UNIVERSITY
— OF —
JOHANNESBURG

FACULTY	: Health
DEPARTMENT	: Sport and Movement Studies
CAMPUS	: DFC
MODULE	: SPB10X7/HMS8X14 SPORT MARKETING
SEMESTER	: First
EXAM	: **SSA** July 2019

DATE	: July 2019	**SESSION**	: 08:30
ASSESSOR(S)	DR N JANSE VAN : RENSBURG DR KL SHARP		
MODERATOR	: (VUT)		
DURATION	: 3 HOURS	**MARKS**	: 100

NUMBER OF PAGES: 7 PAGES

INSTRUCTIONS:
1. Students will be given 3 hours (180 minutes) to complete the examination. There are 2 sections. Students should allocate their time approximately as follows:
   Section 1 – 36 minutes
   Section 2 – 144 minutes
2. Read all questions carefully and make sure you understand the facts before you begin answering.
3. Write legibly, number correctly and be concise.
4. Deal with all the issues raised even if you believe the disposition of any one of them is controlling. If there are ambiguities in the facts, make whatever assumptions are necessary to resolve an issue; if additional facts are needed, state what these facts are and why they are needed.
5. Good luck and have a nice vacation

QUESTION 1 (20 MARKS)
Select the most appropriate answer from each of the various options presented to you. Only write down the option that you have chosen for each question:

1.1)   Extension of sport products:
   A)   Venue   C)   Star power
   B)   Rules, techniques   D)   Tickets

1.2)   Which of the following is *not* a standard symptom of sport marketing myopia:
   A) A focus on producing and selling goods and services rather than identifying and satisfying the need and wants of consumers and their markets
   B) The belief that winning absolves all other sins
   C) Confusion between promotion and marketing
   D) Good-quality research

1.3)   Which of the following is *not* a major issue of sport product strategy?
   A)   Differentiation   C)   Ticketing
   B)   Product development   D)   Product and brand cycles

1.4)   Despite lingering myopia, the last 15 years have seen many encouraging signs of professional approaches to sport marketing. Among them are the following:
   A)   Robust improvement in sales
   B)   Increased competition inside and outside sport
   C)   Quick-return price hikes or sponsorships
   D)   Industry, market and consumer changes

1.5)   Marketers describe positioning as a matter of managing the different images of an organisation or product:
   A)   Trademark imagery   C)   User imagery
   B)   Usage imagery   D)   All of the above

1.6)   The following are some special features of the sport market:
   A)   Many sport organisations simultaneously compete and cooperate
   B)   Demand tends to fluctuate widely
   C)   Sport has an almost universal appeal and pervades all elements of life
   D)   All of the above

1.7)   Several components of brand equity have special interest to sport marketers, especially in events in which the product is an intangible perception or memory, for example:
   A)   Branding   C)   Seasonal tickets
   B)   Strong customer loyalty   D)   High costs

1.8)   The elements of marketing strategy can be conceptualised in models. Marketing theorist Philip Kotler has called one model the MMP:
   A)   Marketing Monitoring Plan
   B)   Marketing Managing Process
   C)   Marketing Mix Process
   D)   Marketing Managing Plan

1.9)   Product and brand cycle:
   A)   Introduction, growth, maturity, decline
   B)   Introduction, maturity, decline, growth
   C)   Decline, introduction, maturity, growth
   D)   Growth, maturity, decline, introduction

1.10)   Marketing theorist have typically considered the following bases for segmentation:
   A)   Demographic information   C)   Product usage rate
   B)   Product benefits   D)   All of the above

1.11)   The following is _not_ a speculation about sport product life cycles:
   A)   Game forms that enjoy any kind of maturity seem to be resistant to decline
   B)   Teams and franchises have much more volatile and unpredictable cycles
         that those of their overall sports.
   C)   Equipment cycles appear to not be more technology driven than apparel
         cycles are
   D)   Apparel cycles blend the more stable trend in game forms with the wide
         fluctuations of fashion

1.12)   Success in marketing is determined through the following simple equation:
   A)   Sales = Profit – Expenses
   B)   Consumer satisfaction = Product benefits – Costs
   C)   Profits = Income – Expenses
   D)   Market share = Profits – Product returns

