

Portland Pioneers

Global Marketing Team 1

23-0015-0023

23-0015-0038

23-0015-0044

23-0015-0025

Global Marketing (500)

Saturday, May 7, 2016

TABLE OF CONTENTS

Synopsis..... 3

Company Goals..... 3

Description of Customers and Their Needs..... 4

Description of Pricing Strategy..... 6

Competition..... 6

Marketing Mix..... 7

Economic, Social, Legal, and Technological Trends..... 8

Human Resource Requirement..... 9

Marketing Timeline..... 12

Methods of Measuring Success..... 12

Part I - Synopsis:

“Portland Pioneers” – The launch of a new professional hockey team in Portland.

The Portland community has shown immense enthusiasm in being the only city in the Northwest United States to have a team in the National Hockey League (NHL). The management of the Portland Pioneers is motivated to establish a prominent franchise with a high caliber hockey team. The Portland Pioneers are determined to win the Stanley Cup and the Pioneers have strategic goals, which will lead to winning the championship. Using geographical segmentation, psychographics, and demographics, the Pioneers will establish a target market. Fan support will boost the Pioneers’ financial stability and popularity. The Pioneers will identify different costs and expenses to become a profitable franchise. The direct and indirect competition will be identified to distinguish the Pioneers as a unique and valuable team. The management will innovatively market The Pioneers to increase customer awareness. Price, product, placement, and promotion will be analyzed to ensure business growth. The Pioneers will classify economic, social, legal, and technological trends to increase awareness of the sport’s tendencies. The leadership team of the Portland Pioneers has tremendous knowledge and sporting experience of professional hockey, which provides a solid foundation to the franchise. The Pioneers’ organization will hire highly talented employees and designate specific roles in team management. To achieve goals, the Pioneers will follow a specific timeline in a timely manner. The Pioneers will complement The Portland Trail Blazers of the National Basketball League (NBA) to promote sales and entertainment for the city of Portland and the nearby community.

The website will provide information about the organization and the team, as well.

Website: <http://pioneersnhl.weebly.com/>

Part II - Company Goals:

The Portland Pioneers’ main goal is to win The Stanley Cup, prosper in the NHL, and boost Portland’s economy. The Pioneers want staff, players, and fans to have a high-class experience, thus creating a unique culture in the community and within the organization.

After close consideration and research, the Pioneers have developed an objective plan for building a fan base. The organization will increase social media interaction between fans and players by having 250,000 followers in the first two fiscal years on Facebook, Twitter, and Instagram. The Pioneers will also interact with fans through Pinterest, Snapchat, and the Pioneers’ team website.

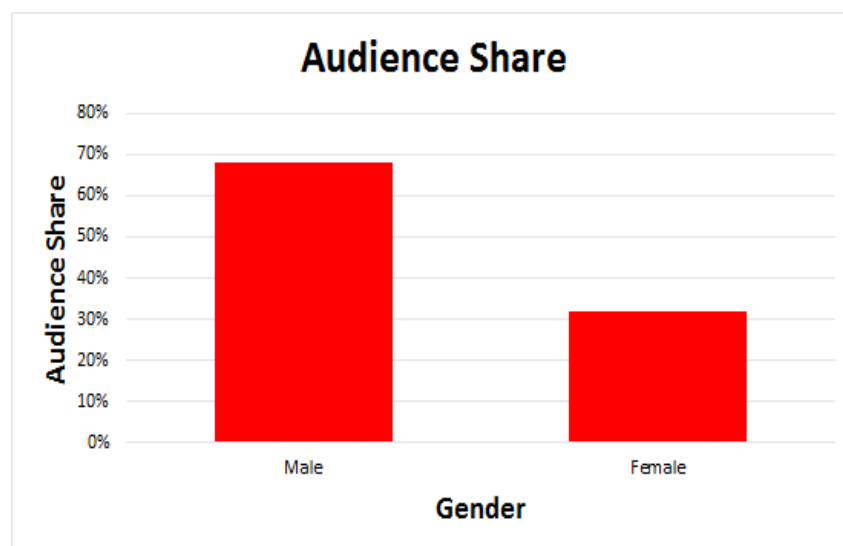
Goals:

Organizational: The Pioneers seek to compile a skilled and dedicated staff in order for the players to succeed in their given role within the team. Secondly, the organization wishes to develop a strong fan base, which can support the team and ensure profits. The Pioneers desire to construct a state-of-the-art practice facility. The organization is planning to market and advertise the Portland Pioneers to maximize publicity. Most importantly, the Pioneers would like to interact within the Portland Community and make an impact.

