

A NEEDS ANALYSIS OF SUPPORTERS ACCESSORIES AT LARGE SPORTING EVENTS

Albert Wessels

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Supervisor: Prof. C.A. Bisschoff

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*“The greatest power that you can utilize is
within you.”*

ABSTRACT

The point of departure of the assumption that sporting spectators are interested in buying accessories, is the affiliation that they feel to the sport, competitors and group members from which a great deal of emotional significance and value are derived from. The social identity theory suggests that individuals use social groups and group membership to maintain and support their personal and collective identities. These interactions lead to feelings of personal needs that may be satisfied by the acquisition of status enhancing accessories so to be accepted as part of a group or to stand out in a crowd. The term “*need set*” is used to reflect the fact that most products satisfy more than one need. Customer needs are not restricted to product features, but also include types and sources of information about the product, outlets where the product is available, the price of the product, services associated with the product, the image of the product, and even where and how the product was produced.

A total of 109 respondents to this study’s research questionnaire gave information on the most pressing marketing questions and the needs felt by sporting spectators when attending a live sporting event. Most respondents mentioned their need for refreshments which include water, beer, cold drinks, different kinds of snacks, better quality of food and faster service when buying refreshments. Softer and more comfortable seats proved to be the most desired accessory to buy when attending a sporting event. The results from this study recommends selling accessories that will satisfy two or more possible needs such as a seat cushion or a scarf with the host nations name printed on it to give it memorabilia value. Such items’ purposed functionality can be enhanced by also printing the word “*GOAL*” on it to display when a goal has been scored.

When marketing practitioners consider how consumers make their product decisions it influences all the subsequent decisions in the marketing process. The company that really understands how consumers will respond to different product features, prices and advertising appeals has a great advantage over competitors and will be able to satisfy the needs of sporting spectators profitably.

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TABLE OF CONTENTS

CHAPTER 1 ► INTRODUCTION AND OVERVIEW OF THE STUDY

1.1	INTRODUCTION	1
1.2	PROBLEM STATEMENT	3
1.3	OBJECTIVES OF THE STUDY	5
1.4	RESEARCH ASSUMPTIONS	6
1.5	RESEARCH LIMITATIONS	6
1.6	RESEARCH QUESTIONS	7
1.7	RESEARCH METHODOLOGY	7
1.7.1	Literature research	7
1.7.2	Empirical research	8
1.8	DIVISION OF CHAPTERS	8
	REFERENCES	10

CHAPTER 2 ► DATA ACQUISITION, PROCESSING AND INTERPRETATION

2.1	INTRODUCTION	11
2.2	LITERATURE REVIEW	12
2.2.1	Customer trends	14
2.2.2	Individual buying behaviour	15
2.2.3	How to satisfy customers	22
2.3	THE CUSTOMER VALUE PACKAGE	26
2.3.1	Product	28

2.3.2 Price	30
2.3.3 Place	31
2.3.4 Promotion	32
2.4 SATISFACTION GAPS	34
2.5 DIFFERENTIATORS	35
2.6 RESEARCH METHODOLOGY	37
2.6.1 Participants	37
2.6.2 Measuring instruments	38
2.6.3 Statistical analysis	39
2.7 RESULTS	40
2.8 DISCUSSION	47
2.9 PREVIOUS STUDIES	49
2.10 SUMMARY	51
REFERENCES	53

CHAPTER 3 ► STOCK-TAKING OF PROJECT ACHIEVEMENTS

3.1 INTRODUCTION	56
3.2 PROJECT ASSESSMENT	56
3.3 RECOMMENDATIONS	58
3.4 FUTURE POSSIBILITIES	60
3.5 RESEARCH SHORTCOMINGS	62
3.6 SUMMARY	62
REFERENCES	66

LIST OF FIGURES

<u>Figure 2.1:</u>	The buying decision process of an individual purchaser	18
<u>Figure 2.2:</u>	Problem solving: the search for information	19
<u>Figure 2.3:</u>	Disconfirmation of Expectations model (DEM)	24
<u>Figure 2.4:</u>	The Customer Value Package	27
<u>Figure 2.5:</u>	Satisfaction gaps	35
<u>Figure 2.6:</u>	Section B – Importance graph	41
<u>Figure 2.7:</u>	Section D – Preference graph (n=91)	42
<u>Figure 2.8:</u>	Section D – Convenience graph (n = 85)	42
<u>Figure 2.9:</u>	Section E – Needs graph (n = 86)	43
<u>Figure 2.10:</u>	Section E – Identified refreshment drinks that spectators would like to buy to make the attendance of a sporting event more enjoyable (n = 29)	44
<u>Figure 2.11:</u>	Section E – Identified edibles that spectators would like to buy to make the attendance of a sporting event more enjoyable (n = 39)	45
<u>Figure 2.12:</u>	Section E - Identified accessories that spectators would like to buy to make the attendance of a sporting event more enjoyable (n = 24)	46
<u>Figure 2.13:</u>	Section E – Other items identified by spectators that they would like to buy to make the attendance of a sporting event more enjoyable (n=16)	47
<u>Figure 3.1:</u>	Figurative example of a seat cushion for the 2010 Soccer World Cup.	59
<u>Figure 3.2:</u>	Figurative example of a scarf for the 2010 Soccer World Cup in SA	60

LIST OF TABLES

<u>Table 2.1:</u>	Givens or differentiators	36
<u>Table 2.2:</u>	Participants' particulars according to sex and race (n = 109)	38
<u>Table 2.3:</u>	The frequency of stadium sport attendance (n = 109)	38

ANNEXURES

A	EVENTS STIMULATED NEEDS SURVEY	68
B	RESULTS: HOW IMPORTANT ARE THE FOLLOWING TO YOU WHEN DECIDING TO BUY ACCESSORIES?	70
C	RESULTS: NAME TWO NEEDS YOU MOST REGULARLY EXPERIENCE WHEN ATTENDING A SPORTING EVENT (EXCLUDING BETTER PARKING ACCESSIBILITY	71
D	RESULTS: NAME TWO THINGS YOU WOULD LIKE TO BUY TO MAKE THE ATTENDANCE OF A SPORTING EVENT MORE ENJOYABLE	72
E	LETTER FROM JEANETTE DENISON, FIFA MARKETING & TV	73
F	LETTER FROM MEIKE WILLIMSEM, FIFA	74

ABBREVIATIONS

ATM	Automatic Transmission Machine
B. Pharm	Baccalaureus Pharmaciae
e-mail	electronic mail
ed.	edition
et. al.	et alibi (and elsewhere)
etc.	et cetera (and so forth)
DEM	Disconfirmation of Expectations Model
DW	Deutsche Welle
i.e.	id est (that is)
Ltd	Limited
M.Sc.	Master in Science
n	number
R	Rand
SA	South Africa
TV	Television
UK	United Kingdom

CHAPTER 1

INTRODUCTION AND OVERVIEW OF THE STUDY

1.1 INTRODUCTION

The Olympic Games, the Rugby World Cup, the Cricket World Cup, and the Soccer World Cup are only a few of the many large events which happen only once every four years. Such international events unify all nations of the world and attract hundreds of thousands of spectators to the host country. There are also other annual events which attract large numbers of people, like the gathering for prayer at Mount Morea, near Polokwane in South Africa, where almost five million people gathered during the 2007 Easter weekend as well as countless other annual world cup sporting events and arts and cultural festivals.

There will always be individual needs during such events, whether it is on a basic level such as accommodation and food, or be it on a social, esteem or status level. It would appear that these needs arise from an individual's emotions. Each person's emotions are determined by both inner psychology and outer experiences or inputs and such needs may be satisfied through the acquisition of accessories which promotes the feeling of belonging, peer acceptance, titles, and status symbols and will lead to opportunities to socialise. Product salience and strong personal identification lead many sport consumers to consider themselves experts (Meyer & Altschuld, 2000:14).

Fullerton (2006:7) states that the marketing of sports comprises two types of products: those used in participation sports and those that represent keepsakes, replicas, and souvenirs from spectator sports events. Consumers might purchase a soccer ball in order to play games at their local playground or they might purchase a

replica ball that includes the team and country logos as well as replica signatures of the players on that team.

The philosophy required for successful marketing – satisfaction of consumer needs – may be plain, but its implementation is not simple. It requires:

- Defining customer needs;
- Identifying the segment of consumers that have these needs;
- Positioning new products, or repositioning existing products to meet these needs; and
- Developing marketing strategies to ensure the communication and delivery of product benefits (Assael, 2004:2).

Underlying these strategic requirements is management's need for information about the consumer. Information must be obtained not only about consumer needs, but on consumer perceptions of new and existing brands, consumer attitudes, intentions to buy, and past purchasing behaviour (Assael, 2004:3).

Many fans of spectator sports will purchase one or more souvenirs that can be used as a remembrance of attendance at a particular event or as a visual means of demonstrating support for a team, event, or player. As stated above, some of these products may serve a purpose beyond simply being a souvenir. A team shirt or scarf may reflect the fan's support for that team, but it can also be worn as part of the fan's daily attire (Fullerton, 2006:8).

This study focuses on those needs of individuals and the factors that contribute thereunto. The previous Soccer World Cup events as well as the 2010 Soccer World Cup which is to be held in South Africa are used to evaluate the trends and psychology of soccer supporters which lead to their needs and wants.

1.2 PROBLEM STATEMENT

There are many opportunities attached to satisfying the needs of an individual or those of groups of people during a large event. As such, in deciding which option to pursue and how to do it profitably, becomes a problem in itself.

The problem facing this research is, firstly, to identify the event stimulated needs, and, secondly, to determine which ones are most apparent. Then, thirdly, to determine which factors contribute to realizing and identifying these needs, and finally, in which way these event stimulated needs can be satisfied.

Customer satisfaction is associated with numerous positive business outcomes and is recognized as an important field of study. However, only limited research has addressed the satisfaction of sport spectators, with even fewer studies examining the determinants of this satisfaction. Yet, an understanding of how spectators arrive at evaluations of satisfaction or dissatisfaction provides a useful insight for directing marketing and operational efforts. This study aims to examine the spectators' attending stadium events needs and the possibility of satisfying those needs best.

For most people, marketing constitutes selling and promotion. If the products, however, have been designed to suit customer wants, selling and promotion will just be the icing on the cake. The marketing concept is a well-recognised business function in organisations and is concerned with the relationship between buyer and seller, and the transactions involved in bringing this to a satisfactory conclusion. It could be argued that, unlike economics, which concentrates on the relationship between supply and demand, marketing relies on the idea that the customer forms the central focus point. The marketing concept suggests that the overriding inclination of the organisation will be to serve the final customer needs and wants as the main priority.

Levitt (1986) discussed the role of marketing as follows: A truly marketing minded firm tries to create value satisfying goods and services that consumers will want to buy. This definition is useful because it identifies the importance of customer needs and wants as being central to the marketing function. Once the needs and wants have been identified, they must be met by producing goods and services that satisfy them and produce a successful deal for both seller and consumer.

There are two primary domains in the sports marketing environment: the marketing of sports and marketing through sports. Companies have long used sports as a platform and promotional vehicle for selling their products (Fullerton, 2006:2).

Sports accessories are marketed through sports using a variety of approaches. Advertising can incorporate a sports theme; packaging can feature sports activities; and products can be sold at sports venues. These strategies involve the exploitation of opportunities provided by the sports environment and sporting bodies such as FIFA, by carefully considering target market decisions and by establishing marketing mix strategies that can be used to influence demand within the seller's selected target market (Fullerton, 2006:3).

Stadium attendance brings with it a variety of benefits to the fan. A full stadium can add excitement and atmosphere to the event experience which lifts a spectator's emotions. Game day attendance provides opportunities for socialization into fan subcultures, and provides a space for the public display of fan identities. It is one of the increasingly rare chances for fans to obtain an unmediated experience of the game and the team, and with it comes the realization of a need to become entwined with the occasion.

Smail (1994:18) argues that in order to function satisfactorily, we depend, through our lives on the presence of others who will give us validity, identity and esteem. Smail also stated that you cannot be anything if you are not recognized as

something or being part of something. This research project will look at ways in which individuals actually become the perceived image they wish to parade.

Within this study, research has been done to identify the entrepreneurial concepts that were successful at previous large events, and why they were successful, also identifying which marketing strategies has lead to the success of these entrepreneurs. This gave valuable insight into what the best and most profitable marketing mix is.

The sports industry has evolved into a form of business where the focus is on the bottom line. It will only be possible to satisfy event stimulated needs profitably with a carefully considered marketing mix.

1.3 OBJECTIVES OF THE STUDY

The objectives of this study are to identify ways in which once-off large events can best be targeted to make a profit. In addition, in identifying the most pressing event stimulated needs which can be satisfied, the objective of this study is also to identify ways in that once-off large events can best be targeted to make a profit. Research is also done to determine in which accessories the buyer preferences exist.

This study focuses on the following objectives, namely to determine:

- Which event factors lead to the identification of personal needs;
- Which needs are easiest to satisfy;
- How to satisfy these needs profitably; and to
- Identify the importance of the factors within a marketing mix.

This study analyses what psychological factors lead to the identification of personal needs. All people hold certain cognitions or beliefs about themselves; these cognitions are not simply the self-view (self-image) but are a rather complex set of

interacting perceptions. The theory of self-concept suggests that people have more than self-images (ways in which they view themselves); people also have images of how they think others view them (perceived or apparent selves), images of how they would like to be (desired or ideal selves), and images of how they interact with particularly important reference groups (reference-group selves). All of these “selves” make up the self-concept, a fundamental part of everyone’s emotions (Meyer & Altschuld, 2000:65).

With focusing on the coming 2010 Soccer World Cup to be held in South Africa, this study is an in-depth research into the marketing mix structures which promote the possibility for starting a small business.

1.4 RESEARCH ASSUMPTIONS

The assumptions made within this study are the following:

- The majority of sport supporters have the same basic needs disregarding the kind of sport.
- Personal needs can be best satisfied by the acquisition of accessories.
- Emotions are the main influential factor to the realisation of personal needs.

1.5 RESEARCH LIMITATIONS

The limitations within this study are:

- International soccer supporters are not easily accessible for questioning.
- Not knowing what need satisfying accessories soccer supporters from abroad will already bring along with them. This may lead to wrong assumptions and may cause the supply of wrongful accessories.

1.6 RESEARCH QUESTIONS

The research postulates the following questions:

1. Do spectators who attend sporting events experience the feeling of certain specific event-orientated needs?
2. Is it possible to identify these needs of the spectators?
3. Can these needs as identified above be arranged in order of preference?
4. Would it be possible to satisfy these identified and ranked needs of the spectator?
5. Would it be possible to satisfy the spectators' needs at a profit?

