

EXECUTIVE SUMMARY

Spectator Public Relations is an agency dedicated to helping sport organizations better connect with their fans by utilizing its expertise in the sport industry with both internal and external communications. Spectator PR was created because the founders felt that the fans' interests were not being taken into consideration by professional sports leagues. Spectator PR values its stakeholders, who range from clients to media to employees to affiliates to fans.

There are four essential goals that Spectator hopes to achieve by the next fiscal year: increase revenue by 10%, raise Spectator's brand awareness among sports executives by 15%, conduct marketing research to support campaigns and help attract new clients, and create a media training division. In order to accomplish these key goals, Spectator PR has implemented numerous strategies. First, the agency will increase the number of requests for proposal (RFP) that it responds to and will also take a greater initiative to reach out to and attract new clients. Second, Spectator will target select publications like the *Sports Business Journal* and *PR Week* with an advertisement campaign designed to peak the interest of the target executive. Third, the agency will hire a marketing researcher to handle smaller research objectives and will then outsource larger researching efforts to Turnkey Sports & Entertainment for improved credibility of results. Fourth, Spectator PR will create its new media training division by taking on and training the executives and athletes working for any of its current clients and then word of mouth will help the agency obtain new clients for added "easy" revenue. These strategies have been proposed after analyzing internal and external environment that could have posed as a strategic issue.

MISSION, VISION, & VALUE STATEMENTS

MISSION STATEMENT

Spectator Public Relations strives to create and implement innovative public relations campaigns for professional sports leagues, teams, and athletes that will allow them to connect with fans. Spectator is also committed to delivering informed public relations services based on a superior knowledge of the sport industry, a real understanding of the issues that affect both our clients and their customers, and a genuine enthusiasm for what we do.

This mission statement tries to describe everything that Spectator is trying to accomplish throughout the life of the organization. The mission statement is the official goal of the organization and defines the purpose, what businesses it is in, and determines its principal customers, users, or clients. This mission statement is the foundation for the strategic planning process that Spectator PR has developed in order to provide direction for the future of the organization.

VISION STATEMENT

Spectator Public Relation's vision is to enhance the communication within the sports industry internally and externally.

The vision statement allows the executives of Spectator to develop enthusiasm and excitement about the fundamental values and purpose of the organization. Spectator's vision is clear to the executives of the organization, in that they want to advance the

current forms of communication in professional sports in order to produce a more fan valued image for the leagues.

VALUE STATEMENT

Spectator Public Relations was created because the founders felt that the fans' interests were not being taken into consideration by professional sports leagues. Spectator hopes to operate in the best interest of the general public, and work along with the leagues and their athletes to ensure that the public's voice heard. Spectator values its stakeholders and knows that the sport industry would be nothing without the fans. The fans are the foundation of any successful sports league, and without satisfied fans, the league would truly suffer. Spectator wants to make sure that the leagues understand the fans' values, but also wants to ensure the needs of the leagues are met when forming a public relations campaign.

The most important customers for Spectator Public Relations aside from the client itself are the fans. The purpose of the communication plan that Spectator will try to develop for professional sports leagues is to make teams more accessible to fans, and make them feel like owners and players value them. All of the employees of Spectator are die-hard sports fans, and their main goal is to make the fan experience better by focusing on their own self-interests. When coming up with the values statement, Spectator researched what they thought the values of the customers, stakeholders, employees, and community were, and tried to implement all of these values into the organization. The customers would include the sports leagues that are clients of Spectator, and it is important for their interests to be met if the campaign is going to be successful. Spectator

can only be successful if they meet the values of their clients, so it is important for Spectator to take into account the priorities of its stakeholders.

STAKEHOLDERS

There are many stakeholders involved with the success of Spectator Public Relations because of the nature of the sports industry. The main stakeholders that the organization is functioning for are the leagues, owners, players, fans, media, investors in Spectator, and finally the employees of Spectator.

