An Empirical Analysis of the Effectiveness of World Wrestling Entertainment Marketing Strategies

Sungick Min, University of Northern Colorado
Alan L. Morse, University of Northern Colorado
Soojin Kim, University of Northern Colorado

Session 11: Marketing Poster
Thursday, May 31, 2007 4:00 PM - 4:55 PM

World Wrestling Entertainment, Incorporated (WWE) produces some of the most popular entertainment in the world while attracting a diverse audience and compiling an enormous fan base. In WWE's 2006 annual report, net revenues of $400.1 million were generated. WWE dominates the male demographic ages 14 to 34, and has been involved in the entertainment business for over 20 years, while developing the sport and into one of the most popular forms of entertainment today. According to WWE, its operations are organized around two principal activities: 1) The creation, marketing, and distribution of live and televised entertainment, which includes the sale of advertising time on its television programs; and 2) The marketing and promotion of its branded merchandise. The company promotes and markets its brand, its programming, its events and its products in numerous ways, including: 1) Holding approximately 200 live events each year in major stadiums and arenas throughout the world, including Madison Square Garden in New York City, Sky Dome in Toronto, Canada and the Manchester Evening News Arena in Manchester, England; 2) Producing nine hours of original television programming, 52 weeks per year; 3) Producing 12 domestic pay-per-view events each year; 4) Distributing its programs and pay-per-view events in over 150 countries in nine languages; 5) Marketing and selling its branded merchandise directly to consumers and to major retailers worldwide; 6) Licensing its brand to approximately 85 companies to produce and distribute thousands of retail products worldwide; 7) Publishing two monthly magazines with a combined annual circulation of approximately 5.8 million; and 8) Distributing news and information about the WWE's story lines, performers, and programming, and effecting e-commerce sales and advertising through Internet sites (www.wwe.com).

The purpose of this study is to examine the effectiveness of various WWE marketing platforms and the demographic make-up of its fan base. This study will empirically analyze the numerous ways in which the company promotes and markets its brand, its programming, its events and its products. This study will also examine the effectiveness of the WWE promotions and marketing based on age, sex, educational level and ethnicity. Surveys will be distributed to university students from November 2006 through January 2007 yielding results by February 2007. University students fall into the age demographic (18-34) that is most sought after by sport producers. According to Turco (1996), college students differ significantly from other markets in their consuming behaviors. Yoh (2001) has also pointed out that this segment is a vital market in sport industry. The questionnaire was formulated to test various WWE marketing channels. Demographic information collected from the survey process includes age, sex, educational level and ethnicity. An instrument has been developed consisting of 18 questions on the following aspects; (a) general demographics of spectators, (b) WWE-related information, and (c) marketing-related information. Demographic information will help attain baseline insights for this study and eventually assist WWE in developing effective marketing strategies for the future. Further studies are needed in other parts of the United States to verify generalizability to the entire country. This study can also be replicated in other countries around the world since WWE, Inc. distributes its programming and pay-per-view events in over 150 countries in nine different languages. Research should also be conducted at different times of the year to clarify seasonal sport preferences. The results of this study will be discussed further.