

I had the pleasure of going to an SMU Basketball game this past week. It wasn't a huge game from a standings perspective. It wasn't a big rivalry game. It wasn't a game between 2 powerhouse teams. It was an important game as every game is for an up and coming team like SMU. But there was no one outside the two teams that were really paying attention to the outcome. Bottom line, it was a game on the schedule.

It was a game on the schedule for every one but SMU basketball fans. For SMU basketball fans it was their chance to show off to any and all newcomers who walked into the gym. President Bush (43) was there. DeJuan Blair, Jae Crowder, Casey Smith and others from the Mavs were there (I had no idea they were going to be there). I ran into friends I hadn't seen in a while. Mavs season ticket holders. It was a fun night to see and be seen. All in an arena that sits 7k.

I love watching any basketball game where I want a team to win (SMU), but will still sleep well if they don't. I truly get to be a fan. (And no, I don't scream at the refs. That's for Mavs games only!). As I watched the game and people came up to me they all asked the same question. They didn't ask me what I thought of the team and how it was playing. They didn't ask me what I thought of the coach, Hall of Famer Larry Brown (although the media did ask me about him). They didn't ask me about the pro prospects of any player on either team. They didn't ask me if I thought the team "Played basketball the right way", a Coach Brown hallmark. **They all asked me what I thought about the atmosphere at the arena.**

They all wanted confirmation that this was truly a fun atmosphere. That it was now fun to go to an SMU game. They had a student section that was standing, yelling, taunting and cheering. Loudly. Continuously. They had fans that chanted defense. They went nuts as SMU broke open a tight game when their point guard came alive and starting hitting big shots.

Atmosphere. The electricity you feel when you walk into an arena. The uncertainty and anticipation of what will happen before, during and after the game, and most importantly the communal feelings that can only happen when thousands, if not tens of thousands of people share their emotions. That is what makes going to a game special and the smart people at SMU knew it.

There were no special apps that some programming whiz at SMU created. Nor was anyone asking for advanced stats. There was not a single consideration for any unique technology anywhere that I could see. None was suggested or presented to me. There were promos and replays and stats on the high def jumbotron. No one complained that it wasn't enough.

While I saw plenty of instagrammed pictures from the game, they all seemed to come from before and after the game. The entire time the student section was standing up cheering I looked for phones. Was anyone using one? Were they holding them up like they might do at a concert to get footage? Nope. It's hard to look at your phone or hold it up when you are clapping, stomping, screaming and pointing the entire time.

Everyone in that arena knew exactly what was going on. They knew what the Seahawks fans knew. They knew what Mavs fans know. They know that they are not just observers, they are participants. Teams take pride in their "6th man" or their "12th man". The fans that cheer them on and provide energy to help them rally through fatigue. The only people who take more pride than the teams in their 6th man are the fans themselves.

So how can sports marketers learn from all of this? Here are some guidelines.

### **1. Know where your team is in their "lifecycle".**

Not every team is up and coming ala SMU. Not every team only has to fill 7k seats. When a team is first turning the corner, fans tend to not trust it. They expect that their team will revert to their past. I know it drives everyone in pro sports crazy when their team finally does well and fans don't immediately respond. It is easier to engage fans when the team is turning a corner and winning is new, but you have to work hard at selling the fun of coming to an arena. The more seats you have to sell, the harder you have to work. Fans want a reason to get out of the house and have fun. But they are not going to find you. You have to find them.

If your team finds itself struggling, or if its expected to win you are in the same boat. Your hardcore fans are going to come. But you have to work harder than ever before to create value for you fans. It is during these times, when you can't control what happens on the court, that you have to work hard to improve the game experience. Not by providing apps or stats. Fans who like those things know where to get them from other sources already. Not by focusing on creating online communities. Online communities are like talk radio. The same 200 people call and participate in both.

