

Professional paper

IMPORTANCE OF DIGITAL MARKETING IN MAJOR SPORTS EVENTS (ON EXAMPLE OF 2019 FIBA WORLD CUP AND AMG PLATFORM)

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Abstract: Using the example of a major basketball sporting event such as the 2019 FIBA Basketball World Cup, we can clearly see how sport, as a particularly dynamic social field, has found its foothold in online media such as Adria Media Group platforms thanks to companies like Roda, which have become a part of the experience of major sports competitions, thus establishing a special relationship with consumers. The Roda commercial was present for over 16 days, 768 hours, or 3,987,456,000 seconds, a figure that is unimaginable on classic media such as nation-wide TV channels. In addition to the quantitative benefit mentioned above, it is important to note that the relations with Roda consumers, namely 2019 FIBA Basketball World Cup audience and AMG internet media audience have improved qualitatively because in the virtual market consumers become creators of the offer and from the very beginning direct the features of what they will buy.

Key words: *digital marketing, sports competitions, business entities, online media.*

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INTRODUCTION

Today we are living in the world of revolutionary accomplishments in the field of marketing communications, new, continuously advancing digital technologies appear almost daily and no one can grasp the pinnacle of the Internet and the final reach of contemporary communication society. In such environment, survival in the market of economy, sport or media becomes uncertain. The goal is to find optimal strategies for marketing approach with constant education, application of new online techniques and promotion instruments, and continued cooperation and exchange of information of all target groups of the organization. The target audience(s) are precisely targeted, which requires two-way communication as opposed to previous forms of mass communication. The global expansion of internet has opened the path for new communication channels with sports media audience, with consumers offering them communication via social networks, blogs, forums, chats, all of which had an impact on marketing strategies within organizations. Organizations are becoming aware of the online opportunities and value of the digital market. Therefore, economic subjects, media, sports organizations are all aware that their consumers, viewers, listeners, audience are also in the virtual market where the fight for consumers begins with a new kind of “weapon,” means and tools without which the battle in digital marketing is unimaginable. Regardless of whether it is brand campaigns, promising people certain benefits in the long run, or if it is direct marketing with concrete offers, the common goal is always to make the sale.

This paper covers the topic of multiple sales motives, towards the customers of the Roda supermarket, media audience of Adria Media Group (AMG) and sports audience of the FIBA Basketball World Cup. There is a string of “backdrop” activities needed to reach these consumers in the real world through the virtual market. Copywriters - write stories for marketing purposes, call to action, interaction, to leave their e-mail address, buy a ticket, like a post. The search for “leads” is on - these are potential buyers or consumers, “landing pages” are created - web pages whose goal is to provide in-depth information about the product. Remarketing or retargeting is conducted- setting up ads that chase you once you visit a certain website. SEO optimization is carried out with the goal of achieving top ranking in Google or some other search engine. Viral marketing is created - content that is organically spread because people find it inherently interesting, titles are created with the promise of better living, social proofs are being built - values that are formed based on likes and comments, website banners are used for display advertising, contextual ads, Google AdWords, Facebook boosts; reach is noted - how many people have seen the content; upsell – a new, additional offer after the initial purchase, always and continuously make new offers:

Storytelling - content that maintains the attention of consumers... If we view the Internet as a digital battlefield and virtual consumers as precious to companies then we can say that digital marketing is the most diverse weapon that we have ever been able to use in marketing contests and competitions.

The following is a piece of data that illustrates the level of awareness of companies when it comes to the significance of digital marketing: the total value of digital marketing in Serbia in the last year has reached EUR29.48 million and the share of online advertising in all marketing activities is 15-20%³. The growth of the digital marketing market was no less than 25.2% but this trend needs larger growth if it is expected to move closer to the European standard - as concluded during this year's "Digital Day" conference, which definitely shows and confirms the future potential of the digital marketing market.

