

# **Football Marketing and Its Effect on Economic Boom**

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## **Abstract**

Football sport marketing has been considered a tool, on economizing sports, producing the value added and an important solution for earning income through sports. The aim of this study was to investigate the role of football marketing in the country's economic boom, and the method of analytical survey was conducted using questionnaires. The study statistical society consisted of football experts, economists, management experts and football fans. The statistical sample was selected from a suitable classified sampling method in Tehran city. Multiple and linear regression analysis was used to analyze the data by SPSS and SAS software. The results show that football marketing has significant and positive effect on economic boom. In other words, football marketing components such as: the establishment of a central marketing system in football, brand advertising (internal and external), football stars are attracted by the club, attracting sponsors (internal and external), and to enhance the quality and quantity of the stadiums, has the effect positive on increasing the country's football industry.

## **Resumen**

El marketing en el fútbol ha sido considerado como una herramienta, en economizar deportes, produciendo el valor añadido y una solución importante para ganar dinero a través del deporte. El objetivo de este estudio fue investigar el papel que juega el marketing en el fútbol en el auge económico del país, y el método de estudio analítico se realizó utilizando cuestionarios. El estudio estadístico se basó en expertos del mundo del fútbol, economistas, expertos en la gestión y los aficionados al fútbol. La muestra estadística fue seleccionada de un método de muestreo clasificados adecuado en la ciudad de Teherán. Se utilizaron análisis múltiples y de regresión lineal para analizar los datos por software SPSS y SAS. Los resultados muestran que el marketing del fútbol tiene efecto significativo y positivo sobre el auge económico. En otras palabras, comercialización de componentes tales como: el establecimiento de un sistema central de marketing en el fútbol, publicidad de marca (interno y externo), estrellas del fútbol atraídas por el club, acopio de patrocinadores (internos y externos), y mejorar la calidad y cantidad de los estadios, tiene un efecto positivo en el aumento de la industria del fútbol del país.

*Keywords:* football, marketing, economic, boom, Iran.

*JEL:* M31, M37, O40

## 1.- Introduction

Sports industry and sports economy are the new subjects, which cause to have extremely tangible need of experience and science in this issue. A great number of people are involved in this particular sport and its relative functionalities. On the other hand economy has always been performing a fundamental role in all aspects regarding sports, however, this fundamental role is obviously apparent. Sports economy can have a determining role in developing the economy of the country. Despite the fact that sport is considered as an essential foundation in economic, politics and social base in developed countries, unfortunately in Iran sports has always been a minor issue. In some countries such as Germany a noticeable part of the Gross National Product is acquired through sports economy, but in Iran this figure is less than 1%. In the third thousandth the key to the world economy is accelerating towards sport activities. Nowadays sports has the tenth position in economic, political, cultural and social equations in the world and this trend is increasing rapidly. According to the report of the E.T.Carney association the financial turnover of sports industry including sports teams, leagues and athletic federations has been between 480 to 620 billion dollars. This figure is twice as much the world car manufacturers earn annually and it is also two to three times more than the annual budget in Iran. This financial turnover includes athletic recreational centers, sport goods, sports licensed products and live sports events.

This credible association researchers indicate that the sports industry has a fascinating inclination for the investment and uprising trend of that is moving faster than the national gross product in different countries throughout the world. In other words the football sports industry has been a global phenomena among different sports, in a way that there cannot be an acceptable limit for it for the reason that the football public community has a wide variety of social, cultural, economic and political aspects. Therefore this field of sports has attracted the chief executives', investors', and also governments' attentions. This profitable industry has noticeably been developed as a result of a big change in the football traditional clubs structures and commercialization of them, however, a great number of chief executives in the economic sections in different countries throughout the world have been able to manipulate their national and economic budget deficit and by extra income they have influenced the education office thoughts and ultimately through exporting football players they can achieve their targets.

Nowadays marketing is one of those sciences, which the majority of governmental and private companies have special attention throughout the world and they are seeking economic profitability for their countries through this concept. Numerous definitions have been presented for marketing. Marketing has been considered as a kind of social, and managerial process through which individuals and groups can create and exchange values with others to meet their needs (Philip Kotler, Garry Armstrong and Kotler). Marketing principals book,( 1999,pp:17). In an other definition Varan Kigan (2001) has considered

marketing as resource centralization process and organizational objectives on the opportunities and environmental demands (Varan Kigan, 2001,pp:25). Fathali also has realized marketing as organized attempts for the market recognition and proper implementation to respond to different demands regarding the society value system ( Fathali,(1993,pp:21,quoted from Babae). Marketing for noncommercial organizations such as sport organizations is known to be a means of communication among people ( Ghiami Rad, Moharam zadeh, 2009, pp: 176). With this new approach to marketing, product is no longer limited to physical commodities, however, anything like provided services or fulfilled needs can be considered as a product, which includes individuals, organizations, services, places and opinions (Atghia, 2005). Meanwhile it has been quite some time since sports has entered in the marketing concept. Marketing is one of the most complicated organizational tasks, that if it is implemented properly can lead to flourish sports in the national and international levels, to increase the number of participants in sport activities in the field of public and championship sports , to decrease financial dependence in the country's sports towards governmental centralized credibility, to increase the number of the construction of recreational sites and ... ( Ghiami Rad, 2006). The common specifications in marketing science application could contribute to change the sports marketing trend from a traditional form to a scientific method in the country of Iran sport marketing as a tool for economized sports and the production of value added through this, have been considered as an important solution regarding money making through sports. Since 1980 marketing through sports has entered among the expressions of marketing management but its application in sports industry goes back to a couple of recent decades. We can look at this issue from two different points of view: Marketing and advertising through sports communities or through sports clubs.