You have to invest in things that are universally fun for your customers and prospects. EVERYONE remembers their first game. EVERY parent gets unlimited joy from watching their child enjoy a sporting event. You have to make sure that the entertainment that you provide is not only family friendly, but also engaging for all the 6 to 12 year olds in the audience. If you think those kids care about basketball you are delusional. If you think those parents care more about basketball than keeping their kids entertained for 2 hours, you are delusional and should quit your job immediately. All you have to do is remember this – [EVERYONE STANDS UP FOR T SHIRTS.](#)

### **2. Know who your long time fans/customers are.**

The delta between sell out and empty is typically 5k fans. You have to know who your ongoing season ticket holders are and respect and appreciate them. You can not do enough to reward them. It is hard to personally respond to 5k or more account holders, but it is something you have to work at. The greater the renewal rate the fewer the tickets you have to sell next year. Fans know when you care. You can't fake it. It is hard work, but it has to be done. Know your customers and treat them like gold.

### **3. Price to the market, not to maximize revenue.**

The sports industry is changing. TV is becoming a growing revenue source while ticket sales are a declining percentage of total revenues of TV sports. IMHO, it is far more important to know the price points that will enable you to fill the arena than to know the price points that will max out your total revenue. Why? Because winning matters. It is important to have fans in the stands. They impact your winning percentage. And personally, I believe that winning increases long term profitability.

It is also because fans know the pricing trends of your tickets better than you do. They know how to use travel sites to get best pricing. They know how to use ticket sites to get best pricing. Teams try to be democratic when it comes to game pricing. That's an inefficiency that some fans and many ticket brokers know how to take advantage of. We hired a full time Data Analyst to continuously examine and review online pricing for us. It has resulted in us changing pricing for 7k

season tickets for this coming year.

The market told us that for season tickets we need to price to the current actual pricing market in order to attract new season ticket customers and to maximize our season ticket renewals. We paid attention. We did it only for season tickets because those are the tickets we have to price in anticipation of the next season. Our hope is that for single game tickets the game experience, our team performance and big games will push our prices even higher and make our season tickets and even more attractive value.

#### 4. Fans buy tickets where they like to buy them

The Mavs have found that some of our customers prefer to buy from a given secondary provider than from our site. They have a credit card set up there. They buy not just Mavs, but other Dallas teams, concerts and other events from a single source. That convenience, from their perspective make it a better choice. Yes, we try to offer better service, premium value, etc. But just like I buy from Amazon just because that is where I buy most of my stuff from, some fans have a preferred source of tickets. You have to be there and make it easy for them to buy.

#### 5. Selling is the most important job at a team

Everyone majors in sports marketing. There is no more worthless major. Every school seems to have a major in sports management. Why do the schools and kids think that across the tens of thousands of graduates from these programs there is going to be a job than even comes close to paying off their student loans. Do the math.

Lets say there are 120 top pro teams. **This article** says there are about 12k sports marketing grads each year. The competition for jobs at pro teams is so brutal that we don't have to pay much. Yet schools keep signing up kids. **If schools want to have any value to sports teams they should offer degrees in Sales.** Not sports sales. Just sales. Teach kids to sell and they can get jobs anywhere anytime. Teach kids sports management and you improve their chances of getting a job at Fridays.

At the Mavs we value customer satisfaction and sales. We want you to have an amazing time at a game. We want our advertiser/sponsors to get amazing value from their Mavs partnerships. We want to have enough great salespeople to reach out and communicate all of the above. Every team can not have enough great salespeople.

#### 6. Spend money on fun.

No team is going to go undefeated every year. You have to make sure that even during games that don't go the way of the home team that your fans feel like you are doing all you can to entertain them. At the Mavs we spend a small fortune on entertaining videos and in game entertainment. From the Mavs Maniacs to special half time shows, to Seats for Soldiers, we want our Mavs games to be special occasions. We NEVER cut corners on in game entertainment. In fact we probably spend more on in game video and entertainment than the rest of the NBA combined.

If you have a limited budget and the choice is between fun or anything else, choose fun every time.

