

MEASURING THE EFFECTIVENESS OF NBA MARKETING TECHNIQUES: A  
COMPARISON BETWEEN SMALL AND LARGE MARKET TEAMS

by

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Small and Large Market Teams

A Thesis submitted in partial fulfillment of the requirements for the degree of Master of  
Science at George Mason University

by

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## LIST OF ABBREVIATIONS

National Basketball Association.....	NBA
Marketing Technique Questionnaire.....	MTQ
National Collegiate Athletic Association.....	NCAA



## **ABSTRACT**

### **MEASURING THE EFFECTIVENESS OF NBA MARKETING TECHNIQUES: A COMPARISON BETWEEN SMALL AND LARGE MARKET TEAMS**

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George Mason University, 2019

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This thesis focused on comparing the differences of NBA marketing directors' perceived values of marketing techniques. NBA teams are constantly looking for the best way to market their team to the fans in the area. In the process of researching and writing this thesis, the author conducted a survey finding the perceived values of a list of marketing techniques by NBA marketing directors. The survey consisted of 20 NBA marketing techniques that the marketing directors rated on a scale 1-5 in relation to their effectiveness. All 30 marketing directors received the questionnaire and all 30 directors completed the survey. This survey is similar to the Dick and Sack (2003) study in which they also surveyed the 29 marketing directors in the NBA at the time. This thesis focused on finding similarities and differences of the marketing directors' perceived values while centering on the difference in market size.

## **CHAPTER ONE**

### **Introduction**

According to Dick and Turner (2007), “NBA teams use a variety of marketing techniques to try to increase game attendance.” (p. 140) Past studies have been done on comparisons of marketing techniques between different seasons, and the comparison of value between fans and marketing directors. Thus, this study is focused on comparing the difference in the value of marketing strategies between “small” market and “large” market teams in the NBA. This study gave us a better understanding of the difference in marketing techniques for “small” market teams with a comparison to the “large” market teams.

### **Background**

Sport is a highly developed business and must adopt cutting-edge business philosophies to be successful (Ferrand & McCarthy, 2009), including in the way it markets its product. Marketers have to constantly think of new ideas and make changes to how they target their crowds, because everyone consumes sport in a different way and for a different reason. The emotional investment from some fans can create a positive avenue in linking the fans with the sport team. Since all individuals have their own personal preference for their sports teams and how they consume it, marketing can have a very intense effect on the fans.

Sports teams and games can be promoted through different techniques and methods. The types used in this study:

**Table 1 20 Marketing Techniques Used In Study**

Promotional Giveaways	Outdoor Advertising
Promoting Star Players	Grass Roots Marketing
Group Sales	Face to Face Meetings with Businesses
Social Media	Pre- and Post-game events
Mini Packs	Employee Incentive Nights
Radio Advertising	Boosters/Special Memberships
Television	Telemarketing
Email Offers	Podcast Marketing
Direct Mail	Interactive Sales Center Experience
Referrals	Virtual Reality

Promotional giveaway examples would include a wide range of items such as bobble heads, t shirts, or other team specialized items. These can also be used for just season ticket holders only, or for a single game basis. One of the best examples of promoting a star player would be when LeBron James went to the Miami Heat and the resulting explosion of ticket sales and attendance, but it can also be looked at when other teams promote opposing team star players coming to town for an upcoming game. Group

sales would be youth groups, friend groups, or any other group buying bulk number of tickets at a discounted rate. Social media is the new development in the last ten years that has allowed marketers to get very creative with how they market their teams. Mini Packs would consist of multi-game plans that ticket buyers can purchase to receive discounts for coming to more than one game. Radio advertising and television advertising would be placing an ad on a local radio station or TV station promoting an upcoming game/tickets. Email offers would be when the team's marketing/sales department sends out an email blast to their system with a promotion for their tickets. Direct mail might seem a little outdated but some teams may still use mail to send promotional material out. Referrals is an important group in the sales in marketing industry, the current clients recommend friends or family that might be interested in ticket packages. Outdoor advertising would be billboards or other signs around the local area promoting the team. Grassroots marketing is when you target a specific group of people with a promotion in hopes that it grows within that specific group. Face to face meetings with businesses involves an employee of the team meeting with a business owner to get them to buy season tickets or suites, in which some businesses use them for rewards or to entertain their clients. Also related to that technique are employee incentive nights, where the owner of the company rewards the company by bringing them all out to the game. Membership clubs/boosters would consist of membership rewards programs that reward you for coming out to more games. Telemarketing are the inside salesmen and women of the sales team calling prospective buyers to get them to come out to more games. Podcast marketing is the new age of radio marketing in which you can pay for podcasters to read off ads or promote

your team. Virtual reality is a new promotion that teams have begun using in their stadiums and arenas to attract new crowds to their venues. Interactive sales center experience is one of the newest marketing techniques in which you go to a sales center and they have the virtual arena that shows you different seats and other perks of becoming a season ticket holder for the team. These are 20 of the variety of techniques that are available to marketers in the NBA.

