

NUST INSTITUTE OF MANAGEMENT SCIENCES

*“Marketing the Sporting Merchandise of the domestic
cricket in Pakistan”*

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Acknowledgements

Starting with the name of ALLAH, The Most Beneficent and The Most Merciful whose blessings are abundant and favors are unlimited. It is He who gives us the power and courage to pursue our goals.

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Executive Summary

In today's world of information and media, sports have taken a central place. New concepts of sports marketing and sports promotion are emerging. Specialized companies of sports goods and merchandise are being set up, the concept of branding and brand loyalty is being revisited and newer methods of financial investment are being studied. Hosting and organization of Olympics and big sports galas, like world cups of football and cricket, are now being considered new models for technological, infrastructural and national development.

In Pakistan, 'Sports marketing' is a relatively new concept. Although Pakistan has been one of the major sports goods producer and still sports goods and sports merchandise are one of the major exports of Pakistan, the sports marketing in Pakistan is not yet matured and not deep routed.

Hockey has been and still is the national game of Pakistan. But, thanks to media, the cricket in recent years has become the most popular game in the country. It has almost become a passion. Along with the international competition, various domestic competitions are being arranged. Looking at these developments, it appears that there might be a big market for sports merchandise in Pakistan. Therefore an attempt has been made to explore, i) the market of sports merchandise especially with reference to domestic cricket, ii) the possibilities of introducing branding, and iii) creating brand loyalty in the cricket enthusiasts in Pakistan.

While studying the pull strategy, it appeared that initially, with effective marketing, consumers (enthusiasts) could be attracted towards the brands and once their loyalty is established, then they themselves would work as evangelists for the brand. From the point of view of retailers, they are ready and excited about the prospects of being a part of Pakistan's domestic cricket's brand. They have enough hold over the market. Moreover, they are confident that they do not need any international sponsor to create a separate retail outlet.

Peer pressure plays an important role in spreading awareness of certain products. It appears that consumers are more inclined to adapting to the interests of their peers and. In the sports industry, consumers were found more attracted towards the sport and related merchandise only if their peers were attracted to it. Thus, peer pressure adjoined with brand activation would result in repeat sales of the merchandise and therefore could increase brand loyalty.

Consumers also find themselves maintaining a brand loyalty with their local cricket team and the performance of the team would matter less when nostalgic attachments are created with the brand. Hence there is a big market for the sporting merchandise in Pakistan and this new venture would turn heads when it is launched.

Dedicated to

*my 'ammi and daddy', who inspired me in choosing and pursuing my research, and
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1. INTRODUCTION

1. INTRODUCTION

1.1 Sports

Sport, as defined by the Pocket Oxford Dictionary, is an outdoor game or competitive activity, usually involving physical exercise, e.g. cricket, racing, hunting. Sport is an activity that is governed by a set of rules or customs and often engaged in competitively. Sports commonly refer to activities where the physical capabilities of the competitor are the sole or primary determiner of the outcome (winning or losing), but the term is also used to include activities such as mind sports and motor sports where mental acuity or equipment quality are major factors.¹

1.1.1 Sports as an Industry.

The sports as an industry means many different things to different people. This industry defines globalization as it stirs up deep passion within spectators and players alike in countries around the world. To one person, sports are a venue for gambling; to another, they are a mode of personal recreation and fitness, be it skiing, cycling, running or playing tennis. To business people, sports provide a lucrative and continually growing marketplace worthy of immense investments. To athletes, sports may lead to high levels of personal achievement, and to professionals sports can bring fame and fortune. To facilities developers and local governments, sports are a way to build revenue from tourists and local fans. Sports are deeply ingrained in education, from elementary through university levels. Perhaps we can't state with confidence that sports enrich the lives of all of us, but they certainly entertain a huge swath of the world's population. In addition to economic impact, the largest single effect that sports create is that of gripping entertainment: hundreds of millions of fans around the globe follow sports daily, whether via radio, television, printed publications, online or in person, as spectators or participants.²

Sports IS A big business. Combined, the "Big 4" leagues in America, the National Football League (NFL), National Basketball Association (NBA), the National Hockey League (NHL) and

¹ <http://en.wikipedia.org> 22nd September, 2007

² <http://en.wikipedia.org> 22nd September, 2007

Major League Baseball (MLB) leagues bring in about \$16.4 billion in annual revenue, but that's just the tip of the iceberg of USA alone!. U.S. sporting equipment sales at retail are roughly \$40 billion yearly, sports apparel \$50 billion and athletic footwear \$25 billion. A reasonable estimate of the total U.S. sports market might be \$400 to \$425 billion yearly. To put that in perspective, the U.S. retail food industry, including supermarkets, is only slightly bigger. However, the sports industry is so complex, from ticket sales to licensed products, from sports video games to collectibles, from sporting merchandise, sports-related advertising, endorsement income, stadium naming fees and running shoes to facilities income, that it's difficult to put an all-encompassing figure on annual revenue. When researching numbers in the sports industry, be prepared for apparent contradictions. For example, the NFL receives more than eight times as much money each year for TV and cable broadcast rights as professional baseball, despite the fact that pro baseball teams play about 10 times more games yearly than pro football teams.³

When the astonishing variety of sports-related sectors are considered, a significant portion of the workforce in developed nations such as the U.S., U.K., Australia and Japan rely on the sports industry for their livelihoods. Other than these developed nations, there are the BIG Emerging Nations like India, China and Argentina who are into various forms of sports literally and they comprise amongst the most participating nations in the Olympics, even more than the most competitive nations, Official U.S. Bureau of Labor Statistics figures state that 131,300 people work in U.S. spectator sports alone (including about 12,500 professional athletes), while 507,000 work in fitness centers, about 34,200 work in snow skiing facilities and about 343,500 work at country clubs or golf courses. In total, approximately 1,400,000 Americans work directly in amusement, gambling and recreation sectors.⁴

While it may not seem like it to the casual observer, the sports sector is constantly evolving in terms of personal tastes, popular games and technologies. The Indy 500 is losing ground to NASCAR. In fact, the personality and popularity of a top athlete can have a tremendous impact

³ Plunket Search: <http://www.plunketresearch.com/Industries/Sports/SportsStatistics/tabid/273/Default.aspx>, accessed on 4th August, 2007

⁴ Plunket Search: <http://www.plunketresearch.com/Industries/Sports/SportsStatistics/tabid/273/Default.aspx>, accessed on 4th August, 2007

on the current popularity of a particular sport—multiple-time Tour de France winner Lance Armstrong being a superb example with his extremely positive impact on cycling. Other growth sectors in recent years include snowboarding and paintball. Tennis was a booming leisure activity in the U.S. for many years, but its popularity has diminished greatly in recent years, particularly among casual players, which is very astonishing considering the back to back wins of the Venus sisters. The number of people playing golf is also dropping. The Sporting Merchandise Manufacturers Association (SGMA) reports that the highest increases in participation for 2004-2005 were in the sports of lacrosse, fly fishing, surfing, ice hockey, mountain biking, yoga/tai chi, artificial wall climbing, indoor soccer, jet skiing and kayaking.

Then there's the fact that large audiences have been watching high-stakes poker tournaments on television recently, which is turning into an uprising sport. Thanks to the Internet, fantasy sports teams and online betting on sports events are soaring.⁵

Finally, evolving technologies and fashions have an immense impact on sales of sporting merchandise within specific sectors. Sporting merchandise makers are constantly trying to create reasons for consumers to buy new equipment. Golf ball and club makers adopt new technologies with great success. Snow ski makers use new technologies as soon as they become available. Additionally, ski gear manufacturers introduce new fashions, new colors and new styles yearly in an effort to get consumers to buy new or buy up, regardless of whether significant new technologies are involved. It sometimes feel as a fashion event at the French Open and the US Open in Tennis whereas in Cricket we also see more and more fashionable attire donned players.

Meanwhile, the media used to deliver sports and sports related information is evolving quickly. Sports coverage is one of the most widely viewed categories online. Meanwhile, digital TV recording devices (DVRs), such as TiVo, are enabling fans to watch events according to their own schedules. Finally, the rapid emergence of sports news and events video delivered via state-of-the-art cell phone screens is having a major impact.⁶

⁵ Plunket Search: <http://www.plunkettresearch.com/Industries/Sports/SportsStatistics/tabid/273/Default.aspx>, accessed on 4th August, 2007

⁶ Plunket Search: <http://www.plunkettresearch.com/Industries/Sports/SportsStatistics/tabid/273/Default.aspx>, accessed on 4th August, 2007

1.1.2 Sports Industry in USA

U.S. Sports Industry Overview				
	Amount	Units	Year	Source
Estimated Size of the Entire Sports Industry, US	410	Bil. US\$	2007	PRE
Annual Company Spending for Sports Advertising, US	32	Bil. US\$	2007	PRE
National Football League (NFL)				
NFL League Revenue	5.86	Bil. US\$	2006	PRE
Average NFL Player Salary	1.4	Mil. US\$	2006	NFLPA
Number of NFL Teams	32	teams	2007	NFL
Average NFL Game Attendance	67,738	spectators	2006	NFL
Major League Baseball (MLB)				
MLB League Revenue	5.2	Bil. US\$	2006	MLB
Overall Operating Income	360	Mil. US\$	2006	Forbes
Average MLB Player Salary	2.7	Mil. US\$	2006	MLBPA
Number of MLB Teams	30	teams	2007	MLB
Average MLB Game Attendance	31,404	spectators	2006	ESPN
National Basketball Association (NBA)				

NBA League Revenue	3.13	Bil. US\$	2006/07	PRE
Average NBA Player Salary	5.215	Mil. US\$	2006/07	ESPN
Number of NBA Teams	30	teams	2006/07	NBA
Average NBA Game Attendance	17,759	spectators	2006/07	ESPN
National Hockey League (NHL)				
NHL League Revenue	2.2	Bil. US\$	2006/07	PRE
Average NHL Player Salary	1.46	Mil. US\$	2005/06	THN
Number of NHL Teams	30	teams	2006/07	NHL
Average NHL Game Attendance	16,957	spectators	2006/07	ESPN
Sporting Equipment Sales: Wholesale Value				
Sales, Sporting Merchandise, U.S.*	74.7	Bil. US\$	2006	SGMA
Branded Athletic & Active Apparel	27.7	Bil. US\$	2006	SGMA
Sports Equipment	20.6	Bil. US\$	2006	SGMA
Athletic Apparel	12.3	Bil. US\$	2006	SGMA
Sporting Equipment Sales: Retail				
Retail Sporting Equipment Sales	40	Bil. US\$	2007	PRE
Retail Sports Apparel Sales	50	Bil. US\$	2007	PRE
Retail Athletic Footwear	25	Bil. US\$	2007	PRE
National Hockey League (NHL)				

Other Spectator Sports Leagues	3	Bil. US\$	2007	PRE
Horse Racing	15	Bil. US\$	2007	PRE
Golf Courses	20	Bil. US\$	2007	PRE
Fitness & Recreational Centers	19	Bil. US\$	2007	PRE
Other Amusement & Recreation	16.6	Bil. US\$	2007	PRE
Other Revenues Associated With U.S. Sports Industry**	173	Bil. US\$	2007	PRE

PRE = Plunkett Research estimate

NFLPA = NFL Players' Association

MLBPA = MLB Players' Association

THN = The Hockey News

SGMA = Sporting Merchandise Manufacturing Association

* Includes sporting merchandise equipment, sports apparel and licensed and athletic footwear.

** All other revenues, including peripheral revenue such as sports-related publishing, agents, sports-event food service, etc., estimated at 42.2% of all sports revenue.

Source: Plunkett Research, Ltd. Copyright© 2007, All Rights Reserved

Plunkett's Sports Industry Almanac 2008

Table I: Overview of the US Sports Industry

Source: www.plunkettresearch.com/Industries/Sports/SportsStatistics/tabid/273/Default.aspx

1.2 Sports in Pakistan

Field hockey is the national sport of Pakistan but cricket is the most popular game. Traditional games like Kabaddi and other well known games are also played. However, there is also an increasing interest of football amongst the urban youth. The Pakistan Sports Board created in 1962 by the Ministry of Education as a corporate body for the purposes of promoting and developing uniform standards of competition in sports in Pakistan comparable to the standards prevailing internationally, and regulating and controlling sports in Pakistan on a national basis. The Ministry of Culture, Sports and Tourism created in 1977, now has control over the Pakistan Sports Board. The PSB controls all 39 sporting federations.⁷

Over recent years there has been an increase in sporting activity in Pakistan, with Pakistani sportsmen and women participating at many national and international events. Also, more international tournaments now take place in Pakistan. The size of the teams Pakistan sends, and the number of events they participate in the Olympic and Commonwealth Games has increased since the turn of the century.⁸

1.2.1 Popularity of Cricket

The game of cricket has a known history spanning from the 16th century to the present day, with international matches played since 1844 and the Test cricket matches since 1877. During this time, the game developed from its origins in England into a game, which is now played all over the world passionately and is more popular in the Sub-Continent Nations such as, India, Pakistan, Sri Lanka and Bangladesh⁹

In these four Nations, cricket has emerged as the most popular form of sports. The game has its origin in the Sub- Continent Nations from 18th centuries and since then it has rooted itself on various grounds of World. In this span of time the above three nation has faced several rise and falls. As per Bangladesh is concerned, the origin of cricket is seen from the 19th century. The

⁷ Wikipedia: <http://en.wikipedia.org> , accessed on 22nd September, 2007

⁸ Wikipedia: <http://en.wikipedia.org>, accessed on 22nd September, 2007

⁹ Artikelverz: <http://www.artikelverzeichnis-artikel.de>, accessed on 25th September, 2007

nation also came with full-fledged enthusiasm with well-known players. It is after that the four Sub-Continent Nation faced tremendous victory and defeat.

With the commencing of Cricket World Cup in 1975, the popularity of cricket reached on its peak. The game retained more zeal and passion. However, for Sub-Continent Nation World Cup it becomes like a religion and even today the game is still holding the same passion and fervor.

When we move towards their previous history, we find that the top three Sub-Continent Nation i.e. India, Pakistan and Sri Lanka had a very brilliant past, holding World Cup once. India lifted the Cup in the year 1983, under the captaincy of Kapil Dev, Pakistan lifted the Cup in 1992, captained by Imran Khan. In 1996, Sri Lanka won the World Cup match, under the captaincy of Arjuna Ranatunga. As per Bangladesh is concerned, the popularity of cricket is found the same but currently they have been competing amongst the best playing nations of the world, that's why they have been left in the shadows.¹⁰

1.2.2 International Structure for Cricket

The structure of international cricket has evolved only recently from a traditional ad hoc basis. It had long been traditional for the countries, without any interference from a body such as the International Cricket Council (ICC), to organize for themselves the various cricket matches. Recently, however, the ICC has committed the Test cricket playing nations to play each other in a programme of matches over a period of 10 years. This was set up to encourage some of the better established countries to play the lesser nations more frequently.¹¹

The structure has no doubt evolved further as a result of the first Twenty20 international match between New Zealand and Australia held on February 17, 2005 has increased the popularity of Twenty20 cricket in general since then and there has been no turning back for players and the fans all over the world.¹²

¹⁰ Artikelverz: <http://www.artikelverzeichnis-artikel.de>, accessed on 25th September, 2007

¹¹ Wikipedia: <http://en.wikipedia.org/> International cricket structure.htm , accessed on 22nd September, 2007

¹² Wikipedia: <http://en.wikipedia.org/> International cricket structure.htm , accessed on 22nd September, 2007

1.2.4 Popularity of Twenty 20 Cricket in Pakistan

The rising popularity of Twenty20 cricket has both advantages and disadvantages. Many of the traditional things of cricket disappear in Twenty20. However, the main advantage is that Twenty20 has the potential to expand the world of cricket and bring more and more new comers in the cricket world. Especially in the Europe, Twenty20 is expected to get popularity.¹³

Now, the question is that if Twenty20 gets such a huge popularity then what will happen to Test and ODI cricket. To many, this is the main disadvantage of Twenty20 format because people will lose their interest over these two traditional formats of cricket. Test cricket is a five day long game and ODI is 7-8 hours long game. In contrast to Test and ODI cricket, Twenty20 is just 3 hours game. So, in this fast world, it seems that Test and ODI cricket have to struggle for their survival.¹⁴

This argument would keep going on as to what type of game would survive like the same argument between classical music and rock music. It merely depends on the listener and the type of music which is being provided, whereas there isn't a fixed notion of what kind of individuals, from what background or from what age group they belong to, would listen to what type of music.

