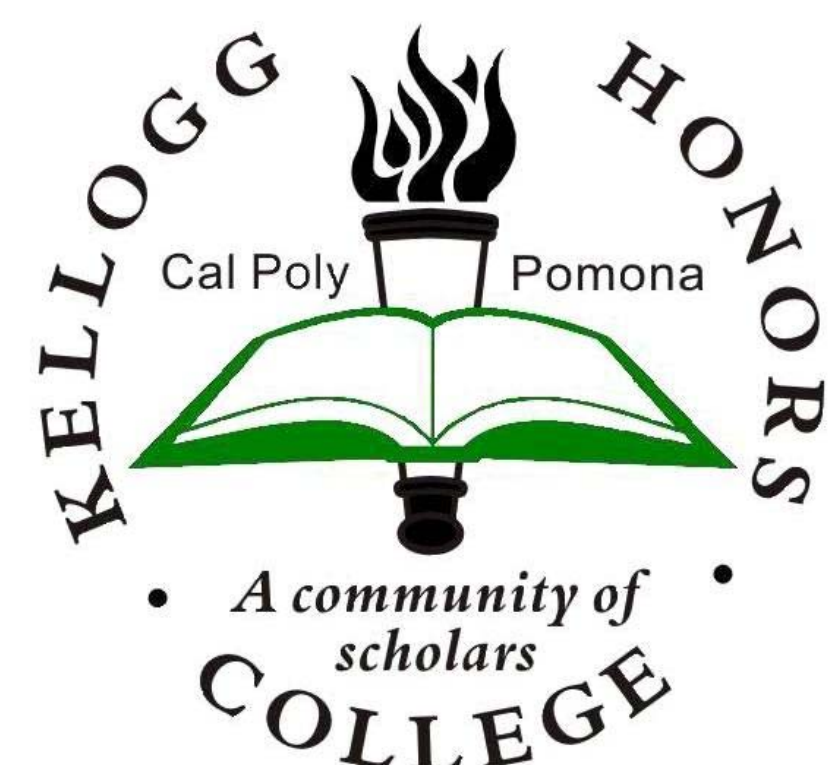


# Fans Don't Lie: An NBA Fan Experience Study

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## Abstract

The National Basketball Association (NBA) is no stranger to lockouts, salary disputes, controversy and other unforeseen challenges. However, the NBA is as successful, if not more than, other sports leagues in inventing ways to attract fans again and again. These fans span from Generation X (born 1979 and earlier) to Generation Z (born 1996 and later). Many aspects of a basketball game attract fans and non-fans alike. The venue, concession stand prices, beers available, atmosphere and safety are just some of the factors that influence a fan's experience. The fan's experience is the single most important component of the NBA's lifeline. This research will investigate how the fan's experience correlates with attendance, fan satisfaction rankings and each team's division standings. Venue attendance will be assessed through the Entertainment and Sports Programming Network's (ESPN) recordings of total attendance, home games, away games and average percentage of stadium seats sold. To give an idea of capacities, each team's actual capacity will be listed from largest to smallest. Each venue will also be ranked by power and net worth. The fan satisfaction rankings will also be provided by ESPN's annual fan research and surveys. This data will be analyzed for correlation between satisfaction rankings and attendance figures. Lastly, each team's division standings will also be measured for any connection with attendance ratings. Each method of research will be explained and various figures and data will be provided. At the end of each measurement strategy provided, there will be a discussion section to hypothesize any further correlation between the concepts and fan satisfaction. Toward the end, there will also be further recommendations for extended research to justify correlations between game attendance and fan satisfaction.

## Who is an NBA fan?

Table 1: Demographics of Average NBA Fan (Customer)

Age:	37% between 18-34
Education:	62% attended or graduated college
Income:	48% earn > \$50k annually
Gender:	59% male, 41% female
Racial Distribution:	18% African Am., 15% Hispanic
Bought Sporting Goods in past 3 months:	54%
Bought Licensed Apparel in past year:	45%
Access Internet Regularly:	66%

Graziado Business Review's data shows that NBA fans are predominately 18-34 years old, have attended or graduated college, earn more than \$50,000 a year, are male, are sporting goods shoppers and access the internet regularly. The minorities whom are increasingly becoming NBA fans are African Americans followed by Hispanics. Less than half of this fan base purchased official licensed apparel in 2010. According to the 2005 study, the three customers for NBA teams are fans, media outlets and corporations. Fans are considered the most important customer, making up 35% of NBA team revenues from gate receipts (Schnietz, et. al, 2005). Twenty-seven percent of fans are considered "die-hard" and take into account high switching costs (Schnietz, et. al, 2005). The study also shows that advertisers may benefit from the racial and demographic diversity of fans.