## **CHAPTER TWO**

### **Literature Review**

#### **Mawson and Coan (1994) NBA Marketing Technique Study**

Since the NBA began, there have been a variety of marketing techniques used throughout the league. Mawson and Coan (1994) created a study that compared the effectiveness of marketing techniques in the NBA that are used to promote attendance at home games. Mawson and Coan state that the marketing strategy is the overall plan that determines what marketing technique will be used to promote the product. The purpose of the study is to determine the priority of marketing techniques. Mawson and Coan compared the 11 marketing directors from NBA franchises with the highest seasonal attendance and compared them with the directors of the 11 franchises with the lowest seasonal attendance. They used a Marketing Technique Questionnaire (MTQ) developed by Hambleton in 1987 to investigate marketing techniques by NCAA institutions was used to analyze the marketing techniques of the NBA franchises. The MTQ contained 22 statements related to marketing techniques relevant to sport organizations. It was completed by 22 of 25 NBA marketing directors. They did not include Minnesota and Orlando because they were relatively new franchises. The average attendance per game

was calculated and used as the calculated proportion of the home arena capacity to determine an estimated average percent capacity attendance for each team. Mawson and Coan ranked the techniques by the means of the MTQ statements from the 5-point Likert scale. Five indicated strongly agreed, and one indicated strong disagreement. An interesting finding from the study was that one of the high-attendance group designated “game entertainment” as a marketing technique. Others mentioned telemarketing and personal selling as marketing techniques that were not listed on the MTQ. Magazine advertising was the lowest rated technique and the only one that the directors rated as an average of less than a 3. This study setup the groundwork for the studies in the future on marketing techniques in the NBA.

#### **Dick and Sack (2003) Study Comparison with Mawson Coan Survey**

Building off Mawson and Coan’s 1994 study, Dick and Sack (2003) used Mawson and Coan’s results as a comparison for their study. The study was done to learn the different marketing strategies throughout the NBA. This study was done because there was an increased pressure on ticket salespeople in the NBA and the research was sought what strategies Marketing Directors feel are most successful: “Rising costs such as escalating player salaries have forced sport managers to seek out new revenue streams, and to squeeze more profit out of traditional one” (Dick & Sack, 2003, p. 88) The sport managers in the NBA needed to find new innovative ideas like promotional giveaways, group discounts, and free concerts. This article talks about an important study done by Mawson and Coan (1994). Mawson and Coan’s approach was to rank the effectiveness of

a variety of promotional strategies by mailing out a survey to marketing directors in the NBA to determine effectiveness.

The method used in the above research involved two different mailings sent to the 29 NBA marketing directors in 1997-1998 to determine which marketing techniques were being used; “In the first mailing, the marketing directors were asked to determine the 21 marketing techniques derived from the Mawson and Coan study, and to add any techniques that were used by their franchise but were not included on the list” (Dick & Sack, 2003, p. 90). The list of techniques ranges from special events, priority seating/parking and television advertising to pricing strategy and more. The feedback from the first survey expanded the amount of marketing techniques from 21 to 54. The second mailing was sent out to the same marketing directors and asked them to rate each technique on a five-point Likert scale in terms of how they agree or disagree with the technique’s impact on game attendance. This study had a response rate of 100% on both mailings. They compared their data found between the different marketing directors and also the data on the 21 items in the Mawson and Coan (1994) study with their study. Dick and Sack (2003) also had five experts expand on the different techniques and interpret some of the trends revealed in the data. This study found that between the two time periods there were notable changes, including increases in perceived effectiveness of television and radio advertising, and promotion of star players. The strategies that declined during the two time periods were strategic planning and direct mailing. This method will be similar to the method employed in this study, which compares the ratings



of marketing strategies by marketing directors in the NBA of small market and large market teams.

### **Dick and Turner (2007) Comparison between Directors and Fans**

Elaborating on Dick and Sack's (2003) study, Ronald Dick worked with Brian Turner in 2007 to use the data from the Dick and Sack study and focus on another comparison. The result was a comparison focused on fans perception of the value of marketing techniques compared to the NBA marketing directors' perception. This was the first study comparing the two perceptions. This study came at a time when marketing directors realized they were using similar techniques that had been used for the past 30 years and they wanted to get an idea of how different the ticket holders' perception of the techniques were.

The method used in this study was similar to the previously mentioned study of Dick and Sack (2003); in this case, an expert panel of five individuals involved in sports sales and marketing examined the 54 marketing techniques used in the Dick and Sack (2003) study; "All five members of the panel agreed that there was some confusion and duplication of the 54 marketing techniques. As a result, the panel fine-tuned the list down to 20." (Dick & Turner, 2007, p. 141). The method also provided the demographic profile of the ticket holders including: Gender, age, ethnicity, household income, and education level. The 20 techniques were sent to the NBA marketing directors and were asked to rate each technique on a five-point Likert scale in order of effectiveness, with five being very effective in terms of increasing home game attendance. They had a 100 percent response rate from all NBA marketing directors. They selected the attendees at

two separate home games of an NBA team that was in a larger market and had been near the top of NBA attendance in the past several seasons. Research assistants randomly handed out questionnaires to every 25<sup>th</sup> person entering the door at five different entrances. Two hundred usable questionnaires out of 250 were returned.

Once they collected the data from the two parties, the Dick and Turner (2007) then completed a multivariate analysis of variance to analyze the two sets of data. One of the interesting finds from the study was the technique that showed the greatest difference between the directors and ticket holders was telemarketing and up-selling. The directors rated “telemarketing and up-selling” the 7<sup>th</sup> most effective technique, compared to the ticket holders rating it the least effective technique. Dick and Turner state that the findings suggest NBA marketing directors should re-evaluate the techniques they currently use to increase attendance.