1.13)   Sources of brand association includes:
   A)   Owners   C)   Logo, marks, nicknames & mascots
   B)   Players   D)   All of the above

1.14)   At the core of the sport product is the event experience, or the game presentation,
        which is composed of _____ components.
   A)   Six   C)   Eight
   B)   Five   D)   Four

1.15)   Promotional licensing is an umbrella term that encompasses …
   A)   Sponsorship   C)   Marketing licenses
   B)   Joint ventures   D)   Mergers

1.16)   Some of the extensions of the sport product include:
   A)   Memories   C)   Electronic products
   B)   Novelties and fantasies   D)   All of the above

1.17)   What element do the broader promotions or communication mix include that the
        traditional one did not:
   A)   Advertising   C)   Positioning
   B)   Personal selling   D)   Publicity

1.18)   Brand equity:
A)   How equal the market share of the sport product or service is to the nearest competitor in the market
B)   The strong image the sport product or service has in the consumer's mind
C)   When a sport product or service identifies with high quality and increases profits substantially
D)   All of the above

1.19)   Corporations interested in purchasing naming rights to venues or teams have an agenda in mind when they consider such sponsorship possibilities. This agenda usually consists of the following elements:
A)   Number of impressions or exposures
B)   Tax considerations
C)   Activation platforms-sponsorship and promotional activities
D)   All of the above

1.20)   The combination of these elements is what we call the brand image:
A)   Creation of awareness of the brand and a brand image
B)   Licensing and merchandising development
C)   Brand equity and profits
D)   Brand association and marketing

[20]

QUESTION 2 (80 MARKS)
CASE STUDY:
The Growing Market of eSports: A Case Study
(Appendix A)

Study the case study and then answer all of the following questions accordingly.

2.1)   Historians have outlined a number of long-residual factors that have motivated involvement in sport across vast extents of time and space. The research is extensive and growing on these motivational factors. In your opinion, how do these kinds of eSport tournaments adhere to the general motivational factors? (16)

2.2)   How would you set up a segmentation plan for eSports and match each segment to a unique or customised product or ticketing package offer? (19)

2.3)   Complete the following table, based on a product differentiation of eSports versus any one other traditional sport format (for example 7s Rugby). Choose at least five (5) elements as a basis for product differentiation. (15)

Elements	eSport	Your example title here

2.4) If the next eSport tournament seeks a new sponsor, based on the various objectives that most often influence a company's decision to enter into sport sponsorship agreements, guide the eSport company in how to brief the prospective sponsor based on what the sponsor and the eSport company hope to achieve because of their sponsorship. (20)

2.5) Engaging the audience in social media requires an artful balance. How can the five (5) approaches for engaging fans via social media be beneficial to the marketing of the League of Legends tournament? (10)

[80]

TOTAL: 100 MARKS

Appendix A: Case study

The Growing Market of eSports: A Case Study

27 Dec, 2018
By:**Matt Hawkins, CSEE**

Editor's note: *eSports is a growing industry. Having evolved from mall arcade games in the 1980s to massively multiplayer online games used around the world, the sport has simultaneously grown in economic impact. One report pegs the eSports market as generating $1.5 billion in annual revenues by the year 2020, with a global reach of 600 million fans. While not an Olympic sport, eSports is becoming a vital part of the sports landscape, with purpose-built facilities going in and colleges and high schools adding teams. Many event owners and destinations are just starting to test the waters to see how well an event will do in their markets. One of those is the Bloomington-Normal Sports Commission and Bloomington-Normal Convention and Visitors Bureau. Below, Sports Director Matt Hawkins discusses the organization's experience of preparing for its inaugural Sixty Six Games and provides key insights for anyone planning a similar event.*

While we first mentioned the idea of having an eSports tournament in the summer of 2017, the actual planning process for this started between eight months and a year ago. We already knew that eSports was popular and growing well in the area; Illinois Wesleyan University, for example, has its own team and the Illinois State High School Association has identified eSports as an emerging sport. It was obviously a blooming industry and having produced two other home-grown sports (in junior golf and wrestling), we wanted to try another.

The Groundwork
We had a few hurdles to clear in the early stages of planning. We decided to go with League of Legends as the game to be played, based on its popularity. (According to our research, 100 million people worldwide play League of Legends every month so by all accounts, it was a good choice). In order to put on a tournament using a game, you have to apply to the owner of that game. League of Legends is owned by a company called Riot Games. Once we had permission from them, we could move forward with the actual planning.