## Attendance Figures

NBA Attendance Report - 2012

Table 2

Team	Attendance	Home	Away	Overall
1. Detroit	2,179,329	1,026,464	1,152,865	2,179,329
2. Miami Heat	2,179,329	1,026,464	1,152,865	2,179,329
3. Philadelphia 76ers	2,179,329	1,026,464	1,152,865	2,179,329
4. Houston	2,179,329	1,026,464	1,152,865	2,179,329
5. New Orleans Pelicans	2,179,329	1,026,464	1,152,865	2,179,329
6. Dallas Mavericks	2,179,329	1,026,464	1,152,865	2,179,329
7. Chicago Bulls	2,179,329	1,026,464	1,152,865	2,179,329
8. Oklahoma City Thunder	2,179,329	1,026,464	1,152,865	2,179,329
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15. Philadelphia 76ers	2,179,329	1,026,464	1,152,865	2,179,329
16. Houston	2,179,329	1,026,464	1,152,865	2,179,329
17. Memphis Grizzlies	2,179,329	1,026,464	1,152,865	2,179,329
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20. Philadelphia 76ers	2,179,329	1,026,464	1,152,865	2,179,329
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26. Philadelphia 76ers	2,179,329	1,026,464	1,152,865	2,179,329
27. Houston	2,179,329	1,026,464	1,152,865	2,179,329
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## Fan Satisfaction Rankings

**Methodologies:** Since 2003, ESPN has ranked all four major league franchises (Keating, 2012). The 2012 NBA rankings were conducted in four parts. The first part required Maddock Douglas, a Chicago consulting firm, to poll 1,004 North American sports fans in May 2012. These fans answered what they expected in return for their "time, money and emotion invested into their favorite teams" (Keating, 2012). The survey covers 25 topics, including team/league "have players who act professionally on and off the field" and "makes it easy to buy tickets through the team website" (Keating, 2012). The second part is conducted through ESPN.com and NetReflector, a Seattle opinion research company, and asks each league's fans to rate their favorite clubs in all 25 topic areas. In 2012, more than 56,000 responses were gathered and grouped into these seven categories: title track, ownership, coaching, players, fan relations, affordability and stadium experience (Keating, 2012). The third component is performed with University of Oregon's Warsaw Sports Marketing Center's researchers to calculate "how teams efficiently converted fan-dollars into on-field performance and postseason victories" (Keating, 2012). These calculations comprise the final and eighth category: bang for the buck. Finally, each team's scores in all eight categories are combined for a weighted average score. **Results:** Stadium experience was ranked an importance weight of 8.5%, title track 3.2%, affordability 16.7%, bang for the buck 21.6%, coaching 2%, fan relations 20.9%, ownership 8.1% and players 19%.