This also informed the current study’s method by narrowing down the amount of marketing techniques from 54 to the 20 employed herein.

**Table 2 Dick and Turner’s Techniques**

<b>List of Marketing Strategies Used in Dick and Turner’s Study</b>
<b>Booster and special membership clubs</b>
<b>Civic groups</b>
<b>Direct mail</b>
<b>E-mail offers via the internet and website</b>
<b>Employee incentives with theme nights</b>
<b>Face to face meeting with business sponsorships and corporate ticket programs</b>
<b>Grassroot marketing with community service projects</b>

<b>Group sales with discounted pricing strategies</b>
<b>Implement good public relations</b>
<b>In-arena messages and public address announcements</b>
<b>Mini-packs</b>
<b>Newspaper advertising</b>
<b>Outdoor advertising</b>
<b>Preliminary and post-game special events</b>
<b>Promoting star players on all NBA teams</b>
<b>Promotional premium or giveaway items at the door</b>
<b>Radio advertising</b>
<b>Referrals and word of mouth</b>
<b>Selecting a target market with a strategic and marketing research plan</b>

### **Tariq Ahmad (2012) Social Media Marketing in NBA**

One thing that has been missing from previous research is the inclusion of social media as a marketing strategy. Tariq Ahmad (2012) discusses the use of social media by NBA teams by interviewing seven media directors of NBA teams, with questions relating to motives, implementation, management, and evaluation of social media strategies

Motives of social media focus on: team to fan communication, fan to team communication, and fan to fan communication. Implementation focuses on staff members (immediate and higher-level organization members), timeframe (2006-2009), different types of approaches (team-centric, fan-centric, combining physical and virtual spaces), and use of guidelines. The management section was focused on the number of staff, how often strategizing occurred, how often changes were made to the strategy, and if the director was the final decision maker. Evaluation strategies include how evaluation was conducted, how often social media strategies were evaluated, and if paperwork and documentation were used to evaluate social media strategies.” (Ahmad, 2012, p. iii).

Ahmad (2012) picked his seven social media directors based on television market size that included two large television market teams, two medium television market teams, and three small television market teams. Ahmad provided the list of the market size of teams in his appendix. This strategy of looking into the marketing size is what helped me develop my focus in my study.

### **Synthesis of Literature**

This review has shown how past studies went about collecting data on perceived value of marketing techniques from NBA marketing directors. Mawson and Coan (1994) started the research idea of determining which marketing techniques are most effective. Mawson and Coan also created the MTQ; this has been molded into what was used in this current study and past studies as well. Mawson and Coan also used this MTQ to divide the 22 NBA teams at the time into two groups of 11; one group as high attendance and one group as low attendance. This is a similar strategy to this current study, in which my study is grouping the teams by market size. They used their studies to see how these marketing techniques positively affected attendance. The Dick and Sack (2003) study laid the foundation for how to survey the techniques and provided a list of 54 techniques to use after the study. The Dick and Turner (2007) study then narrowed the techniques down from 54 to 20 techniques by several experts in the field, which you can find in Table 2. Ahmad's study (2012) brought up the discussion of social media by marketing directors in the NBA and included a comparison between market sizes in his study. This study used the designs and ideas from the studies in the review to create the survey and learn how to determine technique effectiveness.

## **CHAPTER THREE**

### **Methodology**

The study compared the perception of value for marketing techniques by marketing directors of “small” market teams and “large” market teams. This study analyzed the differences and similarities in the two groups and provided insight on how the two market sizes succeeded in marketing their teams.

### **Research Questions**

1. How do the top eight market teams and bottom eight market teams’ techniques relate and differentiate?
2. How do the ranking mean scores of each technique compare to studies done in the past?
3. Is there a direct correlation between market size of the NBA teams and attendance?
4. Is there a direct correlation between the NBA teams’ cities population and attendance?

### **Hypothesis**

My only hypothesis before starting this study was that the small market teams and the large market teams would rate certain techniques significantly different to make up for the smaller population that they have to work with compared to large market teams.

### **Participants**

The population of this study was focused on marketing personnel for NBA teams. The researcher and Ron Dick sent the survey to all 30 NBA leaders in marketing departments.

### **Research Design**

This study was quantitative. To determine the perceived value of marketing techniques by the heads of NBA marketing departments, a survey was sent to all the marketing departments through email and reached out to by phone to explain the survey. The marketing directors contact info was on the team's staff directories or through LinkedIn. The survey used 20 marketing techniques like the Dick and Sack 2003 study, although some outdated techniques were removed outdated and updated with current techniques. The survey was completed on Wix.com and the data was pulled from the survey once the teams' marketing department leaders completed the survey. See Appendix for an example of the survey. The survey provided the results that helped us compare and contrast for the study.

The ranking of market size of each team was found by a list done by Nielsen named "Local Television Market Universe Estimates" listed in Table 3. Rather than just

using population, Nielsen ranked market sizes by number of homes with televisions in these areas.