Even though some of the needs are emotionally rooted, they act as driving forces for buying behaviour, and play a role in the focus of the sales strategy of, for example, accessories. Accessories will only be bought if it brings benefits that the customer wants (McDonald & Morris, 2004:52).

1.7 RESEARCH METHODOLOGY

Information on marketing strategy in general, and on the elements of the marketing mix in particular, was acquired from both literature and empirical research.

1.7.1 Literature research

Useful information was obtained from monographs on business marketing, retailing, strategy, other aspects of marketing management and the psychology of human needs. A variety of literature on sports marketing, and the assessment and satisfying of needs were also consulted while the Internet also served as a source for evaluating successful international entrepreneurial trends concerning marketing towards sport supporters.

1.7.2 Empirical research

Valuable information and suggestions originated from discussions with the Marketing Director of ABSA Football Stadium (and officials from other sporting venues).

Telephonic correspondence and discussions with colleagues and other entrepreneurs gave valuable insight towards marketing ideas and ways to satisfy event stimulated needs.

Since needs are subjectively experienced, people know what they feel they need. Evidence for felt needs and wants comes from subjective avowals: what people say they need or want (Ramsay, 1992:14). Many soccer supporters have therefore been asked what their needs are concerning the Soccer World Cup of 2010 in South Africa, which will be held in the winter season. A five section questionnaire was distributed which consisted of closed questions with rating scales as well as open ended questions. The responses to the questionnaires were very helpful.

Correspondence exists via e-mail with FIFA in Germany and Global Brands Group (UK) Ltd. in Switzerland about the legal third party usage of the official emblem of the 2010 South African Soccer World Cup. Correspondence continued through e-mail throughout this study.

The financial and statistical analysis was done with Windows Microsoft Excel.

1.8 DIVISION OF CHAPTERS

The dissertation is divided into three chapters. Chapter 1 deals with the introduction to the study, the problem statement and the research objectives, the research assumptions, the limitations and also the method of investigation.

Chapter 2 consists of the introduction, the literature review, research design, participants and the measuring instruments. Within the literature review is the evaluation of the human psychology which leads to the realisation of a need or several needs as well as the marketing mix that can be used to satisfy those needs. The Need Satisfactory Model is included in the results where after the discussion and the chapter summary follow.

Chapter 3 brings perspective to the study and contains the conclusions, recommendations and the shortcomings of the research. The applicability of a business concept towards any large event is discussed for future consideration, where after the summary of this research project will conclude the study.

Throughout the study it was attempted not to separate the theoretical and empirical findings, but to present the essential theoretical aspects concerning the marketing mix to supply accessories to event spectators whom have certain needs.

References are noted at the end of each chapter.

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CHAPTER 2

DATA ACQUISITION, PROCESSING AND INTERPRETATION

2.1 INTRODUCTION

This chapter examines the psychological aspects involved when an individual experiences the need to buy accessories when attending a sporting event. The point of departure of the assumption that *spectators are interested in buying accessories*, is the affiliation that they feel to the sport, competitors and group members from which a great deal of emotional significance and value are derived from. This leads to the feeling of personal needs that may be satisfied by the acquisition of status enhancing accessories.

This chapter also presents the results from the empirical research that was done by means of a survey via a structured questionnaire (Annexure A) where the respondents identified and also placed the related needs in order of preference and presented the most important aspects of the marketing mix to entrepreneurs who are interested in making a profit through the competitive selling of accessories during large sporting events.

First, successful marketing decisions require extensive information on consumer behaviour. Hawkins, Best and Coney (1998:7) state that the field of consumer behaviour is the study of individuals, groups, or organisations, and the processes they use to select, secure, use, and dispose of products, services, experiences, or ideas to satisfy needs and the impacts that these processes have on the consumer and society. Organisations are applying theories and information about consumer behaviour on a daily basis. Knowledge of consumer behaviour is critical for

influencing not only product purchase decisions but decisions about which college to attend, which charities to support, how much recycling to do, or whether to seek help for an addiction or behavioural problem. Thus, consumer behaviour theory provides the manager with proper questions to ask. Thomas S. Carroll, CEO of the marketing-orientated Lever Brothers Company, explains the importance of consumer behaviour research this way: *"Today, as never before, we cannot take our business for granted. That's why understanding – and therefore learning to anticipate – consumer behavior is our key to planning and managing in this ever-changing environment"* (Hawkins *et al.*, 1998:7). Consumer behaviour is interdisciplinary; that is, it is based on concepts and theories about people that have been developed by scientists in such diverse disciplines as psychology, sociology, social psychology, cultural anthropology, and economics (Schiffman & Kanuk, 2004:21).

2.2 LITERATURE REVIEW

The intangibility characteristics of the term "need" makes it a difficult concept to grasp. In a sense it has become widely accepted as a *needs assessment*. Part of the reason may be due to ambiguity in the language. "Need" as a noun and a "need" as verb have quite different meanings.

According to Witkin and Altschuld (1995:9), a *need as a noun* refers to the gap or discrepancy between a present state (what is) and a desired state, future state, or condition (what should be). The need is neither the present nor the future state; it is the gap between them. Therefore, a need is not a tangible construct in itself, but rather, an inference drawn from examining a present state and comparing it with a vision of a future (better) state or condition. In a sense, a need is related to the concept of a problem or concern.

Witkin and Altschuld also state that a *need as a verb* points to what is required or desired to fill the discrepancy – solutions, or means to an end.

A basic need of any individual is that of feeling part of a group, being it friends, colleagues or fandom. An individual has the opportunity to live out his or her identity when interacting with friends. Being within a group where a person is accepted further shapes his or her identity.

Within social psychology, there are two dominant theories of identity – identity theory and social identity theory (Greenwell, 2002). The **identity theory** suggests that individuals will base their actions on how they like to see themselves and how they like to be seen by others. Therefore, the role-identity requires two components, specifically, the role itself and the identity to be associated with that role. With this in mind, identity theory is rooted in the concept of roles and role-identities. The **social identity theory**, however, suggests that individuals will strive to attach themselves to other individuals who are similar or slightly better. Social identity theory, therefore, focuses on the ways in which individuals perceive and categorize themselves, based on their social and personal identities. Rather than emphasizing role and role behaviours, social identity theory emphasizes group processes and inter-group relations. Both of these theories posit that, theoretically, the self is multifaceted, dynamic, and is generally responsible for mediating the relationship between social structures and individuals' behaviour (Greenwell, 2002). When a spectator is attending a sporting event, both these two theories of identity become a reality for the individual. Within the **identity theory** they act and react on how they want to change their self-image and how they would like to be seen by others. Within the **social identity theory**, people will act in such a way so as to be attached to their social or status group. In a sporting environment it is supposed that they will more often than not change their appearance by means of support clothing and flags.

Fan identity, as with any group identity, is beneficial to the individual in that it may provide a sense of community. Green (2000) highlights other benefits of fandom,

including the development of diverse interests, the minimal skills level necessary for participation, and the low cost. They also note that fandom brings activities, such as football, to more sectors of society, including the very young, the very old, the ill, and those who simply lack the necessary athletic ability required for participation. Fandom allows individuals to be a part of the game without requiring any special skills (Green, 2000). In addition, fandom offers such social benefits as feelings of camaraderie, community and solidarity, as well as enhanced social prestige and self-esteem. Sports fandom further affects an individual's personal development by helping people learn to cope with emotions and feelings of disappointment (Green, 2000). *"It appears that sports fanship can unite and provide feelings of belongingness that are beneficial to individuals and to the social setting in which they live"* (Zillmann, 2003:251).

2.2.1 Customer trends

Several sport spectators at live events may feel the need to buy a sport or team related accessory purely because he or she is attending the event live at a stadium. The atmosphere and fellowship at sporting venues stir up this need of wanting a team-flag, T-shirt, jacket, cap, etc. McDonald and Morris (2004:52) suggest that accessories are bought only if they bring benefits that the customer wants. Take the case of a man buying a labelled scarf at a soccer game, it keeps him warm and shows to which group of supporters he belongs. The criteria for satisfying needs have to be justified. It can be described by the following formula:

X needs Y in order to Z	
Where:	
	X: subject of need
	Y: object needed
	Z: goal or purpose

This shows that there is a subject of need, an object needed and an end, goal or purpose for what the object is wanted or needed. Hawkins *et al.* (1998:18) point out that consumers are generally buying need satisfaction, not physical product attributes.

Some products, however, represent a big step for buyers to take. In wanting to make the right decision they may spend a considerable time at the information search stage (Figure 2.1). They will not be actively seeking information the whole time but they will be in a stage of heightened attention. In other words, they will be alert to any information concerning that felt need whether it arises in advertisements, articles or casual conversation (Hill & Alexander, 2000:50).

Products that are especially conspicuous and status revealing (a new car, fashion clothing, or home furniture) are most likely to be purchased with an eye to the reactions of relevant others. Walk down any street and you are likely to see someone wearing a hat, T-shirt or jacket emblazoned with the logo of a favourite sports team. Research has found that among those attending a sporting event (e.g., baseball or soccer), the more an individual identified with a particular team, the greater the likelihood that he or she will purchase the products associated with that team (Schiffman & Kanuk, 2004:333).

The whole process, from the identification of a need to buying a product, unto satisfying that need is examined next.

2.2.2 Individual buying behaviour

The steps an individual take in making a buying decision, may appear simple enough, but considerable activity (both mental and physical) may contribute to the process (see Figure 2.1).

- **FELT NEED**

In our everyday lives we constantly experience all kinds of needs: for warmth and food ('biogenic' needs), for the more sophisticated needs associated with job satisfaction and social status ('psychogenic' needs), and so on.

Before a purchase decision-making process can begin the consumer must first become aware of the existence of a need. This is sometimes called 'problem recognition'. Once the consumer has perceived this felt need, he or she will be motivated towards its satisfaction (Horner & Swarbrooke, 2005:101).

A need can be aroused through internal or external stimuli – getting cold may originate purely internally when night time comes when only shorts are worn, or they may be triggered by external stimuli when walking past a clothing store.

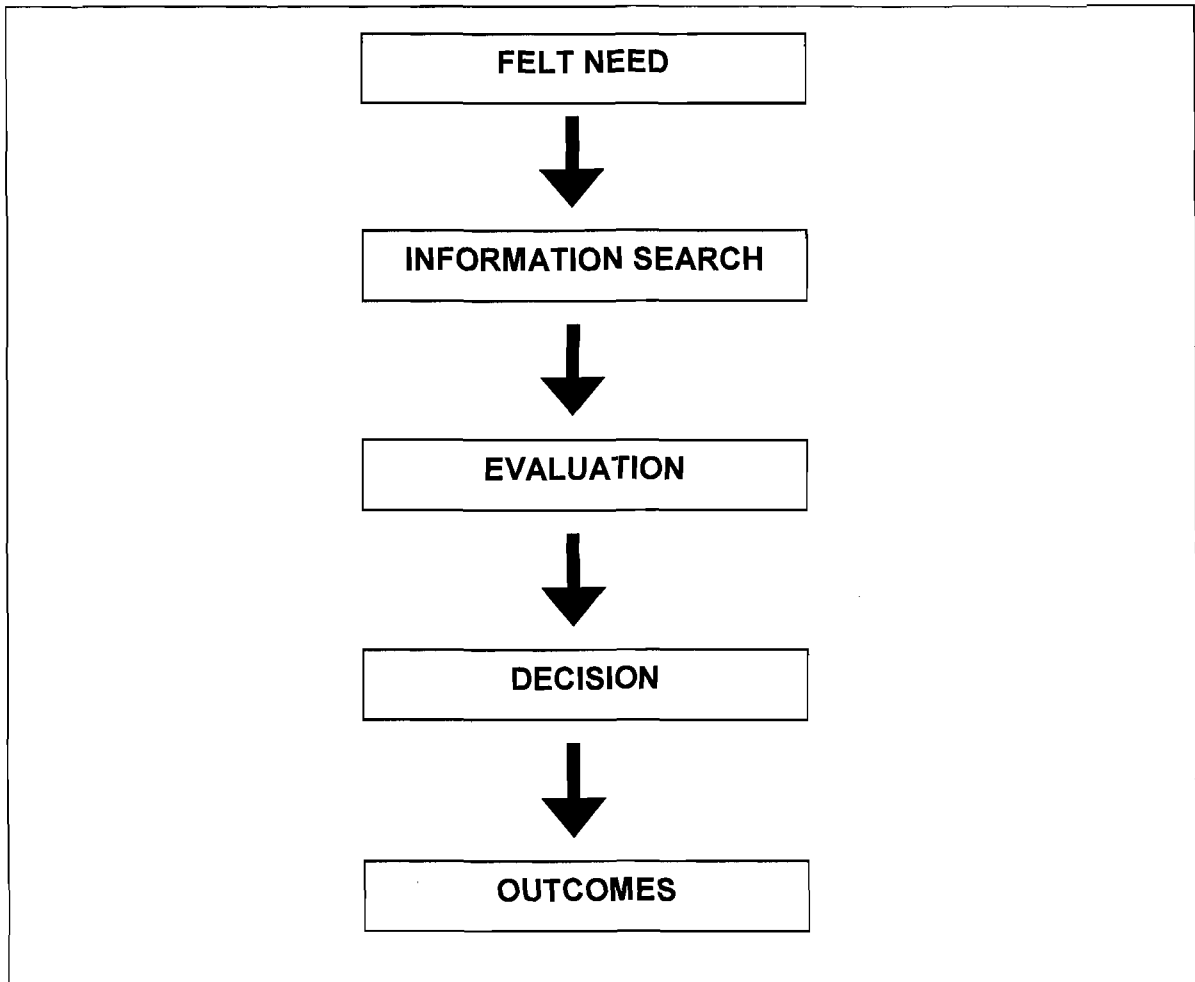
Reference groups have been found to influence a wide range of consumption behaviours. This study needs to examine the nature of reference group influence more closely. Conformity to reference groups takes three forms: informational, normative and identification (Hawkins *et al.*, 1998:218). It is important to distinguish among these types since the marketing strategy required depends on the type of influence involved.

Informational influence occurs when an individual uses the behaviours and opinions of reference group members as potentially useful bits of information. This influence is based on either the similarity of the group's members to the individual or the expertise of the influencing group members. Conformity is therefore the result of information shared by the group members.

Normative influence occurs when an individual fulfils group expectations to gain a direct reward or to avoid a sanction (Hawkins *et al.*, 1998:219). When consumers are primarily concerned with the acceptance or approval of others they like, with whom they identify, or who offer them status or other benefits, they are likely to adopt their product or brand. When consumers are primarily concerned with the power that a person or group can exert over them, they might choose products that conform to the norms of that person or group in order to avoid ridicule or punishment (Schiffman & Kanuk, 2004:333).