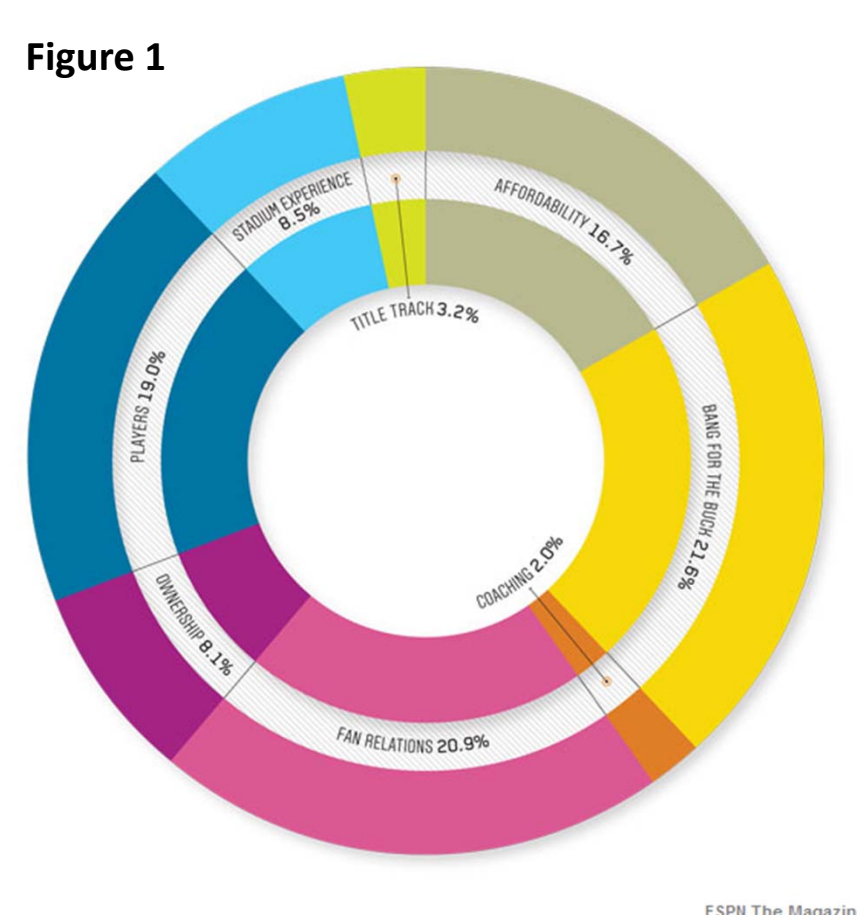


Table 3

Team	1st	2nd	3rd	4th	5th	6th	7th	8th
1. Oklahoma City Thunder	1	7	2	8	5	3	2	22
2. San Antonio Spurs	3	13	1	1	2	1	1	7
3. Indiana Pacers	4	3	10	18	1	15	15	46
4. Memphis Grizzlies	5	1	34	35	6	20	30	40
5. Boston Celtics	20	16	12	43	44	10	3	14
6. Philadelphia 76ers	21	22	25	24	8	30	33	70
7. Chicago Bulls	24	55	7	19	48	28	5	7
8. Dallas Mavericks	25	66	8	17	32	19	29	14
9. Miami Heat	31	56	14	15	52	50	17	35
10. Utah Jazz	35	50	37	29	28	66	48	77
11. Denver Nuggets	39	46	52	35	42	40	31	29
12. New Orleans Hornets	45	80	61	65	110	37	23	76
13. Cleveland Cavaliers	50	68	36	45	37	55	50	94
14. Houston Rockets	51	53	58	61	63	54	82	54
15. Los Angeles Clippers	53	51	54	95	42	55	34	107

The 2012 results for fan ranking are seen in Table 3. The survey showed OKC as a team with likable players, a supportive owner, great game experience and inexpensive tickets (ESPN, 2012). To no surprise, after winning the Western Conference series and challenging the Miami Heat in the 2011-2012 NBA Finals, OKC is highly perceived to be on a winning title track.

## Discussion

To summarize, the data provided points to a slightly larger correlation between playoff participation and fan satisfaction rankings. The key hypothesis tested here was that if fans rate their experience at games high, the venue should sell out and the team should consistently perform well and win. Although the top five teams with high game attendance are not necessarily the recent winners of the NBA championships, there may be other factors that warrant their popularity. As Table 11 shows, the top teams in terms of fan satisfaction do not always have the highest game attendance ratings; however they do satisfy their fans in terms of making the playoffs. The fans are more satisfied with a team that does well, offers affordable concessions and provide an entertaining game day experience. Fans want to miss the feeling of a live game as soon as they leave the venue.

Figure 2: Playoffs 2012



Figure 3: Playoffs 2011



## Conclusion

Although the correlation between attendance figures and fan satisfaction rankings are not strong, fans go to show that they speak volumes for a team's success. The team may not have the best division record, but if they provide the right atmosphere, fans will come. Of course, most fans were more loyal to teams that constantly made the playoffs. As a guest speaker in Cal Poly's Sports Marketing class said, "Tickets are what keep sports alive." Without ticket sales, sports would fall apart, players would lose motivation and stadiums would shut down indefinitely. Of course, Jon Spoelstra's concept of outrageous marketing also accounts for bringing fans to the live NBA game experience and the live NBA game experience to the fan. Other factors that should have been considered in the Fan Satisfaction rankings are players' salaries, retired players' current profits, management dollars spent on enhancing fan experience and legendary players or records behind the teams. However, these categories may fall under the ESPN bang for the buck in which fans decide if paying higher prices for tickets is worth the superstar talent they see at the games. There is no denying that some NBA teams have more appeal than others. Charlie Arviso, ticket sales supervisor for the Los Angeles Clippers stated that the Clippers have been sold out at every game since February 2, 2011 when they played the Chicago Bulls. Similarly, the Los Angeles Lakers also sell out their games, also including their \$15,000 season tickets. Although the Lakers are not ranking the best in terms of division standings or fan satisfaction, their reputation and sales and marketing team carry them far. Fan support, as seen in the previous data, motivates a team to perform better. Although there is no one factor that correlates 100% with game attendance, fan satisfaction has a large part to do with the NBA's success. Without fans there is no profit, without profit there are no players or coaching staff, without players and coaches there is no team and no venue attraction. All teams should continue their marketing research on the fan experience in terms of enhancing their experience and marketing strategies. What all teams should carry away from the data shown is that Fans Do Not Lie.

Table 4

2012-2013 DIVISION REGULAR SEASON STANDINGS

Division	Team	W	L	PCT	GB	CONF	DIFF	HOME	ROAD	NET	STRK
WESTERN CONFERENCE	Oklahoma City Thunder	56	26	.683	0.0	1st	10	32	24	56	10
	San Antonio Spurs	50	32	.610	6.5	2nd	12	28	24	52	10
	Indiana Pacers	49	33	.596	7.5	3rd	11	27	26	53	10
	Memphis Grizzlies	48	34	.585	8.5	4th	10	26	24	50	10
	Boston Celtics	47	35	.570	9.5	5th	9	25	23	48	10
	Philadelphia 76ers	46	36	.562	10.5	6th	8	24	22	46	10
	Chicago Bulls	45	37	.550	11.5	7th	7	23	21	44	10
	Dallas Mavericks	44	38	.538	12.5	8th	6	22	20	42	10
	Miami Heat	43	39	.525	13.5	9th	5	21	19	40	10
	Utah Jazz	42	40	.514	14.5	10th	4	20	18	38	10
EASTERN CONFERENCE	San Antonio Spurs	56	26	.683	0.0	1st	10	32	24	56	10
	Indiana Pacers	50	32	.610	6.5	2nd	12	28	24	52	10
	Memphis Grizzlies	49	33	.596	7.5	3rd	11	27	26	53	10
	Boston Celtics	48	34	.585	8.5	4th	10	26	24	50	10
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