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## Winning Off the Field: How Social Media Analytics Measure the Sports Industry

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# **Winning Off the Field: How Social Media Analytics Measure the Sports Industry**



Honors Thesis

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Department: Health and Sport Science

Advisor: Peter Titlebaum, Ph.D.

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## Abstract

Since Facebook became available to the public, social media (SM) has become the most popular online activity. Currently, 91% of adults are active SM users. Of this 91% of adults on SM, more than 20% of their time online is spent on networking sites like Facebook and Twitter (Weiguo and Gordon, 2014). These powerful tools connect people around the world and show no signs of slowing down.

SM has become a popular online activity for individuals, especially for those involved in business. SM is seen as a tool to aid businesses in spreading their own message, at little to no cost. It is an inclusive medium that incorporates consumers' voices. Consumers can share their opinions openly or in response to public messages from a business. They can also show support of a company by following their page or acting on the business' post through "likes", "favorites", "re-tweets", and more depending on the SM platform. These actions of liking, re-tweeting, etc. are valuable data for businesses when compiled from their SM platforms. This data, or SM analytics, can assist a business in numerous ways. SM analytics can tell a business if they are properly reaching consumers on SM, how they can improve their SM content strategy, can tell a business how people feel about the company, and can even help tell a business how SM drives revenue and effects the bottom line.

According to AdWeek, only 41% of marketers are capitalizing on their SM data. That is because it is a challenge for marketers to not only collect all of this data, but also to interpret and utilize it. With the growth of SM as a marketing tool, it is more and more vital for a business to have a successful online presence. To help understand how to properly utilize analytics, this paper examines this through the lens of the sports industry. In a competitive environment that generated \$498.5 billion in 2015, the U.S. sports and recreation industry always strives for ways to gain a competitive edge and open new avenues to generate revenue (Plunkett Research, Ltd, 2016). One of these growing opportunities is through SM, where sporting goods companies, professional sports leagues, and professional sports teams have been leaders. This paper will not only show how these groups operate their SM and its analytics, but will also draw differences in best practice among the groups. This information will be valuable for not only minor and independent league sports and teams, but also for small businesses, to help them learn how to effectively tie SM to business objectives.

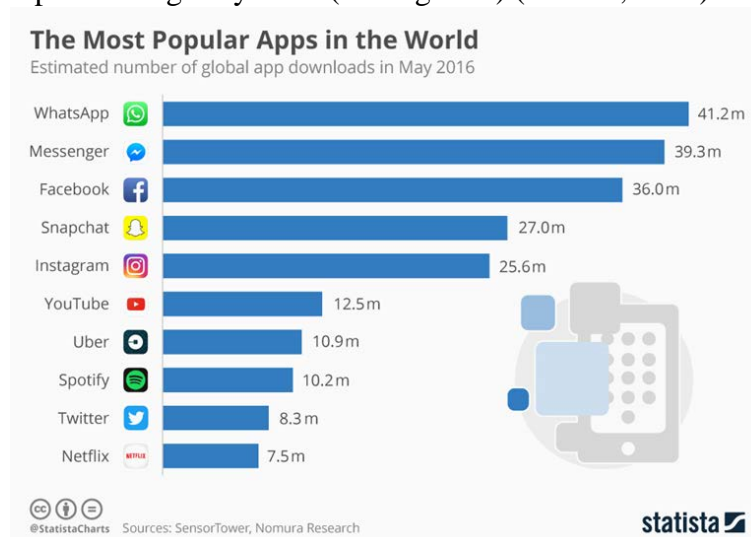


## Table of Contents

Abstract	Title Page
A New Player in the Game	3
Methods	5
Results	7
Analysis	15
Further Research	16
Conclusion	16
References	17

## A NEW PLAYER IN THE GAME

Despite the fact that SM was not part of the mainstream media community until 2006, it has become one of the most popular online activities (Digital Trends Staff, 2014). Worldwide, there are currently 2.34 billion SM users. By 2020, that figure is expected to grow to nearly 3 billion (Statista, 2016). Even as media consumption transitions from desktop to mobile devices, SM is still going strong. This is evidenced by chart which pictures the most popular application downloads, with SM applications dominating the top 10 during May 2016 (see Figure 1) (Statista, 2016).



*Figure 1.* The estimated number of global app downloads in May 2016. Reprinted from *Statista: The Most Popular Apps in the World*, by SensorTower and Nomura Research, 2016, Retrieved November 8, 2016, from <https://www.statista.com/chart/5055/top-10-apps-in-the-world>

SM has allowed people to connect with others and spread information in ways that humans have never experienced before. Due to its reach and communicative nature, businesses have adopted SM as a marketing tool. SM is free to join, it allows businesses to reach an interested audience, it allows businesses to shape their own message, and it allows businesses to communicate directly with consumers. In fact, research shows that social media is a significant predictor of brand relationship between business and consumer (Watkins, 2014).