### **Instrumentation**

The 20 marketing techniques were listed, and the marketing directors were asked to rate each technique on a 5-point Likert scale in terms of the techniques' effectiveness in marketing for the team. A five on the Likert scale indicated a strong effectiveness of the technique and a one on the scale indicated a weak effectiveness for the technique. The mean score of each technique was created for each grouping, both large and small market teams. This method was also used in the Dick and Sack (2003) study. The marketing techniques that are used in this study are listed in Table 1.

The survey that was sent out to the heads of the marketing departments for all 30 NBA teams to rank the list of 20 marketing techniques. The data collected from that section was grouped by market size. Mean scores of each technique were gathered from all NBA teams and discovered the similarities and differences to answer the research questions. The top eight market teams were compared with the bottom eight market teams to get an idea of the differences in both ends' average technique ratings. The league average of each marketing technique is used to compare to the studies done in the past, to see how it has changed over time. A correlation analysis was also used to determine if there was a direct correlation between market size and market technique effectiveness. This success was determined by average attendance in the last five years for each team. There was a correlation analysis run to determine if there was a direct correlation between average attendance and metropolitan population of the teams' cities.

The metropolitan populations were founded from statista.com “Population of the largest metropolitan areas in the U.S. as of 2017” and a list for Canada for the Toronto Raptors. The population list differs for a few teams since Nielsen’s market size list is based on “TV households” and not just population. The average attendance was taken from the “NBA Attendance Report” for the last five years on espn.com.

### **Study Limitations**

The main limitation was having to keep the specific teams’ ratings unknown. The researchers did not want to reveal what each team ranked for the 20 techniques, to preserve confidentiality. This limited the study from diving into each individual teams’ ratings of the techniques. This survey also went through George Mason University’s IRB for approval.



## **CHAPTER FOUR**

### **Results**

This chapter will display the findings of the tests discussed in Chapter 3.

#### **Demographics of NBA Teams**

**Table 3 NBA Media Market Rankings (Nielsen)**

<b>Media Market Rank:</b>	<b>Team:</b>
1	New York Knicks
2	Brooklyn Nets
3	Los Angeles Lakers
4	Los Angeles Clippers
5	Chicago Bulls
6	Toronto Raptors
7	Philadelphia 76ers
8	Dallas Mavericks
9	Washington Wizards
10	Houston Rockets
11	Golden State Warriors
12	Atlanta Hawks
13	Boston Celtics
14	Phoenix Suns
15	Detroit Pistons
16	Minnesota Timberwolves
17	Miami Heat
18	Denver Nuggets
19	Orlando Magic
20	Cleveland Cavaliers
21	Sacramento Kings
22	Portland Trailblazers
23	Charlotte Hornets
24	Indiana Pacers
25	Utah Jazz
26	San Antonio Spurs
27	Milwaukee Bucks
28	Oklahoma City Thunder
29	Memphis Grizzlies
30	New Orleans Pelicans

Table 4 NBA Team's Metropolitan Population (Statista)

Teams	Metropolitan Population (Millions)
New York Knicks	20.3
Brooklyn Nets	20.3
Los Angeles Clippers	13.3
Los Angeles Lakers	13.3
Chicago Bulls	9.5
Dallas Mavericks	7.3
Houston Rockets	6.9
Toronto Raptors	6.35
Washington Wizards	6.22
Miami Heat	6.15
Philadelphia 76ers	6.1
Atlanta Hawks	5.4
Boston Celtics	4.8
Phoenix Suns	4.74
Golden State Warriors	4.73
Detroit Pistons	4.3
Minnesota Timberwolves	3.6
Denver Nuggets	2.8
Orlando Magic	2.51
Charlotte Hornets	2.5
San Antonio Spurs	2.47
Portland Trail Blazers	2.45
Sacramento Kings	2.32
Cleveland Cavaliers	2.05
Indiana Pacers	2.02
Milwaukee Bucks	1.57
Oklahoma City Thunder	1.38
Memphis Grizzlies	1.3
New Orleans Pelicans	1.27
Utah Jazz	1.2

Table 5 NBA Teams Attendance Average Last Five Years (ESPN)

Teams:	Average Attendance:
Dallas Mavericks	104.02%
Chicago Bulls	102.60%
Miami Heat	100.52%
Golden State Warriors	100.00%
Oklahoma City Thunder	100.00%
New York Knicks	99.48%
San Antonio Spurs	99.34%
Los Angeles Lakers	99.10%
Houston Rockets	98.88%
Toronto Raptors	98.50%
Los Angeles Clippers	98.30%
Sacramento Kings	98.10%
Boston Celtics	97.88%
Portland Trail Blazers	97.56%
Cleveland Cavaliers	96.86%
New Orleans Pelicans	95.96%
Utah Jazz	94.34%
Indiana Pacers	92.42%
Memphis Grizzlies	91.86%
Orlando Magic	91.50%
Phoenix Suns	91.28%
Brooklyn Nets	88.82%
Charlotte Hornets	87.96%
Washington Wizards	86.72%
Atlanta Hawks	84.32%
Milwaukee Bucks	81.32%
Denver Nuggets	81.02%
Philadelphia 76ers	79.06%
Minnesota Timberwolves	77.98%
Detroit Pistons	73.46%

