

Business management of the sport industry by considering the digitalization

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ABSTRACT

Background: In the present era where the concepts of communication, competition, customer orientation, business are inextricably linked, e-marketing as an element of existing business, plays a pivotal role in maintaining and surviving businesses by attracting and retaining customers, identifying and introducing products. **Objectives:** The purpose of this study is to investigate the challenges and opportunities of digital marketing in the sports industry and to provide a solution for the development of e-commerce in the sports industry. **Participants and Methodology:** Because marketing is an intermediary between the producer (supplier) and the consumer and plays a key role in the prosperity of business goals of commercial enterprises, the prosperity of sales (product or service), will expand production and increase revenue levels. **Results:** This article tries to examine the effect of e-marketing on the sale of sports products. The results showed that technical challenges do not hinder the implementation of e-commerce in the country's sports industry, but managerial challenges as well as socio-cultural challenges to some extent, hinder the implementation of e-commerce in the country's sports industry. The ranking of the three challenges were: Managerial, Socio-cultural, and Technical challenges, respectively. **Conclusion:** Economic, commercial and social institutions will support new media as a means to expand their sphere of influence and attract audiences and customers of their goods, products, services, ideas and beliefs. Therefore, e-marketing in the form of a set of marketing activities through the World Wide Web is considered as the most extensive and influential communication network and currently many individuals and companies.

Keywords: Business management; Sport industry; Digitalization; E-marketing; Managerial challenges; Socio-cultural challenges; Technical challenges.

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INTRODUCTION

In today's world, sport is no longer a hobby, sport is a lucrative industry that has a high potential for attracting sustainable foreign investment. Sport is a relatively healthy competitive arena for the confrontation of nations and a tool for the transmission of cultural ideas, and it is the economic sector of sport that drives this industry (Sigov, Minaeva, Anevsky, Lebedev, & Minaev, 2021; Budovich, 2021). Sporting events have a tremendous impact on the economies of countries, traces of which are evident in their transition to economic development or emergence. In the contemporary world, the number of Olympic medals and world cups is a symbol of economic, political power and the size of the world superpowers in the stages of progress and development. So that sports space is one of the indicators of a country's development and is a politically popular and prominent industry to which politicians pay special attention.

E-commerce is growing at an incredible rate. Based on the available evidence, e-commerce continues to grow. Many companies are looking for it. E-commerce has created a competitive environment for organizations and all organizations, large and small, have an equal opportunity to achieve success through e-commerce (Baena, 2016). In Lopez, Pizzo, Gupta, Kennedy, & Funk, (2021) states that sports organizations will be much more desirable to target markets via the Internet, and this justifies the movement of organizations towards online presence in the markets. Especially since the demographic characteristics of Internet users are similar to those of sports fans. For example, some demographic characteristics of Internet users in North America, including higher education, social and economic affiliation, as well as male gender and an average age of 18 to 34, are exactly the same as the demographic characteristics of the National Football League, the National Basketball Association. It is the National Hockey League and the American Baseball Premier League.

By using the Internet, the cost of preparing, processing and using information is reduced (Kompalla, Geldmacher, Just, & Lange, 2017; Berlak, Hafner, & Kuppelwieser, 2020). The geographical and temporal distance of the markets disappears and international trade becomes a continuous and borderless arena. In fact, effective information management shifts traditional advantages, and this management emerges as a strong competitive advantage in the business arena. One of the important benefits of using the Internet in business is the reduction of business operations and saves 21 to 70% in the costs of various business activities (Dellarocas, 2003; Milićević, Ilić, & Sofronijević, 2013). Considering the above-mentioned cases, the present study has presented the challenges and opportunities of implementing e-commerce in the sports industry with a comprehensive approach in order to record and compare the details of this economic model, the ground for sports to benefit from new technologies and access to resources. Prepare new finances and reduce reliance on government assistance.

METHODOLOGY

Digital marketing is a profitable way for businesses involved in the sports industry. Digital marketing is the promotion of products or brands, brands, services or individuals through various electronic social media channels (Instagram, Twitter, Facebook, YouTube, websites, online games, mobile applications) that allow you to: Examine your marketing strategies to determine performance in real time. Through social media, sports industry activists can attract fans to new communication channels that can be assessed as a new business opportunity with financial support. Social media is the shortest, fastest, and most direct way to reach your audience through athletes in that particular community who are more credible than others. Millions of athletes are interested in what they do every day, what they feel, what they consume. Sports fans also love social media. That's why digital sports marketing is a great opportunity to reach millions of sports fans.