SM can also serve as a data hub for a business. A consumer's action of "liking", "favoriting", "commenting", "re-tweeting", "sharing", and more can be valuable data for businesses when compiled from their SM platform. This data, or SM analytics, can serve multiple purposes that can help a business whether monetarily or non-monetarily. One of these non-monetary measurements that can help a business is sentiment analysis. Sentiment analysis on SM is the word of mouth by consumers about the business, voicing anything ranging from praise to criticisms and complaints (Homburg, Ehm, and Artz, 2015). It is vital for a business to heed these criticisms and complaints, as it can be a quicker form of feedback (Heine, 2014).

A monetary example is conversion. Conversion is the process of making a sale through SM (Cleary, 2016). Even though a majority of metrics like “favorites”, “shares”, and “replies” do not directly lead to revenue generation, SM is a tool that can help a business drive revenue. If SM can drive revenue, then Return on Investment (ROI) can be measured. ROI can be measured in different ways on SM, depending on the application. However, there are six general steps in how to do so. First, a business must set its goals and objectives. Second, a business must target a specific audience. Third, define your investment. This includes salary, outside costs, and opportunity costs. Fourth, benchmarks must be determined. How often will you evaluate your success? Fifth, select the right analytical tools and metrics to measure the goals and objectives. Sixth, turn data into action (Paine, 2011). Figure out the most effective strategies in accomplishing the goals/objectives and set out to do it. Not every SM post will be something that can create conversions and revenue, but nonetheless it is still vital for SM account managers to calculate these metrics in order to prove SM’s worth to a business’ bottom line.

The problem with SM analytics is not simple. SM account managers and marketing departments struggle connecting SM to business objectives. According to AdWeek, only 41% of organizations are able to utilize SM data. Only 15% can show quantitative effect of how SM affects business, and 60% have trouble demonstrating ROI (Morrison, 2016). Quite simply, many SM account managers do not know how to interpret and apply the metrics. In an industry where over \$7 billion was spent on SM in 2014, this is a major problem (Morrison, 2016). Without this connection, SM cannot be proven to be a valuable tool towards businesses, and SM managers cannot prove their worth to the company they work for.

The disconnect is associated with analytics. SM gathers a vast array of metrics, each with different meanings and ways of being calculated across the many popular SM platforms. Since the data can be so vast, it can be overwhelming and difficult for account managers to understand. In addition, not all of this information is readily available. Facebook, Twitter, and now Instagram have analytics attachments to their sites to track performance. However, this data cannot tell everything, and many third party analytical tools can go into greater depth. Finding and identifying the right tools can also be a challenge to account managers.

The sports industry is a competitive industry, which generated just under \$500 billion in 2015 (Plunkett Research, Ltd, 2016). This competitive nature between sporting goods brands, professional sports leagues, and professional sports teams forces organizations to have a keen eye for new sources of revenue and new ways to connect with fans/consumers. SM is one tool in recent years that has been utilized by the sports industry to help these objectives. Research has shown that social media platforms help sports entities enhance brand relationships, fan identification, and brand equity (Watkins, 2014). Due to this influence SM has over brand outcomes, sports organizations, sports leagues, and sports brands are savvy with their management of their SM channels.

The purpose of this paper is twofold. The first purpose is to examine the similarities and differences in operation of SM channels between professional sports teams, professional

sports leagues, and sporting goods brands. The second purpose is to understand best practice in managing a SM account. What are the most effective analytical tools? What key performance indicators (KPIs) should be set? The goal is to use the sports industry as a guide for the rest of the business marketing industry of how to properly manage their SM channels and define its value to the business. This study is necessary since it teaches struggling SM managers/marketing departments how to properly approach SM operation and connect it to the entire business as a unit, using the sports industry as an example. The goal of this paper is to help reduce that nearly 60% number of SM managers who do not how to utilize SM data and make them more effective in using that growing SM expenditure.

## METHODS

In order to determine SM best practice in the sports industry, a 13 question interview was conducted with 20 SM professionals across sporting goods brands, professional sports leagues, and professional sports teams. The questionnaire consisted of questions that discussed topics including goals, support, audience, agencies, team-size, analytical tools, KPIs, return on objective (ROO), ROI, challenges, and trends (See Table 1). Questions were critiqued and validated by industry professionals in social media, analytics, and sporting goods.

