Assessing the Role of Stakeholder Relationships in the Promotion of a Major Event

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Social media has revolutionized the way businesses interact and build relationships with their customers; thus, the cultivation of digital brands has evolved into a top marketing priority for sport organizations (Dittmore & McCarthy, 2014). The maturation of social media as a marketing tool has thereby spurred both practitioners and researchers to re-examine traditional theoretical viewpoints from more contemporary angles, including relationship marketing (Abeza et al., 2013). Relationship marketing stands as an example of a longstanding theory that has the potential to be vastly reimagined in today’s socially driven marketplace. By definition, relationship marketing has been characterized by its ability to create ongoing, sustainable relationships with consumers (Grönroos, 2004; Morgan & Hunt, 1994). In today’s digitally focused climate, the classification of relationships has broadened significantly (Williams & Chinn, 2010). This shift is particularly noticeable in sport, where a consumer’s perspective might be shaped by their interactions with leagues, teams, owners, players, members of the media, or even peers – all in one quick scan of their social media newsfeed (Abeza et al., 2013).

Akin to the evolution of social media, the Ultimate Fighting Championship (UFC) has grown from a league considered too violent for television and banned by state athletic commissions (Miller, 2009), to the world’s leading professional mixed martial arts (MMA) organization with a current valuation of $4 billion (Isidore, 2016). Pay-per-view (PPV) buys are the most significant determinant of this estimation, as they serve as a direct indicator of demand (Borland & Macdonald, 2003) and are a primary revenue stream for the league (Tainsky, Salaga, & Santos, 2012). Given the nature of individual sports, much of the interest in PPV events can be attributed to the marketing strategies of the league’s star athletes, who some have argued have become more important than the UFC brand (Martin, 2016b).

In addition to the fighters, UFC and outspoken league president Dana White are also instrumental in marketing league events. White is considered to be a social media trailblazer who attributes a high level of league and fighter success to the effective use of Twitter (Schrager, 2012). Presently, White has more Twitter followers than any other North American league commissioner (4 million), and believes strongly in social media as a marketing tool. As such, he spearheaded an incentive program for fighters - rewarding them for Twitter fan engagement, percentage increases in followers, and creativity (Hui, 2012). This program is in stark contrast to many professional sport leagues, which have attempted to curtail athletes’ usage of social media tools (Schrager, 2012).

This research looks to examine the effect of social media marketing on consumer engagement through the application of a relationship-marketing lens. Specifically, this study explores the social media strategies of a professional sport organization (UFC) and its key brand ambassadors (e.g., athletes) to explore how social media influencers intersect in the promotion of a major sporting event. Additionally, given this scenario, the current research seeks to better understand how these key stakeholders work together to shape the relationships being built between sport organizations and their consumers, and drive engagement among those consumers.

On November 12, 2016 at Madison Square Garden in New York City, the league will host UFC 205 (Alvarez vs. McGregor) – a card that features three championship fights and a total of eight current or former league champions. The event is particularly poignant given New York’s historically stalwart opposition of the sport. In September 2016, New York’s athletic commission became the final state in the union to legalize MMA, thereby creating tremendous buzz among fans (Connolly, 2016; Kanno-Youngs & Orden, 2016). Tickets for the event reportedly sold out in seconds, and many are predicting the event will break live gate and PPV revenue records (Connolly, 2016; “UFC ticket problems,” 2016). Regarding UFC 205’s magnitude, White stated, “our first time in New York City and at
Madison Square Garden, I wanted to bring a massive event…the biggest, baddest card ever in UFC history” (Martin, 2016a, p. 14).

Given the interest in this marquee event and UFC’s recognition as a professional sport league that encourages Twitter usage among athletes, a content analysis will be employed to dissect the relationship marketing strategies of the UFC as an organization, league President Dana White as a key stakeholder, and the UFC athletes on the UFC 205 event card (e.g., Conor McGregor, Eddie Alvarez, Miesha Tate, etc.). Data will be catalogued, via an open coding procedure, into usage categories that are grounded in previous relationship marketing research in sport (Abeza et al., 2013; Coddington & Holton, 2013; Hambrick & Kang, 2015; O’Shea & Alonso, 2011; Pronschinske et al., 2012; Wallace et al., 2011; Wang & Zhou, 2015) and modified given the context of the present research. The four usage categories established include: information sharing, fan experience, fan culture, and promotion. These will be expanded into subcategories as they emerge from the data.

Once all tweets have been coded, analyses will be performed to determine whether there are differences in the frequency of retweets and likes, as measures of engagement (Meenaghan et al., 2013), between the identified usage categories. Retweets and likes are count data, so multi-level negative binomial regression will be used. Two models will be run - one with retweets as the DV, the other with likes. The independent variable of interest will be strategy type, and a categorical variable for each account (nested within status as a fighter or league feed) will be included to control for confounding factors, such as fighter popularity and number of followers.

Data collection began the day after the announcement of the UFC 205 card (September 26th, 2016), will continue through the event (November 12th, 2016), and finish on November 16th, 2016 in order to capture any relevant post-event activity. Tweets are being collected from the official Twitter accounts of the 26 fighters on the card, Dana White, and the @UFC account. As of Oct. 24th, 2016, 7,294 total tweets have been collected from the 28 accounts.