

case study

The NCAA Football National Playoff Tourism: Marketing and Planning for Tourism

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Induction

This case focuses on the planning and development of mega sports event(s) in the United States. The planning processes for bidding and producing these events are extensive and very competitive. The scenario is similar to site selection processes for the FIFA World Cup and its playoffs as well as the Olympics and the pre-Olympic trials held across the globe in participating countries. The reader should be familiar with the data needed to make site selection decisions and mega sports events plan events effectively and efficiently.

Roche (2000) defined mega events as large-scale cultural (including commercial and sporting) events which have a dramatic character, mass popular appeal and international significance. Additionally an extensive bibliography of mega events is shared at the following web site: <http://www.bl.uk/sportandsociety/exploresocsci/sportsoc/mega/articles/megabib.html>. Solomon (2014) states there were 39 bowls in 2014, including the College Football Playoff championship game, meaning 76 teams participated. By 2015, there will be 40 bowls with 78 teams needed. There were 79 eligible teams last year for 70 slots. The NCAA certifies bowl games for their participation in the bowl game and playoff processes. A list of existing and proposed bowl games can be accessed in from the following link. (https://en.wikipedia.org/wiki/List_of_college_bowl_games) Additionally, a brief glossary is included to assist the reader to better understand the NCAA bowl and playoff process and their role as tourism attractions.

Glossary

Bowl Games-A number of post-season college football games played primarily by the NCAA Division I schools. The term originated with the Rose Bowl stadium in 1922 located in Pasadena, Ca. where the first post-season game was played. The term "bowl" refers to stadium shapes.

Division I Football- NCAA Division I football members are generally larger colleges and universities that are allowed 85 scholarships. Division II schools are allowed 36 scholarships and Division III schools have no athletic scholarships.

Event Planning-The process of managing and coordinating every aspect of a meeting or special event from start pre-event to post-event.

Event Sustainability-Planning and producing events with particular

concern for environmental, economic, and social issues.

Mission Statement-An organization's mission statement defines its purpose and how to differentiate it from its competitors.

Marketing Plan- An overall plan that formulates strategies to answer questions: Where are we now? Where do we want to go? How are we going to get here?

Mega-Events-Planned special events that have high attendance (as participants, audience or spectators) and large media attention.

Multiplier Effect-When tourists spend money in a local economy, those businesses and their employees that receive the income use the funds to purchase more goods in the same local economy.

National Collegiate Athletic Association-A non-profit organization that organizes and regulates the athletic endeavors of 1,281 member colleges and universities

Bowl Game Organizing Committee- Consists of local volunteers as part of their governance hire a paid Executive Director and staff.

Overnight TV Ratings-An estimate of the total amount of TV viewers of a specific sporting event as a percentage of the total number of TV sets that were on while the event was being broadcast.

Partnerships- Tourism marketing can be expensive, particularly if you want to attract national or international tourists. Typical funding sources are state tourism agencies and taxes, including hotel taxes. To stretch tourism dollars, public/private partnerships often form among local and regional businesses and chambers of commerce. For example, if there are several tourist attractions in a specific county -- or across several neighboring counties -- the entire area can be marketed as an appealing weeklong destination site by combining advertising and other marketing activities (Johnson, 2015).

Tourism-The business of providing information, accommodations, and other services for travelers.

Tourism Economic Impact-The estimate of the total dollars spent by tourists attending specific events or locales.

Tourism Marketing Plan- Individuals and organizations at an event promoted the event activities through advertising or other forms of marketing. The marketing plan is your road map and details the attractions in your area or in this case; mega sporting event. It forces the need for a set budget on your promotional spending. At the end of each tourism event, your marketing plan can be used to set goals and make changes for next year. For example, if revenue did not meet expectations, perhaps it needs product development -- some upgrades to make it more appealing to visitors -- or better advertising (Johnson, 2015).

