

Developing sports marketing in Finland

Case: Urheiluverkosto.fi

Abstract

Author(s) Honkanen, Niklas	Publication type Bachelor's Thesis, UAS	Published Autumn 2022
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<p>Abstract</p> <p>The purpose of the study was to analyse developing sports marketing in Finland by examining the sports industry in general in to answer the research question "How can sports marketing develop and how can Urheiluverkosto.fi or other innovations help it to develop?" The study was based on the author's idea to examine the possibilities digitalization has created for sports marketing and whether there is any negative side to these possibilities. Also, the aim was to examine the current state of the sports marketing industry.</p> <p>Primary and secondary data were researched and analysed using the qualitative research approach. Information was collected from literature related to the study. Primary data was collected by interviewing five persons inside the industry from April 2022 to October 2022.</p> <p>The results showed the positive sides of digitalization but also the negative factors. Positives are the new possibilities that digitalization is creating. Negatives include human's lack of knowledge of these new possibilities which shows that the positive and the negative side are connected. The results also showed the current state of sports marketing industry: sports marketing is developing with these new innovations but at the same time it is very much the same as it has been for many years. A big problem is that the marketing is done with too low budgets which makes the development process slower. Digitalization is a significant part of sports marketing which means it is a massive factor in the development process.</p>		
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Contents

1	Introduction.....	1
1.1	Background	1
1.2	Thesis objectives, questions and limitations.....	2
1.3	Theoretical framework and research method	3
2	Business and sport	4
2.1	Sports benefit businesses	4
2.2	Business to business	5
3	Sports marketing.....	7
3.1	Sports marketing	7
3.2	Digitalization	7
3.3	Traditional methods in sport marketing	7
3.4	Social media	8
3.5	E-sports	9
3.6	Evaluating the potential future of sports marketing.....	10
4	Urheiluverkosto.fi by Procito Oy	12
4.1	Basic idea of the platform	12
4.2	Brand building and plan	12
4.3	Possible challenges	13
5	Empirical research	15
5.1	Data acquisition and analysis	15
5.2	Results	15
6	Conclusion.....	20
6.1	Pondering the results.....	20
6.2	Answers to research questions	21
6.3	Evaluating the thesis.....	23
6.4	Follow-up.....	24
7	Summary	25
	References	26

Appendix 1. Interview questions

1 Introduction

1.1 Background

Sports marketing has existed an exceptionally long time, but it has developed enormously in the last 30 years, especially in Europe. The development started when people started to understand the power of the business around the sport. It was only at the end of 1990 century when sports became commercial. Notable example is from the English football when the biggest football league in the world the Premier league was born in 1992.

The league started to gather interest from television companies that saw the potential of the game made new contracts with the league. The TV rights were given to the biggest television company Sky who created five-hours sessions to the program. This was already done by the American national football league (NFL) broadcasting, which helped to create Monday Night Football. (Football history.org.)

As the chapter above shows the popularity of each sport has created the sport marketing around the sport. The more popular the sport is the bigger the sports marketing is. In Finland, the biggest sport marketing is around ice hockey. Nowadays sports related facets are widely aware that when you pursue for growth and development you need to support it with marketing. (Raunio 2020.)

John Beech and Simon Chadwick (2007, 4–5) have detached sports marketing from traditional marketing because of the uncertainty of the results outcome. It is hard to compare sport marketing with other products or services. There are many interest groups, target groups, organisations and operations attached to sports marketing. Fans, athletes, teams, events, sponsors and TV are directly attached to sports marketing. Local marketing and economy, newspapers, betting services and sport equipment manufacturers are indirectly attached to sports marketing. When you connect the wide field of sports marketing to the nature of sports where the result is unpredictable it becomes very variable and shattered to operate. (Raunio 2020.)

In the center of sport marketing stands the people. People are the ones who make it possible. People want to have experiences which has grown sport events. For example, the NFL's (National Football League) Super Bowl 2022 half time show. It is one of the most followed sport events globally and the marketing around it is huge.

Reason companies started to invest money to sports is simple. Companies want to reach their potential customers through someone who people look up to. Already in 1870's tobacco started to put famous baseball players to their cards because it increased the sales.

Meenaghan (1983, p. 9) said already almost 40 years ago that a definition of sponsorship was described as 'the provision of assistance either financial or in kind to an activity by a commercial organization for the purpose of achieving commercial objectives.' This definition indicates out that modern sponsorship and collaborations have moved from being a philanthropic approach to an effective marketing tool that focuses increasingly on its business potential and its contributions to business profits. (Gwinner and Swanson 2003.)

Sports marketing has evolved over the last years as digitalization has brought new opportunities. Urheiluverkosto.fi is a digital platform which focuses to sport marketing by business-to-business side. A Finnish sport marketing company Procito Oy created it. The company had this idea of developing something new to the industry which was not invented elsewhere. New technological inventions have taken the industry to a new century where digital marketing has become more efficient from the traditional marketing.

1.2 Thesis objectives, questions and limitations

Research Objectives

This thesis main goal is to examine sport marketing in Finland and how this new technological century has and is shaping it. Case Urheiluverkosto.fi is an example of these new digital innovations which can help sport marketing to develop.