**Table 1**  
**Questionnaire for Social Media Professionals in the Sports Industry**

<p>Operation and Analytical Tools</p> <ol style="list-style-type: none"> <li>1. When did your company begin adopting SM?*</li> <li>2. What SM platforms does your company/account use/how many SM accounts do you have?</li> <li>3. Do you or your agency use analytical tools (Google Analytics, Sprout SM, etc.) to track your SM performance?               <ol style="list-style-type: none"> <li>a. If yes, what tool do you use and why?</li> </ol> </li> <li>4. Do you or your agency use analytical tools (Google Analytics, Sprout SM, etc.) to track your SM performance?               <ol style="list-style-type: none"> <li>a. If yes, what tool do you use and why?</li> </ol> </li> </ol> <p>Agencies, Team-Size, and Support</p> <ol style="list-style-type: none"> <li>1. Do you use an agency or operate your SM in-house?*               <ol style="list-style-type: none"> <li>a. If you use an agency, what agency do you use?</li> <li>b. Ultimately, would you like to run SM in-house?</li> <li>c. If in house, how many people staff your SM team?</li> </ol> </li> <li>2. To what degree does senior management value SM?*</li> <li>3. What percentage of your marketing budget goes toward SM?               <ol style="list-style-type: none"> <li>a. How is the budget allocated?</li> </ol> </li> </ol> <p>Audience and Trends</p> <ol style="list-style-type: none"> <li>1. Who are your target audiences and how do you target them specifically?</li> </ol>
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2. Where do you see the SM industry going in the future?

**Goals and Challenges**

1. What is your company's/account's foremost goal in SM (generate sales, create brand awareness, etc.) and how do you define/evaluate them?
2. What are the biggest issues you face as a SM marketing professional?

**ROI, ROO, and KPIs**

1. Do you measure the value of investing in SM?
2. Does your company use Return on Investment when evaluating your SM?
  - a. If yes, how?
3. How do you justify the value of SM to your company's upper management?\*

\*= not applicable to SM agency professionals

Interviews were conducted in person and over phone in a five month period from June to October. Interview length ranged from 10 minutes to 45 minutes. Responses were recorded and transcribed over Microsoft Word. Among the interview subjects, four work in-house with a sporting goods brand, four work for an agency that works on and with a sporting goods brand, five work in a professional sports league office, and seven work with a professional sports team. Leagues and teams represented include MLB, NFL, NBA, MLS, and MLL (See Table 2).

**Table 2**  
**Interview Respondent Characteristics**

<b>Respondent Letter</b>	<b>Job Title</b>	<b>Company</b>
A	Chief Marketing Officer	Laundry Service
B	Social Media Specialist	Wilson Sporting Goods Team Sports
C	Social Media Specialist	Wilson Sporting Goods Racquet Sports
D	Account Director	Carrot Creative
E	Associate Producer	Carrot Creative
F	Social Media Manager	R-West
G	Director of Social Content	National Football League
H	Social Media Producer	Major League Baseball
I	Social Media Specialist	Wilson Sporting Goods Golf
J	Senior Manager	Major League Baseball
K	Assistant Manager of Brand Communications	Adidas
L	Social Media Coordinator	Philadelphia Union
M	Team Marketing and Business Operations	National Basketball Association
N	Coordinator	National Basketball Association



O	Assistant Director of Communications	Cleveland Indians
P	Director of Digital and Emerging Media	Seattle Seahawks
Q	Director of Mass Communications	Chicago White Sox
R	Social Media Manager	Orlando City SC
S	Digital Content Manager	Atlanta Hawks
T	Marketing Content Specialist	Major League Lacrosse

## RESULTS

Upon completion of the interviewing and transcribing process, the author reviewed the transcripts independently. The author grouped responses based off question, and identified main themes among groupings of specific industry. These themes were then summarized according to specific industry. A limitation to this study was the accuracy of the recordings at times. There were a couple instances where an interview was not recorded for a couple of questions or connection on the call was inconsistent. To help back this up handwritten notes were taken during these calls as well. Another limitation involves a lack of perspective from other groups. All subjects interviewed work with SM at varying capacities. However, perspectives from upper management of the same groups was not taken. Future research focusing on this specific group demographic would likely look at SM's role in the business at a broader level, viewing it as part of the business cycle. In addition, the perspectives of consumers was not taken into consideration. Additional research in this realm could potentially provide a different perspective on areas of improvement.

### History, Platforms, and Audience

**Sporting goods brands.** Sporting Goods brands have the most interesting dynamic with account management since many use SM agencies. SM agencies operate like any other type of agency; they specialize in the creative management and operation of SM channels for a fee. Brands use agencies because of a lack of resources necessary to be dedicated towards SM.

