Brand management in the professional sports club setting

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Abstract: Market studies regularly indicate that professional sports clubs lack appropriate branding practices. Consequently, it is the purpose of this paper to develop a conceptual framework which comprises strategic as well as operative brand management options for professional sports clubs. The principal idea is to choose a generally valid theoretic brand management approach which represents the present state of academic research and to modify it to the special requirements of the chosen field of analysis. The objectives of this procedure are first to identify club branding options and second to use those findings to design a special brand management model for the professional sports club setting which provides information about how to build and maintain strong club brands. To illustrate the model, examples from German league football will be used. Additionally, empirical evidence of the importance in practice of the club branding options will be provided.

Keywords: branding, brand management, professional sport clubs.

1 Introduction
The economic importance of club branding has been documented by the empirical studies of Gladden and Milne (1999) and of Bauer, Sauer and Schmitt (2004). In these studies the authors proved that the club brand has a significant influence on a club’s economic success. However, market studies regularly and clearly indicate deficits in club brand management. For example, survey results show that although professional German football clubs achieve a relatively high level of brand awareness nationally, in almost every case they fail to create distinct brand associations (UFA SPORTS, 1998, 2000; SPORTFIVE, 2002, 2004). Having recognized these shortcomings in club brand management practices, this article seeks to develop a conceptual brand management model for the professional sports club setting which provides information about how strong club brands are built. A particular focus is set on the branding instruments for professional sports clubs. The article thereby closes a prevailing research gap, as the issue of operative club brand management has until now only been discussed only peripherally.

The article is structured in the following way. First, a brief literature review will be conducted. After that, the specific demands on club brand management resulting from the unique economic characteristics peculiar to the team sport setting will be outlined. Third, the model designed by Meffert and Burmann (1996; 2002), which represents the current state of academic research related to brand management, will be applied to and modified in the context of professional sports clubs. The identified branding options will then be systemized and brought together in a management
process model depending on their sequence and interaction. Each of the different
elements of the model will furthermore be explained and examples relating to the
German Fussball Bundesliga will be provided. Finally, empirical evidence of the
importance in practice of the different club branding instruments for the model will be
presented.

2 Literature review
According to Meffert, Burmann and Koers (2002), a brand is a distinctive picture of a
product or service which is firmly anchored in the mind of the consumer. This mental
image is comprised of affective, cognitive and conative components and results from
both direct (e.g. purchase, usage) and indirect (e.g. advertising, promotion) expe-
riences with the brand (Elliott & Wattansuwan, 1998; Meffert, Burmann & Koers,
2002). A precondition for this, however, is that the product or service remains stable or
improves on a long-term basis and is always presented in the same way. The strength
of a brand is determined by the extent of three dimensions: brand awareness, brand
associations and brand loyalty (Bruhn, Henning-Thurau & Hadwich, 2004; Meffert,
Burmann & Koers, 2002).

Brand awareness describes the ability of the consumer to identify a brand under
different conditions. Empirical evidence, however, shows that brand awareness in
isolation has only a limited positive correlation to measurements critical to economic
success such as the likelihood of purchase. This therefore means that brand awareness
is essential, but not on its own sufficient, to represent a strong brand (Aaker, 1991;
Bruhn, Hennig-Thurau & Hadwich, 2004; Meffert, Burman & Koers, 2002).

Under brand associations, we include all those thoughts and mental pictures which
come to the consumer’s mind when he or she recalls a brand (Aaker, 1991; Aaker &
Joachimsthaler, 2001; Ross, 2006). Unlike brand awareness, Brand associations have a
more important influence on buyer behaviour. The more lively, clear, pleasant and
independent brand associations are in the minds of the recipients, the greater is their
influence on consumer behaviour (Esch & Langner, 2004; Trommsdorff, Asan &
Becker, 2004).

1 The Fußball Bundesliga is the highest professional football league in Germany. It includes 18
teams and made almost €1.3 million in the 2005/2006 season. Financially seen, it is the fourth
strongest professional football league in Europe (behind the Premier League, the Seria A and the
Primera Division). For many years the Fußball Bundesliga has achieved the highest audience
numbers per game in Europe (2005/2006 season: over 38,000 per game). The main income from
the clubs comes, however, from sponsorship, with which it also generated the greatest income in
Europe (2005/2006 season: €360 million) (Deloitte, 2007; DFL, 2007; see also Schilhaneck,
2006). The most famous clubs in the Fußball Bundesliga are FC Bayern Munich, Borussia
Dortmund, SV Werder Bremen, FC Schalke 04, Bayer 04 Leverkusen, VfB Stuttgart and Ham-
burger SV, all of which regularly take part in the UEFA competitions of the Champions League
and the UEFA Cup, and which in the 70s, 80s and 90s achieved great success in the European
club tournaments.

