Customer engagement at a business entity in the field of sport

Kristýna Vachová¹, Petra Martíšková², Roman Švec³

Abstract: Customer engagement captures interactions among customers and companies (brands). It is one of the hot topics, also thanks to the development of various social networks, enabling an easy and fast realization of customer-brand interactions. This paper is designed as a case study describing the phenomenon of customer engagement at a chosen business entity in the field of sport. A particular hockey club from the Czech Republic was selected as an example. The aim was to identify ways and methods of engaging sports customers at the chosen business entity. A mixed research approach was used to obtain data: it was a mix of an online survey, content analysis of relevant materials, and semi-structured interviews with two managers from the chosen hockey club. Results indicate that there is a range of engaging activities, both online and offline. Overall, respondents think they are sufficiently engaged in the company's activities (92%), in which social networks play an important role in engaging customers at the analyzed company.

Keywords: customer engagement, social networks, hockey club, Czech Republic

JEL Classification: M31, M37

1 Introduction

Customer engagement is a current topic these days. Its topicality is fueled by the development of various social networks, which companies widely use for customer engagement.

1.1 The term 'Customer engagement"

One of the foundational studies on customer engagement is considered a paper by Hollebeek et al. (2014), who describe customer engagement as the cognitive, emotional, and behavioral activity of a customer during his/her interactions with a brand. Different dimensions of the concept of customer engagement are distinguished as follows (Hollebeek et al., 2014):

- Cognitive dimension: it refers to how a customer processes brand-related thoughts in a specific interaction with a brand;
- Emotional dimension: it indicates a positive link between a customer and a brand in a specific interaction;
- Behavioral dimension: it indicates how much energy, effort, and time a customer devotes to the brand in a specific interaction.

In general, companies realize the value of inviting, guiding, and activating (i.e., engaging) customers to participate in marketing activities such as product and brand development. In this context, Kotler et al. (2021) use the term 'customer-engagement marketing', which implies creating opportunities for getting brand experience, building communities, etc.

The goal of customer-engagement marketing is to ensure that a particular brand becomes a significant and meaningful part of customers' lives and their conversations. Thus, it is more than simply selling to a customer. In order to stimulate customer activity and communication, companies are active on social media, manage their blogs, and create mobile apps or microsites. The purpose of doing so is to achieve a higher level of interactivity and a greater emphasis on customer personality. Customer-engagement marketing is based on the characteristics of today's consumers, who are better informed, more connected through social networks, and have much more power than ever before. (Kotler et al., 2021)

Engaged customers are likely to recommend products to others through word of mouth, blogs, social media, and website comments. In many ways, customer engagement extends the traditional role they play because they help companies to understand their real needs, they participate in the product development process, provide feedback on

¹ University of South Bohemia in Ceske Budejovice, Faculty of Economics, Department of Trade, Tourism and Languages, Studentska 13, 370 05 Ceske Budejovice, Czech Republic; vachok04@ef.jcu.cz

² University of South Bohemia in Ceske Budejovice, Faculty of Economics, Department of Trade, Tourism and Languages, Studentska 13, 370 05 Ceske Budejovice, Czech Republic; martiskova@ef.jcu.cz

³ University of South Bohemia in Ceske Budejovice, Faculty of Economics, Department of Trade, Tourism and Languages, Studentska 13, 370 05 Ceske Budejovice, Czech Republic; rsvec@ef.jcu.cz

strategies and products, and even become product advocates. Interactions among companies and engaged customers enables co-creation of value. (Sashi, 2012)

The emergence of technologies and tools that enable greater interactivity among customers and businesses is essential (Brie et al., 2013) – specifically, social media play a very important role there (see the following section 1.2).

1.2 Customer engagement and social media

Development of the Internet has brought the emergence of blogs or microblogging sites, video platforms such as YouTube, and social networks such as Facebook, Instagram, MySpace, or Linkedln. Social media has mainly caught the attention of managers who use it to understand their customers better. (Sashi, 2012)

Customers use a range of social media tools to interact with brands. Customer brand-related activities on social media can be divided into three levels, representing certain levels of customer engagement (Schivinski et al., 2016):

- Consuming type (a customer is an observer),
- Contributing type (a customer is a contributor),
- Creating type (a customer is a content creator).

