

CASE 2 MARKETING SPORTS EQUIPMENT

The term "sports" has many meanings, depending on the context and those involved in a conversation. Some may be inclined to think of college and professional athletes playing games at the highest level in front of large crowds. Others view sports as being related to physical fitness. Other groups think in terms of "leisure time" or "children's recreation."

Regardless of the type of sports one considers, Academy Sports + Outdoors offers the equipment, clothing, and support services consumers need to engage in activities as varied as camping, fishing, boating, barbecues, as well as participating in mainstream sports such as baseball, basketball, soccer, and football, as fans or as participants. Large, brightly lit retail outlets feature a wide variety of merchandise for the majority of sporting and outdoor activities in 130 stores placed in 11 different states in the United States.

Academy Sports + Outdoor competes with numerous vendors, including Dick's Sporting Goods, Modell's, Bass Pro Shop, and big box retailers Wal-Mart, Kmart, and Target. Sports participants can also visit specialty shops, such as golf pro shops and smaller fishing stores and outlets.

Consumer groups range from casual backyard athletes to serious hunters, fishermen (and women), Little League sponsors and teams, and families looking for equipment to take on a camping expedition. As a result, discovering which target markets are the most lucrative remains an important challenge for each retail chain in this marketplace.

Academy Sports + Outdoor's management team has chosen to offer guns and other types of hunting equipment. Retailers offering firearms often encounter controversy, both from those opposed to guns and members of major gun lobbies.

Recently, an additional challenge faced major sports retailers. A declining economy forced many consumers to consider which purchases were absolutely necessary and which product purchases could be put on hold. At the same time, some families chose simpler, less expensive vacations and recreational activities, such as camping and home entertainment through games such as badminton and table tennis.

Academy Sports + Outdoor defines itself as "the destination for active-minded families." The company's mission defines the goals of providing an "unparalleled shopping experience," creating a trusting relationship with customers, and promoting a high-quality working environment for company associates that includes the opportunity to advance within the company.

It is not surprising that the company receives "an overwhelming volume of requests" for sponsorship activities.



▲ Families are an important target market for Academy Sports + Outdoors.

Company leaders have established well-defined policies regarding advertising and public relations inquiries. Any organization seeking a tie-in must make the request three months in advance. Customers expect to wait as long as five weeks for a response if a backlog exists for its donations and charitable activities.

In the future, Academy Sports + Outdoor will continue to expand. Company policies regarding relationships with other retailers remain an important priority. In any case, as long as consumers continue to enjoy a wide variety of recreational activities, the potential for further growth remains possible.

12-50. What are the primary target markets for Academy Sports + Outdoor?

12-51. For each of the target markets identified in the preceding question, what types of consumer response should Academy Sports + Outdoor offer?

12-52. Suppose you are the vice president of Academy Sports + Outdoor. Examine the consumer promotions shown in Figure 12.1. List the pros and cons of each promotion if the target market is active-minded families with children and annual incomes between \$30,000 and \$70,000.

12-53. From your answer to the preceding question, which of the promotions you feel is the best to implement in the designated target market. Design a new promotion for that promotion. Be sure to include a start date, usage and expiration date.