Identification influence, also called value-expressive influence, occurs when individuals have internalized the group's values and norms. These then guide the individuals' behaviour without any thought of reference group sanctions or rewards. The individual has accepted the group's values as his or her own. He or she then behaves in a manner consistent with the group's values because the individual's values and the group's values are the same (Hawkins *et al.*, 1998:219).

Figure 2.1: The buying decision process of an individual purchaser



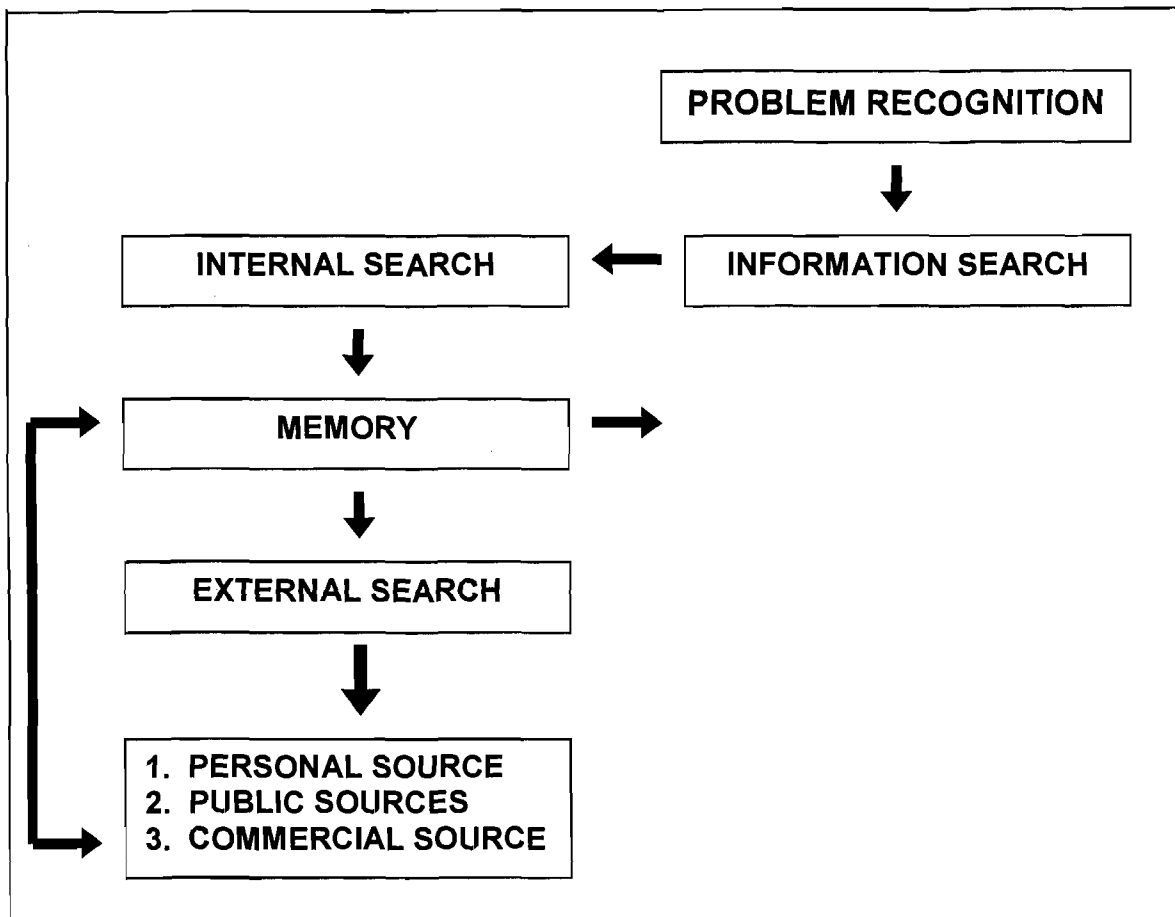
Source: Hill & Alexander (2000:48)

Once a person is aware of a need it becomes a 'drive', so called because they feel driven or urged to satisfy it. Organisations must therefore understand what it is that drives a customer to choose their particular product or service rather than that of their competitors. A car purchase may, for example, satisfy a need for transportation, a need for status, or a need for excitement. Organisations then use promotional and selling techniques to position their product or service in the market in such a way that it will appeal to potential customers and their needs.

- **INFORMATION SEARCH**

Once aware of a need or problem, an individual will set about solving it. Sometimes a problem is solved immediately: hunger is felt and a biscuit may be eaten. Sometimes the problem is more complex and the individual has to seek out information to help them solve it (see Figure 2.2).

Figure 2.2: Problem solving: the search for information



Source: Hill & Alexander (2000:49)

The first source of information most people turn to is memory. Your first thought will almost certainly be towards the solution of this problem the last time it arose for yourself or someone else that you recall. If your memory is favourable, that may be the end of the problem.

The individual customer's perception of events is reality and has to become reality for any supplier trying to sell goods or services to that individual. When an individual is not satisfied, they may turn to external sources of information: you might ask for prices from two or three different suppliers (McDonald & Morris, 2004:52).

But what if the customer had never experienced a problem or need like the current one? One answer is to consult external sources of information as illustrated in Figure 2.2. Consider the three following sources: the use of personal sources of information: a friend or the next door neighbour; consultation of the Yellow Pages or the Internet as good sources of information; or lastly, relying on commercial sources of information.

- **EVALUATION**

By this stage in the buyer's behaviour a number of alternative ways of meeting a felt need will have become evident. It is important to determine how well each option meets the felt need. This process may be very objective with the advantages of each option weighed against other alternatives. Some people might even compile a list to help in their evaluation. However, no matter how objective the individual intends to be, subjective factors always influence the evaluation process. Three variables that form an integral part of subjectivity are: beliefs, attitudes, and intentions.

- **Beliefs**

Hill and Alexander (2000:51) refer to beliefs as deeply entrenched views, and although they are sometimes hard to articulate, they nevertheless form the foundation for much decision-making behaviour. Beliefs are also, of course, social, political and religiously orientated, for example, but for the purpose of this study a commercial example suffices: an individual might believe that '*branded*' products are of higher quality than '*in-house label*' products.

- **Attitudes**

An individual's underlying beliefs helps to form attitudes about specific events, places, products, services and such like. These attitudes are liable to change more frequently than beliefs, being strongly influenced by family, social reference groups, lifestyle, age and income.

Again referring to commercial items, an individual's attitude towards particular brands of coffee might be influenced by that individual's spending power, the type of coffee favoured by his or her friends, and by the underlying belief mentioned above, that the quality of branded products is higher than that of 'in-house label' products (Hill & Alexander, 2000:56).

- **Intentions**

Individuals also have objectives, priorities, and aspirations that they are striving to attain, which will often be reflected in their purchasing decisions, especially for conspicuous purchases such as clothing and cars. Therefore, one factor in an individual's choice of labelled clothing might be to display to his or her friends and rivals what team or country he or she supports. Assael (2004:182) adds that through certain products the individual expresses a self-concept and value system which usually gives attitude.

Familiarity with all three components of the customer's evaluation process is necessary to understand customer satisfaction. It is evident that customer satisfaction is not a simple relationship between supplier and customer. An individual's evaluation of a product or a service will almost always be affected by others.

- **DECISION**

Hawkins *et al.* (1998:29) state that consumer decisions result from perceived problems (*I'm thirsty*) and opportunities (*That looks like it would be fun to try*). Having weighed up the alternatives a decision is made. An additional factor at this stage is the level of risk the customer will associate with his or her purchase. Hill and Alexander (2000:52) state that the risk level is higher for expensive items where the buyer's product knowledge is poor and, consequently, difficulty arises in evaluating alternatives. Conspicuous purchases, which may affect the buyer's credibility in the eyes of others, such as sporting rivals or the neighbour, also tend to be associated with a high level of risk. Assael (2004:183) adds that many studies have shown pervasive group influence on purchasing behaviour. He found peer groups are much more likely to influence attitudes and purchasing behaviour than is advertising (Assael, 2004:184).

- **OUTCOMES**

Of those decision makers who do carry out their intention to purchase, some will be totally satisfied with the product and others less so. Whatever the outcome, the buyer is likely to remember this level of satisfaction and, for all but the most trivial purchases memory is likely to be influential in subsequent decision-making situations (Hill & Alexander, 2000:52).

2.2.3 How to satisfy customers

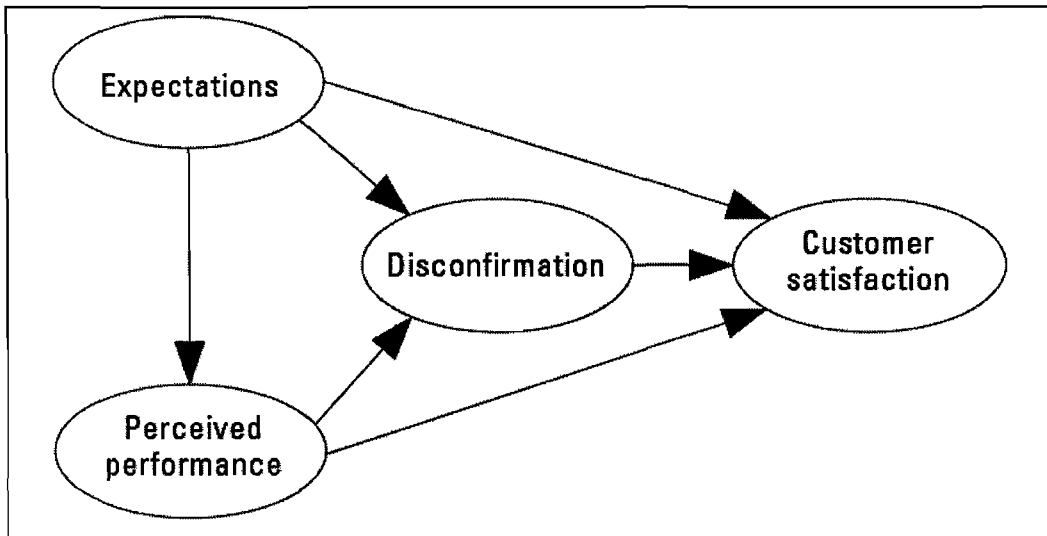
The field of sports marketing encompasses two distinct components. While most of the attention focuses on how to market spectator sports and other sports products, there is a tendency to overlook the important process of marketing non-sports products through sports. The emphasis here concerns questions like "*How can sports help us sell more shirts?*" or "*How can sports improve the recognition of our brand among consumers?*" (Fullerton, 2006:94).

To satisfy customers you must meet their needs. You must 'do best what matters most to customers'. It sounds so obvious that it's not worth saying, but many suppliers don't do it. They make customers queue for lengthy periods, they make them use filthy toilets, and they break delivery and service promises and even, on occasions, are downright rude to customers. Schiffman and Kanuk (2004:10) confirm this by stating that the key assumption underlying the marketing concept is that, to be successful, a company must determine the needs and wants of specific target markets and deliver the desired satisfaction better than the competition.

A purpose of this research, therefore, was to identify a conceptual model of the satisfaction of sport spectators. The *Disconfirmation of Expectations Model* (DEM) does not only identify probable determinants of customer satisfaction, it also depicts the process by which satisfaction is derived. The model is grounded in the disconfirmation of expectations theory of customer satisfaction, sports marketing theory, social identity theory and services marketing theory.

The DEM, shown in Figure 2.3, is based on the premise that customers form certain expectations of product performance, observe or experience the performance and form perceptions of the performance. These perceptions of performance are then compared to the customers' originally held expectations with the comparison resulting in one of three outcomes: negative disconfirmation, zero disconfirmation (i.e. confirmation), or positive disconfirmation.

Figure 2.3: Disconfirmation of Expectations model (DEM)



Source: Van Leeuwen (2002)

Negative disconfirmation occurs when performance falls short of expectations. Zero disconfirmation, or confirmation, occurs when performance equals expectations. Positive disconfirmation results when performance exceeds expectations. The original and simplest interpretation of the outcomes of these three types of disconfirmation is that satisfaction results from expectations being met or exceeded (i.e., confirmation and positive disconfirmation) and dissatisfaction results from expectations not being met (i.e., negative disconfirmation) (Van Leeuwen, 2002).

The use of higher levels of expectations diminishes the possibility of dissatisfaction arising from positive disconfirmation of very low expectations. It is possible that dissatisfaction as opposed to satisfaction may result when very predictive expectations exist.

Expectations \longrightarrow **Customer Satisfaction**

Although a direct relationship between expectations and customer satisfaction has been supported empirically, Van Leeuwen (2002) cautioned that a direct expectation

effect on satisfaction is ambiguous as to the direction of effect. Although very high expectations are difficult to meet, and are therefore more likely to result in customer dissatisfaction (i.e., a negative relationship), high expectations can also contribute to customer satisfaction (i.e., a positive relationship). The positive expectation effect arising from high expectations can be explained as assimilation effects. Assimilation effects involve customers adjusting their satisfaction ratings to more closely approximate their initial expectations. Van Leeuwen also says that ego protection is a common motivation for assimilating evaluations of product performance into initial expectation levels. That is, a significant number of customers do not like to admit that their initial expectations were wrong.

Expectations **—————>** **Perceived Performance**

Empirical support also exists for a direct relationship between expectations and perceived performance. These effects have been found for satisfaction with a diversity of products. Together with the relationship between expectations and customer satisfaction, the relationship between expectations and perceived performance can be explained with the use of assimilation theory. This proposes that people will change their perceptions of performance to reflect their initial expectations. Van Leeuwen (2002) identified that the higher the expectations of the products or services, the higher their performance evaluations.

In summary, not only do expectations have an indirect influence on customer satisfaction through disconfirmation, they also indirectly influence it through perceived performance. Furthermore, expectations can also influence customer satisfaction directly.

