Routledge Research in Sport Business and Management

INTERNATIONAL SPORT MARKETING

ISSUES AND PRACTICE

Edited by
Michel Desbordes and André Richelieu

ROUTLEDGE

International Sport Marketing

How is sport marketing being transformed by new media and technology, by globalization and by the opening of new markets and sources of revenue? This book examines the most important trends and developments in contemporary sport marketing around the world, shining new light on the importance of marketing and markets as the drivers of international sport business.

The book introduces essential concepts and best practice in international sport marketing today and presents original case studies from around the world, looking at leagues, commercial sponsors, consumer behavior, and the role of athletes and their representatives. It covers important topics from "place branding" and experiential marketing to equipment manufacture and sports arenas, as well as the economic impact and regulation of sports events, the "financiarization" and "vipization" of sport, and marketing in the sport for the development and peace sector.

International Sport Marketing is essential reading for all students, scholars and practitioners working in sport marketing, especially those concerned with the globalization of the sports industry.

Michel Desbordes is Professor in Sports Marketing at the University of Paris-Saclay, France. As a media consultant, he is regularly consulted by *BFM*, *France Télévisions*, *Europe 1*, *Le Monde* and *L'Équipe* to discuss matters of sports business. He is also the chief editor of the *International Journal of Sports Marketing and Sponsorship*.

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Routledge
Taylor & Francis Group
LONDON AND NEW YORK

First published 2019
by Routledge
2 Park Square, Milton Park, Abingdon, Oxon OX14 4RN

and by Routledge
52 Vanderbilt Avenue, New York, NY 10017

Routledge is an imprint of the Taylor & Francis Group, an informa business

British Library Cataloguing-in-Publication Data
A catalogue record for this book is available from the British Library

Library of Congress Cataloging-in-Publication Data
A catalog record has been requested for this book

ISBN: 978-0-367-15109-6 (hbk)
ISBN: 978-0-429-05508-9 (ebk)

Typeset in Goudy
by Wearset Ltd, Boldon, Tyne and Wear

Contents

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Introduction

Dear readers,

Welcome to the world of "sportainment"! In 2012, we launched the first edition of the book under the title *Global Sport Marketing*. Fast forward to 2019 and certain of the trends we had identified are more pronounced (aside from sportainment, we can definitely underline globalization and internationalization); while others are taking off or increasing in importance (e.g., e-sports). Truly, the sport industry is facing major transformations. The latter are caused by, among others, technology, as we shall detail in the book, but also money. Truly, sport means big business nowadays, which makes it so fascinating but also requires a critical, yet constructive, analysis of it.

This book looks at the different actors of the sport industry, namely teams, players, athletes, leagues, federations, events, sponsors, equipment makers, and so on. We draw a parallel between North America, Europe and the rest of the world, thanks to vivid examples and the results of recently conducted research by the authors and collaborators. As such, this second edition intends to broaden the horizons on sport marketing.

In this regard, this book is articulated around two sections. In the first, which was under the supervision of Professor André Richelieu, we begin by discussing the five major trends in the sport industry and their effect on managers as well as fans:

> We could say that "sportainment" is not only a major trend of the sport industry but also a reflection of the reconfiguration of the industry into a broader mix of activities. An industry that is now "infiltrated", increasingly more and more often, by non-traditional sport actors. […] "Sportainment" […] is influenced and nurtured by the "financiarization" and "vipization" of sport, as well as streaming, for instance. But the consumer must remain at the front and center of managers' concerns.
>
> (A. Richelieu, Chapter 1)

Chapter 2 deals with the construction and management of a sport brand:

> When building and managing a sport brand, managers face external pressures (i.e., globalization and transformation of the industry) and internal ones (i.e., coordination of sport, marketing and financial objectives). [...] The brand and brand management are a strategic leverage that can help managers create value, which is in line with the "financiarization" of sport.
>
> (A. Richelieu, Chapter 2)

Our reflection in this chapter is accompanied by the analysis of five "winning" brand strategies, alongside a note on artificial intelligence.

