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Sports Development, Law And Commercialization

Elriena Eksteen

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Section A
Sports Development

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1 Sports Development

1.1 Introduction

Sport plays an important role in many people's lives. Satellite television beams pictures of sporting events around the world, pictures which enables us to see world class performance in action. These performers had to start somewhere.

1.2 The Influence Of Social Institutions On The Development Of Sport

There are four social institutions identified that has an influence on sports development.

1.1.1 The family

Sport originally developed within a family context. The influence of the family in modern times is important because, even though it is no longer primarily responsible for people's recreation, it is still the attitudes and disposition of a family that are often decisive of the kind of performance a family member may attain.

1.2.2 Religion

The churches of today and religious organisations contributed towards the development of sport. For example, church organisations were largely responsible for the fact that sporting events could not be presented on Sundays or that one would not participate in sport on Sundays. There are athletes worldwide who openly confess their Christian faith and as such serve as role models for others.

1.2.3 Economy

The economic system is responsible for the production, distribution and consumption of goods and services. By way of prize money, rewards, competitions and payment to participants, sport has developed into one of the largest industries in the contemporary world that is controlled by economic factors and measures. Money is generated for sport by means of sponsorships, donations and the direct involvement of large financial institutions.

1.2.4 Politics

The political system is the institution that has the greatest influence on the development of sport because of its power to ultimately regulate people's lives, to establish a particular social order and to issue prescriptions in accordance with which human activities occur in a country. Another role of politics is that it establishes certain norms, rules and regulations for the practice of sport. A good example of this is the current South African government's policy and so-called quota system as far as the selection of teams is concerned.

1.3 Functions Of Sport

The following functions of sport are relevant when practicing sport:

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1.1.1 Exercise and physical development

Through continued or consistent exercise and bodily development, as well as the natural evolution of the physical, emotional and psychological qualities, people are enabled to deliver increasingly improved performance.

1.1.2 Competition

As a result of man's intellectual, psychological and emotional composition, there is usually a spirit of competition in human association. The individual competed with himself as well as with others. In the course of time this competition expanded to a national or international level.

1.1.3 Entertainment

In the past, people had been entertained simply by watching the game and enjoying the performance of the participants. At present there is a great emphasis on entertainment and certain types of sport have developed into pure entertainment, for example WWE, WWF etc.

1.1.4 Recreation

Recreation has always been an extremely important aspect of any type of sport. For participants at amateur level, sport means recreation and relaxation, getting away from the daily stresses of work. They participate for the love of the game where winning at all costs is not the issue and where competition is not as important as socialising.

1.4 The Sports Development Process

The sports development process builds all the structures that enable performers to move along clear performance pathways from *getting started* to *being the best.* Sports development offers the following:

- opportunities for people, regardless of age, gender, race or ability to participate in sport and achieve their potential
- builds a strong network of organizations that work cooperatively to provide those opportunities at every level
- encourages each organization to use its experience and expertise appropriately within the process
- makes the best use of limited resources
- ensures that exit and re-entry routes enable people to progress at their own speed

1.5 Planning In Sport

Why plan?

With so many organizations involved in sports development, good planning is essential. A plan can help to provide a common focus for each organization or group so everyone is working towards the same goal.

Benefits of planning include:

- Encouraging cooperation between individuals and organisations
- Identifying common work areas and allowing individuals or organisations to contribute their strengths
- Avoiding duplication of efforts and initiatives

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- Maximising the use of limited resources
- Providing a shared vision for everyone
- Allowing people to measure progress
- Helping to establish priorities

Planning is simply about providing answers to three questions:

1) Where are you now?
2. Where do you want to be?
3. How are you going to get there?

In answering these questions, you should use the follow five words:

1) Vision
2) Goals
3) Objectives
4) Action
5) Progress

Factors that can contribute to the success or failure of your plan

1) **Success factors**
    - Involve the right people
    - Establish a clear starting point
    - Develop a clear vision of where you want to go
    - Keep the plan simple
    - Break the plan down into smaller pieces
    - Encourage everyone to take ownership of the plan
    - Use the plan to measure progress along the way
    - Set realistic timescales

2) **Failure factors**
    - The plan is based around one person's hard work
    - Set too many goals
    - The timescales are unrealistic
    - Do not have enough of the appropriate resources
    - Do not have the necessary expertise
    - The goals are not clear

Who plans?

The plan needs a small group of 3-4 people to drive it forwards. This group will help to ensure that the planning process is thorough and that the final plan is realistic and achievable.

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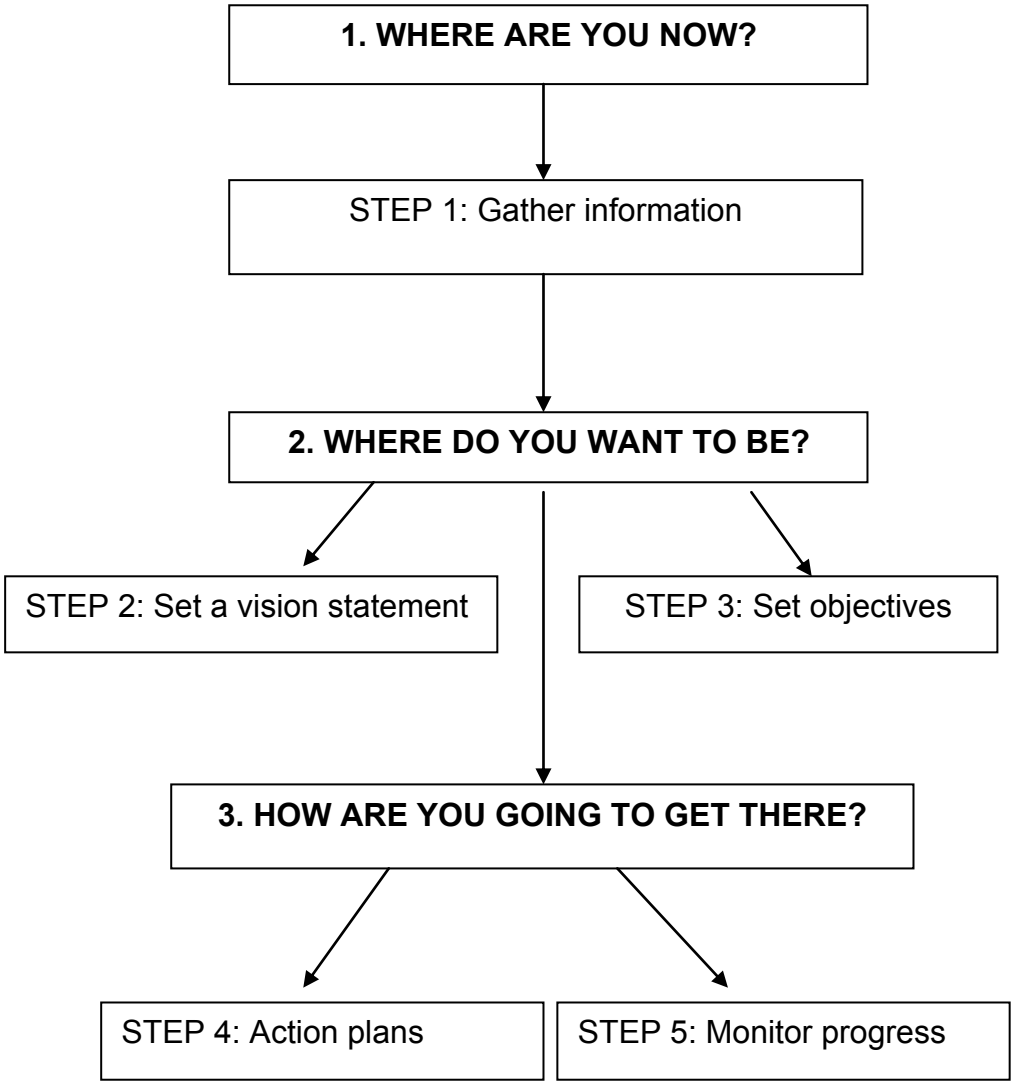
1.6 Planning For Sports Development

The planning process



1. Where Are You Now?

STEP 1: Gather information to build a detailed picture of your organisation.

If your planning is to be successful, you need a clear starting point based on factual information. Here are some examples of **information you may need to gather:**

i) About the members or the participants:

- How many members or participants do you have?
- What are their ages?
- How far do they travel to participate in their sport?

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- How much do they pay to participate in their sport?
- Did membership increase, decrease or remain the same last year?
- If it fell, why did people not rejoin?
- How does your membership compare with other similar organisations?
- What is your potential membership?

ii) About the activities:

- What does your club offer to the members?
- What is the main purpose of the organisation?
- How successful have you been in competition over the past year?
- How many training sessions and participation sessions do you run each week?
- Does your club only offer sporting activities or do people have social events also?
- Do your club's activities contribute to sports development?

iii) About your coaches and officials

- How many active coaches do you have?
- What qualifications do they have?
- What coaches education courses have they followed this year?
- What specialist areas of activity can your officials cover?

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iv) About your club's daily activities

- Who makes the important decisions?
- How does the club elect its committees?
- How much money does the club have in reserve?
- How many volunteers do you need to run the club effectively?
- How effectively do you communicate with your members?

How to gather the information

Various ways can be used to gather the necessary information such as brainstorming sessions, interview members, give members a short questionnaire to complete and conduct a SWOT analysis.

Example

Membership

7-11 years	22 girls en 16 boys
11-16 years	20 girls en 15 boys
16-18 years	17 girls en 13 boys
18-21 years	28 ladies en 22 men
Seniors	37 ladies en 23 men

- Majority of members live within a radius of 15km of the club.
- u/18's pay R300 a year for membership and senior members pay R500 membership a year.
- Membership stayed the same at all levels apart from the 16 – 18 year olds which had a decline from 23 girls to 17.

Activities

Two training sessions per week per age group:

0/11	Tuesdays en Thursdays	15:00 – 16:00
0/16	Mondays en Wednesdays	15:00 – 16:00
0/18	Tuesdays en Thursdays	16:15 – 17:15
0/21	Mondays en Wednesdays	17:30 – 19:00
Seniors	Tuesdays en Thursdays	18:00 – 19:30

- Matches usually take place on Saturdays and Sundays.
- All the teams participate in the Northwest Provinces premier league.
- All the teams ended in the top 4 of their category the past season and the senior men and women won their leagues.

officials

Level I coaches	2
Level II coaches	2
Prov I graded umpires	4
Prov II graded umpires	6
Time keepers and score keepers	4

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2. Where Do You Want To Be?

STEP 2: Set a vision and a timescale to work in

Once you have identified where you are, you can take the next step of agreeing where you want to be. Set 3 types of visions; long-term, medium-term and short-term.

Long-term vision:

"To be a club that provides social and competitive hockey to a high standard for players from 7 years upwards for males and females in a friendly environment that encourages all players to reach their potential"

Medium-term vision:

"To be a strong club that is able to produce provincial players and effective development in various areas"

Short-term vision:

"To be a club with a strong infrastructure of coaching and organisation that offers quality hockey at social and competitive levels for boys and girls.

Characteristics of a well-developed vision statement:

- It addresses values as well as performance
- It is directional
- It is short, one or two sentences
- It is expressed as an end result
- It is motivating

STEP 3: Set objectives

How to formulate good objectives

1. Start with the word *to:*
   To ------

2. Attach an action verb such as *increase, improve, enter, and revive*
   ----increase----

3. Now think of a single specific result you want to achieve and that can be measured:
   ---- membership with 10%-----

4. Choose a target date:
   ----during the 2012 season---

Objective: To increase membership with 10% during the 2012 season

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Criteria to write objectives

The criteria can be divided into "must" criteria and "want" criteria.

1. Must criteria

An objective must lead to a single result that is specific and measurable and must include a target date.

i) Single result

Write each objective so that it describes only one result. This prevents you from writing vague, meaningless, complicated objectives. Aim for clarity, simplicity and explicitness.

Weak objective:

- To increase sales by 25% and to achieve a 5.4% market share
  (Sales of what? Market share of what? By when?)

Good objective:

- To increase tennis racket sales by 25% by December 2012
- To achieve a 5.4% market share of tennis rackets by 2012

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ii) Specific result

State the exact level of performance expected.

Weak objective:

- To maximise profits in 2012
  (how much is maximise? Is this gross profit or net profit?)

Good objective:

- To earn a net profit of R2,5 million in 2012

iii) Measurable result

If you can't measure your progress, you're going to have trouble determining whether your objective has been met.

Weak objective:

- Perfect service for every customer
  (Perfect by whose standards? How do you measure perfect standards?)

Good objective:

- To attain 90% "excellent" in customer satisfaction ratings for 2012

iv) Target date

Set a date for accomplishing the objective. Deadlines make all of us focus earlier and try harder.

Weak objective:

- To achieve attendance of 40 000 fans
  (For every game? For all time?)

Good objective:

- To achieve attendance of 40 000 fans for the NHL league 2012

2. Want criteria

A realistic objective that is set by the team and that has team commitment.

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i) Realistic objective

The objective should be difficult, but achievable. People do less well when the objective is too difficult (we give up when we believe something is impossible), when the objective is too easy (we just meet the objective and hold back performance), and when the objective is a do-your-best instruction (most people don't do their best but say they did).

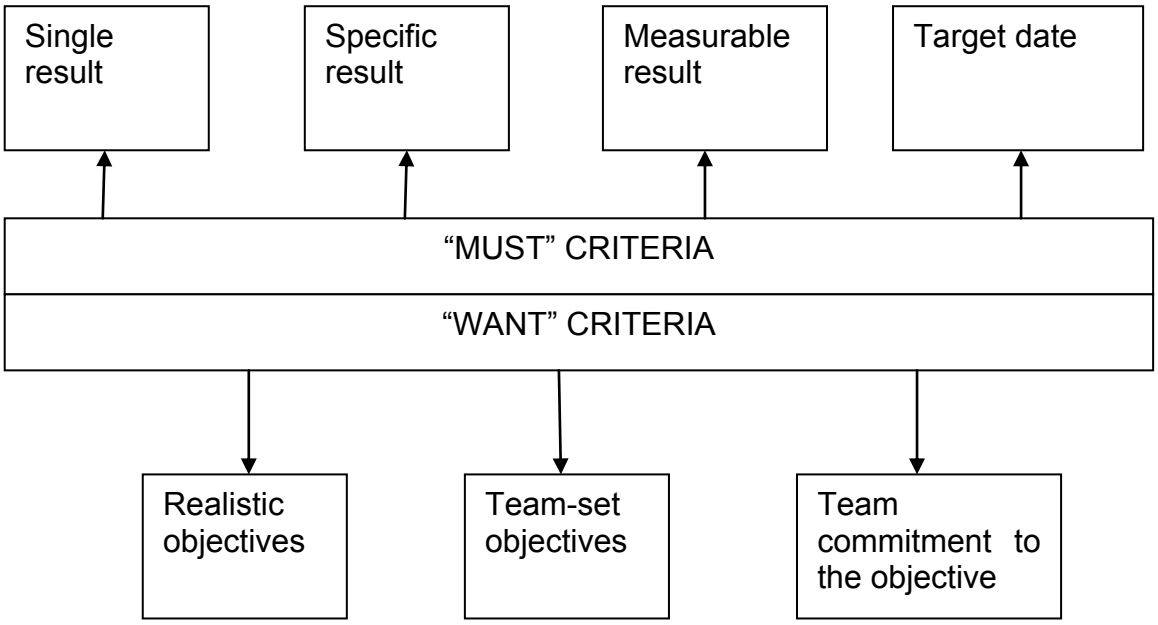
ii) Team-set objectives

Work groups that set their own objectives generally outperform groups that are assigned objectives.

iii) Team commitment to the objective

A team that commits to an objective will work harder to achieve it.