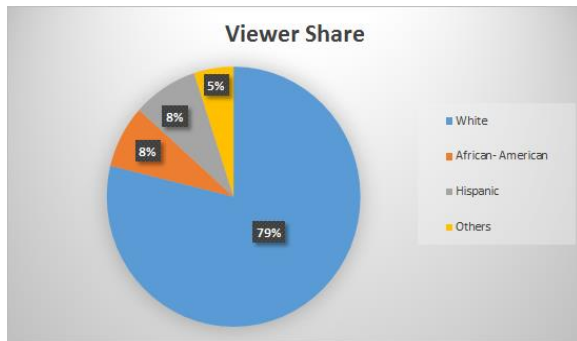
Team: The Pioneers aspire to score a minimum of 70 points in the team's first year, increase by 10 percent each year in the first three seasons, and make the playoffs in the third season. The Pioneers anticipate winning The Stanley Cup within the first 10 seasons.

Part III - Description of Customer Needs:

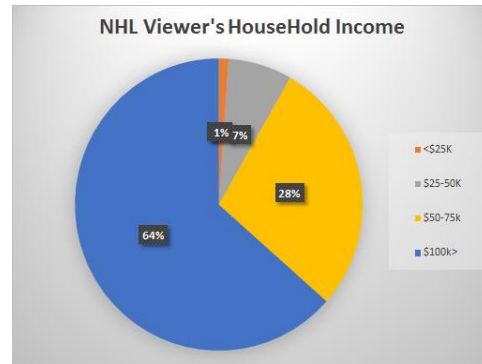
Demographics: The product, the Portland Pioneers, will be available to both males and females. Through research, the organization predicts that the Pioneers will have twice as many male viewers compared to women viewers. Most of our men viewers will range between ages 20-40 years of age and most of our women viewers will be of ages 40+. The viewers will include a variety of ethnicities, such as Caucasians, African-Americans, and Hispanic. Of all these ethnicities, Caucasians have the greatest share amongst viewers. The product will be available to all ages, from youth to adults. The viewers will range from different household incomes, which vary from \$20k - \$100k+. Most of the viewers will come from a household income of 50k-75k. The Pioneers products will target the people in each of the main demographic market.



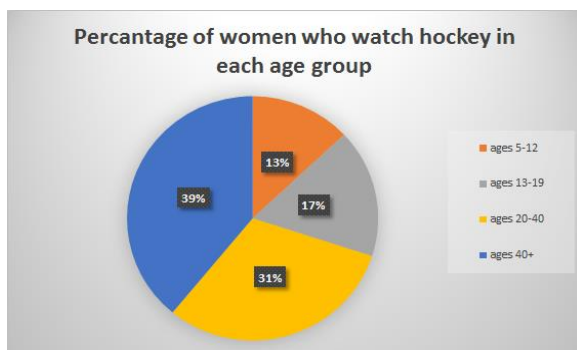
**Data taken from Statista*



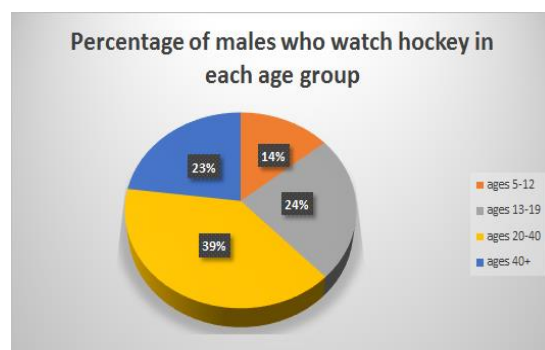
**Data taken from sportbusiness.com*



**Data taken from sportsbusiness daily*



**Data taken from sportsbusiness daily*



**Data taken from sportsbusiness daily*

Geographic Segmentation: The Pioneers intend on obtaining fans from all over Oregon and the Northwest region. With a metropolitan population of above 600,000 people, the target market is very opportunistic. The Pioneers organization encourages visiting teams' fans to attend the games and experience the atmosphere, as well. There appears to be a lack of NHL hockey teams on the west and the cold weather in the Northwest region promotes hockey and the Pioneers pursue using this as an advantage.