2 Possible types of club brand association are, for example, images of the “producers” of the club
brand (players, management), the consumers (fans, VIPs etc.) as well as the environment in
We speak of brand loyalty when the consumer has a positive attitude towards a brand and repeatedly demands it. Unlike both of the dimensions already discussed, brand loyalty is based on previous experience of usage (Aaker, 1991; Bruhn, Hennig-Thurau & Hadwich, 2004; Meffert, Burman & Koers, 2002).

The three dimensions of brand strength (brand awareness, brand association and brand loyalty) should be understood as management’s brand reference quantities. A club’s brand management should be measured by these. At the same time, changes in these dimensions give an indication of the success of the implemented marketing measures.

3 Economic peculiarities in the professional sports club setting and club branding problems

As discussed in chapter 2, brands basically reside in the minds of the consumers, making their management extremely difficult. In addition to this general brand management problem, the professional sports club setting is characterized by a large number of heterogeneous customer groups, unique service characteristics (intangibility, contribution of external factors, an experience good) as well as peculiarities in the production structure of professional sports clubs (team production). All of these pose additional branding problems. In the following sections, these aspects are highlighted briefly in order to derive specific club branding requirements.

Professional sports clubs essentially have several central, but very heterogeneous target groups: direct/indirect audience (fans, VIPs, day visitors/TV-audience), sponsors, licensees, marketers and media. It may be inferred from this that club management has to achieve a far-reaching brand integration in all these target groups (corporate branding; cf. Meffert & Bierwirth, 2005). This indicates the necessity of a comprehensive and interlocking deployment of suitable marketing mix instruments (Gladden, Irvin & Sutton, 2001; Welling, 2004).

Another branding problem is that the services offered by professional clubs cannot be branded as such because of their intangibility. Consequently, alternative methods of branding that facilitate labelling in the physical sense need be found. In this context, all internal and external points of contact have a central branding significance (Bruhn, 2004a; Fassnacht, 2004; Schleuser, 2002). In the context of professional team sports, there are many aspects which may be considered. These include employee dress codes, branding of reference objects (entry tickets, merchandise, all sorts of printed material, which the club operates (stadium), attributes (technical, aesthetic), design parameters associated with the club brand (club colours, logos etc.) as well as emotional forms of expression such as club sympathy.

The illustrations show that the management recommendation from Elter (2003), i.e. that professional clubs should strive for an increase in brand awareness and brand sympathy, is only correct to a certain extent. Brand awareness is an essential criterion only for strong brands, and brand sympathy is just one of many brand association forms. The goal of club brand management rather has to be to equal extent and consolidate all three dimensions of the brand strength (brand awareness, brand associations, brand loyalty).
vehicles) as well as the design of the infrastructure. By infrastructure, we refer to the stadium, offices, training ground or fan shops and their branding possibilities (e.g. flags, signage as well as any other integration of colours and logo in the interior and exterior design). Furthermore, the services offered by professional clubs are experience goods (i.e. the attributes must be addressed through usage). As a consequence, it is essential to establish a club brand reputation. This can, however, only be achieved by repeated signalling together with positive brand experiences for the consumer (Bruhn, Hennig-Thurau & Hadwich, 2004; Fassnacht, 2004; Schleuser, 2002; Worratschek & Roth, 2004). In the context of professional clubs, reputation particularly in the area of management competence is of significance. In the field of sponsorship for example, established and signalled club management reputation can rectify insecurity on the part of the sponsoring companies about possible opportunistic club behaviour after the contract has been signed (e.g. little willingness to cooperate).

As already mentioned in section 2, consistent quality is a central precondition of a brand. However, service organizations in general have the problem that the performance can only be maintained to a certain extent because of the underlying customer involvement (cf. Benkenstein & Spiegel, 2004; Bruhn, 2000; Bruhn, 2004a). Moreover, professional team sport is characterized by an additional peculiarity which affects the process of performance: at least two organizations must be involved in a sporting event (team production). Because of the uncontrollable external component (= the opposing team), the maintenance of a certain level of quality poses a particular problem for the club brand management. To solve this problem, professional clubs should try to standardize their performance spectrum peripheral to the sporting event, as in this way an alternative point of reference is created for a constant perception of quality. In this context, the standardization of the following aspects should be considered: tangible and intangible input factors (event marketing; catering and service performance), personnel input factors (employees with consistently good training and experience, regulations for customer contact, sufficient stadium staff), selected performance processes and results (e.g. care of sponsors and VIPs; complaint management; time management: fixed waiting times for ticket purchase, entry, catering). Another element which contributes to a consistent perception of quality is the infrastructure in/around the stadium (closeness to the playing ground, design of the VIP rooms, size of the screens, children event park, parking possibilities, public transportation, under cover area) as well as the size of the fan community, which determines the atmosphere in the stadium.

