

Recreation and sport

Key concepts

The main concepts covered in the chapter are:

- Types of recreational activity
- The different objectives of organisations in the public, private and voluntary sectors
- Recreation and sport as an element in tourism and hospitality products
- Transnational marketing in recreation and sport.

Introduction

Recreation is defined by Torkildsen (1999) as 'activities and experiences usually carried on within leisure and usually chosen voluntarily for satisfaction, pleasure, or creative enrichment'. He goes on to say that, 'it may also be perceived as the process of participation. Physical recreation is closely allied to sport.'

In this chapter, we are going to focus on the marketing of those aspects of recreation which are concerned with activities and sport, rather than the more passive forms of recreation. We will also concentrate on those forms of recreation which are most closely linked to leisure. Figure 22.1 illustrates some of the major different *types of recreational activity* that people indulge in during their leisure time.

Even this brief, selective picture illustrates the diversity of forms of recreation which explains why it is such a complex

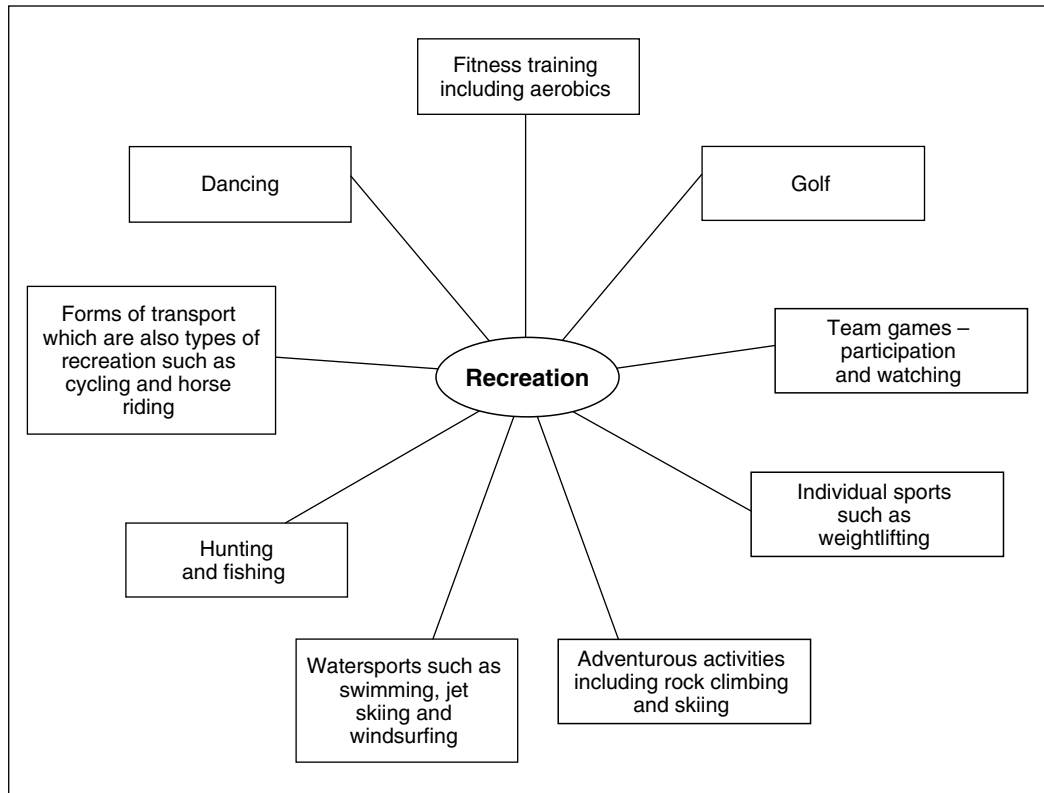


Figure 22.1 Types of recreational activity

sector as far as marketing is concerned. Some of the differences between forms of recreation which influence marketing practice in the sector include:

- Some recreational activities, such as dancing and fitness training, can be practised in people's homes or in their local area. Others require participants to travel considerable distances to the places where specialist facilities such as rock faces or water areas are located.
- Partly for this reason, some forms of recreation can be indulged in on a daily basis, while others may only be undertaken once or twice a year, on an annual holiday, for example.
- Some activities require special clothing and equipment such as skiing or golf, while others require little or none, as in the case of playing football in a public park, for instance.
- Some forms of recreation are supported by a large physical infrastructure of facilities such as golf courses, while others are not.
- Certain recreation activities can be controversial, political or even illegal in certain countries. The best example of this phenomenon is, perhaps, hunting.
- Some activities are group ones such as playing team games, while others are very much individual activities like horse riding.
- While prebooking is required for some recreational activities such as golf, it is not for others, including cycling and rock climbing.
- Recreation can be a matter of being a spectator watching others play football, for instance, or it can be about participation, in other words, playing in a football match.

