

MKTG630: Sports Marketing Group Project Instructions Fall 2006

Overview

The purpose of the group project is to expose you to the real world business environment where skills such as dividing the workload, accepting responsibilities, coordinating individual efforts, communicating effectively, effective resolution of conflict, and written and oral presentations are immensely valuable. In addition, the group project will provide you with an opportunity to integrate and apply the material learned in this class in the development of real-world marketing strategy.

Students are asked to form a group of 6 to conduct two group projects. Project 1 deals with the first theme of the course—sports as product. It involves a situation where a proposal for hosting a sporting event is presented to a governing body by a city, which provides an opportunity for the groups to develop a marketing plan for a sporting event as a product. Project 2 examines sponsorship opportunities of the sporting event, which is an exercise for the second theme of the course—sports as medium.

Project Background

Each year, the governing body for women's professional golf, Ladies Professional Golfers Association (LPGA), presents over 30 tournaments including four major tournaments (Kraft Nabisco Championship, McDonald's LPGA Championship presented by Coca-Cola, US Women's Open conducted by USGA, and Weetabix Women's British Open). It maintains a tight weekly schedule from mid-February to mid-November. One of the tournaments is John Q. Hammons Hotel Classic (the Classic) held in Broken Arrow, OK in September with a total purse of \$1.0 million. Since it is held weeks after all four major tournaments are concluded, it is a challenge to market the tournament to both the sponsors and the fans.

Assume that the tournament has just lost its title sponsor (John Q. Hammons Hotel), which means the city of Broken Arrow could lose one of its major sporting events. LPGA is entertaining available options for the tournament including moving it to another city that can do a better job of marketing the event. Among the cities that showed interest in hosting the event, LPGA narrowed down the options to either keep the tournament in Broken Arrow, OK or move it to Manhattan, KS, which does not currently host any of the LPGA tournaments. LPGA is interested in how the event will be marketed and how much value it can create for all the parties involved (LPGA, local community, sponsors, players, fans, etc.).

The Little Apple seems to be a good fit considering many factors. First, the tour has a tournament scheduled in Springfield, IL right before the Classic and moves to Danville, CA after the Classic. Therefore, Manhattan is an ideal location on the way from Illinois to California. Second, State of Kansas currently does not host any LPGA events, while it hosts a Champions Tour event (Greater Kansas City Golf Classic in Overland Park) and a Nationwide Tour event (Preferred Health Systems Wichita Open in Wichita). In addition, the Champions Tour will stop by at Hutchinson, KS for its 2006 US Senior Open (total purse of \$2.6 million). If a city like Hutchinson with population of 40,000 can host a major tournament of Champions Tour, Manhattan deserves a consideration for a less costly LPGA tournament.

More information on LPGA, John Q. Hammons Hotel Classic, US Senior Open, and US Golf Association (USGA) including Kansas and Oklahoma state associations can be found on the following web sites. These web sites have a lot of information on the tour, local activities and community interest in golf, and the specifics of the Classic. It will be necessary to search for more information to complete the project, but the following web sites should provide a good starting point.

LPGA	www.lpga.com
John Q. Hammons Hotel Classic	www.johnqhammonshotelclassic.com
US Senior Open in Hutchinson	www.2006usso.com
USGA	www.usga.org
USGA Kansas State Association	www.usga.org/associations/regional/regional_state_associations.asp#KS
USGA Oklahoma State Association	www.usga.org/associations/regional/regional_state_associations.asp#OK

Project 1: Sports as Product

Each group is asked to form two subgroups of 3. Subgroup 1 assumes the responsibility of a marketing consulting firm hired by City of Manhattan to put together a marketing proposal that will be submitted to LPGA for review. The written proposal should integrate the following information and be able to convince LPGA that Manhattan provides better value to everyone involved.

- 1) Consumer analysis
- 2) Market segmentation
- 3) Target market identification
- 4) Event positioning
- 5) Venue
- 6) Branding and co-branding opportunities
- 7) Licensing and merchandising opportunities
- 8) Pricing
- 9) Promotion and co-promotion strategies
- 10) Distribution strategy for information and product
- 11) Overall tangible impact on involved parties
- 12) Overall intangible impact on involved parties

As part of your research on buyer behavior in this category, it is expected that you will collect and summarize some primary data (i.e. needs, wants, attitudes, intentions, behavior, knowledge structures, demographics, psychographics, etc.) from 40 – 50 people in your new target market using a questionnaire.

Subgroup 2 acts as LPGA and evaluates the proposal submitted by Subgroup 1. Subgroup 2 is required to do its own market research comparing the advantages and disadvantages of the two options—staying at Broken Arrow, OK and moving to Manhattan, KS—to make the right decision for the tournament. Subgroup 2 has to put together an evaluation report combining the information in the proposal submitted by Subgroup 1 and its own market research information. The evaluation report is required to state the decision by LPGA (Subgroup 2) where the tournament will be held next year and explain why and how the decision is made. Please note that Subgroup 2 does not have to agree with the proposal and select Manhattan. If the proposal is weak and Subgroup 2 still chooses Manhattan, the overall project grade will be lowered.

The title sponsorship issue will be the subject for Project 2, so simply assume that a company will pay the title sponsor fee. However, it is necessary to discuss to what extent sponsorships are going to be sought for co-branding, licensing, merchandising, and co-promotion, if they are considered to be the key marketing activities. It is strongly encouraged to state specific companies for these secondary sponsorships.

PROJECT PAPER

The final project paper is organized in three parts—an executive summary, the proposal by Subgroup 1 and the evaluation report by Subgroup 2.

