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IMPACT OF MARKETING MIX STRATEGIES ON THE COMPETITIVENESS OF SRI LANKAN CRICKET CLUBS

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Abstract

Many cricket clubs now develop a more sophisticated marketing mix to enhance clubs' competitive advantages. This study investigates the impact of the marketing mix strategies on the competitiveness of Sri Lankan Cricket Clubs. The unit of analysis was cricket clubs and the disproportionate stratified sampling method was adopted in selecting the study sample of 40 clubs. Measurement scales were developed using empirical studies in the study domain. A questionnaire was adopted as the data collection instrument after assessing the internal consistency through a reliability analysis. Data analysis was carried out using SPSS 20.0 version and hypotheses were established and tested with Spearman correlation. Excluding the people variable, there were strong and moderate correlations between each of the marketing mix variables namely product, price, place, promotion, physical evidence, and process and the competitiveness. Hence, it is recommended to implement marketing programmes with high attention on the 7 P's variables, excluding people, to increase clubs competitiveness.

Keywords: Competitiveness, Marketing mix, Sri Lankan Cricket clubs, 7P's.

Background of the Study

Competition is ubiquitous. There is competition in business, in sports, in entertainment, in politics, and even in private lives. Especially, businesses can only survive, if they remain competitive. In order to become and stay successful, businesses have to become more resourceful, and/or lower the price, invent improvements, and offer better service ^[1]. Sports, subtracting all its health aspects, as in its core are also considered as businesses, and therefore underlie the same competition as any other business. As a business, any sports organization will compete for members, sponsors, resources, fans, facilities, local, national, and international recognition ^[2]. For Sri Lankan cricket clubs, the competition consists with primarily in recruiting the most talented players to their club, and to achieve a high ranking. Competitiveness in business can be measured in several ways. It can be measured in market share, in the visibility of the club, in price flexibility, or in meeting the unique needs of the target market ^[3]. Michael Porter ^[4] analysed the competitiveness of a business and developed his theory of the five forces which influence Marketing. This study analysed the effect of marketing mix strategies on enhancing the competitiveness of Cricket clubs in Sri Lanka.

Problem Statement

Presently, almost all the Cricket clubs in Sri Lanka are operating with an intense competition. Therefore, these Cricket clubs are adopting different marketing strategies in developing competitive advantages over other competing clubs. While the paper focuses on the original four Ps of marketing strategy (product, price, place and promotion), it has been extended to

include another three Ps (physical evidence, process and people) commonly applied in service marketing. The service marketing driven strategies enhance competitiveness more in these service oriented sports clubs. Therefore, this study examines ‘What is the impact of marketing mix strategies on competitiveness of Sri Lankan Cricket Clubs?’

Major Objective of the Study

The major objective of the study is to examine the impact of the marketing mix strategies adopted by cricket clubs in Sri Lanka to enhance clubs.

Specific Objectives

There are two specific objectives which are to identify strong and weak marketing mix variables in order to help managers and to help sports marketers understand the marketing mix’s effectiveness in developing clubs’ competitiveness. This facilitates club administrators to provide the cricket consumers with better service and to suggest new strategies from the marketing mix perspective to enhance the competitiveness through developing competitive advantages against competing clubs.

Conceptualization and Operationalization

Empirical studies reveal the impact of organizational marketing strategies on developing organizational competitiveness with special reference to commercial sector. Studies specifically conducted adopting marketing mix in determining sports clubs competitiveness in Sri Lankan context is minimum. Therefore, the original conceptualization derived from a study with Kenyan tennis clubs explaining the impact of marketing mix strategies on developing competitiveness [5]. The same conceptualization was adapted and applied to Sri Lankan cricket context using seven independent marketing mix variables (product, prices, place, promotion, people, physical evidence, process) and one dependent variable (competitive advantage). Conceptual framework of this study is presented in Figure 1.

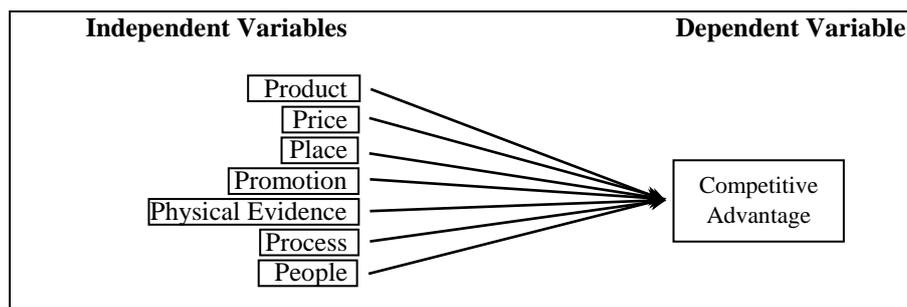


Figure 1. Conceptual Framework

All the study variables were operationalized using relevant dimensions based on empirical studies. Accordingly, the questionnaire was developed based on the empirical studies as the survey instrument.

Hypothesis Development

This study aims to investigate the impact of marketing mix strategies on Sri Lankan Cricket clubs' competitiveness. Therefore, present study aimed to investigate the correlation between each of the independent variables and the dependent variable. In the case of this study, the hypotheses are mainly concerned with the analysis of the correlation between the independent and dependent variables. In order to analyse the relationship between the seven components of the services marketing mix and competition, the research tested the following hypotheses:

- H1: There is a relationship between product strategy and competitive advantage.
- H2: There is a relationship between price strategy and competitive advantage.
- H3: There is a relationship between place strategy and competitive advantage.
- H4: There is a relationship between promotion strategy and competitive advantage.
- H5: There is a relationship between physical strategy evidence and competitive advantage.
- H6: There is a relationship between process strategy and competitive advantage.
- H7: There is a relationship between people strategy and competitive advantage.

