Attracting Minorities to a Major League Baseball Park

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Poster

The following research is proposed to conceptualize the understanding of the relationships between the diversity of markets, teams and stadium attendees, in an attempt to provide practitioners with management advice on the marketing of their teams. The specificity of the recommendations would include advice on drafting non-marquee players (product), setting ticket prices (price), building advertising strategies to reach specific targets (promotion), and implementing ticket distribution systems to allow easier access to tickets for all (place). The underlying rationale for the proposition of this research agenda stems from two areas of study: (i) analyses of fan diversity and (ii) theories around the congruency of team diversity and market diversity.

A recent empirical study on attendance figures for a Major League Baseball team has revealed a need for the team to adapt a marketing strategy designed to increase fan attendance at the ballpark based on demographics. After observing fan demographics during the 2002 season, the organization realized a need to develop a plan to target the minority population of their market. According to Armstrong (2001), sport organizations should target minorities separately in their marketing efforts to succeed in attracting more people from these communities. Further, research suggests that the consideration of team and market diversity may enhance or inhibit efforts to attract members of minority communities (O'Reilly & Nadeau, 2006), which in turn may impact profitability (Nadeau & O'Reilly, 2006).

This research is based on two hypotheses. First, an explicit connection between Major League Baseball attendance and minority groups is thought to be lower than the total market due to perceived high entry cost (ticket prices) and the total cost of the experience (food and beverages in the stadium). Second, it is felt that a congruent team diversity-market diversity will increase market support of the team, in turn, supporting profit.

To assess this first hypothesis, a protocol was designed to investigate why there is such a small percentage of minority community members attending Major League Baseball in a Mid-Atlantic Metropolitan area of 1.4 million people, where there is a total of 27% classified as minority (primarily African American) residing in the County where the team is located. The stadium is located in the center of the city easily accessible to members of minority communities. Moreover, this study would identify the determinants of attending Major League Baseball Games and the customer satisfaction of the particular game. The researchers conducted the study by collecting and evaluating surveys from minority residents in the metropolitan area of the sport organization. Questionnaires were distributed and collected from 212 African Americans in the Metropolitan area. Out of 212 participants, 119 participants (56.1%) have visited the Baseball Park. Out of the 119 visitors, 36 participants did not attend any games, 79 participants attended 1 to 15 games and 3 participants attended all games (81 games) in the 2002 season. The demographic variables (age and income) were not found to have a significant association with attending the games, age: $\chi^2(5,211)=5.42, p= .37$, income level: $\chi^2(5,190)=6.85, p=.23$. Therefore, cost of entry or the total cost of the experience may not be a determinant of lower game attendance for some minorities.

To explore the second hypothesis, we build on previous work in another professional sport that suggests minority communities need to see themselves reflected in the team. Indeed, that work suggests that the congruence of team composition, attendee composition and population (or local market) composition will impact the market support of the team (O'Reilly & Nadeau, 2006). This research proposes a 2-by-2-by-2 matrix of team composition (black/white players) versus stadium attendees (black/white) versus city population (black/white) as a framework for assessing the relationship between minority communities and their local MLB teams. The framework is based on congruency theory in the marketing literature that argues people will only purchase products that are consistent with how they perceive themselves (e.g. Onkvisit and Shaw, 1997). Still a work in progress, this agenda of research will provide for an empirical understanding of congruency relationships amongst team, stadium-fans, and local market diversity. Such understanding, may provide direction to management on each of the 4P’s of marketing as they seek to maximize the profitability of their franchises.