The executive summary should be no more than 2 pages in a memo format (single-spaced, 1-inch margin all around, and 11-point typeface) summarizing the proposal and evaluation report. It needs to clearly present the key marketing ideas and the rationale behind the city choice. It is strongly recommended to use bullet points and tables to present the points effectively. All executive summaries will be posted on the web for all the other groups to read before the project discussion in the class. Therefore, an electronic file for the executive summary should be sent as an email attachment to the instructor by the due date.

The proposal should be no more than 10 pages excluding the cover page, references, and appendix. The evaluation report should be no more than 4 pages excluding the cover page, references, and appendix. Tables and graphs can be included in the appendices (please separate the appendices for the proposal and the evaluation report). The minimum requirements for both parts include double-spaced, 1-inch margin all around, and 11-point typeface. The groups are encouraged to fully use their creativity for the format of the paper, but an acceptable level of professionalism has to be maintained.

As you may be aware, leaving all the work to the last couple of weeks before the due date is tempting but ultimately counterproductive. Make sure you plan ahead and jumpstart the project right away. It is especially critical considering the accelerated schedule of a summer term.

Project 2: Sports as Medium

Let's suppose LPGA has chosen Manhattan for the Classic next year. Subgroup 2, who evaluated the proposal in Project 1, now serves as a marketing consulting firm hired by City of Manhattan to find the title sponsor for the tournament. Subgroup 2 is responsible for coming up with a recommendation for the city which company should be approached as the title sponsor for the tournament and putting together a proposal that will be submitted to the selected company for review. The annual fee for the title sponsorship is estimated to be around \$500,000, and Subgroup 2 needs to convince the selected company what kind of benefits it can enjoy by having its name associated with the tournament. The written proposal should integrate the following information.

- 1) The company's current overall marketing strategy
- 2) The marketing objectives of the company for being involved in sports in general
- 3) The potential contribution by the title sponsorship to the company's overall marketing strategy
- 4) The assessment of return-on-investment (ROI)

Subgroup 1 in Project 2 acts as the selected company and evaluates the proposal. Subgroup 1 is asked to make a decision whether to become the title sponsor of the tournament or not. Subgroup 1 needs to do its own research on the advantages and disadvantages of the title sponsorship to make a

decision. The evaluation report should clearly state the decision and explain why and how the decision is made.

It is strongly recommended to fully take advantage of the work done for Project 1 because most of the information collected, analyzed, and presented in the paper for Project 1 should be highly relevant to Project 2.

Again, Subgroup 1 does not have to agree to become the title sponsor for the tournament. If the proposed benefits are not substantial enough to justify the stiff sponsorship fee, the company should turn it down. The overall project grade will be lowered if Subgroup 1 agrees to become the title sponsor even though the proposal was not convincing.

PROJECT PAPER

The same structure as in Project 1 applies to the paper for Project 2. An executive summary (which will also be posted on the web before class discussion), the proposal by Subgroup 2, and the evaluation report by Subgroup 1 should be submitted. The same length and format restrictions apply as in Project 1. An electronic file for the executive summary is also required for Project 2. They will be posted online for other groups' review before the class discussion.

Timeline for Group Project

GROUP FORMATION

Announcement Sept. 5

You will work on this project in a group of 6 people with two subgroups of 3. Like the ones that will be assigned by your future employers, group projects in school can sometimes be a frustrating experience. It is often difficult to pick convenient times for everyone to meet and group members sometimes feel that the division of labor is not equitable. As frustrating as this may be, it is important for each of you to learn how to manage group work.

All problems arising within the group related to relative contributions of the group members are to be handled internally by the group. This is an essential part of the group project experience. You will, however, have an opportunity to evaluate your group members at the end of the semester based on the quality and quantity of the contributions. Your grade can go down based on these evaluations. A group peer evaluation form is attached at the end.

FINAL PROJECT REPORTS

Due Date: Nov. 16

The written report must be a professional and polished document. Be sure to cite all references used throughout the paper. This reference section will not count against the page limit. Any charts and tables can be included as appendices and do not count against the page limit. List your sources of information, including articles, interviews, etc. Do not forget to cite them where appropriate in the body of the paper. All language and ideas not your own must be properly footnoted, either at the bottom of the page or at the end of the paper. Please provide the questionnaire used for primary data collection as an appendix and summarize all of your findings in that appendix (even if you do not use them in the body of the paper.) Cite the relevant results of your data collection where appropriate in the paper.

Papers must include a cover page with the names of all group members. You are also expected to submit a peer-evaluation form on the last day of class.

PROJECT DISCUSSIONS

Nov. 28 – Dec. 7

All groups will have a chance to read the other groups' executive summaries after the papers are due. They will be posted on K-State Online course page. After reviewing all the executive summaries, we will discuss in the class the similarities and differences among the proposed marketing plans and the evaluations, and try to put together a master plan LPGA cannot resist for Project 1. For Project 2, we will discuss the pros and cons of approaching selected companies, and try to decide which company should be the title sponsor of the tournament. We will also decide if the selected company should buy into the title sponsorship idea and why.

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Peer Evaluation Form

Group Name: _____

You have 10 points for every member of your group. If a member has contributed his/her fair share to the project, assign 10 points to the member. Lower the score proportional to the level of contribution.

Remember, this covers both projects and it can affect others' grades so take your time and think through everyone's involvement carefully. Grades can only get adjusted downward depending upon the degree of contribution by each member.

Print each person's name on one of the blank lines below. Be sure to include yourself on the first line. Then, allocate points for each member of the group.

Make any specific comments as you wish either to justify the points allocated to a group member or if you think it is relevant to their evaluation.

Name	Points	Comments
<i>Subgroup 1</i>		
_____	_____	_____
_____	_____	_____
_____	_____	_____
<i>Subgroup 2</i>		
_____	_____	_____
_____	_____	_____
_____	_____	_____