



The Impact of Social Media on Sports Marketing and Revenue

Dahiru Abdullahi Danasabe, PhD¹; Usman Jonathan Sunday, PhD²; Mohammed Abdul, PhD³; Haruna Ramatu, PhD⁴ & Mahamud Goma Dahiru⁵

^{1,2,3 & 4} Department of Human Kinetic and Health Education, Ibrahim Badamasi Babangida University, Lapai, Nigeria

⁵ Tafa Local Education Authority, Niger State, Nigeria

Corresponding Email: danasabedahiru39@gmail.com

Abstract

Every sports club aims to attract a large number of audience/followers, particularly during sports competitions. There are opportunities for businesses and companies to associate their brand with clubs and athletes to improve their revenue. Social media provides clubs and companies with a means to facilitate sports marketing, improve competition attendance, brand loyalty, fan engagement and Sports sponsorship. This paper reviewed relevant literature on social media's impact on sports marketing, fan engagement, and club revenue. The study highlights several ideas on how clubs and athletes can leverage social media in sports marketing to enhance engagement and establish one-to-one relationships with fans. The study further highlights revenue as the main requirement for the continuity and sustainability of sports clubs and organizers. The study also reveals that social media is the perfect tool to utilize when creating relationships and marketing campaigns. It is also the ideal tool for athletes to brand themselves. While clubs and sports organizers in developed nations have long leveraged the advantages of social media to be financially independent, the situation is different in the third world to which Nigeria belongs. Government is still the major sports financer. Thus, the study recommends that Nigerian sports clubs, athletes, and administrators must make serious efforts to restore the image and standard of sports organizations to attract the attention of fans and corporate organizations. Athletes and clubs must put in place their social media platforms where they will continually establish relationships with fans and portray their images as well.

Keywords: Sports Industry, Social Media, Sports Marketing, Fan Engagement, Club Revenue

Introduction

Today sports have become one of the most popular global businesses, generating billions of dollars in revenues for sports clubs, organizers, sports sponsors, and sports industries. Every business aims to make a sale, generate revenue and make a profit. This is not different for the sports industry. The continued survival of any business/company is significantly dependent on how it is able to present its products to consumers through various forms of advertisement and marketing strategies. Sports events provide a good avenue for businesses to market their product and services to the public. The large numbers of fans/audience, who are constantly following sports event and their loved player,



has provided businesses, companies, and advertising outlets a big opportunity to market their products, brands, and services known to their target consumers.

It is apparent that people enjoy communicating on social media about sports teams and sharing content related to a sport they are passionate about. Social media features make them particularly well suited for effective engagement with the team by creating a sense of passion and emotion. Social media provides sports teams with a site that offers great potential to make big steps in building their brands and relationships with fans. The developed nation has for a long moved from the tradition of depending on government sponsors, the sport has been professionalized and made to be a serious business. Social media posts that promote teams, players, and events are the central focus of most campaigns that professional and amateur athletic organizations plan. For example, teams can spur interest in upcoming games by highlighting recent team and player performance and analyzing how the team matches up with its next opponent.

Several different sports group and companies have attempted to market their products to create team awareness and popularity through social media websites. The most commonly used website to promote a company's product through social media are Facebook and Twitter. Facebook has received more than 1.6 billion visits a week and. Twitter received more than 400 million visits a month, so, marketing products and products and teams through these websites could be deemed a very handy way to create recognition. Studies on the impacts of social media, fan engagement, and revenue generation for sports clubs in Nigeria are inadequate. This paper therefore, therefore, is concerned with the review of how social media impacted sports marketing, fan engagement, and revenue generation to ensure the sustainability of the sport industry in Nigeria.

A Review of Social Media Role on Club and Business Revenues

Barnes (2015) noted the importance of revenue generation to meet up with the expenditures of sports clubs. The complexity of managing the growing number of social media platforms combined with the speed of information spread in the internet age highlights the importance of having a sports management team in place that's able to plan and implement strategies that boost athletes' reputations and promote their teammates, coaches, and the entire organization. Twitter, Instagram, and other social media platforms present sports organizations with tremendous opportunities to connect with their fans and communities, but they also present many potential pitfalls that require skill and experience, which cannot be overemphasized. This is why revenue generation for sports clubs is one of the fundamental needs which must be taken seriously for their survival and sustainability.

Williams (2010) stressed that social media differs from other forms of communication, such as radio, newspaper, and television, because it supports user participation on a massive, collective scale. The contributions are also distributed among the participants to view, share, and improve for sports marketers. Social media outlets today differ from traditional media (e.g., print magazines and newspapers and TV and radio broadcasting) in a variety of ways, including quality, reach, frequency, usability, immediacy, and permanence. Clavio (2020) said that with technology growing exponentially, marketing someone's product or team through certain media sources can result in positive revenue and create more attention not only to the fans but also to the broader audience.