Defining and characteristics of digital marketing

Most definitions of digital marketing are harmonized, focusing on the means and ways to promote goods and services in digital marketing, which is in fact using digital communication channels with the aim of delivering a message to primary audience. "Electronic marketing in broader terms is marketing using electronic media and techniques and technologies based upon them." (Perčić, 2018,p.60) If we are using online strategies to promote and sell products and services we could say that we are implementing digital marketing. "Digital marketing enables the consumers, companies and other stakeholders to create, share and access digital content." (Quinton, Simkin, 2016 p.18). Direct electronic marketing as one of sub-systems of the electronic marketing uses various electronic media, means, tools, technologies, techniques and systems to share information or achieve a measurable response, or transaction. In direct electronic marketing, there has been an increased use of contemporary electronic media, such as smartphones and the Internet, so we can speak about promoting goods and services using the Internet, smartphones and other interactive channels of communication with the consumer. "The key moment in developing this media was the launch of the World Wide Web service (WWW) in 1991." (Ognjanov, 2013, p.236). This is the moment when the buyers and sellers met in a new virtual market. It is because of this that when we speak about digital marketing today we refer to the promotion of online businesses and connecting with the target audience which is the basis of digital marketing. The advantage of the aforementioned www service is that it allows for combining image, sound, text, video, graphic design... which represents the main commercial spotlight on the internet, a new market, a new source of information but also a new channel of

³ <https://digitalday.rs/>

communication between companies, consumers, clients and spectators, when it comes to sports. Activities that digital marketing is based on are constantly developing to better suit the habits of Internet users. It is vital to know the habits of online users, their interests, and preferences regarding products and services to have an adequate focus on promoting certain products and services.

Digital marketing uses all the advantages of the Internet, through different promotional activities with the goal of grabbing users' attention. The focus is on finding the way to explain to users why they should dedicate their time to browse a website or consume certain information and products.

This type of marketing is constantly developing just as many technologies based on the Internet, enabling everyone to be online at any time and place. This level of flexibility presents a revolution in the way of communication, because now we can reach our target audience and get feedback at any time. This opens incredible opportunities for promotional activities and two way communication with consumers in real time. This way of communication has had a significant impact on all aspects of human existence, and particularly for sports has enabled global visibility to millions across the globe. "The role of digital marketing to certain target groups of buyers is very important, an unrivalled means of communication." (Domazet, Cvetkov Čikošev, 2019,p.34) Why do we speak about digital marketing as an inevitable means of communication, sales, promotions? Precisely because the application of digital marketing is the basis of differentiation in the competitive market for many companies. "With adequate planning of digital media activities as well as publishing interesting content makes timely communication with the consumers drastically easier (Kocić, Radaković,2017, p.153)." What particularly needs to be kept in mind is that once the relationship with the consumer has been established, we should try to maintain this as a long-term activity, which is not at all simple taking into account that the contemporary consumer is exposed to a variety of available information each day.

Goals of digital marketing in major sporting events

The sports market creates its own supply for the buyers through sporting events. What differentiates buyers in the sports market are their specific needs for a sporting experience. " Through sport events the fans are directly fulfilling their own need for a sporting experience, because when buying tickets, annual admissions, fan merchandise, subscriptions to TV channels, sport press and publications, sport-related products, they are purchasing and paying for their own sporting experience with all its traits."(Gašević, 2004, p.81) "Through sports events the fans are directly fulfilling their own need

for a sporting experience, because when they buy tickets, annual admissions, fan merchandise, subscriptions to TV channels, sport press and publications, sport-related products, they purchase and pay for their own sporting experience with all its traits” (Gašević, 2004, p.81). The media has always used sporting events to achieve their own numerous goals. One of the first ones is definitely keeping up with sports contests to satisfy the spectators’ need to be informed, but another significant goal is purchasing broadcasting and advertising rights.