Readers will have noted that in several of these aspects there are links between recreation and sport, and arts and entertainment. The boundaries of the two are blurred, for example, dancing is a type of recreational activity, but it is also an art form.

Another similarity between them is that the *public, voluntary and private sectors* play an important role in both. Their respective roles in recreation and sport are outlined below:

- The public sector owns many recreational facilities such as swimming pools and woodlands, for example, and make them available, often at a subsidised price, or even free of charge, to encourage people to take exercise, for the sake of their health. Where participation rates in particular types of recreation are low amongst certain groups, such as countryside recreation amongst people from the ethnic minorities in the UK, the public sector may take positive action to encourage participation, for purely social reasons.
- The voluntary sector tends to encompass the clubs, associations and societies, which organise many recreational activities, in those areas of recreation based on amateurism. Voluntary organisations sometimes also own and manage recreational facilities including golf courses.
- The private sector is involved in recreation, on a commercial basis, in three main areas, as follows:
 - (i) The ownership and management of facilities, such as dry-ski slopes, and fitness and health clubs.
 - (ii) The ownership and management of teams in the areas of recreation where participation is based on professionalism, such as professional football. Some football clubs such as Barcelona and AC Milan are businesses with large turnovers. In the UK, clubs like Manchester United are even quoted on the stock exchange.
 - (iii) The manufacture and supply of specialist equipment ranging from saddles to leotards, and climbing ropes to golf clubs.

Sometimes the boundaries between these three sectors can be blurred. For example, many public-sector agencies are having to become more commercial in response to reductions in their state funding. Likewise, some voluntary associations and clubs can have large turnovers on which they generate profits like private companies. Some may even be incorporated as private companies in respect of some of their activities.

Finally, it is important to note that all three sectors can be represented within one type of recreation. For example, some golf courses are owned by municipal authorities, while others are in the ownership of voluntary bodies or private companies. Furthermore, most golfers are amateurs, while a few are highly paid professionals.

Because of the diversity of the recreation sector, we will focus on just three different elements of recreation when we consider the application of the marketing mix to recreation and the recreation market. These are:

1. countryside recreation in a national park;
2. a golf course owned by a voluntary-sector golf club;
3. a major professional football club.

The countryside recreation *product* in a National Park can be both 'natural' and artificially created. Whilst much of the landscape will usually be natural, its attractions may have been enhanced by the development of picnic sites and new footpaths. Further, artificial product development may take place in the form of a new programme of guided walks. The 'product' represents a series of opportunities from which users can build their own experience, whether it be a quiet picnic near their car or a long strenuous walk. A key element of the product is its accessibility from where people live, by private car or

public transport. As far as *price* is concerned, users are rarely asked to pay a direct charge for the use of the countryside for recreation purposes.

Instead, the cost of providing for their needs is usually met by taxation levied on the population in general. As prebooking is not the norm, *place* plays little real role in most countryside recreation in National Parks. As most National Parks are managed, if now owned, by the public sector, they have wider aims than simply encouraging countryside recreation. Their main responsibility is often conservation, so that frequently they have to indulge in demarketing to reduce demand and divert visitors to less popular areas to reduce pressure on the landscape.

Promotional techniques are often used in this connection to achieve this aim, through brochures, in particular, and press and public relations activities too. The limited budgets of most National Park authorities tend to result in relatively little advertising being undertaken.

As far as the *market* is concerned, several important points need to be made, as follows:

- Some National Parks, due to their remote location, have relatively small visitor numbers, while others which are nearer to urban areas have large visitor numbers (around 20 million in the case of the Peak District National Park in the UK).
- Many parks have a large local and regional market such as the Peak District, while others, particularly those in well-established tourist destinations, have predominantly national and even international markets, like those in the French Alps.
- In some parks, the majority of visitors are repeat visitors, while in others most visitors will only visit once in their lives.
- The benefits people seek from countryside recreation in a National Park can vary dramatically, as we can see from the brief list below, of different types of benefits:
 - passive relaxation or a chance to indulge in an energetic and even dangerous activity;
 - the chance to escape from others and be alone, or the opportunity to meet new people;
 - the desire to try a new experience or the attractiveness of doing something with which you do often.

The *product* which the voluntary-sector golf club offers has a number of elements, as follows:

- The golf course itself with its golf-related features such as its bunkers and other hazards, and the nature of its greens. The product also covers the environmental setting of the course and the views that are enjoyed by those playing the course.
 - the days and times on which the course is available;
 - the facilities available in the club-house such as bars and restaurants;
 - the availability of advice and coaching from a resident golf professional;
 - the image and reputation of the course locally, regionally, nationally and internationally;
 - the social life involved in playing the course and/or belonging to the club.