4 Theoretical reference framework and modification

As a result of the constant changes in market and environmental conditions, brand management has undergone many reorientations in the course of time. The current stage of development is characterized by a strong identity orientation. The model developed by Meffert and Burmann (1996, 2002) presents one of the most complete
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approaches and serves as a theoretical reference framework for this piece of work. The main features of this concept will be summarized, and then the article will focus on the modifications required for the professional sports club setting.

4.1 Illustration of the theoretical reference framework

Meffert and Burmann (1996, 2002) conceptualize brand management according to the self-perception of the brand from an internal perspective (statement concept) and the external picture of the brand from the view of the target groups (acceptance concept). The self-perception of the brand is determined by the brand philosophy as the core component, as well as four brand dimensions – person, product, organization and symbol. Each of the brand dimensions is divided into further sub-components. The identity of the brand is determined by the development of some or all sub-components of the four dimensions, and hence becomes distinguishable for the customer. The external picture of the brand identity (i.e. brand image) is the result of the subjective perception of the total impulses emitted by the brand. These are uniqueness of associations, strength of associations, abstraction of associations and suitability to satisfy needs. Figure 1 outlines the model of Meffert and Burmann (1996, 2002).

Figure 1. Reference framework

4 The contributions from Aaker (1996) and Meffert and Burmann (1996; 2002) are equally significant for the development of identity-oriented brand management understanding. The choice of the Meffert and Burmann model is based on their transference of the personal and outsider perspective of identity attribution known from the social sciences on to the brand construct in the form of a market and resources orientation. As a result of this two-way perception, Meffert and Burmann achieve a more comprehensive approach than Aaker.
4.2 Modification of the theoretical reference framework

The model by Meffert and Burmann (1996, 2002) will now be modified to the professional sports club context. The goal of this approach is first to identify possible brand management elements/options and second to use those findings to design a special brand management model for the professional sports club setting. The starting points for a suitable modification of the reference framework are the importance of the different given sub-instruments in the statement concept for the chosen field of analysis as well as the implementation details deducted from the previous discussions of the economic peculiarities of brand management in the professional sports club setting. Furthermore, brand management recommendations found in specialist literature which were not considered in the systemization by Meffert and Burmann (1996, 2002) will also be integrated. Against the background of these, the following discussion will focus on how far the given management characteristics (i.e. core component as well as the different dimensions of the self-perception of the brand identity) contribute to the forming of a club brand, and to what extent the categories should be extended.

**Core component.** Concerning the core of the statement concept which Meffert and Burmann (1996, 2002) fills with just the brand philosophy, there are several opinions found in the literature which justify an extension. Bruhn (2000) in particular believes that brand philosophy alone is not a guideline for the content and the features of a brand. It should also include decisions as far as the brand goals, brand positioning and the brand strategy are concerned (see also Baumgarth, 2001; Bruhn, 2004a; Esch & Redler, 2004; Fassnacht, 2004).

**Dimension “brand as a product”.** Within the scope of this dimension, we will first examine the subelement product design. Although the packaging and product design are undoubtedly of particular importance for material goods, the model can ignore this point when referring to professional clubs, owing to the intangibility of the services offered by sports organizations. On the other hand, all the other sub-components mentioned in the reference framework represent potential brand sources. The qualitative features of sports clubs such as the actual strength of the teams and their current sporting success influence the picture of the brand to a great extent (e.g. German football record-holder FC Bayern Munich). Also, the clear geographical ties of a professional club and the opportunity to transfer affiliation to a particular region (e.g. FC Hansa Rostock as the only long-term first division football team from the new German states) must be seen as a further source of brand identity (Gladden, Milne & Sutton, 1998; Welling, 2004). The branding impact of a stringent presentation of the club at all points of sale and all other points of contact with the customer by surrogate branding activities were already discussed in the third section of the paper. Finally, the price-setting of the professional sports organization also contributes to the perception of the brand.5