Today, we can still acknowledge the importance of TV broadcasting, through which a company strives to be a part of a major sporting event but we also have to underline the significance of the online presence of major sporting events and companies. If the saying that if it wasn’t on the TV, it didn’t happen was true before, today the very same phrase is fully applicable to the Internet and social networks. The data from the Statistical Office of the Republic of Serbia proves this – the frequency of Internet usage in September, October and November 2019 for Serbia is 77.4 %, with a total of 3,810,000 people using the Internet daily and 70.8% of the population having an account on social networks. According to the last available data, more and more people shop online, and they list the most frequent types of using the Internet for personal reasons. No less than 75.6% uses the Internet to read newspapers or magazines online, 75.5% to get the available information about goods and services, while 67.8% takes part in social networks, which is one of the most crucial strategies for communication with consumers. Media outlets have recognized this new virtual market very early on, realising that the Internet is a media that brings together: TV viewers, radio audience and newspaper readers. All the media have their online platforms that function not only as a support to the classic media but dominate the frequency of use.

Sport as a particularly dynamic social area has found a stronghold in online media, particularly in case of major sporting events. Companies have recognised the potential of this media for creating close relationships with consumers and significantly advance their business practice. As an example in today’s Serbia we can single out a big company, RODA, that has become a part of a major sporting event experience, the 2019 FIBA Basketball World Cup, via various media outlets, and using the digital platform of Adria Media Group, which is the subject of analysis of this paper. Roda’s commercial was on for 16 days, 768 hours or 3,987,456,000 seconds. As a comparison, if we know that the average price per one second of the commercial on the national television RTS 1 is RSD3.689 net⁴, we can conclude that for 768 hours of commercial during the 2019 FIBA Cup RODA would have spent a 14-figure amount: RSD14,709,725,184,000. This shows that RODA have chosen an optimal way to maintain the visual communication with

⁴ file:///C:/Users/Win10/Downloads/Cenovnik%202019%20SEKUNDE.pdf

their consumers during the World Cup, thanks to the timely and readily available information and publishing interesting content on one of the most visited websites in Serbia⁵, kurir.rs. To an extent, the AMG platform uses a few of the most basic techniques: advertising, analytics, search engine optimisation, social networks and copywriting. When it comes to a combination between a high profile company and content sponsor such as Roda, and a major sporting event, advertising becomes the most used technique. It is crucial to pick the right content (text or video) to sponsor, set the time (for before, during and after the FIBA World Cup) and determine the target group for receiving the message - this is the only way that digital marketing can reach its full potential. Of course, without a high number of site visitors and content consumers we cannot speak about successful digital marketing. A high number of Kurir online visitors, according to Google analytics, with over 2 mil visitors monthly and holding 2nd place⁶ (after Blic) works in favour of RODA's marketing strategy. Advertising technique is based on the combination of paid advertising on social media platforms and paid search results to increase the visibility of the website and certain posts.

The SEO method involves using different strategies to improve the ranking of a certain site in the search results. "Better ranking for a website means more visitors, and looking from the perspective of e-commerce, for companies that use internet advertising, this means more users, and bigger profits." (Perčić, 2018., p. 96). The goal of SEO is to bring new users to the website using different search engines (Google, Yahoo). By choosing the right keywords for the site description, a client's web presentation is taken to the top of the search results in their niche. As an example. Kurir online uses as many tags as possible with every post to encourage high visibility (for example, if the topic is Red Star, the tags used are: Red Star, soccer, sport, player name, venue name, Superliga, Champions League...). The advantage of Kurir is the domain authority, which is the reason that Google "pushes" posts to the top of the search results so many internet users decide to click and read the news.

Journalists on digital platforms are in the role of "copywriters" and digital marketers, as they are tasked with creating relevant content to grab the attention of the primary audience. Posts are created with websites in mind but also for continued use on social networks and YouTube. Setting up blogs for target audiences can also create additional interest with potential consumers.