Psychographics: The Portland Pioneers fans' personality, values, opinions, attitudes, interests, and lifestyles will play a critical role in data collection and improvements in the marketing strategy. The Human Resource Department will generate and conduct surveys to obtain statistics with predictive modeling to build a successful franchise and support the fan base. The Pioneers want people who are committed and supportive to the team and organization. The Pioneers want to target competitive hockey fans in the area and in the United States. Fans will be a stable source of revenue in merchandise, tickets, and other products of the Pioneers.

Customer Needs: The Pioneers believe that customers want a product that is priced fairly and is easily accessible. The customers will be informed about products in an appealing manner. If the product is marketed successfully, consumers will generate a healthy profit and will increase customer satisfaction. Marketing the product is essential for the customers to gain the right knowledge about the products.

Part IV - Description of Pricing Strategy

The pricing strategy is in place to strike a balance between maximizing profit and making the product accessible to a strong customer base. The Pioneers have covered strategies from marketing goals to an in-game experience. The main strategies upon which the Pioneers want to base the plan *include markup price, demand oriented price, product line pricing, promotional pricing, customary pricing, and competitive pricing.*

Currently, the NHL has the second cheapest average ticket price among the four major sports alliances. Only the MLB is cheaper, but baseball teams play almost twice as many games, so demand for tickets is lower. Ticket prices will be based off other comparable NHL teams and the Portland Trailblazers. Seats will include seasonal promotions, multi-game tickets, and suite box promotions depending on The Moda Center regulations.

An element that could affect pricing are *fixed costs*, which are cost involving the stadium, team salary, and operating expenses. Another element includes *variable costs*, which are promotion and production expenses

After reviewing, researching, and comparing the strategy to other NHL teams, The Pioneers have concluded that this is a manageable goal. The *break-even point* would be \$70 million, meaning that the Pioneers would put \$70 million into the organization and get that much out from revenue. In FY1 (2017-2018), the *operating income goal* is \$20 million. In FY1, the *revenue goal* is \$46 Million.

Part V - Competition:

The *direct competition* for the Portland Pioneers will be the other 30 teams in the NHL, especially the teams closest to Portland. The Pioneers plan to win customers and earn their loyalty towards the team by establishing a winning tradition in the organization and creating a positive atmosphere in the community. Being the only professional hockey team in Portland, The Pioneers will take the opportunity and capitalize on it to attract many customers. The Pioneers plan to have several promotions and advertisements to lure customers. In order to succeed, The Pioneers need to carefully analyze their competition and exemplify why the Pioneers are a better product. This advantage will make the Pioneers rise in the league and achieve success.

The Pioneers' major *indirect competition* are The Portland Trail Blazers, collegiate athletics in Oregon, and The Portland Timbers' soccer team. The organization believes that although The Portland Trail Blazers are the most threatening competition, both organizations will complement each other in marketing through playing in the same stadium. This creates a sense of community among both major organizations and both fan bases. There will be *cross promotions* for both the Pioneers and Trail Blazers. Although collegiate athletics and the Portland Timbers are in different markets, they are still important competition. Hockey could

trend in Portland due to the winter season. This will attract customers away from outdoor events, such as the Timbers' games. In addition, the organization will promote its professional stars. This will increase popularity in comparison to collegiate athletes.

Part VI - Marketing Mix:

Product: The vision behind the product, the Portland Pioneers, is to create a unique form of sports entertainment.

Price:



	Season Tickets	Individual Game Tickets
Section 100	\$3,000-\$4,500	\$180-\$300
Section 200	\$1,500-\$2,000	\$100-\$200
Section 300	\$500-\$800	\$60-\$120

Individual Game Tickets will also include Box Suite Tickets (Blue) which will be \$1,000-\$5,000

Group ticket packages will consist of 8-20 tickets. Prices for the packages will be customizable according to the amount of people in the group and what section the group prefers.

Ticket prices communicate that the Portland Pioneers is an affordable form of sports entertainment but still high enough to insinuate a quality product. The current pricing fits in well with the NHL's strategy as the latest findings show an increase in league revenue and overall attendance.

