What motivates people to attend sporting events?

I think it’s the fun. You know, the fun of just being there and the activity. The crowd, the cheering, the booing. I think if it wasn’t fun, people wouldn’t go.

There has been a drop in attendance. What is or are deterring fans from attending?

Well, it depends upon the sport. If you take major league baseball, the NBA, the NHL, I think it’s di-
rectly related to the price points of the tickets. And my feeling about marketing tickets has always been to increase the frequency of attendance a little bit. So if somebody goes to three games, how do you get them to go to five? I think that’s relatively easy. But with the prices escalating, it’s really becoming more like Disney World. Families go to Disney World once a year and they spend a lot of money. Because of the more expensive cost to go to sports, I think people are decreasing their frequency, which I think is a dangerous pattern.

How do sports consumers differ from consumers of traditional products?

The biggest difference is emotion. You know, when you buy a deodorant, toothpaste, a soda or almost anything, you don’t have an emotional bond to that product. It might be a habit but you don’t have the emotion. And with sports, that’s the key component, emotion. People are emotional about their team. I think that’s really the critical thing.

You’ve been in the business for a couple of decades going back to your time with the Trailblazers. Have you seen a change in regards to that emotion or—if I would use the word—loyalty of the fans to the team?

I have seen a change. The fans, because of the higher salaries of the players, expect more from players. They expect if a guy is making $20 million that he can’t make mistakes or that he has to be more sociable.

The fact that you were involved with NBA franchises and now you deal with some minor league baseball teams, are the fans different? Do they have different wants and needs? Do you have to align your marketing efforts to meet the environmental differences?

Fans go to a minor league baseball game for fun. A pennant race isn’t a do-or-die thing. And I also think, because the tickets are cheaper, more families can go. We focus on families, families, families, families, and when we get tired of thinking about families, we think of families some more. Minor league baseball is affordable. You’re allowed to do more entertainment between innings than major league baseball, so we really pick that up. And I think if you came to one of our games, at the end of the game, you’re seeing the people leaving with a smile on their face. And you think, “Well, our team won.” We may have lost 9-1. I think the winning and losing is not as critical in the minors.

Marketers often focus on the demographics of their fan base. Is it important to go beyond demographics? To try and understand other aspects in marketing?

Well, I’m not sure on the demographics. I’ve seen a lot of research, and it says our best fan is a professional male between the ages of 39 and 44. But then I don’t know what you do with it. You might identify that, but then how do you
go out and market to professional males, 39 to 44? I think it has to be a broader spectrum. I also think that sports is really, really target marketing, because the percentage of people in any one market that pays for a ticket to go to a sporting event is really less than 20% of the total market. How do you ferret out those 20%? The demographics are helpful for sponsors who want to reach those who attend your games. I’m not sure how you use the demographics to market your own product.

Earlier, you talked about some of the—maybe you could call them ‘negative associations’—in terms of high salaries, high concession prices, high ticket prices. How does a team combat those negative associations that a fan may form?

Sell it to richer people. (Laugh.) I think it’s a problem. The fans are finding their solution by attending the games less frequently. It is even becoming difficult in this country for smaller companies to purchase season tickets. We address this through offering mini-packages. A lot of people have split season tickets in the past. Mini-packages are far more affordable, we get the frequency we want, and the customer gets ownership. They are not sharing with somebody. In Dayton or Frisco, we offer 17 game packages that are perfect for a family for baseball because it’s about 3 games a month. And that’s just about perfect for a family outing.

You talked earlier that 20% of the market are sports fans. Do you feel the market may be saturated in terms of sport spectating opportunities? There are the big four, but there have also been a number of fringe sports like arena football, beach volleyball, indoor soccer, etc., in the marketplace. Does the sports consumer have the time and money to support all of the opportunities?

I think all those are niche sports, and with a niche sport, the athletes generally play for not very much money. The danger comes when you start to consider the niche sport as a major sport and you start to pay the athletes “real money.” Then the teams lose a lot of money, and their expectations are “Let’s sell 10,000 tickets,” when with a niche sport, 2,000 would be, probably, the appropriate number.

Now with that said, a sport that’s out there—you know, the MLS, professional soccer in the U.S.—any thoughts in regards to the success of it, based upon the potential fan base that’s out there?

Well, I think the difficulty about soccer in this country, it seems like every kid plays it, because it’s a great recreational sport. But soccer, coming to this country, was facing 4 major sports, with 70 plus years of history. When soccer was developed in Europe and South America, there was no competing sport. Soccer in Europe is by far the number 1 sport; there’s no sport that’s number 2, 3, or 4. Basketball might be like fifth or sixth. So I think it’s just really difficult to make soccer the 5th sport. Now as more people move into this country where it’s their major sport, it might catch a bigger toe-hold, but when you’re facing four major sports with this tremendous heritage, I just think it’s really difficult. People say, “Well every kid plays soccer,” but I don’t see any kick-the-can leagues or hide-n-seek leagues. And every kid, at least my age, used to play kick-the-can.