Research questions

The main research question:

- How can sports marketing develop and how can Urheiluverkosto.fi or other new innovations help it to develop?

Before we can answer the main research question, we need to solve these sub-questions:

- What is the current state of sports marketing?
- Are social media platforms effective channels to reach people in marketing?
- What will the future look like for sports marketing?
- Can Urheiluverkosto.fi or new social media channels help sports marketing to develop and are there any challenges?

Research limitations

Foremost this study has been done in Finland and mostly in Lahti area even though the articles and books are most international. Second thing is that two of the research companies are in Lahti expect one which is in Tampere. Three of the interviewees are also working

in the same company and the other two in ice hockey business which means all the possible sports are not to be heard in the Thesis. The reason for this is the authors connection to all these organizations.

1.3 Theoretical framework and research method

The thesis' theoretical framework of the thesis consists of sport marketing theories. Chapter two introduces the importance of sports to businesses. Chapter three introduces the sport marketing. It covers the impacts of digitalization to sport marketing and new technological innovation in sports - e-Sports.

The research approach of this thesis is qualitative. The data will be collected by interviewing people from the sports marketing industry. Overall, five interviews will be made, three of them by face to face and two by voice messages using WhatsApp. The data will be analyzed by summarizing the most relevant information.

2 Business and sport

2.1 Sports benefit businesses

The main reason companies want to do business with sports organizations or athletes is that it is good advertising for their business. Simple. Sports have always united nations, people and created emotions. Collaborating with sports organizations creates a positive image of the company for its customers as well as its employees. Sponsorships or operating with sport organizations are highly accepted in society as it supports the financial foundations of sports. While classical advertising is often perceived as disturbing in media environment, for example 74 percent of the German public has a positive reception of sponsorship. (Desbordes & Richelieu 2003.)

Sports-related sponsorship and collaborations provide an opportunity for different companies to influence brand experiences by presenting their brand in a sport context. (Cliffe & Motion 2005) In the past it was the sport related brands who used the platform of sport to give their brands credibility etc., nowadays more and more non-sport brands try to associate with sports. In today's consumer markets most products and services have replaceable offerings. The competition between brands for the consumer's preference has increased and often it lies in staging experiences. Sport works as a suitable scene to mediate these experiences. (Desbordes & Richelieu 2012.)

In today's markets, sport collaborations are providing an opportunity to grow and stabilize brand recognizability. Especially in very specific and hard to reach target groups, sponsorship is favoured compared to traditional advertising due to its integrated character. By the help of popular athletes, consumers pay more attention for their brand, which might lead them to try the product. Sponsorship can also reinforce the purchasing behaviour (Hoek et al. 1997.). Sponsorships serves the purpose of affecting traditional advertising campaigns as they can simply give attention to a brand that might be then taken on by a TV spot. But how this happens in the consumer's mind? Kroeber-Riel and Weinberg (2003) say that their model of effects, the growth of recognizability is possible to explain with the following process; due to situations with little attention towards the sponsor, sport viewers can only remember short lasting and simple information. That is why, the repetition of sponsorship stimuli needs to be high in order to activate cognitive processes in the consumer's mind. If this happens and the exposure rate is on a good level and the company's visual brand will be stored in the consumer's mind. This stored information can later help for purchase behaviour in buying situations where there is competition between brands. (Hermanns and Marwitz 2008.)

Nowadays, many brands can see the value of sport collaborations as a great way to connect with their target group. These are effective ways in the process to build long-lasting brand equity. (Desbordes and Richelieu 2012.)

Businesses want to create a strong network for themselves. This is the other important thing why companies want to collaborate with sports organizations. Sports organizations have a large network of different businesses around them which plays an important role in negotiations. Some businesses are aiming to reach the normal consumers and some the other businesses so investing into a community where you can find a large network of businesses is a smart move.

Attaching business collaborating starts by making the companies familiar with each other. Sports organizations can make the first move but after that it is up to the customer to be active. The big goal is to get businesses close to each other and make business.

2.2 Business to business

Businesses want to create a strong network for themselves. This is the other important thing why companies want to collaborate with sports organizations. Sports organizations have a large network of different businesses around them which plays a big role in negotiations. Some businesses are aiming to reach the normal consumers and some the other businesses so investing into a community where you can find a large network of businesses is a smart move. (Desbordes and Richelieu 2012.)

Marketing is not anymore about only developing, selling, or delivering products. It is more focusing on relationships that last and is developed and maintained long-term. (Bühler and Nufer 2015.). Everyone should surround themselves with people who have the same goals and values and who are feeling appreciated in the community. It was already in mid-ages when people started to understand that people make decisions in business based on their emotions. There has been a paradigm switch away from the traditional transaction marketing approach towards a more relationship-oriented one. The importance of relationship-oriented marketing is highlighted especially in long-term marketing and collaboration. Customers need to be seen and heard and when that happens the whole community benefits from it. (Sandhusen 2008; Bruhn 2013.)

How can companies benefit from this? Communities can teach a lot to each other. Sport organizations have a strong know-how in human management which is something that many companies are interested in. Companies most important resources are their employees. Companies must value the image on how their employees see them. Many companies

simply collaborate with sport organizations because it values their image. Positive image evolves more motivated workers.