## League Averages of Marketing Techniques

**Table 6 League Averages of Techniques**

Rank	Marketing Techniques	League Average Ratings	Standard Deviation
1	Face to Face Meetings with Business	4.83	0.461
2	Email Offer	4.63	0.718
3	Group Sales	4.60	0.814
4	Social Media	4.60	0.814
5	Promoting Star Players	4.50	0.731
6	Referrals	4.37	0.890
7	Preliminary and post-game events	4.30	0.702
8	Mini Packs	4.23	1.006
9	Grass root Marketing	4.13	1.074
10	Television	3.90	0.995
11	Promotional Giveaways	3.83	0.986
12	Employee Incentives Nights	3.77	1.135
13	Telemarketing	3.77	1.431
14	Interactive Sales Center Experience	3.67	1.184
15	Outdoor Advertising	3.60	1.192
16	Booster/Special Memberships	3.33	1.124
17	Radio Advertising	3.23	1.135
18	Virtual Reality	3.07	1.311
19	Podcast Marketing	2.63	1.299
20	Direct Mailing	2.47	1.167

Above is the data that was collected from this year's survey. This table represents the ratings on the Likert scale for each technique and what the league average was for all 30 teams and the standard deviation.

**Table 7 League Averages from Dick and Turner (2003) Study**

Rank	Marketing Techniques	League Average Ratings	Standard Deviation
<b>N/A</b>	Social Media	N/A	N/A
<b>N/A</b>	Television	N/A	N/A
<b>N/A</b>	Interactive Sales Center Experience	N/A	N/A
<b>N/A</b>	Virtual Reality	N/A	N/A
<b>N/A</b>	Podcast Marketing	N/A	N/A
<b>1</b>	Mini Packs	4.62	0.56
<b>2</b>	Group Sales	4.59	0.83
<b>4</b>	Referrals	4.41	0.63
<b>6</b>	Email Offer	4.38	0.78
<b>7</b>	Telemarketing	4.31	0.82
<b>8</b>	Face To Face Meetings With Business	4.28	0.75
<b>9</b>	Grass root Marketing	4.10	0.86
<b>10</b>	Promoting Star Players	4.03	0.68
<b>11</b>	Direct Mailing	3.97	0.87
<b>13</b>	Promotional Giveaways	3.79	1.01
<b>14</b>	Employee Incentives Nights	3.72	0.84
<b>15</b>	Radio Advertising	3.69	1.00
<b>16</b>	Preliminary and Post-game events	3.66	0.77
<b>18</b>	Outdoor Advertising	3.38	1.05

Above is the data that was collected from the survey Ron Dick and Brian Turner (2007) sent after the 2003-2004 NBA season to the 29 marketing directors. This table represents the ratings on the Likert scale for each technique and what the league average was for all 29 teams and the standard deviation.

## Top Eight Market Team Ratings vs Bottom Eight

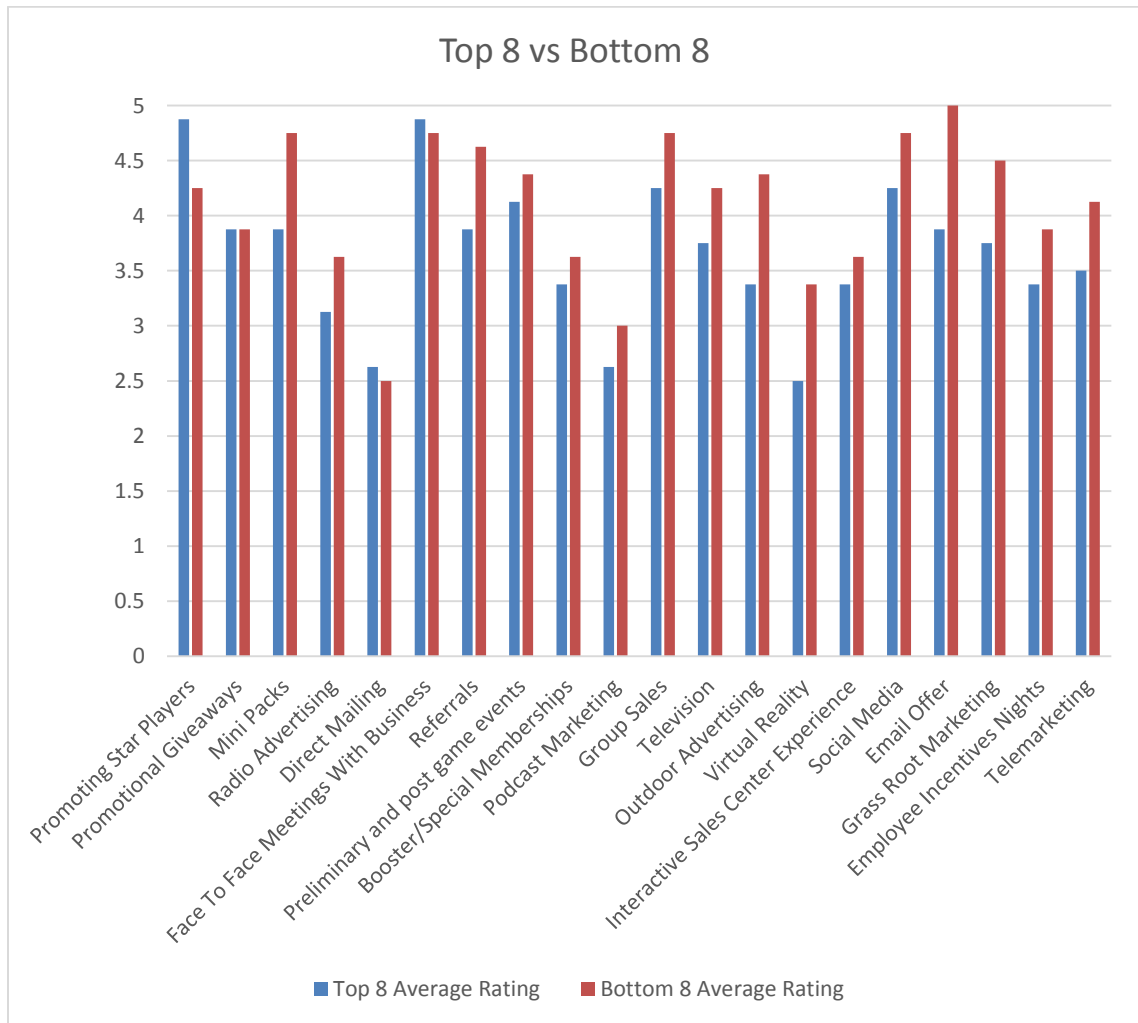
Table 8 Top Eight Market Teams vs Bottom Eight