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Case Objectives

The objectives of this case are to:

- Introduce the reader to the business of sports events. (planning, development and delivery)
- Familiarize the reader with the NCAA College Football Playoff Championship operating model.
- Enable the reader to identify relevant facts concerning the NCAA Bowl system and decision making factors.
- Enable the reader to prepare a proposal and positioning strategy for existing venues to attract a mega sports event (in this case a playoff game).
- Recommended readings on these topics are shared below.

Recommended Reading

Astroff, M., & Abbey, J., (2011). *Convention Management and Service*, Waterbury, NJ, Cranbury Press.

Fenich, G., (2005). *Meetings, Expositions, Events, and Conventions*, Upper Saddle River, NJ: Pearson Prentice Hall.

Harrison, J., & Enz, C., (2005). *Hospitality Strategic Management*, Hoboken, NJ: John Wiley & Sons.

Moore, M., Zemanek, J., & Kros, J., (2013). *Corporate Sport Marketing*, Dubuque, IA: Kendall Hunt Publishing.

Creating Value

As noted above, the 18.5 rating means that 18.5% of the television audience was watching this championship football game (Halbrooks, 2015) and a 30 second TV advertisement sold for one million dollars (Tuttle, January 12, 2015). It is also of note that with their win, the Ohio State Football program, if valued as are professional football franchises, they would be valued at \$1.1 billion (Buchanan, 2015). These numbers seem staggering until compared with those of the National Football League (NFL).

In 2014, the NFL's Super Bowl delivered a 41 overnight TV share with 111.1 million viewers (hollywoodreporter, 2014). The most recent, 2015 Super Bowl drew 3 million additional viewers than it did in 2014 to reach the 114.4 million viewers (money.cnn.com, February 2, 2015). In addition, advertising rates for the 2015 Super Bowl game were \$4.5 million for a 30 second advertisement (Busbee, 2014). The Sugar bowl in New Orleans for example, has always hosted a major bowl game under the traditional bowl format. Mark Romig, President and CEO of the New Orleans Tourism Marketing Corporation believes that the economic impact of previous bowl games for New Orleans averaged \$150 million. He estimates that hosting a championship game under the new CFNCP format could well exceed \$300 million for the city (Price, 2014).

National Collegiate Athletic Association (NCAA)

The NCAA is a voluntary organization of over 1,200 member colleges and universities. The organization's website lists its core values by stating that "The Association-through its member institutions, confer-

ences and national office staff-shares a belief in and commitment to:

- The collegiate model of athletics in which students participate as an avocation, balancing their academic, social and athletics experiences.
- The highest levels of integrity and sportsmanship.
- The pursuit of excellence in both academics and athletics.
- The supporting role that intercollegiate athletics plays in the higher education mission.
- Enhancing the sense of community and strengthening the identity of member institutions.
- An inclusive culture that fosters equitable participation for student-athletes and career opportunities for coaches and administrators from diverse backgrounds.
- Respect for institutional autonomy and philosophical differences.
- Presidential leadership of intercollegiate athletics at the campus, conference and national levels." (NCAA, 2015)

Playoff Series Background

The success of the first national championship series and the future potential for even greater financial success can present a dilemma for the NCAA. The NCAA and its members have long touted the concept of the "student athlete and, as noted in the NCAA's core values, the supporting role that athletics should play in the higher education of these athletes." Specifically, the NCAA bars student athletes from capitalizing on their athletic abilities, the use of their names, promotional involvement and branding affiliations or any activity where the athlete would be personally compensated while still a student. Yet the universities and the NCAA are earning millions. This first national championship series netted each of the Big Five Conferences (the ACC, Big 12, Big Ten, SEC and Pac-12) \$50 million plus \$6 million if the conference had a team in the actually playing in the series (collegefootballplayoff, 2014). It is interesting to note that the monetary payouts accrue to the athletic conferences and not the universities themselves. Presumably then, the bulk of these funds will be doled out by the conferences to the athletic departments of conference members, excluding direct benefit to the academic aspect of each university member. Coaches too (depending on their contract) often receive significant bonuses, as a result of championship participation. The Football Playoff National Championship semi-final and title game are just the latest efforts to increase revenues through college sports. Another example is the NCAA's men's basketball tournament or "March Madness" as it is called can also serve as a business model for the new football championship series.