3 Sports marketing

3.1 Sports marketing

Marketing has a close relationship in exciting activities such as merchandise or ticket sales, and television coverage which attracts the attention of sports academics. Sport marketing is a tool for increasing the sales and avail in the commercial activities of sport organisations and individuals. (Journal of Strategic Marketing, 2018.)

According to Mullin (1983), sports marketing was put in the spotlight. He thinks sport marketing should be discussed in three distinctive types; marketing to promote sport participation, marketing to promote fan interest and marketing to promote consumption of products through sport.

3.2 Digitalization

The term “digitalization” has been on the discussion table since the middle of the last century. In the business world it is described it as the use of the digital or computer technology. It is a process of modern organizations to develop. The main task of it was to simplify and expedite the work with large data sets, to make the activity of the enterprise to work on automation and establish communications with the external environment. (Shpak et al. 2020.)

Digitalisation has also created the concept called digital marketing. Digitalisation creates the new markets, new competition, and growth besides the existing business models. Along digitalisation important things such as the business models and the structure of global economy are changing. For active people, digitalization can offer a world without borders. These consumers who are active can use this great power of masses for good like giving pressure to big companies to apply higher ethics, or crowd fund those initiatives or agile and ethical start-ups directly without involvement from the global financial players. Earth’s resources are always a talking point in the growing economy. For example, products that are not in full use, to the wider user group, and as a byproduct it can save Earth’s scarce resources. Digitalization is enabling a rise of the new power of the crowd as these examples show. (Watanabe & Ilmola 2018.)

3.3 Traditional methods in sport marketing

There are several traditional marketing methods such as advertising on a newspaper, radio or TV are common in both normal marketing and sports marketing. History of traditional marketing goes back to centuries.

After the second world war many economies strived as the service demands could not face the needs of the consumers meaning the products were sold out because of the limitation of companies' productions. After some years the welfare of countries started to rise which meant the markets balance changed from the suppliers to consumers. People started to have different options and they could easily question any product. Companies started to move their focus more to their customers. This was a key factor in the birth of traditional marketing. (Gonzalez 2018.)

3.4 Social media

Social media is a quite new concept. As a concept it has been said to be a follow-on for the Web 2.0 concept which got more common back in 2005. Before this there was not any concept for social interaction and content creation. It was between 2004-2009 when the concept social media was introduced when many of the popular social media channels were developed such as Facebook and Twitter. (Suomalainen 2017.)

It is quite easy to say that this technological growth has affected to sports marketing as well as other businesses. There will be more services and channels in the future, but it does not mean the traditional ways in sports marketing will be forgotten. Digitalization and digital innovations are providing opportunities to grow for companies across different line of industries. Digitalization has pursued companies to become interconnected, many times encouraging for crossing the industry's boundaries and co-operate with rival firms (Veiga & Franco, 2015). Nowadays people are also interested in e-Sports as well as traditional sports. The culture of sports and sports marketing are changing but it doesn't mean the end for the traditional ways.

Digitalization gives more tools for sports marketing. Sports organizations have more surfaces to use. Social media is an easy way to reach the fans from other places who cannot be around the organization that easily. Businesses are not meeting people face to business that much anymore because of the change of circumstances Covid-19 has created even though the world is now moving back to more "normal" phase. People are remote working even though they could go to the office to work. It will easily create an illusion that it would be easy to reach people through their devices. It is true from most parts but at the same time people have not forgotten what it feels to meet people and share experiences with them. Marketing events or campaigns are hard if the focus is only on the digital ways. That is because people are receiving tons of stuff through the devices and at some point, ignoring the marketing acts start. It is comparable to reading books. Scrolling the social media for hours is very tiresome so as a counterweight picking up a book is great idea. Proper marketing knows how to consider both ways.

Social media can be used as a traditional marketing communication, where companies can control the content, frequency of information and timing of it, and being shared with their consumers. Secondly, social media makes it easy for consumers to stay connected with each other through their social networks, which creates an interesting scene for companies. Still, it is not that simple as this hybrid marketing tool creates a new challenge to marketers, where it is necessary to learn how to effectively spread information to their target consumers. (Toscani et al. 2018.)

Social Media Marketing (SMM) is an offshoot of the SEM efforts. It involves driving traffic to business websites or businesses through social sites like Facebook, Instagram, Twitter, Pinterest, Google+, LinkedIn, etc. It is important to create and customize content which works for different social media platforms. Good content is liked and shared by the consumers. Remember to be productive and original; connect with users daily. SMM efforts can help the branding and drive of sales. These new tools and approaches of customer communication have changed by the arrival of social media. That is why businesses must learn the use of social media in a way which is right for the company's business plan (Mangold and Faulds 2019). The consumer must be open to the technology in order to create a successful marketing campaign via social media. (Bala & Verma 2018.)

3.5 E-sports

Esports as electronic sports have become more popular than most of the people would have predicted. At some point it seemed so strange to count video gaming as sports or as a business but nowadays it is already challenging traditional sports in many ways. Esports has evolved into a diverse ecosystem which consists of players, consumers, organizations, and other stakeholders, where players and consumers are the most common subjects of study for business researchers. (Reitman et al. 2020.) According to forecasts, the number of global esports enthusiasts is expected to rise to over five hundred million by 2024.

