Football's big four and building brand equity in Asia

The present Asian sports market is characterized by the process of globalization which drives increasing media involvement, dependence on sponsorship and the growth of a whole industry around sport.

The desire of international organizations to conquer new markets certainly represents one of the main factors as Asia hosts a third of the world's population, and some of the fastest growing economies in the world. Professional sport clubs and leagues such as The English Premier League (EPL) and the UEFA Champions League are fully aware of this. So, what are the strategies implemented by foreign professional sport clubs in general, and football clubs in particular, to attract, raise interest in and attachment from satellite fans using the customer-based brand equity (CBBE) framework?

Are fans supporters or customers?

An interesting question in relation to the status of sport fans in general and football fans in particular has recently been raised – are fans supporters or customers? There is no definitive answer to this. Firstly, the answer is strongly related to what it is meant by supporters and how they are defined. Do you consider only die-hard/fanatical fans, season-ticket holders, temporary fans and casual supporters, or sport spectators in general? From a supporter's perspective, it is likely that the fans don't perceive themselves as customers, even if the more cynical ones might think that they're treated like that by the clubs they support. However, from a professional club perspective, the answer seems to depend on the sport, the club's history and the market considered. In football, successful clubs are now considering themselves as brands, particularly on foreign markets.

Domestically, it seems that because of territorial, familial and identity bonds, professional football clubs are reluctant to fully consider themselves as a real brand in their home market. Even if football clubs extensively use operational marketing to sell replica shirts, co-branded products etc., this doesn't seem to be the result of a branding strategy, and few of them think in terms of targeting and positioning. However, European clubs seem to look at foreign markets with a different perspective. Sport business has reached a stage of maturity in their traditional markets so sport brands need to look for new profitable foreign markets.

We’ve seen the increasing trend of club takeovers by wealthy investors and money men. This is characteristic in European and English clubs particularly, because their success on the pitch means that these clubs can expand into foreign markets, particularly in Asia. Manchester United has been at the vanguard of this.

Manchester United have launched numerous marketing operations, including the establishment of overseas club shops to sell branded football-related and non-related products, building relationships with other global brands, participation in Asia-based tournaments and tours, website promotions, the development of soccer schools, and the recruitment of South-Asian players, not only to strengthen the squad but also for marketing potential.
Manchester United et al have benefited from “first entry” pioneer advantage, with a high level of brand awareness in the Asia market. But because of high potential market profits, numerous clubs have started to look at foreign markets and implement marketing strategies to allow them to compete against the “big names”.

Such intense competition in the market leads clubs to rethink their overall strategy in order to distinguish themselves from the other competitors. On-field success is one way to do it, but effectiveness in their marketing strategy is another. Arsenal, Chelsea and Liverpool are arguably as popular as Manchester United now as they have copied the Manchester United model.

Clubs need to clearly define who they are, how they want to be perceived, who they want to attract and how they want to be positioned, but before they consider these drivers they need to determine how they are perceived on these markets. This leads to the concept of the customer-based brand equity (CBBE) framework

The CBBE framework

Understanding the needs and wants of consumers and adjusting offers to satisfy them is at the heart of successful marketing. Brand equity emerges from differences in consumer response, which result from differences in customer brand knowledge. Although strongly influenced by the marketing activity of the firm, brand equity finally lies in what lodges in customers' minds. Customers' differential responses are reflected in perception, preference and behaviour related to all aspects of brand marketing, including their choice of a brand, recall of copy points from an advert, response to a sales promotion and evaluation of a proposed brand extension.

Dimensions of brand equity

Brand equity consists of four dimensions:

1. perceived quality;
2. brand loyalty;
3. brand awareness; and
4. brand image.

Precisely, strong brand equity means that customers have high brand-name awareness, maintain a favourable brand image, perceive that the brand is of high quality and are loyal to the brand.

"Brand awareness "is related to the strength of the brand node or trace in memory, as reflected by consumers' ability to identify the brand under different conditions. "Brand image" is defined by types of brand associations that consumers hold in memory. They are defined in turn by:

1. attributes (non-product related and product-related);
2. benefits (functional, experiential and symbolic); and
3. attitudes toward the brand.

Using CBBE, football clubs in a foreign market can see how their competitors are distinguished and which factors strongly influence their brand equity's dimensions.

Using the four dimensions of brand equity, it seems that the “Big Four” clubs (Manchester United, Chelsea, Arsenal, and Liverpool) are already strong brands in the Asian market. In terms of awareness, the four brands are highly visible.

In terms of image, some strong features came through in a recent investigation into the Chinese market. Manchester United is perceived as successful, aggressive and
dominant. Arsenal is perceived as young, dynamic and “sexy”. Chelsea is perceived as wealthy and sometimes superficial, and Liverpool is perceived as steady, honest and pugnacious, with a rich heritage.

Brand image is mainly driven by the players’ and coach’s image it seems. The club’s image is the result of an image transfer from the players, the coach and even the chairman (in the case of Chelsea). Clubs recruit iconic star-players (“Galácticos”) in order to reap the benefit of a positive image transfer from the player to the club. Several survey respondents stated that they supported a club because of a specific player and, if this player transferred to another club they would change their loyalty, even support their original club’s fiercest rival. So, the clubs do not benefit from a strong brand image because that image doesn’t survive a star player leaving the club. Clubs clearly need to develop a strong and distinctive brand image with a long-term perspective – one that isn’t based on the lure of certain star players (David Beckham, Ronaldo et al).

**Beyond brand image and brand loyalty**

The investigation of perceived brand equity in the top four EPL clubs among Chinese fans emphasized strategically managing the development of the brands. It seemed that these brands were strong on the Chinese market because of high levels of brand awareness and perceived quality, and some particular brand attributes such as star-players. Nevertheless, brand image and brand loyalty alone cannot satisfy brand managers. The arbitrary and transitory nature of a star player’s “loyalty” means that they do not represent a long-term image asset for the brand.

From a practical point of view, this highlights the necessity for clubs to not move too rapidly towards operational marketing but instead emphasize the importance of a solid strategic approach. Clubs clearly need to define who they are (their identity), who they want to target (their segmentation and targeting), how they want to be perceived and how they differentiate themselves from the other main competitors (their positioning). An accurate focus on these strategic steps will obviously help marketing managers increase their success in the foreign markets, but this will also help them in terms of how they are (or want to be) perceived in their national market, and how this can be compatible with the strategies developed overseas. This defines the level of standardization or adoption of international brands which want to become global, and this has to be clearly defined since globalization also makes home fans or customers aware of international strategies and foreign fans behaviour and attitudes.

_August 2010._

This is a shortened version of “Building global football brand equity – lessons from the Chinese market”, which originally appeared in *Asia Pacific Journal of Marketing and Logistics*, Volume 22, Number 1, 2010.

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