According to reports, fans often post their reactions and interest in the game on social media while watching their favourite sports or check the statistics of their fantasy teams. Sport is an ideal platform for digital marketing because it is essentially a series of unpredictable events one after the other. Game changes can happen at any time, which means that marketers cannot wait for hours after the game to interact with fans. This allows sports marketers to interact with their fans in an intimate and personal way. But doing so requires adhering to a precise strategy. Sports fans are, by and large, one of the largest audiences in the world. From the love of basketball in the United States to football fans around the world, sports gather more than anything else. This is a dramatic growth since the birth of the Internet. Most sports fans everywhere are now members of an association or fan group and can share their experiences and ideas instantly.

The general research method used to conduct this research is descriptive and survey type. Therefore, it can be said that a descriptive research survey has been used to implement it. In this study, a questionnaire method was used to collect information. The e-Commerce Implementation Challenges Questionnaire was used, which includes three areas of managerial challenges, technical challenges and socio-cultural challenges. The questions were traded on a five-point Likert scale from strongly agree to strongly disagree.

The questions of the mentioned questionnaire related to the implementation of e-commerce (30 questions) have been prepared. In order to check the validity, the validity of its content was confirmed by applying comments and corrections made by professors and experts in the field of marketing and sports management. Cronbach's alpha test was also used to determine the reliability and the reliability coefficient was 0.87. The statistical population of this study includes experts and thinkers familiar with the subject of e-commerce and sports marketing and related topics and those involved in sports, and in the end the statistical volume was estimated at about 250 people. According to the size of the statistical population, the whole population was selected as a statistical sample. Data were analysed using one-sample t-test and Friedman analysis of variance to rank the challenges. Finally in this method, we propose the challenges and opportunities in digital marketing application in the sport industry highlighted and they have been discussed by reviewing the previous works.

Digital marketing opportunities

Reduce the cost of introducing and supplying products

One of the most important opportunities that digital marketing creates for business owners compared to traditional methods is to reduce advertising costs, introduce and offer goods and services to the general public. As far as it can be claimed, digital marketing has reduced advertising costs to zero. Therefore, an arena with a very high capacity has been created for all business owners to easily make all their products and services available to the public.

Introducing your products globally

As you know, cyberspace is not limited to geographical borders, so you can say that you are on the side of a world without borders. For this reason, digital marketing in online space not only affects the regional and geographical level, but you can target all users, all over the world, for your products and services. So, another online marketing opportunity is the possibility of unlimited access to websites and web pages by users, so we suggest that you introduce your products at least in the international language on your agenda.

Easy and fast communication with customers

Another digital marketing opportunity is easy and fast communication with customers and all users online. Anyone who has experienced traditional marketing has easily noticed the dramatic changes that have taken place in digital marketing. Awareness of customers' comments, suggestions and criticisms, the possibility of

measuring and measuring customer satisfaction with goods and services, the possibility of constant communication with users, etc. are among the benefits of digital marketing.

The challenges of digital marketing

Impossibility of direct access to the product

One of the main challenges of digital marketing is the lack of customer access to products and services in person, directly and tangibly, although with the advancement of technology this problem may be solved one day, but customers still expect to see the products and services offered up close. To make sure of their purchase.

Possibility of further violations in internet marketing

As you know, the possibility of violations and scams in this style of marketing is more than its traditional models, in other words, in traditional marketing due to the direct presence of the marketer and the customer and the face-to-face communication between them, the possibility of counterfeiting or advertising and introduction Contrary to reality, it is greatly reduced. But in digital marketing, companies and manufacturers of goods and services can exaggerate the introduction and promotion of their products. Increase access time to goods and services In Internet marketing, however, due to the cyberspace platform, the time to send products to customer's increases, especially if the suppliers of goods and services are in distant cities, customers have to wait a few days for the product to arrive. This is a challenge for internet marketers in convincing users in cyberspace.

Inability of people to work with new technologies

With all the educational advances made in cyberspace, there are still users who are not able to work with the Internet and new communication technologies in general, so the limitation to digital marketing poses this threat to business activists. To lose part of their customers. So, it's better to keep an eye on traditional marketing methods as well.