The world of eSports and competitive gaming has grown robustly in recent years. The industry itself is older than most of the people might think. Traditional sports and media businesses share many similarities, but there are many differences, too, in the eSports industry. There is now governance structure, eSports is in many ways self-organizing and mostly business driven. E-sports has a young audience which means that the global approach, and the digitized environment, the industry does not follow traditional business rules. The categorizing of the eSports industry needs an observation of the history from a business perspective and an in-depth analysis of the strategic management. (Scholz 2019.)

Esports has become professional sport as well as a profession in recent years in Finland. Good example of this is a Finnish professional esports company ENCE. It was founded in 2013 with the idea to professionalize Finnish esports landscape.

"Create for the community. Created by the community" is a motto echoing in everything we do. (ENCE). To this day ENCE has over two million euros revenue and they are employing over twenty employees. It is a business with enormous potential to grow.

3.6 Evaluating the potential future of sports marketing

Sports industry is impossible to predict which makes marketing hard to predict too. There comes and goes different trends which will create something new for example in the way Facebook, Instagram and TikTok did. Only some of these new innovations will stay but some will vanish at some point. World keeps on developing so it is easy to say that digitalization will play a big part of it. Generation change will affect in many ways of how sports marketing is done. People evolve as well, which makes it hard to predict how people are most effectively reached out in the future. Sports will not change like the things around attached to them do. There can be new sports or minor changes in the rules, but the sports will not change like that.

Most people nowadays use social media Facebook, Instagram and Twitter for daily bases. The newest arrival TikTok has become popular. People also use WhatsApp or Snapchat to communicate with each other. These are used in countries all over the world which makes them global brands. From marketing perspective these are the channels used for reaching out people. In the future the use of these kinds of channels will stay popular in marketing.

One key factor for the change in the future is the generation change. Now people + 60 years old are not that good with the technical devices. It takes traditional ways to reach this aged people you want to reach this aged people. Sport organizations must use different ways and resources in their marketing to reach out the people. In the future these generations will be easier to reach because their knowledge is much more advanced to different devices and services.

Traditional marketing ways will not disappear either. Marketing in the street view where people move will stay but there will come new ways to do it. Companies still want to do advertising in sport events like they do it now, sport organizations and athletes will be the faces of marketing. Sports marketing as well as marketing will develop but not as immensely as it has in the past 50 years. Digitalization will create something new all the time, but it will moderate.

Esports will stay popular and bring even more aspects to traditional sports as well. Many sports organizations in Finland already have their own eSports athletes who are representing the team in eSports gaming. Esports stars are role models to many young generations in the same way as Youtubers or TikTokers, so it is interesting to see these generations growing up. It is interesting to see if eSports stay in favour or does growing up change the interests of young generations to traditional sports.

4 Urheiluverkosto.fi by Procito Oy

4.1 Basic idea of the platform

Urheiluverkosto.fi is a digital platform created for business and for people to use. The main idea in the platform is to connect businesses, people, and sport organizations more with each other. It focuses to B2B (business to business) area but is keeping the center of attention towards people inside the business. It is the first sports related internet service for businesses in Finland. (Urheiluverkosto.fi.)

People want to have experiences and feel connected between the organizations. People also want to have easy access to services because life can be very hectic and fast. In sport marketing it is important to keep up with digitalization which is changing the industry too. This created the idea of the platform.

Urheiluverkosto.fi is very simple just like Procito's basic idea. Company buys a product from Procito and gets a username to the service under the sport organization they have chosen. Procito contacts companies around the areas where the sport organizations are located. Inside Urheiluverkosto.fi the customer finds all the Procito's associate sport organizations but can only have access to those they have paid for. A company can connect themselves with other associate companies easily, find special deals and services, make charity through the network, and of course find the product they have bought.

4.2 Brand building and plan

Brand building

It is extremely important to start making the brand known. It is comparable to sports where strategic brand building is playing a crucial role.

Brand building goes through three stages (Desbordes & Richelieu 2012):

- defining the brands' personality or identity
- positioning the brand in the market
- develop marketing initiatives the '4 ps' that support the brand strategy.

There are two elements in which brand identity or personality are divided to: 1) brand attributes or values; and 2) the relationship between the club's values, as communicated by leaders, and fan perception. (Richelieu 2004) This theory of is more about sport organizations, but it applies to this thesis' case Urheiluverkosto.fi. For example, the fan perception

which is mentioned in the previous chapter is comparable to customers who are the most important actors in this business.

Urheiluverkosto.fi does not have any history which gives it a clean slate to start making it. It is important to think what the brand's identity is and how it wants to be recognized. Brand identity is based on several factors that define the brand's personality. These factors provide direction for the club brand, and it is a starting point for a long-lasting brand strategy. (Richelieu 2008a.) More history a brand has, the stronger it is. This highlights the importance of the process on how the brand wants to be known.

Plan

Procito has not done any marketing to make their brand known before launching the service. They have successfully done their business without a visible advertisement for all these past 14 years. It is the first time in the company's history where there needs to be a change of strategy.

Procito has over 30 sports organizations as clients. These clients contain overall around 8,000 companies as customers who Procito has acquired for these sports organizations. This means for Urheiluverkosto.fi that there are already potential customers who can buy the product.