With the rapid growth in social websites and the easy-to-access ideal through smartphone applications, this form of marketing can be beneficial in the long run.

Fan Engagement

Over the last decade, the rise of social media has revolutionized the sports industry. One of the most powerful uses of social media is the ability to quickly and efficiently communicate with people all over the world. In this respect, social media platforms present new and unique opportunities for engagement throughout the sports industry. Teams and players are engaging with fans in unprecedented ways. Social media has also transformed the culture of sports consumption, changing from an individual activity to a group or community-building activity.

Bennett (2006) maintained that social media and sports go together like peanut butter and jelly; because the potential for enhancing relationships through social media is particularly promising for sports managers in the current competitive environment. Also, Bennett (2006) observed that sports fans rely increasingly on their social media feeds to keep informed about news that affects their favorite teams. This creates a great opportunity to leverage social media in sports marketing to enhance engagement; establish one-to-one relationships with fans; and tell the stories of the team and its players, coaches, and avid supporters.

However, Adam (2015) noted that Social Media allows for easy and immediate access to sports news on a various platforms, It has become a common practice for team accounts to post real-time game updates on social media. With the inclusion of hash tags, gifs, and audio/visual content, information and entertainment. Employing social media platforms has allowed the sports industry to become ingrained into people's everyday lives. According to Aran (1992), every sports club aims to attract a large number of audience/followers, particularly during sports competitions, among the traditional media, only TV and radio have the capacity to transmit live any event to the audience. The emergence of social media has brought new innovations to global sport communication. The world cup, Super Bowl, Olympics games and many other tournaments are leveraging on the emergence of social media communication and it is always a big success.

Distribution of information is another role of social media. To this end, Cugelman (2010) stated that social media provides teams with new avenues for distributing information about the organization and its athletes and fans. These days, more people are spending their time online than ever before. For most, that time is spent scrolling through social media pages and checking out videos that they might find interesting. For Sports clubs and athletes, staying active on social media is an absolute must if they want to increase their following and reach for new fans. That's where professional social media and sports marketing management come into play. Emmanuel (2021) noted that when professional sports teams first started using social media, it was primarily a marketing and communications platform to engage existing fans and amplify marketing messages sent out to fan bases. Since that time, social media has become an important tool for discovering new audiences and creating new opportunities for direct engagement between fans and their favourite players. More so, Timothy (2021), opined that clubs and athletes use of social media to attract large number of audience and followers is a worthwhile effort because there are number of advantages this will bring to them. Though every situation is unique, and putting in place the right strategy can help any athlete, (professional or amateur), reach new people quickly. And the more people you reach, the more you can profit.



There are several ways clubs adopted in order increase their brands impact, these include; live-tweeting games, creating snarky memes and cheerleading from the internet. Spectators are no longer simply watching sports; fans can often get news, insights and commentary straight from the source (Dan, 2016). While fans have taken to social media to share their love of sport, some sporting clubs and athletes are finding it more challenging. Social media is making it possible for fans to be more engaged, and it's also making it possible for sporting professionals to be more accountable for their public comments and the way in which they, in return, engage with their fans and wider community as well as for generating club revenue. Social media thus has a great impact on:

i. Improve Sports Marketing

Marketing is the process by which goods and services are presented to target consumer, the main aim of every marketer is for products and brands to be presented to large consumers. Sports marketing can either be the marketing of sports products and services or marketing other products and services through sports. Either of these two needs the attention of the audience. The goal of sports marketing professionals is to “amplify the passion of fans” from game to game and season to season (Ladani, 2007).

When an athlete, club or sport receives much attention on social media, it attracts a large number of followers, spectators audiences and fans. Businesses and companies will always like to associate their brand with such situations. The benefits of sports marketing via the social media are, therefore, enormous; there are monetary profits and there's brand growth. Both are important for up-and-coming athletes and their clubs. But brand growth and development are essential if clubs and athletes want to set themselves up for long-term success. Sports marketing strategies can help even mid-level and clubs and athletes become athlete influencers. This increases the number of opportunities, partnerships, and events they can participate in (Emmanuel, 2014).