Schematic representation of the key criteria for writing objectives



3. How Are You Going To Get There?

STEP 4: Compile action plans

This step in the planning process translates words into action, bringing the plan to life and making things happen. People need to be identified for who is responsible for achieving which objectives.

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Example of an action plan:

What	When	Where	Costs	By whom
Make posters	June	Local printer	R50000	John
Broadcast over local radio station	From 10 to 24 August	OFM Overvaal Stereo	R5000	Ria
Advertise in local newspaper	18th August edition (1 week before the game)	Herald	R2000	Gert
Put the posters up	1 August	Potchefstroom Klerksdorp Stilfontein Orkney Fochville	None	John

STEP 5: Monitor the progress

The planning steps are over and now you are into action. Right through the execution of the action plans, the progress needs to be monitored by giving and receiving feedback continuously. Not everything is going to go according to plan; some objectives will be achieved more easily than others. You can amend your plan and action plans, as long as they contribute to the organisation's vision.

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Section B
Sports Law

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2 The Law As It Applies To Sport

2.1 Introduction

Rules in sport often correspond to the culture of the society in which the sport is played as well as to the accepted norms of the people. Rules ensure order and discipline on the playing field and contribute towards fairness in sport to determine who the ultimate winner will be. Sport is an integral part of any society and has been for thousands of years. One thing is certain: Sport does not exist in isolation. The result is that sport has from the earliest times attracted the attention of lawmakers.

2.2 The Making Of Law

What is meant by law? In the wide sense are laws simply rules of action. National law is that body of rules which regulates the actions or conduct of human beings i.e. the law which obliges the inhabitants of a country to do certain acts and to abstain from doing others. Laws touches every aspect of our lives, sport being one of them, and for it to be effective and to ensure compliance by the inhabitants with its rules, the necessary sanctions must be available to the State. These take the form of some kind of punishment, which may be either the deprivation, by imprisonment, or some monetary compensation.

The Constitution

The most important resource of the South African law is the Constitution of the Republic of South Africa 1996. South Africa has a system of constitutional sovereignty of which the constitution has the highest prerogative in the Republic. This means that if the Parliament accept a certain law that is in conflict with the constitution, that law will be invalid.

Functions of the constitution:

- The constitution controls the government by stipulating the structure of the state and its organs and it also provide them with functions and power.
- The constitution includes the fundamental law of our country in terms of:
  - National, provincial and local government
  - Courts and legal applications
  - Public administration
  - Traditional leaders
  - Financial matters

<u>Types of laws</u>

- Criminal law – this is the collection of rules which regulates the punishment of persons for offences or crimes committed by them. Crime is conduct which the common law or statute law prohibits and is subjected to punishment. Examples of common law crimes are murder, culpable homicide, assault, theft, robbery and fraud. Examples of statutory offences are the income tax acts and the traffic laws.

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- Civil law – concerns the adjudication upon, and the settling of, disputes between citizens of the state or between citizens and the state. All citizens enjoy certain rights, e.g. the right to own and use property, the right to privacy, the right to security, to mention but a few. Those whose rights are contravened or interfered with or are disputed by others, can seek redress through the civil law in the courts. Civil law covers a wide variety of topics, such as contract law, the law of property, the law of defamation, again to mention but a few.

2.3 South Africa And The Rule Of Law

Central to the South African legal system is the concept of the rule of law. This means the following:

- No man or woman is punishable or can be lawfully made to suffer in body or goods except for a distinct breach of the law established in the ordinary legal manner before the ordinary courts of the country.
- No man or woman is above the law, and every man and every woman is subject to the law of the country, irrespective of his or her status.

2.4 South Africa's Bill Of Rights

The cornerstone of the South African democracy lies in a Bill of Rights set out in chapter 2 of the Constitution. The Bill of Rights enshrines the rights of all people in our country and affirms the democratic values of human dignity, equality and freedom. Of the many rights embodied in the Bill of Rights, those who are particularly relevant to sport are the following:

- It protects the right of a person "to be free from all forms of violence from either public or private sources"
- The right to choose their trade, occupation or profession freely
- The right to fair labour practices
- The right of access to the courts and to have any disputes solved.

2.5 Sport And The Law

As set out earlier, sport is part of society and, as such, it is subjected to the general law of the country. South African law touches every aspect of our lives, with sport being one such aspect and as the law applies to all the inhabitants of the country, sportsmen and –women are no exceptions. Sport today is regarded as part of the entertainment business and all the various facets of that business apply to sport as well. Matters which have already engaged the attention of the courts are contractual issues, employer-employee relationships, invasion by the media of rights to privacy, defamation and the rights of spectators. What is also increasing is the number of cases where participants, spectators and the general public have sought redress from the courts for injuries suffered by them in sporting events or as a result of them.

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3 Legislation And Sport Clubs

3.1 Introduction

Organised sport in South Africa is conducted by groupings or associations of individuals or other entities acting together. Such groupings in sport may comprise:

- Clubs
- Provincial or regional unions
- National unions

In South African Law there is no requirement that sports clubs or other voluntary associations take any particular legal form. The sport club is the most usual organisational structure in sport at primary level.

3.2 What Is A Sport Club?

A sport club is an association of a particular nature. It is not a partnership and usually not an association for gain. Generally, a member is only liable for subscriptions as required by the rules of the club to be paid while he remains a member.

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3.3 The Constitution Of A Sport Club

Clubs are founded on the basis of mutual agreement amongst the members. A club will be formed when the persons who want to form it have the serious intention to associate and are in agreement on the essential characteristics and objectives of the association. Most, if not all sport clubs in South Africa have been formed in terms of written constitutions. The following sections are present in a constitution:

3.3.1 The name of the club

A club should have a unique name to distinguish it from other clubs and to establish its own identity. There are various legal mechanisms for the protection of the name of a club, namely:

i) Registration under the Heraldry Act

- Clubs may apply in terms of the Heraldry Act for the registration of a name, uniform, coat of arms, badge or other emblem which complies with prescribed principles.

ii) Registration as Trade mark

- The name of the club can also be registered as a trade mark under the Trade mark Act.

3.3.2 Personality

To apprise third parties of the legal nature of the club, the constitution should clearly state that the club has legal responsibility, i.e.

i) the club is and shall continue to be a distinct and separate legal entity with the power to acquire, to hold and to alienate property
ii) the club is and shall be a juristic person and can act and be acted against in its own name
iii) that the property and funds of the club vest in the club as a juristic person and that no member of the club shall be liable for the debts of the club.

3.3.3 Membership

All aspects relating to membership ultimately turn on the constitution of an association, including the question of eligibility for membership. The constitution of a club should set out the procedure that must be followed for the admission of new members, as well as the ending of a person's membership.

3.3.4 Management committee

The constitution of a club usually entrusts the management of the club's affairs to a management committee, i.e. a group of persons with executive powers elected to conduct the club's affairs in accordance with the provisions of the constitution. The procedure for the appointment, removal or resignation of members of the management committee is regulated by the terms of the constitution.

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3.3.5 Meetings

i) General meetings

- The constitution determines the types of meetings a club may hold; usually general meetings and special general meetings.
- The constitution generally also determines the decisions that may be taken at such meetings and the functions and powers of office-bearers and members.
- Decisions taken outside the scope and intent of the constitution will be invalid.

ii) Constitution of meetings

- The person authorised in terms of the constitution to convene meetings must do so by way of notice.
- A notice must generally contain the time and place of the meeting, as well as the objects of the meeting.
- Notice to all members must generally be in writing, unless the constitution otherwise provides.
- A failure to give notice to any one member may invalidate the meeting.
- For a meeting to be validly constituted, a quorum of persons, i.e. the lowest number of members necessary to constitute a valid meeting, must be present.
- Meetings are closed by the chairman.

iii) Voting

- The constitution generally regulates all matters relating voting, including the right to vote, and the manner of voting. As a rule, the constitution also determines the number of votes required for a resolution to be effective.
- The most common forms of voting are by way of ballot or the show of hands.

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4 Sports Injuries And The Law

4.1 Introduction

Sports injuries are an unfortunate but inevitable aspect of participation in sport. Injured players or spectators may in certain cases look to the law for a remedy. Liability for sports related injuries may arise from either the criminal law or the law of delict.

4.2 Criminal Law

The criminal law applies to acts of violence on the sports-field in the same manner as it applies to other forms of violence. An act of violence on the sports-field may constitute the crime of assault.

4.2.1 Elements of criminal law and sport

i) Assault

The essential elements of this crime are the act of applying force or the apprehension of it; unlawfulness; and intent. A participant, who performs a forceful or violent act in contravention of the rules with the intent to injure, commits assault. It is different in sports such as boxing and wrestling, where hitting the opponent is the very purpose of the sport and the participant acts lawfully if blows are struck and injury caused within the rules.

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ii) Consent

A participant in a contact sport who knows and accepts the violence and possible resultant injury that the sport involves, will in law be taken to have consented to such injury. Consent is a unilateral legal act, e.g. not requiring an agreement with another person, and may be given expressly e.g. by an oral or written declaration.

Causing injury to an opponent by executing a forceful tackle in rugby is not unlawful if it occurs within the rules of the sort, because of the opponent's implied consent to the risk of injury. A rugby player submits himself to the robust tackling and forceful bodily contact that is part of the game. The person giving the consent must be capable of violation, i.e. have the mental capacity to decide and understand the implications of participating in a sport that involves the risk of injury.

When a parent must give consent on behalf of a child, that child must **want to** participate in the sport.

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iii) Self-defence

Self-defence appears when a person assaulted or about to be assaulted in the course of a sporting event, i.e. where unlawful violence is used or threatened against him or her, may use reasonable force to repel the attacker. Injury inflicted upon the perpetrator of an assault by a person acting in self-defence is justified where the force used by the defender was necessary and reasonable in the circumstances.

Requirements for self-defence to be a legal act:

- There must have been an unlawful attack causing an injury, for example by using his fists on the rugby field.
- The attack must be directed against a person that is part of the game.
- The defence must be directed at the attacker.
- The attack must have commenced or be threatening.
- The means of defence must have been necessary and reasonable.

4.3 The Law Of Delict

People are exposed to the possibility of suffering some sort of loss or damage. Compensation for damages can only be claimed based on legal grounds. If a person is insured against damages, then the insurance must pay for the damage. If the damages were caused by an unlawful act of another person, then that person must pay for the damages by law. the law of delict establishes who should bear the loss, who should be compensated and how much should be paid in damages.

4.3.1 Definition of a delict

"An unlawful act of one person (the doer) that causes damage to another"

Under the law of delict an injured player or spectator can claim compensation for physical, psychological and financial damage caused by an injury attributable to the intentional or negligent conduct of a player or official. The person responsible for the unlawful infringement is liable to compensate for the damage caused by the infringement. The person who suffered harm or damage has the corresponding right to claim compensation.

4.3.2 Elements of a delict

The elements of a delict and requirements for delictual liability in South African law are the following:

- An act
- Unlawfulness
- Fault
- Causation
- Damage
- ***An act***

An act is a voluntary human conduct that means that:

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i) only people (not animals) can act by law

ii) any human conduct that was susceptible for will control by time of the specific activity, is by law an act.

Smoldon v Whitworth

In the English case of Smoldon v Whitworth the referee of a rugby game was held liable to a player who was injured when a scrum collapsed in a dangerous manner. In the course of the game scrums had collapsed an abnormally high number of times. In one of these cases the plaintiff suffered a broken neck, leaving him paralysed. It was found by the court that the referee had not enforced the correct procedure for engagement and that this was one of the reasons for the high number of collapsed scrums.

Unlawfulness

An act is unlawful when it is in contrast with the rules of the game, for example hitting someone with your fist during a rugby game.

Fault

The doer has fault when he injures someone by acting intentionally or by negligence. A person acts intentionally if his will is directed at causing injury and he or she is conscious of the unlawfulness of his or her conduct. By law any person younger than seven years as well as a mad person can never be held responsible, because their mental ability is too deficient and therefore they will never have fault.

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Avila v Citrus Community College District (2003)

In the case of Avila v Citrus Community College District, Jose Avila a 19 year old boy, played a baseball game for his college. During the game he was hit by the bat when a member of the other team threw it at him and cracked his helmet. After Jose was hit with the bat he felt dizzy in his head and had severe pain. The coach of his college team did not call on medical help, but told Jose to keep on playing. Jose told the coach he was not felling well, but the coach told him to finish the game. After the incident Jose made a case against Citrus Community College for negligence, because the coach did not send for medical help and he forced him to continue play. Jose won the case.

Causation

A person can only be held responsible for acts he committed. He or she cannot be held responsible on behalf of someone else for acts he didn't commit.

Damage

A person must cause damage to another person before he or she can be held responsible for an unlawful act. On the sports field the one person must gain an injury because of the unlawful act of another person causing the injury.

The law of delict also determines the following:

i) Who is guilty?
ii) Who needs to be compensated?
iii) How much should the compensation be?

Compensation

As soon as it is determined that a delict has happened, the law provided certain compensation to the disadvantaged party. The type of compensation depends on the following factors:

i) The nature of the loss
ii) Type of damage
iii) The injury
iv) If it was deliberate or negligent
v) The nature of the unlawful act
vi) If the delict has already happened or is threatening to happen

As a general rule, a complaint of delict can only be claimed against the person who committed the unlawful act.

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5 Disciplinary Proceedings In Sport

5.1 Introduction

A sport club, as an association, has no inherent power to conduct disciplinary proceedings unless it is specifically provided for in its constitution. Associations in the sporting arena generally have constitutions and by-laws, regulations or rules that regulate all matters concerning disciplinary action. The constitution should make specific provision that a committee shall have the power on behalf of the association to take such steps as it may deem fit against a member failing to comply with the constitution or the rules of the club.