Marketing through sports includes sponsorship, license granting, names and pictures, advertising through mass media, advertising around the field in stadiums or advertising on sports products and shirts. Nowadays sports has been having an important role in the economy of countries as an effective power in economic and social development with direct and indirect influences. Considering the economic and social sports effects, which has been one of the most important issues about marketing fields and sports management, since 1986 has begun in England by Henli center (Parsi Poor quotes Ghiami Rad, 2004). The sports industry in the country of the United States of America is an example, through which we can realize the effects of marketing in sports and its influences on the economy of a country. The sports industry in America with a 50% growth during a decade has directly created jobs for 24000 people and 4/5 million occupations, however, this industry is one of the top 10 industries in the United States, Which is growing rapidly ( Memari, 2008). We can clarify this trend specifically in the sports of football and its popularity among the people of the world.

Sports teams such as Manchester United and Real Madrid have been considered economic territories at present. These teams which presently own brands produce cloths for themselves and each piece of clothing with their brand can be sold up to 70 dollars while an ordinary piece of clothing is worth

only 5 dollars. But the name of this brand for clubs and their countries brings a lot of profit for them. These teams take an economic advantage of the television channels they have, and all these activities together brings an economic cycle and a reasonable financial turnover for their countries, which results to a dynamic economy for them (Fallahnejad Mojarad, BiTa, pp: 3). In Iran based on studies under the title of the place of sports in Iranians leisure time activities, football is has been recognized as the most popular sports of all, because more than 61% of people responded that football is the first and the most popular sports to fill their leisure time( source: the research results). This industry with a change in traditional structures of football clubs and being commercialized, has received a noticeable development. This profitable industry has caused a lot of chief executives in economic institutions for different nations in the world to support their economic and national income deficiency and by earning more income, plan and make it more practical for the education office thoughts and ultimately magnify the football player's export.

## **2.- Literature Review**

Nowadays the sports industry is one of the greatest industries in the world in a way that it is the most effective industry to develop the national economy in developed countries, which includes direct and indirect effects to improve the economical situation in countries. In importance of this industry we can rely on the sport Marketing book of Pitz in 2002 that mentions the United States sports has earned more than 250 billion dollars and with a 50 % growth during the recent decades, it has created jobs for 24000 people directly and more than 4.5 million people indirectly, however, it is considered as the 6<sup>th</sup> industry in the country. The sports industry has a great role in gross domestic product and gross national product or in creating jobs for various countries, for example in countries such as: Scotland, England, The United States, Canada and Hong Kong the sports industry share from the total gross national product in the year 2002 has been 2.1, 1.7, 1.8, 1.2 and 1.5 percent in accordance.

On the other hand, nowadays football has turned in to international and money making industry (Harward and Crompton, 1995, pp: 34).However, this sport in the global commercial sector is an exception, because it has clients who are willing to pay in return to watch this sport but not buying or consuming (Freiling,1997, pp: 89). The professional sports clubs throughout the world for supplying and supporting their expenditures have used various marketing methods such as absorbing its sponsors, advertising commercial products, selling the players, selling tickets and sport products and presenting additional services ( Freiling, 1997, pp: 89, Hansen and Gauthier, 1992, pp: 16, Mcferson, 2000, pp: 45). Team marketing and sport events has been included design and supporting live events in order to advertise a product, team or organization by using marketing strategies. An important match such as world cup, the Europe league championship and etc. can be a good example of important matches. For instance the world cup which is held through FIFA and with partnership of the selected teams, can be a

good example of this trend. Moreover FIFA in addition to holding the sports competitions, it makes contracts with satellite networks to give them the right to show the matches. Since 1980 marketing through sports has entered to the marketing management terminologies. However, its application in sports industry refers to a couple of recent decades. From two different points of view we can look at this issue: marketing and advertising through athletic societies or sport clubs.

Marketing through sports includes sponsorship, the license grants, names and pictures, advertising through mass media, advertising around the sports fields and on the shirts or sport equipments, which each of them can be effective on promoting the football position in every country's economy. Undoubtedly manufacturers and business men can enhance their sales through internet advertising and professional marketing with optimized introducing products to their vast customers' society, and as a result it could be implied more successfully and have extra profitability in economic prosperity of the country. Different factors such as advertising domestic and foreign products brands, setting up the central marketing system in football, attracting the athletic stars in clubs, absorbing the domestic and foreign sponsorships, promoting the quality and quantity related to stadiums are those cases that are based on implemented studies and important clubs experiences throughout the world can have an essential role in order to promote the football situation and football and the country's economic domain (Desbordes 2007). So in this research the variables based on field studies and interviews that have been conducted with professional marketing managers in the biggest world clubs such as: Juventus, Barcelona, Milan, Ace Rome, Olympic Lyon, Vicenza, S E palmiras, Athletic miniero and athletic PR, and according to the experiences of the clubs in the countries of England, Norway, France, Italy, Germany, Spain, Portugal, Ireland, Finland, Scotland, Brazil, Japan, The United States, Canada, Argentina, Korea and Australia regarding football through Michel Desbordes (2007) and Desbordes and Andrea Richelieu (2012) have been selected, and based on questions that have been designed in the questionnaires, the research hypothesis are analyzed.

### **3.- Hypothesis and Research Method**

In this research the hypothesis that have been selected for considering the research subject are as follows:

- 1- Marketing in football sports industry promotes and improves this sport field in the country.
- 2- The improvement and promotion of football sports effected by football marketing in the country reinforces the economical boom.