Perceived Performance **—————>** **Customer Satisfaction**

Like expectations, the Dissatisfaction of Expectations Model (DEM) specified that the influence of perceived performance on customer satisfaction is indirect and

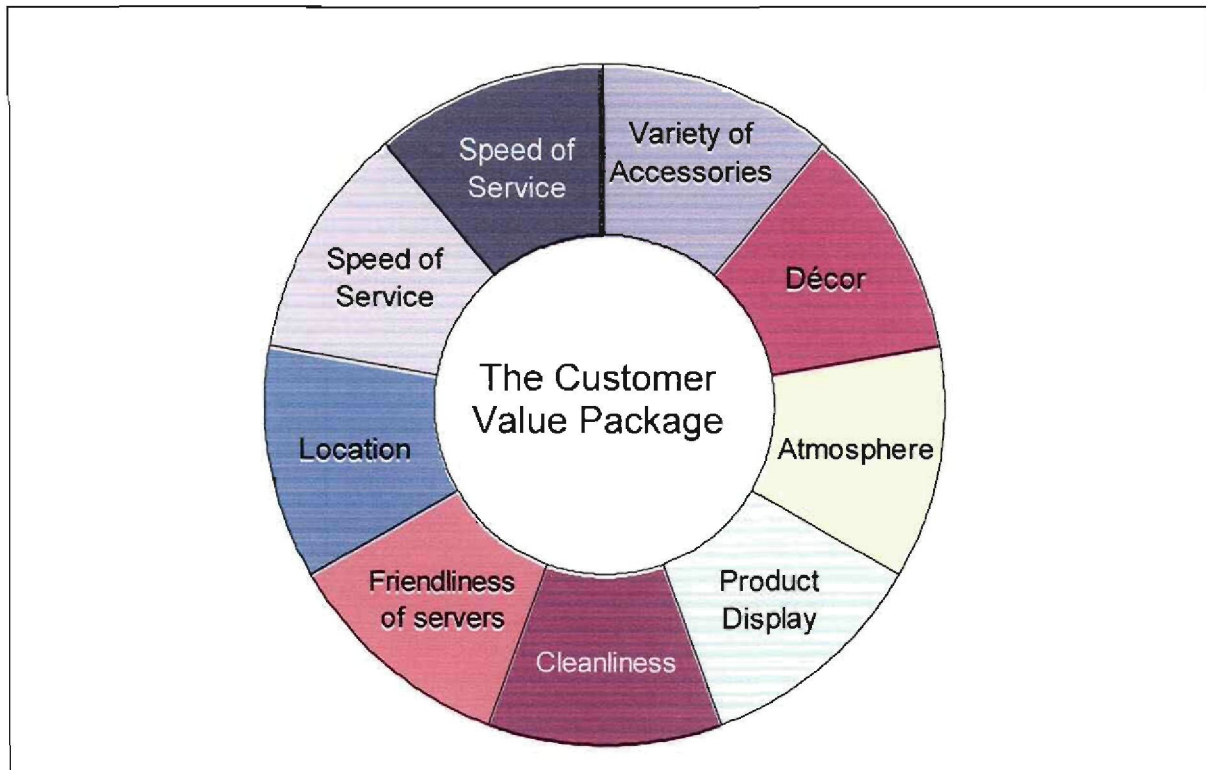
mediated by disconfirmation. However, perceived performance has been found to directly influence customer satisfaction with many different products. Moreover, customer perceptions of performance have often been found to have the strongest influence on whether customers are satisfied or dissatisfied with a particular product (Van Leeuwen, 2002).

The focus on the customer has led some to argue that customer satisfaction is central to the marketing concept. Customer satisfaction has been found to mediate the relationship between product quality and behavioural intentions. Specifically, customers make a cognitive product quality evaluation that leads to the emotional satisfaction assessment (Greenwell, 2002). The emotional **satisfaction** assessment **leads to purchase** intentions.

2.3 THE CUSTOMER VALUE PACKAGE

The four P's of the marketing mix is a comprehensive package in planning and evaluating your own business' marketing. The marketing mix consists of Price, Product, Place and Promotion. For the purpose of this study, the four P's can be subdivided and displayed through a more comprehensive package, the Customer Value Package. The customer value package is the combined set of benefits provided by the supplier to customers. The goal is to meet all your customers' needs through your customer value package (Hill & Alexander, 2000:25). Where you do not meet their requirements there will be 'satisfaction gaps' that restrict profit. Satisfaction gaps will be discussed in paragraph 2.5. Figure 2.4 shows the most important customer value package components for this study.

Figure 2.4: The Customer Value Package



Source: Hill & Alexander (2000:25)

The quality of the accessories will not always be the most important one. Customer value is the difference between all the benefits derived from a total product and all the costs of acquiring those benefits (Hawkins *et al.*, 1998:11). Customers will also be influenced by the product display and the ambience of the shop. The way the accessories are presented, the quality thereof and cleanliness of the shop may also play a part. For some customers, the atmosphere and image that the shop and the surroundings create will be the deciding factor. The customer value package is, then, a very diverse and important whole. The relevance of the elements of the customer value package within the marketing mix of the events marketing environment is placed into context in the literature review that follows, starting with the product offering.

2.3.1 Product

Clearly, the product is at the heart of all marketing leisure. It is what gives consumers the benefits they are seeking and its production and delivery is the core activity of all leisure organisations.

Kotler and Armstrong (2006:51) expanded their original definition of products to include the service elements. They termed this concept as the three levels of the product. The three levels of the product include the **core product**, the **actual product** that includes important features such as the brand name, quality, styling and features, and the **augmented product** which includes delivery and credit, installation, warrant and after-sales service.

This three-level concept explains the fact that consumers do not just purchase a product; they purchase benefits such as brand names, status symbols, service elements and after-sales service. Hawkins *et al.* (1998:213) add to this arguing that membership to a group is also being purchased. A prime example of this is the purchase of a Harley-Davidson motorcycle or a South-African rugby jersey. With these purchases the consumer does not only acquire the bike or the jersey and some aspect of the image that comes with it, but they also join a group or subculture.

The core product is what the customer is really buying. It consists of the main benefit or benefits the purchaser identifies as a personal need that will be met by the product (Horner & Swarbrooke, 2005:83). Greenwell (2002) states that in sport, the core product usually consists of the set of benefits which influence customers' perceptions of the quality of the game, and services (intangible) are the results of the application of human and mechanical efforts to people.

The task of the marketer of accessories is to try and understand the benefits which customers seek through a product. This is a complex issue, because different

customer groups who purchase the same product may be seeking different benefits. Customer characteristics are only half the story. A main factor which influences the benefits sought is the nature of the product itself (Horner & Swarbrooke, 2005:85). When sports spectators are buying scarves, the scarf has benefits in warming the spectator and also displaying the colours of the team they support. Another example is a cushion that may provide softer seating and may also have "GOAL" written on it to display when a goal has been scored. When attending the World Cup soccer tournament, a cushion may also have the host country's name written on it, such as "South Africa 2010", which gives such a cushion sentimental and souvenir value.

The most basic outcome of a marketing strategy is its product position – *an image of the product in the consumer's mind relative to competing product*. This image consists of a set of beliefs, pictorial representations, and feelings about the product. It does not require purchase or use for it to develop. It is determined by communications about the product from the seller and other sources, as well as by direct experience with it (Hawkins *et al.*, 1998:21). Effective positioning involves product differentiation in the eye of the target customer. The logic is that if a product is perceived to be exactly the same as the competitor's product, then the customer will have no reason to buy or use it.

Of course, the customer's view of a product's performance will be a perception. Customer satisfaction is in the customer's mind and may or may not conform to the reality of the situation as explained in paragraph 2.2.3. We know that people form attitudes quickly but change them only slowly. Customers may be wrong about your product's quality or your service, but it is on these unreliable perceptions that purchase decisions are made every day (Hill & Alexander, 2000:2). When a sports spectator enters a sporting appliance store or walk past a street vendor, they will immediately form an impression about the quality of the displayed products and the service. It is therefore important to always present products as neatly and professionally as possible and handle each client as very important.

2.3.2 Price

Pricing is clearly crucial to the successful marketing of any product or service. The price that you charge for products or services must strike a balance between gaining acceptance with the target customers and making a profit. Price is a key element in the marketing mix, because for a profit-motivated organisation, the prices which are set relate directly to the total revenue and ultimately the profit made by the organisation.

The setting of prices for products and services will be influenced by the objectives of the organisation which are marketing it (Horner & Swarbrooke, 2005:102). The objective of an organisation during a quarter annual World Cup sporting event, will without doubt be to gain maximum turnover and profits.

Pricing decisions always have an interaction with the other elements of the marketing mix, namely promotion, distribution and product design, where the price usually gives the customer the first indication of perceived product quality and value. The prices that are set for products must reflect the customer's perceptions in the target market. It is important that the customer sees the link between the price charged and the product quality and value.

The setting of prices should incorporate a calculation of how much it takes to produce the product. To make a profit, a margin will be added to the cost price to derive the selling price.

Organisations which sell products in competitive markets try to win customers from rival competitive organisations. This can be achieved through non-price competition in enhancing the products' value and through price competition. This involves offering the product or service at a lower price than the price charged by the competition (Horner & Swarbrooke, 2005:104).

Sports goods and services are commodities which, like other goods and services, are subject to market forces (Slack, 1998). By correctly identifying the sport spectator's needs, it becomes easier to set the product's price in accordance to competitors and maximum profit. Accordingly, Greenwell (2002) argues that customer satisfaction is the key predictor of profitability.

2.3.3 Place

Considering that the spectator sport industry in South Africa might experience a tremendous boom in the building of facilities towards hosting the 2010 Soccer World Cup, a better understanding of how facilities influence customers is warranted. Entrepreneurs must address the physical facility in combination with other targets of quality to improve spectators' levels of customer satisfaction. Emotions are much stronger when an individual is part of a group when attending a sporting event. The difference when comparing an individual's excitement during a Soccer World Cup final when he or she is the only person in the stadium to when the stands are packed to capacity is evident. Elevated emotions also lead to the more urgent feeling of needs.

Place is clearly a crucial aspect of marketing, as consumers may like a product and be willing to pay its price, but if they cannot gain access to it no sale will result. Kotler and Armstrong (2006:50) state that Place includes the activities that make the product available to target consumers.

The distribution of products takes place using distribution channels. Distribution channels can take two forms, namely:

- directly from the producer to the consumer;
- indirectly from the producer to the consumer via one or more intermediaries, such as the internet and adverts in magazines or newspapers (Horner & Swarbrooke, 2005:117).

Marketers may use one or a combination of direct and indirect distribution channels. The choice of these will depend on the costs involved, the predicted levels of success, the degree of control and the level of service required. The market characteristics will also determine the type of distribution channel that is used. In the tourism industry, for example, many domestic producers sell their products directly to the customer. This is even more evident at sporting venues where street vendors seem to be a very popular connection point between them and passer-by customers.

2.3.4 Promotion

When considering mainstream strategies, perhaps the most commonly applied element of the marketing mix is Promotion. Despite this, it is still important for marketers to understand how the price, product, and place variables can be used to market products through the sports environment. Within the promotion variable itself, several emerging strategies have received increased attention over the past few years. These include product placement, virtual advertising, hospitality, and Internet applications (Fullerton, 2006).

The previous three sections have looked at the development of well-designed products which are distributed effectively. The effective marketer must also communicate these products to the target customers. Effective communication with target customers is carried out by a variety of methods which in total is referred to as *marketing communication* by Horner and Swarbrooke (2005:127). For many people, marketing is promotion, where promotion is the highly visible, public face of marketing. It is the tip of the iceberg, the part which can be seen by passers-by.

A main reason to focus on passer-by customers is that it is much easier to market a sports product to people that have played the sport as a child as most spectators have. These spectators more readily imagine themselves on the field of play, in the

place of one of the players, making the winning score and drinking in the adoration of the crowd (Anon., 2001).

The role of promotion is to convince potential customers of the benefits of purchasing or using the product. Horner and Swarbrooke (2005:128) define role promotion as to communicate with individuals, groups, or organisations so as to directly and indirectly facilitate exchanges by informing and persuading one or more of the audience to accept an organisation's products.

The organisation will use marketing communication methods to take potential customers through a series of steps before they adopt a product or service. This buying decision process has been described in Figure 2.1.

Some of the promotional techniques include (Horner & Swarbrooke, 2005:128):

- Advertising;
- Brochures;
- Press and public relations;
- Sales promotions;
- Personal selling;
- Direct mail;
- Sponsorship; and
- Point of sale material.

Customers place a high value on dealing with people they know and trust and who are knowledgeable and helpful. Hill and Alexander (2000:21) say that a customer who is treated well is more likely to bring more business your way. Customers to whom you are supplying accessories during a large sporting event will not know you, but coming across professionally i.e. your clothing and tact will enable the seller to gain their trust. Furthermore, a seller who is able to help buyers with decision making will improve their chances of making a sale (Hill & Alexander, 2000:2).

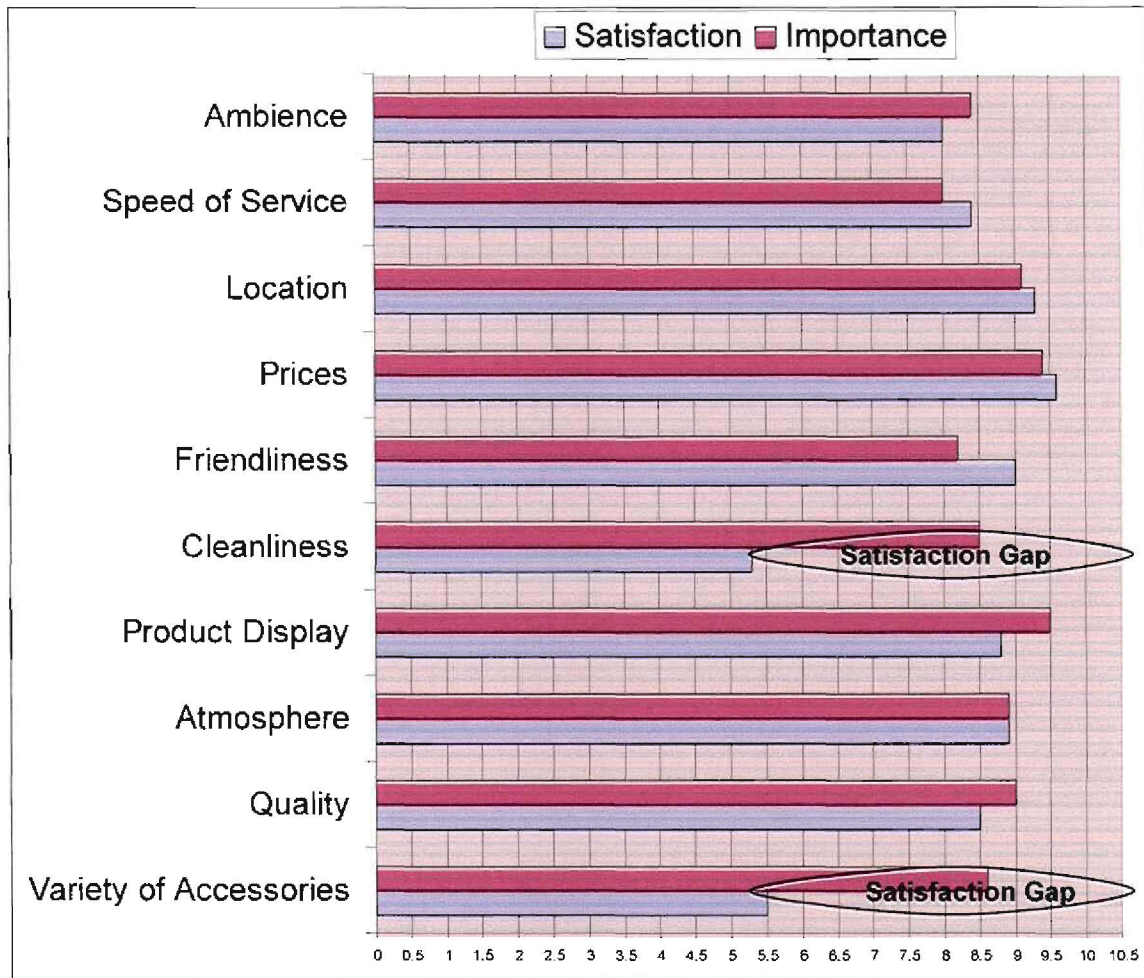
Research on the 2006 Soccer World Cup in Germany shows heavy restrictions on certain products and brand names near to stadiums through an article headed "*Don't Mess With FIFA*" (DW staff (jdk), 2006). Within that article, George Lentze, managing director of FIFA Marketing and TV Germany, told *Horizont Sport Business* that in the leases, it has been clearly determined that the rented sites must be clean (of third-party) advertising when they are handed over. At the World Cup stadiums, bank names on ATM's within a kilometre were covered up. Journalists were even asked to put tape over the names of their computer laptops and microphones.