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5 E.g. prices for the VIP-boxes and business seats in the first German Football League vary by more than 100 per cent (Süßmilch, 2002).
While the product dimension according to Meffert and Burman (1996, 2002) has been discussed at this point, the line of argument in the third section as well as selected opinions from academic literature point to the fact that it is necessary to extend this dimension. In the discussion relating to the specific economic peculiarities on club brand management, experience marketing (e.g. supporting game program, Arena TV) as well as customer services (e.g. sponsor and VIP care, children’s care, ticket exchange, fan telephone, catering) were identified as elements offering a positive contribution to the brand perception of professional clubs. In addition, literature often refers to Customer Relationship Management (CRM) with its approach to individualization and (service) efforts to adapt to customers needs as a branding instrument which promises success (cf. Aaker, 1996; Bruhn, Hennig-Thurau & Hadwich, 2004; Gladden, Milne & Sutton, 1998; Gladden, Irvin & Sutton, 2001; Mohr & Bohl, 2001). Moreover, an area-wide multi-channel distribution also contributes to the advancement of the clubs brand, since it ensures the desired appearance for the target groups (Bruhn, 2004a; Couvelaere & Richelieu, 2005; Mohr, 2001). Ultimately, the dimension “brand as a product” needs to be complemented by the aspect of club merchandising (purchase/usage fosters club brand presence, merchandising as a supporting tool in the club’s branding process; cf. Chadwick & Clowes, 1998; Couvelaere & Richelieu, 2005; Rohlmann, 2003) as well as the playing of show tournaments or friendly matches in addition to the league games (many of the top European professional football clubs have used such marketing measures for years in order to be present for a short time in their core markets outside Europe. For example, clubs such as FC Bayern Munich, Manchester United or Real Madrid have made regular trips to the USA or Asia. Similarly, the US-based NBA have staged practice games in Europe every year since 2004; cf. Couvelaere & Richelieu, 2005; Höft et al., 2005).

**Dimension “brand as a symbol”**. All given sub-components of this dimension mentioned by Meffert and Burmann (1996, 2002) are of central importance for the development of club brands. The club’s name, logo and colours are the primary anchors for the brand appearance of the sports organization in public and must be characterized as basic branding elements. Particularly in professional sports, the club history and traditions must be cited as an important brand source (Gladden, Milne & Sutton, 1998; Mohr & Merget, 2004). These might include a club’s heritage in certain social classes, for example the working class in the case of FC Schalke 04 or past sporting successes (e.g. FC Bayern Munich or Borussia Mönchengladbach, both of which were among the most successful clubs in European professional football in the seventies). Finally, brand communication, with its task of presenting and conveying a message, is an important instrument to define club brands. Brand communication is generally believed to have a key function in the framework of the creation of a brand (cf. Baumgarth, 2001; Benkenstein & Spiegel, 2004; Bruhn, 2000, 2004a; Esch & Redler, 2004; Esch & Langner, 2004; Meffert & Burmann, 2002; Rossiter & Percy, 2001). We contend that this is particularly applicable to professional sporting clubs, which are largely dependent on the media for much of their external communications. As the communication mix comprises many instruments, it is necessary to verify at
this point how far classical communication tools and complementary special forms of it contribute to a definition of the club brand. Brands, particularly club brands, can be seen as public, communicative phenomena: the media report on them regularly, and individuals talk about them, use them, identify with them (Bentele & Hoenfner, 2004). As a result of this public component of the club brand, particularly the public relation’s activities of the sports organization contribute significantly to the perception of the brand. A similar influence must be attributed to advertising which not only reflects the brand identity, but also, at least from an external viewpoint, shapes it (Löbler & Markgraf, 2004; Rossiter & Percy, 2001). Sales promotion in general is credited with brand-building effects (Aaker, 1991; Aaker, 1996). However, there are only a few forms which are suitable for the professional sports clubs (e.g. give-aways, lotteries, occasional pricing campaigns; cf. Gladden & Funk, 2002; Jowdy & McDonald, 2003; Pritchard & Negro, 2003). The classical tool of personal communication (field work) will be excluded from the modification owing to its limited reach (Rossiter & Percy, 2001) as well as its relatively limited importance in the professional sports club setting. With regard to the special forms of communication, event marketing offers the possibility to influence the club brand (high potential for interaction, joint perception of event and host-brand, e.g. street football tournaments, public season-opening party/end-of-season party, Fan-Christmas; cf. Burmann & Nitschke, 2005; Jowdy & McDonald, 2003; Pfaff, 2002). According to Aaker (1996), Aaker and Joachimsthaler (2001), Bruhn (2004b) or Irwin et al. (2003), sponsorships fundamentally achieve an important contribution to the sharpening of a brand. With regard to the current field of analysis, however, it is valid to say that it is in general the professional clubs themselves that are the sponsored. As there are other forms of sponsorship (e.g. social or ecological sponsorship), sponsorship also offers professional sports clubs the potential to profile their brand (e.g. support of charitable organizations in the community). This type of marketing, using social or, alternatively, ecological approaches, is also described as cause-related marketing (cf. Steinert & Klein, 2001; Irwin et al., 2003). In addition, the club homepage provides support for the branding process because of its characteristic interactivity (e.g. player chat room, fan forum, video highlights) as well as the possibility for the interested party to have regular and uncommitted contact (see Aaker & Joachimsthaler, 2001; Couvelare & Richelieu, 2005; Gladden & Funk, 2001). The remaining special forms of communication will be excluded from the