You talked earlier about the entertainment aspect of sport, music, between innings games, etc. Do you think it’s becoming too much entertainment and not enough sport? Is that driving away the core fan that’s there for the sport?

I think the loud music is really a mistake. Teams think that if they play the music louder that it will infuse energy into the crowd, but it never really seems to do that. My feeling is that music is a good amenity. Our test on this is, if you can’t talk to the person you came to the game with during a time out because the music is too loud, it’s too loud. You should be able to talk to the person you came to the game with, particularly in baseball.

There’s a lot of time you just want to talk. Let’s say during a time out in a basketball game, you want to talk to the person. Now you don’t mind some music, but this isn’t like going home and putting on a CD and sitting down and playing some music you really like. I think it adds some atmosphere, but it doesn’t infuse the energy.

You wrote a book with Mark Cuban, owner of the Dallas Mavericks. Would you say he’s one of the people in sport who’s got it right in terms of understanding their customers? And if so, how does he do it?

Yeah, he really gets it. Everything he does is consumer oriented. I mean, everything. He markets for free agents. They haven’t signed a free agent this year, but I mean, there are things that he does for the visiting locker room like providing plush towels and free catered food and everything. But he is one of the few owners who rolls up his sleeves and gets his fingernails dirty. He’s there on a day-to-day basis, and he really runs it. Very few owners really run their teams. They’re wealthy enough to own one, but they hire people to run it. Mark, on the other hand, is involved with every detail.

Is there anybody else out there, not so much an owner, but just a person in sport, that really gets what the customer wants and needs?

Well, I think two guys, who both just changed jobs. Steve Patterson went to become the President of the Trailblazers. Steve really gets it. And Tod Leiweke, who took a job with the Seattle Seahawks. I think those are two of the best in the industry in really getting it.

And why do they get it and maybe others don’t?

They aren’t ivory tower guys. They ask a lot of questions. They meet the fans. They’re highly accessible. If you don’t interact with the customers and just live in that ivory
tower, you just don't get a feel for your own industry. I don't think you can just get the feel by reading sales reports.

What should sport-marketing professors be teaching the students?

Well, I think the lifeblood of all sports is tickets. If you sell more tickets you get more sponsorship dollars. The NFL sells out almost all their stadiums, and that's one of the reasons they get TV dollars. Those TV dollars would not be there if they were selling 20,000 instead of 80,000 tickets. I just think in sports business courses, that there should be an emphasis on tickets. I think there's very little research on tickets. I wrote that book *How to Sell the Last Seat in the House*. But I'm really surprised that there hasn't been a really hands-on textbook on tickets. We hire young kids all the time, and we put them through boot camps on tickets, because our success is always directly related to ticket sales. You take a look at Dayton, OH, when we started that franchise, the Dayton Dragons, a single A baseball club 4 years ago, and we taught our young staff how to market tickets. In the 100-year history of minor league baseball, no team had ever sold every ticket of every game in the first season. But we've done it in Dayton, the first year, and we've done it every year since. This is our 4th year, and we've already sold out the balance of this season. And that computes to higher sponsorship sales. When we sell it out, we sell out. We sold 12,000 17-game plans. If a person goes to every 4th game, there are fewer no-shows, because they don't have to make as many games, and every game becomes an event. We consider the fan as part of the show and when a fan doesn't show, an empty seat isn't very entertaining. A sea of empty seats certainly isn't very entertaining. Also, an empty seat doesn't buy any hot dogs or sodas. We see tickets as the lifeblood.

Where do you see the sport environment being ten years from now in terms of marketing? You expressed some concerns. Has it leveled off, is it going down, is there opportunity for growth?

I think there's opportunity for growth. I'm a little bit concerned with the pressure put on the staffs because of the increase in salaries. But I think there are signs of that slowing down. I think the salaries will level for a while, and then the economy might catch up to it. Sports might get dented a little bit and some of these owners, but I think there will be a leveling off process. For a long time I wondered what the elasticity was in prices, and every time I thought I knew, there would be a new price increase for tickets. I never really imagined a decade ago that to get a semi-decent seat for an NHL or an NBA game, a customer would have to spend $150. What the market will bear price-wise has priced out a lot of people. I think the leagues—the NHL's taken a hard stance on negotiating their next collective bargaining agreement. But the NBA right now has pretty predictable expenses for players. I think there will be level pricing for tickets. I think it will stay the same for the next few years. The economy will catch up to it.

Interview conducted by SMQ
Section Editor Matthew Robinson.