In Chapter 3, we take a closer look at how cities, regions and countries can capitalize on sport in order to (re-)define and promote themselves on the world stage; this is known as the strategy of place branding through sport:

> The key success ingredient for public authorities is to identify the best association between the main goal they wish to achieve and the strategic opportunities identified in the field of sport or elsewhere. This is the prime condition required for a successful destination branding strategy. A fine analysis of the territory could lead public authorities to mix sport with culture or sport with economy.
>
> (C. Hautbois, Chapter 3)

The first part of the book ends on a societal note, with Chapter 4 focusing on sport for development and peace (SDP) initiatives:

> The purpose of this chapter is to share the fundamental concepts associated with the new trend of using sport as a tool for development and peace, to present the challenges related to the operationalization of this concept and to discuss the specific issues facing this industry. [...] Some reflections on the factors that can contribute to or hinder the success of an SDP project are offered. These factors are proposed as takeaways for both SDP project managers and the marketing departments of companies considering partnering with an SDP agency.
>
> (A. Webb, Chapter 4)

In the second part of the book, edited by Professor Michel Desbordes, we start our discussions with the economic issues related to the sport spectacle and more specifically the topic of regulation:

> Economic globalization of sport operates in such a way that a number of sport contests, namely soccer contests, tend to be unbalanced. [...] Thus, new thoughts about regulation are required, or even urgently needed, in the face of a European soccer financial crisis that results from both insufficiently efficient rules and deregulation of the labor market for sporting talent. Both have been driving sport economic globalization.
>
> (W. Andreff, Chapter 5)

We continue our journey with the evolution of sport sponsorship:

> Beginning in the 1990s, the business aspect of European sport has been increasingly emphasized, leading companies to make massive investments in this sector. […] This explains the entry of large numbers of companies that might at first seem out of place in sport. […] In the 2000s, it all became more complicated: marketers found that optimizing an investment required a successful "ménage à trois," in which each party represented a brand. The team, the equipment maker and the sponsor appeared together on a jersey.
>
> (M. Desbordes, Chapter 6)

In a nod to Chapter 1, Chapter 7 discusses both experiential marketing and the merger of sport and entertainment ("sportainment") by looking at the case of the World Wrestling Entertainment (WWE) property:

> The WWE has grown from a small local business into a global brand that produces original content on several platforms operating in synergy with each other. Thus adopting the "homemade strategy" to control its product from conception to distribution, the WWE has turned into a real integrated media and entertainment company.
>
> (B. Helleu, Chapter 7)

The management of multipurpose arenas and their socioeconomic legacy is the focus of the last chapter of the book:

> The stadium has become an essential development tool in the marketing of a sport team. However, the financial viability of a sporting facility also assumes a diversification of its income, made possible by the multifunctionality of the arena. […] the ultimate model of profitability seems to be the Staples Center in Los Angeles, which benefits from an exceptional sporting situation with a unique concentration of professional teams, combined with a uniquely fertile area for nonsporting events.
>
> (M. Desbordes, Chapter 8)

All we have left is to wish you a good reading, hoping that you have as much fun browsing through this second edition as we have had writing it. As this book intends to engage the conversation, we invite you to get in touch with us in order to share your thoughts on the future of what can now be called the "sportainment" industry.

All the best,
André Richelieu and Michel Desbordes
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Chapter 1

Major trends in the sport industry

André Richelieu

Abstract

Sport starts the conversation because of the emotions it triggers. But sport also means big business. This chapter lays down the foundations of the book *International Sport Marketing* by identifying and analyzing five major trends in sport: the globalization of the industry and the internationalization of sport actors; the "financiarization" and "vipization" of sport; the triumph of "sportainment;" the transition from broadcasting to streaming; as well as the emergence and growth of e-sport. One of them, "sportainment," can be considered as both a megatrend and the actual reconfiguration of the boundaries of the sport industry. Indeed, sport and traditional actors (sport organizations and fans) find themselves interacting more and more often with nontraditional stakeholders (i.e. artists, celebrities, entertainment groups, movie theaters, software companies, video gamers, even politicians), as the latter are striving to capitalize on the leverage sport represents in order to reach out to a larger customer base. Moreover, sport managers need to find a balance between the product on the field, finances and marketing. It is at this condition that sport organizations will be able to maximize the utility of their fans, as well as their own financial performance.