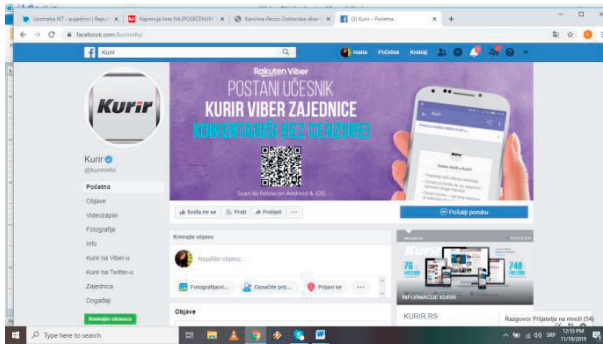
Thanks to social networks digital marketing is defined as two-way marketing with a direct connection and feedback from the audience.

⁵ <https://www.blic.rs/vesti/drustvo/najnovija-lista-najposecenijih-sajtova-u-srbiji-jedan-veliki-rekord-i-jedna-velika/wnftfvj>

⁶ <https://rating.gemius.com/rs/tree/32>

Social networks allow for the possibility to inform and communicate with the audience directly, as well as using the feedback to improve services or products. To keep an account growing, it is necessary to maintain diverse and creative content and use different methods of approaching the audience, providing them with motivation to communicate and recommend the account to other users. Kurir's official Facebook page (Picture 1) shows the activity on all social networks and the formation of the Kurir Viber community.

Picture 1. *Presentation of official Kurir Facebook page*



An especially important technique in digital marketing is analytics, which refers to detailed analysis of the visitors that are not only passive readers but also leave comments, likes, share or forward the content posted on social media. If it is known where to recruit the target audience, desired consumers, media or sports audience, their gender and age, occupation and preferences, then success in marketing is guaranteed because then the best way to communicate with them will also be known.

Roda's presence on AMG online platform during FIBA 2019

In cooperation with RODA, AMG have conducted a project for the 2019 FIBA World Championship in China, from 31st of August to 15th of September 2019. The project requirements were that AMG was to produce a certain amount of content (text and video) to be posted on kurir.rs and espresso.rs websites, as well as in the printed edition of Kurir. Roda was the sponsor of the reports, and the company's interest was grounded in the fact that kurir.rs is one of the most visited websites in Serbia and also that the Kurir newspaper is at the top of their category in Serbia.

An ad for Roda appeared the beginning of every video report on the World Championship (Picture 2).

Picture 2 Linking RODA brand with the 2019 FIBA World Championship, examples of pop-up and web banners.



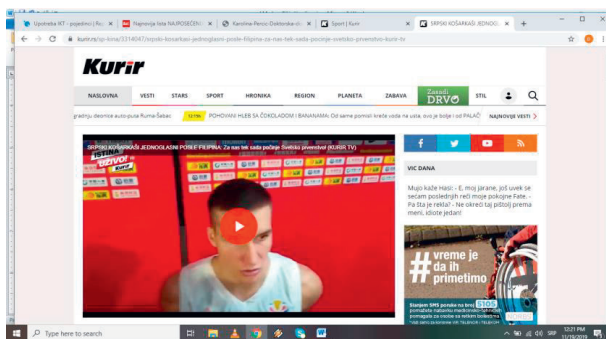
It should be kept in mind that the prices of ads per second are far lower on websites than those on TV channels. Also, the message that is sent will reach the target audience with much more precision than when compared to TV commercials because online ads are connected to content consumed by the target audience.

Roda has been keeping their company image closely related to the Serbian basketball team for years now, so it is no coincidence that this event was chosen as an advertising opportunity. Roda used other agencies in addition to AMG, but for the sake of this article, we will limit our analysis to the cooperation between AMG and Roda.

In the aforementioned period 357 video clips were published on AMG group websites (Picture 3) from reporters from China. Each of these clips included a Roda ad. Keeping in mind that each of the video clips had an average of 2700 views, we can conclude that during the World Championship in China, the sponsored ad was played 963.900 times.