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6 Classical forms of advertising (TV and radio spots, newspaper and magazine advertising as well as posters, flyers) have only been used to a minor extent in professional sports in Germany, and one has the impression that the clubs believe that a presence in the regular media coverage is sufficient. A look at the US Major Leagues shows that advertising is used as a strategic element in a club’s communication mix (Schilhaneck, 2004).

7 Comparable with the communication tool of advertising, sponsorship is also seldom used as a possible instrument in professional sports in Germany. However, US Major League franchises have long since recognized the opportunity of this form of communication to create acceptance and build trust amongst the regional target groups and have implemented far-reaching cause-related sponsorship programmes (Schilhaneck, 2004, 2005).
modification owing to their insufficient importance for the field of analysis (exhibitions, trade shows), service-specific peculiarities (product placement and intangibility problem) or redundancies, with instruments already having been described (overlap between direct marketing and CRM). 

Finally, the symbolic dimension needs to be extended by a further sub-component in the specific context of professional sports clubs. According to Mohr (2001), the competition sites (e.g. stadium, arena) embody a great part of the club’s identity. They stand for emotions (either glorious victories or tragic defeats) and also mould, to a not insignificant measure, the perception of the club brand (see also Bauer, Exler & Sauer, 2005; Gladden & Funk, 2001; Gladden & Funk, 2002).

Dimension “brand as an organization”. The content of the organization dimension of the reference framework may be comprehensively reduced when it is applied to professional clubs. Meffert and Burmann (1996, 2002) characterize the affiliation to organizations and concerns only as a potential brand source when related to divisionalized corporations, while branch affiliation is only credited with moulding the brand identity in the context of brand transfer strategies. From the original instruments, this only leaves the sub-component of employee behaviour as significant for professional sports clubs. In the given context, we have to apply two perspectives, though. On the one hand, there is the players’ sporting performance as well as their public appearances. Both behavioural aspects are closely connected with the perception of the club brand. On the other hand, there is the contact personnel of the professional club, since from the customers’ point of view the brand is influenced by the experience gathered from the interactions with these employees. Further, we also highlight the potential contribution made by the external independent cooperation partners of the sporting clubs (e.g. caterers, security services; to a certain extent also consultants, marketers). According to Reckenfelderbäumer (2004), these form, together with the club, a so-called service network. The customer, however, generally only sees the club as the singular or central service provider (head of network) to which his total perceived quality judgement finally refers. The employee behaviour of the cooperation partners thus has a large influence on the perception of the club brand too (see also Welling, 2005; Dörnemann, 2002).

In addition to this, the organization dimension must be extended beyond the restrictions of the Meffert and Burmann model. Some academic publications on the brand management point to the close integration of corporate identity and brand identity (see Schleuser, 2002; Wiedmann, 2004). This interlocking is particularly strong in the service sector, because the customer has a more lasting impression of the company identity owing to its characteristic integration in the performance process

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8 It can be generally said that in the context of brand communication it is necessary to have consistent and interlocking instruments. If such integration is not the case, then a high loss of effectiveness must be accepted (Esch & Redler, 2004).

9 From the point of view of brand management, this identifies the requirement to monitor regularly and close the behaviour of personnel involved with customers (club staff as well employees of the club’s cooperation partners).
than is the case with material goods. The design of the corporate identity of professional clubs therefore plays an important role in the perception of the club brand. Gladden, Irvin and Sutton (2001) as well as Mohr and Bohl (2001) also point out the possibility that the club brand is extended by strategic co-operations (e.g. FC Bayern Munich and Urawa Red Diamonds, also: Manchester United and the New York Yankees, Real Madrid and Real Salt Lake). The club’s (main) sponsors also contribute – depending on the brand strength of the partner (the sponsor as a possible additional club association, e.g. VFL Wolfsburg and VW) as well as the form of sponsorship (TV advertising from the company T-Com featuring players of FC Bayern Munich) – to the profile of the club brand (Mohr & Merget, 2004). Finally, youth development programmes and the intrinsic opportunity to enhance the value of the club brand should be mentioned (e.g. well-known football youth academies of SC Freiburg or VfB Stuttgart; cf. Haas, 2002; Süßmilch et al., 2001).