5.2 Disciplinary Code

It is vital that any sport organisation must have a proper disciplinary code. A proper disciplinary code should provide for the following matters:

i) The transgressions in respect of which a member may be subjected to disciplinary action before a disciplinary tribunal.

ii) The way in which and person by whom the disciplinary tribunal must be convened, including the way and time-frame in which notice must be given to the perpetrator who must appear before the disciplinary tribunal.

iii) The composition of the disciplinary tribunal.

iv) The procedure to be followed at the disciplinary hearing.

v) The penalties which the disciplinary tribunal may impose.

vi) The procedure if a perpetrator wishes to appeal a decision of a disciplinary tribunal.

5.3 Procedural Fairness

The next section explains the right procedures to be followed for a fair hearing.

5.3.1 Authority

A disciplinary tribunal exercising disciplinary powers must:

i) act in accordance with its rules and constitution

ii) discharge its duties honestly and impartially

iii) afford persons charged a proper hearing, including the opportunity to adduce evidence and to contradict or correct adverse statements or allegations

iv) listen fairly to both sides and observe the principles of fair play

v) make fair and honest findings on the facts

vi) conduct an active investigation into the truth of allegations made against the person charged

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5.3.2 The right to be heard

Requirements for a fair hearing:

i) Proper information

- The implicated person must be given reasonable and timeous notice of the hearing.
- The implicated person must be well informed of the substance of allegations against him or her.

ii) Proper opportunity to be heard

- The person against whom the disciplinary action is being taken, must be present at the proceedings and be given an opportunity to be heard and to state his or her case.

iii) Legal representation

- The implicated person has the right to have legal representation of his or her choice.
- If legal representation is not allowed, a tribunal should at least allow some form of representation, such as representation by a player's union representative, other player or club member or parent.
- The question of legal representation depends on the circumstances of the particular case.

It is very important to conduct the right disciplinary procedures when a disciplinary action is implicated against a person.

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6 Sports Contracts

6.1 Introduction

The law of contract plays a fundamental part in sports law. the vast majority of obligations that occur within the context of sports, are of a contractual nature. In this section the realization of a contract will be discussed. In the sporting arena, there are contracts between:

- Players and their agents
- Players and their clubs or unions
- Players and their individual sponsors
- Referees and their clubs or unions
- Referees and their sponsors
- Unions and their sponsors
- Unions and TV broadcasters
- Unions and the media

6.2 What Is A Contract?

A contract can be described as an agreement between two or more people with the intention to call for lawful enforceable commitments, and that comply with the requirements for a valid contract as set out by law. Not all agreements are contracts, because not all agreements create commitments.

6.3 Requirements For A Valid Contract

The requirements for the realization of a valid contract are as follows:

i) There must be an agreement between the parties. The parties must agree on the objectives of the contract. It is also called "true agreement". Without agreement, there can be no contract.
ii) Each party involved by the contract must be competent to act lawfully to compile a contract.
iii) The agreement must be lawfully executed, which means it must be legal.
iv) The agreement must be physically executed and the performance must be measurable.
v) If any formalities are prescribed for the realization of a contract, it must be met.

6.4 Offer And Acceptance

Consensus is the basis of each contract. A contract can only be realized when consensus are reached between the parties regarding the rights and obligations created by the agreement between them. The most general method that is used to determine if consensus was reached is to determine if there was an offer and an acceptance.

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6.4.1 The offer

An offer is a conditional promise to do a refrain from doing something in the future. An offer is therefore a statement by one party (addressor) to another party (addressee) which he or she has the intention to be contractual bound by the acceptance of the offer.

6.4.2 Acceptance

An acceptance is a statement by the addressee (the person to whom the offer is addressed to), by which he or she indicate that they agree with the terms of the offer exactly as set out in the offer.

6.4.3 Requirements for an offer and acceptance

An offer and acceptance will lead to the realization of 'n contract only if the following requirements are met:

i) The offer must be made with the intention that the addressor will be legally bound by the acceptance of the offer by the addressee.
ii) The offer must be complete with all the terms included in the offer.
iii) The offer and acceptance must be clear and sure. There must be no doubt about what is said in the offer.
iv) An offer and acceptance can be made through writing, speaking or behaviour (hand signs, nod of the head or offer of money).
v) An offer must be addressed to either a certain person or persons or in general to unknown people. An example of an offer between certain people is when Johan is employed by the Puk Rugby Institute as coach. An example of an offer between unknown people is when a prise is given to the team who win the league.
vi) An offer is only complete when telling the addressed party and an acceptance is complete when it is communicated to the addressor.

6.5 Formation Of The Contract

As a general rule, our legislation do not require certain formalities that must be in a contract. In most cases a contract can be closed verbally.

6.5.1 Possible aspects that can occur in a contract:

- Description of services to be rendered and general duties
- Period of employment
- Remuneration and benefits
- Working hours
- Confidentiality
- Disciplinary rules
- Grievance procedures
- Leave
- Performance standards

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6.6 Breach Of Contract

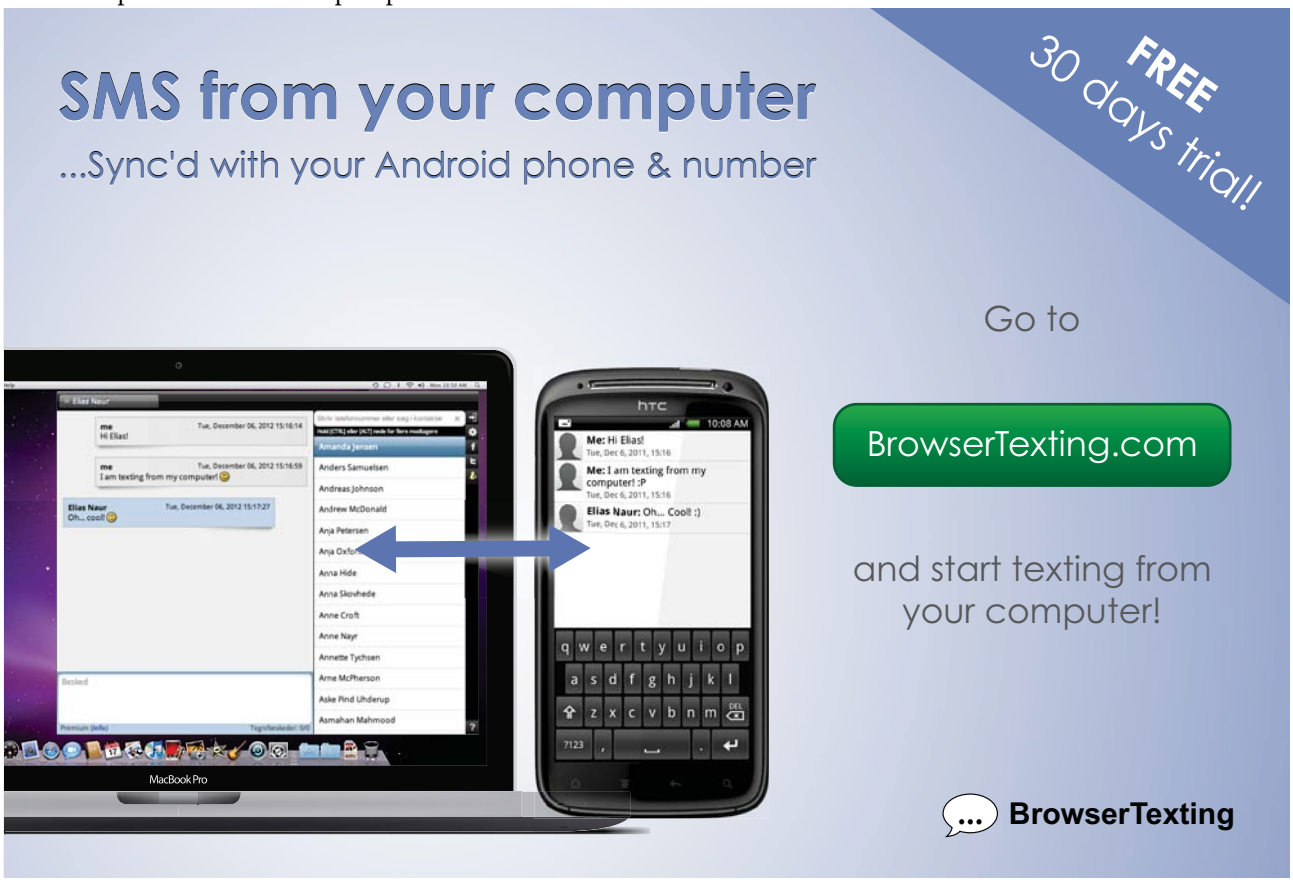
If a party fails to honour his obligation in terms of a contract, the party commits breach of contract. Breach of contract can take various forms, e.g.:

6.6.1 Delay by the debtor

- Delay by the debtor occurs when a party (the debtor) does not perform on time by his own fault. If the parties have agreed on a specific date by which performance should take place, a party will be in breach if he or she does not perform by the determined date. The reason for the delay must be the debtors own fault.
- Example: the manufacturer of sportswear makes an agreement with your sports club to deliver the clubs match clothes before a certain date. If the manufacturer does not deliver the clothes by that date then he is in breach of the contract.

6.6.2 Delay by the creditor

- Delay by the creditor occurs when the creditor does not co-operate with the debtor to make performance possible.
- Example: the manager of the sport club agrees with the sportswear manufacturer to place a final order for match clothes on the 10th of January for delivery of the clothes one month after date of order. After placing the final order on the 10th of January the manager of the sports club contacts the manufacturer almost daily to make certain changes to the order. This makes the performance of the manufacturer impossible to deliver on time. The club therefore commits breach of contract by not co-operating with the manufacturer to make performance on his part possible.



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6.6.3 Positive malperformance

- If a party renders performance which is not of the extent or quality set out in the contract, that party commits breach of contract in the form of positive malperformance.
- Example, the manufacturer of sportswear agrees to deliver green jerseys, if he delivers blue jerseys it will result in positive malperformance.
- Positive malperformance also occurs where a party acts contrary to the terms of a contract which requires that a party should refrain from certain conduct, for example a soccer player who plays a match for another club on a weekend.

6.6.4 Repudiation

- Repudiation takes place when a party gives a clear indication that he no longer intends to be bound by the contract.
- Example, a soccer player concludes a contract to play for a certain club. Two days later, the same soccer player also concludes a contract to play for another club. The conclusion of the latter contract results in a repudiation of the earlier contract.

6.7 Termination Of Contracts

In terms of section 188 of the LRA, it is unfair to dismiss an employee unless the decision to dismiss is based on a fair reason relating to the employee's conduct, capacity or the operational requirements of the business. Any decision to dismiss must also be preceded by a fair procedure, e.g. a disciplinary, counselling or consultation process. The employer bears the onus of providing that the dismissal was both substantively and procedurally fair. If the employer is unable to prove that a fair reason existed for the dismissal, the employee is in principle entitled to reinstatement, alternatively, compensation not exceeding twelve months' remuneration.

6.7.1 Reasons for terminating a contract

- Term expired
- Agreement between parties to terminate the contract
- Notice - period of termination are determined in the contract
- Impossibility to perform, for example the soccer player injured his back and may not play soccer any longer.
- Insolvency
- Breach of contract
- Misconduct – assault, dishonesty, drunkenness, fraud
- Dismissal on account of incompetence
- Dismissal on account of operational requirements such as letting staff members go.
- The death of one of the parties involved with the contract

6.7.2 Ways to terminate a contract

i) Termination with or without notice

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- If an employee is guilty of breach of contract, then the employer may terminate the contract with immediate effect, for example a soccer player that signs a contract with another club in the middle of the season, before his contract with his current club has expired.

ii) Period contract is not renewed

iii) Pregnancy

iv) Selective reinstatement

- The employer undertakes to reinstate the employees whose contracts have been terminated because of economic circumstances, as soon as these circumstances are improved.

v) Constructive dismissal

- Employee terminates his or her contract because of the employer who makes it difficult for the employee to perform, for example a soccer player who ends his contract because the coach dislikes him and therefore he does not play a lot of games.

vi) Unsatisfied conditions after transfer of business

- The employee can terminate his or her contract if the new owners of the business offer less favourable benefits than the previous employers.

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7 Sport And The Law Of Employment

7.1 Introduction

The emphasis in this chapter will be on employment relationships that are peculiar to sport for instance, players, coaches and referees. The most important legislation that governs the employment relationship is the Labour Relations Act (LRA) 66 of 1995, Basic Conditions of Employment Act (BCEA) 75 of 1997 and the Employment Equity Act 55 of 1998.

7.2 Types Of Legislation Relevant To Employment

7.2.1 Labour Relations Act 66 of 1995 (LRA)

- The LRA serves as a vehicle for bringing certain constitutional rights (e.g. the right to strike and the right to fair labour practices) into the workplace.
- It creates a framework for collective bargaining between employers and trade unions.
- It regulates industrial action and the resolution of employment disputes.
- It provides a framework for employee participation in decision-making.
- The Act's central philosophy is to promote self-government in the workplace between employers and the trade unions, acting on behalf of their members.
- Members of a club have the right to be a member of a union of his choice and to participate in the unions legal activities.
- The employer may implement lock-outs to put pressure on the employees to accept his requirements.

7.2.2 Basic Conditions of Employment Act 75 of 1997 (BCEA)

- The BCEA prescribes minimum terms and conditions of employment for most employees, but does not stipulate minimum wages.
- The prescribed minimum may be improved upon through agreement.

The BCEA stipulates the following:

i) Working hours

- *Normal working hours* – not more than 45 hours per week or 9 hours per day
- *Overtime* – limited to 3 hours per day and 10 hours per week and must be paid for at a minimum rate of 1 ½ times the employee's normal hourly rate.
- *Lunch times* – If an employee works for at least 5 hours without any interruptions, he or she is entitled to a lunch break of at least one hour.
- *Sundays and public holidays* – An employer may expect from an employee to work on Sundays and public holidays and must compensate him or her x 2 their normal hourly rate. If an employee normally works on Sundays the compensation must be 1 ½ x his or her hourly rate.

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ii) Leave

- A basic minimum of 21 consecutive days.
- Six weeks paid sick leave for each 36 months labour.
- Maternity leave of 4 consecutive months that may be taken any time after 4 weeks before the expected confinement.
- Family responsibilities leave at a minimum of 3 days for each 12 months labour.

iii) Service details

- The employer must give to the employee a written breakdown of all the relevant information regarding their service relationship as soon as the employee starts working there.

iv) Termination of service

- In the case where the employee was in service for 6 months or less, he or she must give 1 week notice of the termination of their services.
- Employees in service longer than 6 months but shorter than 1 year, must give 2 weeks' notice
- Employees in service longer than 1 year must give 4 weeks' notice.