The big plan is to become a popular social network in sports. The biggest social media platforms such as Twitter, Instagram and Facebook have made their brand known globally. This is a result of years of planning and marketing; it did not happen overnight. This is where the brand building comes important. The company needs to have a plan where they decide their identity and the direction to head to. The platform operates as a social network place where businesses can interact with each other and at the same time as marketplace where you advertise your company and its products.

4.3 Possible challenges

Whenever there is a possibility there are several possible challenges to digital business model of an organization based on digitalization. These challenges include the lack of a strategy of digitalization, a low level of thinking and staff competence and know-how in this area, fear of change, lack of funding, and the needs of Internet customers. It is not possible for modern organizations to simultaneously use all the directions and possibilities of digitalization. This leads to situation where the companies use only individual technologies, and as a result, such a situation negatively affects the development. (Shpak et al. 2020.)

Digitalization has developed businesses and even though many companies are used using new digital tools or services such as online bookkeeping or online banking it does not mean companies can easily create something new without clear planning. That is why there is a significant risk for failure if you do not have a clear strategy or people who have enough competence. A company can have money, but it does not mean anything if the other pieces are not working.

When you develop something new in which people have not had any experiences, one of the biggest problems is to activate people to use the service. Nowadays people have so many different accounts and usernames to different services, so it is easy to make them forget this. Their time is valuable which is why they expect individual service and clear instructions. Therefore, companies must have well planned process so they can answer to the needs of the customers.

The platform needs to be transparent and trustworthy. People face more social media platforms and websites which are point out the be different as thought. This easily creates an idea for the consumer to not trust the service at first. That is why it is important to have references, many contact options from the company and other reasons to tackle this problem. (Parker et al. 2016.)

Other important thing is right kind of marketing. If the marketing is not active enough with the platform people will easily forget it. Marketing supports your sales and without marketing it is hard to sell. Still at the same time being too active or pushy is not good. By sending too many reminders by email it can create an opposite reaction. Customers do not want that their emails to fill by emails. Another important thing is that the company cannot design the whole platform by themselves without knowing what things people would need the most. That is why customer surveys need to be done and present the platform for potential customers. Just creating something alone, might bring major problems if the customers do not feel the same. Therefore, it is not good to create without doing any research.

5 Empirical research

5.1 Data acquisition and analysis

This thesis and research were done between January 2022 until October 2022. There is just a little quantitative data which are some numbers considering the topics. The qualitative data was acquired by interviewing five persons from the sports industry.

The interviews included four questions. First three interviews were done in April and the other two in September. Three out of five interviews for this thesis were done face-to-face and the rest by voice messages through WhatsApp. Interviewee 1 is an experienced person who has been working in the sports industry for over 10 years and before that he was a professional ice hockey player. His experience, vision, and knowledge were valuable for this thesis. Interviewees 2 and 3 are two long time workers in sports industry who give insight of the business from the field side. Interviewees 4 and 5 were also interviewed. These inter-views were also valuable as they were inside top sport organisations.

These interviews are meant to give reliable information about developing sports marketing. Interviews were free discussions where the interviewer was leading to discussions to stay inside the topic area. The interviewees were selected based on their experience and role inside the companies which are meant to give the reader different opinions. The interviews were done individually without distractions. The interviews were documented to the author's phone as videos and voice recordings. All the interviews lasted around 15 minutes each. Most important points were taken from the interviews when going through them.

These sub questions were clarified before dealing with the main question:

- What is the current state of sports marketing in Finland?
- Are social media platforms effective channels to reach people in marketing?
- What will the future look like for sports marketing?
- Can Urheiluverkosto.fi or new social media channels help sport marketing to develop and are there any challenges?

5.2 Results

Question 1. In what kind of shape sport marketing in Finland is now?

Sport marketing is in a state where it is developing but at the same time it is operating like it has been for years. Many facets are pondering where sports marketing should be heading. In some parts sports marketing, it is done in the same way as before, but there are some organizations who are trying to find new operations. Social media and technological growth

have created more and more possibilities. Sport marketing nowadays is a combination of the new and old era where people are being reached by their smart phones and normal newspapers.

You can see some organizations trying to develop something new. (Interviewee 1.)

In Finland sport marketing is done with low budgets which means organizations are giving marketing work to people with no proper knowledge. Low budgets and the wrong know-how lead to situations where the content of the marketing is not good quality. From sports marketing perspective organizations should invest to their marketing teams more. Sports marketing has become weaker by this and the Covid-19 time, but it will get stronger if these points are noticed and reacted well.

Many sport organizations are using for example former athletes in the marketing side without many of them having any know-how or experience. (Interviewee 4.)

After the hardest Covid-19 period sports and sports marketing face a lot of competition from other industries which is why it needs to show the people the meaning why should they attend and use their valuable time. The competition which the sports industry face rose from all the interviews. This is something sports marketing needs to pay attention to, but the problem concerns every part of the organizations which includes for example event planning. New innovations such as Urheiluverkosto.fi are welcomed additions to the existing marketing tools.

Now we have so many ways to spend our free time and we don't feel the same pressure anymore to attend. (Interviewees 2 & 3.)

Question 2. Are digital platforms effective channels to reach people in marketing?