Social media is the perfect tool to utilize when creating relationship-marketing campaigns. It is also the perfect tool for athletes to use to brand themselves. Today, several social media platforms are available to these sports organizations and athletes. Facebook provides information, posts pictures and videos, and promotes upcoming events. YouTube is an endless source of video highlights and bloopers. Twitter is a quicker source of information and requires less time and effort than other social media options (Wilkson, 1986).

ii. Social Media Improve Club Revenue

The idea of sports marketing via social media is, to a large extent, for the purpose of revenue generation in order to sustain sport and the corporate organization to sponsor clubs and players. Gil, Steven, Shapiro & Deschraver (2003) maintained that revenue represents money coming into the sport business. Revenue can come from ticket sale, broadcast contract concession sale, sponsorship agreement and a host of other opportunities. The opposite of revenue is expenses. Expenses represent costs that are incurred; typical expenses for professional teams include; players' salaries, equipment, travel, executive salaries and other expenses. Each business has different revenue and expenses and they are constantly changing. A sport club might have revenue of 1 million dollars a year, but if it makes a mistake in the following year, the revenue may fall and the club may get into financial difficulties.



The authors postulated that the above statement helps to explain why revenue must be derived in order to meet up with expenditures of sports clubs. In the developed nations, sports is a private enterprise, and the revenue drive among clubs is very responsive, and millions of dollars is being generated annually, through ticket sales, purchase of media right, sponsorship and various other means, in all respect; however, the social media, provide the key channels of communication and transactions. To this effect, Watt (2004) stated that sports organisations need adequate funds to survive and progress. He emphasized that there are many possible schemes for raising funds. However, he regardless of the schemes, the commitment of the fund raisers and the novelty of the scheme will probably be the two key factors. The implication of this is that sports clubs, event organizers, and perhaps athletes must continue to engage in one form of marketing or the other of their events to the public; via the various media outlets. Honye (2006) observed that sports clubs are doing everything possible to enhance their revenue. This is to enable them to hire players and maintain the clubs. The benefits of social media are enormous when capitalized effectively and efficiently. It's ultimately a free tool that allows you to connect and engage with fans and followers by sharing news, posting video content, and hosting contests. Some schools and sports club, however, take it a step further and use their social media platforms to promote events and ultimately drive ticket sales, sponsorship and purchase of rights. This will improve their revenue and ultimately enhance the development

Social Media Implication for Clubs in Nigeria

Sport sponsorship might not be a new practice in America and Europe where national policy on sport encourages in America. For example, sport is treated as a private enterprise where individuals, firms, and multinational cooperation give huge financial support to sport (Chalip& Johnson, 1996). This is, however not exactly the same in the third world, and in most developing countries, including Nigeria, the government is known to be the major financier of sport and with bureaucracy involve in governance, the release of funds goes through a lot of processes which may hamper the programmes of the National Sports Commission Consequently the realities on the ground have shown that government alone cannot fund sport, hence the need for sport managers to look inward for an avenue of raising funds to run their programmer. Although there are evidences of some form of support for sport in the past in Nigeria, it is only in recent National policy on Sport that more emphasis is being placed on private sector support for sport. This may explain the recent involvement in organization like the GlobaCom in the national premier Football league, KAI, GlobalCom, the 2003 COJA games and other. Nigeria Government has always cried that it cannot single-handedly carry out the country's sports development responsibility.

Thus, Nigeria's sports clubs are not financially independent like their counterparts in America, Europe and Asia. There are only a few businesses that are willing to venture into sport business because the return is not very encouraging. Unless there is a total overhaul of our sports industry, the problem is far away from being over.

Conclusion

It can be seen that social media is one of the most important tools for sports, fans and athletes. The population of social media users has increased dramatically over the past years. People are engaging in sports, following their favourite athletes and teams, and instantaneously getting the most updated sports content. For sports organizations, the advantages of using social media is that it helps sports



organizations to build relationships with the public, thereby reducing their marketing costs and to increasing sales etc. It is also obvious that social media has got attraction as an essential tool for connecting with sports fans. For individual sports fans, social media is a very important tool for them to interact and share information with other individuals. Above all athletes are benefiting from using social media, connecting with their fans, to build a personal brand and to promote themselves etc. It is important that the sports teams' social media campaigns should be carried out to provide compelling contents that connect with fans and the public in general. Athletes and sports administrators must make a serious effort to restore the image and standard of a sport organization by developing social media content that appeal to their loyal fans and the general public to ensure continuous revenue generation. Nigeria sports clubs, athletes and sports organizers must continue sharing positive news media coverage of their team via social media to raise awareness of their accomplishments and excite fans about their prospects on the team. Nigeria sports clubs, athletes and sports organizers must continue to provide real-time updates and live content, such as tweeting during games to offer fans game-specific hashtags and collect feedback from fans via polls and Q&A sessions for proper fan engagement. Sport in Nigeria must be seen as real time business, revenue generation must be a central and key area for sport managers in order to make sport events more interesting so as to gain the support of audience, fans and corporate organization for sustainable sport industry in Nigeria.

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