Of the eight SM professionals interviewed for this study on the sporting goods side, half came from the agency side. Even though operation of accounts is split between in-house and agency, there are many similarities about the history of the accounts and the platforms they utilize. One of these similarities is the brand first created their SM accounts around 2009-2010. According to Respondent B, at the time, the accounts were managed by someone in the marketing/communications department who also had other job duties. Posts would be infrequent, and the mindset was to simply get posts up on the pages. The accounts were not taken seriously until a few years later. According to Respondent C, "SM for our brand was not taken seriously until 2013, and in October 2015 that is when we hired me to be our first full-time account manager." The same can

be said for Respondents B, I, and K, who were either the first full-time in-house hire in SM for the brand or oversaw the implementation of a new dedicated staff specifically towards SM in 2015. The same could be said of the agency hiring process. Among agency representatives interviewed, many were hired along the same timeline.

Similarities between in-house and agency SM operation do not stop there. They also prioritize the same SM platforms of Facebook, Twitter, and Instagram. The areas of difference were Snapchat and YouTube, which only a few have. The issue with Snapchat for a brand, mentioned Respondent I, is that it is difficult to have consistently exciting content for this platform. This is one of the biggest deterrents towards creating a Snapchat account for a brand.

The last consistency is in regards to how the sport and SM platform determine the target audience. For example, golf has a much older audience than soccer, and a much more male audience than tennis. In addition, according to Respondent C, Facebook tends to be more adults, while Instagram possess a younger demographic. Overall these brands do look for a younger audience than more traditional forms of marketing, and they try to connect with those who are avid players of their specific sport.

**Professional sports leagues.** Professional Sports Leagues adopted SM a little bit earlier than sporting goods brands, creating accounts between 2007 to 2010. However, similar to the sporting goods brands, the reason for creating these accounts was because it felt like an obligation. As time went on, SM began to be taken more seriously. This growth came at a much faster rate than sporting goods. According to Respondent G and H, their respective departments have grown from just 5 people to 30-40 people. Of course, this is dependent on the type of league. While MLB and NFL have teams of 30-40 employees, Major League Lacrosse (MLL) has one person on their SM channels.

Similar to sporting goods brands, league accounts can be found on Facebook, Instagram, and Twitter. The leagues also operate accounts toward specific parts of their operation. For example, MLB has up to nine different Twitter accounts for things like highlights, instant replay, public relations, GIFS, and more. More consistently than sporting goods brands, leagues also have Snapchat, YouTube, and Vine accounts. This is not a surprise, since leagues have more consistent content they are able to post, and own the rights to their content.

Audiences for these accounts tends to be more broad since leagues like the NBA, MLB, and NFL cater to such a wide range of people. However, again, it depends on the SM platform. According to Respondent M, across the board their user base is nearly 2/3rds male. In addition, Facebook has an age demographic of 25-35, which is older than Snapchat and Instagram, where over 70% of that audience is under 25 years old. Respondent G stated that “even though the target audience can be broad and varies, language and style of SM does gear towards a younger audience overall.”

**Professional sports teams.** Like their league counterparts, professional sports teams were also early in terms of setting up their SM accounts around 2007-2010. What sets the

teams apart, however, is teams from the “Big Four” leagues (NFL, NBA, MLB, NHL) quickly began to take SM seriously. According to Respondent O, in 2010 their organization became the first to have an in-stadium SM space. Teams in smaller leagues like MLS or MLL have not been as quick. Respondent L was the first full-time SM hire in the spring of 2016. Respondent R was also a first full-time hire for SM in their organization.

Teams are also the most diverse in the amount of SM channels they live on. Aside from the major five of Facebook, Twitter, Instagram, Snapchat, and YouTube, teams also find themselves on Google+, Vine, Pinterest, and Tumblr. Still, the most important are Facebook, Twitter, Instagram, and Snapchat. As for the audiences of these channels, once again it is dependent on the platform used. Facebook is older, Instagram and Snapchat are younger, while Twitter sits in-between. Across the board, this audience is more male, with an audience being as high as 84% male according to Respondent O, and as low as 77% male according to Respondent L.

### **Support from Above**

The success of a business’ SM can only go as far as its senior management lets it. Buy-in from the top is very important for the long-term success of the SM accounts. In such a fast-moving industry, senior managers must be flexible and willing to invest resources to help see SM grow and truly be a valuable tool for the business. Since it is still such a new industry, this is not easy, as many senior managers grew up in a generation where SM did not exist. Fortunately for the sports industry as a whole, this has not been an issue.

**Sporting goods brands.** Certain brand’s senior managers have taken SM a bit more seriously depending on the size of the brand, but overall the attitude toward SM is maturing. Within the last two years, the senior managers of all brand-side interview respondents have begun investing more in SM. This means hiring full-time staff, utilizing analytics, and expanding budgets. Even with this growth, some senior managers are still behind in their view of SM. According to Respondent C, “senior management is taking SM more seriously but they do not really know much about it. They know that it exists and they know that we should play in that space. Beyond that they really don’t know.” If this is an issue for a business, then the SM manager must take it upon him or herself to keep senior management in the loop, and educate them on what they need to know. Respondent C stated: “My goal and the department’s goal is to keep them informed and to increase their knowledge. Also, giving them averages to help set their expectations to help their awareness. Having them see why they should believe it not just generally knowing they believe it is vital.”