What has been said about employees above, generally also applies to professional sportsmen and –women. In sport, therefore, professional players may also be subject to maximum working hours and be entitled to additional pay for playing on a Sunday or public holiday, depending on their rate of remuneration.

7.2.3 Employment Equity Act (EEA)

The Act prohibits unfair discrimination against employees and compels "designated" employers to develop and implement employment equity plans.

Unfair discrimination

- The EEA prohibits differential treatment of employees and job applicants on the basis of race, gender, disability, pregnancy, sexual orientation and a number of other grounds.
- Medical testing of an employee is prohibited unless:
  - Legislation permits or requires the testing
  - It is justifiable in the light of medical facts, employment conditions, social policy, the fair distribution of employee benefits or the inherent requirements of a job.
- Psychological assessments of an employee are prohibited unless the test or assessment being used:
  - Has been scientifically shown to be valid and reliable;
  - Can be applied fairly to all employees;
  - Is not biased against any employee or group.

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Affirmative action

- The Act requires designated employers to implement affirmative action measures that would:
  - Redress the under-representation of designated groups in the organisation;
  - Eliminate barriers to employment and advancement in the organisation
  - Promote diversity

A designated employer is:

- Employer with more than 50 employees
- Employer with less than 50 employees, but has a yearly turnover that is more than a certain amount
- A municipality
- The National Defence Force
- The National Intelligence Agency
- The South African Secret Service

A designated employee is:

- Black people
- Women
- People with disabilities

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As soon as the sport governing body qualifies as a designated employer, they must implement an affirmative action policy that means that all levels of employment, from administrative, supporting, coaching to participants, must reflect equal representation.

7.3 Statutory Body – Ccma

The Commission of Conciliation, Mediation and Arbitration (CCMA)

- This body, established in terms of the LRA, is primarily responsible for the resolution of employment disputes arising within the context of the Act through conciliation and arbitration.
- Conciliation refers to any process (e.g. mediation) which is aimed at achieving agreement between disputing parties.
- The commissioner, as appointed by the CCMA, during this process has no power to impose a settlement on the parties.
- His or her role is purely to attempt to lead the parties towards an agreed settlement of the dispute.
- If the parties reach agreement at conciliation their dispute is at an end.
- Unresolved disputes may be referred either to arbitration or the Labour Court.

7.4 Types Of Working Relationships

Services can be rendered to others in terms of a service contract or in terms of a contract between a client and an independent contractor.

7.4.1 Definition of an employee

According to the LRA, an employee means:

- Any person, excluding an independent contractor, who works for another person or for the State and who receives, or is entitled to receive, any remuneration;
- Any other person who in any manner assists in carrying on or conducting the business of an employer.

All categories of employees, full-time, part-time, permanent, temporary and casual are included, but independent contractors are expressly excluded.

7.4.2 Independent contractor

- The contract of an independent contractor can be categorised as a contract which one person hires another person to do a specific job.
- The objective of a contract with an independent contractor is to have a specific job done to get a specific result.
- An example is a coach who conducts coaching clinics by himself. He is not subjected to an organisation.

7.4.3 Distinction between employee and independent contractor

It is important to distinguish between a employee and an independent contractor, because:

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- Labour legislation applies only to the relationship between employer and employees and not to that between employer and independent contractor.
- The doctrine of vicarious liability only applies to the relationship between employer and employee. The employer of an independent contractor is therefore not liable for any damages caused by the contractor, unless the employer himself was somehow at fault.
- Independent contractors do not enjoy social security benefits, e.g. unemployment insurance. If they are injured in the course of rendering services to a client, the latter will not be liable unless he was responsible for the injury or contributed to it.
- Different tax regimes apply to employees and independent contractors.

7.4.4 How to test if a person is an employee or an independent contractor

The control test

- This test is based on the element of control
- The presence of control indicate the existence of a service relationship
- The employee performs services under the supervision and control of the employer, whereas the independent contractor will usually not be subject to the control of the other contractual party.
- On the sports field the athlete is a employee of the organisation, because he stands under the control of the coach.

The organisation test

- This test determines if an employee is part of the organisation of the other person on all aspects.
- This test was regarded as being too vague and therefore it was abolished from the courts.

The dominant impression test

- The courts tend to look at the service relation as a whole instead of looking at single factors such as control or integration.
- This test is mostly used by the courts.
- The dominant impression test considers the following questions in an effort to distil the nature of the relationship between the parties:

  i) what is the object of the relationship and how and when is the service rendered?
  ii) what is the nature of control?

Sections in the LRA and BCEA create the rebuttable presumption that a worker is an employee when any one or more of the following factors are present:

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i) The worker works in a manner that is subject to the control or direction of an employer.
ii) The hours of work are subject to the control or direction of an employer.
iii) The worker forms part of the organisation of an employer.
iv) The worker has worked for an employer for an average of 40 hours per month over the last 3 months.
v) The worker is economically dependent on the employer.
vi) The worker is provided with his tools of trade or work equipment by the employer.
vii) The worker only works for or supplies services to one employer.

7.5 Employment

When an employee accepts service, there are certain duties that the employer and employee must meet.

7.5.1 Duties of the employer

i) Receive the employee in his service as agreed
ii) Pay the employee his remuneration as agreed
iii) Ensure a safe working environment for the employee
iv) Give leave to the employee for sickness, maternity, family responsibility and annual leave.
v) Complies to the statutory minimum requirements for employment
vi) Give the employee a service certificate at the end of his term
vii) Recognise the employee's statutory right, including his right to strike, to be part of a union of his choice and to participate in the legal actions of that union.

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7.5.2 Duties of the employee

i) Service acceptance
ii) Perform the agreed service
iii) Obey legal and reasonable instructions
iv) Maintain reasonable standards of skills
v) Improve the employer's business interests
vi) Be honest and sincere
vii) Act in general according to the employers code of conduct and standards.

7.6 The Contract Of Employment

Employment usually commence on the date of conclusion of the contract of employment unless it is subject to a suspensive condition. If the employee is a player or coach, the contract will normally be a fixed period as opposed to an indefinite period.

7.6.1 Player contract

The player contract usually regulates issues such as:

- Training
- Physical condition
- Participation
- Team meetings
- Medical aid
- Income protection
- Discipline
- Injuries
- Doping
- Sponsorships
- Code of conduct
- Performance requirements

7.6.2 Coach's contract

The coach's contract would normally regulate the following:

- Period of appointment
- Remuneration
- Powers regarding selection issues
- Powers of the coach in respect of supporting personnel such as fitness trainers and assistant managers
- Management duties
- Reporting duties
- Obligations regarding transformation
- Performance requirements

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7.7 Unfair Conduct On The Part Of The Employer

Most employment contracts with players, coaches and support personnel are fixed-term contracts of short duration. Unfair conduct on the part of the employer is referred to as "unfair labour practices".

7.7.1 Unfair labour practices

Section 186(2) of the LRA defines an "unfair labour practice" as any unfair act that arises between an employer and an employee involving:

i) unfair conduct by the employer relating to the promotion, demotion, probation or training of an employee;
ii) the unfair suspension of an employee or any other unfair disciplinary action short of dismissal in respect of an employee;
iii) a failure of refusal by an employer to re-instate or re-employ a former employee in terms of any agreement

7.7.2 Procedure for unfair labour practice

The LRA requires that unfair dismissal disputes be referred to the CCMA for conciliation within 30 days of the date of dismissal. If an unfair dismissal stays unresolved after conciliation, the CCMA must arbitrate the dispute. The employee may refer the dispute to the Labour Court for a decision.

7.7.3 Decision against an unfair labour practice

The LRA makes provision that an arbitrator may determine the unfair labour practice within the terms he or she thinks is fair. This may lead to the re-instatement of the employee or the remuneration of the employee, The remuneration must be fair and may not exceed 12 months' salary.

7.7.4 Unfair dismissal

The LRA make provision that each employee has the right not to be unfairly dismissed. The employer must give proof that the dismissal was fair and if he can't give proof, the dismissal will be considered as unfair.

Reasons for dismissal of an employee

i) Misconduct

- Misconduct in general refers to any conduct that is inconsistent with the rights and duties of an employee in terms of his contract of employment.
- Example is match fixing or using steroids

ii) Incapacity

- Incapacity can take the form of ill health or illness on the one hand or, on the other hand, the inability to perform.

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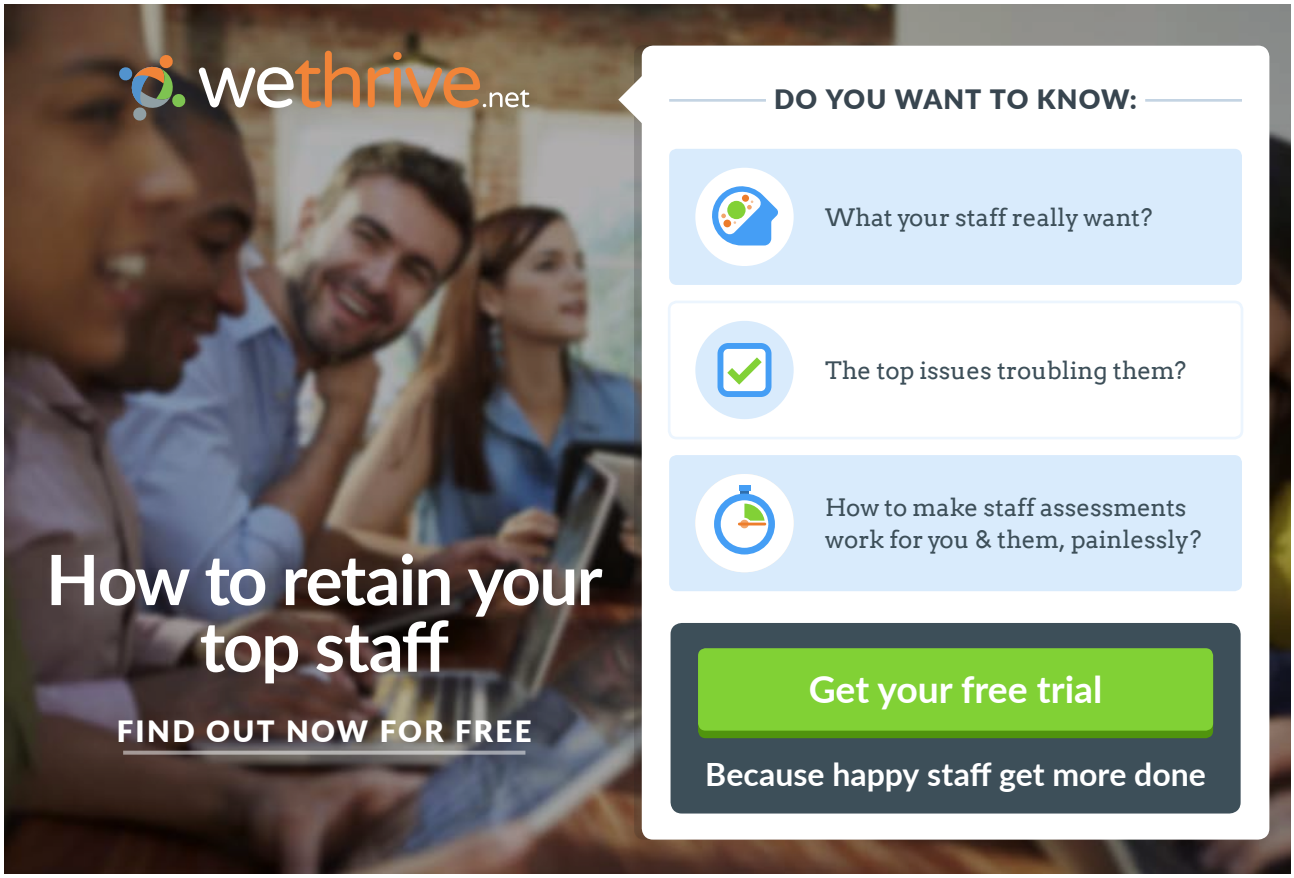
- Example, it may be that a player or coach is simply not capable of doing the job. In such circumstances, there is no reason why the coach or the player cannot be dismissed.
- If an employee fails to meet a performance standard, and the employee was made aware of the required standard and was given a fair opportunity to meet the standard, and thereafter still failed to meet the standard, dismissal would be an appropriate sanction.

iii) Dismissal based on the employer's operational requirements

- Operational requirements are defined to include the economic, technological, structural or similar needs of an employer.
- Economic reasons are those that relate to the financial management of the enterprise.
- Technological reasons refer to the introduction of new technology, which affects work relationships by making existing jobs redundant.
- Structural reasons relate to the redundancy of posts consequent to a restructuring of the employer's enterprise.
- Sports organisations faced with financial difficulties may therefore need to retrench players and other employees for operational reasons.



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Section C
Sports Commercialisation

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8 Sponsorships

8.1 Introduction

Sport has moved from being a pastime to a business as a result of the process of the commercialisation, which has led sports managers and organisations to become concerned with business principles. This commercialisation process has led sports organisations to be described as "business-like" as they become market orientated, pursue operational strategies that maximise profit or revenue, and become responsive to the needs of customers. Sports organisations have become focused on maximising revenue, using this principle as the underlying rationale for decision making and strategy development. As a result, expenditure on sponsorship, television rights, players' salaries and sports betting has risen markedly as sports organisations have sought to optimise their opportunities to generate revenue by adopting a business approach to the management of sport.

8.2 Sponsorship vs Advertising

There is a great deal of confusion regarding the concept of sponsorship. For many years, people have tended to consider sponsorship to be synonymous with advertising. In this next section, sponsorship and advertising is discussed to set some light on the differences between the two.

8.2.1 Advertising

- Advertising has been defined as "any paid, non-personal communication through various media about a business firm, product, or idea by a sponsor identified in a message that intended to inform or persuade members of a particular audience.
- Advertising emphasizes mass media techniques for the delivery of a standardised message.
- These media include television, radio, magazines, newspapers etc.

Benefits of advertising:

i) Persuasive message

- The marketer attempts to communicate product attributes, benefits, and competitive advantages to the consumer.

ii) Standardisation

- Because advertising use printed and spoken words to deliver its messages, marketers are able to compose ads that deliver the standardised message that they are seeking to convey to the target market.

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iii) Guarantee of number of consumers reached

- Since advertisers purchase time on the electronic media and space in the print media, they can be guaranteed a specific level of exposure.
- Advertisers have a reasonable estimate of the type and number of audience that they will reach through certain time slots on TV and print space in newspapers and magazines.