¹³ Techno blog biz: <http://techblogbiz.blogspot.com> 22nd September, 2007

¹⁴ Techno blog biz: <http://techblogbiz.blogspot.com> 22nd September, 2007

1.3 Marketing Sports

Sport marketing (or "sports marketing" in the US) can specifically be divided into the following two definitions:

1. Applying specific marketing principles and processes to sport products (e.g., teams, leagues, events, etc.)
2. The marketing of non-sports products (e.g., cigarettes, beer, long-distance phone service, etc.) through associations with sport.¹⁵

1.3.1 Timeline of Sports Marketing

Sports Marketing in the marketing field is a relatively new term. However the first sports management firms, which managed endorsement deals and contract negotiations for professional coaches and athletes, began forming officially in the 1960s and early 1970s with Mark McCormack's International Management Group (IMG), Bob Woolf (Woolf Associates), and Donald Dell's ProServ.¹⁶

World Class Events out of Sweden operates the World's Strongest Man Super Series which is a new, unorthodox and effective form of sports marketing.

However, the first full-service sports marketing and sponsorship agencies were founded in the mid-1970s with Millsport LLC (now part of The Marketing Arm) and ProServ, which had expanded beyond athlete management into event production and sponsorship negotiations.

The explosive growth of sports marketing came with the 1984 Summer Olympics in Los Angeles, when corporate sponsors used the Games as a platform to market their brands. One of the first companies to sponsor the Olympic games were Coca Cola who spent approximately \$30 Million in support of these games.¹⁷

¹⁵ Wikipedia: www.wikipedia.org/ Sports marketing, accessed on 14th September, 2007

¹⁶ Wikipedia: http://en.wikipedia.org/wiki/Sports_marketing, accessed on 14th September 2007

¹⁷ Wikipedia: www.wikipedia.org/ Sports marketing, accessed on 14th September, 2007

As CEO and chief organizer of the 1984 Olympics, Peter Ueberroth, a former senior executive with Trans International Airline and Transportation Consultants International, is credited with demonstrating the power of sports marketing. After the Olympics, Ueberroth served as commissioner of Major League Baseball (1984-89). Today, he serves as Chairman of the Board for the United States Olympic Committee.¹⁸

According to the Sports Business Journal, an industry trade publication, today, sports marketing is a US\$250-billion industry and includes sports-related advertising and venue signage, athlete endorsements, facility construction, sporting merchandise and licensed merchandise, event management and marketing services, sponsorship and ticket sales, media broadcast rights, and multimedia — including sports-related websites, magazines, books, and video games.

New content distribution channels like the Web, email, voice messaging, streaming video and mobile are creating many new opportunities and challenges for sports marketers.¹⁹

1.3.2 Sports Marketing: A Case of Baseball

Marketing Baseball has gone to many levels. Amongst those levels is a story of baseball fan Lonnie Voss who has a fashionable flair for framing and had a sports memorabilia known as the ‘The Creative Play’ in California, America.²⁰

Voss got an idea of framing basket balls from one of his customer who told him that he would treasured that card and would keep it safely in his shoe box. As a result of this, Voss innovated the concept and started to frame baseball cards, initially, in various styles and started selling them. In 1989 he started his business in a 500 sq-ft store by selling \$10 frames and currently owns a 2,100 sq-ft store. His customers not only comprise youngsters and sports fanatics but also grand mothers and brides-to-be, who are fond of various sports and collecting memorabilia.

¹⁸ Wikipedia: www.wikipedia.org/ Sports marketing, accessed on 14th September, 2007

¹⁹ Wikipedia: http://en.wikipedia.org/wiki/Sports_marketing, accessed on 14th September 2007

²⁰ The Creative Play: www.crm2day.com/editorial/50030.php, accessed on 14th September 2007

Voss has developed his concept of framing sports memorabilia to framing anything. He believes his 'Frame of the Game' is that empty walls could be turned into fascinating patterns if little efforts is put in.²¹

Voss' talent for display not only benefits his framing; it also allows him to offer expanded services to customers who want expert advice about displaying items in their homes. When former Anaheim Angel outfielder Rex Hudler came to Voss to design a home sports museum, Voss put his eye for presentation to work.

As the sports memorabilia market is much more volatile than framing, generating such word-of-mouth promotion about his creative display techniques is doubly important. It's often the framing business that keeps the store going through hard times, said Voss.²²

Playing the Field

One of Voss' marketing approaches involves a true trifecta of targets: sports, kids who play sports and the parents of kids who play sports. He sponsors five different little leagues; at each game, he displays a banner on the fence and sometimes sponsors a raffle that offers one of his three-dimensional sports displays as a prize. "I donate the display to the league, and they take it to all the different games and sell tickets," he explained.²³

In addition, he teaches classes in card collecting at local boys' and girls' clubs. The results have been nothing but positive. Voss' creative advertising methods don't stop with young people. He trades his services and memorabilia for rounds of golf at different golf clubs, offering him the opportunity to network with potential clients. He drops in at local sports bars to discuss his services and leave his card. And when the sports market is slow, he's created a backup business by developing relationships with five wedding photographers in the area to provide three-dimensional wedding boxes containing flowers, veils and photos for brides.

²¹ The Creative Play: www.crm2day.com/editorial/50030.php, accessed on 14th September 2007

²² Wikipedia: http://en.wikipedia.org/wiki/Sports_marketing, accessed on 14th September 2007

²³ The Creative Play: www.crm2day.com/editorial/50030.php, accessed on 14th September 2007

To conclude his victory, "This store is called The Creative Play because I wanted a name that would work with art, with framing and with sport," explained Voss. "'Play' means to have fun. That's what I like to do, and being creative is part of who I am."²⁴

²⁴ The Creative Play: www.crm2day.com/editorial/50030.php, accessed on 14th September 2007

1.3.3 Sports Marketing: A Case of Football.

Whoever said that football is a game for the feet certainly put the game out of perspective. Football is arguably one of the most important sports in the world, and the marketing of football has become an increasingly important issue, as clubs and product owners need to generate more revenue from the sport. In a wider context, football marketing has also become a benchmarking standard for other sports to learn from worldwide. The practices and processes of such an established industry are important lessons for those sports which are yet to maximize on their potential earnings, and provide interesting lessons in sports marketing in general. Whereas right now it is competing against one of the most marketed sports over the world. Fans around the world dig deep for their team as Peter Draper's winning strategy transforms value of Old Trafford logo to €332m²⁵

Manchester United has become one of the most powerful sports brands in the world, with Malcom Glazer's 2005 takeover of the club putting a stg£225m (€332m) value on the club's brand alone. Not that the explosion of the Man U brand sprang miraculously from nowhere. By the time Draper found his way to the hallowed ground of Old Trafford, Manchester United was already one of the most brand active clubs in the English Premiership. The infamous MUTV was already in full swing, the website had begun to generate decent ad revenue, lucrative sponsorship deals were in place, pencil cases were flying off the shelves and Manchester United fans could support their team with a range of branded financial products that spanned saving accounts to credit cards.²⁶

Evolution, not revolution was the name of the game, and one of Draper's early plays was to revamp the financial services being offered by Manchester United.

"What we had was a savings and credit card product but not very well done," said Draper. So, they just had to leave it.

²⁵Elsevier: http://www.elsevier.com/wps/find/bookdescription.cws_home/708886/description#description, accessed on 14th September, 2007

²⁶ www.independent.ie/business/marketing-magician-propels-the-man-u-brand-into-top-division-955765.html?r=RSS, accessed on 14th September, 2007

Draper's new branding strategy struck various chords when he decided to revamp the financial products.

"If there's a promotion and it all goes skiwiff guess who gets the letters?"

And so 'quality' became the buzz word, paving the way for what Draper believes was his best decision at the club - a stg£300m (€443m) deal to give Nike full rights for all Manchester United's merchandising, from 2002.²⁷

"It hadn't been done before, a total licensing deal," he says. "Nike made shirts, they don't know anything about pencils, mugs, jigsaw puzzles, woolly hats." But that's what Nike has opted to do for Manchester United. Pre-season tours to exploit the lucrative markets of America and the Far East are something else Draper credits himself with bringing to Man United. "Man Utd doesn't just stop in Manchester," he says. "When I was there we did two tours to Asia and two to America."²⁸

To activate the brand, Man United has to go on various tours to Central Asia and East Asia, which boosts up their following in countries like China who have a following of 20 Million alone. Leaving aside the noble goal of "bringing the team closer to the fans", the finances of the tours make for compelling logic. Nurturing a fan base further afield makes the team far more attractive to global sponsors, Draper says.²⁹

"The AIG sponsorship we have now is worth £14.5m (€21.4m) a year - that's an American and Asian insurance company really."

Then there's spikes in local merchandise sales in America and Asia to consider, as well as tickets sales from sell-out matches in super sized stadiums. Or as Draper sums it up: "There's a reason to be there and you get paid to go."

²⁷ www.independent.ie/business/marketing-magician-propels-the-man-u-brand-into-top-division-955765.html?r=RSS, accessed on 14th September, 2007

²⁸ www.independent.ie/business/marketing-magician-propels-the-man-u-brand-into-top-division-955765.html?r=RSS, accessed on 14th September, 2007

²⁹ www.independent.ie/business/marketing-magician-propels-the-man-u-brand-into-top-division-955765.html?r=RSS, accessed on 14th September, 2007

Yet despite the unequivocal financial pros of the tours, Draper says one of his worst decisions was going on tour in America in 2003 and 2004.

"It was too close to go two years on the bounce," he says. "The first year was fantastic, absolutely fantastic, the second year was good but it just wasn't fantastic." One of Draper's more controversial decisions came in 2005, when he decided that Manchester United's 12 key sponsors should be cut down to 8. "For sponsors, you can't actually cut through the message if there are too many of you," he explains.³⁰

"And for us, going from 12 to eight was plus on the revenue side. You have to believe that eight sponsors will say 'If I am one of a few I will get more from my relationship so I will pay more'." That decision was one of the first Draper made under the shadow of incoming owner Glazer, and one of the last he made at the club. By May 2006, the marketing man was heading for the door, prompting rumors that the brand-focused Glazers were impatient about Man United's global brand roll out and had their own plans to up the ante.³¹

Those are rumors that Draper denies - he says he left on very good terms with all Glazers - but still they persist.

How aggressively the Glazers plan to pursue their global branding strategy remains to be seen, but there is one thing Draper thinks they will never do. "I don't think they will ever sell the naming rights to Old Trafford," he says. "You don't sell your soul. I don't think it's that beneficial for an organization with revenue streams like Man United's to say we want to be called the XYZ Stadium Old Trafford. "It wouldn't happen anyway because the ability to give value to people who name it would be limited - people wouldn't call it XYZ Old Trafford, they'd call it Old Trafford."³²

³⁰ www.independent.ie/business/marketing-magician-propels-the-man-u-brand-into-top-division-955765.html?r=RSS, accessed on 14th September, 2007

³¹ www.independent.ie/business/marketing-magician-propels-the-man-u-brand-into-top-division-955765.html?r=RSS, accessed on 14th September, 2007

³² www.independent.ie/business/marketing-magician-propels-the-man-u-brand-into-top-division-955765.html?r=RSS, accessed on 14th September, 2007

1.3.4 Marketing of Sports: A Case of English Premier League

It comes as no surprise that Arsenal's come from behind win in their EPL opener was discussed with equal intensity in the sub-continent as Rahul Dravid's decision not to enforce the follow on at the Oval. Blame it on the explosion of satellite television or the general growth of football in India. The fact remains that the urban Indian youth identifies himself with the EPL these days.

As the English soccer league continues to capture territories beyond the metros, the picture only gets bigger. EPL is giving prime time cricket a run for its money in India. What makes the EPL tick over other European leagues that boast of equal, if not better quality on the turf, makes interesting reading.

The Italian league has been beset with waves of match fixing scandals. The Spanish and German leagues do not have too many names that the average football fan can relate to. As a very well-packaged championship, with brand Beckham leading the way, EPL made the first foray into the Indian drawing rooms that had seen the light after successive World Cups shown on television since 1978.³³

Other European leagues might disagree but the EPL is better structured and its star power is well sold through media saturation. A Carlos Tévez crossing the oceans makes news even if Manchester United only draw their first game with the Argentinian super star in the ranks.

The top four EPL sides (Arsenal, Manchester United, Liverpool and Chelsea) started visiting South and South East Asian countries in the early '90s to play friendlies against local clubs. To many followers in Asia, players from these clubs appeal more than some of their national stars. The players are the real ambassadors, which adds to the prestige of the team and boosts players as a separate brand.³⁴

Fans thronging Bangkok airport just to catch a glimpse of their icon Beckham in 2002 was a pointer to the impact EPL and its stars made on the Asian market. A spokesperson for ESPN-STAR Sports who added that, the game may seem to be only a niche in its own segment but its

³³ Path plus: pathplusdiagnostics.com/epl.htm, accessed on 14th September, 2007

³⁴ Path plus: pathplusdiagnostics.com/epl.htm, accessed on 14th September, 2007

following has certainly made global followers and hard core fans. Alongside the introduction of Star cricket was designed to push all live cricket content to that channel so that EPL could be accommodated in their basket without interruption.³⁵

ESPN-STAR Sports acquired EPL rights for 12 key Southeast Asian countries till the year 2010. According to the channel, cricket, Formula One racing and EPL will be their key priorities. "We have been concentrating on the four big teams as they boast of the biggest fan base and viewership. The following goes up when these teams are in action," confirms the spokesperson.

Even in countries like Malaysia and Hong Kong, the EPL has become a rage. Airlines fly special flights to certain matches during the weekend. Tour packages are given with match tickets and accommodation in local hotels are all taken care of by the tour operator. As spending power grows in Asia, EPL would be one of the biggest benefactors.

The premiership's ever growing merchandise market makes the league worth studying as a marketing success. It is a common sight to see young students dressed in ManU or Chelsea colours in classrooms. A number of retail shops have sprung up to offer the students this exciting line of sport merchandise. Of course, fake merchandise also does an equal amount of business. This, however, only adds to the popularity of the sport.

