

12-17-2001

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Rick Burton
Syracuse University

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Recommended Citation

Burton, R. (2001), "Going global the fastest way to the top", Sports Business Journal, Vol. 4, No. 35, December 17-23, 35.

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SBJ/December 17 - 23, 2001/Opinion

Going global the fastest way to the top

RICK BURTON

Published December 17, 2001

I was in Melbourne, Australia, the other day attending a conference on the globalization of sport run by the Sport Management Association of Australia and New Zealand (SMAANZ). As the introductions began, the chairwoman kicked things off by charging us to globalize immediately. She presented her command with such conviction that I gathered it was something she wanted done by lunchtime.

It made me reflect on the various things our industry has needed to do in the last 10 years. We've been warned that our businesses will succeed only if we recognize we're working in a service economy. Or was it a technology economy? An entertainment economy? I think it's all of them, but it depends on your product.

Heck, I remember when all you had to do was roll up the ticket window and sell those bleacher seats. Ahh, but the times have changed. Market share, like evolution, goes to those who adapt fastest.

Today's magic phrase is global economy. It's not a new concept, but maybe a few of us need a reminder.

Many at the SMAANZ conference got that refresher course in a presentation by James Santomier Jr. of Sacred Heart University in Fairfield, Conn. Santomier must have used some lunch hours wisely, because his paper discussed global sports properties and reflections on how U.S. sports groups must start thinking beyond the boundaries of the lower 48 states.

Scribbling cryptic notes, I wondered: How fast is the globalization of sport taking place?

The answer, especially if you're in Australia, is pretty darn fast. The reason? Globalization is the fastest way for many U.S. brands to execute two of the four traditional growth strategies (market development and new product development).

In an age when domestic network broadcast contracts may decrease, global growth strategies are now critical to keeping the revenue pump well-primed.

In the interest of offering you an end-of-the-year present (and because it was something I could do by lunchtime), I thought I would invent the first-ever Sport Globalization Awards — the SMAANZies, named for the conference that inspired their creation. Here goes.

- Best Traditional Sports League:** NBA. League gets the job done with offices and entertainment/events/games around the world. David Stern understands all of the economies listed above (including economies of scale). Notable focus on China, Europe, the Middle East and Australia.
- Best Team:** Manchester United. The Dallas Cowboys and New York Yankees do well in the United States, but Man U sells everywhere. Tie-in with Yankees probably did more for Manchester than it did for the Yanks. Plus, Man U tours places like the Far East and Australia to build global brand equity.
- Best Male Athlete:** Tiger Woods. Seems like he plays all the continents except Antarctica. Plus, he plays his global sponsors like a harp. Future contenders include hoopster Kobe Bryant (via Adidas), Aussie tennis stud Lleyton Hewitt and English quidditch star Harry Potter.
- Best Female Athlete:** Anna Kournikova. Plays on the Internet and Russian suitors better than she does on grass and clay. Doesn't matter that she doesn't win, her face is everywhere. Lycos Web site continues to hum across all borders.
- Best Sports Network:** A tie between News Corp. (Fox, Star, Sky, etc.) and Disney (ESPN). These guys want all the warriors. No country is too small if it has TV.
- Best Country:** Australia. Has recently hosted the Summer Olympics, Goodwill Games, World Swimming Championships, World Rally Championships, Davis Cup Finals, regular cricket test matches; will soon host the Rugby World Cup (2003), Commonwealth Games (2006). Phil Knight has reportedly said that if Nike could be a country, it would be Australia.
- Best City:** Melbourne. Annually hosts the Australian Grand Prix, Australia Open; just had 2001 Davis Cup Finals, will have World Masters Games in 2002. These guys go after everything, including existing events in Perth, Brisbane and Adelaide. Reportedly will bid for a future World Cup (soccer) in order to guarantee Aussies get into final 32.
- Best Globalization of a Professional Sport:** FIFA/Soccer. FIFA may be a funky organization but soccer is still the global language. Shared World Cup in Seoul and Tokyo is novel multicountry approach. Mandate to rotate the cup by continent is inspired thinking by president Sepp Blatter and his current leadership team. Worldwide development of national teams is one of Blatter's top priorities.
- Best Event:** The Olympics. Duh. The World Cup probably generates more passion among fans of contending countries but lacks the ability to bring every country to the table. Plus you've got to like Jacques Rogge (sleeping in the athletes village) at the helm of the IOC. Honorable mention to Formula One for getting back into the United States while continuing to hold events in Europe, South America, Australia, Canada, Malaysia and Japan.
- Best Sports Brands:** Adidas, Coca-Cola, McDonald's, Nike, Philips, Samsung and Visa. These guys are everywhere you have to be. More often than not, these folks are the best at activating, leveraging and pursuing excellence in sport sponsorship. With a passion.
- Best Sports Agency:** IMG. The once and future king. Octagon is strong and impressive but IMG still features the magic, global initials known the world over.
- Best Executives:** Rupert Murdoch (News Corp.), Mark McCormack (IMG), David Stern (NBA), Peter Kenyon (Man U). Where to start? They understand brand building and capitalism to a T. Or is it to a \$? Countries and continents are simply states or cities to them. If you have fans, they will come to you and build it.

So what are the secrets for these global award winners? Santomier suggests a large part of the puzzle is the effective use of and recognition of the role played by four ingredients: partners (media, sponsors, venues,

athletes); fans (building or maintaining broad demographic appeal); vision (great strategies to achieve wide-reaching objectives); and money (timely investments, dynamic resource allocations, commitment to qualified risks).

To that list, I might add the concept of change. Global brands and executives embrace change, even though in most cases, they embrace stability in the mission of the organization and the strategies to achieve that goal. But when given the chance to adapt, create, expand or extend, they go strong to the hoop.

OK, that's my attempt at globalizing by lunchtime.

Time to go online and see how Japan's Ichiro Suzuki is spending his off-season. Maybe get an update on China's Yao Ming and his bid to play in the NBA. Or check on NFL Europe rosters.

Rick Burton is executive director of the Warsaw Sports Marketing Center in the University of Oregon's Lundquist College of Business.

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