**Professional sports leagues.** Size, again, matters about how seriously professional sports leagues’ senior managers approach SM. In larger leagues like the NFL according to Respondent G, there has been a tremendous shift towards SM. “Now, I’m involved in every major news decision, business decision, and sale decision. SM is one of those areas that touches every entity with the league.” Not only is its credibility company-wide increased, but innovation is also a high priority. Respondent M mentions, “It is a huge

priority with all of our senior leaders here at the NBA. Innovation is one of the things we are really focused on and really care about. That is echoed from the top down and is the same with the teams as well.” Innovation coincides with pushing the envelope a bit, according to Respondent H. It helps spur creativity, growth, and new frontiers in terms of ability and access.

Unlike Big Four leagues, smaller professional sports leagues like MLL do not nearly have the same support from above. Quite simply, their small size limits their ability. Respondent T stated how SM was not taken as seriously as revenue drivers like tickets or merchandise. This becomes frustrating since SM can connect with fans on a deeper level, while still being a tool that can drive revenue. This lack of support allows there to be room to grow, and this is a primary area where growth can be had in the SM and sports industry.

**Professional sports teams.** The value of senior managers from professional sports teams varies, even among teams within the Big 4 leagues. Overall, all value SM. The difference is in the degree in which they do so. Respondents O and Q applaud the work of their senior management, who are not only receptive to new ideas and hands off, but also recognize how SM plays across the entire business and considers them within every business decision. Respondent P finds the dynamic to be a little different, saying:

Just in general, culturally brands are in an interesting place where SM has really evolved as a marketing tool the last 10/5 years. We’re in a weird position where a lot of senior managers haven’t really experienced/used it on a day to day basis. So they’re struggling with how to understand it. It’s an interesting cross-roads. Our senior management knows that SM is important and that it can drive business. They know it is a really big megaphone to connect with our fans. However, we are still in a stage where we have to prove that it is a useful tool for us in order to get the resources we need to make it successful.

Due to a lack of experience and use by senior managers, some approach it like any other marketing or business endeavor. Respondent S states: “They value it as a useful tool, but at the end of the day they don’t value it as some kind of Golden Goose that will fix all of our problems. Simply it is a channel to help get some stuff accomplished.” Bottom line, does SM help the bottom line? That’s truly the most important thing in the end for any business, even with SM. That’s part of the reason why senior managers are not always the quickest to invest resources into SM.

### **Setting Goals**

As stated in the introduction, in order to define SM success, goals need to be set. (Paine, 2011). Without this step, then there is no way to guide a business’ actions on SM. Overall, the sports industry has similar goals for their SM channels.

**Sporting goods brands.** Across the board for brands, their number one goal for their SM pages is to help create brand awareness. They want to get in front of as many eyes as possible, and yearn to inspire passion among consumers. Another primary goal that goes

hand-in-hand with brand awareness is consumer engagement. Engagement according to Respondent D is any type of interaction with a SM post. This could be “liking” “favoriting”, “commenting”, and more. “These types of metrics show that people are willing to engage in conversation with the brand.” They also are valued at different levels. Re-tweets and shares are the highest level since they spread the post to more people, while likes and views are at a lower level.

A tertiary goal for sporting goods brands, whether operated in-house or through an agency, is driving people to the website and creating e-commerce sales. It falls third on the list because in the sporting goods world, there are numerous ways a product can be bought. Many still buy at stores, and many go to third party websites. This issue prevents e-commerce sales from becoming a primary objective on brands’ SM. The times when brands do push e-commerce sales, typically happens during new product launches, and on platforms like Twitter.

An underrated challenge mentioned by multiple interview subjects is the use of SM as a customer service tool. According to Respondent I, “People aren’t calling 1-800 numbers anymore, they aren’t sending out emails. “Every day I am receiving messages about the products, asking where to find stuff, just general customer inquiries.” Being responsive to customer inquiries is essential towards having a successful SM channel in today’s age.

**Professional sports leagues.** Sports leagues have a split between fan engagement and brand awareness as their number one goal. Even though Big Four sports leagues already have strong brand awareness and do not face competition on a national scale, globally there is more opportunity. Respondent N puts it “About 1% of our fans globally get to go to a game. SM gives a chance to the other 99% globally to see and experience our product.” In addition, these leagues have a desirable product of game highlights at their disposal. Making it easier for fans to consume this content through SM and building organic engagement are key towards building the channels as well.