A fashion retailer says, on condition of anonymity, that a good chunk of his profit comes from selling EPL merchandise range of watches, calendars, key chains and stationery among others. "Licence to sell official EPL products will cost a fortune and their fancy pricing will have no takers in India. It will take some time for the market to evolve in India. In the near future, I do see official EPL shops making their way here," he says.³⁶

Mobile updates ensure fans do not miss a minute of action and the wireless medium also acts as major source of revenue. Premier League's chief executive Richard Scudamore recently said India is the biggest growing television market for the league. With the youngsters following the

³⁵ Path plus: pathplusdiagnostics.com/epl.htm, accessed on 14th September, 2007

³⁶ Path plus: pathplusdiagnostics.com/epl.htm, accessed on 14th September, 2007

beautiful game as closely as the gentleman's game do not be amused if a kid swears by Wayne Rooney rather than a Sachin Tendulkar. The EPL is here to stay.

1.3.5 Sports Marketing: A Case of Hockey in Pakistan

Hockey, the national sport of Pakistan, has lost its flavour among the masses over the last decade. The reasons for the degeneration of hockey affairs are numerous, which have been highlighted off and on at various platforms. Unfortunately most of the suggestions of those concerned with the welfare of game, went unnoticed because of the apathy of previous hockey bosses preferred to remain firmly entrenched in their traditional way of working thus the development of hockey could never grow beyond certain barriers.

One of the most unattended front is the Marketing and Media aspects of field hockey promotion. If Pakistan's hockey has to regain its place as the leaders of global hockey, the understanding and subsequent application of sport marketing and media dynamics is imperative for the hockey organizers.³⁷

"Sports marketing is the process of designing and implementing activities for the production, pricing, promotion and distribution of a sports product to satisfy the needs or desires of consumers and to achieve the organization's objectives."

There is a certain dearth of professionals in the field of sports marketing in our country in general and in hockey in particular. In the absence of a coherent sports culture and non-existence of professional based sports, it would not be easy to find professionals who fully understand the political, social and economic environments of sports industry. A common mistake which always occurs in such a situation is hiring of foreign experts, who despite having excellence in the concerned field are not fully aware of the above mentioned sports environments in our country. Till hockey is marketed along professional lines its chances of growing form the shadows of cricket popularity at the national level are remote.³⁸

The hockey gurus very easily shun their responsibility for the lack of media coverage by passing the buck to the state owned electronic media for not providing adequate coverage to national and international hockey events. They blame television for giving a step motherly treatment to

³⁷ Web Digest: pakavenue.com/webdigest/sports/article_002.htm, 6th September, 2007

³⁸ Web Digest: pakavenue.com/webdigest/sports/article_002.htm, 6th September, 2007

hockey as compared to cricket. This is true to some extent, but the fact is the non-professional attitude of the federation where a well-defined media policy for the promotion of hockey does not exist.

The promotion of a particular sport and its image building is the responsibility of the federation and not of the media. According to a news item published in a leading English daily, nearly 70% of TV viewers in urban Pakistan takes an interest in watching sports on TV. Standard Rate and Data Service (SRDS) confirms that 90% of adults in the USA read one or more magazines regularly and most of them prefer to read magazines devoted entirely to sports. The hockey federation in Pakistan must make an endeavour to introduce a regular monthly hockey magazine will inculcate a great deal of interest about hockey among the youth. It will not only fetch revenues but contribute to its development. Such magazine can also be utilized for the image building of hockey players as national sports heroes.³⁹

Television has trivialized the experience of spectator sports like hockey. The amount spent on sports TV coverage around the globe is staggering. Recently at the Sydney Olympics, a single American net work (NBC) paid \$ 715 million for just buying the rights to televise the games. Keeping in view the powerful and immediate effect of electronic media on viewers, hockey organizers in Pakistan will have to make hockey more marketable. This reminds me of the loosely hanging parchments around the hockey ground during recently concluded national hockey championship. The banners carrying the name of the sponsor were probably placed around the ground at the day one of the Astroturf and heavy moisture on ground adversely effected the loosely hanging cloth, projecting a poor impression on the audience. Hockey's management can always improve the image of hockey in the mind of people by implying the modern event management techniques. The layout of ground and stadium always carry a deep impact on the audience. There are number of sports on the hockey ground and stadium which are of very high value for the advertisers, provided they are identified and exploited properly.⁴⁰

³⁹ Web Digest: pakavenue.com/webdigest/sports/article_002.htm, 6th September, 2007

⁴⁰ Web Digest: pakavenue.com/webdigest/sports/article_002.htm, 6th September, 2007

There is a strong feeling that sufficient room for its improvement is available in the presentation of hockey commentary on both TV and radio. Addition of brief English commentary to the traditional style of Urdu commentary will help the national sport in approaching the new segments of sports society and would prove extremely beneficial in elevating the image of hockey to a higher tier.

Besides a solid marketing and media strategy along with coaching institutes, and national talent hunting programmes hockey must understand and embrace in totally the concept of "Product is the King". If the technical and tactical standard of national hockey can be improved through dedicated efforts and restructuring of hockey affairs at the grass roots level. The rest will follow itself.⁴¹

⁴¹ Web Digest: pakavenue.com/webdigest/sports/article_002.htm, 6th September, 2007

2. LITERATURE REVIEW

2. LITERATURE REVIEW

2.1. Evolution of Cricket Marketing

When Kapil Dev catapulted India to the top spot in one-day international (ODI) way back in 1983, everyone saw all players in the traditional white uniform. Those were the days when there were no commercials between overs, no instant replays, no third umpire and absolutely no colour what so ever other than that provided by the crowd⁴².

Today, it is seen that the Men in various colors and fashionable gear, donning various logos; some of them using cricket bats with brand names, while some appearing in advertisements hardly related to cricket like Sourav Ganguly's advertisements of various oils and Waseem Akram's appearance in telecom advertisements. The very logistics of capturing the action has undergone a sea change. It is now a spectator's sport with the focus on entertainment and the economics of the game is a wonderful study of globalization.⁴³

2.1.1 Cricket Marketing: A Case of a genius

Australian media tycoon Kerry Packer, who died recently, was instrumental in orchestrating many changes but no one could have imagined the consequences of what he started. Packer did not invent ODI; what he did was to give it a new direction of splendour. He redefined the ODI experience and that clearly marks him as a marketing genius who changed the contours of the game for ever. ⁴⁴

Packer inherited a vast media empire of which Channel Nine of Australia, with a focus on sports, was a key element. Way back in 1976, he approached the Australian Cricket Board (ACB) and sought exclusive rights to broadcast cricket live through Channel Nine. He made an offer to the ACB that was more than generous by any standards. The Board rebuffed his offer and Packer,

⁴² Hindu Business Line: <http://www.thehindubusinessline.com>, accessed on 14th September, 2007

⁴³ Web Digest: pakavenue.com/webdigest/sports/article_002.htm, 6th September, 2007

⁴⁴ Hindu Business Line: <http://www.thehindubusinessline.com>, accessed on 14th September, 2007

not the one to be put off easily, started the rebel one-day series called World Series Cricket (WSC) in Australia. The WSC did not prove to be popular and it collapsed.

2.1.2 Innovation in Cricket Marketing: A New Look to ODI

However, the new look Packer gave to ODI lingered and evolved to what we see today. Packer, as a marketing professional, looked critically at what the consumer got out of watching one-day cricket. He set about enhancing the experience. He wanted to give a ringside view and appeal. He brought color in the player's uniforms alongside enhancing their identities by emblazoning their names on the back of their uniforms, something new to those days.

The cricket ball became white and he introduced night time cricket first in Australia to increase the live audience even on weekdays, on one hand, and facilitate TV viewing over waking hours in other parts of the world.⁴⁵

2.1.3 Redefined Experience

He ramped up the technology wonderfully with cameras on either side of the wicket and microphones hidden on the ground.

Close-ups, replays, etc., were possible every instant and this added a totally new dimension to the viewing of the game. The ringside view of the game was the essence of his redefined experience of watching the game over a TV channel. Of course, he borrowed heavily from other spectator sports such as World Cup Soccer and Super Bowl.

He shrewdly calculated that once the audience stabilised, at least in the playing countries, the transformed version of ODI could be sold to advertisers as a vehicle for their brands, logos and even for some of their messages. And that could be big money.⁴⁶

2.1.4 Building Global Audience

Packer saw all this well ahead of time and although the WSC collapsed, the ACB came around because of the changes made by him and it could also see there was money in it for everybody. Packer got what he wanted for Channel Nine and he continued to make various enhancements to

⁴⁵ Hindu Business Line: <http://www.thehindubusinessline.com>, accessed on 14th September, 2007

⁴⁶ Hindu Business Line: <http://www.thehindubusinessline.com>, accessed on 14th September, 2007

make the viewing of the game more and more attractive. This was supply-side economics at its best because once the trend started the other world bodies governing cricket followed suit and the global audience started building up.

It was almost like the good old FMCG formula. You build the distribution channels first and adopt the `push' strategy to move your brands and follow it up with the `pull' strategy to get the consumer to look for those brands and consummate the sale. Once the global audience started gathering momentum more and more advertisers came into the fray just as it has happened over the years with World Cup Soccer and Super Bowl. FedEx paid \$2.5 million for a 30 seconds spot on Super Bowl a few weeks ago!⁴⁷

The Packer legacy, which changed cricket marketing and made ODI into what it is today, has moved further on to bring about one of the most fundamental changes affecting India. Today, the Board of Control for Cricket in India (BCCI) can rightfully say it is not only the richest but also most powerful body in the game. The commercial consequence of the Packer legacy is the interest shown by the advertisers and the money that is being generated for BCCI.⁴⁸

2.2 Current Scenario in Cricket Marketing

Sporting merchandise giant Nike has launched a new range of cricket merchandise as it tries to enter the Indian market.

The firm says it has focused on its cricket lines after winning a kit sponsorship deal with India's cricket team worth \$40m over five years⁴⁹

The new range includes shoes for fast bowlers and batsmen, replica jerseys, training gear, kit bags and backpacks. Reebok and Adidas already sell cricket merchandise in India and Nike hopes to tap into what it says is huge potential. Analysts say India's licensed merchandise industry is in its infancy.

⁴⁷ Hindu Business Line: <http://www.thehindubusinessline.com>, accessed on 14th September, 2007

⁴⁸ Hindu Business Line: <http://www.thehindubusinessline.com>, accessed on 14th September, 2007

⁴⁹ BBC Website: <http://news.bbc.co.uk/nike-sports.htm>, accessed on 16th September, 2007

'Fan-based'

Nike India's marketing director, Sanjay Gangopadhyay, told the BBC that two aspects of cricket merchandise had not been exploited in India - one for the player, the other for the fan. "In the whole area of the player, the kind of shoes he wears, the apparel he wears, the equipment he uses, there's been no change. "If you go to a place like England or anywhere in Europe, it's so much of a fan-based business out there. "The people would love to support their teams, wear the replica jerseys, wear the small things - none of that has been tapped in India." ⁵⁰

Analysts say India's licensed merchandise industry is poised for phenomenal growth. Harminder Sahni, chief operating officer of Technopak, a management consulting firm that specialises in research for retail and consumer merchandise, said foreign firms could cash in.

"If an organised player enters the merchandise market, and especially that of cricket, it could easily make \$20m in the first year itself. "Such could be the growth that within three to four years, it could easily touch the \$100m mark." Sajid Shamim, marketing director for Reebok India, agreed, saying of all the firm's sports apparel "cricket gear showed maximum sales".

"The sports merchandise and apparel industry is quite unorganized and still in its nascent stage but we see it slowly evolving," he told the BBC. "We are anticipating major growth, though we see that happening over a period of four to five years." ⁵¹

⁵⁰ BBC Website: <http://news.bbc.co.uk/nike-sports.htm>, accessed on 16th September, 2007

⁵¹ BBC Website: <http://news.bbc.co.uk/nike-sports.htm>, accessed on 16th September, 2007

2.3 Exploiting Consumer Loyalty

Customer loyalty is of great value to an organization because loyal customers are much cheaper to serve and their support easier to maintain . As mentioned by Park and Kim, Rosenberg and Czepiel "reported that it costs six times more to attract a new consumer than to retain an existing consumer" A recreational sport agency's success relies, to a great extent, on its management of customers' loyalty. Park and Kim noted that customer loyalty could provide not only "economic" but also "broad" support for a particular recreational sport organization.⁵²

Realizing the importance of consumer loyalty, students in the field of recreation and leisure have paid growing attention to loyalty-related issues in recent decades In this paper, authors would like to review the development of the exploration of consumer loyalty in the past, especially in the field of recreation and leisure. Looking at research of loyalty done in the last several decades, authors found that the study of this concept has roughly gone through three stages. First, most of earlier investigators focused on only one dimension of consumer loyalty - either behavioral or attitudinal. Second, models combining both behavioral and attitudinal dimensions of loyalty were developed. Third, recent studies of multiple attitudinal or psychological facets of consumer loyalty led to more profound and integrated understanding of loyalty. In the following sections authors will review these one by one.⁵³

2.3.1 One-dimensional Study

The majority of early studies of consumer loyalty looked only at the behavioral dimension "loyalty to a product or service was simply viewed as the consistent purchase of one brand over time". According to Pritchard et al., Jacoby and Chestnut investigated these behavioral approaches and divided them into the following four groups.

The first group interpreted loyalty according to the purchasing sequence of a particular brand such as George N. Brown .The second group defined loyalty on the basis of "the proportion of

⁵² Sports Journal: www.thesportjournal.org/2004Journal/Vol7-No1/Tian-ShiangChia-MingKuei-Mei.asp, accessed on 24th September, 2007

⁵³ Sports Journal: www.thesportjournal.org/2004Journal/Vol7-No1/Tian-ShiangChia-MingKuei-Mei.asp, accessed on 24th September, 2007

purchase devoted to a given brand." For example, Ross M. Cunningham used the proportion of purchase to index consumers' loyalty. The third group applied probability models to analyze purchasing behavior of consumers. Ronald E. Frank (1962) used " a simple chance model" to investigate repeat purchase probabilities. The fourth group defined loyalty by integrating several behavioral variables. Burford, Enis, and Paul (1971) put forward an index that combined three measures of behavioral loyalty -- "per cent of budget, allocated to the store or brand, amount to switching, and number of alternatives."⁵⁴

Although behavioral approaches mentioned above are easy to be operationalized, they have many fatal weaknesses as the theoretical framework to study consumer loyalty. From late 1960s, some students of consumer loyalty started to criticize behavioral loyalty.

As far as measurement is concerned, because behavioral conceptualization of consumer loyalty depended on observable and overt behaviors, it was doomed to make mistakes such as classifying some consumers as loyal in one study while nonloyal in another. Moreover, the failure to identify the relations between loyalties measured by different pattern of use "led researchers to conclude that brand loyalty encompassed more than repeat use".⁵⁵

Conceptually, Day (1969) noted that behavioral models could not discriminate between "true" or intentional loyalty and "spurious" loyalty. Day (1969) and Jacoby (1971) proposed that the attitudinal dimension should be introduced to the conceptualization of loyalty to better understand consumer loyalty. Pritchard et al. (1992) quoted Jacoby's words that "to exhibit brand loyalty implies repeat purchase based on cognitive, affective, evaluative and predispositional factors . the classical primary components of an attitude".⁵⁶

⁵⁴ Sports Journal: www.thesportjournal.org/2004Journal/Vol7-No1/Tian-ShiangChia-MingKuei-Mei.asp, accessed on 24th September, 2007

⁵⁵ Sports Journal: www.thesportjournal.org/2004Journal/Vol7-No1/Tian-ShiangChia-MingKuei-Mei.asp, accessed on 24th September, 2007

⁵⁶ Sports Journal: www.thesportjournal.org/2004Journal/Vol7-No1/Tian-ShiangChia-MingKuei-Mei.asp, accessed on 24th September, 2007

Early researchers not only looked at the behavioral part of consumer loyalty but also looked at psychological side of consumer loyalty. Prichard, Howard, and Havitz (1992) briefly reviewed this research. For example, they showed that scholars such as Guest, Monroe, and Gultinan, Bennett and Kassarijia, Jain, Pinson, and Malhotra all made efforts to study consumers' attitudes or intentions.⁵⁷

However, studies focusing on attitudinal loyalty only, just like behavior only approach, had their limitations. According to Prichard, Howard, and Havitz, many loyalty theorists found that the early studies of attitudinal components of consumer loyalty lacked theoretical conceptualization:

A result of this lack of theoretical focus is the multitude of measures that confound research. Examination of the theoretical and empirical rigor underlying the development of various attitudinal measures raises some construct validity questions.

