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<sup>94</sup> Schiffman L., Kanuk L., Ponašanje potrošača, Mate Zagreb 2004 str. 5

<sup>&</sup>lt;sup>95</sup> Robert East, Consumer Behavior: Advances and Applications in Marketing, Prentice Hall, London 1997 str. 3

self-image (their own conception of itself), taken out from a wider field of psychology, covered the full attention of sports marketing researchers. 96

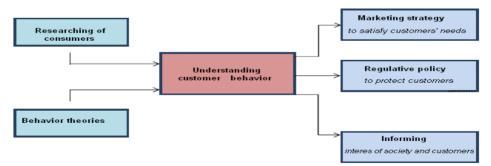
Emotional approach, as a starting point of the sports consumer behavior, is also the subject of research in the field of sports marketing. Emotions are invaluable in providing answers to consumer behavior. Experiencing feelings may be manifested in various forms, from mild to strong mood emotional outbursts. Consumption is a very critical situation for the sentiments, although communication with the sensations, prior to consumption, may influence the type of individual sensitivity, which is experienced in providing the interpretive framework for consumption. Marketing researchers must know how to provoke feelings and how to provide the right level of stimulation of the same feelings. "Experience" and its sale is gaining popularity in marketing researches. Hedonic consumption is associated with the joy, excitement, fantasies, feelings and fun, and highlights the important role of individuals in their own experience.

Emotions are, depending on the type and the very act of the event, spontaneous or powerful, unlimited imagination is controlled by the participants, and creates opportunities for hedonism to identify with its own dream. <sup>97</sup> Through the pursuit of hedonism or pleasure, people create a fascination with the world or endow the world with magic and happiness. The key determinants of the impact of consumer behavior can be divided into two main groups:

- Determinants having the impact on consumers as a member of the group, and
- Determinants having the impact on consumers as individuals

Group determinants are the cultural and social influences, and individual determinants are the personal and demographic characteristics of the individual, i.e. psychological characteristics. Understanding of all these determinants results in the assessment process, in the minds of consumers ("black box") and contributes to the knowledge of producers, to sell the event.

Figure 1: Functions of consumers' behavior



Source: Hawkins, I. D., Best, J.R., Coney, A. K., Consumer Behavior – Implication for Marketing Strategy, IRWIN 1995

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<sup>&</sup>lt;sup>96</sup> Ljubojević Č., Menadžment i marketing u sportu, Beograd 200, str. 59

<sup>&</sup>lt;sup>97</sup> Ljubojević Č. Ibidem str. 59

<sup>&</sup>lt;sup>98</sup> Čičić M., Husić M., Kukić S., Ponašanje potrošača, Ekonomski fakultet Sveučilišta u Mostaru, 2009 str. 23

Each participant in sport, from producers to sporting event consumers, is a form of hedonic consumption. Sporting event is a ritual for every lover, take place in special places, at certain times and space and has a character of art (whether it is a visitor or participant), whether it's done professionally, at leisure or for entertainment.<sup>99</sup>

Sports and sporting events deserve full attention and understanding, as an area of public policy and marketing. Athletes are the best and most positive "ambassadors" of their countries and identified as such in every society, so army fans follow them at all events, celebrate, or mourn with them, and every part of their free time devote to sport. The growth in popularity of sports and athletes creates big gains for all participants, i.e. promoters of the sport events, for the places where events are taking place as well as producers and social standard of the state, organizers of big sporting events (e.g. Olympic Games, world, and European competitions).

This fact has led marketing researchers to study factors in terms of satisfaction, depending on the variety of behavior of fans. The concept of their satisfaction, it is primarily based on the concept of the value of games and participants. We already stressed that the party in value (the side of expected benefits) is most affected by the quality and approach to the event, so we can conclude that the concepts of satisfaction and consumer value are the builds on the concept of quality. "Consumers' satisfaction is a free estimate oriented to a certain transaction, or more consecutive transactions; quality of service, on the other hand, is global assessment, which need not be based on actual use." Different elements affect pleasure, as well as any other processes, creating and shaping it. <sup>101</sup>

By studying the definition of satisfaction, it can be concluded that the elements that affect satisfaction are related to:

- 1. **Product** (perceived through quality and usage value, as the cost of the monetary expression of value, time spent in searching, quality and usefulness of the same company for consumers), and
- 2. **Emotional state** (experiences of using it, expectations that consumer wants to experience the products that can be positive or negative).