The *pricing* structure tends to vary between the situation where members pay to belong to the club and then pay a modest sum for each round of golf they play, and where casual players who are nonmembers are asked to pay a higher price. Some municipally owned, public-sector courses may also offer concessions to groups who are seen to be socially disadvantaged.

In terms of *place* and distribution, membership of the club is the way of gaining regular rights of access to the course, but often people have to be invited to join, rather than simply apply. Thus they need to know people who are already members. The system of

distribution for players seeking a casual one-off round of golf, at such clubs, and those wishing to play on municipal courses is a simple matter of prebooking by telephone.

Promotion is often not relevant as in many cases demand outstrips supply, particularly at peak times. However, where newer courses have been established in countries like Spain and France, to help attract tourists, substantial promotional activities may be undertaken, by the golf course itself, the local destination-marketing agency or a tour operator which is selling golf packages based on the course.

The *market* for golf courses can vary dramatically. With an old, well-established, famous course in the UK, most users are the members, who live within the same region. Few nonmembers will be able to use the course, in general, except when open tournaments are underway. On the other hand, at some of the newer courses in Spain and Portugal, for instance, most users may well be foreign tourists, with relatively few local people making use of the course.

As far as the benefits sought by the consumers of golf courses and golf club services, status perhaps comes near the top of the list, in relation to the more exclusive courses. However, in general, the benefits sought include:

- relaxation in the fresh air;
- gentle exercise;
- the social life and atmosphere that is part of the golf scene;
- the chance to gain satisfaction from improving one's ability to play the game;
- an opportunity to mix business and pleasure with business people using golf as a way of doing business in a relaxed, informal atmosphere.

In many European countries, professional football is big business, with clubs having high turnovers and generating considerable profits. This is particularly true in Spain, Italy and the UK.

The *product* which is offered by a professional football club has two main elements as follows:

- (i) The football team which offers, in effect, a special event product, namely a ninety-minute spectacle involving playing a competitive match against another team. However, a football match is about more than the ninety minutes of the game on the pitch. The team also offers opportunities for its fans to bask in their team's glory, or lament its failures to look forwards to the game throughout the preceding week. For a team, its image and reputation is all important to its fans, potential investors and prospective players.
- (ii) The stadium, in terms of tangible features such as the quality of seating and catering facilities, together with intangible aspects such as the atmosphere. However, increasingly, football stadia are not just venues for football matches. They also act as a venue for concerts, for example.

In terms of the corporate market, football clubs often combine their two products, the team and the stadium, into a lucrative corporate hospitality product. Companies pay for facilities where important customers can be wined and dined and enjoy the match at the same time.

Prices tend to be relatively high for tickets at leading professional football matches, but there are different prices depending on where one sits within the ground. Season tickets are also offered to encourage brand loyalty and give the club cash flow at the beginning of the season. Corporate packages tend to be premium priced, particularly if the club is a famous one.

As far as *place* or distribution is concerned, prebooking by post or telephone is the norm for football match tickets, and is obligatory for the purchase of corporate hospitality packages. For matches, a certain allocation of tickets may be given to the visiting club which it will then distribute to its supporters.

In relation to football matches, *promotion* is usually a very low key. Supporters are simply regular visitors and they buy their ticket almost automatically. All they need to be given is a fixture list for the season. The match brochure or programme can be used to promote particular matches. On the other hand, the corporate hospitality market, which is very competitive, and is also a lucrative activity, merits glossy promotional brochures and a considerable amount of personal selling activity on the part of the clubs.

There are, as we have seen, a number of distinct *market segments* for a professional football club, namely:

- Local people who support the team and go to watch all its matches.
- Local people who go to some matches, particularly the most important ones.
- A small number of nonlocal supporters who will travel longer distances to watch some of its matches. This happens more in the case of the more fashionable clubs like Manchester United, or Liverpool, in the UK, for instance.
- Business people who use the matches for corporate hospitality purposes.
- Those people who use the stadium only when it is playing host to other kinds of events such as concerts.

The *benefits sought* by a football club depend on which segment one is talking about. Local supporters go to the match to see their friends, demonstrate their loyalty to the club and relax. For them the match is the focus of their trip to the ground.

Conversely, for most business users, the game is a means to an end rather than an end in itself; in other words, the match is an opportunity to impress customers and discuss business in an informal setting.

While these three examples cannot represent the whole of recreation and sport, they at least demonstrate the great variety of marketing issues found in this sector.