A secondary goal is driving revenue. Aside from smaller leagues like MLL who do sell tickets and make that a goal on SM, Big Four leagues aren’t as concerned with selling tickets and merchandise on SM since their member teams make that push. Instead, the leagues monetize their SM by leveraging their content into sponsorships. An example of such a partnership would be MLB with Budweiser and their “At the Dish” segment on Snapchat. Every week, MLB goes to a game at a different Major League ballpark and snaps the ballpark and the best menu item at the ballpark, which is always paired with a Budweiser.

**Professional sports teams.** Teams have the most wide-ranging and diverse forms of content to put on their channels. Teams must give live score updates, share highlights, announce team news, promote events, and sell tickets (Gibbs, O’Reilly, and Brunette, 2014). Due to the wide-range of possibilities professional sports teams have in terms of SM content, their goals are more wide-spread. Brand awareness and fan engagement are still two of the most popular goals to have. However, there are differing opinions on which one is more important. An argument against fan engagement is that there is

research that there is no correlation between online engagement and business impact. One argument against brand awareness is that some organizations have been around for over half a century, and are ingrained in the culture of the cities they play in. Therefore brand awareness would be a waste of time and effort. In the end, it depends on the type of league the team is in and the history of the organization. In the battle between the two, fan engagement has a little more power. Respondent S puts it this way: “SM allows fans to connect to the organization in ways that were not possible before.”

Despite the lack of consensus for a primary goal, driving revenue was unanimous as a secondary goal. Teams have much more opportunity here, although not as lucrative as leagues. SM can drive revenue through ticket sales, merchandise sales, corporate partnerships, and sponsorship. Sponsorship is where the biggest monetization opportunity is, but it presents a challenge of remaining authentic in the message.

### **Identifying Metrics**

Setting goals for a business’ SM account is vital, but it is useless without metrics to measure and define it. Without them, success cannot be determined. The sports industry uses more than one metric to help track their success. Typically, the metrics chosen depend on the type of campaign. However, the sports industry has a few general pieces of data they always keep an eye on, both in the revenue and the non-revenue realm.

**Sporting goods brands.** When looking at specific non-revenue KPI’s for their SM, sporting goods brands take it in two different directions. There are the bare bones and simple metrics directly from the SM website like “shares”, “likes”, “re-tweets.” On the other side there are a more aggregated figures, like engagement, reach, and impressions. Reach is the total number of eyeballs the see SM posts, while impressions is everyone who interacted in some sort of way with the post. It is important to take all of these metrics into consideration, especially since they can tell a brand how well their content is resonating with their audience.

Revenue related figures are a bit different since there are not many that exist in the realm of SM. Sporting goods brands sell products online, so metrics like (assisted) conversions and clicks are some of the most common. The most divisive figure, however, is ROI. All in-house account managers said that ROI is calculated, especially around product launches. The account managers are not the ones who calculate it however. Rather, these in-house managers go to their analytics teams, paid SM agencies, or contacts at the SM site’s headquarters.

Agency representatives interviewed were split on using ROI for SM. Respondent A was all-in on using it saying, “Yes, you have to. There’s always ways in which you can measure if the money you are investing in SM is fruitful.” Respondent D on the other hand echoes the feelings much of the industry has with ROI and SM,

This is a hot question in this line of work. All businesses and all brands are interested in seeing what dollars SM helps bring in, and truthfully it’s a hard thing

to measure. With many of these accounts it is not necessarily driving sales it's about brand awareness, it's about engagement. There's no one formula for ROI in SM unless you are trying to get someone to purchase. There is no set formula behind it and that ambiguity is frustrating for brands because they know it's an important space to be.

There is not a denial of the importance of ROI in SM, there is an argument about the practicality of it. The usage of ROI in SM depends on the overall goals and objectives of the business. Those who have a goal of selling a product on SM will have use for it. Those simply going for brand awareness will not have as much use for it. Overall, though, objective or non-monetary measures take precedence over investment/monetary measures with sporting goods' SM analytics.

**Professional sports leagues** Due to league's wide-range of activities, metrics used are also diverse. Respondent M noted, "It (specific metrics) will depend on what the objective was for the campaign." For example, if it's awareness, then reach and impressions are reported. If the objective is to track SM conversation, then sentiment is reported. There is no one way of reporting SM goals. There are, however, specific metrics that SM teams do like to constantly check on. Respondent G says, "A big part of our job is to increase fandom and excite fans and we believe the content we post on SM is a big ignitor of that. Therefore, we try to show off our reach, increase in consumption, and things of value." Other metrics mentioned by other respondents include new followers, impressions, and engagement per fan.