Dimension “brand as a person”. First of all, this dimension needs to be reduced. Meffert and Burmann (1996, 2002) see the timing of the market entry of a product as an influential factor determining the brand perception. Owing to redundancies with the dimension “brand as a symbol” (sub-parameter “club history”), this aspect is not taken into further account at this point. In contrast, all remaining sub-parameters do represent further club brand sources. First the cultural connection can be an important branding component (e.g. “carnival clubs” 1. FC Köln or 1. FSV Mainz 05). Second, the perceptions of the typical user – in so far as the associations are well developed as in the case of FC St. Pauli (alternative class of society, fans wearing black or brown club merchandise with pirate symbols) – or the perceptions of the usage (e.g. the red or blue lit Allianz arena in Munich) contribute to a specific perception of the club brand. However, in the case of the chosen field of analysis, the dimension “brand as a person” must be extended by the following sub-parameters. Particularly those people in the public eye who are associated with the organization owing to their past or current appearances (players, trainer, manager, former idols) have to be characterized as additional elements which shape the perception of the club brand (Mohr & Merget, 2004; Gladden & Funk, 2001; Gladden & Funk, 2002). Closely connected with this aspect are strategic player transfers, which not only serve to improve the strength of the team, but also occur for revenue and image purposes (e.g. Real Madrid 2003: transfer of David Beckham; FC Bayern Munich 2006: transfer of Lukas Podolski; cf. Bauer, Sauer & Schmitt, 2004; Höft et al., 2005). In addition, the fans contribute to the external perception of the club brand through their use of merchandizing as well as the reports of their experiences to others (multipliers). Furthermore, depending on the factors “numbers” and “behaviour”, the fans have a significant influence on the stadium atmosphere.

Figure 2 provides an overview of the previously listed modifications of the theoretic reference framework when applied to the professional sports club setting.
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5 Structuring the results of the precedent modifications: a brand management model for the professional sports club setting

The modified reference framework comprises many branding options for professional sports clubs. As these have, to a large extent, no relation to each other, a suitable alignment of the different elements is required. For this purpose, the components will be put into a management process model which considers sequence and interaction of the different brand management parameters and contrasts the potential results. Figure 3 shows an overview of the approach (see next page).

Strategic level. The strategic level of the approach comprises for the most part the core elements of the modified reference framework (brand goals, brand positioning, brand philosophy, brand strategy). Before making any of these basic decisions, branding literature (cf. Aaker, 1996; Aaker & Joachimsthaler, 2001; Bruhn, 2000; Bruhn, 2004a; Meffert & Burmann, 2002) recommends a comprehensive situational analysis (e.g. ascertaining your own and the external understanding of the brand, research into customer requirements, competitive analysis). Based upon the results of the situational analysis, concrete brand goals have to be formulated. These brand goals might incorporate psycho-graphical goals such as brand awareness and brand associations as well as economic goals such as market share, turnover and profit. After establishing the brand goals, it is necessary to take decisions relating to the desired brand position (= desired positioning of the brand in the minds of the consumers in the sense of core associations which should be developed by the target groups).
The main goal of brand positioning is to achieve a distinct and maintainable differentiation vis-à-vis competitor brands. The differentiation is based on the autonomy, non-interchangeability and authenticity of the defined club brand associations. Subsequently, the brand philosophy should be formulated. It can be seen as a supporting instrument for the conversion of the brand position which reflects the central positioning elements (Linxweiler, 2004; Meffert & Burmann, 2002). Based on the decision on brand positioning, the club brand strategy (= long-term plan to achieve the brand goals) needs to be determined. These decisions might include the depth and breadth of the strategy. By way of example, the regional brand focus of SC Freiburg may be compared to the national brand strategy of FC Schalke 04 and the international approach of FC Bayern Munich. Similarly, FC St. Pauli’s target market focus on the “alternative” class of society is another example of strategic focus.

**Operative level.** Even when the club brand originates in the mind of the recipient, the professional club contributes the relevant “raw material” from which the brand picture is ultimately comprised. In this context, two components are of significance:
the essence of the brand as well as the application of instruments for building and maintaining the brand.