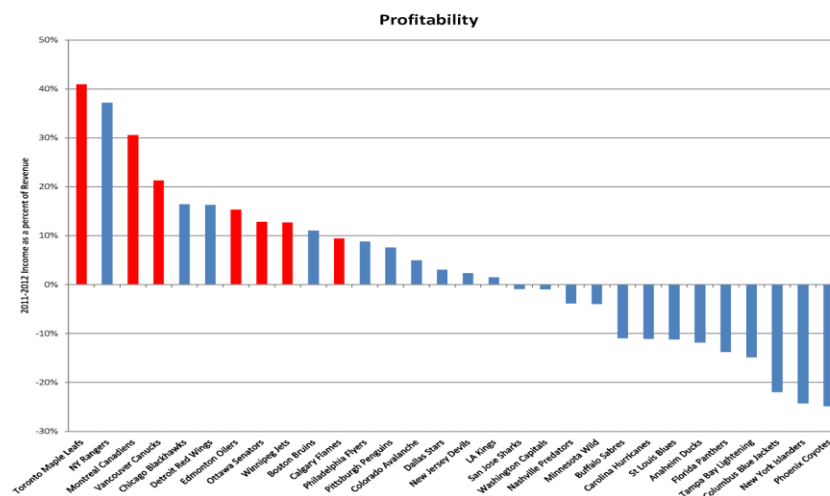
Placement: Currently, the NHL owns a contract with NBC, which runs through the 2021 season. Under the contract, NBC will broadcast the Winter Classic, nine regular season games, and weekend games during the playoffs and up to five Stanley Cup Final games (espn.com). The Portland Pioneers will use the NBC's Service for the upcoming 2017-2018 season. Under the contract, NBC and the NHL shall share revenue. Marketing advertisements and promotions will be strategically placed around the city with billboards and posters, in local newspapers and

magazines, radio shows, podcasts, Spotify, Pandora, SoundCloud, Apple Music, television commercials, and in local recreational facilities.

Promotion: The Portland Pioneers need to reach many consumers with their products and deals. A strategy implemented is offering sales at times of the year when demand for merchandise is low in order to profit. We will also offer sales for veterans, members of all armed forces, seniors, and students. The Portland Pioneers intend on connecting with consumers to compete for market shares in the sports entertainment industry. The organization will promote the team through yearly conventions, fan meet-and-greets, shopping sprees during the holiday season for children in need, contributions to local charities, visits to local hospitals, pep rallies, international youth hockey tournaments, intermural with the team players and the mascot, golf outings, merchandise, marathons, encourage famous Portland natives to support the team. The Portland Pioneers have an interactive website, which promotes the team through viral marketing. The Pioneers will integrate a new method of connecting with the local community by introducing start-up contests during our games. Start-up contests will allow local new businesses to present their business in front of a large audience during halftime.

Part VII - Economic, Social, Legal, and Technological Trends:

Economic Trends: Hockey in the United States is a driving business and the Portland Pioneers look to gain profit off its consumers. There are several factors involved in economic fluctuation. The primary factor is the recent economic recession, which has caused an inflation in ticket prices. While some reports show an increase in overall attendance, other reports show a number of struggling franchises with attendance on the decline. The increase in ticket prices has primarily affected this decline. The Portland Pioneers will strategically price their products for maximum affordability and an annual increase in profit. Unlike other leagues, more of the NHL's players are foreign born. The Pioneers will promote these players to gain profit on an international platform while connecting with the fans.



Social Trends: Facebook, Twitter, Instagram, Snapchat, and Pinterest will help connect with all of our fans. All NHL team sites featured a link to an official Twitter/ Facebook profile, while 14 of the sites featured a live feed of Twitter/Facebook activity on their home page. The Pioneers will have a live feed on their website and will use social media to its maximum potential. Cisco and the NHL use social media to hold contests where daily prizewinners receive the gifts and the grand prizewinners will receive tickets to the annual NHL All-Star Game (Cisco, 2010). The Pioneers will conduct these contests to increase the use of social media annually.

Legal Trends: The maximum number of roster contracts per team permitted on an NHL team is 23 (not including injured reserve list.) Restricted free agents who do not sign contracts by December 1 of a given year will be ineligible to play within the league for the remainder of that season. The 35+ rule, introduced in the 2005, was intended to prevent teams from burying veteran players in the AHL and from front-loading contracts to draw players to signing with them. By identifying these trends, the Pioneers can be efficient about controlling contracts. The Pioneers and the NHL will work on limiting concussions in games and will promote player safety.