In the current studies by a comprehensive review on the research literature about the research subject, the justifying causes have been identified and to typology those identified causes a questionnaire has been designed and then by multivariable regression analytical method the determined hypothesis have been taken into an assessment. A written questionnaire consist of 25 items have been designed through standard measure. 700 questionnaires among football experts, economic experts, managerial experts and the football fans have been distributed in the city of Mashhad. The final responding rate after eliminating 3 impractical questionnaires has been 81 %. The validity has been considered by using an approved factor analysis and Cronbach's Alpha coefficient has been greater than 0.07. For different questionnaire structures the reliability has been approved. For analyzing the questionnaire a SPSS software package and multivariable linear regression analysis have been used. Primarily through obtained data, a regression model is constituted and through skewness and Kurtosis statistics and Kolmogorov Smirnov quiz and Histogram diagrams, the accumulative and scatterplot and normality of data have been considered. Also the meaningfulness of each variable (Xs and Zs) are taking to consideration to prove the independence (the lack of collinear problem) of them.

## **4.- The Population, statistical sample and sampling method**

### *4.1.- The Population*

The statistical society of this article includes the football experts, economic experts, managerial experts and football fans, which by noticing the popularity of football, the society capacity is not limited. In order to accumulate the required information regarding the research subject, the questionnaire has been used as a tool. As regards to the statistical sample in the city of Tehran (the football match between Esteghlal and Persepolis in Persian Gulf league champions on 17<sup>th</sup>, January, 2014) the reasonable Stratified random sampling method has been used.

### *4.2.- The Sample*

In this research for accumulating data the reasonable Stratified random sampling method has been used. In the categorized sampling method, based on the extra information the researcher primarily divides the society in to some categories, then from each category an accidental sample is taken. Therefore in order to determine the sample volume both Morgan table and Cochran method have been used.

#### 4-2-1 Determination of the volume of sample by using the Morgan's available table

In cases with no society variance or the required percentage we can use this table to estimate the volume of sample (it indicates the maximum number of the sample) ( Krejcie and Morgan, 1970).

#### 4-2-2 The determination of the sample volume by using Cochran formula

In the following equation ( $S^2 = p \cdot q$ ),  $n$ =the sample volume,  $z$ =the standard normal variable quantity in assurance level of 95% (equals to 1.96),  $p$ = the amount of available attribute ratio in society (if not available equals to 0.5),  $q$ = the individual percentage who lacks that attribute in the society ( $q=p-1$ ),  $d$ = the allowed amount of discrepancy ( $d=0.5$ ). Since the statistical society volume equals 100,000, the sample volume is 384 accordingly. As regards the considered society volume in the city of Mashhad is more than 100,000 individuals (it is unlimited), both Morgan and Cochran table indicate the statistical society volume 100,000 and the sample volume 400 individuals.

$$n = \frac{z_{\alpha}^2 \times S^2}{d^2}$$

## 5.- Designing the questionnaire

Through the subject literature studies and the research background the effective factors on the promotion of the football industry based on the football marketing system and its influence on economic boom have been studied and translated. The number of extracted factors regarding the football marketing domain is considered 5 cases. In this questionnaire, according to these factors' definitions and the conducted interview with a number of expert professors in this issue, the basis of the questions' design is determined. In order to the reliability analysis of measuring tools, following the questionnaire designing based on the literature and the research hypothesis, the mentioned questionnaire based on the points of views of 3

Professors in physical education, 2 members of the economy science board of education, 3 professors of MBA and 4 PhD students of physical education, economy, statistics and management have been approved. Every respondent was required to declare their level of agreement with each question of the questionnaire based on Likert spectrum (1=no, 2=a little, 3=average, 4=a lot, 5=very much). To determine the validity of the questions of the questionnaire, the Cronbach's Alpha coefficient is used. If this coefficient is greater than 0.7, it represents the high validity of the questionnaire. In the below table the validity rate for each group of questions and also the total questions of the questionnaire are calculated.

**Table (1)- Validity of Questionnaire**

Value of coefficient alpha ( $\alpha$ )	questions (Quantity)	Questions Scopes
0/78	17	Marketing in football sports industry promotes and improves this sport field in the country
0/84	8	The improvement and promotion of football sports effected by football marketing in the country reinforces the economical boom.
0/81	25	total