Introduction—sport starts the conversation

Through the emotions it triggers, sport reaches a large public, usually very fragmented (Richelieu, 2013). Sport unites as much as it divides people. On the one hand, it can help develop a sense of belonging, pride and identification to a club, city, region or country: the recent victory of the French national football team at the 2018 FIFA World Cup is a good case in point. In this instance, sport becomes a powerful vector of socialization, as demonstrated by Holt (1995), following a study he conducted among fans of the Chicago Cubs baseball team. On the other hand, sport can lead to stigmatizing others, crystallizing tensions and fueling conflicts: this was highlighted by the football match between Red Star Belgrade and Dinamo Zagreb in 1990, whose riots preceded and, to a certain extent, accelerated the five-year civil war and the break-up of Yugoslavia. In one way or another, sport starts the conversation.

Sport is about emotions, but it is also, as we shall see later on, an industry which faces huge transformations. The latter are provoked, among others, by technology, globalization, as well as, undoubtedly, money. In this chapter, our attention shall focus on these upheavals within the sport ecosystem, their causes and consequences. In this context, the first chapter will lay the foundations of our book and will introduce, in turn, the different topics that will be addressed throughout the book.

We will begin the discussion by highlighting some figures that reflect the importance of the sport industry. Afterwards, we will discuss five major trends that are indelibly marking the world of sport, now and for years to come. A conclusion shall help us synthesize the key points and transition towards the next topic.

A sizable and growing industry

According to PricewaterhouseCoopers (PwC, 2011), the sport industry worldwide was worth US$114 billion in 2010; by the end of 2015, the value of the industry was expected to reach US$145.3 billion. According to PwC (2011), this last figure is distributed as follows:

- US$45.3 billion in sponsorship revenues (31.2 percent of the industry);
- US$44.7 billion in ticket sales (30.8 percent);
- US$35.2 billion in TV rights (24.2 percent);
- US$20.1 billion in merchandising (13.8 percent).

By region, the sport industry was forecast for 2015 at (PwC, 2011):

- US$60.8 billion in North America (41.8 percent of the global sport industry; this number should reach US$73.5 billion by 2019; Heitner, 2015);
- US$49.5 billion in Europe, the Middle-East and Africa (34.1 percent);
- US$27.6 billion in Asia Pacific (19 percent); and
- US$7.4 billion in South America (5.1 percent).

Sizable and growing, sport feeds other industries, such as tourism, which is the most important industry worldwide, with yearly revenues in excess of US$2 trillion (Ibis World, 2018). Indeed, Roche et al. (2013) underscore that travel undertaken for the purpose of sport or physical activity is the fastest growing segment of the tourism industry. In Canada, sport tourism exceeded 6.5 billion Canadian dollars in 2015 (about US$5.2 billion[1]), a growth of 13 percent over the 2014 total of 5.8 billion (US$4.64 billion) (Canadian Sport Tourism Alliance, 2017).

While the world economy is still recovering after some difficult years, sport seems to be spared the precariousness. In fact, the sport industry benefits from massive investments, driven by the organization of major international competitions, such as the Olympic Games and the World Cup of football, where bidding wars appear to have become the norm in order for the host countries to impress the world for two weeks or a month of activities. The London 2012 Summer Olympics cost more than US$30 billion; the 2014 Winter Olympics in Sochi, more than US$50 billion; those in Rio in 2016, nearly US$20 billion; and the 2018 FIFA World Cup in Russia, a record-breaking US$15 billion (*Guardian*, 2012; RT News, 2013; Settimi, 2016; VOA News, 2018). As underlined by AT Kearney (2010), between 2000 and 2009, spending growth in sport accounted for 8.2 times the increase of Russia's gross domestic product (GDP); 3.8 times that of Britain's GDP; 3.5 times of Germany's GDP; three times of Mexico's GDP; 2.1 times of India's GDP; 1.9 times of the USA's GDP; and 1.6 times of China's GDP.