Competition in recreation and sport is also a complex matter, and exists at a number of levels, including that between:

- (i) different providers of the same product such as golf courses or gymnasia;
- (ii) different forms of recreation such as dancing, swimming and jogging for those interested in improving their health;
- (iii) free or subsidised public-owned recreation facilities and commercial promotion from private-sector organisations;
- (iv) active recreation and sport, and passive leisure activities such as watching television or eating out.

There can also be internal competition such as when a local council offers several types of recreation facility to its local population, and they can end up competing with each other for the local market.

Finally, we will consider a range of *miscellaneous issues* that influence the nature of marketing in recreation and sport.

1. The *marketing of recreation and sports facilities by other bodies*. Many facilities and activities are promoted by other bodies, as well as by the owners or operators themselves. For example, in the UK, the Sports Council promotes a wide range of sporting activities and facilities.

2. *Links with the marketing of tourism and hospitality.* Recreation and sports products are increasingly being used as part of broader tourism and hospitality products, as the following examples illustrate:
 - tour operators developing holidays based on recreational activities, as diverse as the following:
 - a golfing holiday in Portugal;
 - a hunting holiday in Siberia;
 - a walking holiday in the mountains of Spain;
 - a skiing holiday in the Rockies in the USA;
 - a scuba diving trip to the Red Sea;
 - a holiday based on going to see the Olympics in Athens in 2004;
 - excursions available within tourist destinations which are based on recreational activities such as golf, horse riding, and wind surfing;
 - destination-marketing agencies promoting an area on the basis of the natural and man-made resources, it offers for recreational activities, including:
 - the golf courses of Ireland;
 - the surfing beaches of the Aquitaine coast in France or Cornwall in the UK;
 - the proximity of skiing facilities to Norwegian resorts such as Voss and Lillehammer;
 - Hotels developing leisure facilities within the hotel such as swimming pools and gymnasia, to attract customers who wish to keep fit and take exercise while they are staying at the hotel;
 - the development of mass events such as the Olympic Games which attract international sponsorship and media coverage, and is one of the major events in the world;
3. *National differences in recreation and sport.* These include:
 - the popularity of different sports in different countries as golf is very popular in Scotland and Ireland, but much less so in Greece, for instance;
 - certain sports which are peculiar to individual countries or regions such as pelota in the Basque country of Spain and France and hurling in Ireland;
 - differential scales of provision from the massive football stadia in Spain and Italy to the small grounds of Scandinavia;
 - countries which have traditionally had a relatively small domestic market for recreation and sport, and those where participation rates, within the domestic market, are much higher. While this distinction was often considered to exist between Northern and Southern European countries, respectively, it is a gross over-simplification. It is often simply that the people of the varying countries have different tastes for different types of activities, but that levels of participation are, in some form of leisure activity, relatively similar overall.
4. *Transnational marketing.* While most recreation and sport marketing is domestic, there is a significant amount of transnational marketing, particularly in the field of destination marketing. These organisations involved in such marketing clearly have to take into account national differences in consumer demand, legislation and business promotions. Examples of such transnational marketing include:
 - Destination-marketing organisations in France attempting to attract UK golfers to the newly built courses of France.
 - Irish destination marketers trying to attract anglers from the UK, USA, Germany and the Netherlands.
 - The marketing of sporting events which have an international market such as the 2004 Olympics in Greece, the annual tennis championships at Wimbledon in the UK, and even the running-of-the-bulls festival in Pamplona, Spain.

5. *Consortia* can play a significant role in recreation and sport marketing, particularly in the public and voluntary sectors. These consortia can either take the form of pressure groups and lobbying bodies on behalf of a particular activity, or a loose consortium of similar types of facilities such as golf courses.

Conclusion

As we have seen, marketing in the recreation and sport sector is complex, due to a range of factors related to the nature of the product, ownership and marketing objectives, and different types of market demand. However, we have also noted that it shares some of these characteristics with the arts and entertainment sector.

Discussion points and essay questions

1. Compare and contrast the marketing objectives of public- private- and voluntary-sector organisations in the recreation sector.
2. Evaluate the differences in terms of the application of the Marketing Mix between countryside recreation and a professional football club.
3. Discuss the links which exist between recreation and leisure.

Exercise

You have been engaged as a consultant to undertake *either* of the following tasks:

- (i) to encourage more people to take exercise by walking, riding and bicycling in a rural area of your choice, on behalf of a public-sector body, charged with promoting healthier lifestyles;
- (ii) to increase the income of a professional football club of your choice, which owns its own stadium.

For your chosen project you should

- identify target markets;
- develop appropriate new products to meet the needs of these markets and indicate how these products could be priced to make them attractive to these markets;
- outline the main distribution channels for these products;
- produce a promotional plan, indicating what promotional techniques would be utilised to persuade target markets to purchase these products;
- highlight key implementation issues, including funding.