For example, if customers watch a video, movie, trailer or view images, they are observers who consume certain content. They move from the observer to the contributor level if they interact on social media by commenting on a post or tagging "like" on specific content. And lastly, if customers decide to upload their product or share a review/recommendation of a service on social media, they create content. (Schivinski et al., 2016)

The increased use of social media to boost customer engagement is supported by Wang et al. (2023), who claim that social media are able to support customer engagement and also increase the perceived value for customers.

1.3 Customer engagement in the field of hockey sport

Sport has become a fast-growing business in recent years, which is also valid for hockey clubs. Thanks to the possibility of watching hockey both in the stadium and from the comfort of home via the so-called PPV (Pay Per View), sport business entities may be profitable. Many clubs also offer other ice-related services in addition to hockey matches. These include skating lessons, figure skating, public skating, which can also provide significant profits. Most professional clubs also gain profits from running a fan shop where they offer their customers products with the logo of the hockey club – such products are called merch (Ollikainen, 2023).

According to Huettermann et al. (2022), customer engagement in the field of sport is described as a sport consumers' behavior with an extra-role in non-transactional exchanges in favor of their favorite sport business entity. In this context, there are three main dimensions of customer engagement (Huettermann et al., 2022):

- Managerial and marketing cooperation (it helps the management of a sport business entity),
- Social behavior (relationships among customers of a particular sport business entity, helping other customers, opinions...),
- Performance tolerance (supporting the sport business entity regardless of how it performs).

2 Aim and methods

This paper is focused on a selected business entity in the field of sport – specifically, the Hockey club Tábor (= HC Tábor) was chosen. It is a limited liability company (Czech abbreviation: s. r. o.).

The aim is to identify ways and methods of engaging sports customers at the chosen business entity (in the following text, the shorter term 'company' is used). The stated aim is specified through the research questions (RQ) below:

- RQ1: What methods of customer engagement are currently used at the analyzed company?
- RQ2: In the context of customer engagement, what are company's customers (fans) missing and what do they want?
- RQ3: Do social networks have their importance in engaging customers at the analyzed company?

A mixed research approach was used to obtain answers to the research questions. Firstly, quantitative research approach was applied in the form of an online questionnaire survey. The data collection was conducted in May 2023 (n = 214; sample structure: 37% female, 63% male). Secondly, qualitative research approach was based on the content

analysis method of relevant and available online materials (company's websites hetabor.com, n.d., and the Facebook profile HC Tábor, n.d.) in order to find out what customer engagement methods are currently used in the chosen company. Furthermore, semi-structured interviews with two managers were conducted in June 2023 (the marketing department manager and the finance and sports manager).

3 Research results and discussion

Because of the limited range of this paper, only partial research results are presented here. Research questions RQ1-RQ3 are answered on the basis of collected and analyzed data.

RQ1: What methods of customer engagement are currently used at the analyzed company?

The analyzed company (HC Tábor) strives for a connection with its customers, both those who use its services and the fans who support its A-team at hockey matches. The company realizes that long-term customer loyalty can be achieved thanks customer satisfaction, which then enables to achieve the company's goals, such as profit from ticket sales, merchandise sale (e.g., scarves, shirts, souvenirs, hockey accessories, etc.), refreshments at matches, and other services offered by the company, which include figure skating, public skating, skating lessons, and a preschool for kids or beginners. These days, the company uses below described ways to engage its sports customers.

Engagement through social networks – discussions, contests, polls (online)

Interaction with customers (fans) takes place mostly on social networks (Facebook and Instagram). The company's marketing team manages social networks profiles and posts various information and articles.

