



Direct Kick
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Brand and Business Development Opportunities for Foreign Soccer Clubs in the United States

The Market

The United States soccer market is one of the largest and most vibrant soccer markets in the world. But, it is also a market that revolves around expenditures for and by youth players (primarily ages 8 to 18) as opposed to adult players and soccer enthusiasts, which is the case in most major soccer markets.

These young American soccer consumers and their supporting families form a very attractive target audience. Of the 3.5 million registered youth players, the majority are suburban, upper middle class, well educated, and college bound. These players are approximately 60% boys and 40% girls.

The Issues

At this point in time, most American youth soccer players are self-centered in their approach to soccer. They and/or their parents will spend thousands of dollars a year on soccer related activities that will directly impact their own participation in the sport.

But, these same players and their parents are only infrequently associated with spending money on professional soccer to attend matches, purchase pay-per-view matches on television, or purchase licensed products. For instance, while the annual

spending by American soccer players for soccer related apparel and footwear is estimated to be well in excess of \$350 million dollars (at retail), the amount spent on soccer replica/licensed jerseys is estimated to be only about \$10 million.

So, the question becomes: Is it possible for professional soccer to tap into the spending power of the American youth soccer player and other American soccer supporters?

The Balancing Act

The history of addressing this question is mixed.

Across the United States there are over one hundred sanctioned professional or semi-professional soccer teams. The top professional league, Major League Soccer (MLS), operates in twelve cities. Its teams attract on average about 15,000 spectators per match. Very few of the other professional teams attract over 2,000 spectators per match. Therefore, generally speaking, professional soccer is not a big draw in the United States.

On occasion, however, United States soccer enthusiasts demonstrate huge support for soccer matches and competitions. For instance, both the 1994 FIFA World Cup and the 1999 FIFA Women's World Cup drew record crowds. And, a well-conceived tour by a good European side can attract better than average crowds as Newcastle United showed by drawing over 17,000 spectators against both DC United (Washington, DC) and the Columbus Crew (Ohio) of the MLS.

Certainly, Manchester United's new cooperative arrangement with the New York Yankees' parent company gives an indication that at least the world's most commercially successful soccer club is going to take an active role in the United States marketplace.

Creating a Successful Strategy

Given the factors influencing the United States soccer market, what advice can be offered to foreign soccer clubs wanting to develop their brand and their business in the United States?

1. Think long term, but get there first

In most respects, the United States has only been a major soccer market for the past decade. During this time, the country has hosted both the FIFA World Cup and the FIFA Women's World Cup, re-started professional soccer on a national scale, sustained a registered player base in the millions, and produced national teams (both men's and women's at every level) that regularly qualify for international competitions and regularly receive high international rankings.

Not surprisingly, it will still take more time before the majority of American soccer enthusiasts embrace professional soccer. And, it will take foreign clubs investing in soccer in the United States for Americans to become more actively part of the global soccer community as is the now the case, for instance, in Australia.

Those foreign clubs that are the pioneers in developing relationships with American soccer enthusiasts should be in the best position to take advantage of the United States soccer market once its consumers begin taking a more active interest in international club soccer. Given the increased scope of television and the Internet, the time line for this conversion is shortening.

2. Be prepared for risk and possible disappointment

There are no guarantees associated with professional soccer in the United States. While the youth oriented soccer market has steadily grown and supported increased business opportunities over the past two decades, professional soccer clubs and leagues have come and gone at an alarming rate. On balance, therefore, the soccer market in the United States is very healthy due to strong participation in the youth, high school and college sectors, but it is still a gamble for professional clubs trying to tap into this youth driven market.

3. Take an integrated marketing approach

In the same way that foreign clubs engage in numerous community and fan development activities and programs in their own markets, they need to apply a similar integrated marketing approach in the United States. Quite simply, supporter bases need to be developed.

To accomplish this, foreign clubs need to offer American soccer enthusiasts real, “hands on” experiences with the club as a starting point to build interest, which can then be supplemented by media technologies (e.g. Internet, publications) and public relations efforts.

Again, in concert with the way they build their home supporter base, foreign clubs need to offer potential American supporters a range of connection points, including: exhibition matches, youth camps, coaching seminars, open training sessions, player and coaching development exchanges, sponsor related programs, community exchange programs (business, social, cultural), fan clubs, and travel opportunities. Clubs need to communicate this range of opportunities using marketing and sales tools as they do in their domestic markets.

4. Develop sustainable building blocks

In advocating an integrated approach for developing a position in the United States market, it is important for foreign clubs to concentrate on activities that are sustainable. Historically, foreign clubs have been unsuccessful when offering only one off activities (e.g. one exhibition match or short tour, isolated appearances by coaches or players).

Therefore, foreign clubs need to look at “building blocks” that they are willing to support on an on-going basis. By providing United States based activities and programs that American soccer enthusiasts can look forward to and can return to, foreign clubs can begin to develop loyal American based supporters.