## 6.- The research results

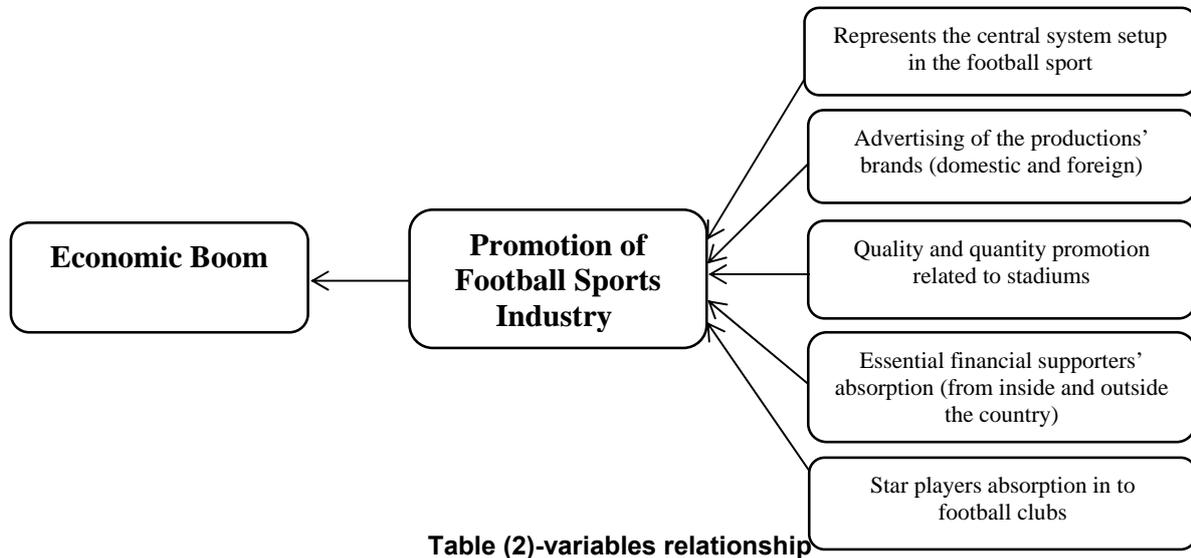
### 6.1.- The descriptive results

The accumulating data through the questionnaire and with the statistical sample of 700 individuals from the statistical society, consists of football sport experts, economic experts, managerial experts and the football fans. According to the accumulative data 41% of respondents were between the ages of 20 to 30, 35% were between 30 to 40, 19% were between 40 to 50 and 5% were 50 years old and above.

Among 700 respondents, 525 individuals were male and 175 individuals were female, however, 185 individuals were high school graduate, 140 individuals were associate degree, 175 individuals were university graduate and 114 individuals had master's degree whereas 86 individuals were PhD specialists.

### 6.2.- The research variable relation in the statistical model framework (*Economic boom and football sports marketing*)

Based on the literature review the conceptual model presented below is regarding the relation among the research variables.



The relation among the variables could be displayed in a regression equation framework as follows:

- 1)  $X = \alpha + \beta_1 Z_1 + \beta_2 Z_2 + \beta_3 Z_3 + \beta_4 Z_4 + \beta_5 Z_5 + u_1$
- 2)  $Y = \lambda + \gamma X + u_2$

In this model  $Z_1$  represents the central system setup in the football sport,  $Z_2$  is the advertising of the productions' brands (domestic and foreign),  $Z_3$  is the quality and quantity promotion related to stadiums,  $Z_4$  is the essential financial supporters' absorption (from inside and outside the country),  $Z_5$  is the stars absorption in football clubs as a independent variable,  $X$  is the promotion of the football sport industry and  $Y$  is the economic boom of dependent variable in the above mentioned model. The coefficients meaningfulness ( $\beta_i, \alpha, \gamma, \lambda$ ) for each considered coefficient in regression model (1) and (2) is tested, which these hypothesis are as follows:

$$H_0 = \beta_i, \alpha, \gamma, \lambda = 0$$

$$H_1 = \beta_i, \alpha, \gamma, \lambda \neq 0$$

### 6-2-1 The linear regression assumptions

In order to use the linear regression the below conditions must be proved:

- 1- The mean errors should be zero.
- 2- The errors' variance should be constant.  
The (1) and (2) assumptions mean that the error distribution should have a normal pace.
- 3- Among the model errors a solidarity should not exist (In order to consider this condition the Durbin-Watson statistics test is applied).
- 4- The dependent variable should have a distance or rational measure and a normal distribution (The Kolmogorov Smirnov test is applied).
- 5- Solidarity should not exist among the dependent variables (Should not be collinear). And therefore the above conditions are taken into consideration and analysis regarding the research for the regression model (1) and (2).

#### 6-2-1-1 The normality of number 1 regression equation (Conditions 1 and 2 proofs)

One of the essential normal conditions is that the average residual remains zero.

$$H_0 = \mu = 0$$

$$H_1 = \mu \neq 0$$

**Table(3)-Residuals Statistics**

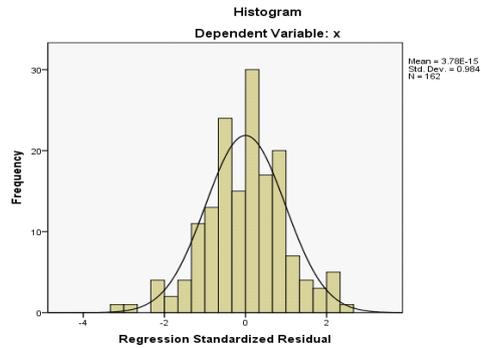
	Minimum	Maximum	Mean	Std. Deviation	N
Predicted Value	2.2020	4.5830	3.7130	0.46961	700
<b>Residual</b>	- 1.72496	1.26427	0.000	0.52660	700
Std. Predicted Value	- 3.218	1.853	0.000	1.000	700
Std. Residual	- 3.224	2.363	0.000	0.984	700

\*. Dependent Variable: x

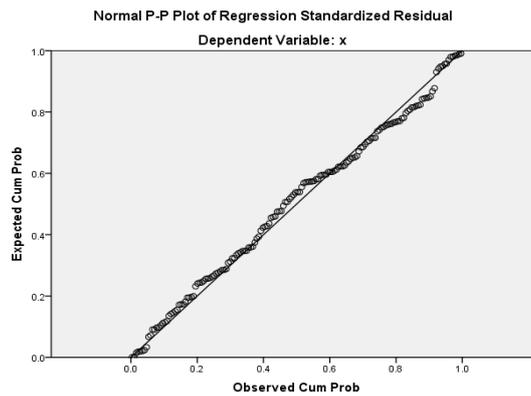
#### **Source: Research results**

In the average column and the row of residual, the amount obtained equals zero and therefore the result of hypothesis  $H_0$  will not be rejected and the first condition 1 is proved.