RESULTS

Definition of Sports Economics Sports Economics refers to the application of economic theories to the analysis of sports activities or, to be more precise, sports economics to evaluate issues and patterns of optimal allocation of resources in three areas: sports performance, sports production and sports development. The sports industry is a set of activities related to the production, exchange and marketing of sports goods and services that play a role in promoting added value. Various aspects of sports economics

- 1- Direct and indirect employment
- 2- Production of goods, equipment and food supplements in sports
- 3- Export of sports goods and services (international trade)
- 4- Tourism boom and development of local markets through sports events , Publications and TV broadcasting rights
- 6- Establishment of extensive sports facilities and facilities
- 7- Cultural and security issues
- 8- Increasing public welfare and social and human capital in society
- 9- Olympic medals (international fame and competition)

The market structure in the sports economy is "*competitive balance*". In the sense that sports teams will generally perform better if the existing teams are of good quality. The point of interest in sports economics is the existence of positive side effects (Externality) for society and other economic sectors such as physical and mental health of society, attracting tourists, promoting social capital (strengthening teamwork and discipline, competitive spirit, national spirit, fair play) And which justifies government investment in this sector. Sport is not only a lucrative industry at the national level but can greatly contribute to the development of local and small economies. Strengthening the structure of the market and sports laws at the provincial and

regional levels can help the growth of the sports industry and the resulting economic benefits in these areas. Perhaps some aspects of sport, such as infrastructure costs in the early stages in a country like Iran, are considered a public good and have failed in the market and require government intervention and support to use scale-based returns, sports units. Develop the ability to manage privately. In international trade, this issue is referred to as "supporting the baby industry".

As shown in Table 1, the results of the analysis of the data of this study obtained using t-test are as follows: Technical challenges do not prevent the implementation of e-commerce in the country's sports industry; Socio-cultural challenges hinder the implementation of e-commerce in the country's sports industry to some extent; Managerial challenges hinder the implementation of e-commerce in the country's sports industry.

Table 1. One- Sample T Test of the challenges of e-commerce development in the sports industry.

| Challenge | Mean | SD | p-value |
|----------------|------|------|---------|
| Technical | 2.15 | 0.57 | .631 |
| Socio-cultural | 3.11 | 0.62 | .211 |
| Managerial | 4.03 | 0.76 | .018 |

In order to rank the challenges, Friedman test was used, the result of which is shown in Table 2.

Table 2. Ranking the three challenges of establishing e-commerce in the sports industry.

| Challenges | Mean Rank | Importance (rank) |
|----------------|-----------|-------------------|
| Technical | 1.22 | 3 |
| Socio-cultural | 1.91 | 2 |
| Managerial | 3.63 | 1 |

The results showed that the most important challenge is the managerial challenge and the cultural and social dimension is in the next rank of effectiveness. The results also show that there is no serious challenge in the technical sector. With this platform, this new space can be used in order to generate income and economic development of sports.

CONCLUSION

The concept of sports marketing is very useful in several cases. This marketing is mostly used in connection with how the popularity of sports can be used in the business industry and in return for promoting sports knowledge and activity among the people. Although e-commerce does not last long, it has played a significant role in the daily lives of Internet users, buying and selling goods and using services. Therefore, clubs and federations and all sports-related jobs must be accompanied by this change. In order to pervade e-commerce in the sports industry as the axis, context and tool of economic development of sports, an appropriate development model should be developed. There must be a logical and two-way communication between e-commerce and the current traditional business market. This can be done by preparing and laying the groundwork for culture and promoting the right culture of using e-commerce.

Telecommunication platform optimization leads to advances in e-commerce. Creating appropriate communication channels with fans and customers is a must. Websites and virtual networks of sports clubs and federations should be created in a simple and rich way, so that people can easily use that space. As it is costly for clubs and federations to enter the e-commerce space, it is suggested that the necessary budget be allocated to implement the approved e-commerce policies in clubs and sports federations. Sports clubs

and sports federations have a variety of sources of income, including the right to televise games, off-field advertising, sponsors, museums and stores pointed out. In recent years, online stores, smart membership cards, fan applications, online games and entertainment, virtual sports tours, etc. have also been added to these financial resources and have developed rapidly, if the club managers are interested in As well as sports federations, have the potential to increase the financial income of these clubs and federations.

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