The globalization and internationalization of sport actors (or stakeholders)

Not long ago, when cable, cellphones and satellite TV were not as widespread as today, or even nonexistent, sport had, with very few exceptions, a local reach. A sport match was comparable with the village circus or carnival. Nowadays, in an industry that is opening up to the world, thanks in part to technology, sport brands are conquering foreign markets. This is of course true for brands of organizations and players originating from so-called industrialized countries (Juventus (Turin), the National Basketball Association [NBA], Paris Saint-Germain, Roger Federer, Cristiano Ronaldo, New York Yankees, and so on); but also, more and more, for brands from emerging nations or powers whose role is shifting from spectators to actors (Richelieu, 2016).

On the one hand, it is true that some brands from industrialized countries are more dynamic than others in their quest for internationalization: the National Basketball Association (NBA) and the English Premier League are good examples. With tours featuring the best clubs and players in targeted countries, youth academies in foreign markets and new infrastructures built for local communities, these sport properties are getting closer to their fans. This helps crystallize the fans' sense of belonging and allegiance, which translates into more television and Internet games being watched, as well as more licensed merchandise being purchased by international fans. And what better way to consolidate fan identification internationally than to recruit a player from a promising market? As such, the NBA has been able to integrate Argentine players, as well as Brazilian, Chinese, Croatian, Spanish, French, Greek, Russian and Serbian ones. It is no coincidence that the NBA is slowly but surely establishing itself as a world-renowned league, while is helping to make basketball an international sport[2] (Richelieu, 2013, 2014).

On the other hand, the globalization of sport opens the door to both emerging nations and powers for the organization of international sporting events, such as the FIFA World Cup (South Africa in 2010, Brazil in 2014, Russia in 2018, Qatar in 2022), Olympic Games (Russia 2014, China in 2022), Formula 1 races (in Azerbaijan, Bahrain, China, Malaysia, Singapore), and so on. This offers these countries an opportunity to (re-)define, position and promote themselves on the international scene through sport, as part of a place branding strategy (Leopkey and Parent, 2015; Nauright, 2013; Taks et al., 2016), which will be discussed in detail in Chapter 3.

But the international rise of emerging nations also materializes in the investments made by the new fortunes of jurisdictions such as China, Hong Kong, Qatar, Russia and the United Arab Emirates in Western sport clubs: these investments are done to meet the financial needs of Western teams; but the history of the phenomenon in Europe also shows that the acquisition of a sport club by those who are called the new rich from emerging countries is a path to the legitimization of these new fortunes and their acceptance by high society. It is a kind of royal symbol that denotes a dearly earned social status and whose circle is limited by the number of professional sports teams, especially the prestigious ones (Richelieu, 2014).

In their roles as either organizers or investors, emerging nations or powers are becoming influential stakeholders that are redefining the boundaries of the sport business ecosystem. China is a good case in point; the National Hockey League (NHL) is contemplating its next move in the "Middle Kingdom" (see Box 1.1).

Box 1.1 The National Hockey League (NHL) aims at conquering China

Until now, the NHL has been very hesitant and awkward in expanding worldwide; yet, going international is a key vector for the long-term growth of the league (or any sport league, for that matter).

What might help the NHL in the Chinese market is its brand reputation: the NHL can be considered the best hockey league in the world, which provides the NHL with much-needed credibility as it tries to enter a totally new and nontraditional hockey market with, among others, broadcasting and streaming deals, grassroots initiatives such as hockey academies and training camps for kids.

However, establishing the NHL brand in China will be a slow and difficult process. Doing business in China requires building a strong bond of trust between two parties over a long period of time ("guanxi"). And at this point, the NHL and its managers have to show they can be trusted and that their interest in the Chinese market transcends the Beijing 2022 Winter Olympics. For example, the Chinese authorities wish to increase the number of new winter sport practitioners by 300 million people in the coming years (Ma, 2018). As such, China is looking for partners who are truly willing to accompany the country in achieving its long-term goals, including the development of some specific sports: hockey is one of them, but football (soccer) is another priority, with the aim to organize the FIFA

World Cup by 2050 and to win, or at the very least become a legitimate contender for, the World Cup by then. In this regard, Russia, with the Kontinental Hockey League (KHL) in the case of hockey, has a head start for political, historic and geographic reasons. This is not to say that the NHL will not succeed in China, but the challenges ahead are plentiful and the league will have to demonstrate an unambiguous commitment to China over the long haul. This will require substantial resources for an uncertain result—which is sometimes contrary to the short-term-minded approach of American business endeavors. There is a significant cultural difference that has to be taken into account here.