Digital platforms are effective channels of marketing but the whole marketing cannot be dependent on it because all the target groups are not reached through them. Digital marketing might also be sloppier than the traditional marketing. For example, a magazine post, the marketer will go through it many times before putting it there. On the other hand, social media shows the authenticity more, so it can bring the consumer closer to the business. (Interviewee 4). Like said above social media can give more authentic and real feeling marketing which takes the consumers closer to the organization.

For example, we do Instagram lives with the team players so we can bring the fans closer to the team which is our number one marketing tool. (Interviewee 4.)

People get so many notifications of different stuff online which means many of them will go by their attention. Even though digital platforms are effective ways to reach people it does

not mean it gets people's attention all the time. This means that the content of the marketing needs to be extremely specific and quality. Digital platforms remain the fastest and easiest to reach people which is extremely important in this hectic world.

Nowadays there are so many of these platforms and channels that they might decrease the effectiveness of the marketing. (Interviewees 2 & 3.)

Social media marketing is still the fastest way to do marketing especially when nowadays everything happens so fast, and people need to react that. Social media makes it possible to reach people within seconds from other side of the world, so it is easy to say that it is the number one marketing tool.

Smart phones, computers and other devices make it easy. (Interviewee 1.)

You can add current information with fast act of reacting and be reachable in every moment for the consumers. (Interviewee 4.)

Question 3 How do you see the future of sport marketing?

Sport marketing will face a lot of competition from other leisure operators. When it comes to leisure time activities sports are not in that strong position as for example 20 years ago. It is still hard to see sports to lose their power in people's minds. Sports will continue to unite nations and create unforgettable moments which gives sport marketing good tools in the future too. All the interviewees aligned that the competition is the biggest problem for sports marketing. One big factor for the future is the generation change which can mean anything but for sure in the next 20 years people will have a better knowledge on electronic devices.

Sport marketing will also face a lot of competition from the cultural side and from personal brands who are competing from the same group of possible customers. (Interviewee 1.)

One big factor will be the changing generations which will be hard to predict what will the big things which will guide these generations. (Interviewees 2 & 3.)

Sports and athletes are not anymore in the first podium status as before. There are for examples many social media influencers have brought an interesting new possibility to the market and the amount of them is increasing. These are some problems that sports have not faced couple decades ago. It is still believed that sports stay popular even though the competition has grown. Last, it is problematic that sports marketing is done with low budgets. This slows down the possible development and does not benefit the organizations as it should.

There might be an influencer with thousands of followers on social media you have never heard of before and this person could shake the sport industry by snapping potential customers. (Interviewee 5.)

After this pandemic time, it is important to get people back to sports events. This requires quality marketing to make them understand they should come to events rather than watching those at home. Sports are also impossible to predict which makes it is hard to market but at the same time this is something which makes it interesting.

Digitalization and the technological growth will keep on developing the industry. Social media it is already a powerful marketing tool; Facebook, Instagram and TikTok for example offer companies and individuals an easy way to do marketing. Easiness and effectiveness are the most important things in digital marketing. Any new platforms should learn from these. It is super important to use the right channel in order to reach the right target groups.

I think the technological growth is the most important developing factor in sport marketing. (Interviewee 4.)

Question 4 Can Urheiluverkosto.fi or new social media channels help sport marketing to develop and are there any challenges?

Urheiluverkosto.fi and other new social media channels can develop sport marketing, but the use of these tools need to be used correctly. Every single new tool can be effective. It takes a 100 percent investment and commitment to get it work. TikTok is a good example of a channel where the content is very specific as the videos there cannot be too long otherwise, they lose the interest of the consumer. Content marketing is a new thing where you create the right content for the right channel, it is not only anymore about the brands visibility. New innovations such as Urheiluverkosto.fi create new opportunities but like every other innovation it needs to have a clear plan and vision. Urheiluverkosto.fi was created to create an extensive network which every company in Finland could operate in. It has a huge chance to develop sports marketing in Finland if they can network the companies and people under one platform.

Urheiluverkosto.fi can network businesses and people around Finland which would be a huge improvement for sports marketing. (Interviewee 1.)

Nowadays you can see the conversion rates that how many people you have reached through which channel. (Interviewee 5.)

It creates a lot of new possibilities, new marketing surfaces, new tools and technics on how, what ways, with what quality, how widely can marketing have been seen through digitalization. (Interviewee 4.)

Overall, the question; is there any challenges is interesting because sport itself is hard product to market. Sports are extremely hard to market because the impossibility to predict the outcomes. Innovations like Urheiluverkosto.fi and social are remarkably effective as through them it is fast to react and do marketing.

The biggest challenges are the lack of skills inside the company and producing new innovations with too low budget and knowledge. People can only master their own area, for example a plumber does not do the doctors work and vice versa. It is the same thing in marketing, there needs to be a person who has the right knowledge to do marketing or doing the technical development for the server.

6 Conclusion

6.1 Pondering the results

The purpose of the study was to analyse developing sports marketing in Finland by examining the sports industry in general in to answer the research question “How can sports marketing develop and how can Urheiluverkosto.fi or other innovations help it to develop?” Also, the study wanted to examine the current state of sports marketing in Finland.