**Figure(2)-Histogram**



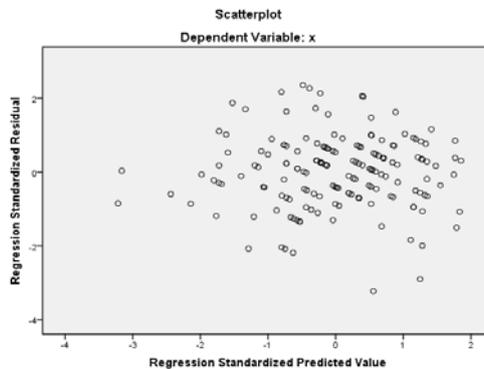
According to the above histogram, the residuals follow a normal standardized with an average zero



and a constant variance.

**Figure(3)-PP Plot**

In the above histogram it is noticed that the data distribution is on the 45 degrees line, which indicates the normality of data distribution.



**Figure(4)-Scatterplot**

As it is obvious from the above double variable distribution histogram, the data approximately (Not necessarily precise) are dispersed along a straight line, so there is a linear regression relation between the dependent and independent variables.

6-2-1-2 The consideration of the executive capability of the number 1 regression model (the condition 3 proof)

Primarily we consider if the regression model with these dependent variables (Zs) could be implemented or not!

$$H_0 = \rho \neq 0$$

$$H_1 = \rho = 0$$

**Table(4)-Model Summary**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate (SE)	(DW) Durbin-Watson
1	0.666	0.443	0.425	0.53497	2.098

\*. Predictors: (Constant),  $Z_1$ ,  $Z_2$ ,  $Z_3$ ,  $Z_4$ ,  $Z_5$

\*\*. Dependent Variable: x

**Source: Research results**

Based on the Durbin-Watson statistics the amount of this statistics is more than 2 (2.098). As a result the error independence hypothesis (hypothesis H0) would not be rejected. Therefore the regression model could be implemented.

6-2-1-3 The dependent variable normality of the number 1 regression model ( the condition 4 proof)

**Table(5)-normality**

Model	Skewness		Kurtosis	
	Statistic	Std. Error	Statistic	Std. Error
1	0.146	0.287	0.784	0.566

**Source: Research results**

The amount of skewness observed for the variable X equals 0.146, which stays in the range of (-2,2). This means that the variable X is normal and its distribution is symmetrical. Its kurtosis is

0.784, which stays in the range of (-2,2). It means that the variable distribution has a normal kurtosis.

#### 6-2-1-4 The Kolmogorov-Smirnov test for regression equation number 1

$H_0$  = data is normal

$H_1$  = data is not normal

Because the test statistics is larger than 0.05, in this case there is no reason to reject the  $H_0$  hypothesis. In other words the distribution of data is normal.

#### 6-2-1-5 The collinear for regression equation 1 (the condition 5 proof)

If there is a linear relation among the dependent variables, a similar answer for the variables will not be obtainable. In this case the problem of collinear for regression model arises and the correct parameter estimation faces difficulties.

$H_0$  = there are collinear

$H_1$  = there aren't collinear

**Table(6)-Collinearity Diagnostics<sup>a</sup>**

Dimension	Eigenvalue	Condition Index	Variance Proportions					
			Constant	Z <sub>1</sub>	Z <sub>2</sub>	Z <sub>3</sub>	Z <sub>4</sub>	Z <sub>5</sub>
1	5.934	1.000	0.000	0.000	0.000	0.000	0.000	0.000
2	0.025	15.393	0.02	0.08	0.77	0.000	0.01	0.000
3	0.018	18.048	0.17	0.07	0.01	0.01	0.39	0.07
4	0.011	23.214	0.65	0.17	0.000	0.04	0.18	0.08
5	0.008	27.841	0.16	0.63	0.14	0.03	0.41	0.22
6	0.004	39.390	0.00	0.05	0.07	0.91	0.000	0.63

\*. Dependent Variable: x

#### Source: Research results

In order to figure whether there is a collinear problem among the independent variables or not, the two columns in the above table should be noticed. In the specific amount column and level 1 row the amount taken in to consideration equals 5.934, which is a lot greater than zero. However in the indication column and level 1 row this amount equals 1, which is a lot less than 15. Therefore the collinear problem in this regression model cannot be seen. As a result the hypothesis  $H_0$  is refuted.

## 6-2-1-6 The coefficient estimation of number 1 regression model

The model coefficients are estimated through variance analysis.

Table(7)-ANOVA

Model (1)	Sum of Squares	df	Mean Square	F	Sig.
Regression	35.506	5	7.101	24.813	0.000
Residual	44.646	694	0.286		
Total	80.153	699			

\*. Predictors: (Constant),  $Z_1$ ,  $Z_2$ ,  $Z_3$ ,  $Z_4$ ,  $Z_5$

\*\*. Dependent Variable: x

**Source: Research results**

Since the meaningful level in the conducted variance analysis test equals zero, the applied regression model is a good one.

$$H_0 = \beta_i, \alpha = 0$$

$$H_1 = \beta_i, \alpha \neq 0$$

Table(8)-Coefficients

Model (1)	Unstandardized Coefficients		Standardized Coefficients Beta	t statistic	Sig.	Collinearity Statistics	
	B	Std. Error				Tolerance	VIF
Constant	1.352	0.350		3.859	0.000		
$Z_1$	0.495	0.099	0.440	4.985	0.000	0.459	2.178
$Z_2$	0.155	0.073	0.158	2.107	0.037	0.632	1.582
$Z_3$	1.033	0.150	0.736	6.886	0.000	0.312	3.203
$Z_4$	0.202	0.087	0.193	2.306	0.022	0.512	1.954
$Z_5$	0.818	0.128	0.590	6.412	0.000	0.422	2.369

\*. Dependent Variable: x

**Source: Research results**

In the probability quantity column and  $Z_1$ ,  $Z_2$ ,  $Z_3$ ,  $Z_4$ ,  $Z_5$  rows (considering the error level to be 0.05), the meaningful level of all coefficients is less than 0.05. As a result the whole model

coefficients are meaningful ( the hypothesis H0 is refuted and all the coefficients are meaningful).