Sports leagues are similar to sporting goods brands in their view of calculating ROI on SM. Both believe it has a purpose, but it is not a primary objective due to the nature of SM. When it is done, it is typically done on the ticketing side. Respondent J explains the process saying, "We append tracking to all the ticketing links we post on SM. We see how many clicks and purchases there are. We can see this. It isn't as much as tools like email and is not a large revenue driver." That is why ROI is not on the forefront of leagues' minds when it comes to SM. As time goes on, and as SM sponsorship becomes more prevalent, ROI will move to the forefront. Sponsors will push to know the value of their partnership and see if it is a worthwhile endeavor. Thus, ROI will become more important in the years to come.

**Professional sports teams.** Across the board, all teams looked into non-revenue specific metrics like engagement, impressions, reach, and follower growth depending on the type of campaign. One caveat emphasized by respondents is that metrics are not very useful without action. This applies to all groups studied in this research. What is the purpose of monitoring these numbers without analyzing them and taking steps towards improvement.

Just like in other areas of SM operation, teams are split on the use of ROI. Some have it on the forefront of objectives, while others prefer to build engaging content to help lead to revenue generation. Respondent S notes that senior management values SM ROI highly saying, "This (ROI) is the most important figure that we show our senior leadership. How much merchandise can be directly attributed to SM? How much money

from ticket sales can be attributed to SM? And most importantly, how much sponsorship dollars can be attributed to SM. These are the metrics they ask for first.” Respondent O takes a different stance, saying “With revenue numbers it is difficult to compare apples to apples because with our tracking system, we do not always get credit for a ticket sale, even though we may have been the original source.” A lack of consistency between teams makes it difficult to draw a full conclusion. However, even teams in smaller leagues like the MLS may not utilize ROI, but they will track promotional links on Google Analytics to see the impact SM brings to the bottom line. These groups prefer to build their channels with high quality, engaging content that their followers enjoy. This, then, potentially leads to enhanced future revenue and profit through social (Varini and Sirsi, 2012). The only difference between these two mindsets is that one is more direct with their SM selling, or social commerce.

There is some skepticism with the less direct approach in driving revenue through SM, believing that there is a disconnect between creating engaging SM content and social commerce. However, there is some evidence that there is no disconnect. As mentioned earlier, SM consumption enhances team/brand identification. It also affects word of mouth intention, which in turn affect attendance intention (Park and Dittmore, 2014). The effect of word of mouth intention on predicting attendance intention was also done with a study by Craig, Greene, and Versaci titled “E-Word of Mouth: Early Predictor Of Audience Engagement.” This research studied the debut of new films, and found that films with higher electronic word of mouth had more successful premiers. This demonstrates the importance of generating and monitoring word of mouth/conversation since it has influence over purchasing intentions.

### **Analytical Tools**

Many figures like ROI, Engagement per fan, conversion rate, and sentiment cannot always be found on a SM’s front page. Analytical tools must be used to gather and report these numbers. These tools can be found within the SM sites themselves, or through third parties for a fee. These fees are typically done on a monthly basis, and are dependent on the number of features the business needs and utilizes. Overall, these monthly fees range from \$9.99 a month to \$500.00 a month.

**Sporting goods brands.** Overall, whether through an agency or in-house, sporting goods brands utilize both third party and native (Facebook, Twitter analytics). In-house management keeps it simple, using one analytic tool. Among the interview respondents who manage SM in-house, third party analytical tools they use or have used include Social Studio, Sprout Social, and Sprinklr. In addition to native analytics and third party analytics, a few respondents also keep a simple tracking of basic SM numbers like engagement and follower growth on a spreadsheet. Agencies are a bit more complex with their use of third party tools. Since they work with a wide range of SM accounts with different types of businesses, agencies possess many different analytical tools that are used based off the client’s needs. Respondent A builds off this, saying “We use lots of tools. We use different resources for different brands. All of these tools provide the same data, they just organize it differently. Depending on the brand, what information they



need, what they need access to, what permissions they need, what their budgets are.” Among the tools mentioned, they include Hootsuite, Sysomos, Crimson Hexagon, Brand Watch, Percolate, Quintly, and Google Analytics.

**Professional sports leagues.** Leagues too, use third party and native analytics. Many of these third party analytical tools include Spredfast, Crimson Hexagon, Crowd Tingle, SM Bakers, Adobe SM, and Google Analytics. However, there are two differences that set leagues apart from others. First, some leagues have internal analytics built by their staff. Respondent J at MLB explains “Our tech team has built our own and it’s called Fanalytics. They take the platform’s KPI’s and get the data feeds from them and create a tool that anyone can go in to internally and pull reports from.” In addition, leagues are responsible for sending SM analytics reports to their member teams, which compares teams amongst their peers and is typically done through Shareably.