In sum, most early definitions of loyalty focused on one side of consumer loyalty which was not only superficial but also insufficient. Therefore they were vulnerable to critiques. In the next section, a two-dimension approach, which replaced the one-dimensional perspectives, was discussed.⁵⁸

2.3.2 Loyalty as a Two-dimension Construct

As noted by Jacoby and Chestnut, neither behaviors nor psychological attachments alone could well explain consumer . Therefore, a model that integrated both the behavioral and attitudinal dimensions of consumer loyalty came into being from the critiques of earlier one-dimensional approaches of loyalty studies, especially the behavioral loyalty.⁵⁹

⁵⁷ Sports Journal: www.thesportjournal.org/2004Journal/Vol7-No1/Tian-ShiangChia-MingKuei-Mei.asp, accessed on 24th September, 2007

⁵⁸ Sports Journal: www.thesportjournal.org/2004Journal/Vol7-No1/Tian-ShiangChia-MingKuei-Mei.asp, accessed on 24th September, 2007

⁵⁹ Sports Journal: www.thesportjournal.org/2004Journal/Vol7-No1/Tian-ShiangChia-MingKuei-Mei.asp, accessed on 24th September, 2007

Day found that the index, based on his two-dimension definition of consumer loyalty that combined both behavioral and attitudinal dimensions, had the predictive power twice that of the behavioral approach.

Olson and Jacoby's six-point definition of loyalty (1971), following the line of Day (1969), "empirically corroborated the idea that both "cognitive" and "behavioral" parts of loyalty were "separate" and "identifiable". Olson and Jacoby (1971) defined the loyalty as "a biased, behavioral response, expressed over time, by some decision making unit, with respect to one or more alternative brands out of a set of such brands, and is a function of psychological processes". This was "widely accepted as the conceptual basis for loyalty research".⁶⁰

According to Selin et al. , the two-dimensional model suggested by Day and Jacoby was further clarified in one of Jacoby's articles with Kyner (1973). They used a two dimensional definition of loyalty, which include both repeat purchase and attitude of consumers, became "the definitive measurement standard" of loyalty studies.

Many researchers applied the two-dimensional model to investigate consumer loyalty. Most representative is Backman and Crompton (1991a) operationalization of this approach in loyalty research. Backman and Crompton (1991a) used attitudinal and behavioral scores to segment respondents in their study of golf and tennis participants. A 13-item semantic differential scale was used to measure "participants' general feelings toward the activities". They then used a two-dimensional matrix to distinguish four discrete levels of loyalty. The resulting four-quadrant matrix served to classify participants into specific groups by weak or strong attitudes and high or low behavioral consistency".⁶¹

They divided the consumers into four groups with different levels of loyalty: low loyalty (weak psychological attachments and weak behavioral consistency); latent loyalty (strong

⁶⁰ Sports Journal: www.thesportjournal.org/2004Journal/Vol7-No1/Tian-ShiangChia-MingKuei-Mei.asp, accessed on 24th September, 2007

⁶¹ Sports Journal: www.thesportjournal.org/2004Journal/Vol7-No1/Tian-ShiangChia-MingKuei-Mei.asp, accessed on 24th September, 2007

psychological attachment but a weak behavioral consistency); spurious loyalty (weak psychological attachment but a strong behavioral consistency); and high loyalty (strong psychological attachment and a strong behavioral consistency) (Backman & Crompton, 1991a). Mahony and Howard (2000, p. 17) believed that Backman and Crompton's research enhanced "the understanding of loyalty in a sport and leisure context because their two-dimensional operationalization not only "reaffirmed and extended Day's claim" about loyalty but also "provided important insights into the complexity of the construct" (Mahony, Madrigal, & Howard, 2000).

After Day (1969) and Jacoby (1971) first proposed that the concept of loyalty should include both behavioral and attitudinal facets, there developed a consensus that loyalty is a "two-dimensional construct". "to measure loyalty necessitates assessing both affective attachment to an activity as well as measuring behavioral use of the activity".

The two-dimensional approach combines both the behavioral and psychological facets of consumer loyalty. Therefore it advanced the understanding of loyalty by overcoming the weaknesses of one-dimensional approaches. However, most two-dimensional studies of consumer loyalty were deficient in that the measurement of psychological attachment of consumers was very difficult. For example, the operationalization of Backman and Crompton's attitudinal loyalty was far from sufficient. The further exploration of the attitudinal dimension in recent years has led to the conceptualization of loyalty as a dynamic process which is to be discussed in the next section.

2.3.3 Beyond the Two-dimension Model

In recent years, many researchers paid attention to consumer loyalty's multifacetedness because of the concept's complexity, especially the attitudinal dimension. For example, the analysis of Park and Kim (2000) of attitudinal loyalty in the field of recreational sport indicated that the attitudinal loyalty was a multifaceted construct consisting of three components: normative loyalty, based on "social expectation or normal pressure;" affective loyalty, based on "affective attachment;" and investment loyalty based on "accumulation of investments." In addition, they suggested that all these dimensions were distinctive and should be taken into consideration simultaneously to explain the attitudinal loyalty.

Prichard, Howard, and Havitz (1992) noted that the commitment as a component of attitudinal loyalty attracted great attention from researchers of loyalty in the past decades. According to Prichard et al. (1992), the multidimensional models of commitment, based on Buchanan's (1985) three-dimensional definition of commitment (behavioral consistency, affective engagement, and degree of investment), paralleled the studies of composite loyalty. In addition, Prichard et al. (1992) believed that Crosby and Taylor's (1983) conceptualization of commitment, which included "cognitive consistency" and "position involvement," "could provide a sound theoretical basis for operationalizing the attitudinal dimension of recreation loyalty."

Some students of consumer loyalty studies not only realized that loyalty was multidimensional but also went further to investigate relations between dimensions of loyalty. Park (1996) applied hierarchical multiple regression analyses to study relationships between involvement and attitudinal loyalty constructs in fitness program which revealed that these two constructs were "highly intercorrelated" though they were independent. According to Park (1996), both involvement and attitudinal loyalty were multidimensional.⁶²

Gahwiler and Havitz (1995) also made efforts to understand such relations. In their study to examine the relationships between the social subworld, involvement, psychological commitment, and behavioral loyalty, they criticized the fact that these factors were mostly investigated separately in the previous studies. Their analyses in the case of YMCA revealed that greater social world integration, position involvement, and psychological were all positively related to greater levels of loyalty.

Iwasaki and Havitz (1998) proposed a path analytic model of the relationships between different dimensions related with the loyalty, i.e. involvement, psychological commitment, and loyalty. They criticized the efforts of Park (1996) and Kim, Scott, and Crompton (1997) to investigate the relationships and argued that the development of consumer loyalty was a dynamic process. They proposed that consumers go through sequential psychological processes to become loyal

⁶² Sports Journal: www.thesportjournal.org/2004Journal/Vol7-No1/Tian-ShiangChia-MingKuei-Mei.asp, accessed on 24th September, 2007

participants including: (a) the formation of high levels of involvement in an activity, (b) the development of psychological commitment to a brand, and (c) the maintenance of strong attitudes toward resistance to change preferences of the brand.

In addition, they believed that variables such as personality and social status "moderate the developmental process".

These relational studies of multiple dimensions facilitate the understanding of the concept of consumer loyalty and are more comprehensive than the approaches discussed in the first two sections. This path analytic model, as a dynamic process, especially advanced an investigation of the mechanism of individuals' loyalty development. Although less parsimonious than previous models, it provides an insightful theoretical framework for further studies of consumer loyalty⁶³

2.4 Sponsorship

To sponsor something is to support an event, activity, person, or organization financially or through the provision of products or services. A sponsor is the individual or group that provides the support, similar to a benefactor. Sponsorship typically benefits both the recipient (by providing material benefits) as well as the sponsor (as a marketing tool that enhances the sponsor's public image and provides access to a wider audience).⁶⁴

In another definition, sponsorship is also defined as 'a "long term" advertising relationship that typically involves the payment of a fixed fee to display a banner or other graphic on a website, or be included in an email newsletter'.⁶⁵

Sponsorship is a business relationship between a provider of funds, resources or services and an individual, event or organization which offers in return rights and

⁶³ Sports Journal: www.thesportjournal.org/2004Journal/Vol7-No1/Tian-ShiangChia-MingKuei-Mei.asp, accessed on 24th September, 2007

⁶⁴ <http://en.wikipedia.org> 22nd September, 2007

⁶⁵ <http://www.pokeradnetwork.co> 25th September, 2007

association that may be used for commercial advantage in return for the sponsorship investment.⁶⁶

Sponsorship may be an arrangement to exchange advertising for the responsibility of funding a popular event or entity. For example, a corporate entity may provide equipment for a famous athlete or sports team in exchange for brand recognition. The sponsor earns popularity this way while the sponsored can save a lot of money. This type of sponsorship, known as cause-related, is prominent in the sports, arts, media and charity sectors.⁶⁷

Sponsorship is also becoming increasingly important in education. Many companies want their logo on sponsored equipment in return. Formula One team, for example, have heavily relied on the income from tobacco advertising. Other types of sponsorships revolve around companies paying for parts of television broadcasts and sporting events which bear their name. For example college bowl games now contain the name of their sponsor such as the Tostito's Fiesta Bowl.

Many times a company's motives for sponsorship are altruistic in order to create goodwill in the community which increases their good reputation. However, sponsorship is more commonly used to derive benefit from the associations created for a company's brand(s) or image as a result of the sponsorship.

People may sponsor an individual or group of people to undertake a fundraising task, usually for a charity or other cause requiring funding. Sponsorship belongs to the promotional tool of Marketing.⁶⁸

In today's world a typical sponsor spends \$1.90 on activation for every \$1 it pays properties to associate with them. That is a record high amount, surpassing the 1.7-to-1 ratio reported last year and in '03. A major factor in hitting that high water mark: a rise in the number of sponsors who said they spent 2-to-1 on activation from 21 percent last year to 26 percent this year.⁶⁹

⁶⁶Sponsorship: <http://www.sponsorship.co.uk> 25th September, 2007

⁶⁷ Wikipedia: <http://en.wikipedia.org> 25th September, 2007

⁶⁸ Wikipedia: <http://en.wikipedia.org> 22nd September, 2007

⁶⁹ Sponsorship: <http://www.sponsorship.com> 22nd September, 2007

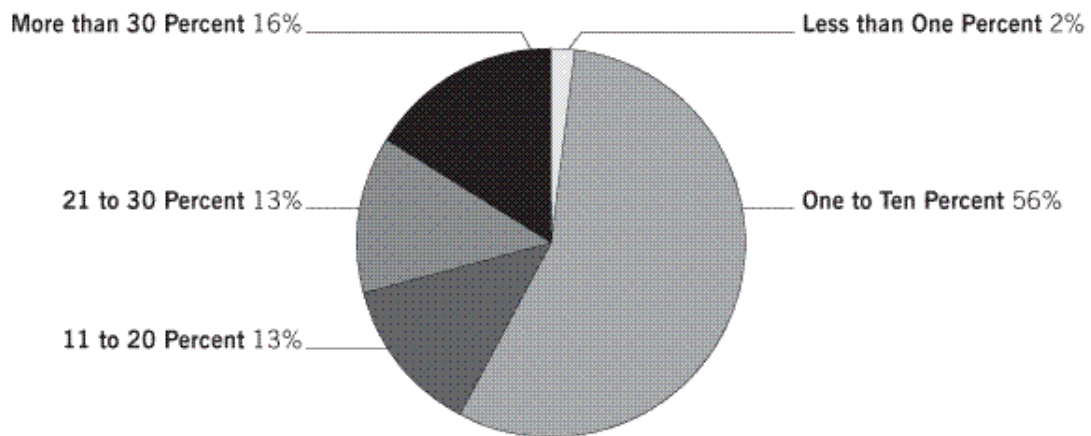


Figure 1: Percentage of overall marketing budget spent on sponsorship rights fees⁷⁰



Figure 2: Types of companies used to leverage sponsorship programs⁷¹

⁷⁰ Sponsorship: <http://www.sponsorship.com> 22nd September, 2007

⁷¹ Sponsorship: <http://www.sponsorship.com> 22nd September, 2007

2.5 Brand Loyalty

Brand loyalty has been proclaimed by some to be the ultimate goal of marketing. In marketing, brand loyalty consists of a consumer's commitment to repurchase the brand and can be demonstrated by repeated buying of a product or service or other positive behaviors such as word of mouth advocacy. True brand loyalty implies that the consumer is willing, at least on occasion, to put aside their own desires in the interest of the brand.⁷²

Brand loyalty is not a simple uni-dimensional concept, but a very complex multi-dimensional concept. Wilkie (1994) defines brand loyalty as “a favorable attitude toward, and consistent purchase of, a particular brand”. However, such a definition is too simple to understand brand loyalty in the context of consumer behavior. The definition implies that consumers are brand loyal when both attitude and behavior are favorable. However, it does not clarify the intensity of brand loyalty, because it precludes the possibility that a consumer’s attitude is unfavorable, while he/she repeats the purchases. In such case, the consumer’s brand loyalty would be superficial and shallow-rooted.⁷³

Brand loyalty is more than simple repurchasing, however. Customers may repurchase a brand due to situational constraints, a lack of viable alternatives, or out of convenience. Such loyalty is referred to as "spurious loyalty". True brand loyalty exists when customers have a high relative attitude toward the brand which is then exhibited through repurchase behavior. This type of loyalty can be a great asset to the firm: customers are willing to pay higher prices, they may cost less to serve, and can bring new customers to the firm. For example, if Joe has brand loyalty to Company A he will purchase Company A's products even if Company B's are cheaper and/or of a higher quality.⁷⁴

Another definition of brand loyalty that compensates for the incompleteness of Wilkie’s definition (1994) was offered by Jacoby and Chestnut (1978). They provided a conceptual definition of brand loyalty that “brand loyalty is:

⁷² Wikipedia: http://en.wikipedia.org/wiki/Brand_loyalty, accessed on 25th September, 2007

⁷³ Emerald: <http://www.emeraldinsight.com> 25th September, 2007

⁷⁴ Wikipedia: <http://en.wikipedia.org>, accessed on 25th September, 2007

1. Biased (i.e., non-random)
2. Behavioral response (i.e., purchase)
3. Expressed over time
4. By some decision-making unit
5. With respect to one or more brands out of a set of such brands, and is a function of psychological (decision-making, evaluative) processes”.