What's more the final regression model is as follows:

$$X=1.352+0.495z_1+0.155z_2+1.033z_3+0.202z_4+0.818z_5$$

**6-2-2 The number 2 regression equation normality (the proof of conditions 1 and 2)**

The assumed test for the residual in the regression model 2 is as follow:

$$H_0 = \mu = 0$$

$$H_1 = \mu \neq 0$$

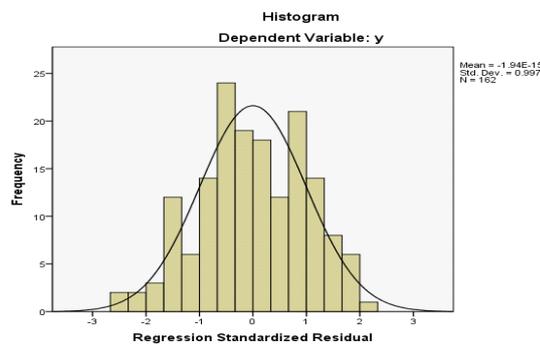
**Table(9)-Residuals Statistics<sup>a</sup>**

	Minimum	Maximum	Mean	Std. Deviation	N
Predicted Value	2.9415	4.4419	3.8477	0.32574	700
Residual	-1.19817	1.01975	0.000	0.47174	700
Std. Predicted Value	-2.782	1.824	0.000	1.000	700
Std. Residual	-2.532	2.155	0.000	0.997	700

\*. Dependent Variable: x

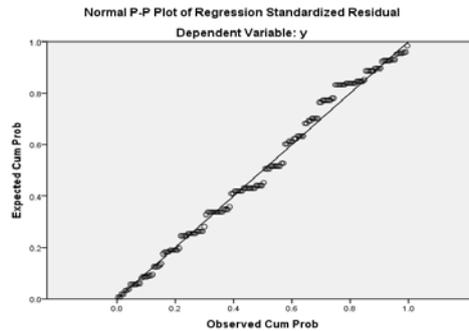
**Source: Research results**

In the average column and the row of the residual the amount obtained equals zero, therefore the hypothesis H0 will not be refuted and the condition 1 is on.



**Figure(5)-Histogram**

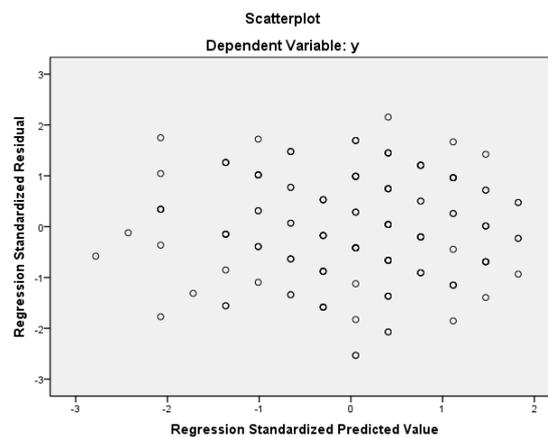
According to the above figure the residuals follow a normal standard with a n average of zero and a constant variance.



**Figure(6)-PP Plot**

As it is noticed the data distribution is on a 45 degree line, which indicates the data distribution normality.

distribution is on a 45 degree line, which indicates the data distribution normality.



**Figure(7)-Scatterplot**

The double variable scatter plot histogram above , consists of two quantitative variables. As it is noticed in this histogram, the variables have almost scattered along a straight line (not precisely). As a result there is a linear relation between the independent and dependent variables.

**6-2-3 The consideration of the number 2 regression model execution ( condition 3 proof)**

In number 2 regression model primarily we should check whether the regression model could be implemented with this independent variable or not!

$$H_0 = \rho \neq 0$$

$$H_1 = \rho = 0$$

Table(10)-Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate (SE)	(DW) Durbin-Watson
2	0.568	0.323	0.319	0.47321	2.965

\*. Predictors: (Constant), x

\*\*. Dependent Variable: y

**Source: Research results**

Based on the the Durbin-Watson statistics the amount of this statistics is more than 2 (2.965). As a result the errors independence hypothesis is not refuted (H0 hypothesis). So the regression model could be implemented.

**6-2-4 The independent variable normality of the number 2 regression equation (the condition 4 proof)**

Table(11)- normality

Model	Skewness		Kurtosis	
	Statistic	Std. Error	Statistic	Std. Error
2	0.356	0.254	0.587	0.462

**Source: Research results**

The amount of skewness observed equals 0.356, which stays in the range of (-2,2). So this variable is normal and its distribution is symmetrical. The amount of skewness is 0,587, which stays in the range of (-2,2). It shows that the variable distribution has a normal skewness.

**6-2-5 The Kolmogorov Smirnov test for the number 2 regression equation**

$$H_0 = \text{data is normal}$$

$$H_1 = \text{data is not normal}$$

**Source: Research results**

Since the test statistics is more than 0.05, there is no reason to refute the hypothesis H0. In other words the data distribution is normal.

**6-2-6 the estimation of the number 2 regression coefficients**

We use the variance analysis table to estimate the coefficients.