The essence of the brand may be viewed as the basis of the branding programme. It delivers the central core values which an organization’s branding arrangements have to rely on (Blümelhuber, Maier & Meyer, 2004). With regard to the modified reference framework, a number of features may be characterized as elements of the essence of a club brand. These features include actual sporting success, as well as the club history, the club’s arena/stadium and the personalities associated with the club. Additionally, the fan community as well as the club’s youth development programme need to be added. It should be noted, however, that in professional team sports, obvious qualitative differences amongst the respective club brand essences can be identified. Whilst a top club such as FC Bayern Munich has all the aforementioned associative elements of the essence (i.e. numerous well known personalities in the team as well as in the management; continual national and international sporting success; a new stadium; an image as the most successful European football club of the mid 1970s; the largest number of fans in the German Fussball Bundesliga), clubs with less tradition and success have persistent branding problems. Here, the club management faces the challenge of finding or creating alternative core values.

We now turn our attention to the application of instruments for building and maintaining the brand. A sufficiently attractive essence should, however, only be considered as a basic requirement in the production of a brand. Furthermore, it requires a systematic accumulation and communication of values (Aaker, 1996; Meffert & Burmann, 2002; Dörnemann, 2002). Based on the modification of the reference framework that has been undertaken, experience-marketing and customer relationship management/service performance have to be cited as additional value-creating branding tools. A pure communication function is performed by instruments such as public relations and classical forms of advertising. As both valuable and communicative parameters, corporate identity, event marketing, cause-related marketing, the club’s homepage, strategic co-operations, strategic sponsors, the discussed forms of sales promotion, merchandising, (international) show games as well as strategic player transfers, must also be recognized.

Owing to the limited resources of the professional sports organization, the question is automatically raised as to how should this list of instruments be prioritized? At this point, the following strategic orientations inspired by basic research relating to brand management may be suggested. To found these recommendations, it is necessary to return to some basic research relating to brand management. Brand associations, which are primarily relevant to buying behaviour, have been proven to be closely related to brand awareness, whereby a sufficiently high brand awareness is the basic requirement for distinct brand associations (Esch & Redler, 2004; Ross, 2006). We can deduct from this that it is necessary for clubs which are in the phase of building a brand (new league-players) sufficiently to promote awareness of their brand as well as initial first distinct associations with the brand. In these circumstances, both public relations and advertising are key and should be applied to a broad geographical
extent. In contrast, the task for professional sports clubs with a sufficiently established brand (high degree of brand awareness, e.g. consolidated league-players) lies in the stabilization of the existing brand associations as well as in the simultaneous enhancement of complementary brand associations. It is at this point that the relationship between communicative instruments and value-increasing instruments becomes manifest. By conducting cause-related sponsorships, experience and event marketing arrangements, attractive sales promotion programmes, nostalgic PR and advertising campaigns, corporate design rearrangements\(^\text{10}\) or comprehensive service offerings, further brand pictures are created which then have to be consistently spread by communication measures (especially PR).

**Yield level.** The yield level outlines the results of the previous transformation process. The result of the interaction of the strategic preliminary work, the essence of the brand and the applied value-increasing and communicative instruments is ultimately reflected in the strength of the club brand (club brand equity). However, the process of club brand management that has been discussed so far cannot be viewed as static. It requires a regular comparison of the results achieved with the goals set. Dependent on the control result, the brand management cycle must be re-run either completely or solely on the operational level.

It should be noted that the club branding process is determined by several factors. An integral club brand management requires an adapted organization (clear responsibilities) as well as sufficient employees and financial resources. Generally, the efficiency of a club’s branding measures depends on the quality and quantity of market and customer information. In addition, the characteristically large number of heterogeneous customer groups increases the branding complexity. Furthermore, the changing environmental conditions sometimes require adjustments or even redirection of the club brand management.

\(^{10}\) The corporate design concept of many German professional football clubs is distinguished by very similar symbols and colours. Differentiation has only been achieved in very few cases. With this background, it is recommended to clubs which do not have an established tradition (e.g. new league players through relegation) to look at logo redesign measures. This is not particularly common in Europe to date, whereas in the US Major Leagues it is recognized as a well known marketing strategy (NFL: Tampa Bay Buccaneers; NBA: Memphis Grizzlies; MLB: Chicago White Sox; cf. Boone, Kochunny & Wilkins, 1995; Gladden & Milne, 1999). However, the case of Red Bull Salzburg (when taking over the club, the company Red Bull changed the traditional club colours to the company’s colours and subsequently faced intensive fan protests) shows that transferring this method to Europe is problematic. Such repositioning must be carried out with the most limited loss of authenticity and with the cooperation of the central stakeholders (e.g. club colour “red” becomes “bordeaux”; quiet Logo-Redesign).
Empirical evidence regarding the importance in practice of the instruments of the club brand management model

After listing first indications for determining an order of hierarchy among the set of instruments from figure 3 in the previous section, further orientation will now be introduced.