Another point worth emphasizing is that China, though sometimes considered to be flying under the radar, is slowly but surely establishing itself as the next world superpower (before 2030, according to the economic projections; *Fortune*, 2017), by skillfully combining three "ingredients": (1) commerce/business, (2) international diplomacy, and (3) sport. The 'Belt and Road' initiative, dubbed the new Silk Road,[3] is a case in point, as was the last FIFA World Cup in Russia, where four out of the 12 major sponsors were Chinese: Wanda (entertainment, movie theaters), Vivo (technology), Hisense (electronics) and Mengniu (dairy milk products). Moreover, Huawei could also be added to this list, as it brilliantly tested its 5G technology alongside the Russian telecom operator MegaFon. It is part of what we call a place branding strategy (see Chapter 3 and Richelieu, 2018a), where sport occupies a major role in helping China reach both international (becoming the Middle Kingdom, the next world superpower) and domestic goals (for instance, inciting the population to practice sports; besides, China wants to completely eradicate poverty in the country in the next few years).

To cut a long story short, as attractive as the Chinese economic and sport markets have become (comparable, to a certain extent, with the US show business market for aspiring artists), it will take many years for any sport property, including the NHL, to reap the rewards of its investments, should that league be willing to seriously commit to China in the first place. But without the NHL players going to the Beijing Winter Olympics in 2022, the league might very well lose any chance to develop the Chinese market. This will leave the door wide open to Russia's KHL. In addition, the decision to not send the best players to Beijing 2022 might be seen as an insult of international magnitude—and making people lose face in Asia, especially in China, is one of the worst things to do.

The "financiarization" and "vipization" of sport

Talking about investments, or simply money in sport, leads us to introduce two concepts that are closely related to two major trends in the industry: the "financiarization" and "vipization" of sport (Richelieu, 2016).

"Financiarization" translates into the desire of an organization or a sport actor to maximize the revenues and profits (financial performance), sometimes to the detriment of fans' utility (i.e., the benefits the customer will get from the product, service or brand, in this instance, by offering a competitive product on the field that can aspire to win or, at the very least, provide hope to its supporters and satisfy your customers[4]) (Leach and Szymanski, 2015). Raising the prices of tickets, food and souvenirs at the concession stands can be tolerated by fans. However, getting rid of the best players to cut salary expenses in order to increase profits, by offering a product of poorer quality to the fans, is a "financiarization" approach that eventually alienates the supporters and breaks the emotional bond with them. In fact, this approach is largely responsible for the relocation of the Montreal Expos baseball team to Washington, D.C., in 2004, and the relegation of Aston Villa Football Club to the second division of English football in 2016, where the club is still languishing. But what about the Ottawa Senators, who, in the spring of 2017, were one goal away from reaching the NHL Stanley Cup Final and now face a very uncertain future? Even the *Guardian* newspaper, based in England, where ice hockey is far from being a mainstream sport, dedicated a full article to what Horgan (2018) dubbed "pro sport's biggest mess" (see Box 1.2).

Box 1.2 When the "financiarization" of sport can lead to the self-destruction of a franchise: the case of the Ottawa Senators

This "financiarization" approach might spell the demise of the NHL's Ottawa Senators, following the trade of their captain and fan favorite, Erik Karlsson, in September 2018, as part of a so-called "rebuilding process"[5] of the franchise. Suffice to say that this transaction, which was preceded by the trades of veteran leadership (Phaneuf, Thompson) and skillful players (Brassard, Hoffman, Turris) for juniors and minor leaguers, not to mention other trades that have not gone through yet (Duchene, Dzingel, Stone)[6] in order to trim salaries, did not sit well with the Ottawa citizens. In fact, it crystallized the anger of Senators' supporters towards the actual ownership and top management, first and foremost owner Eugene Melnyck (notwithstanding his accomplice, General Manager Pierre Dorion), who seems to believe that a good marketing tactic resides in insulting and threatening Ottawa hockey fans, live on national television (CBC News, 2017a)—to the point that both Ottawa's mayor and former Senators' captain, Daniel Alfredsson, were caught publicly wishing for a new owner to take over who would truly be committed to anchoring the team in the community (CBC News, 2018). Until this happens, fans have taken matters into their own hands in what can be referred to as an example of "consumer power" in action (*The Economist*, 2005), by renting billboards across the city of Ottawa asking unequivocally for the departure of the owner with the slogan "Melnyk Out!"