In an operational definition of brand loyalty the authors identified three kinds of categories which the various operational measures had been placed into (behavioral, attitudinal, and composite; both attitudinal and behavioral).⁷⁵

Based on the behavioral element of brand loyalty, Sheth (1968) provides an operational definition of brand loyalty that “brand loyalty is a function of a brand’s relative frequency of purchase in both time-independent and time dependent situations”. An operational definition of brand loyalty based on the attitudinal element was provided by Reynolds et al. (1974). They viewed brand loyalty as the tendency for a person to continue over time to exhibit similar attitude in situations similar to those he/she has previously encountered. Day (1969) suggests that loyalty should be evaluated with both attitudinal and behavioral criteria (composite brand loyalty). From the conceptual and operational definition of brand loyalty, we can derive the two most important elements of brand loyalty: attitude and behavior, which have been extensively studied in the area of consumer behavior.⁷⁶

An example of a major brand loyalty program that extended for several years and spread worldwide is Pepsi Stuff. Perhaps the most significant contemporary example of brand loyalty is the fervent devotion of many Mac users to the Apple company and its products. From the point of view of many marketers, loyalty to the brand - in terms of consumer usage - is a key factor.⁷⁷

⁷⁵Emerald: <http://www.emeraldinsight.com> 25th September, 2007

⁷⁶ Wikipedia: http://en.wikipedia.org/wiki/Brand_loyalty, accessed on 25th September, 2007

⁷⁷ Emerald: <http://www.emeraldinsight.com> 25th September, 2007

There have been few studies of how several antecedents of behavioral brand loyalty are inter-related. If the antecedents are integrated to measure and predict brand loyalty, the measurement will be more stable over time and accurate. The purpose of this paper is to integrate three aspects of brand loyalty (cognitive response, subjective norm and purchase behavior), and to investigate the relationships among several antecedents of behavioral brand loyalty by introducing the theory of reasoned action by Fishbein (1980).⁷⁸

Unit brand loyalty is formed at a certain point in time. Based on the TRA model, unit brand loyalty comprises three elements. Each of the three elements forces a consumer to be loyal or unloyal. For instance, although a consumer is unfavorable to the purchase of a certain brand, the consumer may purchase the brand. In such case, his/her attitude is unloyal but the behavior is loyal. The loyal behavior is very likely to be converted into a behavior of switching the brand into other when the situations enforcing him/her to keep purchasing the brand are removed. The combination of the three elements of UBL results in 2*2*2 cases (eight cases).⁷⁹

⁷⁸ <http://www.emeraldinsight.com> 25th September, 2007

⁷⁹ <http://www.emeraldinsight.com> 25th September, 2007

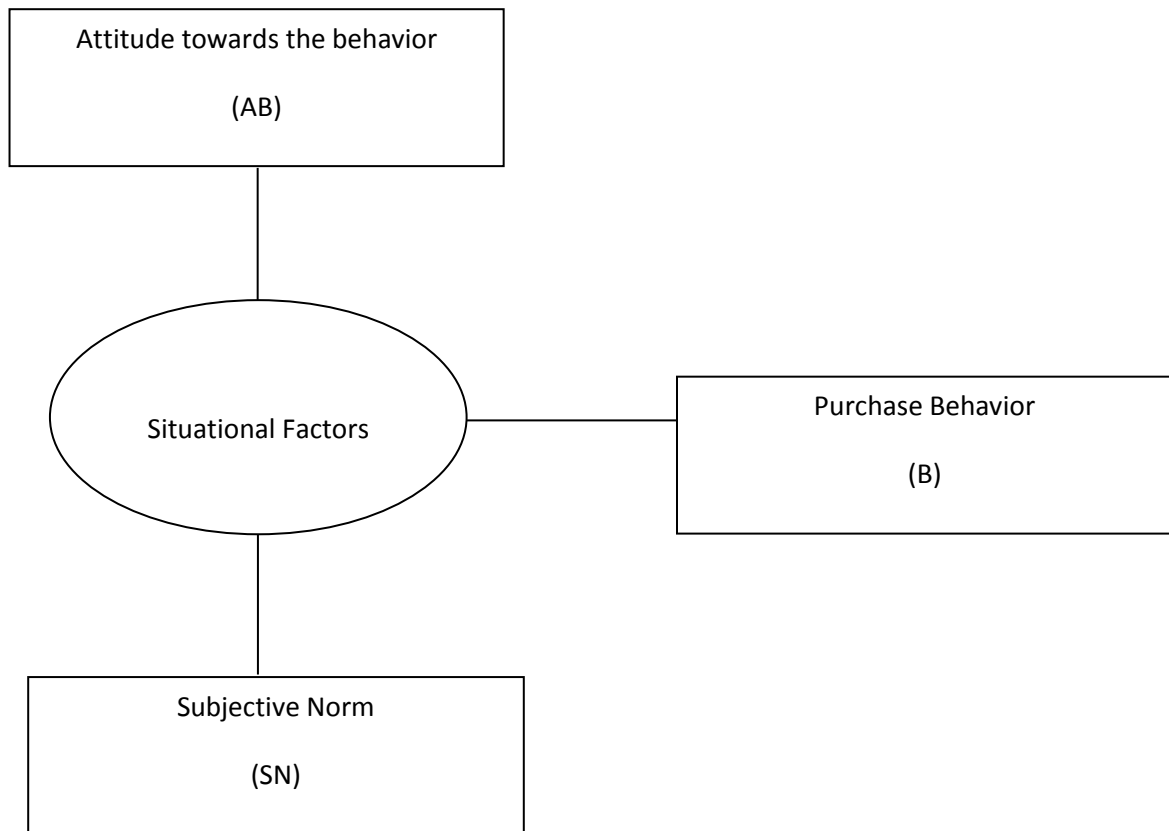


Figure 3: Pictorial Presentation of UBL ⁸⁰

2.6 Co-Branding

Co-branding is the practice of using multiple brand names together on a single product or service. The term can also refer to the display of multiple brand names or corporate logos on a single Web site, so that people who visit the site see it as a joint enterprise. When effectively done, co-branding provides a way for companies to combine forces so that their marketing efforts.⁸¹

⁸⁰ Emerald: <http://www.emeraldinsight.com> 25th September, 2007

⁸¹ Bit Pipe: <http://www.bitpipe.com> 25th September, 2007

Co-branding is a marketing arrangement that associates a single product or service with more than one brand name, or otherwise associates a product with someone other than the principal producer. The typical co-branding agreement involves two or more companies acting in cooperation to associate any of various logos, color schemes, or brand identifiers to a specific product that is contractually designated for this purpose. The object for this is to combine the strength of two brands, in order to increase the premium consumers are willing to pay, make the product or service more resistant to copying by private label manufacturers, or to combine the different perceived properties associated with these brands with a single product.⁸²

On the Internet, co-branding can provide benefits to the involved businesses by enhancing product or service exposure to consumers, marketing new products and services, and making consumers or clients aware of the core competencies of each enterprise. Co-branding can also be used to target specific markets with advertising by means of banner ads, logos, or links in descriptive text, maximizing the likelihood that potential buyers will learn of the existence of a particular company, brand, product, or service.⁸³

When two brands co-endorse a product, it is usually the brand strategists' intention that meanings from the two host brands should be transferred to the co-brand to generate a more favorable meaning constellation for the brand couple (Prince & Davies, 2002). These potential meaning transfers that may be generated by dual branding strategies have been investigated in past research. When meanings are transferred from two host brands to the co-brand, it may be possible to achieve a better attribute profile, for instance. This potential outcome of a co-branding strategy is reported by Park et al. (1996), who investigated the role of complementary product attributes by testing different co-branding strategies for a cake mix by using the two brands Slim-Fast and Godiva. By combining two brands that are highly complementary in terms of attribute profiles, a better attribute profile may be achieved for the co-brand. Co-branding may also have effects on the perceived quality of the product. In their experimental study, Rao et al. (1999) illustrate that consumers' perceptions of quality may be enhanced when a second brand

⁸²<http://en.wikipedia.org> 25th September, 2007

⁸³ <http://www.bitpipe.com> 25th September, 2007

name is provided for a product that has unobservable attributes — that is, a product which consumers have no prior experience with.⁸⁴

2.6.1 Co-Branding on Industrial Markets

Oftentimes industrial purchasers are portrayed as rational and profit maximizing who do not let themselves to be seduced by something as fuzzy and un-rational as brand images. However, prior research on branding in industrial markets has found that emotional brand values can influence decision making ([Martinez & de Chernatony, 2004](#)). Although industrial purchasing oftentimes takes place in a buying centre, it is important to remember that by the end of the day, the buying centre consist of human beings. Instead of being focusing solely on rational product attributes, industrial purchasers are influenced by both functional and emotional brand attributes. It is in this context that co-branding becomes interesting. It could be argued that co-branding is nothing more than a symbolic branding game that seeks to mask a product so that it appears to be better.⁸⁵

When it comes to co-branding in consumer markets, some consumers have a critical approach to co-branding and discharge it because the combination of brands appear to be a way for the company to charge a higher price, whereas the actual product remain the same ([Bengtsson, 2002](#)). The same argument could indeed be made by industrial buyers. However, through unique co-operations, it can be possible to generate added values that from the buyer's perspective enhance the overall perception of quality. Whether or not co-branding really improve the technical quality of the product is less important. What matters when it comes to branding is the customer's overall perception of the supplier, which indeed may have little to do with actual technical quality.⁸⁶

⁸⁴ Science direct: <http://www.sciencedirect.com> 25th September, 2007

⁸⁵ Science direct: <http://www.sciencedirect.com> 25th September, 2007

⁸⁶ Science direct: <http://www.sciencedirect.com> 25th September, 2007

2.7 Sports Merchandising

Merchandising refers to the methods, practices and operations conducted to promote and sustain certain categories of commercial activity. The term is understood to have different specific meanings depending on the context.⁸⁷

One definition of merchandising is a marketing practice in which the brand or image from one product or service is used to sell another. It is most prominently seen in connection with films, usually those in current release and with television shows oriented towards children.

Merchandising, especially in connection with child-oriented films and TV shows, often consists of toys made in the likeness of the show's characters (action figures) or items which they use. However, sometimes it can be the other way around, with the show written to include the toys, as advertising for the merchandise. The first major example of this was the TV show "He-man and the Masters of the Universe," in the early 1980s, but this practice has been common in children's broadcasting ever since.⁸⁸

The most common adult-oriented merchandising is that related to professional sports teams (and their players). A smaller niche in merchandising is the marketing of more adult-oriented products in connection with similarly adult-oriented films and TV shows. This is common especially with the science fiction and horror genres. (Examples: Star Trek, McFarlane Toys) Occasionally shows which were intended more for children find a following among adults, and you can see a bit of a crossover, with products from that show oriented towards both adults and children. (Gundam model kits)⁸⁹

Sometimes a brand of non-media products can achieve enough recognition and respect that simply putting its name or images on a completely unrelated item can sell that item. (An example would be Harley-Davidson branded clothing.)

⁸⁷ <http://en.wikipedia.org>

⁸⁸ <http://en.wikipedia.org>

⁸⁹ <http://en.wikipedia.org>

2.8 Event Marketing

Event Management involves studying the intricacies of the brand, identifying the target audience, devising the event concept, planning the logistics and coordinating the technical aspects before actually executing the modalities of the proposed event. The recent growth of festivals and events as an industry around the world means that the management can no longer be ad hoc. Events and festivals, such as the Asian Games or the Dubai Shopping Festival, have a large impact on their communities and, in some cases, the whole country.⁹⁰

The industry now includes events of all sizes from the Olympics down to a breakfast meeting for ten business people. Every industry, charity, society and group will hold events of some type/size in order to market themselves, raise money or celebrate.

2.8.1 Event Management as a Marketing Technique

Event management is considered one of the strategic marketing and communication tools by companies of all sizes. From product launches to press conferences, companies create promotional events to help them communicate with clients and potential clients. They might target their audience by using the news media, hoping to generate media coverage which will reach thousands or millions of people. They can also invite their audience to their events and reach them at the actual event.⁹¹

⁹⁰ <http://en.wikipedia.org> 25th September, 2007

⁹¹ <http://en.wikipedia.org> 25th September, 2007

2.9 Hypothesis

After an extensive research on sports marketing and studying the available literature review in detail, the following hypothesis was developed.

H₁: A market for non-sporting merchandise is now developing in Pakistan.

H₂: Consumers would be excited when they recognize a non-sporting good of their team at a retail outlet

H₃: Non sporting merchandise can increase Brand Loyalty in consumers towards a specific team

H₄: The consumers would prefer purchasing a non-sporting merchandise of a particular player versus the team

H₅: Positive Word of Mouth n Media Hype will directly influence consumer appreciation towards the related sport

H₆: Activating the Brand would lead to repeat purchase of the non-sporting merchandise.

H₇: Retailers are willing to open a non-sporting merchandise outlet.

H₈: It would make a positive outcome to the retailer if co-branded sponsors are used for the non-sporting merchandise.

H₉: It would be better for the actual sponsor to open a retail outlet than any other ordinary retailer.

3. RESEARCH METHODOLOGY

3. RESEARCH METHODOLOGY

The word "research" is derived from the Latin word meaning "to know." Research is about answering questions, such as:

- What do I want to know?
- How do I want to gain knowledge?
- Why do I want to know it?

There are various ways of knowing and determining how a research is done. These may include traditional, authoritarian, ideology, legal precedent, universal/absolute truths, myths. So, a number reasons and formal logics are present which help in determining what should the research consist of. This research may also affect the researcher; it could be a part of his intuition, intra-personal processes or "common sense". The researcher can have an altered consciousness, maybe a revelation, or a grace, which makes him eager to perform the research. ⁹²

As an established body of knowledge, research is the accumulation of evidence by researchers over time. It provides a background against which claims for knowledge can be evaluated, and provides a way for researchers to communicate and compare their findings. ⁵⁹

Research as a collection of methods, tools, and techniques forms the basis for most research texts and courses in research; its methods are what set it apart from other ways of acquiring knowledge. ⁹²

3.1 Types of Research

3.1.1 Exploratory Research

As the term suggests, exploratory research is conducted because a problem has not been clearly defined or its real scope is unclear. Exploratory research helps determine the best research design, data collection method and selection of subjects, and sometimes it even concludes that the problem does not exist!⁹³

⁹² <http://www.csulb.edu/~msaintg/ppa696/696intro.htm#696intro>

⁹³ Research Methodology By R. Paneersevam, 2004

Another reason for conducting exploratory research is to test concepts before they go into the market. In concept testing, consumer is provided with a written concept/prototype for a new or revised product, service or strategy.⁹⁴

Exploratory research can be quite informal, relying on secondary research such as reviewing available literature and/or data, or qualitative approaches such as informal discussions with consumers, employees, management or competitors, and more formal approaches through in-depth interviews, focus groups, projective methods, case studies or pilot studies.⁶⁰

The results of exploratory research are not usually useful for decision-making by themselves, but they can provide significant insight into a given situation. Although the results of qualitative research can give some indication as to the "why", "how" and "when" something occurs, it cannot tell us "how often" or "how many"⁹⁴

3.1.2 Comparative Research

Comparative research, simply put, is the act of comparing two or more things with a view to discovering something about one or all of the things being compared. This technique often utilizes multiple disciplines in one study.⁹⁴

When it comes to method, the majority agreement is that there is no methodology peculiar to comparative research⁹⁴. The multidisciplinary approach is good for the flexibility it offers, yet comparative programs do have a case to answer against the call that their research lacks a "seamless whole"⁹⁵

The general method of comparing things is the same for comparative research as it is in our everyday practice of comparison. Like cases are treated alike, and different cases are treated differently; the extent of difference determines how differently cased are to be treated. The point

⁹⁴ Heidenheimer, Hecllo & Adams 1983: 505

⁹⁵ Jones 1985: 27

here is that if one is able to sufficiently distinguish two cases, comparative research conclusions will not be very helpful.⁹⁶

Secondary analysis of quantitative data is relatively widespread in comparative research, undoubtedly in part because of the cost of obtaining primary data for such large things as a country's policy environment. This study is generally aggregate data analysis. Comparing large quantities of data (especially government sourced) is prevalent⁹⁷. A typical method of comparing welfare states is to take balance their levels of spending on social welfare.⁹⁸

3.1.3. Descriptive Research

This form of research is quite common, in most cases as preliminary study or an exploratory study, but also as an independent investigation: it aims to describe social systems, relations or social events, providing background information about the issue in question as well as stimulating explanations.⁹⁹

3.1.4. Classification Research

The aim of this research is to categorize research units into groups, to demonstrate differences, explain relationships and clarify social events or relationships. Putting youth into categories on the basis of their political preference, ranking groups according to their attitudes to immigration and classifying people on the basis of their views on multinational operations in Australia or according to their body form are a few examples of classification research.⁶⁶

3.1.5. Explanatory Research

This research aims at explaining social relations or aims at explaining social relations or events, advancing knowledge about the structure, process and nature of social events, linking factors and elements of issues into general statements and building, testing or revising a theory.⁶⁷

⁹⁶ (Taylor 1990: 14).