In applying the marketing mix, sports marketers often use pleasure and satisfaction of consumers so they can attract more visitors. All of the analyses show that **identity salience** (identity of the popular personality) is the biggest lure, so that the media creates an image that runs the fans to be present in large numbers at the event.

According to many theorists, motivation, sports fans, and visitors are qualified through the prism of common elements, as follows: *eustress*, *self-esteem*, *display*, *entertainment*, *economics*, *aesthetics*, *group*, *and family connections*.

<sup>101</sup> Kotler Ph., Marketing Managment, Northwestern University, 2003, str. 56

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<sup>&</sup>lt;sup>99</sup> Radosavljević M., "*Upravljanje sportsko rekreativnim događajima*", (magistarski rad) Fakultet za trgovinu i bankarstvo, Beograd, 2004.

Parasuraman, A.V., Consumer Perceptions of Price, Journal of Marketing, vol. 52,1998 str. 22

#### RANKING OF CONSUMERS IN SPORT

Sports fans are consumers, who are enthusiasts that dedicate themselves to particular sports subject. Sports consumer's subjects is diverse and is represented by figures such as players, coaches, managers, or individuals who have a strong stake in connection with sports, sports teams or any local, national or representative. Given the fact that not all see sport product, the basic motivation, and consumer behavior in sport can vary from individual to individual, and based on that different types of sports fans are defined. Hunt and al., 102 revealed a high degree of heterogeneity in the fan club and come up with their classification:

- Casual fans support isn't central to self-perception of fans and is limited by time and place,
- Local fans support is directed to local teams and local individuals,
- Devoted fans faithful and loyal support for team, league, or individual
- Fanatical fans support which is adjacent to those occupied with their team or person that becomes important for more things, and
- Non-functional fans those who support exceeding of the normal limits of behavior

Due to its specific diversity in behavior, determined based on motivation and perception of events from its point of view, they serve as an important basis for segmentation and positioning in relation to the target market, and thus determine specific strategies and tactics in the implementation of the marketing mix, by the marketers. To develop the growing popularity, and therefore the greater army of consumers, we need to build long-term and stable relationship and engagement in society, from working in schools, community groups, and organizations. Nurturing relationships with the media, using the support of celebrities (Mayor, the famous film or TV stars, popular politicians) as well as building a good relationship with sponsors, in promoting the team or individual sport in general is very important.

# **RESUME**

Survival, growth, prospects and stability of the company solely depends on the consumers, regardless of current market position. In terms of globalization and expressive market competition with offers that excess demand, it is very difficult to position and to approach to consumer, and gain their loyalty and attention. Market success is not reflected only in the leading position in the competition, but in creating new products, developing new unexplored markets, in order to create new needs to satisfy consumers.

Consumer is no longer viewed from the perspective of short-term and one-way transaction, but it builds up with long-term and fair relations, in order to achieve mutual benefits. Through stimulation and developing of long-term relationships with customers, delivering high-values, and therefore greater customer satisfaction, a base of loyal and

<sup>&</sup>lt;sup>102</sup> Ljubojević. Č., Ibidem str. 66

devoted customers is creating, which is a competitive advantage of market-oriented organizations.

Exploring the levels of customers' satisfaction, current and future needs, and desires of consumers becomes clear how to create and apply marketing activities to promote and develop customer satisfaction. As such, popular and accepted as an important part of the entertainment industry, with the trend of continued and accelerated growth, sports, is a major link in the creation of sports consumers' satisfaction. Covering sports by electronic media and press grown and together with the existing competition between the various products of entertainment, transformed sports market into high-profit industry. The biggest credits for this successful and continuous development of sports industry, belongs to the high level of professionalism in all segments. Proper and timely management of relationships with customers in the sport requires leaders who can improve the success of this industry, as well as to sustain it competitive and profitable in comparison with other industries. Bearing that in mind, connecting, and building fair and correct relations with all participants in sport market, especially with the fans consumers, as key stakeholders of any sporting collectives, must be more intensive and comprehensive in the future.

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