As the 2018–2019 NHL season was under way, Ottawa Senators' faithfuls found themselves reliving, at their own expense, the 1980s movie *Major League*, in which a malicious owner was replacing good players for mediocre ones in order to make the team lose games and fans, and subsequently relocate the franchise to another market. Senators' fans might wish for a happy ending similar to the one in the movie, where players rallied against the owner and found a way, against all odds, to qualify for the playoffs. Ironically, though highly improbable because of the lack of proven talent and experience on their roster,[7] that might just be a way to thumb their nose at management and keep the Ottawa Senators in Canada's national capital.

But Canada's national capital hockey team is not alone in the running for the "how to destroy a sport franchise" award category. Breaking the emotional bond with their fans is a definite risk the new owners of the Florida Marlins baseball team are exposing themselves to, though, sadly, they seem aloof to it. After acquiring, in the fall of 2017, the South Florida franchise at a cost of US$1.2 billion, the investors traded away the best players, despite the fact the latter were emotional anchors in the community, in order to repay the loans contracted for the purchase of the club (Jackson, 2017). This is another side of the "financiarization" of sport: buying teams as if business people were investing in real estate and then reselling the asset with a profit, in the same city or by relocating the franchise, without much concern about the product on the field or the emotional connection with your supporters. In line with this discussion, the "financiarization" of sport is reflected in the *Forbes*' ranking of teams displaying the greatest financial value (Table 1.1).

At the players' level, this "financiarization" is reflected in soaring salaries, as underlined by Gaines (2016; Table 1.2). In the NHL, the average salary was US$1.17 million in 1997–1998; it was US$2,916,316 in 2016 (Richelieu, 2018b). Thus, in less than 20 years, the average salary in the NHL had increased by over 149 percent, despite the introduction of a salary cap in 2005, which was supposed to help teams keep control of their wage expenses. And what about the arrival of Neymar at Paris Saint-Germain, in 2017, with a transfer fee of €222 million, with €30 million net per season paid to the player over five years (Louis, 2017)—enough to boost the average salary in Ligue 1 in the coming years! Apart from these figures, the SPL (Scotland) and the Canadian Football League (CFL), with their respective yearly average salary of US$193,907 and US$86,726, appear as blue-collar leagues in the world of professional sport (Table 1.2). But this is perhaps where we can still find a little bit of the sport spirit that sport business threatens to destroy, and, if we are not careful, alienate fans along the way … (Norval, 2018).

Table 1.1 Forbes' ranking of the ten most valuable sport teams' brands in 2018

Sport team	*Value in US$*
1 Dallas Cowboys (NFL)	4.8 billion
2 Manchester United (Premier League)	4.123 billion
3 Real Madrid (La Liga)	4.088 billion
4 FC Barcelona (La Liga)	4.064 billion
5 New York Yankees (MLB)	4 billion
6 New England Patriots (NFL)	3.7 billion
7 New York Knicks (NBA)	3.6 billion
8 New York Giants (NFL)	3.3 billion
9 Washington Redskins (NFL)	3.1 billion
9 Golden State Warriors (NBA)	3.1 billion

Source: *Forbes* (2018).

Table 1.2 Average players' salary in the top 17 sport leagues worldwide in 2016

	League	*Average salary in US$*
1	NBA (North America, basketball)	6,390,211
2	MLB (North America, baseball)	4,387,378
3	IPL (India, cricket)	3,879,339
4	EPL (Great Britain, football)	3,218,523
5	NHL (North America, hockey)	2,916,316
6	NFL (USA, American football)	2,439,574
7	La Liga (Spain, football)	1,635,869
8	Serie A (Italy, football)	1,459,436
9	Bundesliga (Germany, football)	1,372,610
10	Ligue 1 (France, football)	961,638
11	NPB (Japan, baseball)	800,530
12	CSL (China, football)	775,358
13	MLS (North America, football)	313,438
14	AFL (Australia, Australian football)	221,543
15	J-League (Japan, football)	211,880
16	SPL (Scotland, football)	193,907
17	CFL (Canada, Canadian football)	86,726

Sources: Gaines (2016); Sporting Intelligence (2016).