From a business perspective, the NFL's playoff format, culminating in the Super Bowl, is a format to be envied and probably emulated. Growth of the championship in its current playoff format is a huge economic windfall for the neutral site selected for the championship game and for the metropolitan areas where the semi-final games were held. In this first year, the two semi-final games were played in Pasade-

na, California (LA) and New Orleans, Louisiana and the championship game was held in Arlington, Texas (Dallas). These mega-events bring in millions of dollars to local hotels, restaurants, and related travel and tourism industries and these dollars have a multiplier effect throughout the local economy. Some reports indicate that the Dallas area received a \$300 million ripple effect economic injection from hosting the Super Bowl (Mosier, 2015).

Prior to the playoff system the CFPNC incorporated the traditional end of the year assortment of "bowl" games. Under this traditional bowl format, teams were invited to various bowl games, sometimes with affiliations to specific conferences. However, the lack of a formal playoff system meant that the two top teams did not necessarily meet. This caused much dissatisfaction for fans and TV broadcast stations because of the lack of clarity as to which team was truly the best. This dissatisfaction led to the creation of the CFPNC which would allow the two top teams to meet in a championship game. The new playoff format incorporated existing bowl games and their host venues by choosing six of them to rotate in their participation in semi-final games. In 2015, the Rose Bowl in Pasadena and the Sugar Bowl in New Orleans were the host sites for the two semi-final games with the championship game played at AT&T Stadium in Dallas. In future years, the semi-final games will rotate among this year's bowl venues and four others: the Orange Bowl in Miami, the Fiesta Bowl in Phoenix, the Cotton Bowl in Dallas, and the Peach Bowl in Atlanta. Future host venues for the championship game itself are at the discretion of the event organizing committee and can rotate either at traditional bowl sites or at non-traditional sites (college football playoff, 2014). From the perspective of non-selected bowl game sites, there question may be how do we position ourselves to participate in this lucrative process?

Planning and Marketing the Semi-Final Bowl Games: Background

This case study focuses on the marketing and planning for the playoff series Bowl sites and has the following assumptions:

Mega Sporting events require planning and time to allow the work of such an event to be completed. It should be noted however, that the focus here is on existing bowl game venues. There are numerous bowl games annually in the holiday and New Year season (December and January) so arguably much of the planning will already be in place.

Bowl game(s) may or may not have been chosen for the 2015-2016 season as a semi-final host site. The NCAA will be the final decision making body for the selection of the playoff game sites. The decisions may have already been made and not shared publicly.

The next site(s) to be included in the playoff series will incorporate existing and named bowl games. The positioning strategy and associated bowl site(s) will be chosen as host sites for the 2016-2017 season. As a result, there is a two year planning window for the CFPNC.

The goal for a bowl site / city in this process will be for their bowl game to be selected as the one of the six semi-finalist Bowl sites. The current sites all have a long history of hosting post-season college football games as part of the end of the year traditional bowl games series. However, as part of the 2016-2017 CFPNC, which by then will have a two year history, there will be increased national attention on the game, increased media attention and coverage, and an improved opportunity for the host community and, in fact, the whole state to showcase themselves to potential tourists and corporate interests. At the same time, such national attention will necessitate an intensive planning and organizing effort to accommodate increased media attention, greater corporate participation and increased security needs. In addition, each Bowl will need to increase its emphasis on sustainability.

Business Dilemma

Many sports mega-events are years in the planning stage. The Olympics and the World Cup have many years to plan the event. This lead time is often necessary due to the construction of infrastructure. The Bowl game sites will not have the luxury of planning over a multiple year time span. Parent and Smith-Swan (2013) believe that the first half of the pre-event time period should be spent in the planning process and the second half spent in an implementation mode. Finally during the post-event time period there should be a process of wrap-up and evaluation.