GOALS AND STRATEGIES

INCREASE REVENUE

Spectator Public Relations aims to boost its revenue by 10% by the next fiscal year. In order to boost revenue by 10% by the next fiscal year, Spectator PR must ultimately increase the number of clients it has. Large corporations like Adidas and Nike may request for a proposal (RFP) in order to have agencies compete for the opportunity to work for said company. By responding to these requests, Spectator PR should win some, but not all, of these accounts and that will result in an increase in client numbers. In addition to returning RFPs, Spectator PR can also actively pitch targeted potential clients with integrated communication proposals. While there would be no guarantee that these companies would bite and actually hire Spectator PR as a result of this pitch, it would help increase awareness among Spectator's ideal customers. Additionally, the agency can propose new campaign ideas or ways to extend a campaign with current clients, as that would increase the company's allotted budget for Spectator and ultimately

lead to a boost in revenue for the agency. Finally, Spectator PR must focus on customer satisfaction to ensure that current clients remain with Spectator as the agency of record (AOR) as a client loss would result in decreased revenue.

RAISE BRAND AWARENESS

By this time next year, Spectator Public Relations aims to raise its brand awareness by at least 15% among targeted sports executives. To have a starting point, Spectator PR will hire a research company like Turnkey to survey sports executives and record their awareness of the agency. In order to increase this percentage over the span of a year, Spectator will target select publications like the *Sports Business Journal* and *PR Week* with an advertisement campaign designed to peak the interest of the target executive. In addition, Spectator will pitch a variety of publications to promote the great work done by the agency to raise brand awareness.

CONDUCT MARKET RESEARCH

As more corporations start to seek evidence of the possible return on their investment, Spectator Public Relations hopes to conduct more marketing research this year and integrate it better into their campaigns and pitches for services. Spectator's strategy to accomplish this goal is two-fold. First, the agency will hire a proven marketing research professional with experience studying the sport industry. This individual will be asked to monitor other research being conducted in the field, generate ideas for useful research that Spectator PR could conduct, and conduct background research through surveys and informational interviews. Second, Spectator will outsource its larger marketing research needs to Turnkey Sports & Entertainment, a renowned

sports research company, so that the results are viewed as independent and with added credibility. By using more marketing research in the coming year, Spectator PR will have more fodder for press releases as well as strong supporting material for any RFP or campaign proposal.

CREATE MEDIA TRAINING DIVISION

By the end of the next fiscal year, Spectator Public Relations plans to have a media training division set into motion with at least two employees in the division. Within five years, Spectator hopes for the division to be a strong revenue generator for the agency as well as the ideal way to raise brand awareness among Spectator's target audience. Initially, the first clients for the media training division may be through the agency's current clients as there has already been an established relationship. As positive word of mouth spreads, Spectator expects the opportunities to quickly grow in number throughout the sport industry.

APPENDIX: STRATEGIC ANALYSIS DATA

EXTERNAL ANALYSIS

When analyzing the external environment of the sports industry, Spectator Public Relations needs to look at the political, economic, and social trends of that environment. When looking at the political trends of the sports industry, Spectator needs to focus on the concentration of power in the leagues and also the climates of each league. In order to understand the economic trends of the industry, Spectator needs to also look at consumption patterns of the fans, because they are one of the main reasons why the

organization was developed. Finally when looking at social trends of the industry, one must consider traditions of the leagues as well as history.

POLITICAL ENVIRONMENT

The political environment of the sports industry is a perfect example of the “haves” and the “have-nots”. The “haves”, also known as the owners and commissioners of the league, have all the power when it comes to making decisions on the direction the league hopes to go in the future. If Spectator wants to implement a new PR campaign, which would involve more fan involvement in the league, it must go through the team owners so Spectator must understand the climate that the owners try to instill in their leagues. The owners are able to put a barrier on the amount of teams allowed in the league, and this is an action and characteristic of the industry that Spectator needs to understand in order to relate to the owners. By understanding the role politics play in sport, Spectator will be more effective in all PR campaigns.