Technological Trends: A major technological benefit has been HDTV. More than any other sport, HDTV has enhanced television programming for the NHL by making the puck more visible and the ice more luminous. In addition, the Reebok EDGE jersey is tighter and lighter than its predecessors are. It makes it more difficult for a player to be grabbed or hooked and allows them to skate faster, allowing for an improved game flow. Fans will want to buy these jerseys, resulting in more income. Video content such as, YouTube, on-site video, promotional videos, and interview videos will help promote the team to other cities. In an examination conducted by VidWebTV, all 31 NHL websites possessed their own video library. Additionally, game highlight videos were present on all 31 sites, while interview videos and promotional videos publicizing the team or upcoming events were seen on 29 and 28 of the sites, respectively. Press Conferences have made the players connect with their fan base. Audio content will help get the fans more interested about the games. The content will include interviews with players, coaches, management, and of press conferences. Promotional Audio, audio that promotes the team, upcoming games, or upcoming events and promotions and live feed audio streaming of a live game will also be available.

Part VIII - Human Resources Requirements:

The human resource requirements will be based on experience, passion, leadership, communication, specializations, and development. People in our staff will be hired if certain education requirements are met and they meet the franchise's standards. The employees will have knowledge on basic business operations and their performance shown by previous work done in their specific field. They will be committed and enthusiastic for the organization and will

be professionally motivated in order to excel. The staff will have the capability to set an example for others, take responsibility to monitor and direct the organization, and to interact effectively within the organization. Most importantly, the staff will be able to improve others and support the organization in any situation.

Organizational Chart (According to the Style and Reference Manual):

Requirements for all positions: Previous experience (depending on seniority of position) and degree in related field.

Ownership and Executives:

Owner: Owns the organization.

General Manager: Obtains profit contribution by managing staff; establishing and accomplishing all business objectives.

Executive Human Resources Manager: Develop advice and implement policies relating to the effective use of personnel within an organization.

Executive Administration Manager: Supports operations by supervising staff; planning, organizing, and implementing administrative systems.

Executive Director, Special Projects Coordinator, Executive Assistant

Communications, Public Relations, and Community:

Manager: Accomplishes department objectives by managing staff; planning and evaluating department activities.

Senior Director: Focuses on business development, employee recruitment, and client retention.

Assistant Manager

Finance:

Manager: Make sure and handle all matters including money.

Senior Manager of Accounting, Payroll Manager

Finance Analyst

Marketing:

Manager: Accomplishes department objectives by managing staff; planning and evaluating department activities.

Senior Executive Director: develop and implement strategic plans for the organization in a cost-effective and time-efficient manner.

Director, Entertainment Manager, Charitable Partnerships Manager, Marketing Manager

New Media and Creative Services:

Manager: Accomplishes department objectives by managing staff; planning and evaluating department activities.

Senior Director: Develop and implement strategic plans in terms of social media and advertising.

Creative Director: Develop and interact with other organizations.

Ticket Operations and Customer Relations:

Manager: Accomplishes department objectives by managing staff; planning and evaluating department activities.

Executive Director: is responsible for the organization's consistent achievement of its mission and financial objectives.

Senior Director, Senior Account Executive, Senior Customer Service Executive, Group Sales Manager, Account Executive, Customer Service Manager

Medical:

Manager: Accomplishes department objectives by managing staff; planning and evaluating department activities.

*Team Physician, Team Physician, Team Physician, Psychiatrist
M.D., D.D.S., D.D.S., D.D.S., L.C.P.C., M.S., R.D., C.C.N., D.C., D.C.*

Training and Equipment:

Head Athletic Trainer: able carryout supervisory tasks as assigned by the clinical manager with regard to the management of the athletic healthcare department.

Equipment Manager: responsible for planning, coordinating and directing the operations of all equipment for effective maintenance and repair programs, equipment safety programs and equipment use on company job sites.

