You joined the Arena Football League (AFL) in 2000 as executive vice president of its fledgling Properties division, coming from the National Hockey League. Can you describe the overall growth of the AFL Properties division in terms of number of employees, sponsors, and licenses and revenues since your arrival?

Over the last four years, the number of employees in the properties division has grown from 1 to 15, working in six separate departments: partnership sales and services, consumer products, marketing and fan development, broadcast and Internet services, team services, and special events. During this time, we have secured the largest partnerships in AFL history—ADT, U.S. Army, Nike, and Spalding. Through our sponsorship department, primarily, revenue has increased by nearly 500% over the past four years.

The AFL was recently described in Sports Business Journal’s annual “Sponsor Report Card” (October 13, 2003) as “arguably the most improved sport property since 1999” (p. 36). In particular, the journal reported big strides in sponsors’ opinions that the property is well-managed and does a good job marketing itself. Yet, in the same survey, sponsors ranked the AFL on the low end of sport properties in terms of “the future of the property.” To what do you attribute this seeming dichotomy?

For the most part, national media relevance and ratings drive the overall perception of a sport property. Our credibility and relevance will grow as the value of our social currency increases. Sponsors may react to the “future of the property” question based on their media filter. I’m confident NBC’s recent renewal of the “AFL on NBC” will help address sponsor concerns about our future. Simultaneously, the AFL is focused on developing key promotional platforms that marketing partners can leverage and provide significant presence on a national basis. In the interim, we focus on over-delivering and servicing our partners to guarantee a greater return on investment than expected; we have to work harder with less and deliver more than our competitive properties. Ultimately, with sponsors, it does come down to perception of the league as a long-term media property that best addresses their marketing objectives.

Describe the AFL’s national branding strategy and how it is reflected and implemented on the local market basis.

Using the AFL as an acronym, we position the AFL as “affordable fan-friendly football” and the “all fan league.” There are three key elements of this branding strategy: the first is affordability, particularly for young, diverse families; the second is action, in terms of high scoring, music, and promotions; and the third element is accessibility, in terms of our players being close to the fans and our mandatory post-game autograph sessions. At the same time, each team has its own unique team identity within its marketplace, and we work to strike a fine balance between our national identity platform and local team identity.

How are you positioning the league today, and where do you envision the league’s position in the ever-growing sport marketplace five years down the road? In other words, can the AFL ever be a “fifth major league?”

We are positioning the AFL today as a fan-friendly, year-round interactive football experience for a new generation worldwide. Our continued growth is unprecedented in the recent sport environment, as witnessed by our franchise values, television exposure, attendance, partner activation, etc., and shows no signs of slowing. Furthermore, a recent feature story in ESPN The Magazine (June 7, 2004) specifically described the AFL as “The Fifth Major.” Long-term consumer demand will determine our place in the sport marketplace.

You have a few high-profile national sponsors, such as ADT and U.S. Army, but far fewer than the other major pro leagues and properties. How do you distin-
guish the AFL from other major sport properties in terms of key selling points?

We look beyond the number of official league-wide sponsors and think in terms of the number of marketing partners we have. For instance, when you include television advertisers as well as league-wide official sponsors, we have nearly 20 marketing partners who have invested in promoting the league. Between the AFL teams located in major markets and arenafootball2 (af2) teams located in secondary markets, we have a presence in nearly 45 markets. We bundle inventory for all these markets, including national media and on-site promotion, to create sponsorship packages at an affordable entry point. At the same time, we’re focused on securing fewer partners to ensure value and reduced message clutter. We also pride ourselves in our flexibility in terms of meeting partners’ wants and needs. In fact, the AFL finished first in the Sports Business Journal’s “Sponsor Report Card” in terms of sponsors’ rating of leagues “flexibility.” We still need to address multiple marketing constraints and inventory hurdles that exist due to arrangements between arenas, local teams, and local sponsors, especially those in high-profile categories like automotive, soft drinks, beers, and telecommunications.

What are your strategies and tactics for packaging and selling national sponsorships?

Our primary emphasis is on ensuring season-long promotion to build fan awareness and interest. To do this, we strive to package in all of our media assets—national broadcast, regional cable, radio, Internet, print, and on-site promotion. We also offer sample opportunities to “test” a partnership. For example, a couple of years ago we signed on Aaron’s Sales and Leasing for a small starter package of in-arena promotions, specifically around our playoffs, as an example of our willingness and our need to be flexible with potential partners. Aaron’s liked their experience, signed a larger two-year deal with us, and we’re now negotiating for a multi-year renewal with them. Because of the affordability of our sponsorship packages, we’ve been able to get ADT, the U.S. Army, and Aaron’s as sponsors just as they were at their point of entry into sport marketing.

