Chapter 6

The Ball is in Your Court: Using Socially Responsible Actions as an Effective Marketing Tool

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ABSTRACT

This chapter conducts an in-depth study regarding a European football club’s marketing strategy and brand management approach in order to evaluate customers’ perceived ethicality and how consumers value corporate social responsibility activities. Specifically, the cases of Real Madrid and Barcelona FC (also named Barça) are analyzed. These two football teams are considered as they are two of the most successful sports teams in terms of worldwide supporters and revenues. The findings highlight how European football clubs should incorporate corporate social responsibility into their marketing strategy through the evaluation of consumer’s perceived corporate social responsibility values and ethicality.

INTRODUCTION

Global society has become increasingly more aware of firm’s actions in terms of social accountability, including not only environmental matters but also social problems. Among these, we find social inequalities, analphabetism, poverty, lack of access to clean water, waste disposals, pollution endangering human life, and a large etc. Previous literature has identified a positive association between investing in business efficiency and investing in corporate social responsibility (CSR) to create and enhance a sustainable competitive advantage (McGuire et al, 1988; Shepard et al, 1997; Buchholtz et al, 1999; Quazi and O’ Brien, 2000; Jones et al, 2007; among others). However, in many cases it has been identified that a lack of appropriate diffusion of this information can mislead consumers or undermine the efforts conducted in terms of their real corporate social responsibility efforts. Consequently, it is deemed essential to conduct marketing actions specifically oriented towards notifying all the firm’s stakehold-
ers regarding their CSR policies and activities (Mattera, Baena y Cerviño, 2014).

It is important to denote that the firm shall first hold strong ethical values related to CSR activities upon which their strategies are based. In the event this does not happen, consumers will view the corporate marketing activities as a way of masking the image and reputation, without any true substance, commonly referred to as “greenwashing” (Lyndenberg, 2002). In the sports sector, and especially in football, this is especially true as, one of the most important assets of a company is the brand. Therefore, managers need to concentrate their efforts on managing this strategic business asset. The company’s goal is getting brand loyalty, which signifies a measure of attachment that a customer has to a brand. Customer loyalty mostly creates brand value to a firm, which then can aid to create and enhance brand equity (Kaynak, Salman and Tatoglu, 2008).

However, despite the above arguments, strategic brand management has only become a key issue in the last decade (Blumrodt, Bryson, and Flanagan, 2012). This is especially relevant in sports, as it has become increasingly commercialized internationally over the past decade. It implies that sport companies in today’s global market need to be progressive service sellers in order to compete with other leisure activities, and entrepreneurial sport ventures that do this succeed in the competitive marketplace (Ratten and Ratten, 2011).

Metrics of brand performance should include contemporary issues, such as CSR, in measuring consumer’s expectations and how each brand fulfills them. Along these lines, Blumrodt et al. (2012) conducted an analysis of European Football teams and how their engagement in terms of CSR activities impacted on customer-based brand equity. Findings concluded that football club’s involvement in community activities and other CSR actions has an impact on brand image and customer behavior. Additionally, the authors highlighted the need to implement a brand management strategy to assess customer’s perceived ethicality and integrate it as a part of the marketing strategy.

In an attempt to contribute Literature, and based on Blumrodt et al. (2012), the present chapter conducts an in-depth study about two of the most relevant European Football clubs to analyze their brand management approach and evaluate their fans’ perceived ethicality and how supporters value CSR activities. Specifically, the case of Real Madrid and Barcelona FC (also named Barça) are analyzed. We have focused on these football teams as they are two of the most successful sports teams in terms of worldwide supporters. With this objective in mind, we have structured the paper into various sections. The first one provides a Literature Review. Subsequently, the marketing strategy implemented by Real Madrid and FC Barcelona through CSR actions is addressed, as well as its effectiveness in terms of customer commitment and loyalty. The final section sets out the conclusions.

BACKGROUND

The basement for a successful commercialization is a strong brand. In sports, branding could be defined as a long-term relationship between the sponsor and the sponsee, in which both are equivalent and have a brand status (Adjouri and Stastny, 2006). This partnership is based in trust where both partners have a high common identification and pursue common strategic goals.

Sport is becoming increasingly commercialized and sport entities have become more professional over the years. While North American sport organizations have traditionally led this development, the European ones are catching up (Bauer, Sauer and Schmitt, 2005). Nowadays, sports brands all over the world have as a major objective becoming globally recognized, especially in the case of professional football clubs (Chanavat and Bodet,
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