Methodology

A standard questionnaire^[6,7] was developed and sent to the presidents of the cricket clubs. Subsequently, interviews were set up and the data were collected. All the Cricket clubs registered under Sri Lanka Cricket Board are considered as the study population of this study. Out of 72 clubs, using Disproportionate Stratified Sampling (DSS) method, 40 clubs were selected as the study sample. This sampling method was used since the sample size of each stratum did not necessarily correspond to the population size of the stratum.

Data Gathering Techniques

The presidents, vice presidents or marketers of the clubs were contacted and interviewed. Initially, the detailed questionnaire was provided to them via email, and officials were then contacted in person or by phone. First section of the questionnaire contained five items for each marketing strategy variables representing different dimensions. Respondents' responses were recorded on a five point Likert Scale. Second section of the questionnaire recorded the responses relevant to the competitive advantage which consisted of 8 items. Third section of the questionnaire was to collect demographic data about the responding clubs. Reports published by SLC, Cricket Clubs and websites were also used to collect required secondary data^[8]. While measuring the product strategy, emphasis was placed on the service design, the image of the product, extra services around the facilities and future developments. Price strategy was measured using the pricing policy and price reasonability. Place strategy looked at the location of the clubs, ability to attract customers, and whether the clubs should extend their presence beyond their location. Promotion was examined through the clubs' promotional activities' ability to reach their target customers. Physical evidence checked whether the physical environment left the customers with a positive impression. Process evaluated the complexity of the service and its delivery. People examined the relationship between the clubs and their customers. The Competitive Advantage determined the advantage that one club might have over others.

Data Analysis

Data were analysed using SPSS software 20.0 version. The first step was to clean the data and check for outliers and missing values. After cleaning data sheet, descriptive analysis was conducted. Thereafter, the reliability of each study variable was tested and normality of the data was checked. Since the study intends to examine how the marketing mix strategies influence the clubs' competitiveness. Finally seven hypotheses were tested using Spearman correlation coefficient.

Results and Discussion

Table 1 provides the reliability statistics of all study variables and since Cronbach's Alpha values of all study variables are more than 0.7, all variables' measurement scales were considered as reliable.

Table 1. Reliability Statistics

Reliability Statistics	Product	Price	Place	Promotion	Physical Evidence	Process	People	Competitive Advantage
Cronbach's Alpha	0.843	0.921	0.704	0.773	0.798	0.729	0.886	0.901

Table 2 provides the correlation coefficients between each of the independent variable and the dependent variable of the study. Accordingly, except the people variable, all other marketing mix strategies are having a positive correlation with competitiveness of Cricket clubs. Product, place strategy and promotion strategy show significant positive correlations with clubs' competitiveness where price strategy shows a moderate correlation.

Table 2. Correlation between marketing mix variables and competitive advantage

Marketing mix Variables	Product	Price	Place	Promotion	Physical Evidence	Process	People
Correlation Coefficient	0.617	0.438	0.768	0.605	0.381	0.172	-0.193
Sig. (2-tailed)	0.000	0.005	0.000	0.000	0.015	0.028	0.393

Conclusion and Recommendations

Conclusion

The highest number of cricket clubs is located in a relatively small area of the country along the Western and South-Western Coast. The greatest numbers of clubs employ very few people. Over the last half century more community-based cricket clubs have come into existence. With the exception of people, there is a strong correlation between the marketing mix variables and the competitive advantage.

Recommendations

Recommendations were made for each of the correlated marketing strategies. Clubs' administrators should intensively study about more innovative and customized marketing programmes in terms of game experience itself, pricing, delivering game experience to spectators, promotion, physical evidence and resources of club premises and the overall process of the club. One way of expanding the base of cricket clubs in the areas that are

currently underserved might be to initiate and develop clubs within academic institutions. By expanding these clubs into the community, the potential for some public-private partnerships could also be created. Additionally, stronger school cricket teams would also create a larger pool of better cricket players to draw from. Another recommendation is the construction of larger cricket grounds and clubs which provide enough parking, good public transportation, and well-kept grounds. A properly maintained clubhouse and grounds as well as comfortable and well maintained seating areas will likely all contribute to the expansion of customer satisfaction within this marketing variable. It is likely that the introduction and development of special promotional campaigns in mass media and on social media would result in an increase in the customer-fan base. Especially the clubs which have good facilities should also consider using them for promotional activities outside of strictly cricket events.

Furthermore, a general recommendation utilizes more marketing research professionals in order to become more effective in marketing. Future research might apply this same concept to other sports. It would be recommended to expand the marketing mix to 9 P's, including program and performance, since this seems the most appropriate for sports businesses.

Limitations and Scope of the Study

The study considered only the cricket clubs registered under the SLC. Competiveness was measured considering the perceived competitive advantages of the clubs. There may be other factors also which affect clubs' competiveness other than marketing mix strategies.

The study was limited by only testing for the competitive advantage. More evaluation of the demographic data is also necessary, and more research is recommended which is not limited to clubs registered under the SLC. Furthermore, study variables can be operationalized using more dimensions compared to the present study.

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