⁹⁷ (Deutsch 1987)

⁹⁸ (Deacon zzz: 71).

⁹⁹ Types of Social Research by Barton and Lazarsfeld (1979)

3.1.6 Casual Research

This is considered the most ‘respected’ type of research in the social sciences and is employed to explain the causes of social phenomena and their consequences. The research aims at establishing a relationship between variables so that one is the cause of the other; and so that when one variable occurs the other will also occur.¹⁰⁰

3.2 Research conducted by the Researcher

The research that has been conducted is a combination of Descriptive Research, Comparative Research and Explanatory Research. The Descriptive Research which has been used, is to describe the whole sports industry and how different the Pakistani sports industries are dealing with their marketing strategies and how the domestic teams are currently performing in regard to their competitors in Pakistan. The comparative research was hence used to establish grounds on which the players of the sports industry are standing and the influence of the sporting merchandise in comparison to their Brands; the cricket teams. The third type of research, which has been conducted by the researcher, is the explanatory research. This research was undertaken to determine a relationship between the teams. The validity of all the hypotheses is tested through this research.¹⁰⁰

3.2.1 Objectives of the Research

The objectives of this research were to determine:

- The market for sporting merchandise in Pakistan
- The receptivity of consumers towards the sporting merchandise in Pakistan
- The relationship that sporting merchandise can bring for the local Sports Teams in Pakistan with their consumers.
- The Brand Loyalty of consumers with Local Cricket Teams
- The market for co-branded products in sporting merchandise for the local cricket teams and for their supporters.

¹⁰⁰ Types of Social Research by Barton and Lazarsfeld (1979)

- The effects of sponsorship in the local cricket series in Pakistan

3.2.2 Data Gathering Methods

In gathering information for this research, different sorts of ways were adopted in order to gather data. This included collecting information from newspapers, magazines, textbooks, Internet search, by watching their televised programs and by studying their brand elements. An extensive survey was done which comprised a sample of 60 individuals from different geographic location of Pakistan alongside 5 retailers were interviewed. Finally all of this primary and secondary data was gathered and the results were concluded.

3.2.3 Analysis

All the analysis done in this research was possible after a thorough research was conducted with the 60 respondents and the five retailers who were interviewed. Also, this analysis was done to testify the hypotheses, which have been mentioned earlier. The literature review provided a backbone for this research and analysis has been done in accordance to the strategies mentioned.

Limitations

This research had a number of limitations which hindered in the data gathering. As there hasn't been much research on how sports marketing can be done in the world, there was limited data available in the circles of the research. In Pakistan, domestic cricket is recently flourishing therefore there isn't enough information available about the sport and the importance of it. The consumers are not sure as how to react to sporting merchandise and the future of it. Hence, all the data which has been carried out was based on the trends in different countries and an approximate marketing report has been created which sets according to Pakistan.

4. FINDINGS

4. FINDINGS

In order to understand whether there existed a market for the different merchandises of the Local Cricket League of Pakistan, the researcher has conducted a comprehensive survey. This survey was conducted in compliance to the hypothesis' which were mentioned above so that authentic data may be calculated.

The findings which are being discussed below would now be discussed in such a manner that the hypothesis would be stated, then the responses would be put forward and their analysis would follow in the analysis portion.

4.1 Consumers Point of View

Initially the respondents were asked about their age. From this chart it can be observed that majority of the respondents are between the ages of 18 and 24. There were also 28% of the respondents who were above the age of 26.

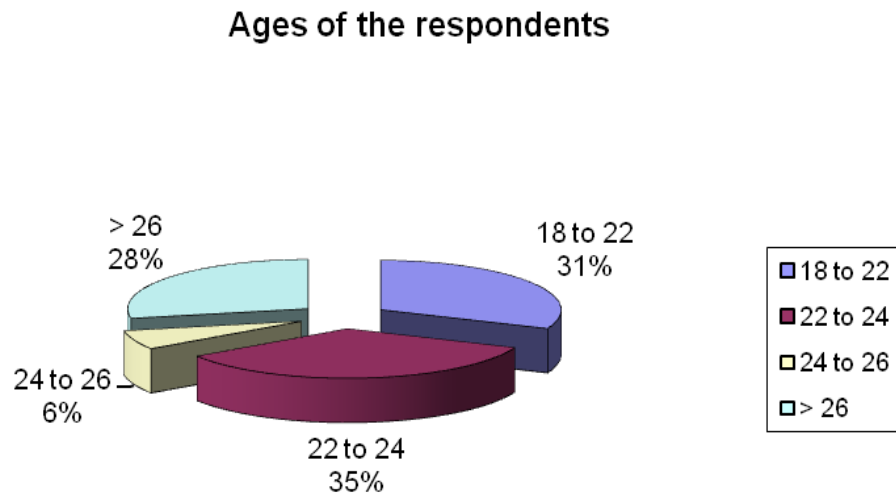


Figure 4: Ages of Repondents

Then the respondents were asked regarding their gender. From this it was observed that a majority of the respondents were males which comprised of 62% of the whole sample size. Whereas there were 38% of the respondents who were females.

Gender of the Respondents

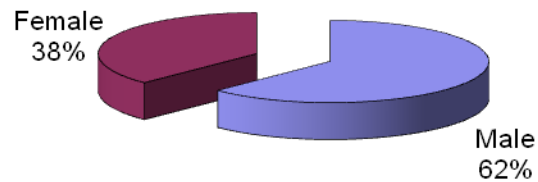


Figure 5: Gender of Respondents

The third option which was asked from the respondents was about the location they reside in. A major of the sample size resides in Islamabad and Rawalpindi region. More than 60% of the sample live currently in the twin cities. Whereas the rest of the sample size reside in Karachi and Lahore.

Residential Location of the Respondents

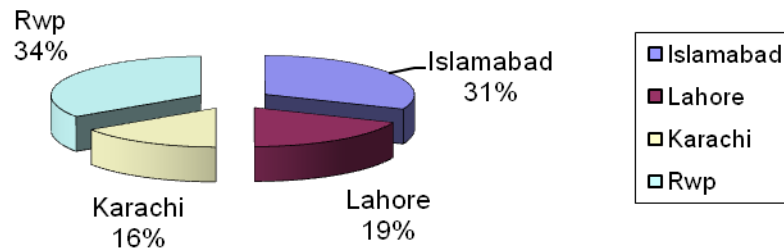


Figure 6: Location of Respondents

H₁: There exists a market for sports merchandise in Pakistan

This question starts by developing the hypothesis' in detail as to how many respondents watch sports. 87% of the respondents agreed to the fact that they watch sports and 13% of the rest disagree to watching sports.

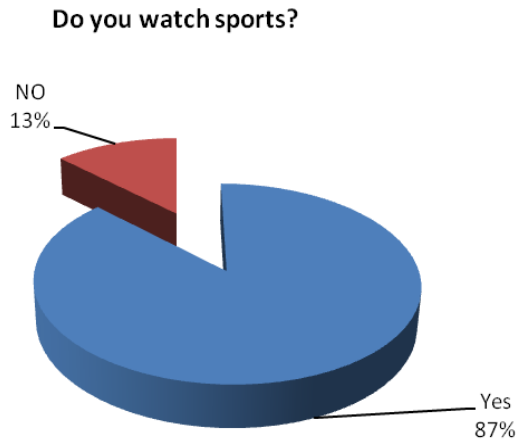


Figure 7: Percentage of Sports Viewers

This second question also verifies the first hypothesis'. This question indicates that 77% of the respondents have been watching sports for more than 7 years whereas 13% of the respondents are watching sports just below 3 years. Only 10% of the sample have been watching sports between 3 to 7 years.

Since how many years are you watching sports?

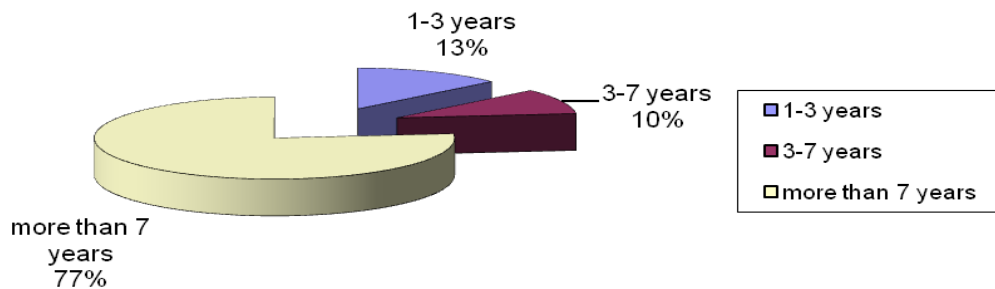


Figure 8: How long have you watched sports?

The third question asks the respondents that if they are aware of the the local cricket that is taking place in Pakistan. This cricket is know as the ABN Amro Twenty 20 Series. Amongst these respondents, 69% of them agreed to the fact that they were aware of this series which takes place in Pakistan. Whereas 31% denied knowing any detail regarding the series at all.

Are you aware of the Twenty 20 Series by ABN Amro Bank in Pakistan?

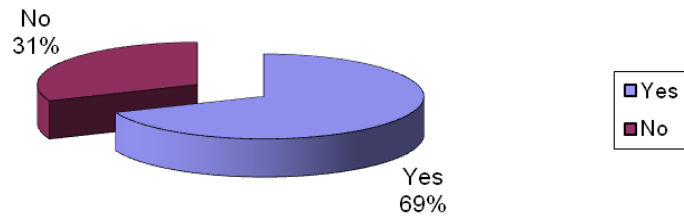


Figure 9: Awareness of ABN Amro Series

The following question supports both the first and the second hypothesis. In this question, 16% of the respondents agree that they support their local city team. 34% of the sample do not agree to supporting their local city teams whereas 50% of the sample say that they sometimes or occasionally support their local city teams.

During the series, do you support your city team?

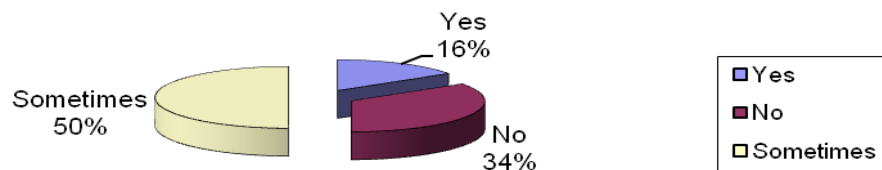


Figure 10: Support for the team

H2: Consumers would be excited when they recognize a non-sporting good of their team at a retail outlet

This hypothesis can be proved through the above mentioned question and the following question. The question asked the respondents that would they go to a retail outlet which sells sports merchandise of their local team. A strong 55% of the respondents said that they would only go to that store if there isn't anything else to do. 30% of the respondents said that they won't be the first buyers of the products. Whereas 15% of the respondents said that they would instantly go to that store.

Suppose you come across an outlet in your city that sells merchandise of your own team, would you go to the store?

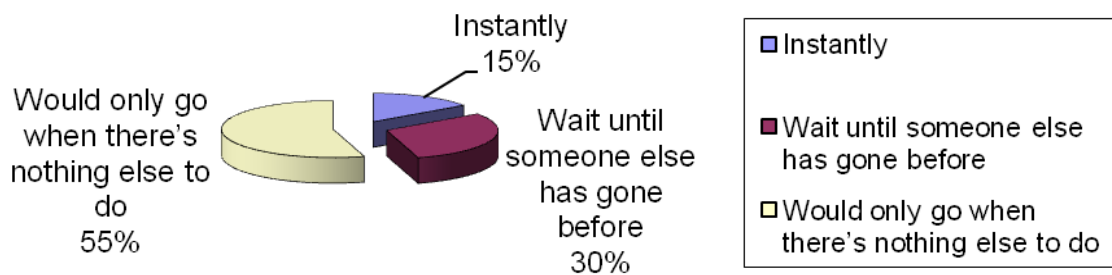


Figure 11: Can sporting merchandise increase Brand Loyalty in consumers

H3: Non sporting merchandise can increase Brand Loyalty in consumers towards a specific team

This hypothesis is supported by two questions that were asked in the questionnaire. One of them is "Suppose, if new merchandise is offered about the team after one year, would you purchase it?" For this question, 47% of the respondents said that they would never purchase the merchandise. 42% said that they would wait for others to buy the merchandise first and then 11% said that they would immediately purchase the merchandise.

Suppose if new merchandise is offered about the team after one year, would you purchase it?

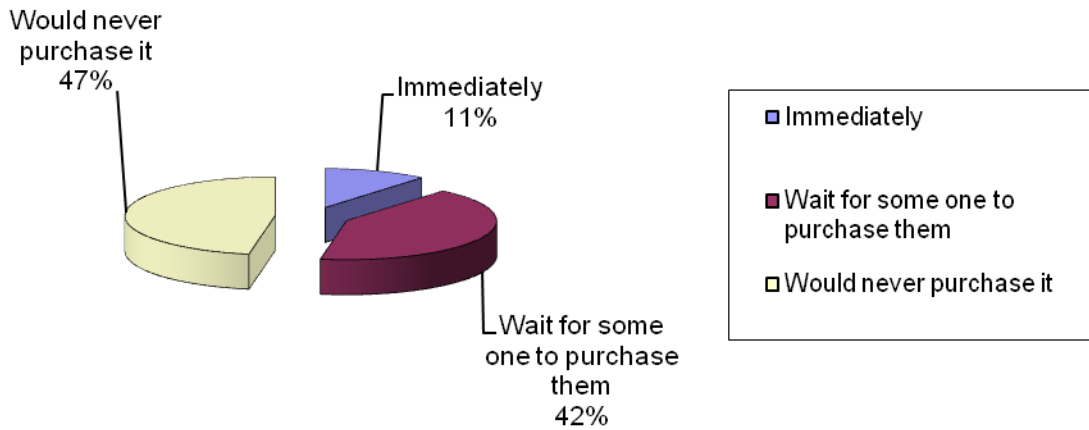


Figure 12: Repeat Purchase

The next question which was asked from the respondents was “Suppose, if other teams of other cities come up with more attractive sporting shirts, shoes, mugs and other sporting merchandise, would you buy it?” This question is in compliance with the third hypothesis. 59% of the consumers said that they would not purchase merchandise of other teams, whereas 41% said that they would purchase different merchandise from other teams.