As per the "vipization" of sport, this occurs when an organization favors corporate fans (lounges, premium seats), even celebrities who are associated with it (see the case of Paris Saint-Germain, below). The organization sells tickets and subscriptions in priority to businesses, often at high prices, rather than to sport fans who are thus gradually economically excluded from the stadium, and redirected towards television and Internet platforms (i.e., streaming, which we shall discuss later on). For instance, the NHL's Montreal Canadiens sell 75 percent of their season tickets to corporations; it is estimated that the Toronto Maple Leafs exceed in this category at 90 percent (Richelieu, 2014).

In this vein, since being acquired by Qatari investors, Paris Saint-Germain (PSG) is a case in point of the "vipization" of sport, which not only translates into rising and prohibitive prices, but also the customer profile that is now associated with the club—industry executives, actors, singers, politicians and other celebrities. It is all the Parisian "gratin" that now meets at the Parc des Princes. This phenomenon is very much marked in some American cities, such as New York and Los Angeles. First, in the 1970s, the North American Soccer League's (NASL) New York Cosmos capitalized on star players (Carlos Alberto, Pelé, Beckenbauer, Chinaglia, and so on) in order to promote soccer in the USA by, among others, gravitating around celebrities and the rich and famous, as well as the places where the latter were hanging out, such as the legendary Studio 54 discotheque in Manhattan. Second, when Wayne Gretzky was traded to the NHL's Los Angeles Kings in 1988, the arena was suddenly "invaded" by Hollywood actors who had found an additional promotional showcase in the hockey games they were attending.

If this form of "vipization" can add to the aura and prestige of a team, it can also be seen by sport fans as a form of gentrification and lack of authenticity of both the organization and its brand. This double-edged sword can lead to a backlash, such as the one endured by the NFL's New England Patriots and actor Marc Wahlberg, the latter having left the 2017 Super Bowl before the end of the game, because of the sickness of his youngest child. But as the Patriots were losing (badly), this was interpreted as a severe lack of allegiance on the part of the actor towards his supposedly beloved club (Shanahan, 2017).

Money is definitely an integral part of sport, and it is by no means our intention to neglect or discard the objectives of financial performance an organization should pursue. The challenge facing sport managers in the future is to find a balance between the product on the field, finances and marketing (Figure 1.1). It is this balance that shall enable sport organizations to maximize the utility of their fans, as well as their financial performance, while nurturing the emotional bond between the fans and the team—the latter being essential to the long-term sustainability of any sport club. This is a prerequisite that is too often overlooked, to the point that some sport teams' or franchises' managers prefer to master local customs in order to shrewdly communicate with their customers, and thus buy some time, instead of sincerely investing in the product—a situation that makes some observers compare sport organizations with political parties, including the Toronto Blue Jays baseball team since new ownership took over in 2015 (Kelly, 2018).

The triumph of "sportainment"

"We are living in the era of spectacle," claims Gabriel (2012: 243). One could even say that the world has become a society of spectacle, where the representation of reality has replaced reality (Debord, 2002). In fact, what is now the case

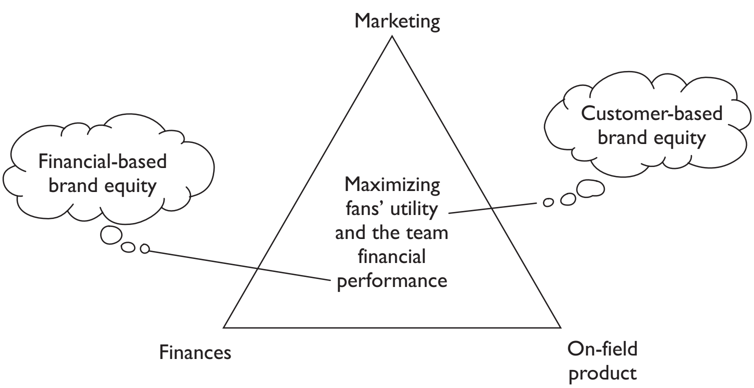

Figure 1.1 Balancing marketing, finances and the on-field product.