Customers and fans have the opportunity to express their opinions and feedback and engage in discussions with others on company's social media profiles. The discussions are open to all who wish to express their opinion and contribute to any discussion. When the company publishes a more interesting post that contains an important message (e.g. from behind the scenes of teams, coaches, new information or results from matches), this can spark a lively conversation among users. Specifically, the post that communicates the result from the match reached the highest number of comments (161 comments in the period from March to July 2023), whereas the average number of comments for similar posts is about 40 for a single published post. On the other hand, posts containing more general pieces of information (such as information about when individual matches are played, team line-ups) do not have the same response.

There are also contests there, e.g. a guessing game, where engaged customers guess results of upcoming matches. The contests are designed to motivate customers to participate and make use of a chance to win various prizes (the most frequent prizes are, e.g., free tickets to hockey matches or various vouchers). On average, over 100 people or more participate in these contests. The interest in the actual contests also depends on the prizes.

Charity fundraiser events

Every year the company organizes special hockey matches dedicated to charitable purposes for selected organizations or individuals in need. These charity events are usually held before Christmas. Before each special charity match, the company informs customers on social network profiles or company's website about it. The money is raised partly from profits, ticket sales, financial support from the company, sales from special products from the fan shop and from public collection where anyone can donate. There was also a special auction of A-team jerseys.

The charity fundraiser events organized by the company are very popular and always involve a large number of volunteers. For instance, the company has so far supported children with disabilities, given Christmas presents to children in a local hospital etc.

This kind of activities can be understood as public relations (PR) that the analyzed company uses with the effort to create long-term positive relationships with the public.

Training camps and sports days for children

The company organizes training camps dedicated to children, which are supported by well-known sports personalities. An added value is always the accompanying program, lectures on attractive topics or training lessons with an interesting person from the hockey world. For instance, a well-known personality of Czech hockey took part in a youth training camp where he spent several hours with the children and acted there as a 'temporary coach' for them.

The company also organizes sports days dedicated to children. An interesting day-long program accompanied by various contests is always prepared for them. The aim of these events is to motivate children more towards sports and try to provide them an entertaining program.

Ice arena contests (offline form)

During hockey matches (i.e. during breaks), contests are prepared for visitors. For example, on the ice rink, where customers can shoot on goal and win interesting prizes.

Marketing communications

Besides the above described items, the marketing department manager stated that that the company uses marketing communication tools to increase customer engagement. According to this manager, 'classic' marketing tools include especially paid advertisements, helping to get the company more into the awareness and customer minds. Indeed, Kotler et al. (2021) also state that advertising is an excellent tool for brand building because it can create a rational and emotional connection with customers.

Season tickets - definite advantages for their holders and higher attachment to the company

The company offers a yearly season ticket for hockey matches, which has certain advantages for its holder. First of all, it is more advantageous than a single ticket (it is cheaper). In addition to that, the season ticket holder can reserve priority seating.

The hockey club merchandise - offered products

Merchandise (= merch) is a product labelled with a printed logo or specific motive that sports clubs offer to their fans (Ollikainen, 2023).

The questionnaire survey showed that 69% of respondents own club merchandise, typically scarves, jerseys, mugs and stationery. The most club merchandise is used when cheering at hockey matches. Many respondents also use club merch in their everyday life or have it as decoration in their homes.

RQ2: In the context of customer engagement, what are company's customers (fans) missing and what do they want?

Perceived level of engagement

On the whole, respondents think they are sufficiently engaged in the company's activities (92%). On the other hand, there were 8% who do not feel this connection.

These not-engaged respondents were the most likely to say that they missed being informed about what goes on 'behind the scenes' of the A-team, and would also appreciate various videos, event trailers and hockey games. The same issue was found by Konvicny (2015) who stated that customers/fans of the Zlín hockey club from the Czech Republic do not receive enough information about what is going on inside the business.

Better content on YouTube social network profile and company's official website

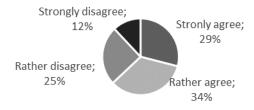
Specifically, respondents would like to watch better content on YouTube social network – they suggest trailers of upcoming events and interviews regarding matches.