Techniques	Top Eight Average Rating	Bottom Eight Average Rating
Promoting Star Players	4.875	4.25
Promotional Giveaways	3.875	3.875
Mini Packs	3.875	4.75
Radio Advertising	3.125	3.625
Direct Mailing	2.625	2.5
Face to Face Meetings with Business	4.875	4.75
Referrals	3.875	4.625
Preliminary and post-game events	4.125	4.375
Booster/Special Memberships	3.375	3.625
Podcast Marketing	2.625	3
Group Sales	4.25	4.75
Television	3.75	4.25
Outdoor Advertising	3.375	4.375
Virtual Reality	2.5	3.375
Interactive Sales Center Experience	3.375	3.625
Social Media	4.25	4.75
Email Offer	3.875	5
Grass root Marketing	3.75	4.5
Employee Incentives Nights	3.375	3.875
Telemarketing	3.5	4.125

The data gathered here shows the top eight ranked market teams' averages for each technique compared to the bottom eight market teams. The top eight market teams include: New York Knicks, Brooklyn Nets, Los Angeles Lakers, Los Angeles Clippers,

Chicago Bulls, Toronto Raptors, Philadelphia 76ers, and Dallas Mavericks. The bottom eight market teams include: New Orleans Pelicans, Memphis Grizzlies, Oklahoma City Thunder, Milwaukee Bucks, San Antonio Spurs, Utah Jazz, Indiana Pacers, Charlotte Hornets. The data is also shown below in a bar chart.

**Table 9 Top Eight Market Teams vs Bottom Eight**





## **CHAPTER FIVE**

### **Discussion**

#### **Research Questions**

1. How do the top eight market teams and bottom eight market teams' techniques relate and differentiate?
2. How do the ranking mean scores of each technique compare to studies done in the past?
3. Is there a direct correlation between market size of the NBA teams and attendance?
4. Is there a direct correlation between the NBA teams' cities population and attendance?

#### **Research Question 1**

The focus of this study, after discovering the marketing techniques ratings for each NBA team, was to find the differences and similarities between the large market teams and small market teams. When you look at Table 5, it shows a comparison between

the top eight media market teams and the bottom eight media market teams average rating for each technique.

The top five marketing techniques for the top eight teams are: Promoting star players, Face to face meetings with businesses, Group sales, Social media, and Preliminary and post-game events. The top five marketing techniques for the bottom eight teams are: Email offer, Face to face meeting with businesses, Group sales, Social media, and Mini packs.

Although the two sides had some consistency in their answers, one of the first observations you can make is that the highest ranked technique is promoting star players for the large market team group. Teams in big media markets usually have at least one, sometimes more, star players that can make marketing their team easier and it is something they can capitalize on. Both small and large market teams could also use this technique by promoting opponents' star players coming to town and building ticket packages around them. This marketing technique is ranked 10<sup>th</sup> for the smaller market teams, showing that it is not something that every team can capitalize on. The smaller market teams also have a big emphasis on their email offers with an average rating of a five for the highest rated marketing technique for the group. Email offers are ranked as the 6<sup>th</sup> highest rated technique for the large market group. Sales strategies usually have a focus on email offers and phone calls so this technique having a high rating is not too surprising. It also is not surprising because of how today's society purchases tickets, with most ticket purchases happening online. Mini packs are a technique that is rated with a 4.75 among the small market teams and a 3.875 for the large market teams. I believe this

survey result shows another instance in which the small market teams take advantage of their mini packs and flex plans to help produce ticket sales. This can usually include promoting some of the large market teams coming to their arena to play since the opposing brings a large following to the game. Teams usually use a large market team as an anchor for their flex plans, so if you want affordable tickets to that game you will have to buy a package that has more than one game. These are some of the differences in the top five of the two grouping's ratings, although they have some big similarities too.

Some of the similarities of the two samples rankings are that they both have group sales, social media, and face to face meetings with businesses in their top five rated techniques of the list. Social media is a technique that was not used in the previous studies done like Mawson and Coan (1994), and Dick and Sack (2003) and Dick and Turner (2007) studies since social media wasn't as prevalent during the time of those studies. Since the previous study on marketing techniques was done, there have been many articles focusing on the idea of social media in sports and how teams are using it like Ahmad's (2012) study when he focused on social media marketing in the NBA and Dixon et al's (2015) study that focused on employing social media as a marketing strategy in college athletics.