After that, we needed to make sure we could get enough computers for everyone to make this happen. Fortunately, one of the school districts in our area was good enough to let us know we would be able to borrow between 100 and 110 of them for the entire weekend. (And for us, that was a big relief because not having to put any money toward renting or purchasing equipment was a huge savings).

The next hurdle for us was to figure out the number of teams we were able to accommodate and the time we were going to allow for the tournament. We decided to hold it over the course of two days in January and to have a total of 24 teams based on the time and equipment that we had available. Some tournaments are bigger, but for us, that was a manageable number and a good place to start.

The Planning Process
Having gotten the necessary permissions and equipment, we were really able to dive into the planning process. We looked at various venues and finally decided on Grossinger Motors Arena in Bloomington. It's actually a great venue. It seats about 7,000 and hosts concerts, family shows, ice shows, motor sports and trade shows, as well as hockey, dance, cheer and other sports needing an indoor venue.

We considered various layouts for competition and decided on one in which computers were set up in pods of 10. That way, we will be able to have 10 pods of 10 computers running at the same time. The action from each pod can be shown on a screen facing the seats, so that spectators could keep track of what was going on. We also decided to have large video monitors running over the whole floor, so that people in the audience are able to see what the different players are doing.

Technical Specs
Setting up an eSports tournament for a game that is Internet-based means making sure you have the connectivity you will need. Central Illinois Regional Broadband Network has made arrangements to route a 10gig pipe into Grossinger Motors Arena. Our I.T. professionals will then set up a local area network for the 100 PCs we will be using during the tournament.

Publicity

Knowing who our target audience is, we have done our marketing appropriately. For the most part, we used digital and social media for advertising, with some radio ads. Our target areas were in and around college campuses throughout Illinois and in the Chicago area, and we did e-mail blasts to eSports coaches as well.

Reaction

So far, the event has been very positively received, and has generated a lot of interest. We have sold out of spaces for team play – with a waiting list – and will have high school and college teams. Registration has come from a number of different states, so the word has definitely gotten out. Something that we found interesting is that Robert Morris University in Chicago will be represented, and we're told they were the first institute of higher education to have a competitive eSports team – so it will be interesting to see how they do here.

The event is on track to be a success and we are already considering what we can do to grow it in the future. We'd like to have more teams in each bracket and we'd like to maybe add a conference with some speakers as well as an expo.

Sponsorship

We are certainly fortunate to have State Farm as our title sponsor for the Sixty Six Games; while we're grateful for their support, we're not the first eSports event they've put their name to. Actually, State Farm has been involved in sponsoring eSports on the national level as well for some time. If you're flipping channels and you happen to come across coverage of an eSports tournament, it's likely that when they cut to the analysts' desk, you'll see the State Farm logo in the background. State Farm was able to see the way the market was heading and jumped on board at the beginning.

Our event was also lucky in that we have a large number of sponsors and partners, from colleges to radio stations and from gaming companies to hotels.

So with all this going for us, what kind of advice can we give to others who want to present or host an eSports event? A few ideas:

Have a Support Team

I'm still wrapping my head around what eSports is and what is expected from the gaming standpoint when you're putting on an event. Some of that is very specific to the industry – what you give for awards, for example, or what kind of chairs people want to sit in. I'm fortunate in that we have a 14-person steering committee that includes gaming experts who could provide input on things we hadn't even thought of. Without surrounding myself with knowledgeable people like that, I don't know that I could keep my head above water.

This is the best advice I can give. You want to do your homework, meaning you need to know both your budgetary constraints and how to put on a good event. (Of course, that goes for any event in any sport.)

We already know the market is growing worldwide. In Asia and Europe, 40,000- to 50,000-seat stadiums are selling out for tournaments and that trend is coming to the U.S. Colleges are offering scholarships to players and are recruiting students from all over the world. It's surprising how much money eSports is making – it is a rich market – but a lot goes into putting on a competition. We're hoping to create a good experience for people and bring an economic boost to the area. ***SDM***

Source: https://www.sportsdestinations.com/management/marketing-sponsorships/growing-market-esports-case-study-15723