Furthermore, respondents recommend modernizing the company's official website and publish more information there – for that matter, Karlicek & Kral (2011) claim that website updating needs to be done on regular basis to be run as efficiently as possible.

Interest in contributing to the final design of the hockey club merchandise

Questionnaire survey contained a question focusing on respondents' interest in contributing to the final design of the club merchandise (= merch). Figure 1 shows that 34% of respondents rather agree and would like to be engaged in the final design of the club merch. Also, a further 29% of respondents would definitely like to be engaged and 25% of respondents are inclined to rather disagree. The remaining 12% of respondents would not like to be part of it.

Figure 1 Level of agreement with possible engagement in the final design of the club merchandise



Source: Own processing

Furthermore, it was statistically tested whether it is indeed the majority of respondents who would like to be engaged in the final design of the club merch. The statistical test confirmed this assumption that there is more than 50% of those (statistical test was performed at the 5% significance level; $\chi 2 = 14.65$; p-value < 0.001).

RQ3: Do social networks have their importance in engaging customers at the analyzed company?

Nowadays, social networks play an important role in customer engagement (e.g., Matosas-Lopez & Romero-Ania, 2021). Based on the conducted questionnaire survey, it was found out that 56.1% of respondents communicate with the analyzed company through company's social network profiles. In general, Simon & Tossan (2018) note that social networks such as Twitter, Facebook, and Instagram offer new opportunities for companies to connect with their customers (especially Facebook or Instagram are considered great for building deeper relationships with them).

The company's social network profiles (Facebook, Instagram, YouTube)

The company uses social networks such as Facebook, Instagram and YouTube to communicate with its customers. Through these networks, it tries to be in closer contact with its sports customers and hockey fans. The company informs them about what is happening in the company, publishes various articles, polls and contests.

The largest following is on Facebook, where the company is followed by around 7,600 people (as of July 3rd, 2023). The company does not have a set frequency of social media posts, but its goal is to run social networks profiles as efficiently as possible, posting interesting and quality content for customers.

Reach of company's social network profiles

The analyzed company tracks the statistics on Facebook and Instagram for the posts published to see how much reach they have. It depends on what is posted. For more interesting posts, such as contests, polls and videos, the posts have a higher number of views (about 3,000 or more); in the case of more general information, the reach is not as great.

Content published on individual social network profiles

Content on network profiles logically varies by social platform. Short videos, trailers and interviews are posted on YouTube. On Facebook and Instagram, there are posts in the form of contests, polls, and others that give customers the opportunity to engage in more intense interaction.

From the new season of 2023, customers can look forward to a new concept that will be more focused on the social network YouTube – more interviews with coaches and players will be posted there.

Communication on social network profiles – getting customer feedback

The conducted interview revealed that the company gets customer feedback mainly through social network profiles – customers/fans have space to express their opinions and reviews there, and they can engage in public discussions with the company and other users. Customer feedback is highly useful – as Plsek (2012) states, it helps to learn about specific customer wants and needs.

The analyzed company have to face negative feedback sometimes – in such cases, it tries to respond to negative comments as quickly as possible and, if necessary, clarify the situation.

Furthermore, it was statistically tested whether respondents' gender influences willingness to participate in communication on social network profiles. Results indicate there is an influence – according to the findings, women are more engaged in social media communication than men ($\chi 2 = 18.248$; df = 2; p-value < 0.001). This finding is also supported by Stanek (2014) who found out that social networks are more often used by women.

Company's reaction to social media trends

If social networks have a greater interest from the company's customers, the company would consider setting up profiles on newer social networks, with the effort to engage more its customers. It means that videos and challenges would be created with customer participation.

4 Conclusions

Results indicate that there is a range of engaging activities, both online and offline. Overall, respondents think they are sufficiently engaged in the company's activities (92%), in which social networks play an important role in engaging customers at the analyzed company, focusing on sport customers.

As for future research ideas, future studies may compare domestic and international hockey clubs and their engaging activities, trying to find the best practices.

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