ECONOMIC ENVIRONMENT

When looking at the economic environment, it is important for Spectator to observe the consumption patterns of the fans and other stakeholders in the sports industry to see where changes could be made to boost consumption. The vision of the agency is to help clients communicate better internally and externally. If the fans have more contact with the owners and fans, they may be more willing to consume more sports because they feel that the leagues finally see that fans are important for the survival of the sport. By increasing their consumption patterns, the leagues will be able to ultimately observe a growth in revenue. It is important for Spectator to have a grasp on the economic

environment of the leagues, because in order to convince leagues that their public relations campaign is crucial to ensure the survival of sports leagues, they need to show growth in economic activity.

SOCIAL ENVIRONMENT

The final environment that is important to understand when performing an external analysis is the social environment. This includes traditions and history related to the sports industry, but also class differences amongst fans. Spectator needs to understand that there are traditions of the league that they cannot throw out the window if they expect the public relations campaign to be effective. An important part of a league or team, not only for the owners, but also the fans, is the history and traditions of a franchise. In order to avoid alienating fans, Spectator must make sure it has a clear understanding of the traditions and history of the leagues that it is forming a partnership with. Another social environment issue is class differences between owners and fans, but also between fans. Spectator must work with the owners to educate them on the class differences between some fans, and make sure that every fan feels that the team is taking them into account when making decisions. This may include, but is not limited to reduced price nights, a family night, or even a fan appreciation night where season ticket holders are given a gift for their ongoing support for the franchise and league. The social environment is the most important one for Spectator to focus on because the mission of the organization is to create a public relations campaign that will enable leagues, owners, and players to connect with fans, as well as each other. In order for this campaign to be successful trends and social nature of every stakeholder must be taken into consideration.

INTERNAL ANALYSIS (SWOT)

STRENGTHS

- Most Spectator PR employees have been involved in professional sports. Many have worked PR for teams and some employees are ex-professional athletes.
- Spectator has an extensive knowledge of the sport industry.
- Spectator has already made relationships with many professional sports leagues.

WEAKNESSES

- Spectator is a young organization and has a small amount of revenue income so in order to achieve many of its goals it had to form some unbalanced partnerships.
- Spectator has a small work force and does not have the resources to take on many contracts until they make a name for themselves in the sports world.
- Spectator PR does not utilize much marketing research.
- Spectator PR only offers media relations and internal communications assistance.

OPPORTUNITIES

- Attendance has been declining for sporting events because of the price of games and the lack of interest some owners show in their fans. Spectator can effectively show organizations how to bring people back to the games.
- Most Americans care more about sports than they do world news. There is always a need for a new public relations agency to help leagues bring fans to the games.
- Fantasy sports are a huge part of the industry now. Spectator can take advantage of fantasy sports by allowing fans to enter a contest and compete in a fantasy league with team owners and players. This will benefit the leagues by letting fans know that owners and players want to interact with the fans.

THREATS

- Many organizations are cutting costs due to the poor economy and public relations agencies may be among the first cut in the budget.
- Some of Spectator's digital strategies in its campaigns do not yet have a proven return on investment, which may be hard to swallow for some potential clients.
- There are many public relations agencies in the market that have more established name recognition in the market creating potential uncertainty among Spectator's target client audience.

LISTING OF STRATEGIC ISSUES

Key issues that our organization must address through use of this strategic plan include:

- Struggling economy may cause teams and leagues to turn to their own PR practitioners instead of hiring an outside agency.
- Many of the internet-driven strategies recommended by Spectator PR do not necessarily have a proven return on investment, which could become a problem when teams try to cut costs due to the economy. How can teams and leagues be sure that these suggestions are effective and worth the price tag?
- Currently, Spectator PR does not conduct much marketing research, which can harm the development for new products (campaigns). A lack of research supporting the agency's claims can result in the failure of a pitch to a potential client or even the loss of a client to another agency.
- Spectator PR focuses too much on just media relations and internal communications for its source of revenue. The agency is missing out on valuable and "easy" revenue by not offering media training for athletes and executives.