It was expected that the theory and results would have similar outcomes which they did. Starting from the current state of sports marketing and its development, the results and the theory show that digitalization is the biggest individual factor in this. Digitalisation has created the concept called digital marketing. Digitalisation creates the new markets, new competition, and growth besides the existing business models. (Watanabe & Ilmola 2018.) Digital marketing is the most used method in sports marketing which the results point out. Biggest part of digital marketing is social media which is the most used tool in sports marketing. Social media can be used as a traditional marketing communication, where companies can control the content, frequency of information and timing of it, and being shared with their consumers. Secondly, social media makes it easy for consumers to stay connected with each other through their social networks, which creates an interesting scene for companies. (Toscani et al. 2018.)

Despite this development it has not brought the same number of results for sport organizations for example in their attendance numbers. It needs to be considered that entire world has experienced exceptional circumstances over two years because of Covid-19. This has shaped human behavior as people do not move the same way as before. This thesis could be a bit different if it were done before this time. Still, it was even before Covid-19 that the competition grew inside the event industry. People value their free time and to get their attention everything needs to be successful in the marketing and event organizing. People will go back to places where the feeling is that money spent was worth it. This is an outcome of many little things in which people pay attention to. In sports it is impossible to predict any possible outcomes which means the sport marketer cannot affect the consumer in every single way. This a big problem sports marketing is battling now and for sure in the near future.

Sports marketing is a suitable platform for companies to advertise their brand and network with other companies. Business collaborations are big part of sports industry which makes it an important asset to sports marketing as well. Sponsorships or operating with sport organizations are highly accepted in society as it supports the financial foundations of sports.

While classical advertising is often perceived as disturbing in media environment, for example 74 percent of the German public has a positive reception of sponsorship. (Desbordes & Richelieu 2003.)

Urheiluverkosto.fi has a huge potential in the development process of sports marketing. This is because it offers sports organizations a way to do business and network with companies easily. Compared to other digital platforms or social media channels its benefit is the fact that it is developed to operate only in the sports industry. Also, in the future if it is possible to open the service for normal consumers it will be even more practical.

6.2 Answers to research questions

What is the current state of sports marketing in Finland?

Sport marketing is in a state where it is developing but at the same time operating like it has been for years. In some parts sports marketing, it is done in the same way as before, but some organizations are trying new methods. Social media and technological growth have created more and more possibilities. Traditional marketing methods are still used which makes sports marketing a combination of the new and old era where people are being reached by their smart phones and normal newspapers.

Internationally organizations are investing to their marketing more but in Finland sports marketing is done with low budgets which means people are doing a lot by themselves without proper knowledge. Low budgets and the wrong know-how lead to into situation where the content of the marketing is not quality. Organizations should invest to their marketing teams more.

Sports marketing like other marketing is nowadays based on building more long-term relationships. Competition with other industries makes it even important to win the trust of the consumer and make them come again. Sports marketing needs to show the people the meaning why should they attend and use their valuable time. The competition which the sports industry face rose from all the interviews. This is something sports marketing needs to pay attention to, but the problem concerns every part of the organizations which includes for example event planning.

Many companies use sports marketing as a channel to reach their target groups. Couple decades ago, it was only sports related companies who used this channel but now it easy to see more and more companies doing it. Competition between companies is benefiting sports and sports marketing as companies are trying to affect to consumers by this positive branding through sports.

Are digital platforms effective channels to reach people?

Digital platforms are effective channels but the whole marketing cannot be dependent on it because all the target groups are not reached through them. There are differences between digital marketing and traditional marketing. Digital marketing might be sloppier than the traditional marketing, for example, designing a magazine post, the marketer will go through it many times before putting it there. On the other hand, social media shows the authenticity more and it is much faster to use. In today's marketing it is important to react immediately to stuff happening around. Like said above, social media can give more authentic and real feeling marketing which takes the consumers closer to the organization.

Biggest problem with reaching people digitally is that people get so many notifications of different stuff online which means many of them will go by their attention. Even though digital platforms are effective ways to reach people it does not mean it gets people's attention all the time. This means that the content of the marketing needs to be extremely specific and quality. Digital platforms remain the fastest and easiest to reach people which is extremely important in this hectic world.

What will the future look like for sport marketing?

Sport marketing will face a lot of competition from other leisure operators. When it comes to leisure time activities sports are not in that strong position as for example 20 years ago. It is still hard to see sports to lose their power in people's minds. Sports will continue to unite nations and create unforgettable moments which gives sport marketing good tools in the future too. The results aligned that the competition is the biggest problem for sports marketing. Future generations will shape the digital world as its known which will affect to sports marketing.

Sports and athletes are not anymore in the first podium status as before. For examples social media influencers have brought an interesting new possibility to the market and the amount of them is increasing. These are problems that sports have not faced couple decades ago. It is still believed that sports stay popular even though the competition has grown. Last, it is problematic that sports marketing is done with low budgets. This slows down the possible development and does not benefit the organizations as it should.

Business collaborations will remain important and will probably increase even more as business are now realizing the power of this branding through sports. New businesses are created which means the competition will become more intense which will highlight the importance of positive branding and building the right kind of long-term relationships.

Can Urheiluverkosto.fi or new social media channels help sport marketing to develop and are there any challenges?