Suppose, if other teams of other cities come up with more attractive sporting shirts, shoes, mugs and other sporting merchandise, would you buy it?

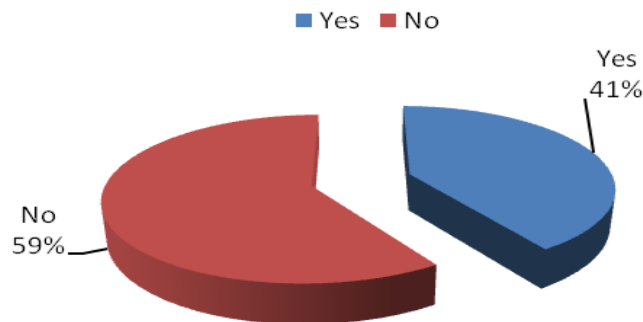


Figure 13: Brand Loyalty

H4: The consumers would prefer purchasing a non-sporting merchandise of a particular player versus the team

The following question is to prove whether Hypothesis 4 is true or false. The question was “If given a chance, would you purchase stuff relating to your team (e.g. Islamabad or Rawalpindi etc.), or a specific player?” For this particular question 74% of the respondents agreed that they would purchase merchandise of their team, whereas 26% preferred that they would buy merchandise of a specific player.

If given a chance, would you purchase stuff relating to your team (e.g. Islamabad or Rawalpindi etc.), or a specific player?

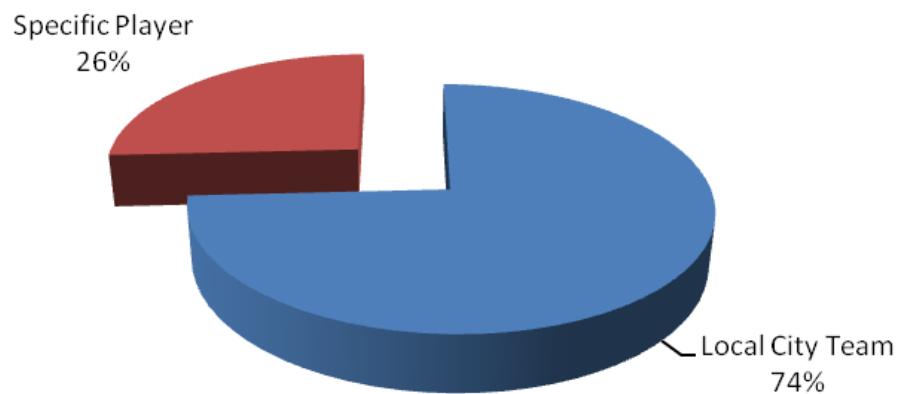


Figure 14: Brand Identity

H5: Positive Word of Mouth n Media Hype will directly influence consumer appreciation towards the related sport

The next question is in compliance with the fifth hypothesis. The question asks the respondents that if their peers or family members would taking part in this series by watching it, would it make an impact on them? 78% of the respondents agreed that it will make a positive impact on them and they will start watching the series. 22% of the respondents said that it wont make an impact on them and they wont watch the series.

If your friends and family start watching this series, would it make an impact on you?

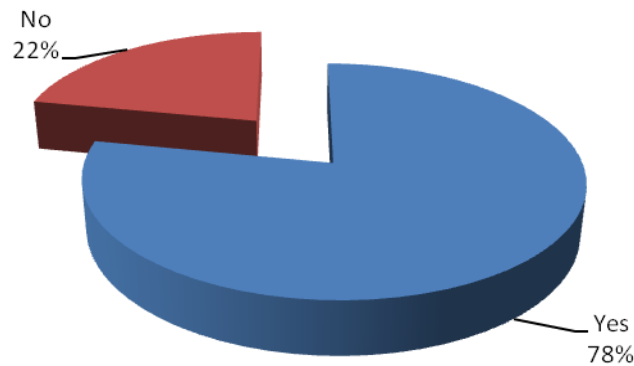


Figure 15: Peer Influence

H6: Activating the Brand would lead to repeat purchase of the non-sporting merchandise.

This hypothesis was proved by the next question which states that “Suppose, if new merchandise is offered about the team after one year, would you purchase it?” According to this question 11% of the respondents agreed that they would instantly purchase the merchandise, the following year. Whereas 43% would wait for their peers to buy the merchandise first and then they would purchase the new merchandise.

Suppose if new merchandise is offered about the team after one year, would you purchase it?

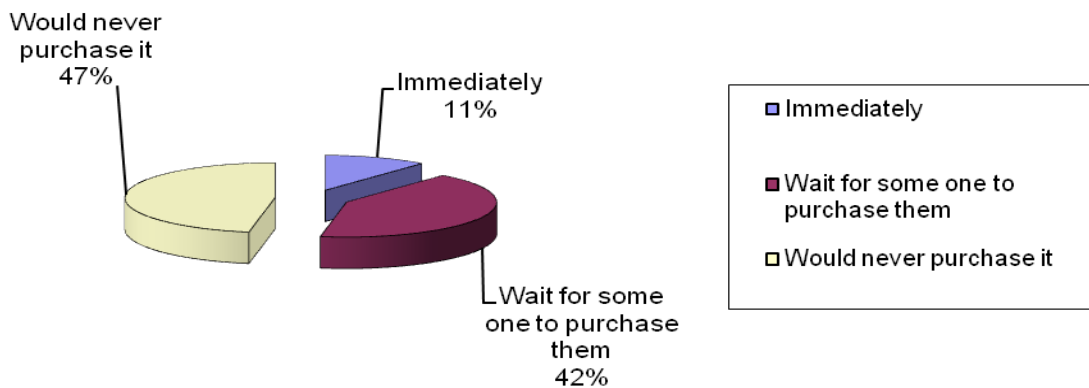


Figure 16: Repeat Purchase

4.2 Retailers Perspective

To prove the following hypotheses the researcher conducted a couple of interviews with various retailers in the Rawalpindi and Islamabad region. There were five retailers in all in this region who were interviewed to understand the current dilemma in the market.

H7: Retailers are willing to open a sports merchandise outlet.

The retailers that were surveyed replied that 80% of them are willing to open a sports merchandise outlet in their own region. Whereas 20% of the retailers are not willing to open a sporting merchandise apart from their own retail outlet.

Retailers are willing to open a sports merchandise

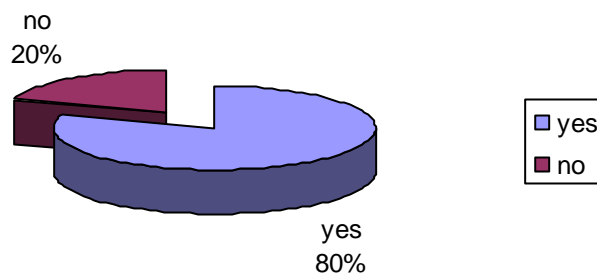


Figure 17: Willingness of Retailers

H8: It would make a positive outcome to the retailer if co-branded sponsors are used for the sporting merchandise.

For this hypothesis, the retailers were interviewed and the following results were inferred. 60% of the retailers agreed that having co-branded products would increase their sales. Whereas 40% of the retailers claimed that having co-branded products would not increase their sales at all.

Co-branded merchandise would effect the retailer positively

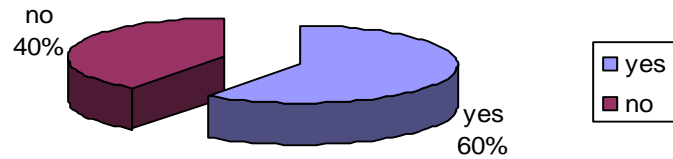


Figure 18: Effect of co-branded merchandise on the retailer

H9: The actual sponsor would generate better sales of the sporting merchandise as compared to other ordinary retailers.

This question was asked from the retailers that do they think that their own retail outlet would perform better than the actual sponsors. According to this question, 80% of the retailers said that their own retail outlet would generate better sales than those of the actual sponsored retail outlet. Whereas 20% agreed to this question.

Actual sponsors would generate more sales than ordinary retailers

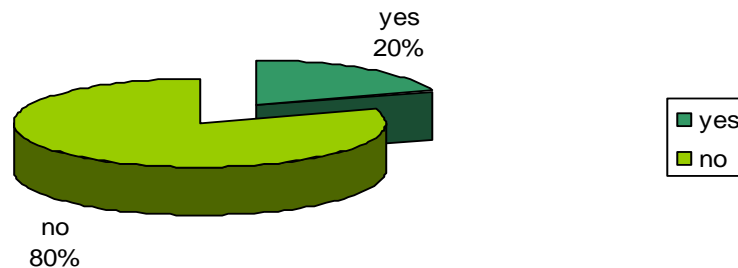


Figure 19: Effect of actual sponsors to ordinary retailers

5. ANALYSIS

5. ANALYSIS

5.1 Motive behind this Research

The objective behind this research is to understand how consumers are or can be made Brand Loyal with sporting merchandise and how this effect can be channelized in creating Brand Loyalty towards the sports. For this research a survey was conducted which asked the consumers about the domestic cricket 20-20 which has been sponsored by ABN Amro Bank. This research also helps in understanding that how event marketing helps or does not help in attracting consumers and how this can aid in more sales of sports merchandising. It also helps in understanding how co-branding can or cannot make a difference in sports and how consumers can be loyal towards co-branded products when the companies are coming up with merchandises for the sport.

5.2 Reasons for constructing hypotheses

There are various reasons behind the hypothesis which were suggested by the researcher. On the basis of these hypothesis there were various questions developed for the consumers as well as for the retailers. In this section the rationale behind those questions along with their outcomes would be discussed.

The first three categories which were asked from the respondents were relating to their age, gender and the location that they reside in. A reason for taking the age brackets from 18 to 20, 20 to 22, 24 to 26, and 26 and above was that this age group comprises of individuals who are dedicated to one thing in their life, if its sports then they would religiously follow it and be like an evangelist for it. They are also in such a life stage that their buying behavior is independent of all other responsibilities. This is why this age group has been considered. The age group which comprises of 26 and above belongs to the working class. These individuals are earning and to assess whether they would be willing to spend on their interest, their age bracket was added. Another important aspect was considered that even though these individuals have a strong buying capacity, they may not like sports and may not be willing to spend on its merchandise.

All the respondents that were surveyed belong to the upper middle class and the upper class of the Pakistani society. These individuals have a disposable income which allows them to purchase products which are equivalent in amount that is comparable to the products available in developed countries. This allows the researcher to understand the price brackets which can be kept for these sports merchandise.

Amongst the respondents there were 66% of the individuals who fell between the age brackets of 18 to 24. There were 28% of the individuals who were above 26 and 6% between 24 and 26. The next criterion is the gender. From this we can observe that 62% are male whereas 38% are females. This question along with the “Do you watch sports?” concludes that more males are inclined towards watching sports amongst the respondents as compared to females.

The next criterion which was mandated from the respondents was the location. The reason for asking them for their residential location was to determine the areas in which high propensity of sports fan live. Also this would help in analyzing that location is suitable for opening its retail outlet.

The first hypothesis states that:

H₁: There is a market for non-sporting merchandise now developing in Pakistan.

The objective for creating this hypothesis was to understand whether there existed a market in Pakistan for the sports merchandising industry or not. For this hypothesis there were a couple of questions that were asked from the would-be consumers which verified the validity of this hypothesis.

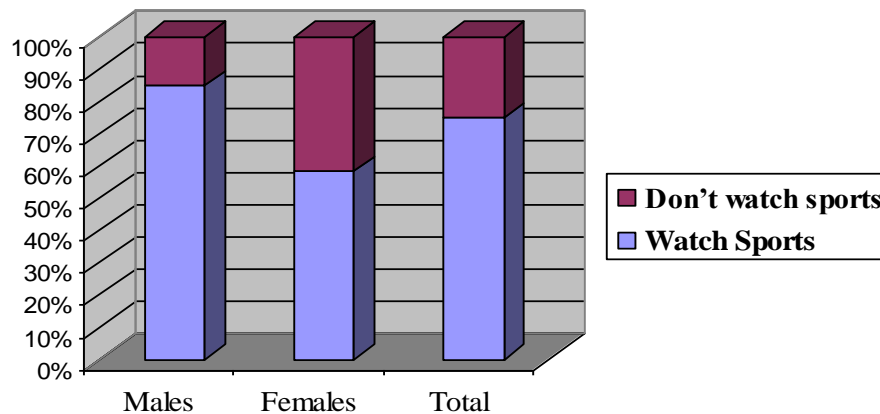
This hypothesis was developed on the Brand Loyalty concept, which has been discussed in detail in the literature review. It serves as a stepping stone in building on Brand Loyalty. In compliance to the theories of Brand Loyalty, it is imperative to consider whether there exists a market in Pakistan which would hold true for consumers to being Brand Loyal to sports merchandise. The following questions were asked which proved whether this hypothesis holds true or not:

1. Do you watch sports?
2. Since how many years have you been watching sports?

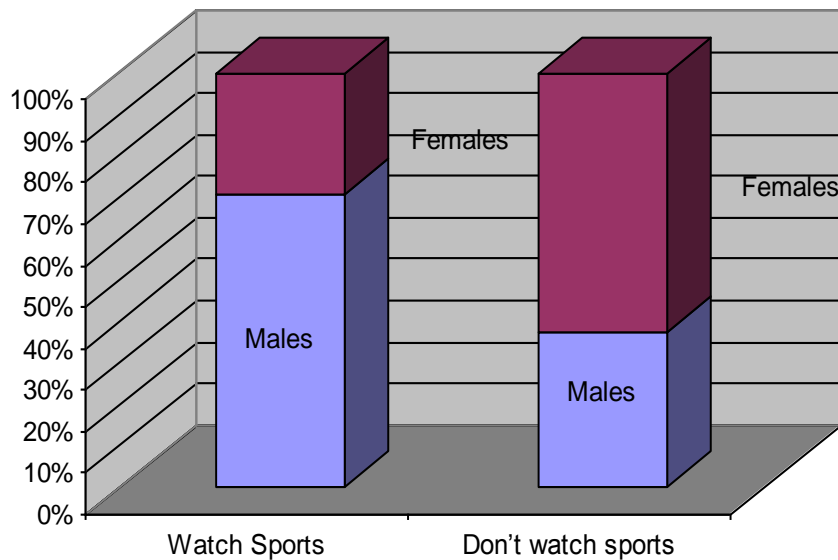
3. Are you aware of the Twenty 20 Series that takes place in Pakistan sponsored by ABN AMRO Bank?

From this first question, we can prove that amongst the 60 respondents who were surveyed, there are 87% respondents who watch sports whereas 13% of the rest do not watch sports. This comprises of both male and female respondents.

What gender prefers sports



This question can be cross tabbed with the gender question and from here we determine as to how many male respondents watch sports and how many female respondents watch sports. Therefore from the survey we see that there is a considerable amount of male respondents who watch sports more than the female respondents. However, amongst the female respondents more than 50% of the females watch sports which seems to be a positive influencing factor for this research.



The second question asks the respondents as to how many years have they been watching sports. The options which were given were between 0 to 3 years, 3 to 7 years and 7 years and above. For this question 77% of the respondents replied that they have been watching sports for more than 7 years. There were 10% individuals who stated that they watched sports between 3 to 7 years whereas 13% stated that they hardly ever watch sports. The reason that there is a higher percentage of individuals who ‘are hardly watching sports’ as compared to the individuals who ‘occasionally watch sports’ is that there is nearly 28% of the respondents who do not watch sports at all and if their friends or family compels it on them, then they watch sports. This is the reason that there are more individuals who lie between 0 to 3 years of watching sports.