The five lowest ranked techniques for the large market team group are: Virtual Reality, podcast marketing, direct mailing, radio advertising, and employee incentives nights. The five lowest ranked techniques for the small market team group are: Direct mailing, podcast marketing, virtual reality, radio advertising, and interactive sales center experience.

The first observation that sticks out is that four of the bottom five techniques for the small market teams are the newer techniques that replaced the outdated techniques from past studies. The two groupings both ranked four of the five same techniques at the bottom of their rankings. Direct mailing is the lowest ranking of the two groupings and it seems as if this is one of the techniques that have become an outdated strategy. This technique also seems to be replaced by creating email offers instead, since that is how most people communicate today. Podcast marketing and radio marketing are similar strategies, so it shows that the NBA teams are not valuing those techniques as much in today's world to promote their teams.

All in all, the differences in ratings between the two groupings weren't largely separated so the data did not show the market size differences having many glaring impacts on the marketing technique values of NBA marketing directors.

## **Research Question 2**

This current study was based on studies done in the past starting with Mawson and Coan (1994), then Dick and Sack (2003), Dick and Turner (2007) and other similar studies. When you look at the data in the tables about the league average ratings in the 2018 study and the 2003 Dick and Turner study, you can see the differences in the ratings for 15 of the 20 techniques used in this study. There are only 15 of the 20 techniques, because five outdated techniques from the 2003 study were replaced with more current ones.

Since there is a 15-year difference between when the two questionnaires were completed, one of the biggest average rating differences between the two studies is the

technique direct mailing. Direct mailing had a rating of 3.97 in 2003 and a 2.47 rating in 2018; it was also the 11<sup>th</sup> ranked technique in 2003 and the lowest ranked technique in 2018. This should not come as a huge surprise since email, social media and other techniques have become more prevalent when reaching the target market. Another big difference is how highly valued face to face meetings with businesses are in today's NBA marketing, it was the number one technique with a 4.83 in 2018 and it was ranked number eight with a 4.28 rating in 2003. This could be because many big businesses have gotten into the sports industry with corporate partnerships and other marketing avenues.

The studies are separated by 15 years and differences are expected to happen between ratings, but there were a few similarities between the two studies. There were five techniques from the two studies that had average ratings that were separated by .1, this includes: Group sales, referrals, grass root marketing, promotional giveaways, employee incentives nights. It is interesting to see how these techniques were rated so similarly over the 15-year span, and some of these techniques seem like timeless techniques that could always be used at every level of marketing in sports.

### **Research Question 3**

A correlation test was used in Excel to find if there was a direct correlation between the average attendance of NBA teams and their respective cities' media market size. The correlation test in excel showed that there was no statistically significant relationship between the two categories,  $r = -.11$ ,  $p = 0.32$

#### **Research Question 4**

A correlation test was used in Excel to find if there was a direct correlation between the average attendance of NBA teams and those teams' population in their cities. The correlation test in excel showed that there was no statistically significant relationship between the two categories,  $r = .18$ ,  $p = 0.57$

#### **Conclusion and Recommendations**

This study showed how directors of marketing in the NBA feel how effective the short list of marketing techniques is when marketing their teams. There are some techniques that have been just as effective over the years, some have become more effective, and some techniques have become outdated over the years. The NBA and marketing are always changing, and marketers constantly must look for more innovative ways to reach the target market.

This study only determined that there were differences and similarities between the two market size groups. Future studies could focus on more specifics from the marketing directors as to why they rated certain techniques as high or low as they did. They could also ask the marketing directors for recommendations of techniques to add to the list or even take away from the list. Another study like Dick and Turner's (2007) could be recreated to release the questionnaire to fans at a game to see what ticket holders think the effectiveness ratings for each technique are. This study could also be taken and used in other professional sports like the NHL, NFL, MLB, MLS and then also in college athletics to see a comparison between collegiate and professional sports marketing. The

techniques should also be updated even more, adding more currently used techniques and replacing any outdated techniques would benefit future studies.

## **APPENDIX**



Measuring The Effectiveness of NBA Marketing Techniques: A Comparison Between Small and Large Market Teams

The research is being conducted to compare the perception of value for marketing techniques used by marketing departments of small and large market teams. This study will find the differences and similarities in the groups and provide insight on how the best market data succeed and struggle in marketing their teams. If you agree to participate, you will be asked to participate in a survey to select your team which leaves you work for and rate each of the 40 marketing techniques effectiveness. There are no financial incentives or prizes for participating in this research. There are no direct benefits to you as a participant other than to further research in NBA marketing techniques. The data in this study will be compared the only source data in the survey will be the team that you work for and the ratings of each technique. Your participation is voluntary and you may withdraw from the study at any point and for any reason. If you decide not to participate or if you withdraw from the study, there is no penalty or loss of benefits to which you are otherwise entitled. There are no costs to you or your team.