8.2.2 Sponsorships

A sponsorship can be viewed as a commercial agreement between two parties, of which one is a sport property, to exchange as well as promote their mutual resources and interests.

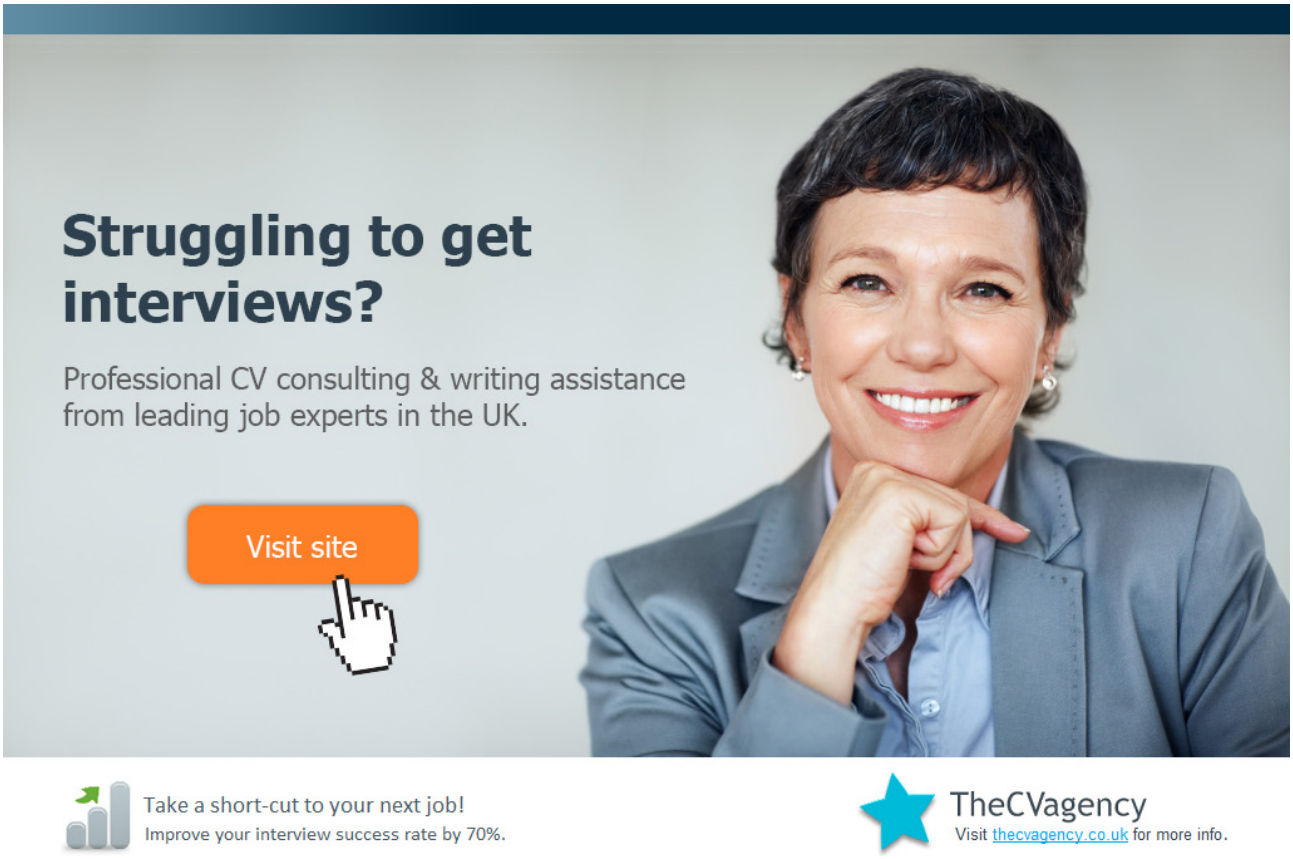
8.2.2.1 Parties involved in a sponsorship

i) Sport property

- A sport property refers to the sponsored sport enterprise, in other words the team that is sponsored.
- This property may also be referred to as the rights holder or rights seller.

ii) The sponsor

- Also called the rights buyer



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8.2.2.2 A sponsorship agreement may include the following:

- The right to use a logo, a name, a trademark, and graphic representations signifying the purchaser's connection with the product or event.
- The right to an exclusive association within a product or service category.
- The right of entitlement to an event or facility.
- The right to use various phrases in connection with the product, event, or facility such as *official sponsor, official supplier, official product,* or *presented by.*
- The right to conduct certain promotional activities, such as contests, advertising campaigns, or sales-driven activities, in conjunction with the sponsorship agreement.

8.2.2.3 The benefits of sponsorship to the sport property (team to be sponsored)

i) Financing – sport organisations need funds to exist and by means of a sponsorship, they can get the necessary financing.

ii) Media exposure – sports seeks media exposure and publicity to make the public aware of them. Sponsorships improve media exposure.

8.2.2.4 The benefits of sport property to the sponsor

i) Image enhancement – sport creates a positive image and business organisations, identifying the value of this image to their brands or products, have sought to build an association with sporting activity.

ii) Increase awareness of the company and/or of a product.

iii) Potential for establishing long-term relationships with clients.

iv) Sponsorship has the opportunity to increase sales.

v) Sponsorships allow organisations to be competitive.

8.2.2.5 Main areas of sport sponsorship

- Event specific, e.g. Yellow pages athletics
- Individual specific, e.g. Nike sponsorship of Tiger Woods
- Team specific, e.g. DHL Stormers
- Competition specific, e.g. Vodacom Cup
- Ground specific, e.g. Coca-Cola Park
- Coaching scheme specific, e.g. Bakers cricket

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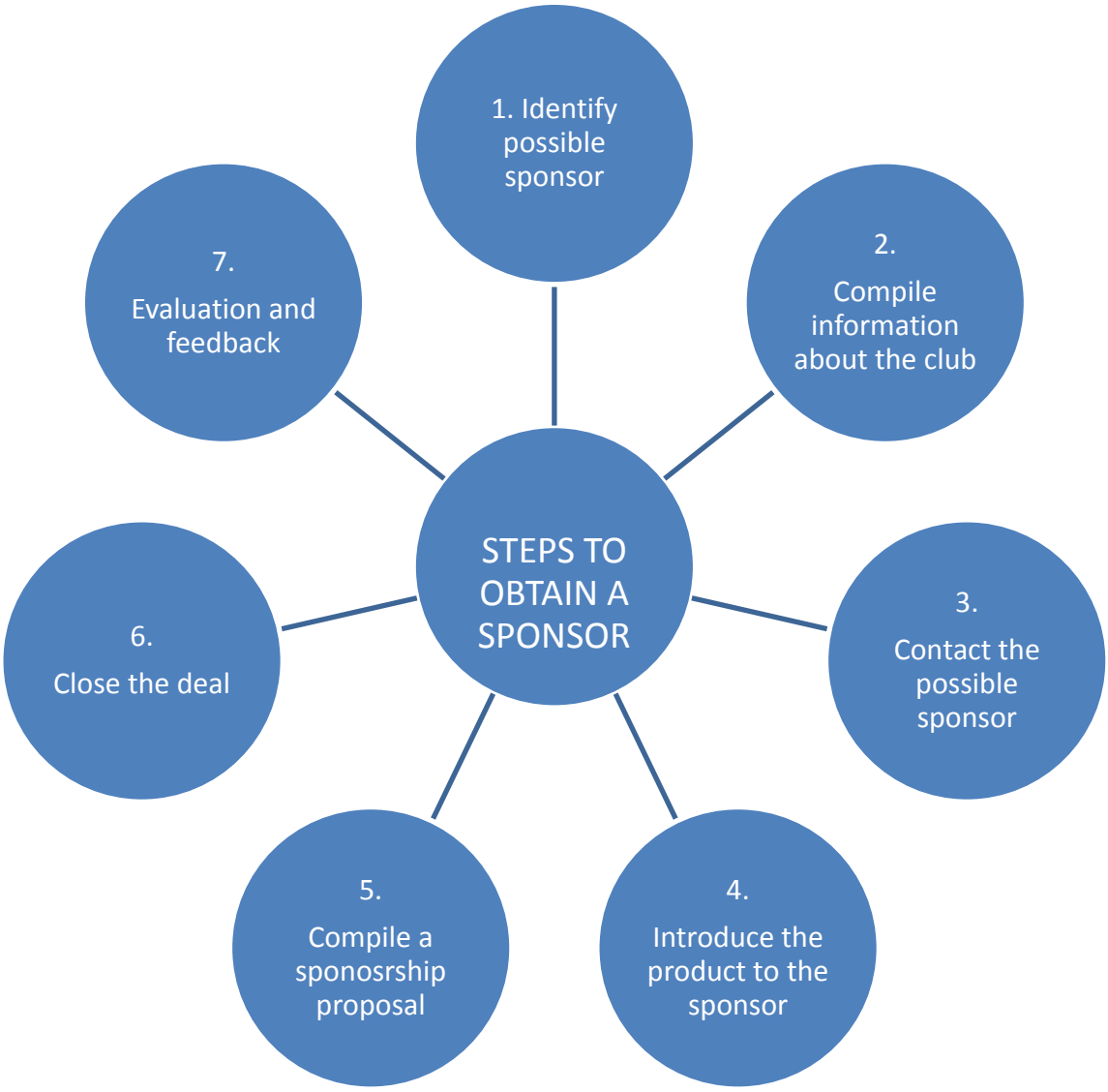
8.3 How To Obtain A Sponsorship



STEP 1: Identify Possible Sponsors

- Make a list of all possible businesses or people that might be interested in sponsoring your organisation or team.
- The sports marketer must be aware of all the active sport sponsorships in the marketplace.
- The sports marketer must also be aware of new businesses opening in his area and must be targeted as possible sponsors.
- The sports marketer needs to do extensive research on the possible sponsors.
- Ask current sponsors for references of other possible sponsors.

STEP 2: Compile Information Of The Club

The clubs sports marketer must compile resource material that describes the product of the club clearly. The resource package must have a short description of the following:

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- Description of the club
  - This involves general information about the vision and mission of the club, what the sponsorship is needed for, the date that the sponsorship is needed by, the club and sponsorship leaderships profile and any other information that makes the sponsorship unique.

- Profile of the consumer
  - This involves the demographic data of the consumers, as well as information on their buying habits, interests and brand loyalty.

- Important benefits
  - Compile a list of all the possible benefits the sponsor can get out of the sponsorship.

- Media exposure
  - The clubs media exposure must be put together in a document and must be part of the sponsorship package.
  - The volume of media exposure that will be obtained by association with the sponsor must be included.

- Contact details
  - All resource material must have the clubs name, telephone number, postal address and e-mail address of all persons involved on it

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STEP 3: Contact The Possible Sponsor

- Contact the possible sponsor and make an informal appointment with him or her to see if the sponsor will benefit from sponsoring your club.
- The goal is firstly to build a relationship and not to sell the sponsorship immediately.
- The first appointment must not be longer than 15 minutes and is only an opportunity to get some information regarding the possible sponsor.

STEP 4: Present The Product To The Sponsor

- Invite the persons involved with the sponsorship decision to have a look at your facility and products.
- The sponsor gets firsthand knowledge on how the products are used as well as who the consumers are.
- This step creates a lasting impression in the minds of the decision makers and therefore this impression must be positive.

STEP 5: Compile A Sponsorship Proposal

This step involves creating a proposal that the sponsor will accept. The proposal is a general sponsorship program which is based on the inputs of the sponsor so far. The proposal should not exceed 3 pages and may include the following:

- Introduction
  - In the introduction must be a short identification and description of the event, facility product etc that your organisation would like to be sponsored.
  - Specify the date of the event en give an oversight of the media exposure it will get.

- Overview of the consumers demographic information
  - How many consumers buy your product, who is the target market, what is their income, what are their needs?

- Breakdown of the benefits
  - Make a complete breakdown of all the benefits the sponsor will get from sponsoring the club or team.
  - Example: exclusive rights to sponsor the event, advertisement boards, distribution rights, the right to use their logo's and trademark, free tickets to the event, a link on their website etc.

- Terms
  - Timeframes and financial aspects must be specified.
  - The club must give the sponsor a quotation that indicates exactly what they want from them such as, money, tog bags, clothing for matches, events etc.
  - A date must be specified when the sponsor will deliver what they have promised to sponsor.

STEP 6: Close The Deal

- After the proposal is presented, it is necessary to do a review on its value.
- The sponsor usually does a screening of the club they want to sponsor to make sure they are credible.

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- The acceptance of the sponsorship usually depends on the availability of funds.
- It is necessary to determine the rules, regulations, agreements and working relationships before the sponsorship is made public.
- After the agreement is accepted, the terms and conditions must be put in a legal written sponsorship agreement.

STEP 7: Evaluation And Feedback

- Feedback must take place continuously between the sponsor and the organisation that is sponsored; to make sure both parties is satisfied with the processes.
- At the end of the sponsorship term a detailed audit needs to be done of the whole sponsorship to determine if the objectives of both parties were met.
- This can lead to the renewal of the sponsorship for another term.

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9 Sports Marketing And Market Segmentation

9.1 Introduction

Professional teams, universities, schools, clubs and youth programs are all on the outlook for new and better ways to recruit people for their entities. Contemporary sports marketers clearly need a rational, coherent system that can link consumers to sports products.

9.2 What Is Sports Marketing?

Many people think of sports marketing only as selling and advertising, but that is only the tip of the sports marketing iceberg. Sports marketing must be understood not in the old sense of making a sale – *telling and selling* – but in the new sense of *satisfying customer needs.* If the sports marketer understands consumer needs; develops products that provide superior customer value; and prices, distributes, and promotes them effectively, these products will sell easily.

Definition of sports marketing:

> "Sports marketing is the process by which companies create value for customers and builds strong customer relationships in order to capture value from customers in return".
>
> "Sports marketing consist of all the activities that are applied to satisfy the needs of the consumer through mutual processes".

9.3 The Sports Marketing Environment

In the consumer market, sports products can include a variety of goods, including tickets to an event, participation in a sport, sports equipment, and sports apparel, only to mention a few. Non-sports products include those that are not directly related to a sport; examples would include automobiles, medical services, fast food, beverages etc. The marketing environment is made up of a micro-, market- and macroenvironment. The micro-environment consist of the actors close to the organisation that can be controlled and managed by the organisation, such as personnel, application of funds, the organisation's mission and its marketing objectives. The market-environment can be partially influenced or controlled by management and refers to factors outside the organisation such as competitors, consumers and suppliers. The macro-environment refers to the external factors over which management have no control, but it has a direct or indirect influence on the organisation and are economical, political and technological factors, to mention a few.

