RELATIONSHIP MARKETING APPLIED IN THE SPORT FOR ALL SYSTEM

Georgi Draganov, Desislava Ilieva

National Sport Academy "Vassil Levski", Sofia, Bulgaria

ABSTRACT

The application of Traditional business marketing in a market economy is a priority. At the same time, typical social fields (education, sports, healthcare, culture, arts, etc.) are forced to operate in the same conditions. This often leads to a conceptual clash between the market (striving for the accumulation of capital and profits) and the social (striving for personal and spiritual development and building a society) in their activities. Therefore, the Traditional marketing fails to service the sport on its own and it should function in symbiosis with other marketing concepts. The present work considers the application of Relationship marketing as a possible partner and a compensatory mechanism of the disadvantages of business marketing to the specifics of sport.

Key words: sport, sport for all, marketing

INTRODUCTION

Due to the specifics of the Sport for All System (SfAS), its social nature requires satisfaction of the specific needs of consumers. The large target scope of the system and globalization of sport are a prerequisite for the provision of various services and the imposition of diverse management approaches (Dimitrov, 2012). In this respect, it operates based on the social-oriented marketing principles. Many authors reveal that the system contains the enormous economic potential. Therefore, one of the specifics of SfAS management is the application of both socially and economically oriented marketing. Essentially, the governing performs social functions, realizing their economic benefits. On the other hand, the objects of management (beneficiaries of social services) are often both consumers and producers of services.

According to Traditional marketing, governing entities carry out marketing activities anonymously, and consumers are deprived of the status of individuals with specific needs and problems. Therefore, the effective development and management of SfAS requires a comprehensive application of this approach and other marketing concepts.

The aim of this thesis is to present the role and importance of Relationship marketing for sport for all development in symbiosis with other marketing concepts.

METHODS

The field of study is sports marketing, and the subject is the application of Relationship marketing in the Sport for All System.

The following methods were used for the realization of the research: theoretical analysis of the application of individual marketing concepts in the sports system, monitoring included (direct participation of researchers in processes for applying individual marketing concepts in the Bulgarian Sport for All Association (BSfAA) activities) and Case study (analysis of the application of Relationship marketing in particular key situations for BSfAA - building partnerships, forming an organizational environment and culture and organizing sports events).

RESULTS

Relationship marketing views consumers as individuals and groups that try to interact with. This type of marketing is interested in values in individual decisions as a prerequisite for forming needs.

Therefore, one of the main directions of its implementation in the SfAS is related to the imposition of effective forms of motivation, forming lasting relationships, inclusion in ideas, values and communities.

Figure 1. Relationship marketing, quality and service (Christopher et al., 1991).

Figure 1 illustrates the interaction of customer service concepts, quality service delivery and the application of Traditional marketing approaches to build a holistic orientation.

Relationship marketing focuses on building and maintaining long-lasting and stable relationships (communication, incl. use of modern technologies

and tools (Slavchev, 2014)) with beneficiaries of SfAS services and other partners (state, municipal, public, private and other entities). Nowadays, the theory of the Traditional marketing mix is widely represented in the management of products and services in sports, which underestimates long-term partnerships (Table 1).

Table 1. Comparison between Traditional marketing and Relationship marketing (modified version of F. R. Dwyer, Paul Schurr and Sejo Oh, 1987).

TRADITIONAL MARKETING	RELATIONSHIP MARKETING
Focusing on single transactions	Consumer Conservation
Episodic Consumer Liaison	Long-lasting consumer liaison
Focus on Product Features	Focus on the value of customer service
Striving for Fast Profit Realization	Long-term vision for systematic consumer sports activities
Production of commercial products	Provision and consumption of social services
Emphasis on the market	Emphasis on the consumer

The development of the sports field considers and uses five levels of consumer relations (Kostova, 2008).

- Baseline - sale of services with no subsequent interest in their social effectiveness.
- Reacting - selling services and empowering the user to obtain additional information.
- Responsible - immediately after using the service, an analysis of consumer attitudes is carried out.
- Active - maintaining consumer relationships and systematically informing about new services or innovations.
- Partnership - the organization is constantly

working with consumers and partners to find ways to offer more benefits.