**Professional sports teams.** Teams have much of their work cut out for them with the reports they get from the league and the native analytics built within the SM platforms. However, this does not stop teams from investing in third party analytics to get more in-depth information. Tools used by teams include Track Maven, Simply Measured, Rival IQ, Spredfast, and Shareably.

## Analysis

Even though they all operate in the sports industry, sporting goods companies, professional sports leagues, and professional sports leagues operate their SM in different ways. Even amongst their own peers within the same segment of the industry, there is not a complete consensus about what goals should be prioritized, how much emphasis is placed by senior management, what metrics should be valued, and which analytical tools are used. At the broadest level, there are a few consistencies, regardless of the size and power of the organization. The first of these themes is the attitude towards SM. Across the board all organizations had SM accounts in the early part of this decade, and have begun to take it more seriously in recent years hiring more full-time staff. Who these accounts reach is also similar. Even though it depends on the specific platform or the sport the account operates in, respondents indicated that they cater to a younger male audience.

The goals each of the groups had fell into three categories: brand awareness, consumer engagement, sales. Brand awareness and consumer engagement were typically 1A and 1B, while sales was secondary. The metrics identified were broad, but measures like engagement rate, follower growth, impressions, reach, and ROI were the most common. Lastly, the analytical tools used had the biggest variety. However, in general, all utilized native analytics as well as one third party tool.

Aside from these commonalities, each group had differences in terms of the degree to which they valued certain goals, measures, and tools. That’s because no two organizations are the same. Even if they have they offer the same product or operate in the same league, organizations possess different values and operate in different markets.

This allows them to have their own personality and persona as a company. That's part of the advantage of such openness in the SM world. The company has a large amount of control, and can tailor their SM goals and practices to the values and mission of the company.

### **Further Research**

SM is a fast growing industry. It's only been in the mainstream public for 10 years and billions use it and billions more will in the future (Statista, 2016). All respondents without a doubt felt that this growth would continue for quite some time, and SM budgets and team sizes would have to adjust. The question is, where will this spread continue? In the product world, we are beginning to see a connection between wearable products and "smart" products with SM. This would, then, begin to emphasize selling on SM even further, and is an area that can be investigated further.

Another area SM is permeating into is traditional media. Respondent A agrees, saying "SM is going to permeate into everything we do. Smart TV's are going to have to do with a lot of the convergence of SM and television. People like to connect and people like having content served to them rather than them having to seek out content." Not only will television be affected, but also TV rights could be lumped into the mix too. With the growth in the popularity of live-streaming of sports games and other live entertainment on SM platforms like Facebook and Twitter, these SM sites might make a bigger leap into this realm, offering billions of dollars to earn the rights to share this content. Thus, there is room for future investigation into the proliferation of SM into traditional forms of media and how that will shape the entire media and entertainment industry.

### **Conclusion**

There are many lessons businesses can take away from how sport organizations operate SM. The first of these lessons is that if a company seriously wants an impact from its SM, then there must be buy-in from the top. This buy-in gives SM managers the creative freedom to capture the attention of its audience much more easily and create brand recognition and even consumer action. Once this buy-in is in place, then SM managers must determine the tool's purpose on the broadest level before anything else. SM managers must ask themselves why they are using social and how they want it to help the business. This step requires an analysis of the industry the business operates in. What is our product/service? Who are the consumers? Who are we trying to target? What do they want? Once a target audience is identified along with a purpose, SM managers must determine what SM platform best achieves this harmony. Facebook is very video-oriented and has an older audience. Twitter play the middle ground in terms of audience, but is very good for news and constant content. Instagram is younger and is strong with photography. Maybe it's none of the above? Maybe it is multiple? SM managers must recognize these differences and adjust their content accordingly for maximum effect.

Next in the process is setting goals. What would success look like? This step is accompanied by objectives, which are specific measurements that show success or a lack

thereof. These measurements should be tied directly back to the goals and purpose. If brand awareness is a primary goal, then metrics like reach and conversation are examples of what should be valued. If it is sales, conversion and ROI should be valued. When looking at these specific measurements, SM managers must determine how they will track these numbers. Will they do it by hand? Do they need analytics? Does native analytics suffice or do they need a third party site? If they need a third party site, what site is most suited for their needs? Analytics themselves are useless without learning from them. SM managers must set timelines in which they will check and report on these numbers to senior management. With multiple eyes checking, proper decisions can be made as to how to improve SM performance.

With all these steps SM managers set themselves for success. They will be able to prove the success of their work. They will be able to prove the value of themselves to the company. And last but certainly not least, they will be able to prove SM importance to the company. With these structures in place SM managers can finally do the fun part: create.

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