

National Football League: The King of Professional Sports



The National Football League (www.nfl.com) is considered the king of all professional sports in the United States. It was formed by 11 teams in 1920 as the American Professional Football Association and adopted the name National Football League in 1922. The league currently consists of 32 teams from American cities and regions, divided evenly into two conferences (AFC and NFC), with four, four-team divisions. The NFL governs and promotes the game, sets and enforces rules, and regulates team ownership. It generates revenue mostly through sponsorships, licensing of merchandise, and selling national broadcasting rights. It has been extremely successful because it is advertiser-friendly. The teams operate as separate businesses but share a percentage of their revenue. NFL revenues reached an all-time high of around 14 billion in 2016.

Players are tough, strong, and fiercely competitive on the field, but remove their helmets and a softer side emerges. Marketing research has documented the positive impact of cause-related marketing on corporate image. The NFL has a strong tradition of public service and is an active contributor to various social causes. Bettering communities and helping others ties into the basic team concept and is an extension of the NFL's philosophy. NFL players strongly believe and encourage others to get involved, whether it is with time or money or anything else—even the smallest of gestures can make a big difference to someone else.

Focus groups and surveys have shown that community involvement is particularly important for an organization that depends on the community for support. The NFL has a rich history of giving, and each team has its own community relations initiatives. The fact that there are around 1,600 players in the league indicates the far-reaching capabilities of this powerful organization. According to Executive Vice President of Communications and Public Affairs Joe Browne, the NFL views its public service activities as giving something back to its customers—the fans who attend the games and watch them on TV. The NFL has worked with a number of nonprofit and charitable organizations over the years, with each team taking on a different issue, such as the Philadelphia Eagles building community playgrounds. Each year the Eagles take time off from the world of sports and business and build a playground in the

Philadelphia area. The New England Patriots help deliver Thanksgiving dinners to those in need, and the Pittsburgh Steelers visit the elderly—football players reaching out to make a difference.

Back in 1974, the league formed a partnership with the United Way, a national network of more than 1,300 locally governed organizations that work to create lasting positive changes in communities and people's lives. This partnership is in existence even today and has encouraged fans to give back to society. Consequently, fundraising for United Way has soared from \$800 million to \$4 billion. The relationship between United Way and the NFL has blossomed into a charitable enterprise that touches 30 million people each year by providing funds and programs to the needy. The NFL's ongoing ad campaigns remind fans that football players are regular guys who want to do good in the community where they work and live. The effectiveness of these ad campaigns is evaluated by undertaking surveys that measure people's awareness, perceptions, preferences, intentions, and behaviors toward the NFL and comparing them against benchmarks.

Based on marketing research, the NFL's marketing strategy has two pillars: football and community. Football is its product, something that NFL does best. Community means giving back to the community in exchange for all its support and love. The support of the community is tremendous, with 18 million tickets sold each season and more than 120 million people watching NFL games on TV each week. Then there is the huge impact of the Super Bowl—an event that has been the top-rated show each year, seen by more viewers than any other program, an exposure that has proven to be an effective messaging medium. The tremendous reach and power of TV commercials helped the NFL's "join the team" initiative get a spectacular start with thousands of eager fans calling up NFL teams across the country ready to join the team. NFL believes that charity and being a good corporate citizen are essential to achieve success in business. This makes the entire entity stronger. By giving back to its customers, the NFL shows that it cares about them.

The NFL's impact on the community extends way beyond the games played on Sundays and Monday nights, because there is a special bond that fans feel with each of the teams in the league. Consumer perception and attitudinal

surveys have consistently shown that the NFL is held in high regard, and the league tries hard to maintain these positive perceptions. It realizes that at the end of the day, the NFL is an energy, a symbol that represents American tradition, which if not maintained would wither away.

Joe Browne describes people's relationship with the NFL as a love affair in which the NFL and the teams have to give this love back to the people for supporting them so well. That's what the NFL does through its various programs, such as NFL charities, the NFL football fund, and the disaster relief fund that the NFL established after 9/11 to give back to the families of those killed in New York and Washington. There is charity on the field, too; each time a player is fined, the money is used to help fund various causes. Fans can get into the game by going to the auctions section on the NFL Web site, because all of the proceeds go to players' charities. According to Director of Community Affairs Beth Colleton, NFL stands for quality, tradition, and integrity—all of which come together to define Americana. The NFL captures the American energy like no other—an energy that continues to ignite goodwill with each passing season.

Conclusion

The NFL has used marketing research to foster immense goodwill and influence to make a difference to the community. The strong public service feeling at the NFL and the active involvement by NFL players in various social initiatives and programs bear testimony to how seriously the NFL takes its responsibility toward society and the

immensely positive impact it has on society, all supported by marketing research. Continued reliance on marketing research can help the NFL to remain the king of professional sports.

Questions

1. Football is a male-dominated sport. Discuss the role that marketing research can play in helping the NFL more effectively market the league to women.
2. The NFL would like to increase its penetration of the female segment. Define the management decision problem.
3. What is the main competition faced by the NFL?
4. Define an appropriate marketing research problem corresponding to the management decision problem in question 2.
5. Develop three appropriate research questions, each with suitable hypotheses.
6. What type of research design would you recommend for investigating the marketing research problem?

References

1. <http://www.nfl.com/>, accessed February 20, 2017.
2. "NFL pulled in \$14 billion in revenue during 2016 season," <http://www.espn.com/nfl-pulled-14-billion-revenue-2016-season/>, accessed May 26, 2017.
3. "In a League of Its Own," http://www.economist.com/business/displaystory.cfm?story_id=6859210, accessed February 6, 2016.
4. "NFL Studies What Women Want," <http://www.reuters.com/article/us-media-summit-nfl-women-idUSN2933923020061129>, accessed February 20, 2017.