The considered levels of relations with the users of social services are the basis for forming long-term relations with the beneficiaries of the SfAS. This is one of the main goals of the System to attract more systemically sporting users and build sporting interests and needs. The formation of lasting interests is a process related to the awareness of the necessities and benefits of an active lifestyle. This leads to personal satisfaction and specific needs construction. Viewed through the Relationship marketing, the partnership level is related to satisfying need (social, economic, etc.) of all participants in

the System. The social nature of sports for all alters Traditional marketing theories. The main focus is not only to satisfying need of the market, but also on the participation and benefits of sports service providers. This is the result of contemporary trends in Relationship marketing with the social needs.

Marketing of needs is based on the idea of more activity of product and service providers in the process of satisfying customer needs. The market is accepted as a set of unconscious and undisclosed needs. This theory recognizes the key role of product and service producers in shaping market relationships. A characteristic of Marketing of needs is to provoke needs, but not to identify needs. Psychological impact is applied to the behavior of individual users and entire groups. The basic idea behind this approach is related to 'processing' the market and consumers and the formation of values. Then they need to be transformed into needs, and after that to be consumed with products and services in the short or long term. Marketing of needs supports the thesis that business has a resource (human, information, financial, logistical, organizational, etc.)

to use to develop society. It notes a slowdown in the development of certain areas, including the social. It depends on the saturation of the market and its transformation into a consumer society. Thus, the consumer does not maintain systematic control over the delivery of services satisfying his needs, but he is compelled to conform to his imposed tendencies. Marketing of needs proposes that the solution to this problem be achieved by "negotiating" market factors between consumers and producers, based on partnerships.

Applying Relationship marketing and Marketing of needs as part of it, the SfAS would achieve its main goals (building a positive attitude to physical activity and sports, establishing lasting sports interests, promoting healthy lifestyle ideas, etc.). The partnership between major sport for all service providers (state, public and private entities) is critical to the effective use of Marketing of needs.

There are three approaches (Figure 2) that SfAS could use to establish sustainable connections and fully satisfying consumer needs (Kostova, 2008).

Figure 2. Relationships marketing approaches for application in the SfAS (modified version by S. Kostova, 2008).

These specifics define Relationship marketing as a new level in the development of SfAS, and the ability to associate consumers with the ideas of sport for all movement. This is an evolution in the perception of the relationship with the beneficiaries, which could be considered as marketing of partnership, cooperation, dialogue, relations, interac-

tion, contact, engagement, understanding and mutual respect.

In addition to Relationships marketing with consumers, there is another variation – Relationship marketing with inter-institutional partners in sports. Several types of this marketing can be high-

lighted - deal marketing, relationship marketing, network marketing in sports. Thus, sports deal-based marketing could highlight to Relationship marketing through networking.

Network marketing, known as Multi-level marketing, is a strategy that the entities providing the products, incl. and services, receive compensation for personally made sales and for sales to other participants in the partnership network (<http://en.wikipedia.org/wiki> 12:15 PM; 9/22/2014). This creates a network of hierarchical distributors (Dominique, 1993).

Multi-level marketing in sports is an important part of managing a sports product. Many organizations do not participate in the production and delivery of a service directly and do not meet with the consumer directly. They are part of one or more

marketing networks. The application of Network marketing is needed to reveal system-forming processes in the field of sports for all. Therefore, the motives and relationships between the different entities in the SfAS are manifested. The application of Network marketing considers the contemporary social functions of organizations' structures and interconnections as part of a single system.

The acceptance of the inter-organizational partnership as a network is emphasized by Olkkonen (2001) and O'Toole & Foley (2003). It includes other important parts - consultant and non-governmental organizations.

Identification of the main subjects and objects in the process of building a network of relationships in the SfAS would help to further study and optimize the interactions between them (Figure 3).

Figure 3. *Network of relations between partners in SfAS in Bulgaria.*

According to I. Sandanski (2006), "network identity must be understood as a complex set of organizations, each specialized in its core business, but as a result of the processes of interaction between them, each of them builds network identity." The author outlines three prerequisites for building a partner network:

- an opportunity to involve his own partnership network in communication with other manage-

ment entities;

- participation with organizational-specific competencies and development of additional competencies resulting from participation in the partnership network;
- the ability in the relationship-building process to develop network-specific knowledge that will help the effectiveness of the entire network.