This research is being conducted by Kyle Rowland in the College of Education and Master Development Department of George Mason University. He may be reached at 801-592-5427 for questions or to report a research-related problem. You may also reach Robert Hines at 703-763-8722 for questions about your rights as a participant in the research. University Institutional Review Board Office at 703-693-4121 if you have questions or comments regarding your rights as a participant in the research.

This research has been reviewed according to George Mason University procedures governing your participation in the research.

IRB#et number: 24527-1

I have read the form, all of my questions have been answered by the research staff and I agree to participate in this study.

Measuring The Effectiveness of NBA Marketing Techniques: A Comparison Between Small and Large Market Teams

Please select your respective team below:

Small Team

Instructions and Scale Description

There are 40 marketing techniques listed below. How important is it to increase your understanding of effectiveness based on your team?

Professional Coverage	Promoting via Popups	Group Sales	Social Media
<input type="radio"/> Not at all important	<input type="radio"/> Not at all important	<input type="radio"/> Not at all important	<input type="radio"/> Not at all important
<input type="radio"/> Of little importance	<input type="radio"/> Of little importance	<input type="radio"/> Of little importance	<input type="radio"/> Of little importance
<input type="radio"/> Neither	<input type="radio"/> Neither	<input type="radio"/> Neither	<input type="radio"/> Neither
<input type="radio"/> Somewhat important	<input type="radio"/> Somewhat important	<input type="radio"/> Somewhat important	<input type="radio"/> Somewhat important
<input type="radio"/> Extremely important	<input type="radio"/> Extremely important	<input type="radio"/> Extremely important	<input type="radio"/> Extremely important

Mail Drops	Radio Advertising	Television	Print, OPA, Via Website
<input type="radio"/> Not at all important	<input type="radio"/> Not at all important	<input type="radio"/> Not at all important	<input type="radio"/> Not at all important
<input type="radio"/> Of little importance	<input type="radio"/> Of little importance	<input type="radio"/> Of little importance	<input type="radio"/> Of little importance
<input type="radio"/> Neither	<input type="radio"/> Neither	<input type="radio"/> Neither	<input type="radio"/> Neither
<input type="radio"/> Somewhat important	<input type="radio"/> Somewhat important	<input type="radio"/> Somewhat important	<input type="radio"/> Somewhat important
<input type="radio"/> Extremely important	<input type="radio"/> Extremely important	<input type="radio"/> Extremely important	<input type="radio"/> Extremely important

Direct Mailings	Referrals	Outdoor Advertising	Grass Roots Marketing
<input type="radio"/> Not at all important	<input type="radio"/> Not at all important	<input type="radio"/> Not at all important	<input type="radio"/> Not at all important
<input type="radio"/> Of little importance	<input type="radio"/> Of little importance	<input type="radio"/> Of little importance	<input type="radio"/> Of little importance
<input type="radio"/> Neither	<input type="radio"/> Neither	<input type="radio"/> Neither	<input type="radio"/> Neither
<input type="radio"/> Somewhat important	<input type="radio"/> Somewhat important	<input type="radio"/> Somewhat important	<input type="radio"/> Somewhat important
<input type="radio"/> Extremely important	<input type="radio"/> Extremely important	<input type="radio"/> Extremely important	<input type="radio"/> Extremely important

Face To Face Meetings With Businesses	Preliminary And Post Game Events	Virtual Reality	Employee Incentives Nights
<input type="radio"/> Not at all important	<input type="radio"/> Not at all important	<input type="radio"/> Not at all important	<input type="radio"/> Not at all important
<input type="radio"/> Of little importance	<input type="radio"/> Of little importance	<input type="radio"/> Of little importance	<input type="radio"/> Of little importance
<input type="radio"/> Neither	<input type="radio"/> Neither	<input type="radio"/> Neither	<input type="radio"/> Neither
<input type="radio"/> Somewhat important	<input type="radio"/> Somewhat important	<input type="radio"/> Somewhat important	<input type="radio"/> Somewhat important
<input type="radio"/> Extremely important	<input type="radio"/> Extremely important	<input type="radio"/> Extremely important	<input type="radio"/> Extremely important

Booster/Special Memberships	Podcast Marketing	Interactive Sales Center Experience	Telemarketing
<input type="radio"/> Not at all important	<input type="radio"/> Not at all important	<input type="radio"/> Not at all important	<input type="radio"/> Not at all important
<input type="radio"/> Of little importance	<input type="radio"/> Of little importance	<input type="radio"/> Of little importance	<input type="radio"/> Of little importance
<input type="radio"/> Neither	<input type="radio"/> Neither	<input type="radio"/> Neither	<input type="radio"/> Neither
<input type="radio"/> Somewhat important	<input type="radio"/> Somewhat important	<input type="radio"/> Somewhat important	<input type="radio"/> Somewhat important
<input type="radio"/> Extremely important	<input type="radio"/> Extremely important	<input type="radio"/> Extremely important	<input type="radio"/> Extremely important

Search

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## **BIOGRAPHY**

Kyle Ronkartz graduated from Colonial Heights High School, Colonial Heights, Virginia, in 2013. He received his Bachelor of Science from George Mason University in 2017. He was employed as game day staff for the Washington Capitals for two years, and Mason Recreation. He also completed a ticket sales internship with Mason Athletics before moving down to Tampa, Florida to work as a Ticket Sales Consultant with University of South Florida's Athletic Department. He then received his Master of Science from George Mason University in 2019.