<https://www.youtube.com/user/dallasmavericks/videos?sort=p&flow=grid&view=0>

#### 7. Why I wrote this blog post now –

I decided to update my thoughts on sports marketing after a great experience at the SMU game and being part of this very condensed [Businessweek article](#). The article was a response to 2 blog posts I had written on the topic in [2010](#) and [2011](#) and included a counter argument from the owner of the Sacramento Kings. To make up for the article's brevity, I have included my entire response to the reporter's questions below

From the reporter:

Hi Mark,

I am working on a story for Bloomberg Businessweek ahead of the All-Star Tech Summit on Friday about what fans want from mobile technology in-arena. The idea is to dig a little deeper into the contrast between your thinking and that of Vivek Ranadive that came up in this Wired story:

<http://www.wired.com/business/2013/12/vivek-ranadive-sacramento-kings/>

I've spoken with Vivek already and would like to get your response to some of what he said. There are basically two parts to his argument. The first is that there is a generational shift happening in consumer habits with mobile and, like it or not, the cohort coming of age now will be checking their mobile screens constantly, including while they are at basketball games and other live events. Not to try to serve them is to fail to deal with reality. As he put it, "the fact is Cuban's kids are looking at their cell phones 300 or 400 times a day. That's what they are going to do."

The second part of his argument is that, if you create the right mobile experience, it is not a distraction but an enhancement. It not only makes the experience more efficient (using a phone to have a hot dog delivered to your seat saves time) but richer. Ranadive: "I completely reject the notion that a fan looking at his mobile device is not an engaged fan. I would argue that I look at my device and I am more engaged because I want to know play by play, I want to know every metric. I want to know everything that is going on." He believes, with the analysis of his customers and their habits that Tibco allows, he can build a tailored experience that fans will want and appreciate. "Mark's a very smart guy obviously and he's done amazing things," he says, "but I completely disagree on this. I think that it adds to the experience and it's a fact of life." And fans that want to opt out, of course, still can.

He also joked that he looks forward to getting a picture of your mobile habits when the Mavericks come to play the Kings.

Is Ranadive falling into the "lookdown trap?" What do you think fans want from an in-arena experience? Any and all comment or response from you is appreciated.

#### My response:

When i first got to the nba in 2000 i felt the same way as vivek does today. we had the first wired arena. Then i learned what our product really is and why people come to games. It hasn't changed.

Tell him to watch what happens at college games. Tell him to watch a Duke or Pitt basketball game. kids are jumping up and down. They are participating. Look at event driven entertainment like tough mudder. go to a fun wedding. People are looking for reasons to put down their devices. There is no shortage of reasons for people to use their devices. They want reasons to not use them. That is why I'm investing in eventized entertainment like LA Slayride. that's why attendance is going up.

No question people use their phones and devices at games, but they use them when they are bored. They don't want more reasons to use them. They want fewer

With all due respect to vivek, the nba isn't cricket. cricket is boring and there is a ton of down time. The nba doesn't have a lot of down time. and during that downtime it is our job at the mavs to create entertainment that makes people forget to check their phones. And if you really want to piss off a parent who brought their 10 year old that doesn't have a phone and the parent doesn't want them to have a phone, push the use of a phone and make the kid feel like he or she is missing something !

People come to games because they want unique experiences. no one remembers the shooting percentage of their favorite players. They don't remember jump shots or dunks. They remember who they are with. They remember how they feel.

They also remember the energy in the arena. what makes Sacramento special is that their fans take pride in being loud. They work hard at it. It's tough to clap when you have a device in your hand. it's tough to yell when you are talking on your phone. think the seahawks 12th man would be a point of pride if they asked them to tweet rather than blow out each others eardrums ?

Sure fans will always use devices. And yes its smart to remove the friction in any business process, but you have to understand what makes going to an nba game unique. it's the energy. it's the participation , it's being the 6th man and supporting your team. its high fiving or hugging the person. next to you that you dont know, because your team just hit a big shot . Most importantly it's the look on the face of your child , or your date and the everlasting memories that are created from games. Doesn't everyone remember their first game with a parent ? Has anyone in the past 5 years ever supplemented their memory of that event with a device mention ?

The mavs use as much if not more tech than anyone. But we use it in creating advanced animations that we premiere on our huge high def screen in the arena and post and promote to kids on youtube and our website. Look at the. mavs website and compare It to any other team. We always look to push the tech envelope where it makes us more valuable to our fans and customers

We use technology to tell people of all ages what they are missing when they are not at a game. Not to remind them that they can do the same stuff at home on their phones while watching the game on tv

fyi. I will probably use this in a blog post.