Tudor (2006) reported that the world soccer body is particularly sensitive about the use of terms like "*WM 2006*" (WM being the German abbreviation for World Cup), "*Soccer WM Germany*", "*World Cup 2006*" or "*Soccer Hamburg 2006*". FIFA patented some 100 variations to prevent copycat entrepreneurs from profiting. Already four months before the first goal has been scored, some 420 copyright and patent violations, 300 alone in Germany, have been prosecuted, most to the advantage of FIFA. FIFA also announced in July 2007 that they will register 100 or more trade names for the 2010 Soccer World Cup in South Africa during September 2007.

2.4 SATISFACTION GAPS

To illustrate the importance of monitoring a company's level of customer satisfaction one can look at an example of a company that is not 'doing best what matters most to customers'. Figure 2.5 shows the areas in which satisfaction gaps exist. The customer value package must therefore form the basis of your customer satisfaction goal.

Figure 2.5: Satisfaction gaps



Source: Hill and Alexander (2000:25)

More attention needs to be given in certain areas where the satisfaction gaps have been identified. In this example "*Cleanliness*" and "*Variety of accessories*" must receive first priority for improvement (Hill & Alexander, 2000:26). If effective action is taken towards these satisfaction gaps, one will be able to improve retention rates and build account values.

2.5 DIFFERENTIATORS

It is advisable to focus on differentiators rather than givens. As shown as an example in Table 2.1, givens are items such as safety on an aeroplane, which

be very important to customers, but do not distinguish between competing suppliers because they are all perceived to have equal performance in that area. You must have good safety simply in order to operate an airline. It's a given and not a differentiator.

Givens	Differentiators
Cleanliness	Fast service
Location of store	Friendly staff
Adequate car parking	Helpful staff
Good Quality	Field sales support
Appropriate small change	Shorter queues
Availability of advertised products	Special packaging

Table 2.1: Givens or differentiators (Hill & Alexander, 2000:32)

Some people argue that since it is on the differentiators (Table 2.1) that competing suppliers' performance is likely to diverge more widely, it is a waste to spend a lot of time deciding how to improve givens. It is of utmost importance to focus on differentiators, since this influence customers' decision making most (Hill & Alexander, 2000:32).

For each component of customer satisfaction, customers will have a tolerance band. This may or may not relate directly to the importance of that customer need. So, the relative importance of customers' priorities does not tell us the full story. A customer's satisfaction with the performance of a supplier will be affected by that customer's expectations. For example, if one expects to queue at a fast food outlet at lunchtime but not in a curio shop, a ten-minute wait in the fast food outlet will probably be acceptable, but ten minutes' queuing in the curio shop will not be acceptable.

2.6 RESEARCH METHODOLOGY

The data for this research was collected from a structured questionnaire (See Annexure A). A total of 109 South African adults responded by completing the questionnaires. The data was collected during the last four weeks of the 2007 South African Soccer League, during the 2007 Tri-Nations Rugby Series and one month after the 2007 Cricket World Cup was decided. A total of 78 surveys were completed by hand while 31 surveys were returned via electronic mail.

2.6.1 Participants

The market contained far too many customers to undertake a census where everybody is interviewed. It was only feasible and only necessary in most cases to include a small portion of people in the questionnaire survey who make up the 'total population' in the market. The purpose of sampling was to select a small number of 'units' from the target population in such a way that the sample is truly representative of the total population being surveyed. Random samples were taken to give every individual in the survey population an equal, and non-zero, chance of being included in the sample. Sample customers from other countries were however not included in this survey.

Sending questionnaires through e-mail and intranet is a cost effective and quick method of distribution. Most of the respondents responded quickly via their e-mail. Data was captured into the spreadsheet software "*Microsoft Excel*". A vast number of participants throughout the Free State Department of Health were accessible through its intranet.

Tables 2.2 and 2.3 stipulate the participants' particulars.

SEX	Male	Female		
	59%	41%		
RACE	Black	White	Coloured	Indian
	22%	73%	3%	2%

Table 2.2: Participants' particulars according to sex and race (n = 109)

Demographic information was collected by asking respondents to tick their gender and race. The results in Table 2.2 show that there was a balance between the male and female participants with 41.3% of the participants being female and 58.7% being male.

Although more black people had the opportunity to take part in the survey through the Department of Health's intranet and handouts compared to all other races, only 22% of the actual participants were black. A total of 73.4% were white, 2.8% were coloured, and 1.8% of the participants were Indian.

Table 2.3 indicates that the majority of the survey participants (47.7%) attends sporting events at stadiums less than once a year; while 40.4% go to live sporting events one to four times a year. A total of 6.4% of the participants attend sporting events between four and ten times and 5.5% more than nine times annually.

Less than once a year	1 to 4 times a year	5 to 9 times a year	More than 9 times a year
48%	40%	7%	5%

Table 2.3: The frequency of stadium sport attendance (n = 109)

2.6.2 Measuring instruments

There is a wide choice of specialist computer software for analysing survey results. For the purpose of this research it was not necessary to use advanced statistical software such as Statistica or Statgraphics. The spreadsheet Microsoft Excel had the ability to organise, process and present the data as required.

- **Measures**

Respondents completed the survey that included measures of psychological involvement with sports such as soccer, rugby and cricket (for example), and camaraderie to the team. They also indicated how important it is to them to show which team they support and going with a group who supports the same team as they do.

A closed question section with a rating scale was used to determine respondents' preference during the process on deciding to buy accessories. Respondents rated the following important elements: (1) variety, (2) team name's display, (3) price, (4) quality, (5) stylishness, (6) queue length, (7) payment options, (8) speed of service, (9) cleanliness, (10) friendliness, and (11) the efficiency of the staff. They used 4-point semantic differentials anchored at the one end by "not important" and at the other by "Essential" (important).

Respondents' preference and perceived convenience between searching for accessories in a store or at displays outside the stadium were also measured.

The self-completion questionnaire ended with two open questions requiring from the respondents to write down their needs when attending a sporting event as well as things they would like to buy to make the attendance of a sporting event more enjoyable.

2.6.3 Statistical analysis

To do the analysis, the information on completed surveys had to be captured into a computer. Computers have three main advantages over manual analysis.

- Computers handle large volumes of data quickly and easily, performing a range of statistical analyses with little effort.
- Raw data and analyses are stored and easily revisited at a later date if further work is required.
- A wide range of graphs and charts can easily be produced from stored data.

Each sub-question was isolated and plotted to give a clear indication as to the level of its importance. Examining these graphs of spectators' preferences give a good indication of what a company or an entrepreneur needs to focus on to satisfy the needs of sporting spectators.

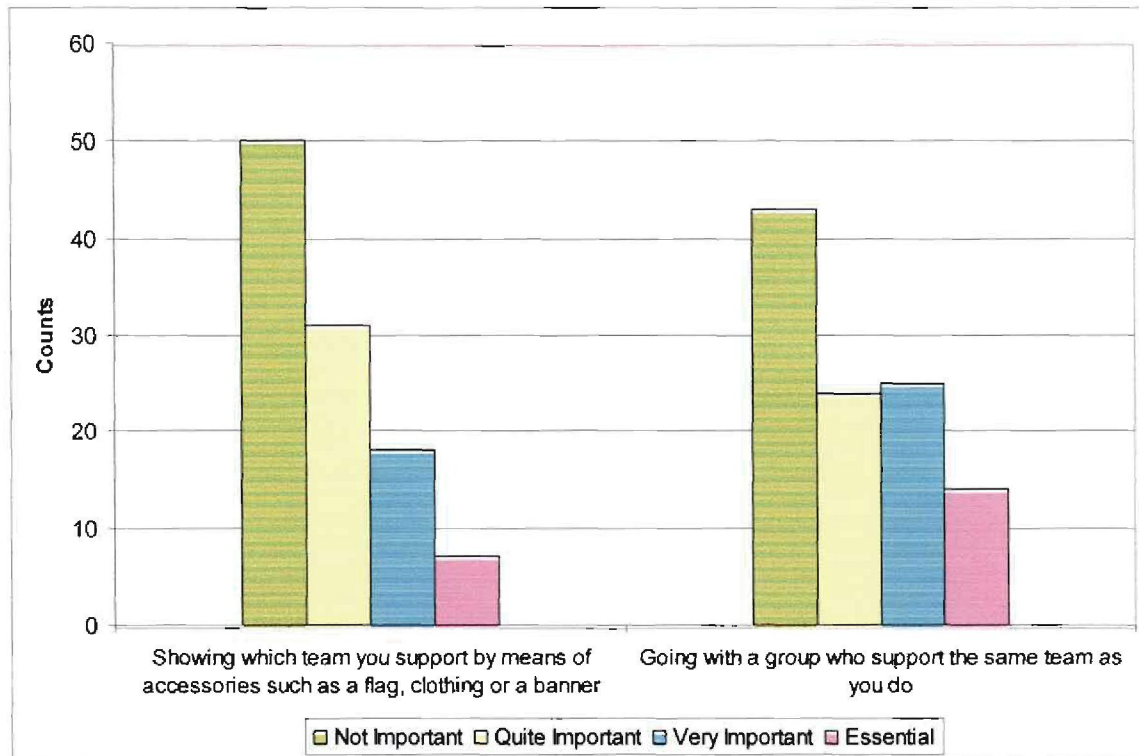
2.7 RESULTS

The feedback from the surveys was computed and is displayed in graphs per section. Some count totals may not represent the total number of participants mostly due to some of the participants choosing not to complete certain sections of the questionnaire.

Section B from the questionnaires enquired from the participants to indicate the importance of showing which team he or she supports by means of accessories such as a flag, clothing or a banner when attending a sporting event and also the importance of going with a group who supports the same team as he or she does.

Figure 2.6 shows that none of the two inquiries from Section B carries much importance when attending a live sporting event. Only 7 and 14 counts respectively from the 109 participants indicated that the two options are essential.

Figure 2.6: Section B – Importance graph



Section C focused on the Customer Value Package which was discussed in paragraph 2.4. Survey participants had to rate the importance of specific marketing mix attributes concerning buying accessories, such as the variety, quality, speed of service and friendliness of staff. Results from this section are displayed in Annexure B. The least important factors, as indicated by the participants, were the variety of accessories and the prominence of the name of the team they support on the accessory.

The most important (Essential) factors when deciding to buy accessories in order of importance are:

1. Efficiency of staff
2. The cleanliness of product displays
3. Speed of service
4. Friendliness of staff, and
5. The quality of the product.

Section D firstly enquired about the participants' preference between searching for accessories in a store or at displays outside the stadium, for example street vendors. Figure 2.7 shows that the preference for searching for accessories in a store is 68%.

Figure 2.7: Section D – Preference graph (n=91)



Section D firstly enquired about the participants' preference between searching for accessories in a store or at displays outside the stadium, for example street vendors. The pattern between the two variables holds true for spectators' perceptions of convenience. As shown in Figure 2.8, 68% of the participants find it preferable to search for accessories in a store compared to only 32% of the participants who find it more convenient to search for accessories at displays outside the stadium.

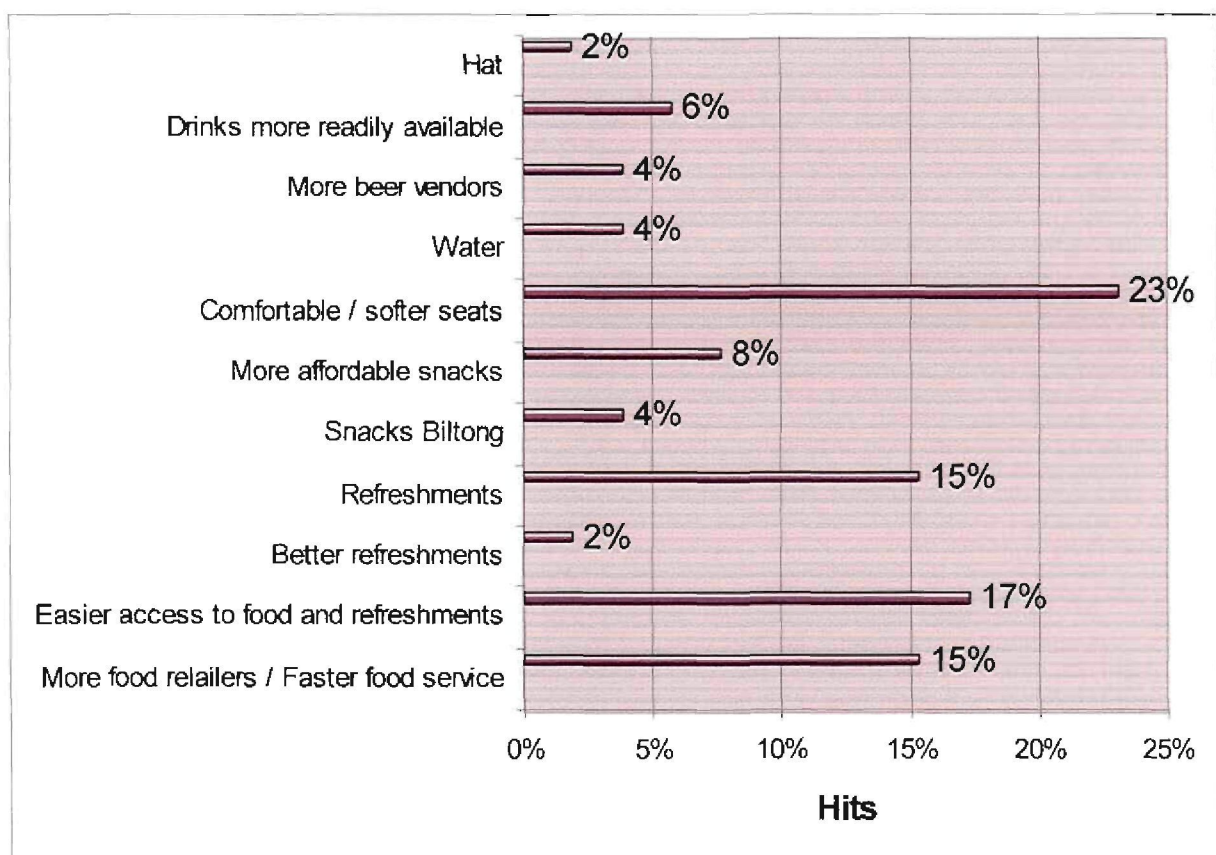
Figure 2.8: Section D – Convenience graph (n = 85)



Section E of the questionnaire has open answer questions where survey participants had to answer in their own words. This section proved to be most valuable and will be explained in the Discussion and Results paragraphs. The first question of section E asked the participants to name two needs they most regularly experience when attending a sporting event (excluding better parking accessibility).