9.3.1 Micro-environment

The major factor in the micro-environment of a sport organisation is the organisation itself.

- **The organisation**

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- In designing marketing plans, the sports marketer must take the whole organisation into account, e.g. finance, human resources, top management, purchases, sales etc.
- Al of these interrelated departments forms the internal environment.

9.3.2 Market-environment

The major actors in the market-environment of a sport organisation are as follows:

- **Suppliers**
  - Suppliers provide the resources needed by the organisation to produce its goods and services.
  - Sports marketing managers must make sure that the supplier can deliver what is needed and at the right price.
  - By not having the right suppliers to deliver the right goods can lead to unsatisfied consumers that won't buy your product anymore, therefore sports marketers must make sure they have the right suppliers.

- **Competitors**
  - The marketing concept states that to be successful, the company must provide greater customer value and satisfaction than its competitors do.
  - Thus, sports marketers must do more than simply adapt to the needs of the consumer, they also must gain strategic advantage by positioning their offerings strongly against competitor's offerings in the minds of the consumers.

- **Marketing Intermediaries**
  - Marketing intermediaries help the organisation to promote, sell and distribute its product to final buyers.
  - They include resellers, physical distribution firms, marketing services agencies and financial intermediaries.
  - Resellers are distribution channel firms that help the organisation find customers or make sales to them, e.g. wholesalers and retailers who buy and resell merchandise.
  - Example is sport shops that sell different trademarks such as Nike, Gilbert, Adidas etc.

- **Publics**
  - A public is any group that has an actual or potential interest in or impact on an organisation's ability to achieve objectives.
  - There are 5 types of publics that can be identified in the sports environment.
    - Financial publics, e.g. banks, stockholders
    - Media publics, e.g. newspapers, magazines, radio, Television
    - Local publics, e.g. neighbourhood residents
    - General public – an organisation needs to be concerned about the general public's attitude toward its products and activities.
    - Internal publics, e.g. workers, managers, volunteers and board of directors.

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- **Customers**
  - Customers are the most important actors in the organisation's market-environment.
  - The aim of the entire value delivery system is to serve target customers and create strong relationships with them.

9.3.3 Macro-environment

Forces in a sport organisation's macro-environment are as follows:

- **Demographic environment**
  - Demography is the study of human populations in terms of size, density, location, age, gender, race, occupation, and other statistics.
  - The demographic environment is of major interest to sports marketers because it involves people, and people make up markets.

- **Economic environment**
  - The economic environment consists of factors that affect consumer purchasing power and spending patterns.
  - Food, housing and transportation use up the most household income.
  - Consumers at different income levels have different spending patterns.
  - Changes in major economic variables such as income, cost of living, interest rates, and savings and borrowing patterns have a large impact on the marketplace and therefore sports marketers must be aware at all times of the economic changes in the country.

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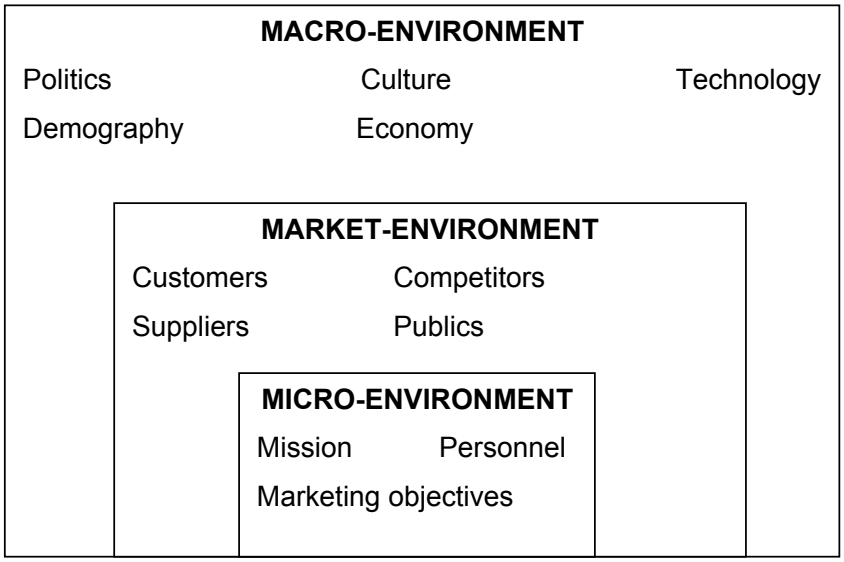
- **Natural environment**
  - The natural environment involves the natural resources that are needed as inputs by marketers.
  - Sports marketers should be aware of several trends in the natural environment, such as:
    - Growing shortages of raw materials which include non-renewable resources such as oil, coal and various minerals.
    - Increased pollution
    - Increased government intervention in natural resource management – the governments of different countries varies in their concern and efforts to promote a clean environment. Some pursue environmental quality while other does little about pollution.

- **Technological environment**
  - Technology has released such wonders as robotic surgery, laptop computers, internet etc.
  - It also has released such horrors as nuclear missiles and chemical weapons.
  - The technological environment changes rapidly and creates new markets and opportunities.
  - Every new technology replaces an older technology, e.g. cd players replaced tape players.
  - Sports marketers should be aware of technological changes.

- **Political environment**
  - The political environment consists of laws, government agencies, and pressure groups that influence or limit various organisations and individuals in a given society.

- **Cultural environment**
  - The cultural environment is made up of institutions and other forces that affect a society's basic values, perceptions, preferences and behaviours.
  - People grow up in a particular society that shapes their basic beliefs and values.

Figure 3.2 Components of a sports marketing environment



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9.4 Market Segmentation

Buyers in any market differ in their wants, resources, locations and buying practices. Through market segmentation, organisations divide large, heterogeneous markets into smaller segments that can be reached more effectively.

9.4.1 Benefits of market segmentation

- It forces marketers to focus more on the consumers needs, which leads to an increase of consumer satisfaction.
- Segmentation leads to the identification of new marketing opportunities.
- Market segmentation offers guidelines for the development of separate market offerings and strategies for the different market segments.
- Segmentation can help allocating the needed marketing resources.

9.4.2 Disadvantages of market segmentation

- The development and marketing of separate models and market offerings are expensive.
- Cannibalism can appear when one product takes away the market share from another product that is developed at the same organisation.

9.4.3 Segments of the sport consumers market

- Geographic segmentation
  - Geographic segmentation calls for dividing the market into different geographical units such as nations, regions, cities, countries, neighbourhoods etc.
  - An organisation may decide to operate in one or a few geographical areas.

- Demographic segmentation
  - Demographic segmentation divides the market into groups based on variables such as age, gender, family size, income, occupation, education, religion, race, generation and nationality.
  - Examples of gender segmentation is ladies golf days, father-and-son fishing competition etc.
  - Many organisations target households with a high income to buy their expensive products such as Pringle Golf set, membership at an exclusive sports club.

- Psychographic segmentation
  - Psychographic segmentation divides buyers into different groups based on social class, lifestyle or personality characteristics.
  - Example, adventurous people will be targeted by rock-climbing clubs; elder people will be targeted by bowls clubs.

- Behavioural segmentation
  - Behavioural segmentation divides buyers into groups based on their knowledge, attitudes, uses or responses to a product.
  - Certain products can be introduced per occasion, for example to sell rugby jerseys of the different teams during the super 15 series.
  - The consumer's loyalty to the product also falls under this segmentation. If the consumer is satisfied with the product or service, he or she will stay loyal to the product.

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10 The Marketing Mix

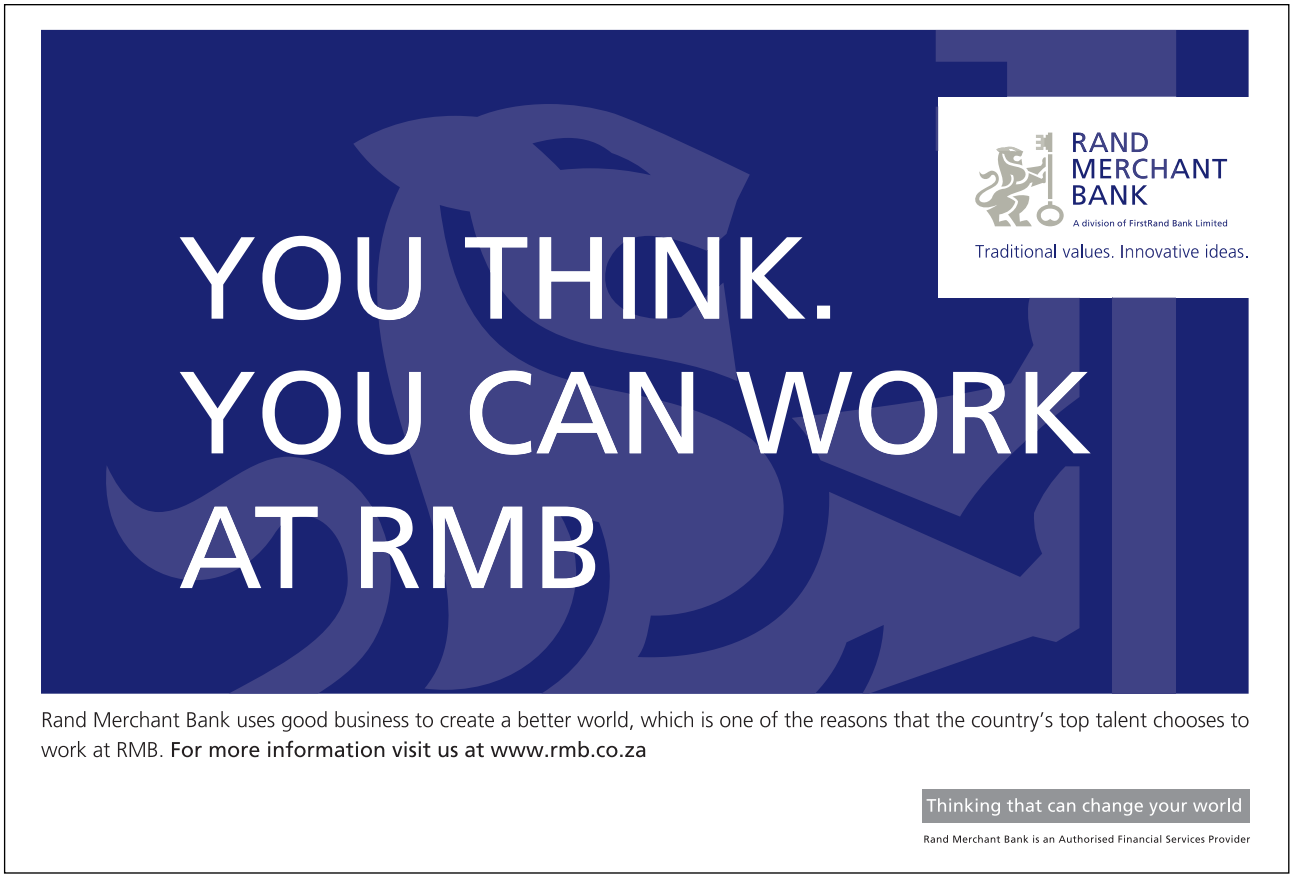
10.1 Introduction

The marketing mix can be defined as the set of four controllable variables that are manipulated in an effort to achieve a firm's stated marketing objectives. These variables are often referred to as the *four P's*; they are price, product, place and promotion.

10.2 The Sport Product

A product can be described as a bundle or combination of qualities, processes and capabilities (goods, services, ideas) consumers expect to satisfy their needs. Therefore, is it very important for the sports marketer to understand why the consumer has the specific need to that specific product and not any other product to satisfy his or her needs. Examples of products are Gilbert rugby balls, overseas sports tours, a specialised coach etc. In the following section the next items will be discussed:

i) Product levels
ii) Product decisions
iii) The development process of a new product
iv) The product life cycle



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10.2.1 Product Levels

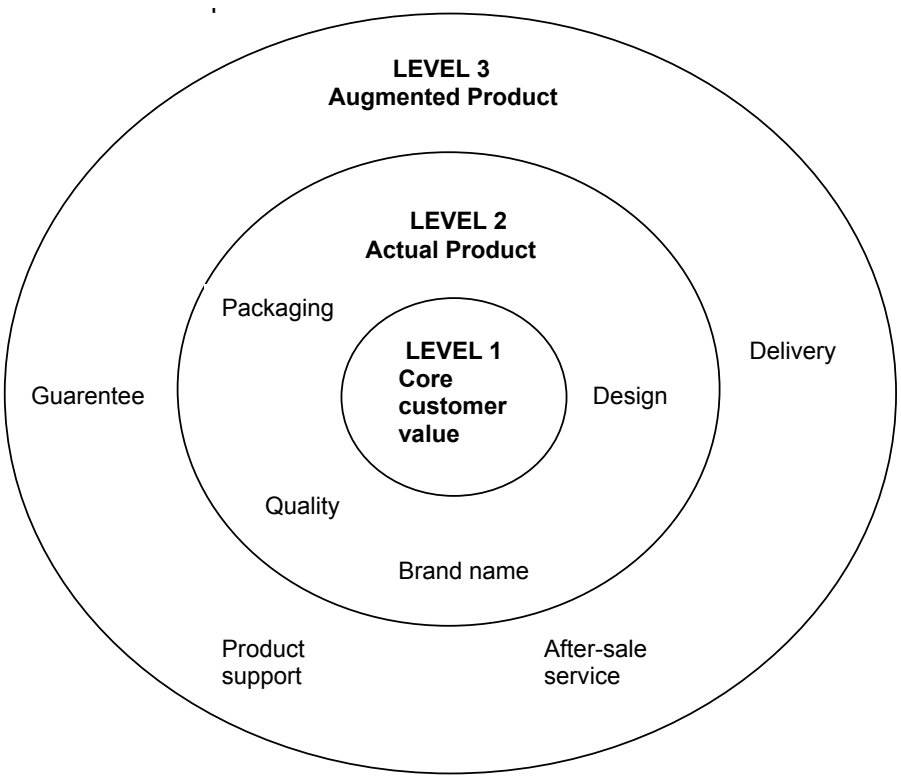
Product planners need to think about products and services on three levels, namely

- Core customer value
  - The first level addresses the question "What is the buyer really buying?"
  - When designing the product, sports marketers must first define the core, problem-solving benefits or services that consumers seek.

- Actual product
  - At the second level, product planners must turn the core benefit into an actual product.
  - They need to develop product features, design, a quality level, a brand name and packaging.
  - Example, a Gilbert rugby ball is the actual product and its name, style, features and packaging are all combined to offer value to the core customer.

- Augmented product
  - At the final level, product planners must build an augmented product around the core benefit and actual product by offering additional consumer services and benefits.
  - Example, a year guarantee on the product or free delivery of the product.