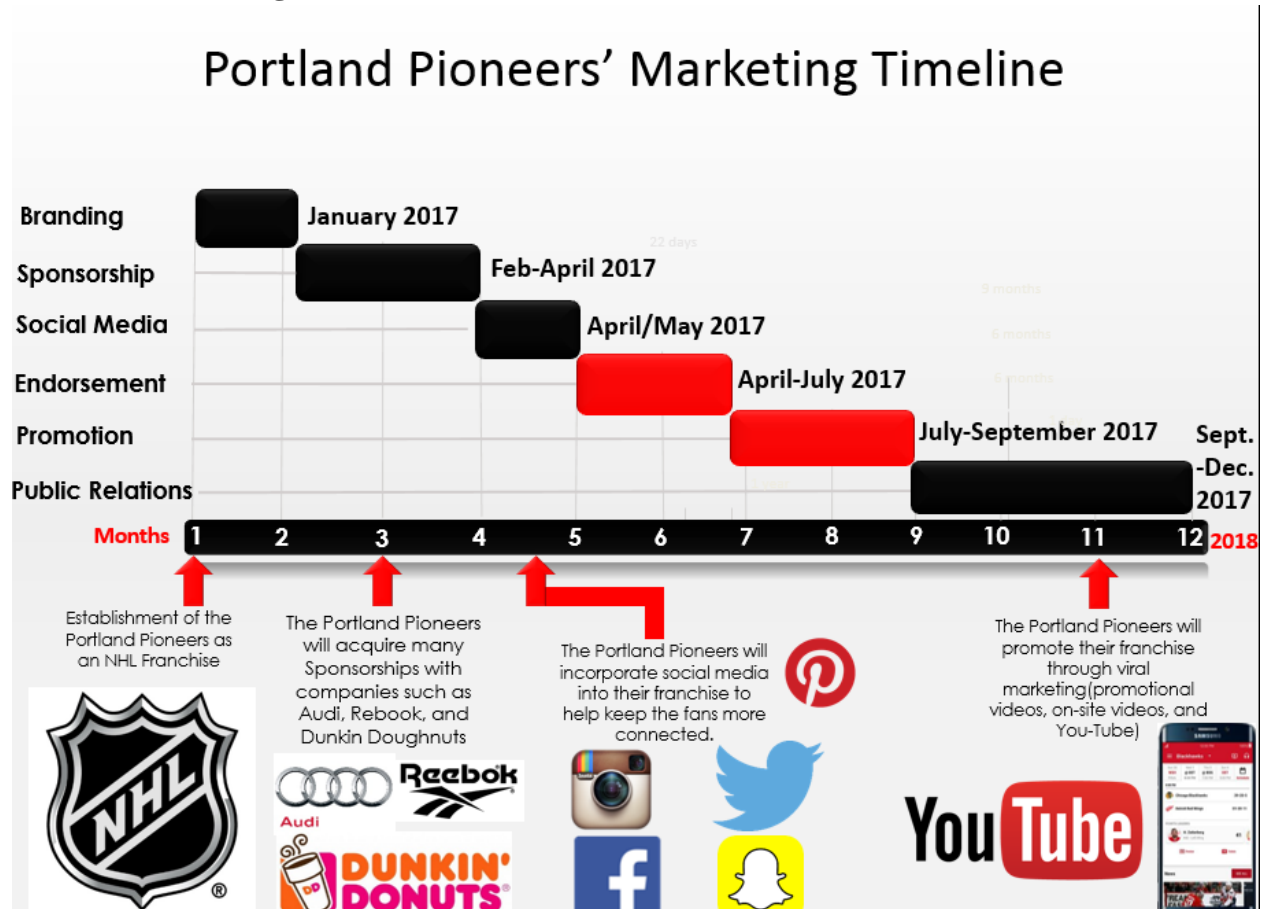
*Assistant Athletic Trainer, Assistant Equipment Manager
Team Building Manager*

Coaching:

Head Coach: Organize, lead, and coach the team.

Assistant Coach, Assistant Coach

Goaltending Coach, Video Coach, Strength and Conditioning Coach, Skating, Skills Coach

Part IX - Marketing Timeline:**Part X - Methods of Measuring Success:**

The Pioneers will determine success by using key performance indicators (KPIs). Some KPIs are revenue, fan growth, fan/employee satisfaction, and most importantly, accomplishments in the NHL. Specifically, the Pioneers will evaluate demographics, psychographics, geographical segmentation, customer needs, economic trends, social trends, legal trends, and technological trends to determine if the marketing strategy is working. To be successful, this organization needs to meet the short and long-term goals of the organization. The Pioneers will analyze data from product, price, placement, and promotion to improve the marketing strategy accordingly. The organization's plan to gather information is to use data statistics and to look at polls. The Pioneers will make changes within human resources and reevaluate our staff each year in order to prosper and eliminate inefficiency. The Pioneers want to make a statement amongst all professional sport franchises in the Northwest United States of America.