Annexure C consists of all the results from the first question. This list has all the needs which have been identified by the participants including those which can only be satisfied or improved by the stadium management, such as more restrooms and bigger exit areas. Figure 2.9 displays those needs which can be satisfied by any independent entrepreneur.

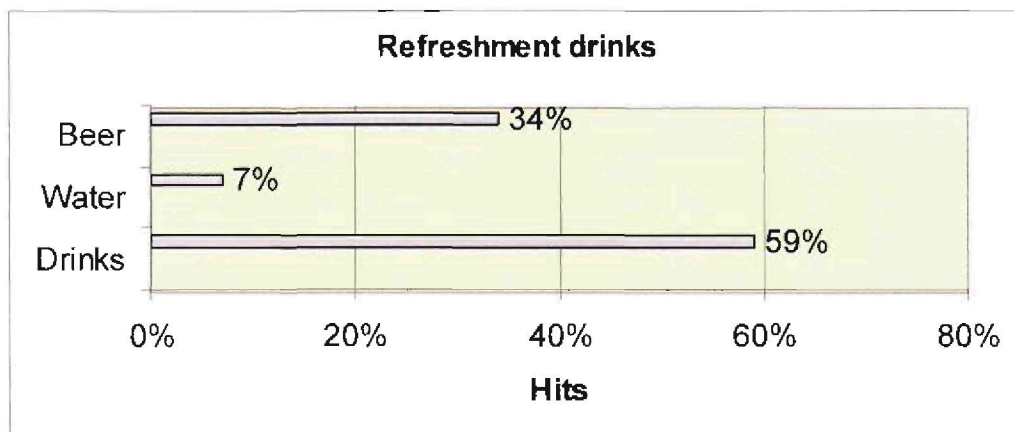
Figure 2.9: Section E – Needs graph (n = 86)



Within the above graph one can see that notice to refreshments, including easier access to refreshments, and more and better quality refreshments are the most regular needs to event spectators. More affordable snacks and the availability of biltong can also be included in this 'edibles' group. The other single most apparent need, with 23% of all applicable counts, is more comfortable and softer seating.

The next question was aimed to find out what spectators are willing or interested in buying to make the attendance of a sporting event more enjoyable. As with the previous question, some identified products/services falls solely under the jurisdiction of the stadium management. All answers from this question are attached as Annexure D. The responses applicable to independent entrepreneurs can be seen in Figures 2.10 through 2.13.

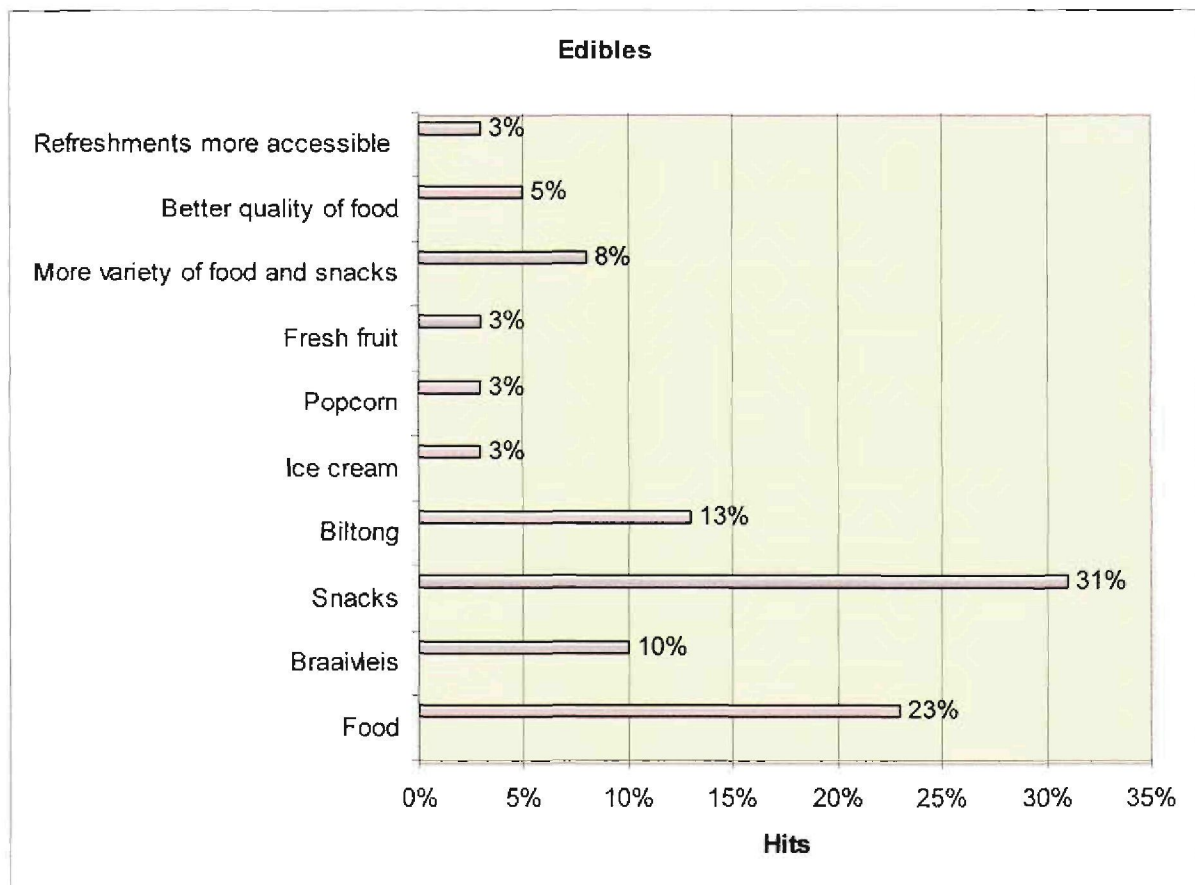
Figure 2.10: Section E – Identified refreshment drinks that spectators would like to buy to make the attendance of a sporting event more enjoyable (n = 29)



Refreshment drinks represented 29 of the 107 counts with mention to beer, water and other drinks. Most stadium management staff are aware of this need and has vendors in place to supply drinks to the spectators.

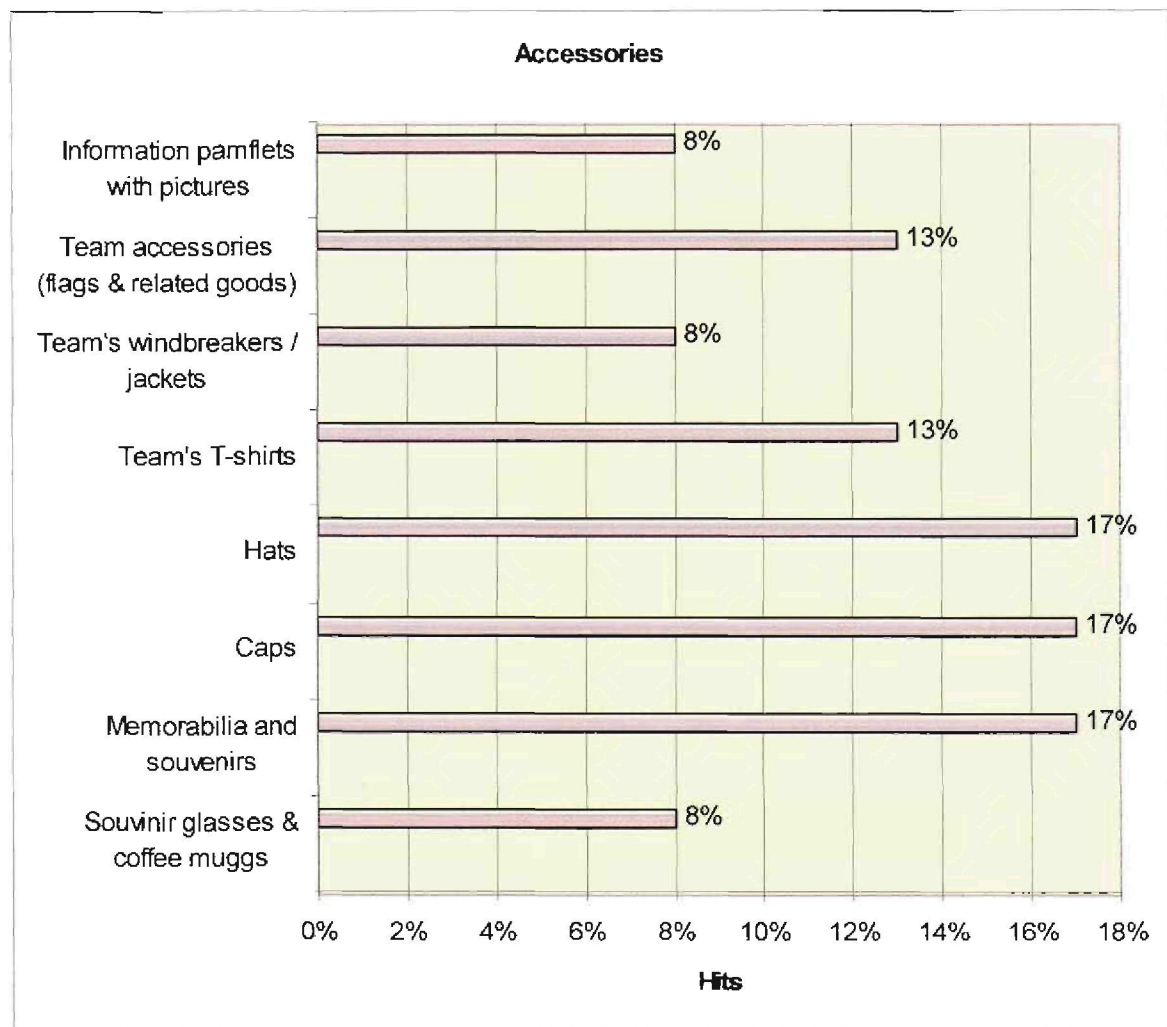
Figure 2.11 shows the participant identified edibles needed during sporting events. Some survey participants reflected their needs for better quality and more variety of food and snacks, while the most participants just indicated that they would like to buy food and snacks at stadiums where they attend a sporting event. Mention was also given to particular snack choices such as biltong, ice cream, popcorn and fresh fruit. In total, 39 survey participants indicated their need to buy something to eat when attending a sporting event.

Figure 2.11: Section E – Identified edibles that spectators would like to buy to make the attendance of a sporting event more enjoyable (n = 39)



Team and stadium accessories are needs of more enthusiastic spectators who would like to be associated with the team they support. A total of 24 participants indicated that they will consider buying specific accessories (Figure 2.12) such as team jackets, T-shirts, caps, hats and other souvenirs.

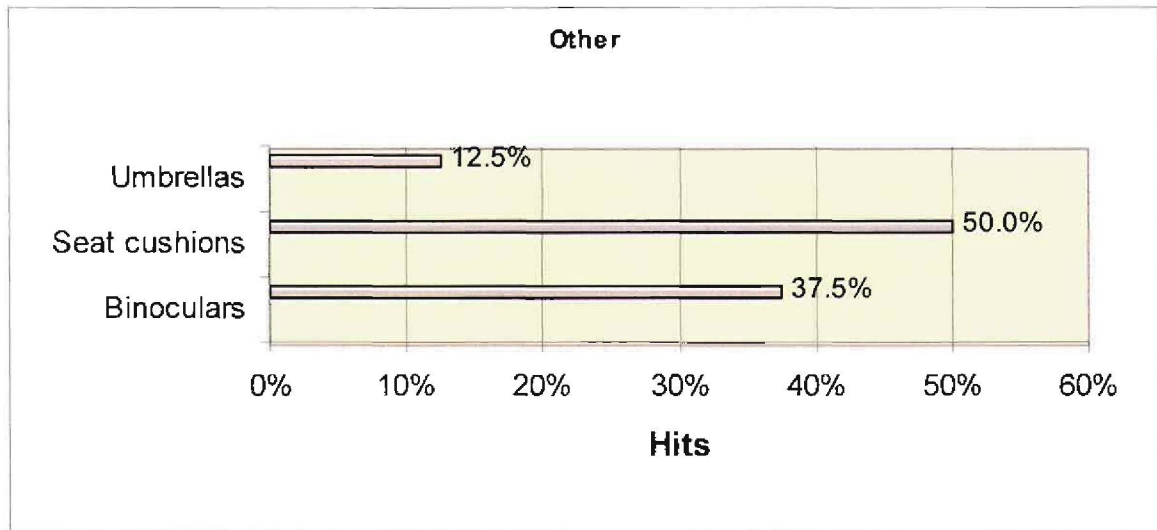
Figure 2.12: Section E - Identified accessories that spectators would like to buy to make the attendance of a sporting event more enjoyable (n = 24)



Survey participants also indicated other specific needs they have. Figure 2.13 display those wants. Seat cushions was the greater need with 50% of the hits, binoculars reflected 37.5% of participant hits and umbrellas represented 12.5% for

those 16 sporting event attendees who are concerned with times when it might rain or when they might get sunburned.