Picture 3 Example of AMG video clip during 2019 FIBA World Championship

Source: <https://www.kurir.rs/sp-kina/3314047/srpski-kosarkasi-jednoglasni-posle-filipina-za-nas-tek-sada-pocinje-svetsko-prvenstvo-kurir-tv>



Keeping in mind that Roda's ads were played with video clips related to the Serbian national basketball team a few days before and after the Championship, the total number of played commercials is over one million - just from video clips and reports.

During all 16 days of the championship, short TV shows: "Experience the Championship" were aired live from the AMG studio, in average duration of 20 minutes. There was a video wall behind the host and guests showing Roda's company logo and ads. These clips were available online on AMG's websites and platform for a few days after live airing. Nine thousand people have viewed each show (on average) which totals up to (9000x16) 144 thousand views. The ads on the video wall behind the host were aired for 768 sati. 3,987,456,000 seconds.

Picture 4. TV show "Experience the Championship" aired live from the AMG studio



Roda's marketing benefit is definitely 768 hours or 3,987,456,000 seconds of airing the ad on an Internet-TV channel and a million views of commercials from the 15-20 second clips. AMG's fee for this service was RSD5,2 million (around 44,000 EUR) which is far less than the comparative price per second on a national TV channel, where this amount would result in 3000 times less the amount of seconds – i.e. RTS would air 1,417 seconds of ads instead of the 3,987,456,000 seconds received on the AMG digital platforms. During the Championship, the number of visits to the AMG sites has gone up 38% compared to the period before the championship. This shows the importance of major sporting events in all activities related to digital marketing.

CONCLUSION

The example analysed in this paper is just one in line of many cooperation agreements between sports sponsors and media in Serbia. This cooperation is still primarily focused on television, because live airings of matches still have the biggest number of viewers so the ads played during commercial breaks and even immediately before and after the match still reach out to the largest number of consumers of company's goods and services.

Still, lately there has been a rise in the number of companies that allocate their budgets towards website and social network advertising. For far less money spent on advertising, companies get significantly longer air time but the main benefit is that their ad targets the audience that is the most likely to purchase their goods and services, unlike TV ads that will show the ad also to people who are not at all interested in the advertised goods or services. This is achieved by adapting the content to a specific target group. If we want to reach, for example, the female audience (that is usually not particularly interested in the match) the websites will offer clips related to how female sport players dress, for instance. These short clips (20 - 30 seconds) have a high number of views and an ad from the sponsor is added to the beginning of each one. This way it is possible to add advertisements to content that is indirectly related to sport from companies whose products are not typically included in commercial blocks during live TV airings – such as makeup, shoes and clothing manufacturers. The advantage of online advertising is that the viewers can watch the clips at any time of the day - when it is convenient for them rather than at a specific time as required by the TV airings.

The awareness of the significance of digital marketing is on the rise in Serbia, especially in the economic sector (sponsorships). The issue is that this significance has not yet been recognised by clubs, teams and sports associations. People from so-called “small sports” associations clubs have not yet accepted the experiences of their foreign colleagues in gathering the profit in any way other than from the state budget allocated for their sport.

The initiative for this kind of cooperation usually comes from the media and somewhat more rarely from the sponsors. Sports associations have very few people educated for this type of advertising. A solution to the problem is the education of marketing teams in sport organisations by organising conferences and teaching them how to acquire additional profits for their teams or associations and sharing experiences from the countries where digital marketing is much more involved in sport than in Serbia.

Manchester United is a good example of the use of digital marketing to the fullest extent in sports⁷. This club has launched a digital app which

⁷ <https://www.independent.co.uk/sport/football/news-and-comment/manchester-united-leading-digital-commercial-sina-weibo-mutv-a7595371.html>

will make their own TV channel accessible in 165 countries worldwide. Their calculation is clear. It's estimated that there are around 658 million fans of Manchester United in the world. If only 1% of those were to subscribe at 1 GBP per month, the club stands to profit 80 million GBP per year. And this is only a part of the profit. The second, far larger profit comes from the commercial partners that wish to bring their brands to their target audiences using the Manchester United TV app

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