Figure 10.1 Three levels of product



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10.2.2 Product Decisions

Decisions that need to be made when developing a product are as follows:

i) Product attributes

- Product attributes includes the products quality, features, and style and design.
- Product quality has a direct impact on product performance; thus, it is closely linked to customer value and satisfaction.
- A product can be offered with varying features, for example a Grays GX7000 hockey stick is light in weight and its balance is equally spread through the stick. Features are a competitive tool for differentiating the company's product from competitor's products.
- A products style simply describes the appearance of the product and should be eye-catching. A product that appears attractive does not necessarily make the product perform better. A products design contributes to a product's usefulness as well as its looks.

ii) Product branding

- A brand is a name, term, sign, symbol or design or a combination of these, that identifies the seller of a product or service. Consumers view a brand as an important part of a product and branding can add value to a product.
- Examples of sports branding are Nike, Adidas, Gilbert, Grays etc.

iii) Packaging of the product

- Traditionally, the primary function of package was to hold and protect a product.
- In recent times, however, numerous factors have made packaging an important marketing tool – from attracting attention, to describing the product, to making the sale.
- Example is bottled water that is easy for sports teams to use during matches.

iv) Labelling

- Labels on products perform several functions such as:
  - It identifies the product
  - It describes certain things about the product such as who made it, where it was made and when it was made
  - It helps to promote the brand
- ➢ Example is USN sports drinks that explain everything about the drink in its label.

10.2.3 The Development Process Of A New Product

Many organisations face the problem that they must develop new products, but the odds weigh heavily against success. To create successful new products, an organisation must understand its consumers, markets and competitors and develop products that deliver superior value to customers.

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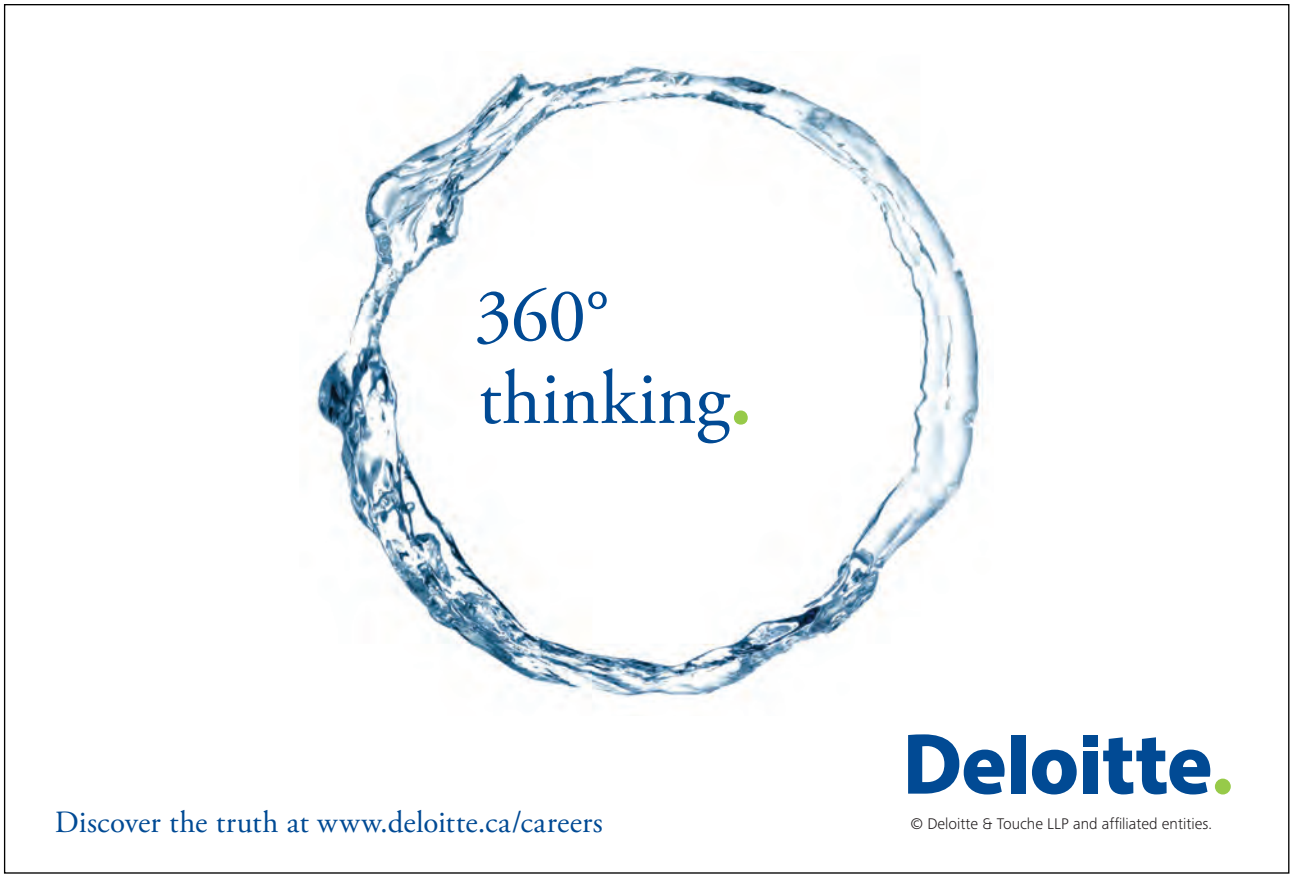
The following eight steps can be followed to develop a new product.

STEP 1: Idea Generation

- An organisation typically generates hundreds of ideas in order to find a few good ones.
- Major sources of new-product ideas include internal sources and external sources.
- Using internal sources, the organisation can find new ideas through formal research and development. Thus, organisations can pick the brains of the employees by means of brainstorming sessions.
- External sources to use to obtain new-product ideas are distributors and suppliers. They can pass along information about consumer's problems and new-product possibilities. Competitors are also an external source. Organisations watch competitors' ads to get clues about their new product. They buy competing new products, take them apart to see how they work, analyze their sales, and decide whether they should bring out a new product of their own. Another important external source to generate ideas from is the consumer itself. The organisation can compile a short questionnaire for the consumer to complete. From the suggestions that the organisation get back out of the questionnaires, they can generate new-product ideas.

STEP 2: Idea Screening

- The purpose of idea generation is to create a large number of ideas. The purpose of idea screening is to reduce these large numbers of ideas. Idea screening helps spot good ideas and drop poor ones.
- Product development costs rise greatly in later stages, so the organisation wants to go ahead only with the product ideas that will turn into profitable products.
- A new-product screening framework can be used by asking three questions:



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- *Is it real?* Is there a real need for the product and will customers buy it?
- *Can we win?* Can the organisation win with the product, is the product sustainable?
- *Is it worth doing?* Does the product set the organisation's overall growth strategy?

➢ The company should be able to answer yes to all three questions before developing the new-product idea further.

STEP 3: Concept Development And Testing

➢ An attractive idea must be developed into a product concept.
➢ It is important to distinguish between a product idea, a product concept and a product image.
➢ A *product idea* is an idea for a possible product that the company can see itself offering to the market.
➢ A *product concept* is a detailed version of the idea stated in meaningful consumer terms.
➢ A *product image* is the way consumers perceive an actual or potential product.
➢ Example for concept development
  - Suppose an organisation manufacturing sports drinks develop an energy drink for athletes. After a year, the manufacturer decides to develop more ranges energy drinks with different features. The energy drink is also a meal supplement and provides all the necessary vitamins and nutrients. The sports marketer's duty is now to develop the new product in alternative concepts and then to find out how attractive each concept iss for the consumer. After doing so, the sports marketer must then choose the best concept.
  - Possible concepts for the energy drink:

Concept 1: A 250 ml bottle which is just enough for about 2 hours participation and is ideal for a sport which is not longer than two hours, such as rugby, hockey, netball etc. Price R15 a bottle.

Concept 2: A 500 ml bottle which is enough for 4 hours participation and is ideal for a sport such as 10km events, tennis matches etc. Price R28

Concept 3: A 1 litre bottle that can be consumed throughout the day by participants participating in sports such as marathons, cricket etc. Price R55

➢ After the concepts are developed, it must be tested by presenting it to consumers symbolically or physically. After the concepts are presented to the consumer, he must be asked to respond to it by answering questions such as "do you understand the concept of the energy drinks?", "what do you think is a reasonable price for such a drink?", "would you buy the drink?"
➢ The answers to such questions will help the organisation to decide which concept has the strongest appeal.

STEP 4: Marketing Strategy Development

➢ Suppose the manufacturer of the energy drinks finds that concept 3 for the 1 litre bottle tests best, then the next step would be to develop a marketing strategy, designing an initial marketing strategy for introducing this 1 litre energy drink to the market.
➢ The marketing strategy statement consists of three parts:

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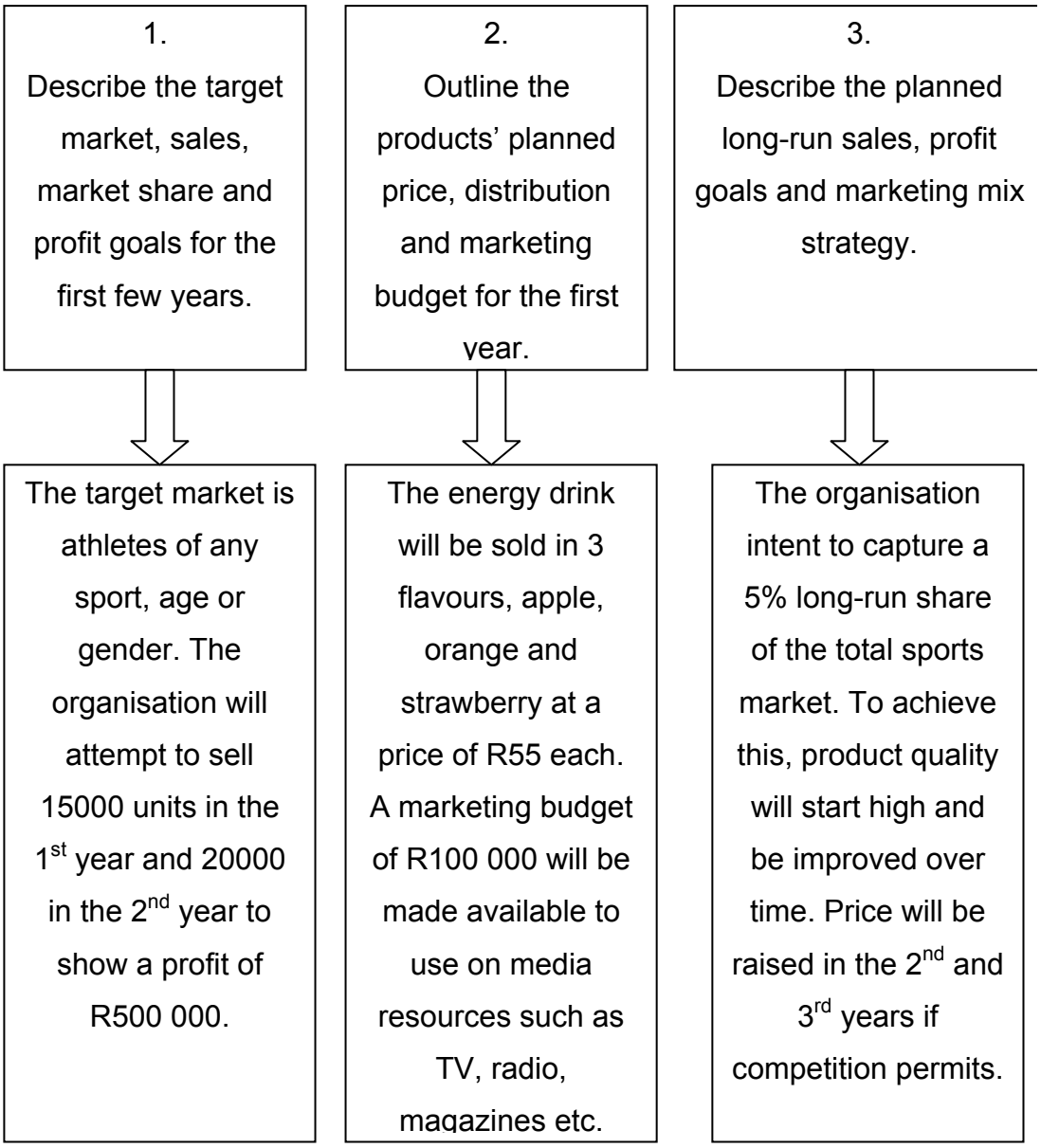

STEP 5: Business Analysis

- A business analysis involves a review of the sales, costs and profit projections for a new product to find out whether they satisfy the company's objectives.
- If they do, the product can move to the product development stage.
- To estimate sales, the organisation might look at the sales history of similar energy drinks.
- After preparing the sales forecast, management can estimate the expected costs and profits for the product.
- The organisation then uses the sales and costs figures to analyse the new product's financial attractiveness.

STEP 6: Product Development

- Manufacturers must now develop the product concept into a physical product.

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- It will show whether the product idea can be turned into a workable product.
- To develop the physical product can take days, weeks, months and even years, depending on the product and prototype methods.
- Organisations can test their own products or outsource to other companies who tests products.

STEP 7: Marketing Test

- This is the stage at which the product and marketing program are introduced into realistic market settings.
- Test marketing gives the sports marketer experience with marketing the product before going to the great expense of full introduction.
- It lets the organisation test the product and its entire marketing program – targeting and positioning strategy, advertising, distribution, pricing, branding and packaging and budget levels.

STEP 7: Commercialisation

- Commercialisation involves introducing the new product into the market.
- If the organisation goes ahead with commercialisation, it will face high costs in the first year such as advertisements, rent or build of facility, sales promotions and other marketing efforts.
- There are two alternatives when the new product is introduced:
    - Immediate national introduction – the product is introduced to all the target markets at all the distribution points at once.
    - Systematic introduction – the product is introduced only to a certain target market at certain distribution points and over time it will spread to other target markets.

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10.2.4 The Product Life Cycle

Each product will have a life cycle, although is exact shape and length is not known in advance. The product is developed (prenatal phase), then placed in the market for the first time (birth), competes then in the market and reaches maturity (maturity phase) and then eventually is withdrawn from the market (dies). The phases of the product life cycle are as follows:

Phase 1: Introduction phase

The introduction phase starts after the necessary preparations are made to enter the target market and the product is presented to be sold. In this phase, profits are low because of the low sales. Promotion spending is relatively high to inform consumers of the new product and get them to try it.