The third question was, “Are you aware of the Twenty 20 Series that takes place in Pakistan sponsored by ABN AMRO Bank?” According to this question, the awareness of consumers is being considered. This helps in determining as to how much the consumers are aware of the local cricket which is taking place in Pakistan. This emphasizes on the Event marketing that ABN Amro Bank has been doing through this series along with investigating that how much the consumers would be Brand Loyal. Also, the researcher wanted to understand that even though there are many consumers who would follow sports in Pakistan but there may be consumers who are not aware of the ABN Amro Twenty 20 series that is played in Pakistan, let alone watching it. For this question, 69% of the respondents replied that they are aware of the local cricket series

which takes place in Pakistan. Whereas 31% of the individuals were not aware of the series which takes place in Pakistan. This also includes those individuals who do not watch sports but are aware of the series which is taking place in the country. According to this question we understand that event marketing plays an important role in creating awareness amongst the masses. These individuals are not consumers of the series in terms of watching it at home or at the ground but due to effective marketing done by ABN Amro Bank, it can be observed that there is high awareness if it.

The second hypothesis states that:

H₂: Consumers would be excited when they recognize a non-sporting good of their team at a retail outlet

According to this hypothesis there was a question that was asked by the respondents which was “Suppose you come across an outlet in your city that sells merchandise of your own team, would you go to the store?” In reply to this, there were 15% of the individuals who said that they would instantly go and visit the retail outlet. 30% of the respondents said that they would wait for someone in their peers to go first and visit the outlet and if then they would go and visit it themselves. A huge 55% of the sample said that they would go to the outlet when there is nothing else worth while to do. A reason for this is that consumers have not yet developed a bond with the local cricket teams. This bond when created would lead to loyalty with the brand. From the previous question we can understand that the awareness of ABN Amro Twenty 20 cricket series is high amongst the respondents but it should also be noted that these individuals are more likely of not going to a retail store which contains merchandise of this local sport. Event marketing campaigns which are being run by the ABN Amro Bank which in reality is a sponsor of the whole series is developing awareness in the current future and wants to create Brand Loyalist in the future so that merchandises of this sport can gain popularity.

The third hypothesis states that:

H₃: Sporting merchandise can increase Brand Loyalty in consumers towards a specific team

For this question, the researcher asked the respondents this question that “Suppose, if other teams of other cities come up with more attractive sporting shirts, shoes, mugs and other sporting

merchandise, would you buy it?" 59% of the respondents replied that they will not purchase the products of another team. Considering the fact that there are 16% of the individuals who said that they would 'Definitely' support their team whereas 50% said they would 'Sometimes' support their team, it is a definite thumbs up for the researcher. The reason is that even though individuals are not staunch in supporting their teams, still they consider it more worthwhile in sticking by and not purchasing the other team's merchandise. This shows a growth stage in the Brand Loyalty of consumers which can be increased through effective marketing of the Brand. This also helps us to understand that consumers would prefer buying sporting merchandise which is of their specific team even though they might not watch the sport that keenly. This helps us to determine that sporting merchandise can increase Brand Loyalty in consumers towards a specific team.

The fourth hypothesis states that:

H4: The consumers would prefer purchasing a sporting merchandise of a particular player versus the team

For this hypothesis the researcher asked the respondents: "If given a chance, would you purchase stuff related to your team (e.g. Islamabad or Rawalpindi etc.), or a specific player?" 74% of the individuals stated that they would prefer buying merchandise of a specific team (preferably their local city team) as compared to the 26% who preferred buying merchandise of a specific player of the team. This helps the researcher to understand consumers are more keen in developing a bond of loyalty with their team as compared to a specific player. A reason for this is that consumers are more likely to create bonds with their city and the city teams as compared to the players. It is also difficult to find a player of a particular city to create a bond with for the consumers. This is why a greater number of individuals preferred purchasing merchandise of their team (which represents their city).

The fifth hypothesis states that:

H5: Positive Word of Mouth n Media Hype will directly influence consumer appreciation towards the related sport

This hypothesis has been proved by this question that was asked by the respondents, “If your friends and family start watching this series, would it make an impact on you?” As the researcher had already expected the influence of peers make a lot of difference in the minds of consumers. This question helps in analyzing this idea into a fact. From this question we can conclude that 78% of the consumers are influenced by their peers and if their peers consider watching this series and giving it more importance, then they would also be involved in this series. This helps the researcher in analyzing the fact that consumer are not the soul buyer of the merchandise but their colleagues, friends or family can make a lot difference even in things which are not even preferred by them.

The sixth hypothesis states that:

H₆: Activating the Brand would lead to repeat purchase of the non-sporting merchandise.

To prove this hypothesis the following question was asked from the respondents that proved this hypothesis true for the researcher. The first question used to prove this hypothesis was “Suppose, if new merchandise is offered about the team after one year, would you purchase it?” For this question 11% of the respondents answered that they would immediately purchase the merchandise again after one year when the company would bring in new merchandise of the team for the consumers. 42% of the consumers said that they would wait for their peers to purchase the merchandise and then they would like to be a part of the circle or maybe not. Whereas 47% of the individuals said that they would never purchase the merchandise.

The hypotheses which follow further are proved from the retailer’s point of view. A total of five retailers were questioned to understand these hypotheses. The results of these hypotheses lead the researcher to conclude this report.

The seventh hypothesis states that:

H₇: Retailers are willing to open a sports merchandise outlet.

For these hypotheses, a couple of retailers were interviewed. These retailers belonged either to the sporting industry and are currently selling sports merchandise in Islamabad and Rawalpindi region or they have outlets which solely comprise of male clothing which includes t-shirts, pants, shoes, belts and caps etc.

This hypothesis helps to determine the psyche of the retailers who would be involved in this new business. According to it, 80% of the retailers are willing to open a sporting merchandising retail outlet in Rawalpindi or Islamabad. Whereas 20% said that they are content with what they are doing currently. The reason for this acceptability would further be explained by the following two hypothesis.

The eighth hypothesis states that:

H₈: It would make a positive outcome to the retailer if co-branded sponsors are used for the sporting merchandise.

The reason for constructing this hypothesis was to understand the importance of co-branding in the line of sports. For this hypothesis the retailers were pretty much agreeing to the fact that ABN Amro Bank would do well enough with their own brand name and they were also agreeing that Nike or Adidas would be make a powerful impact on the cricket fans who are about to be the consumers of these merchandise. 60% of the retailers who were interviewed suggested that co-branded products bring authenticity to the product line. Also we can understand from the literature review that co-branded products may cause consumers to think in a skeptic manner yet the over effect if adds value would increase the sales of the products, in this case it would be the sporting merchandise. On the other hand, 40% of the retailers disagreed and claimed that their store's reputation would attract consumers on their own.

The ninth hypothesis states that:

H₉: The actual sponsor would generate better sales of the sporting merchandise as compared to other ordinary retailers.

This hypothesis out rightly asks the retailers that if they think that if Nike or Adidas become the co-sponsors of the ABN Amro 20-20 series in Pakistan and they create a co-brand for the sporting merchandises, would they perform better than the retailers? There are 20% of the retailers who believed that originals sponsors would generate more sales than these original retailers whereas 80% believed that if they would be better in selling these sports merchandise as compared to the original sponsors. The reason given by most of them *was that the perception of these original sponsors is too high in the eyes of the consumers. They perceive the quality as well

as prices of these brands to be high. As a result of this the sales of the sporting merchandises from the original sponsors is said to be not that high by the other retailers in the existing market.

6. CONCLUSION

6. CONCLUSION

For this research, the researcher conducted an in depth analysis on sports and how sports is being marketed through out the world. The essence of this research was to understand as to how sports can be marketed through sporting merchandise in Pakistan. In Pakistan however, there wasn't any available data on how sports is or can be marketed through events as well as sporting merchandise at the national as well as the local level. Due to this factor a survey was conducted amongst various individuals belonging to various geographic locations in Pakistan who would serve as potential consumers for these sporting merchandises. Along with this sample, a number of retailers were interviewed in Rawalpindi and Islamabad and the results of their interviews combined with that of the potential consumers have summed up this research.

The following were the results that were inferred from the hypotheses by the potential consumer's point of view as well as the retailers:

H₁: There is a market for non-sporting merchandise now developing in Pakistan.

This hypothesis has been accepted by the researcher as there are more respondents who are in favor of watching sports. They not only watch sports but are aware of the local cricket series going on in the country on a yearly basis and are fascinated about the sporting merchandise concept. Since there doesn't already exist a market in which such kind of products are available for the consumers, therefore, they are not sure whether they will buy the product or not. However, the market is considered to be very lucrative for the future.

H₂: Consumers would be excited when they recognize a non-sporting good of their team at a retail outlet

This hypothesis talks about the consumers being excited and delighted. In this case however, the consumers would not be excited that much because the market is just going to open to the consumers. They would be expecting the merchandise to be different and appealing but not anything that would become hard to digest for them. In this case however, the hypothesis would not hold true because the consumers are likely to be aware and content with the merchandise being in the market but it won't excite them. This hypothesis is rejected

H₃: Sporting merchandise can increase Brand Loyalty in consumers towards a specific team

According to the research it was found that a small percent of consumers are very much inclined to supporting their team. Whereas 50% of the consumers stated that their loyalty towards their team is there at some times and not there at other times. The reason of this is that domestic cricket has recently become popular in the country and it will take time for it to sink in amongst the masses. The purpose of this hypothesis was to create loyalty of the consumers with the brand; the local cricket teams in this case. Purchasing these sporting merchandises would help the loyalty of the consumers with their local teams. Therefore this hypothesis would be accepted.

H₄: The consumers would prefer purchasing a sporting merchandise of a particular player versus the team

This hypothesis sparked a lot of curiosity amongst the respondents. The reason for this was that there were a number of respondents who were interested in the team only and a few who were preferring the players. The reason for this is that consumers are more loyal to their home teams as compared to the players especially in Pakistan. Therefore, this hypothesis would be rejected.

H₅: Positive Word of Mouth n Media Hype will directly influence consumer appreciation towards the related sport

This hypothesis has been accepted by the researcher. This is because peer pressure is what has been claimed as the most effective tool in the marketing world even if marketing gurus have rejected this concept, it still has a powerful impact. This can be proved by the survey that was done. The respondents agree to the fact that they would be influenced by their peers and social circle that they would start viewing the series even if they are not a keen fan and this shows the positive prospects of sporting merchandises.

H₆: Activating the Brand would lead to repeat purchase of the sporting merchandise.

This hypothesis also has been accepted for activating brands with the repeat purchase amongst consumers. Most consumers that were surveyed agreed that they would purchase the sporting merchandise when it would buffered the following year. Hence, activating the brands makes a lot of difference to the consumers and to the brand in return to it.

H₇: Retailers are willing to open a non-sporting merchandise outlet.

This hypothesis helps to determine the psyche of the retailers who would be involved in this new business. According to it, most of the retailers are willing to open a sporting merchandising retail outlet in Rawalpindi or Islamabad. Whereas a small percent said that they are content with what they are doing currently. Hence, this hypothesis is also accepted.

H₈: It would make a positive outcome to the retailer if co-branded sponsors are used for the sporting merchandise.

This hypothesis has been accepted due to the fact that the retailers in Pakistan are more dependant as how their image may be portrayed to the consumers. This image can be enhanced by using co-branded merchandise for sports. This is how there is a positive outcome to the retailer if co-branded merchandises are used.

H₉: The actual sponsor would generate better sales of the sporting merchandise as compared to other ordinary retailers.

The hypothesis is rejected. The reasons for this were because retailers found themselves sure enough to market and generate sales more than the actual sponsors would. The retailers said and it is also mentioned in the literature review that big brands do bring better quality but also bring the perception of higher prices which is not affordable by the target market also at times. This is why the retailers thought it to be more viable for them to sell the sporting merchandise themselves and considered them to be the best option.

7. RECOMMENDATIONS

7. RECOMMENDATIONS

This purpose of this research was to understand whether a market existed in Pakistan for the sporting merchandise or not. From the findings and analysis it was concluded that there is a market in Pakistan for this kind of new venture. The catch is that the sporting merchandise has to be a part of a co-branded label i.e. ABN Amro Bank and any other athletic gear which has already a known name in the country. Also, the retail outlet which would ultimately gain positive sales would be the popular mens wear as well as sporting retail outlets in Pakistan. The reason is that consumers are more likely to purchase merchandise from these outlets rather than a known International brand as the perception of the brands bring high prices to one's mind. Therefore it is suggested that these sporting merchandise would create sales as profits for those retail outlets that are popular like Fashion Mills in Saddar, Rawalpindi and Margalla Sports in Jinnah Super Market, Islamabad but who are perceived as not a very high price range. Also, the prices of the merchandise should be kept in accordance to the upper middle class to upper class families. This is due to the fact that consumers belonging to the age group of 18 to 24 are more likely to purchase these merchandises and it is likely that they spend their pocket money on this. As a result of this the prices should be in considerate to the merchandises and should not be too high.

The basic aim of these merchandises is to inculcate Brand Loyalty with the specific brand (local cricket teams of Pakistan) and to make it a soul money making business. It is also suggested that more emphasis should be made on promoting the event so that more and more individuals are aware of this series. When the awareness is spread across the country, consequently the Brand would pull the consumers more towards itself. Currently, the consumers should be attracted towards this sport through organizing events before and during the series so that awareness and interest is spread amongst all audiences. As from the survey we understood that the concept of belongingness to our peers matters quite a lot, so it becomes essential that all audiences are to be attracted whether they like sports or not through event marketing and then the focus should on the upper middle class and the upper class for the sales of these sports merchandise. Alongside there should be at least one retail outlet of every team in their own city.

In the survey, consumers also replied that they are more inclined to purchasing products which represent their local city names. This shows that consumers are keener to develop a sense of belongingness with the teams instead of the players, therefore more attention should be given to

developing merchandise which have the team logo and the team's name on it rather than focusing more on the individual players.

8. APPENDIX

8. APPENDIX

8.1 Research Questionnaire

Thank you for taking the time to complete this questionnaire, which should only take a few minutes to fill in. The information you give here will be treated strictly for research purpose. The objective of this questionnaire is to establish a relationship between performance feedback and voluntary employee turnover. Kindly fill in the blank spaces given next to the questions. Encircle the most suitable option where required.

Age _____

Male

Female

- Do you watch sports?

Yes

No

- Since how many years have you been watching sports?

1-3 years

3- 7 years

More than 7 years

- Are you aware of the Twenty 20 Series that takes place in Pakistan sponsored by ABN AMRO Bank?

Yes

No

- During the series, do you support your city-team?

Yes

Sometimes

Never

- Suppose you come across an outlet in your city that sells merchandise of your local city's team, would you go to the store:

Instantly

Wait until someone else has gone before

Would only go when there's nothing else to do

- Suppose, if other teams of other cities come up with more attractive sporting shirts, shoes, mugs and other sporting merchandise, would you buy it?

Yes

No

- Suppose, if new merchandise is offered about the team after one year, would you purchase it?

Immediately

Wait for some one to purchase them

Would never purchase it

- If given a chance, would you purchase stuff relating to your team (e.g. Islamabad or Rawalpindi etc.), or a specific player?



OR

- If your friends and family start watching this series, would it make an impact on you?

Yes

No

Thank you

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