

Marketing and Fundraising Practices Involved in the Sport Clubs

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Abstract

The aim of this study to identify the marketing and fundraising practices involved in the sport. The data were gathered from a researcher-made questionnaire and interviews. Results showed that coaches believed the best sources of income creation for sports clubs include ticket sales and broadcasting license, private sector participation as clubs sponsors, athletic goods sales to fans and athletes and establishment of sporting schools and, finally, private clubs.

Keywords: Sport Clubs, Private Sector, Sponsor

Introduction

Sporting clubs success is dependent on several factors. Today, knowledge of the duties of the sport director is important in every organization. Hence, neglecting each of the tasks of setting goals, planning, manpower, organization, leadership and supervision will surely undermine organizational developments. Consequently, each sport club essential task is considering appropriate financial resources. This study tries to find answers to the following question:

What are the marketing and fundraising practices involved in the sport?

Methodology

Having reviewed the literature regarding methods of success with marketing and fundraising, we administered a researcher-made questionnaire along interviews with reasonable reliability and validity.

Statistical population was 50 coaches of whom 44 people were selected randomly as the sample size based on the Morgan table.

Results and Conclusions

The results obtained showed that based on the general rules of federations, confederations, associations and sport organizations, income raising in the sports club must be pursued within the sports and cultural issues. The methods shouldn't violate the laws of countries and regions as well as cultural and sporting codes.

Sponsors

One of the most common ways to earn money and covering club costs is to attract business support and financial sponsors. Sport clubs attract sponsors and provide them with their promotional opportunities to cover their costs.

A sports club can absorb number of sponsors. But usually, they have a primary sponsor and some secondary supporters. For example, the football center of Munich, Germany has a main sponsor (the German telecommunications company Deutsche Telekom), and two secondary sponsors - so-called protective equipment (ADIDAS Company) and 17 other sponsors including Allianz, Udi, Coca Cola, Lufthansa, Siemens, etc companies.

Usually sponsors cover the clubs costs and provide their sports equipment. Of Course, trading techniques between the clubs and sponsors can be very different in different countries. Some sponsors, for example, agree to construct a stadium and some offer up to a specified amount of financial help to the club. Some other sports provide recreational facilities to the club based on unanimous deal.

Fortunately in Iran in recent years, professional leagues and the National tournaments have paid more serious attention to this issue. Today the majority of sports clubs in the cities have strong financial supporters. Companies, businesses and major industries have also come to understand that investment in sports can help both promote exercise and health, and business opportunities arising from their use.

Ticket sales and media licensing

Another source of income for sports clubs is ticket sales and broadcasting right. This method is more classical methods than other methods that may not be much profitable.

Usually, the incomes are divided from ticket sales between teams and financial supporters.

Another way to make money is selling the broadcast license directly or indirectly to television. Since other important games such as football games and leagues in the advanced countries are not broadcast for free on television, television has to pay them.

Perhaps one of the most important revenue in Iranian sport clubs is through ticket sales. Also matches broadcast on TV and radio is under IRIB monopoly and it does not seem to pay this amount to the clubs.

Selling products to fans and athletes

This method, today, has become one of the best methods. For example, selling shirts and sports equipment to fans of sports clubs is associated with the mark and logo of the respective clubs.

The product is priced depending on the product manufacturer type. For example, a Bayern shirt that is used in the current season by the team costs, for example, about seventy dollars. This is for two reasons: It is Adidas shirt and other is club's fans help club by buying it. This subject in Iran hasn't been taken very seriously. Perhaps one reason is lack of rules upon sports equipment manufacturers. For example, Iran's popular team Persepolis and Esteghlal players' shirts manufactured and supplied by a few clothing manufacturers to the fans with no good qualities.

Setting up sporting schools and institutes

The desire of families to enroll their children in the sporting classes will be greater if they are actively involved and committed to train champions and professionals.

Sports Marketing today is faced with difficult challenges, since the competition between different sectors to attract investment and funding has become of special sensitivity and created a competitive environment. Hence, Federations and the sports boards can be successful in this environment when they attract investment and take innovation, creativity and use of technology into consideration.

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