What are the biggest challenges you face in securing more mainstream national sponsors? What are you doing to address these challenges?

Our biggest challenge is ratings, ratings, and ratings! In order to address this challenge, we continually strive to build season-long promotions that generate and maintain fan interest and viewership. For instance, this past season, we arranged a deal whereby ADT sponsored our Fantasy Football game that was promoted every Monday in USA Today. NBC also reminded viewers to go to USA Today every Monday to track their Fantasy Football players. This promotion gave us great national exposure. As we increase our exposure opportunities and subsequent ratings, which held steady this season at a 1.1 average, we will lower our biggest hurdle in terms of attracting more mainstream national sponsors.

A recent ESPN poll showed that the AFL viewership and attendees is primarily made up of males between the ages of 12-17. Is this the core demographic you aim to attract? If so, what are you doing, promotionally, to attract this audience? What would you consider your secondary and tertiary core targets?

Our primary target audience is males between the ages of 18-34, and we build rings around that core with broadcast enhancements, Fantasy Football, licensed products, regional cable, and highlight shows. Our secondary targets are males from ages 12-17 and 35-44.

With the recent announcement of deals with Nike, Upper Deck, and Spalding, you called this “the launch of our national retail business.” Is there a viable national market for these licensed products, or will these products be aimed at local AFL fans?

In the past year, we have signed on significant licensees that give us the ability to sell at retail for the first time ever. We need to be relevant with fans and consumers through a strong product plan, not only in-arena but also outside the arena. It won’t occur overnight because our fans are not accustomed to seeing AFL team licensed product outside of the arena. However, quality consumer products, such as those produced by Nike and Spalding, make us relevant because fans can now buy products outside the arena. This gives the AFL and the local team increased credibility and relevance.

Historically, many leagues have expanded too fast. AFL commissioner David Baker has spoken about the potential for 28-32 teams in North America, including Canada and Mexico. Could you comment on the feasibility of this aggressive growth strategy?

With our economic model, this growth is very feasible. Recent expansion teams, such as Colorado, New Orleans, Columbus, and Philadelphia, are among the league’s most successful ever. In each of these instances, the teams had three key ingredients: strong ownership with a proven track record in operating a sports franchise, a strong arena relationship to promote the team and ticket sales, and a media icon that can help build awareness. The strong media icons were John Elway and the Denver Broncos in Colorado, Tom Benson and the NFL’s Saints in New Orleans, Ohio State legend and NFL All-Pro Chris Spielman in Columbus, and Jon Bon Jovi in Philadelphia. If any market has all three of these ingredients, we’re finding a strong chance of suc-
cess, and that’s what we look for in potential expansion markets.

There is a school of thought that believes a league is only as strong as its stars. The AFL seems to have a strategy of “star owners” such as Jon Bon Jovi and John Elway. How critical are “star players” to the AFL’s success, and what are some of the tactics the AFL is undertaking to build its star players?

Fans and consumers always look for hooks to justify their affinity through things such as history, players, coaches, results, and team interaction. Having high-profile owners has helped to immediately build the overall awareness of the league and the popularity of many of our local teams with high-profile owners. However, I also believe it is important that we continuously explore media outlets and promotion opportunities to highlight our best athletes and performers. We are doing this through award programs, such as our “Ironman Award” for the AFL’s best two-way player; highlight shows; the guest appearance of key AFL personalities like Kurt Warner, Ron Jaworski, and Joey Galloway every week during the “AFL on NBC” studio show; player features on NBC; Internet profiles; and publicity outreach. We have also just begun player-focused consumer products for the first time, including Upper Deck trading cards and Nike and Majestic Athletic replica jerseys featuring the names of players. It will take some time, but as all the pieces come together—television ratings, consumer promotions, and retail activity—I believe that it will be easier for our “star athletes” to emerge and gain broader popularity.

If you could do two things tomorrow to improve the long-term popularity of the AFL, what would these two things be?

First, one of the key things for us is continuing to get more Arena League footballs into kids’ hands and get them to look at the AFL as something they can aspire to. We had great success with our newly designed Spalding football this year, which is a pale pigskin color with a blue swirl. In addition, Pop Warner youth football has adopted our ball as its official football, which spreads our message and our brand to the grassroots level. The second thing we need to do is continue to break down the barriers and biases of the media covering our sport. Every sport has to have been invented at one time, and it is an ongoing challenge to persuade the general media and sports editors to consider us on our own merits as a credible and relevant major league sport property.

*Interview conducted by Steve McKelvey, University of Massachusetts Amherst*