Manny got up an hour earlier than usual for a before-school soccer practice. Since it was the week of the big game, he put on his lucky gear—a David Beckham T-shirt and Nike socks. Even though it was dark and cold outside, Manny couldn’t suppress his excitement—if his team won this week, they would play in the state tournament at the Superdome! Manny stopped to pick up his friend Ty on the way to practice. Ty was in an even better mood. “You’re what!” he exclaimed. “I got us tickets to the Neon Trees concert!” he replied. “I can’t believe we’re going to a concert! I’ll be up all night!” Manny said. When they got to practice, Manny, Ty, and the rest of the team put on their shin guards and cleats. Then their coach emerged, carrying a big cardboard box. “I have a little surprise for you,” he said. He opened the box and began pulling out their jerseys. He had paid to have their last names embroidered on the backs! The whole team was really pumped up. “You’ll need these to wear in the parade when we win state!” Coach said with a smile.

No doubt, you agree that Manny was having a great morning. Now, can you identify all the sport/event products in the story? There are at least nine! Even if you don’t realize it, you come in contact with sport/event products every day, whether you’re at home, at school, at work, or in your car. What makes them unique? Let’s find out.

Every sport event, including a high-school track meet, is a sport product.

**Objectives**

A. Describe the unique categories and characteristics of sport/event products.

B. Explain how the characteristics of sport/event products affect marketing.

**Sport events**

Every sport event is a product, whether you’re participating in it or just watching it. First, think of all the sports that you can take part in at every level—Little League baseball, high school track, college wrestling, recreational league softball, a local marathon, hiking through Europe—the list is endless. Every time you participate in one of these activities, you are consuming a sport/event product.

Now think about all the sports you like to watch—your nephew’s tee-ball games, your high school’s football games, college basketball, pro hockey, the X-Games. You probably already know that when you buy tickets and attend one of these competitions, you’re consuming a sport/event product. But did you know that you’re also doing so even if you’re just watching on TV or getting updated scores over the Internet?
Another way to differentiate between goods and services is a concept known as perishability. **Perishability** refers to a product’s ability to be stored. Goods can be stored. While a wholesaler or retailer is waiting to sell its supply of soccer balls, it can keep the soccer balls for only the cost of storage, also known as inventory cost. The soccer balls won’t “go bad” if they’re kept on the shelf for a while. But this is not the case with services. Services cannot be stored. If a fitness center offers Pilates classes, but no one attends them, the service is lost forever. It can’t be replaced or sold at a later time. Another example of service products with a high degree of perishability is event tickets. The baseball game between the St. Louis Cardinals and the Milwaukee Brewers this Saturday night will only happen once. Any tickets that aren’t sold will never be sold. Whatever money the teams could have made from the tickets will be permanently unobtainable after Saturday night.

You can also distinguish between goods and services by looking at the degree of **separability**. In other words, how easy is it to separate the product from the person or business providing the product? With goods, it’s relatively easy. Let’s say you are looking for a very specific trading card to add to your collection. You might find it in an upscale sport memorabilia store, or you might find it at an online auction being sold by a guy named Bob in Alabama. As long as you get the card, you don’t really care where it comes from. You’re able to separate the good from the provider. But this type of separation is more difficult to make when it comes to services. If you’re watching a team play horrible defense or listening to a band that has a bad sound system, it’s hard to separate the product from the people who are performing.

**Crossing the boundaries**

One of the most important things to remember about sport/event products is that they can rarely be treated as either pure goods or pure services. Most sport/event products have a multifaceted nature that combines elements of both types of products. For example, if you join a health club, you are receiving a sport service. But combined with that service are many opportunities to consume goods. The health club offers drinks from the juice bar, high-protein snacks, and a pro shop full of workout clothes, shoes, and equipment. Now think about buying a sporting good, such as a set of golf clubs. The clubs are a pure good, but you receive customer service during the process of purchasing them. A salesperson will talk to you about the clubs, point out their special features, and answer any questions you may have about them. In some cases, the customer service associated with purchasing a pure good makes a big difference, either positively or negatively.

Christina and her friends attended their favorite artist’s concert last night. It was a disaster! The venue was hot and stuffy, the sound system wasn’t working correctly, and the artist walked off the stage after only 40 minutes. Christina asked the venue’s ticket manager for a refund, but he denied her request, saying that the concert experience is inconsistent and perishable, and it wasn’t their fault that she didn’t enjoy it. The venue might not be legally obligated to give refunds to Christina and her friends, but is the manager’s decision ethical? What do you think?
You couldn’t believe how expensive the concessions were—you paid almost $10 for a small Coke and a pretzel! Not only that, but when you bit into the pretzel, it tasted stale. You were excited about your third-row seats, but when you sat down, they were much further away from the stage than you had anticipated. You also didn’t realize how close you would be to the people sitting on either side of you. You were jammed in like sardines! After remembering all these parts of your evening, you realize why you didn’t enjoy yourself that much, even though the concert itself was great.

Sport/Event marketers realize that there are many more elements involved in the sport/event product than just the event itself. Consumers combine all those elements in their minds when making a judgment about the product. Marketers know that they must offer a high level of quality across the board if they want to win over consumers.

Perishability

You already know that many sport/event products have a high degree of perishability. If they’re not consumed immediately, they will be gone forever. To combat the potential losses they face, sport/event marketers sometimes employ a strategy known as smoothing. Smoothing is simply offering consumers a discount for purchasing products that otherwise would go to waste. Perhaps your town has a big gym full of basketball courts that the gym owners rent out to different teams and leagues for practice and tournaments. On the weekends, the place is packed, but on weekday mornings, it’s usually pretty empty. The gym owners offer court rentals for half-price during those times, hoping to draw in workers who take an early lunch and want to exercise and college students who don’t have morning classes. They won’t be making the usual amount from the court rentals, but at least they will be recovering a portion of their losses. In some cases, sport/event marketers can even use a smoothing strategy for goods. Think of seasonal sales, such as discounts on ice skates at the end of winter or discounts on swimwear at the end of summer.

Summary

The unique characteristics of sport/event products make marketers’ jobs interesting. Since the outcome of sports/events cannot be controlled, marketers focus on the elements of the product they can control, such as prices and promotions. Marketers also focus on all the “extras” surrounding the main event, such as ticket taking, concessions, and accommodations, because they know that consumers combine those elements in their minds. Because many sport/event products have a high degree of perishability, sport/event marketers sometimes use a smoothing strategy to offset losses they may encounter.

Make It Pay!

1. How does consistency affect the marketing of a sport/event product?
2. How does separability affect the marketing of a sport/event product?
3. How does perishability affect the marketing of a sport/event product?