Figure 2.13: Section E – Other items identified by spectators that they would like to buy to make the attendance of a sporting event more enjoyable (n=16)



Four of the five research questions from paragraph 1.6 were directly investigated through the research survey and all five will now be discussed.

2.8 DISCUSSION

Survey participants indicated that they put more emphasis on the experience of attending a sporting event itself than being thoughtful of showing which team he or she supports and also more than specifically going with friends who support the same team as he or she does. This indicates that loyalty to a team is not very true in comparison to the enjoyment of the event experience itself.

However, if spectators decide to buy specific sport related accessories, they would rather look for it in a store than going to the displays outside the stadium. Also, even though spectators walk past accessories and souvenir displays when they attend a

sporting event, they also find it more convenient to look for accessories, and so forth, in a store rather than at street vendors. This is a reality that entrepreneurs and hopeful street vendors should keep in mind when they wish to compete with stores that sell the same products as they do. Street vendors would have to focus even more on the marketing mix to convince possible customers to buy their products. The most important attributes of the customer value package and marketing mix from paragraph 2.4 and paragraph 2.8 were identified by the survey participants. Street vendors and entrepreneurs can be advised to focus on their staff related efficiency as the most important factor and thereafter on the cleanliness of product displays, the speed of service, the friendliness of staff and then the quality of the product. The previously mentioned lack of team loyalty was again reflected as the prominence of the team's name they support on the product, was counted as the least essential attribute to the marketing mix.

Through the open questions from the survey, one can derive very important information. Participants indicated which needs they experienced most regularly when attending a sporting event. Most counts reflected the participants' desire for more food retailers and easier access to food and refreshments. They also indicated the desire for better quality of refreshments. This gives more entrepreneurs the gap to sell good quality food since the survey concludes that there are not enough food retailers at sporting events. From the survey responses it is also advisable to street vendors to include biltong and ice cream to the list of products they sell. The most counts represented 23% of participants who felt the need for more comfortable and softer seats. Most stadiums have plastic seating that is hard and also cold in the winter. Current entrepreneurs and street vendors who sell seat cushions are very few and far off. With more than 3 million soccer supporters coming to South Africa during the 2010 Soccer World Cup during winter time, this can be a profitable option for entrepreneurs who are willing to invest in such an opportunity. Such a seat cushion can serve a dual or triple purpose in providing softer seating; it can also have the word "GOAL" written on it to wave when a goal is scored and it can have "South Africa 2010" written on it to give the cushion

souvenir value as well. Such a cushion can affordably be sold at a profit, especially to tourists coming from countries with a stronger currency than the South African Rand.

The survey participants confirmed their felt needs by indicating through the second open answer question of what accessories they would like to buy to make the attending of a sporting event more enjoyable. Better quality of food and more accessible refreshments were again mentioned with notice to snacks such as fresh fruit, popcorn, ice cream, braaivleis (barbeque), and biltong. Survey participants also indicated their willingness to buy team or country related memorabilia and team or country related souvenirs. This includes team's T-shirts, hats, caps, flags and jackets. Other items which sport spectators would buy are seat cushions with the most counts, and then binoculars and umbrellas. This strong indication to souvenirs and memorabilia together with the need to buy seat cushions again suggests that the idea of selling cushions with the host nation's name on it to be a quite viable option. Hawkins *et al.* (1998:10) call this social marketing, which is the application of marketing strategies and tactics to alter or create behaviours that have a positive effect on the targeted individuals and society as a whole.

The survey reflected the participants' opinions and helps enthusiastic entrepreneurs to formulate ideas on embarking on a small business with potential to huge revenue. To create a more complete picture will be to examine successful entrepreneurs from previous soccer, rugby and cricket world cups and other international events. Section 2.9 will now expand on this.

2.9 PREVIOUS STUDIES

Although most internet articles about street vendors are about complaints from business owners, new legislation and arrests on street vendors for selling counterfeited accessories, there are still numerous sights that report the success of street vendors and other entrepreneurs during world cup events. The article *Street*

Vendors Cash In reports success from vendors who sold t-shirts, caps and hats outside stadiums during the 2006 Soccer World Cup in Germany.

Sherpen (2006) wrote in the article *"Soccer Stuff and More"* about the multiple entrepreneurs who tried to benefit financially from the 2006 Soccer World Cup in Germany. The report states that entrepreneurs with the most success were those who offered the best quality products at reasonable cost. Sherpen observed the obvious differences between entrepreneurs who have done some research on what international spectators want and then providing it at opportunistic, but affordable prices. Items selling best were those unique to the country where the games are held (Germany). Fernandes (2006) states that street vendors who sold memorabilia connected to the host nation were significantly more successful than those who sold accessories that can be found anywhere.

Hotdogs and sausages were the main edible preference outside stadiums such as the Yankee stadium in New York and the Chicago Bulls stadium during the 2005 National Football League (Fernandes, 2006).

Chung (2006) advises street vendors to provide translators or to learn the basic words from one or two languages understood by most foreign spectators. This will show hospitality, also during disputes.

Another area with a lot of potential in satisfying spectators' needs is through cell phones. Already during the 2006 Soccer World Cup visitors to the host nation could sign up for an sms alert service where they received near real time alerts of goals (Lines, 2006).

The research questionnaire, together with articles from previous successful entrepreneurs, effectively identified the preferential needs of sport spectators and those aspects of the marketing mix when selling sport related accessories.

Entrepreneurs now have a clear indication of what to focus on when they want to sell accessories during sporting events.

2.10 SUMMARY

A sports fan will observe a spectacle and may continue his interest until the intensity of feeling toward the team becomes so great that parts of every day are devoted to either his team or in some instances, to the broad realm of the sport itself. It seems reasonable to suggest, therefore, that fandom comprises more than simply attending and observing a sporting event. Rather, being a fan represents an association from which the individual derives considerable emotional and psychological value.

It is through the process of identification that an identity is formed. Identification of people and things in the social world, and subsequent definitions of their meanings, is a key component of symbolic interactionism, and for human interactions. It is during these interactions where an individual uses specific clothing, accessories, etc. to be accepted as part of a group or to stand out in a crowd. These interactions also unknowingly form an individual's future appearance and influence their specific needs. Therefore, needs and interactions always influence the other.

The research questions from paragraph 1.6 are correlational in nature; they required tests of relationships among the variables. Specifically, the ways in which personal attachments (loyalty to the team and psychological involvement with the concerned sport) and service quality evaluations (cleanliness, food and beverage operations, and other accessories) predict consumers' intentions to satisfy their felt needs.

Providing accessories to sport spectators require large capital input, but in no previous time period have we seen the type of growth in the commercialisation of sport than we have seen in the last two decades. As a single or a small group of entrepreneurs, one can focus on such a customer boom as expected during the

2010 Soccer World Cup as a start instead of opening a fixed business without the clients. Identifying the most important aspects in selling accessories and putting the needs of sport spectators in order of preference, has made the possibility of making a profit more viable than ever.

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CHAPTER 3

STOCK-TAKING OF PROJECT ACHIEVEMENTS

3.1 INTRODUCTION

Any world cup event provides the perfect environment to host hundreds of thousands of international travellers. This environment is perfect for entrepreneurs who are able to identify the needs of the visiting and local spectators. Fernandes (2006) reported about the multinational fans at the 2006 Soccer World Cup in Germany who *“were brilliant and brought a unique and lovable approach to the stadiums”* and added that *“they will certainly be back for another kick at the World Cup in 2010.”* Entrepreneurs have the opportunity to satisfy the needs of the spectators and can do so quite profitably. This study of consumer behaviour enables marketers to understand and predict consumer behaviour in the marketplace; it is not only concerned with what consumers buy but also with why, when, where, how, and how often they buy it. Following the recommendations from this study may prove to be profitable for inspiring entrepreneurs.

3.2 PROJECT ASSESSMENT

This study investigated the needs of spectators on all important levels and now serves as a useful tool to lead entrepreneur businesses in selling accessories to sport spectators effectively. With the aim of this research to answer important questions (paragraph 1.6), one can now provide the answers to those questions.

The answer to the first question is that spectators undoubtedly experience the feeling of certain specific event-related needs. This feeling is enhanced by the atmosphere at a stadium as well as social influences.

Through the survey questionnaire and literature research it became possible to identify those needs of the spectators, thus answering question two. Needs from customers at previous world cup events and other big sporting occasions from across the globe were identified as collecting memorabilia from the host nation, quality snacks and translators. To answer question three the needs identified through the questionnaire can furthermore be arranged in order of preference. Softer and more comfortable seats proved to be the most desired accessory second only to better quality and easier access to refreshments.

These ranked and other needs of spectators can easily be satisfied. The internet provides examples of needs being satisfied at virtually all previous large events. Needs such as hunger can be satisfied by buying a hot-dog at a hot-dog cart standing on a street corner, needs such as flags and other accessories can be satisfied through street vendors and needs such as sociological acceptance or the desire to be recognized can be satisfied through shops that sell t-shirts, jackets and hats that are team related.

The fifth question about the possibility to satisfy the spectators' needs profitably can also be answered affirmatively. Quoted articles from the internet such as "*Street Traders Are Cashing In*" (Fletcher, 2003) provide evidence of profitability; also in applying the findings from this study concerning the marketing mix when providing accessories etc., an entrepreneur will definitely be able to profit from satisfying spectators' needs.

3.3 RECOMMENDATIONS

A closer look at the sportscape variables suggests the importance of those things that make spectators happiest in determining which elements of the sportscape have an impact on future acquisition of accessories.

Spectator needs have been identified through the questionnaire survey. Entrepreneurs can choose to satisfy those needs with which they feel confident in supplying.

Most kinds of refreshments will be successful where a lot of people are together and are in a hurry to get to where they are going. Food carts at any affair are so successful because they satisfy a strong basic need, namely hunger, and the profit margin can therefore be quite extensive. A major concern with selling drinks, food and snacks is that you are not the only supplier to the specific needs of possible customers. If a spectator at a sporting venue does not want a hotdog, he or she can opt for French fries (for example) instead.

Selling souvenir accessories like key-chains, glass coasters, springbok skins, giraffe statues and African (bongo) drums may evoke interest from some spectators, but such items mostly satisfy only the one need of having a memorabilia item from the host nation or can only be used when the overseas spectator is back at his or her own home. There will however remain a market for these items and the profit margin can be big as well.

Items such as hats, caps, T-shirts and jackets can satisfy the need for protection from the sun rays and the winter cold as well as the sociological need of being accepted in a spectator group and publicly displaying with which team their loyalties lie. These items definitely satisfy more than one possible need and will serve useful to spectators who have certain needs that need to be satisfied while in the host country and when they use it in their own country, showing off their jacket with

memorabilia status. The main problem with these items will be its manufacturing. Many large companies, such as Nike and Adidas already provide popular high quality labelled caps, T-shirts and jackets that are readily available. These larger companies and FIFA have such stringent legislation on what may and may not be printed on clothing during large events that it became not worthwhile to buy the required machinery in trying to compete with such companies. Annexure E shows the letter sent by Jeanette Denison (FIFA Marketing & TV) (Denison, 2006), where she gave the legislation about the use of FIFA trade marks, and in Annexure F Meike Willemsen (FIFA) (Willemsen, 2006) gave the contact details of the person within Global Brands Group (UK) Ltd who will be in charge of the South African territory when wanting to register a FIFA trade mark as a third party during 2010.

Accessories that don't require a lot of manpower or heavy machinery and that are relatively easy to manufacture are things like scarves made from fleece material and also seat cushions. Making seat cushions is relatively easy and good quality sponge is readily available. Seat cushions serve a dual purpose as well when the host nation's name and the year are displayed on the thin front side. The word "GOAL" can also be put on the large top side to wave through the air when a goal has been scored (Figure 3.1).

Figure 3.1: Figurative example of a seat cushion for the 2010 Soccer World Cup.



The easiest accessory that a person can manufacture is probably a scarf. All that a manufacturer needs is a piece of material and scissors to make a rough scarf. A scarf also satisfies more than one possible need where it provides warmth in the winter wind and serves as a souvenir when it has the host nation's name on it. As with the seat cushion, the manufacturer can put the word "GOAL" in the middle of the scarf to display when a goal has been scored (Figure 3.2).

Figure 3.2: Figurative example of a scarf for the 2010 Soccer World Cup in SA



The seat cushion and scarf do not have to be team related. When a spectator sits on a cushion the writing on it does not display and a spectator can still wear his or her team jacket or cap while wearing a souvenir scarf.

The 2010 Soccer World Cup in South Africa will be held during the winter months of July until August, which is another good reason to sell scarves and seat cushions. Creative and stimulative advertising when selling scarves may include sayings like *"It's not cold anymore"* or *"It warms up your body"* with a picture of a woman wearing a scarf. When selling seat cushions, creative advertising may include phrases like *"No more hard & cold seats"* or *"Bottom-up warmth"* with a picture of a man carrying a seat cushion to his seat.

3.4 FUTURE POSSIBILITIES

Once an idea has been selected, the organisation should carry out a business analysis to see whether it is commercially possible to develop the idea. There

should be estimates of predicted costs involved in the development. This should be balanced against the likely pay-back period. It is only then that one can assess whether you can afford to carry on with the development process.

Following is a brief financial overview of the possibilities when selling scarves.

Pieces of fleece material	1000		
Material cost	R 25 000.00		
Scarves per piece of material	8		
Number of scarves	8000		
Material cost per scarf	R	3.13	
Printing per scarf	R	12.00	
Thread per scarf	R	0.13	
Total cost per scarf	R	<u>15.26</u>	
Selling price per scarf	R	55.00 (\$8)	(R6.90 : \$1)

$$\begin{aligned}
 \text{Revenue} &= \text{Sales} - \text{Cost} \\
 &= (\text{R}55.00 \times 8000) - (\text{R}25\,000 + [\text{R}12.00 \times 8000] + [\text{R}0.13 \times 8000]) \\
 &= (\text{R}440\,000) - (\text{R}122\,040) \\
 &= \text{R}\,318\,000.00 \\
 &= 261\% \text{ when selling } 8000 \text{ scarves}
 \end{aligned}$$

During the Soccer World Cup in South Africa there will be 23 games with an average of 57 000 people attending. Van Vuuren (2007:8) predicts that South Africa should prepare for more than 450 000 tourists during that time. This gives one the opportunity to expand projected accessory sales while also keeping in mind that the international spectators come with strong currency such as Euro, British Pounds Sterling, and American Dollars.

When selling 16 000 instead of 8000 scarves, the cost will double to R244 000, where the revenue will increase to R636 000 (staying at 261% when disregarding other cost such as labour, administration and unknown costs).