Source: Adapted from Richelieu (2018b: 13).

for the world in general is also true for sport in particular, all the more so since, as discussed in the previous section, sport organizations are managed as enterprises that espouse “financiarization” and “vipization” as a way to improve their bottom line.

Indeed, we are transitioning from sport to “sportainment” (MacGregor, 2018; Richelieu, 2018a), which is the term that designates the merger of sport and entertainment, where the marketing of a unique set of experiences and emotions becomes the catalyst that helps sell a sporting event (Richelieu, 2016). With sometimes “bizarre” cases, such as the wedding held at center ice during a game of the now defunct NHL’s Atlanta Thrashers, in December 2010, with the Ice Girls as witnesses. Or the Legends Football League (LFL), the women’s version of American football in underwear, whose explosive expansion in the United States now spreads to both Canada and Australia by relying on a combination of voyeurism, a dose of adrenaline and a bit of sport (Stinson, 2017).

Hence, we are witnessing a transformation of the sport product and how it is managed: the content is wrapped in an entertainment package for broadcasting across multiple communication platforms, which is also accelerated by the explosion of streaming, a topic we shall discuss in the next section. This being said, the phenomenon in itself is not new. In fact, the Harlem Globetrotters raised “sportainment” to mainstream entertainment more than 90 years ago (1926), even before the term was coined. The Harlem Globetrotters have built their unique selling proposition (USP) around a basketball show where technical skills, often spectacular, antics and interactions with the audience are harmoniously combined. What has changed, though, is the magnitude and reach of the “sportainment” phenomenon and how it is contributing to transform the sport industry.

Moreover, “sportainment” is not always synonymous with entertainment for the sake of entertainment. From a strategic perspective, it is necessary for managers, on the one hand, to try to keep a balance between what is called the “core” of the sport product (i.e., the sport performance, the match), and the “auxiliary features” that relate to entertainment; on the other hand, managers need to integrate entertainment more harmoniously into the sport product in order to avoid completely distorting the latter. Entertainment in a sport arena is not an end in itself but rather a tool to embellish, support, promote or even enhance the sporting event, without replacing it. In this vein, the halftime shows that involve violinist André Rieu in European football stadiums are examples of a “sportainment” that fits neatly, even organically, into the script of the sporting event: spectators are entertained while getting involved, as football fans, in the co-creation of both the concert and choreography unfolding before their eyes. In Table 1.3 we offer a typology of certain actions that combine sport and “sportainment” at different levels.

Likewise, “sportainment” becomes potentially valuable in enlarging the customer base of a sport organization. This is the case of Major League Baseball (MLB), where the average age of a fan is 57 years old:

Table 1.3 Combining sport and "sportainment" to different degrees

	"Sportainment" – *(marginal role of entertainment & auxiliary features)*	*"Sportainment" +* *(important role given to entertainment & auxiliary features)*
Sport + (high level or intensity of sport)	• Sport with a focus on the match ("core"), with a little bit or no entertainment at all during the game. • For instance, until recently, some football (soccer) teams refused to show the replay of a goal on the giant screen in order to incite the spectators to focus on the game being played on the pitch.	• Rituals and anthems from supporters, before and during the games (see FC Köln[1] fans, in Germany, and those from Dinamo Riga,[2] in Latvia). • Some events, such as the "Battle of the Sexes" between Billie Jean King and Bobbie Riggs, which took place in 1973. • Harlem Globetrotters games. • André Rieu's concert at halftime of a football match,[3] during which sport fans take part in the choreography being displayed. • Hockey games played outdoors in winter, such as the match between the USA and Canada at the Junior World Championship in Buffalo, New York, in December 2017; as well as the NHL Winter Classic, in January 2018. • Interactive contests for fans that take place on mobile phones or tablets during the game and in relation with the match, at the stadium.

continued