Each host Bowl site participating in the CFPNC needs to have a marketing plan to maximize its revenue potential and the legacy of the event. What is the mission statement that should be developed? Recognition of the fact that consumers have a strong emotional attachment to sporting events" offers the marketers unparalleled opportunity to connect with them at a personal level" (Parent and Smith-Swain, 2013:10, 97).

The success of this year's playoff and championship format presents a series of dilemmas for the NCAA and its member universities regarding the former all "bowl" games format, expansion of the new playoff, and subsequent venue choices with the possibility of millions of tourism dollars at stake for host cities. The NCAA's core values make no mention of increasing university revenues through intercollegiate sports, specifically through national playoff tournaments. To frame this process philosophically some question could be posed: why is revenue generation excluded as a goal? Also, should universities, especially public ones, be engaging in this kind of commerce? If so, what is the appropriate use of these revenues and shouldn't university academic departments benefit directly as well as the athletic departments? These are all questions for a broader discussion. For the current business of sports tourism some of the issues the NCAA, bowl planners etc... should consider are:

- Which metropolitan areas should be allowed to host the events

to receive the tourism impact? What are the target markets, branding or co-branding possibilities, potential ticket buyers, potential sponsors locally, and marketing goals?

- Should games continue to be held at “neutral” sites as in the current traditional bowl model or can they be held in the locales of the participating universities allowing these locales to host the games and thus benefit the entire university community to receive the monetary largess of the increased tourism?
- Does the future championship playoff format expand to include eight teams? Or even more? Or totally incorporate most or all of the current bowl games (30+ bowls)?
- If only some traditional bowl venues are to be incorporated, which ones will be included? Expanding the format may have scheduling issues for TV broadcast stations and for student athletes. What are the ramifications?
- Should this championship format seek to rival the Super Bowl including a week-long series of events leading up to the championship game? How does it compare to the current NCAA men’s basketball national championship tournament?
- What will the tourism impact be?

Case Charge

Your charge as a bowl site consultant is to develop a positioning and marketing strategy plan to attract a playoff series game to an existing bowl event. The case asks the reader to identify further growth opportunities, as well as branding possibilities recognizing that there are potential problems associated with this championship series, specifically with future growth in the planning, staging, and hosting of the events. The effect of the playoff format will be analyzed regarding tourism and revenues for various game venues, particularly when compared to the traditional “bowl” games format.

Target Markets

A bowl game will have to market itself to two separate entities; the fan base that will attend the game itself and paid sponsors and advertisers for events held prior to the actual event itself. For the sites proposing to hold one of these mega events, their target market is the NCAA. The national broadcast television will handle national marketing of the game to television viewers and to broadcast advertisers. The Bowl games sites generally have seating capacities from 65,000-100,000 people (Wikipedia, 2015). The individual Bowl sites marketing efforts should focus on filling 100% of the seats. Ticket purchases will be made by participating universities that have teams in the event (students, alumni, boosters), sponsors as part of their promotional efforts and local college football fans. In addition, sponsorship for events in the week(s) leading up to the game will also have to be targeted potentially including national sponsors as well as local sponsors such as car dealerships, health care providers etc...

Location Goals and Objectives

Maximizing event related revenues such as ticket sales, merchandise sales, food and beverage sales, ancillary event sponsorship participation, and local advertising (other than broadcast television) are some of the key issues for a host location. More specifically a location should:

1. Create a fun, family oriented fan experience not only at the football game itself but at a week-long series of event leading up to the game.
2. Create and promote a supporting series of events that will serve to enhance the whole Bowl experience; for example excellence in collegiate participation in the fine arts.
3. Insure complete safety of all who participate in the Bowl experience and the legality of the entire event.
4. Make every effort that the Bowl organizing committees operates the event(s) with a balanced budget.
5. Maximize the sustainability of all related events.
6. Bowl sites, existing and proposed all need to be financially sustainable. A well written and content solid planning process and proposal will allow these sites to be competitive in the football playoff bid process.

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