**Table(12)- ANOVA<sup>b</sup>**

Model (2)	Sum of Squares	df	Mean Square	F	Sig.
Regression	17.083	1	17.083	76.288	0.000
Residual	35.828	698	0.224		
Total	52.911	699			

\*. Predictors: (Constant), x

\*\*. Dependent Variable: y

**Source: Research results**

According to variance analysis test, we observe that the meaningful level (the probability amount) is approximately zero, so the applied regression model is a suitable one.

$$H_0 = \gamma \text{ y } \lambda = 0$$

$$H_1 = \gamma \text{ y } \lambda \neq 0$$

**Table(13)- Coefficients**

Model (2)	Unstandardized Coefficients		Standardized Coefficients Beta	t statistic	Sig.	Collinearity Statistics	
	B	Std. Error				Tolerance	VIF
Constant	2.134	0.200		10.682	0.000		
<b>X</b>	0.462	0.053	0.568	8.734	0.000	1.000	1.000

**Source: Research results**

In the amount probability column and the X row (considering the error level equals 0.05), the meaningful level of all coefficients is less than 0.05. As a result all the model coefficients are meaningful (the hypothesis H0 is refuted and all the coefficients are meaningful). The number 2 regression model is as follows:

$$Y=2.134+0.462X$$

The results of the analysis can be seen in empirical evidence. For example, recognizing the opportunities for growth, Klaus Hempel and Jürgen Lenz formed Television Event and Media Marketing (TEAM), based in Lucerne, Switzerland, as the vehicle through which the UEFA Champions League would be transformed. According to UEFA Chief Executive, Lars Christer Olsson (personal interview, 16 November 2004: ‘The development of the Champions League was, in my opinion, not so much driven by wishes from the bigger clubs, as the needs of the television companies ... Hempel and Lenz were early in this process and they created with Johansson and Aigner [then UEFA President and General Secretary] the concept for the Champions League, based on the needs of television which means that the major markets had to be better represented.

On instruction from UEFA, TEAM sought to apply a blueprint for sports marketing success by marrying the synergetic qualities of football, sponsorship and television. As Hempel explains (Ahlström, 2002: 18): We spent three weeks at the Villa Sassa fitness clinic in Lugano and it was there that we worked for three hours per day on a new concept of creating a ‘branded’ clubcompetition ... We came up with a triangle formed by football, sponsors and broadcasters with UEFA and TEAM in the middle, harmonizing the interests and making sure that the concept was mutually beneficial for all the components.

The critical commercial transition from the European Cup to the UCL was the decision to centralize commercial, marketing and branding control of the tournament. The concept of central marketing operated by TEAM and UEFA has allowed UEFA itself to both ‘optimize’ and control revenues generated by the competition. Previously, clubs participating in the European Cup had been responsible for selling their own television and commercial rights. These rights have now been transferred from the clubs to UEFA in return for fixed payments from a central fund generated by the central sale of television, sponsorship and other commercial rights by TEAM on behalf of UEFA. Payments to clubs are then distributed according to both sporting achievement and the market in which the clubs are based. Those clubs participating in the larger markets therefore receive higher payments on the basis that their television rights are more valuable. Whilst the market payments have been the subject of some criticism (Morrow, 2003), Umberto Gandini, organizing director of AC Milan, has correctly referred to them as a ‘reality of the business’ (personal interview, 14 February 2005). In order for the rights to be transferred by clubs to UEFA, the clubs operating in the largest markets would expect to receive a fee commensurate or greater than that which they would receive if they marketed the rights individually. By marketing the television and Sponsorship rights centrally, UEFA has been able to generate greater levels of revenue than the total revenues generated by the clubs selling the rights individually.

Esteve Calzada, Marketing Director of Barcelona FC says: Since I arrived at Barcelona FC, in January 2002, we have attempted to change the manner of marketing since, prior to then, the system

carried out by the club was very much more static, reactive instead of proactive, closing agreements with fixed amounts and later not participating in the income, etc. My entry into the club had as its basic objective that of generating income, coinciding with a very complicated time: the club was not enjoying much success in the sporting world, there was not any institutional stability and, in spite of the fact of working for the object of attaining successes, with a platform adequately prepared with more illusion, such as we have at present, there is a greater potential for income and it is easier to work. Among the more outstanding events we have recently carried out, for example, was the re-launching of our web page and the launching of the fan's credential *Gent de Barça*. The latter event, as it is a particularly emotional product, very much depends on results. In spite of this, we have managed to work on something about which much has been said for a long time, without ever anything being achieved. We have some 120000 fan credentials which, in spite of the fact that many of these were given away to members of fan clubs, have allowed us to obtain an important database of addresses that are of great interest to the club. On the other hand, we have done a lot of work on the recuperation of assets. Barcelona FC has an enormous amount of sales made in advance, such as static advertising, the rights on the Web, sponsorship rights, the rights from the magazines, etc., and if we are wanting to generate income from sponsorship and we have all the assets sold to third parties, it will be very difficult to present an interesting offer to a sponsor – such as two bill boards in our football stadium, a presence on the pages of our magazine or on our web page.

This means going around one by one to repurchase the spaces where we have sold our assets, without being able to guarantee the most elemental conditions of exclusivity in each commercial area – a vital condition for a sponsor (the case could occur of selling a space to one brand alongside that of a competitor, which is totally unacceptable). Fortunately, since I arrived at the club we have been able to recuperate the nine most important assets that had been granted elsewhere. Now we are able to manage these directly, we are generating more profitability by incorporating them into packs. Another project of which we are particularly proud is the tour we made last summer to the United States. It is the first time that the team has done a tour with the object of selling, passing later through Mexico. Up to now this had been particularly complicated, since the team managers were never very keen to do it – which seems quite logical, taking into account that the latter always defend their own terrain and look for the best options for training in order for the players to be in optimum physical condition. In spite of this fact, it was a great success; being able to fill the North American stadiums has given Barcelona FC a projection that was becoming urgent. We have closed deals for important sponsorship, such as those arrived at with Coca-Cola and Damm (beer), which have allowed us to increase income considerably. During this season, one of the events of which we are also particularly proud is that carried out during our summer trophy competition, the '*Joan Gamper trophy*'. Our work was fundamental in getting 93 000 spectators to fill the stadium. A great party was set up along with a campaign to get people to see the match. There were certain factors that contributed to this success, such as the search for other contents, so that people went to the stadium long before the match, but of course all this is reinforced if the team plays well and

the results match this. Today the work we are doing is highly valued, whilst only 6 months ago we were severely criticized; there is no need to add to this comment that before we were neither so incapable nor now so brilliant; the marketing team is the same. What's the difference? Currently, sponsorship is working better because within the club there is now a great deal of enthusiasm, which before there was not, and this has a very strong positive influence, which allows us to sell our products better(Desbordes, 2007).