Urheiluverkosto.fi and other new social media channels can develop sport marketing, but the use of these tools need to be used correctly. Every single new tool can be effective. It takes a 100 percent investment and commitment to get it work. TikTok is a good example of a channel where the content needs to be what people are using the channel for. Content marketing is a new thing where you create the right content for the right channel, it is not only anymore about the brands visibility. Social media is already an important marketing tool and there is room for new innovations. The thing with these digital platforms is that it is important to decide what kind of marketing content is reasonable to use in each platform. It is not good to put the same material to all platforms because there are different target groups in each platform. That makes the content planning extremely important.

New innovations such as Urheiluverkosto.fi create new opportunities but like all innovation it needs to have a clear plan and vision. Urheiluverkosto.fi's biggest advantage is that it is the only sports-based platform in Finland. This makes the target groups also sports minded which unites the people.

Biggest challenges are the lack of knowledge and low-budget marketing inside the company. Sports are also extremely hard to market because it is impossible to predict the outcomes.

6.3 Evaluating the thesis

It is understandable why it is said the most important thing in writing thesis is the process and not the report itself. Writing makes you think the big picture more which will create ideas you had not thought before. It is also surprisingly hard to find reliable sources to use but when you do it makes the writing much easier. The secondary sources consist of books, journals news articles and reports. Especially book *Global Sport Marketing: Contemporary issues and practice* (Richelieu & Desborders 2012) was interesting to read. The book had a wide range of ways to investigate sports marketing from different centuries. It is also global and focuses on the sports marketing on the biggest sports stages. From the internet articles *Relationship marketing in sports: Building and establishing longstanding relations in the business of sports* (Bühler & Nufer 2009) give valuable information of the present style of sports collaborations which are highly connected to sports marketing. Other articles show the basic of sports marketing and the things around it. Author has experience from the sports industry which makes the research very teachable.

The research is based on primary and secondary data. Primary data includes interviews which were done individually with the interviewees. These interviews give the thesis credibility. The interviewees were selected based on their experience and education and the idea was to see could the answers differ from one another. The answers proved to be remarkably similar which tells that no matter your experience or education the interviewees see the sports marketing in a very similar way. Evaluating the thesis work needs some critical reflection. As a source of research was used in the evaluation process. (Saaranen-Kauppinen & Puusniekka 2006)

6.4 Follow-up

This thesis' focus was the idea of developing sports marketing and how can a digital platform like Urheiluverkosto.fi help with that. As a follow-up it would be interesting to know the biggest changes in human behaviour referring to how people use their free time and is the time after Covid-19 pandemic the new normal? The pandemic has changed a lot of things as people have not been able to see each other. All these changes have been taking people to the point where it is easier to stay home rather than going somewhere. It would be nice to read research in which someone would interview different people around the globe.

Another study could examine on how different is the marketing in different sports in Finland and how much has it changed since the last decade? There are major differences in sports on how big business there are. Some sports organizations might investigate their marketing more closely than some others in different sports. The meaning of investigation in this case means that many organizations need put more effort to their marketing without necessary reaching the same results than someone who do not need to do so much work and can still reach better results.

7 Summary

The purpose of this thesis was to explore the current state of sport marketing and find out can new innovations like Urheiluverkosto.fi help it to develop. This thesis' primary question and sub questions were answered in the research. The main research question was "How can sport marketing develop and can Urheiluverkosto.fi or other new innovations help it develop?", and the sub questions "What is the current state of sport marketing?", "Are digital platforms effective channels to reach people?", "What will the future look like for sport marketing?" and "Can Urheiluverkosto.fi or new social media channels help sport marketing to develop and are there any challenges?"

The author wanted to find out how this new digital era "digitalisation" has affected to sport marketing and can it with new digital innovations help it to grow and develop. Theory parts were found from written based on information from different articles of the industry and by interviewing professionals inside the industry.

Sport marketing has evolved enormously in the last couple of decades. Social media has moved people to interact with each other there which has also moved sports marketing there. Nowadays marketing still face many challenges even though it is easier to reach the right target groups through social media.

Urheiluverkosto.fi has a possibility to help sports marketing to develop because there is not straight competition for it. It is aiming to create a similar effect as social media channels to be a place where people can interact with each other. There are risk factors which needs to be considered. Urheiluverkosto.fi will be affected by the state of sport marketing in general.

There are not any similar platforms like Urheiluverkosto.fi which meant that Procito had to do a lot of testing. It is impossible to make the platform please all the customers because there are many different lines of businesses. Some customers will probably benefit from the platform more and some of them will not.

The information from the interviews points that digitalization has already changed and is changing the industry. Sport marketing is facing competition from other fields of free time activity businesses and influencers which is making the marketing harder as these businesses are battling from the same target groups interests.

One crucial factor in the development of sports marketing will be the change in the age structure of people. It will show which social media platforms are used in marketing when these "social media generations" will get older.

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APPENDICES

Appendix 1 Interview Questions

Interviews had four questions in Finnish. All the answers were given verbally. Below is the list of the questions.

1. In what kind of shape sport marketing in Finland is now?
2. Are digital platforms effective channels to reach people in marketing?
3. How do you see the future of sport marketing?
4. Can Urheiluverkosto.fi or new social media channels help sport marketing to develop and are there any challenges?