Another opportunity for sales of scarves and seat cushions lies within stadium management's and the marketing department's possible desires to sell such items from the stadium shops. If this possibility arises, then the profit margin has to be less to enable the shop to sell it at a profit as well. The advantage of this will be the certainty of a large number of sales.

3.5 RESEARCH SHORTCOMINGS

The research questionnaire's results have shown that the participants mostly associated attending sporting events with the summer season. The needs assessment will most probably show different results when survey participants are made aware of the fact that they will sit in stadiums at very low temperatures. Some winter related accessories would most probably have shown more preference under the spectators' needs such as team-sweaters, team-jackets and scarves which already enjoy much favour under European and South American soccer fans.

3.6 SUMMARY

It is well known that people who attend sporting events experience heightened emotions. These emotions range from joyous excitement to anguish and tears. Spectators are aware of the atmosphere that is present at stadiums and have an ever present expectation when they decide to support their favourite team playing the game which they like to watch so dearly. These expectations lead people to experience unique spectator related needs such as the feeling of belonging, peer acceptance, and status quo. Spectators then search for ways in which to satisfy

these felt needs as the emotional satisfaction assessment leads to purchase intentions.

Organisations have to understand what it is that drives a customer to choose their particular product or service rather than that of their competitors (Hill & Alexander, 2000:48). The task of the marketer of accessories is to identify which benefits customers seek through a product. This is a complex issue, because different customer groups who purchase the same product may be seeking different benefits.

Individuals' identities are based on the categorisations that others have for them as well as the individual's acceptance of this categorisation. Furthermore, identities exist only insofar as individuals are participants in structured social interaction. It can be suggested that identities are tied to roles, or positions, in organised social relationships. The social identity theory suggests that individuals use social groups and group membership to maintain and support their personal and collective identities (Jacobson, 2005). In general, the more commitment an individual feels to a group, the more the individual will conform to the group norms (Hawkins *et al.*, 1998:220). People are much more likely to consider group expectations when dressing for a sporting event when going with a group of friends which they like, than going with a group that is unimportant to them.

People develop self-concepts and subsequent lifestyles based on a variety of internal (mainly psychological and physical) and external (mainly sociological and demographic) influences. These self-concepts and lifestyles produce needs and desires many of which require consumption decisions to satisfy. As individuals encounter relevant situations, the consumer decision process is activated. This process and the experiences and acquisitions it produces, in turn influence the consumers' self-concept and lifestyle by affecting their internal and external characteristics. Each man has a view of himself (self-concept), and he tries to live in a particular manner given his resources (lifestyle). His view of himself and the way he tries to live is determined by internal factors (such as his personality, values,

emotions, and memory) and external factors (such as his culture, age, friends, and family). Again, his view of himself and the way he tries to live results in desires and needs that he brings to the multitude of situations he encounters daily. Many of these situations will cause him to consider a purchase. His decision (and even the process of making it) will cause learning and may affect many other internal and external factors that will change or reinforce his current self-concept and lifestyle. Van Leeuwen (2002) maintains that possessions, both goods and services, are regarded as parts of people themselves, that is, people identify with their possessions and possessions define people. *The meanings consumers attach to possessions must be understood if consumer behaviour is to be understood.*

It is important for marketing managers and single entrepreneurs to understand how internal, psychological processes influence individuals to choose a certain sporting accessory or a particular type of tourism product. Behavioural concepts lie at the heart of the marketing theory, and have been the subject of extensive literature in recent years. According to Woodside *et al.* (2000:137), the understanding of marketing practitioners concerned about how consumers make their product decisions influences all the subsequent decisions in the marketing process. The company that really understands how consumers will respond to different product features, prices and advertising appeals has a great advantage over competitors.

The term “*need set*” is used to reflect the fact that most products satisfy more than one need. Customer needs are not restricted to product features. Their needs also include types and sources of information about the product, outlets where the product is available, the price of the product, services associated with the product, the image of the product, and even where and how the product was produced (Hawkins *et al.*, 1998:18).

A total of 109 respondents to this study’s research questionnaire gave information on the most pressing marketing questions and the needs felt by sporting spectators when attending a live sporting event. In no previous time period have we seen the

type of growth in the commercialisation of sport that we have seen in the last two decades. Fullerton (2006:4) explains that new merchandising strategies extend beyond the event venue. He observed that retailers have begun to appear at regional shopping malls, and many retail sites have emerged on the internet.

Spectators undoubtedly experience event-related needs that are easily identified. Most respondents mentioned their need for refreshments which include water, beer, cold drinks, different kinds of snacks, better quality of food and faster service when buying refreshments. Softer and more comfortable seats proved to be the most desired accessory to buy when attending a sporting event. The results from this study recommends selling accessories that will satisfy two or more possible needs such as a seat cushion or a scarf with the host nations name printed on it to give it memorabilia value. Such items' purposed functionality can be enhanced by also printing the word "GOAL" on it to display when a goal has been scored. All the identified needs can be satisfied and when the important aspects of marketing - the product, price, promotion and place - are integrated in a successful marketing mix, it will most probably be profitable.

Sports marketers need to understand the appeal that these types of products have and develop a marketing strategy that capitalizes on that demand. Although the Soccer World Cup is a 4-week event, Fullerton (2006:8) is of the opinion that the duration of activities associated with such an event is often extended over a much longer period of time. Television news in South Africa also reported a 400% increase in wooden giraffe statues exports during the 2007 Twenty/20 Cricket World Cup and urged people to prepare for 2010.

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EVENT STIMULATED NEEDS SURVEY

Please complete this questionnaire by placing a tick [x] in the appropriate box to represent your answer.
All answers will be treated in the strictest confidentiality. Thank you for your participation.

What is your Occupation:		Sex:	M	F
Race:	Black	White	Coloured	Indian

SECTION A				
	Less than once a year	1 to 4 times a year	5 to 9 times a year	More than 9 times a year
How often do you buy tickets to attend a sporting event such as cricket, soccer, rugby, etc?				

SECTION B				
How important are the following to you when attending a sporting event?				
	Not Important	Quite Important	Very Important	Essential
Showing which team you support by means of accessories such as a flag, clothing or a banner				
Going with a group who support the same team as you do				

SECTION C				
How important are the following to you when deciding to buy accessories?				
	Not Important	Quite Important	Very Important	Essential
Variety of accessories				
The prominence of the name of the team you support				
Its price				
Its quality				
Its stylishness				
The length of the queue to pay for the accessories				
Payment options (cash, credit card, check)				
Speed of service				
Cleanliness of product displays				
Friendliness of staff				
Efficiency of staff				

SECTION D			
Which of the following would you prefer:			Which do you find more convenient?
1. Searching for accessories in a store or	1 or		1 or
2. Searching for accessories at displays outside the stadium	2		2

SECTION E

Name two needs you most regularly experience when attending a sporting event (excluding better parking accessibility):

1 _____

2 _____

Name two things you would like to buy to make the attendance of a sporting event more enjoyable:

1 _____

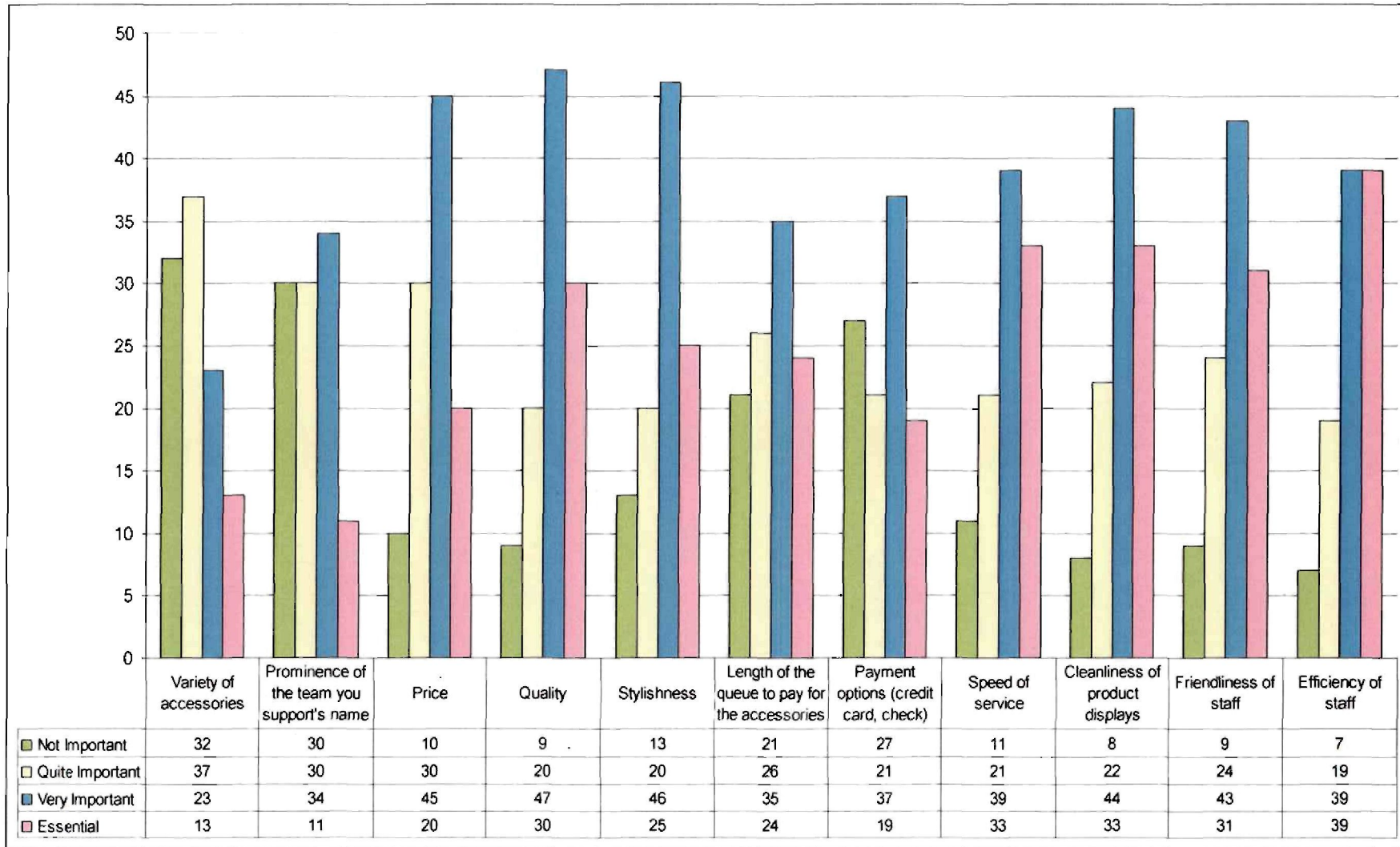
2 _____



POTCHEFSTROOM CAMPUS
 Albert Wessels: 28 Langenhoven Street, Kroonstad, 9499
 Tel: (056) 343 3117 • Fax: (056) 343 3107
 e-mail: wesselsa@fshealth.gov.za
wessels.albert@gmail.com



Annexure B - How important are the following to you when deciding to buy accessories?



Annexure C

Name two needs you most regularly experience when attending a sporting event (excluding better parking accessibility):

	Counts
Access to an ATM	1
Better / clean ablution facilities	9
More toilet facilities	17
Better access to toilets	5
High security	7
Comfortable / softer seats	12
Good seating	4
More seat space	6
Restrooms with showers for supporters	1
Clean toilets	4
Crowd control	3
Overcrowding	1
More food retailers / Faster food service	8
Easier access to food and refreshments	8
Better refreshments	1
Refreshments	8
Banning liquor	1
Less alcohol abuse	2
Water	2
Great atmosphere	3
Interaction	1
More beer vendors	2
Faster access to drinks	1
Snacks Biltong	2
More affordable snacks	4
Drinks more readily available	3
Extra gates / Quicker gates	10
Bigger Exit areas	2
Team Spirit	1
Drinks in disposable cups	1
More officials	1
After match entertainment	1
Big Screen	1
Shading	1
Hat	2
Relaxation	1

Annexure D

Name two things you would like to buy to make the attendance of a sporting event more enjoyable:	Counts
Drinks	17
Beer	10
Food	9
Snacks	12
Biltong	5
Ice cream	1
Popcorn	1
Fresh fruit	1
More variety of food and snacks	3
Better quality of food	2
Refreshments more accessible	1
NO Vuvuzelas	1
Vuvuzela	3
Better ticket system	1
Souvenir glasses / coffee mugs	1
Memorabilia / Souvenirs	4
Caps	4
Hat	4
Team's T-shirts	3
Team's windbreaker / jackets	2
Team accessories	2
Team flags	2
Related goods	1
Water	2
Binoculars	6
Bigger and better seats	2
Event video	1
The right gear	1
Seat Cushions	7
Braaivleis (Barbeque)	4
Gate and seating indications	1
Sunscreen	1
Information pamphlets / Program with pictures	2
Umbrellas	2
Camera	1
Front seat	1
"Braai" rentals	1

Annexure E

Dear Mr Wessels,

Thank you for your request below. FIFA has entered into agreements with numerous Commercial Affiliates for the different FIFA events. Tournaments of the size of the FIFA events could not be held without the valuable help of Commercial Affiliates.

Only FIFA's Commercial Affiliates have the right to use the Trade Marks to associate themselves with the FIFA events through ticket promotions and other marketing activities (i.e. gifts to clients, competitions, advertisements, group viewing, etc.) and including use of the Trade Marks on the Internet.

Any person or entity using the Trade Marks (or adapted versions of them) for promotional purposes, without FIFA's prior written authorization, will be deemed to be using "parasite marketing" techniques and infringing the intellectual property rights on such Trade Marks.

An exception to this is the members of the Media, who are allowed to use the Official Marks in editorial context only.

Please find attached the guidelines for the use of the Marks by third parties for the 2006 FIFA World Cup(tm) - the ones for the upcoming 2010 FIFA World Cup(tm) are currently being created and will be available at a later stage. However, the 2006 version should help answer any further questions you might have.

If your planned use of the Marks falls within the tolerated areas, please submit the layout and a description of the activities to us so we can process your request further.

Thank you for your understanding and co-operation.

Kind regards

Jeannette Denison

FIFA Marketing & TV

Annexure F

Dear Mr. Wessels

Thank you very much for your e-mail enclosed. Please be informed that FIFA has appointed Global Brands Group (<http://www.globalbrandsgroup.com/>) as our Licensing Agent. So whoever is interested in obtaining a license to use our marks on their products needs to contact Global Brands.

The person in charge for the South African territory would be Nicholas Bloom (nicholas.bloom@globalbrandsgroup.com) so please contact him if you are interested in obtaining a license for the 2010 FIFA World Cup™

With kind regards

Meike Willemsen