5. Emphasize both brand building and profitability

In addressing the United States market, foreign soccer clubs need to establish a balance between their brand building, which may initially be an expense, and their business development activities, which can be profitable from the outset.

It is possible in the United States soccer market to develop profitable programs. This is the reason that there are so many camps, tournaments, and team travel opportunities offered to American soccer enthusiasts.

6. Focus geographically

For most European clubs, the Northeast (e.g. Massachusetts, Connecticut, Rhode Island), Middle Atlantic (e.g. New York, New Jersey, Pennsylvania, Maryland, northern Virginia), and Northern Midwest (e.g. Ohio, Indiana, Illinois, Michigan, Wisconsin) regions of the United States will be the most attractive. This is because these areas:

- ✚ Offer the most temperate summer climate.

- ✚ Provide the shortest European flights (e.g. 6-8 hours from Europe) and the least time to recover from jet lag.
- ✚ Have very large, historically European, populations that now call the United States home.
- ✚ Provide the most soccer enthusiasts within relatively short driving distances.
- ✚ Offer the most professional and collegiate soccer facilities/training centers.
- ✚ Have established media coverage for soccer.

7. Make exhibitions as real as possible

The American soccer consumer will pay for first class soccer experiences. This has been proven through the FIFA World Cup, the FIFA Women's World Cup, and the Olympics.

Consequently, visiting foreign soccer clubs need to make their training and exhibition matches as real as possible. This means focusing on their pre-season as opposed to post-season. American fans would rather see a foreign team getting ready for their upcoming season, including the competition for playing positions, than a post-season holiday tour when many stars will not appear due to fatigue or national team obligations.

8. Take the lead yourself, don't wait to be invited

So far MLS clubs have been focused on their own development and, consequently, have not offered significant support to visiting foreign clubs.

Foreign clubs should try and work with MLS clubs because they represent the top of the professional pyramid in the United States, but if that becomes too difficult there are still opportunities available with the second and third division professional clubs associated with the United Soccer Leagues (USL). Some of USL clubs are located in heavily populated areas with large soccer communities and they have achieved a significant degree of success within these communities.

At some point in the future, maybe the MLS will more proactively view the opportunity to be involved in the international soccer environment. However, today foreign clubs visiting the United States and wanting to play MLS clubs still have to work around the MLS regular season schedule (April to September).

9. Consider partnerships

Rather than individual foreign clubs trying to develop the United States market on their own, they should consider forming a "team" of foreign clubs to enter the market. A group of foreign clubs could co-develop some long term plans (e.g. merchandising sales, camp management, seminars), carve out respective geographical areas, and set up their own exhibition matches or develop multi-

team competitions with MLS teams or USL teams, hopefully, in cooperation with United States soccer organizations.

10. Make your home base a focal point for United States soccer fans

Part of the integrated marketing approach for brand and business development in the United States soccer market needs to include opportunities for American soccer enthusiasts to visit their “adopted” foreign clubs at the club’s home base. Again, American soccer enthusiasts, on average, are affluent. They will be able to take advantage of home base offerings if foreign soccer clubs are creative enough to provide them. These offerings might start with: youth soccer camps, match packages, stadium and museum tours, youth tournaments, and even player tryouts.

11. Involve sponsors

Most professional soccer clubs have important relationships with numerous sponsors. Not surprisingly, in the increasingly global economy, most sponsors have multi-national interests and the United States is usually an important market for them. Therefore, foreign soccer clubs can enhance their relationships with these sponsors by providing brand, marketing, and, possibly, commercial opportunities in the United States through soccer related activities.

12. Involve the community

Given the significant role that foreign clubs play within their own community, it may make sense for them to try and involve leading members of their community with leading members of the communities in the United States that they are targeting to visit and to establish as business development opportunities. By involving selected business, cultural, educational, and political leaders, foreign clubs may be able to connect their soccer related interests with broader developmental programs, including some that may even provide support funding (e.g. government grants for economic expansion).

SoccerSolutions: At your service

SoccerSolutions is an international sports marketing consultancy focused on soccer. SoccerSolutions will work with a foreign soccer club that wants to succeed in the United States market by:

- Creating a brand strategy for the club to use in the United States that is compatible with the club’s overall brand strategy.
- Designing a business development strategy for the club to use in the United States that takes advantage of the club’s existing assets and programs.

SoccerSolutions also has the expertise, the experience, and the contacts to develop and implement an integrated marketing plan for a foreign soccer club to make their brand and business development strategies work. This plan will include:

- Exhibition matches for senior teams.
- Training camp senior teams.
- Media exposure.
- Youth soccer camps.
- Supporters programs (e.g. banquets, soccer seminars, charity fund raisers, travel clubs).
- Market research.
- Merchandise sales opportunities.

Some of these activities can be replicated in Europe as part of a foreign club's efforts to encourage soccer enthusiasts from the United States to visit.

The principals of SoccerSolutions have distinguished business careers involving all levels of soccer, brand management, top professional clubs, major sponsorships, event management, grassroots development, and strategic planning.

For further information please see: www.soccersolutions.com.

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