David Gill says: I've worked closely with them [UEFA], on Champions League games and hosting the Champions League final at Old Trafford, I think it's a very well organized body. They've got a lot of very good professionals in there, they've got a mixture of people who understand football and have been in it for a long time, and I think that to my mind it's an efficient structure as evidenced by the excellent Champions League. (David Gill, Chief Executive, Manchester United, personal interview, 28 January 2005)(Desbordes, 2007).

Giuseppe Rizzello – FC Internazionale says: In general terms, we should improve the exploitation of stadiums, which have high fixed costs (both maintenance and running), by acting in many ways – for example by:

- increasing the chances of success by no longer limiting the use of a stadium to a match every 2 weeks
- boosting profits from matchday events
- increasing the average time that people spend at the facility.

increasing the chances of success by no longer limiting the use of a stadium to a match every 2 weeks  
boosting profits from matchday events  
increasing the average time that people spend at the facility. We have implemented interventions specifically meant for business targets in a different way. In particular, the following initiatives have been carried out:

- Fifteen suites have been created in the red ring and as many in the orange one. All of them can accommodate some ten people; they are provided with couches, monitors, kitchenette and toilets. Besides this, there is an attendant attached to each suite for the customers' own disposal. These suites are used by companies mostly for public relations, guest hospitality and incentive activities. They are each sold for €100000 a season. They are used by the Inter and Milan club by turn.
- Twenty-six boxes with either four or six seats have been provided. These are purchased for the whole season at the price of €30000–45 000, by companies and families, and are provided with some collateral services (catering, parking, monitor, etc.).
- Seats have been added to the VIP box, increasing the number from 297 to 820. These were each sold at €3000 for a year, and were snapped up; they include some collateral services such as

catering. This intervention required moving the Press Gallery to the upper ring; the journalists complained, but it allowed us to increase the revenues from tickets and season tickets by 33 percent in a single year, the total number of seats being equal. Another 1300 such seats were then created in the orange ring too.

In addition to such initiatives, we have worked to improve the quality of the services supplied (for instance, all seats are now numbered), security (there are 75 active cameras today) and some services – such as the museum, which has been visited by some 45 000 people a year so far, with tickets costing €18, and with practically no commercial or promotional investment. Furthermore, the megastore selling both Inter and Milan merchandise has been totally refurbished. Moreover, we have launched a virtual tour of the stadium, complete with a set of services which involve the visitors: in fact, they can have a picture taken with the virtual team, see a lot of footage on screen and so on.

For one thing, the improvement of facilities and services has contributed to the increase in the occupation rate of seats, which is now about 75 per cent over the national average. This is also thanks to some pricing policies, such as the sale of mini-season tickets for a few matches. In addition to the abovementioned considerable revenues, I would say that the supporters' perception of the safety guaranteed and, more generally, of the image of innovation and modernity we are offering them by reshaping all stadium services have both increased (Desbordes, 2007).

The roots of the success of the UCL are, of course, grounded in the worldwide popularity of football. Europe is football's economic centre, and as such attracts star players from across the world. Those star players are employed by the most famous elite clubs, which in turn enjoy remarkable loyalty from their supporters. The clubs are the brands that operate within the UCL brand. As noted above, the UCL is the successor of the European Cup, first played in 1955. It is within that historical context that the UCL exists as the legitimate tournament played to decide Europe's greatest football teams (Desbordes 2007).

## **7.- Conclusion and political suggestions**

Nowadays sports has dedicated the 10<sup>th</sup> rank of economic, political, cultural and social equations in the world, however, this ranking is on progress to reach its peak. Based on studies under the title of the sports position in Iranian people's leisure time, football has been recognized as the most popular sport field, because more than 61% of the respondents have chosen the football as the most popular sport field to fill their leisure hours. Economic experts regarding football believe that the efficient management is the main reason for financial success in these clubs. And of course key factors such as the government, fans, professional marketing and advertising cannot be ignored.

The statistical analysis results in the research hypothesis approval. In other words by considering the error level 0.05 the percentage of all coefficient regression models 1 and 2 in the research is meaningful. This result indicates that five considered variables regarding football marketing (football central marketing system, the brand product advertising inside and outside the country, absorbing the stars in to the clubs, attracting the important sponsors (from inside and outside the country), the stadiums quality and quantity promotion), having a positive effect on the promotion of the football industry in the country. Furthermore, the positive effect of absorbing the financial supports, advertising products and the growing share of football in the country economic cycle, causes the economic boom to reinforce. Thus, in order to observe the industry boom of the country and accordingly the reinforcement of the economic boom alongside of the other effective factors, it is recommended to seriously apply the central marketing system in football (emphasizing the five factors considered), which would be beneficial to use the other countries' experiences.

In this paper, most of the variables could not be available and the results have been taken through a questionnaire and analysis of its data. To complete and accurate this study, It suggested that more real data , such as financial amount ( such as tax), total number of employment, value of commodities and services that traded and total amount of money transaction through football industry take into account.

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