CONCLUSIONS

The social nature of the system determines the existence of participants who build 'social networks'. They are characterized by the pursuit of the exchange of social ideas on a qualitative basis. This makes interaction effectiveness difficult to measure. Such a social network serves the personal interests and needs of its participants, the objectives of the SfAS and the functions of the other socio-economic spheres that builds partnership networks. This thesis is presented in Social marketing, which helps to study and manage processes in social systems, incl. sports for all in combination with other marketing concepts.

The application of Relationship marketing as part of building partnership networks is necessary to solve social problems, because of limitations of Traditional marketing. The study confirms this need in the Sport for All System based on the following trends:

1. Traditional (business) marketing is not affect to the individual social interpretations. It operates with homogeneous communities viewed as a common market. These markets are interesting in terms of their scope and potential for profit, but not as a society with their social (spiritual and personal) needs. Opportunities for providing social services in SfAS are not very attractive for Traditional marketing (there are not direct dividends), despite their large scope (children, students, workers, adults, etc.).
2. Compensation of the disadvantages of Traditional marketing in SfAS is realized through the application of Marketing of needs. This innovative theory reports with quality indicators of emerging relationships (Relationship marketing). It reflects and seeks to provoke, social needs and necessity. Thus, socially relevant ideas (social products and causes) are offered and a specific environment (culture) is created for their acceptance.
3. The activities in BSfAA management confirm the thesis of the need for the application of specific Relationship marketing and Marketing of needs. In essence, it aims to create an environment for the imposition of products and services (active lifestyles, attitudes towards systemic sports activities, integration through sports, healthy lifestyles, etc.). A major point of the BSfAA strategy should be the application of Relationship marketing with a focus on Marketing of needs.

REFERENCE

- Atanasova, N. (2012). *Marketingovi izsledvania v sporta*. NSA Pres, S. // Атанасова, Н. (2012). *Маркетингови изследвания в спорта*. НСА Прес, С.
- Dimitrov, V. (2012). Globalizatsiyata v sporta faktor za promyana na menidzharskia podhod. *Sport i nauka –izvanreden broj 4*, S. // Димитров, В. (2012). Глобализацията в спорта фактор за промяна на мениджърския подход. *Спорт и наука –извънреден брой 4*, С.
- Kostova, S. (2008). *Marketing na potrebitelskite stoki*. „Krisan-S“, S. // Костова, С. (2008). *Маркетинг на потребителските стоки*. „Крисан-С“, С.
- Sandanski, I. (2006). *Efektiven marketing i sponsorstvo na uchilishten sporten klub*. “NSA Pres”, S. // Сандански, И. (2006). *Ефективен маркетинг и спонсорство на училищен спортен клуб*. “НСА Прес”, С.
- Slavchev, I., (2014). *Savremenni sredstva za komunikatsia i elektronno obuchenie v obrazovatelnia protses po Sporten menidzhmant*. *Proceedings of Sport, Stress, Adaptation Conference, October 2014*. // Славчев, И. (2014). *Съвременни средства за комуникация и електронно обучение в образователния процес по Спортен мениджмънт*. *Proceedings of Sport, Stress, Adaptation Conference, October 2014*.
- Tsolov, B. (2008). *Osnovi na marketinga v sporta*. S. // Цолов, Б. (2008). *Основи на маркетинга в спорта*. С.
- Christopher, M., Ballantyne, D., Payne, A. (1991). *Relationship Marketing*. Oxford, Butterworth-Heinemann.
- Dominique, X. (1993). *The Direct Selling Revolution. Understanding the Growth of the Amway Corporation*. Blackwell Publishing.
- Dwyer, R., Schurr, P., Oh, S. (1987). “Developing Buyer-seller Relationships.” *Journal of Marketing*.
- Olkkonen, R. (2001). Case study: The network approach to international sport sponsorship arrangement. *Journal of Business and Industrial Marketing*.
- O'Toole & Foley. (2003). Editorial: Boundaries and Interfaces in Marketing. *Irish Marketing Review*.

Corresponding authors:

Georgi Draganov, Ph.D.,

Associate Professor
National Sports Academy “Vassil Levski”,
Bulgaria, 1700 Sofia, Studentski grad,
e-mail: g.draganov_nsa@abv.bg

Desislava Ilieva, Ph.D.,

Chief Assistant
National Sports Academy “Vassil Levski”,
Bulgaria, 1700 Sofia, Studentski grad,
e-mail: d.ilieva_nsa@abv.bg