Phase 2: Growth phase

If the new product satisfies the market, it will enter a growth phase, in which sales will start climbing quickly. New competitors will enter the market. Prices remain where they are or fall only slightly to attract more consumers. Profits increase during the growth phase as promotion costs are spread over a large volume and as unit manufacturing costs fall.

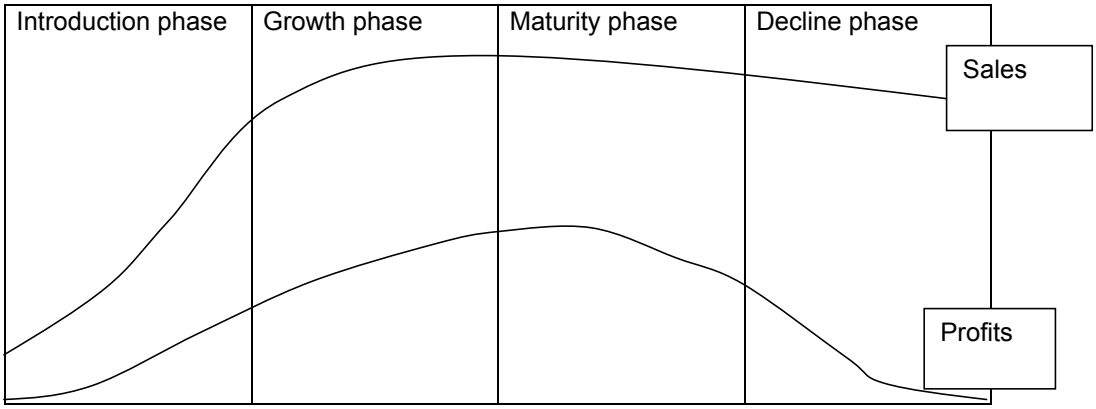
Phase 3: Maturity phase

At some point, a product's sales growth will slow down, and the product will enter a maturity phase. Not many competitors enter the market with similar products. Better products that satisfy the same needs as your product are introduced. Competitors begin marking down prices, increasing their advertising and sales promotions. These steps lead to a drop in profit. Some of the weaker competitors start dropping out, and the industry eventually contains only well-established competitors.

Phase 4: Decline phase

This phase is characterised with the sudden decline in sales in the target market. Sales may drop to zero, or they may drop to a low level where they continue for many years. Profits decline drastically, and as sales and profits decline, some firms withdraw from the market.

Figure 10.2 Phases of the Product Life Cycle



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- The sales curve increases during the introduction and growth phase and reaches its peak in the maturity phase. During the decline phase, the sales curve starts to drop.
- The profit curve starts increasing only later in the introduction phase and the reason for that is the high costs that incurred to develop the product and these costs first have to be covered before a profit can be shown. The profit curve also indicates an earlier decrease than the sales curve and the reason for that is the intense competition conditions that causes that the price of the product decrease and then the profits are less.

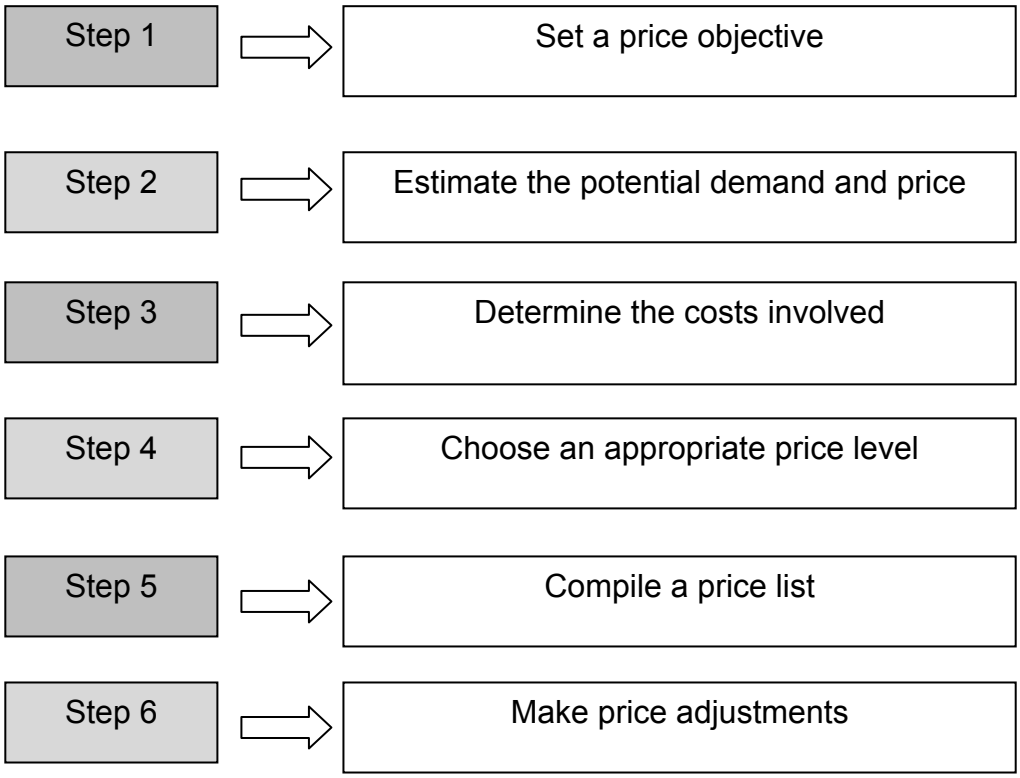
10.3 Price

The second P of the marketing mix is Price. Any sports marketer wants to show a good profit and highest possible sales (turnover). These two areas are sometimes in conflict with each other. In some cases it makes sense to increase the profit margins and sometimes increase the sales volume. For the sports marketer, price is mainly the method to use to reach the objective of profit generation. In this section of price, we are looking at the process to following to determine the right price for the product or service.

10.3.1 Prices Setting Process

Price setting is the process where the value of a product is determined (the price) what the consumer is prepared to pay under certain circumstances and at a certain time. The price setting process is set out in figure 10.3.

Figure 10.3: Steps in the price setting process



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STEP 1: Set A Price Objective

- Price objectives give direction to the whole price setting process.
- Before a sports marketer can set sales prices, they must set specific and measurable price objectives that correlate with their marketing and organization objectives.
- Price objectives can be profit-orientated or sales-orientated.
  - Price-orientated objectives are when price objectives are set so the best possible profit can be earned.
  - Sales-orientated objectives are usually set when the organization wants to attract a lot of consumers. Price is decreased and sales increase.

STEP 2: Estimate The Demand Of The Product

- The demand of a product sets limits on the price of the product.
- The total of people that are prepared to buy the product over a certain time, will be determined by the price of the specific product.
- In most cases there are an *inverse relationship* between the product's price and the demand of the product. The higher the price, the less the demand. In some cases the consumers use price as an indication of the quality of the product and is prepared to pay a high price for the product.

STEP 3: Determine The Costs Involved

- All income of product sales or service deliveries are reach at a cost, and therefore all costs must be analyzed and controlled.

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- The total cost of a product is the composition of all the costs of the different activities that has been performed by the different functions in the organization such as finances, personnel, purchases, production, administration and marketing.
- Example:
  - One of you club's services is to present coaching clinics for juniors. The product is coaching. A cost analyses would look like as follows:

    - Coache(s) R50 / per hour per coach
    - Equipment R50 / hour
    - Transport to the field R2 / km
    - Refreshments R30 / coach

STEP 4: Choose An Appropriate Price Level

- Other factors, excluding costs, influencing the sports marketers' final decision are:
  - Competitors – sports marketers must be aware of the prices of competitors, because consumers tend to compare prices.
  - Characteristics of the product – seasonal products must be priced according to the season in which it is sold, and as soon as the season is over, prices must be reduced.

STEP 5: Compile A Price List

- After taking in consideration the previous 4 steps, a pricelist needs to be put together.
- Such a pricelist refers to the prices that the consumer or middleman must pay for the product or services of the organization.

STEP 6: Make Price Adjustments

Price adjustments are accompanied by discounts. The following types of discount can be given:

- Discount on big quantities
  - This involves that discount can be given to the consumer if he or she buys a certain amount of the product, e.g. when a school buys all their sports equipment at once at one place.

- Cash discount
  - Cash discount usually occurs when the consumer pays cash or undertakes to make payment within a few days.
  - Example, a sport shop gives 2% discount if organizations that buys on account settle their account within 30 days after purchase.

- Promotion discount
  - Promotion discount is when sports marketers reduce certain products prices lower than selling price just to attract people to their shops.

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10.4 Promotion

The third P of the marketing mix is Promotion. An organisations total promotion mix, also called communication mix, consists of the aggregation of advertisements, publicity, personal sales, sales promotions and direct marketing tools the organization use to communicate in a persuasive manner with the consumer. Aspects of promotion that will be looked at in this section are the different promotion tools and the composition of a sports marketing communication plan.

10.4.1 Promotion Tools

	Definition	**Promotion tool**
Advertisements	Any paid form of non-personal representation of ideas, goods or services by an identified sponsor.	Television broadcasts, print media, internet and outdoor media.
Sales promotion	Short term compensation to encourage the consumer to buy the product.	Discount, coupons, displays and demonstrations.
Personal selling	Personal presentations by the organisations sales force with the goal to sell products and build relations with the consumers.	Sales presentations, trade shows
Publicity	Build good relations with the organisation's different publics by maintaining positive publicity, building a good corporate image and by handling all negative stories regarding the organisation.	Media statements, sponsorships, special events and WebPages
Direct marketing	Direct connections with individual consumers to get an immediate reaction, e.g. telephone, e-mail and internet	Catalogues, telephone marketing, kiosks, internet.

10.4.2 Sports Marketing Communication Plan

Communication is very important in today's society. In our everyday lives we see the influence of the communication revolution – cell phones, computers etc. The sports world also communicates with its markets and marketing communication with the sports consumer is not a by chance process.

Sports marketing communication plan

STEP 1: Identify the target market

- The target market is all the people you can reach in the market place by using combined communication tools.
- The target market can be individuals, groups, special publics or the general public.
- The target market influence the communicator's decisions on *what* to say, *how* to say it, *when* to say it, *where* to say it and *through whom* to say it.

STEP 2: Determine the communication objectives

- After identifying the target market, the sports marketer must decide what reaction he or she seeks.
- Objectives can be:

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- To create awareness of the product
- To make the consumer understand how to use the product, example when to drink the sports drinks.
- To create perception changes of the product, example many coaches are skeptic when it comes to energy drinks and their perception needs to be changed.

STEP 3: Design the message

- The message that must be designed must attract people's attention, keep them interested, wake a desire for the product and must lead to action.
- When the message is compiled, the sports marketer must decide *what to say* (message content) and *how to say it* (message format).
- The sports marketer can use one of the following 3 approaches:
  - Rational approach – this approach refers to the consumers own interests and the sports marketer must proof that the product will satisfy the necessary needs of the consumer. An example is messages that point out the product's quality, economy and value.
  - Emotional approach – this approach generates positive or negative emotions with the consumer that motivates him or her to buy the product. Emotions such as love, joy, comedy, fear and guild can be used to persuade the consumer to buy the product.
  - Moral approach – this approach is directly aimed at the consumer's knowledge of what is the right thing to do, example to support social events that collects money for poor areas.

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STEP 4: Choose the right means of communication

- The sports marketer must decide what communication channels he or she is going to use.
- There are 2 types of communication channels, namely personal and non-personal channels.
  - Personal communication channels – this takes place where two or more people communicate directly with each other. It can be per telephone, e-mail, face-to-face or through the internet.
  - Non-personal communication channels – this refers to media that transfers the message without any personal contact and includes print media (newspapers, magazines), and broadcasting media (television, radio), display media (posters and notices).

STEP 5: Compile a budget

- The amount of money available for the marketing campaign will determine how long the campaign will run as well as what type of communication means will be used.

STEP 6: Implement the communication plan

- The time schedule for the campaign must be determined, for example will the campaign be a week, a month or a year?
- The responsible person's for the campaign must be decided on.

STEP 7: Get feedback

- After the message has been send, the sports marketer must do research on the reaction the message has on the consumers.
- Feedback can deliver suggestions on how to market the product differently to satisfy more of the needs of the consumers.

10.5 Place (Distribution)

The last P of the marketing mix is Place, also called location or distribution. Place refers to where the product is presented (sport shop, sports grounds etc.), the origin from where the product is distributed (ticket sales), the geographic location of the target markets (local, national, cities etc.) and other important channels (season, day, time or month in which the product is presented). Distribution decisions starts with the identifying of the characteristics of the products or services the sport organization offers as well as the target markets that are reached. The main objective is to offer the right products and services in the right quantities at the right time, where and when the consumers want it. In a typical sports team, there are various product elements that require distribution, such as:

- The event (match)
- Tickets for the event
- Refreshments
- The image of the event through the media
- Players and coaches

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The right place is of critical importance for the experience of each sports consumer, whether it is a participant or a spectator. Example, an Universities sports centre is in the middle of campus, which leads to mass spectators watching the games in the centre, because it is placed in a central place. Aspects of place to look at in this section are the facility and decisions on the location / distribution of the products.

10.5.1 Facility

A sport organization's facility is the central element of any sports complex.

Factors that can influence the attractiveness of a facility

- Accessibility to the facility
  - Place is very important in trade products and services such as sport shops and gymnasiums.
  - The facility must be easily assessable

- Parking
  - There must be enough parking at the facility.
  - Parking should be calculated at one parking per 4 chairs in the stadium.
  - There should be enough security in the parking area, such as car guards.

- Surrounding area
  - The facility must fit in with the surrounding landscape and must not harm the environment.
  - Safety must be guaranteed. If the facility is located in an unsafe area, consumers will not buy the product and sales will be very low.

- Design and layout
  - The following aspects must be kept in mind when designing and laying out a facility:

    - Comfort to enter and exit the facility without queuing in long lines.
    - Easy access to the facility for the disabled.
    - Location and design of food services, bars, ablution and display areas.
    - Provision to be able to handle mass spectators.

10.5.2 Distribution Decisions

The marketing of spectator's sports involves two primary tasks:

i) to attract more spectators to events
ii) to increase the number of people watching the event on any electronic medium.

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The decisions to make regarding distribution are set out in the following table:

Type of decision	What such decision involves
Event-orientated decisions	-where will the event take place? -is a new facility needed? -is it a single purpose or multipurpose facility? -what time of the year does it take place? -what day of the week and time of the day does it take place?
Ticket distribution decisions	-where is the ticket booth? -can people buy tickets telephonically? -will the tickets be available on the internet?
Decisions on how to attract media-orientated spectators	-by means of television? -by means of radio? -by means of the internet? -by means of cell phones?

The reality is that sports marketers must do more than just to develop a good product, they must develop distribution strategies that will make the product available to their target markets.

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