Within the scope of a study of brand management by German professional football clubs carried out by the author, eight experts were asked about the importance in practice of the catalogue of instruments created for club brand management (Question: How do the experts rate the instruments according to their importance for the brand management of professional football clubs on a five-point scale where 1 is important and 5 is not important) (cf. Schilhaneck, 2007).\textsuperscript{11}

Table 1. Importance in practice of the instruments of the club brand management model

<table>
<thead>
<tr>
<th>Pos.</th>
<th>Instrument</th>
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<th>Exp. 2</th>
<th>Exp. 3</th>
<th>Exp. 4</th>
<th>Exp. 5</th>
<th>Exp. 6</th>
<th>Exp. 7</th>
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</table>

Table 1 shows the individual results of the experts as well as the resulting average values. The instruments have been ordered according to their hierarchy. The criterion

\textsuperscript{11} The survey methods used for the study were personal, one-to-one interviews (carried out between March and April 2007; length of the interviews: between 1.5 and 2.5 hours; total questions: 18). The choice of experts was based on the criteria “club membership” and “practical knowledge/experience”. That means that the experts had to be employed in a football club and hold a management position in this club which corresponded to the field of study. Based on these criteria, eight experts were found for the study who were either managing director or head of marketing of a football club. The clubs represented by the experts were FC Bayern München, VfB Stuttgart, FC Schalke 04, 1 FC Nürnberg, VfL Bochum (all from the Fußball Bundesliga) and TSV 1860 München, 1 FC Kaiserslautern and FC Augsburg (second Fußball Bundesliga). The responses from the experts are presented anonymously.
for the hierarchy was the average result of the importance in practice of the club branding instruments according to the experts.\textsuperscript{12}

The ranking in table 1 represents a pragmatic instrument for resource allocation and the planning of branding activities for professional clubs. It must be noted, however, that the average values of some instruments are made up of completely opposite values expressed by the experts. For example, the value of instruments such as CRM/Services, Strategic Transfers, Advertisement or Promotions vary from 1 to 4. The average values therefore hide the clearly different views of the experts in some cases. This should be considered when using this ranking in practice and should be incorporated into the decision-making process.

7 Conclusion and further research

A range of economic peculiarities in the professional team sport setting pose severe club branding problems and require the modification of common brand management principles. Consequently, the acknowledged brand management approach by Meffert and Burmann (1996, 2002) was applied to and modified in the context of professional sports clubs. The modification results were then put into a management process model which considers sequence and interaction of the different possible club branding parameters. The model illustrates the complex club brand building process, beginning with the basic strategic decisions, followed by the operational application possibilities, through to the influence on the determinants of the club brand strength (brand awareness, brand association, brand loyalty). Furthermore, empirical evidence for determining an order of hierarchy among the instruments of the model was introduced. Against the background of the deficits in brand management of many professional clubs, discussed in the introductory section, the article offers many points of orientation for the improvement of club brand management.

The following aspects should, however, be noted. The development of the brand management model for professional sporting clubs is largely based on theoretical reasoning and plausibility considerations or is founded upon practice in a number of chosen professional clubs. Owing to limited data, a reference to empirical evidence could only partially be created. The results of the study relating to the importance in practice of club brand management instruments are only of limited value as a result of the small number of experts asked (n=8). Additionally, the important aspect for management, the cost-benefit relationship, has not been considered in the establishment of the model or in the hierarchy of instruments. These aspects show starting-points for future research.

\textsuperscript{12} Comments on the composition of the branding instruments in question: within the scope of the study only those instruments from the club brand management model (figure 3) were explored which are appropriate in the majority of cases. Instruments which are only relevant to a particular type of club (e.g. the few leading teams) were omitted from the interview. This concerned the branding options “strategic club co-operations” and “(international) show games” which are only relevant to (international) top football clubs.
Finally, it should be noted that in order to illustrate the club brand management model, only examples of German league football were provided. However, the application of the model, as well as the hierarchy of instruments, is not restricted to football. It can equally be applied to professional clubs in other (media) team sports (e.g. ice hockey, handball, basketball).

References


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