

# Marketers reshape how college teams sell tickets

Somewhere in the Atlanta area today, a person who has crossed paths with [Georgia Tech](#) is getting a phone call about [Yellow Jackets](#) football.



By Michael A. Schwarz, Special for USA TODAY

Alan Pandiani, 23, a sales consultant with the Aspire Group, makes ticket sales calls in the Fan Relationship Management Center at Georgia Tech

## Rise in outsourcing

A handful of college athletics programs have had pro-active, full-time ticket selling operations for years. Aided by the advent of outsource companies, the number of schools joining them has recently skyrocketed (dates 2011 unless otherwise noted):

### OUTSOURCED

#### Aspire Group

School	Date
Georgia Tech	May 2009*
Rutgers	March
Buffalo	May
Maryland	May
Florida International	June
Louisiana Tech	June
Western Michigan	June
Army	July
Memphis	July
Tulane	July

#### IMG Ticketing Solutions\*\*

Duke	May
San Jose State	May
Tennessee	May
Texas-San Antonio	May
Akron	July

#### Monumental Sports and Entertainment

Georgetown	July
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#### Collegiate Consulting and Hands On Sports

Maybe it's an alum, an employee or a contractor. Maybe it's a Georgia Tech parent, the purchaser of an item through the school's website or someone who has attended a Yellow Jackets basketball game.

The call is coming from Georgia Tech's campus — from a line in the athletic complex. It sounds as if it's coming from someone with Georgia Tech athletics. They're selling Georgia Tech football tickets. And if you tell them about your friends who like Georgia Tech football, they'll make sure your friends get a call, too.

The caller doesn't work for Georgia Tech. He or she works for the Aspire Group, an Atlanta-based firm that has been hired by Georgia Tech and other schools seeking to join the latest trend in college sports: a push to boost revenue by being dramatically more aggressive and sophisticated in sales and marketing activities. Aspire specializes in selling tickets, but other companies and consultants — and athletic programs, on their own — are reshaping a college sports industry that "has a history of not being aggressive, (of) letting people come to them," says Bill Sutton, a professor at the University of Central Florida's DeVos Sport Business Management Graduate Program and a consultant whose clients include college athletic departments. "For years and years, if you put up enough billboards and sent out enough brochures, people would show up" at college games.

There not only was no need to be pushy in order to sell tickets to college games, there also was a fear of offending donors and deep-rooted fan bases by allowing non-profit colleges to have even the appearance of a chase-every-possible-dollar, professional sports business.

Now, the financial and competitive pressures that college sports programs have helped to create are colliding with a tough economy that, in some cases, has left colleges struggling to fill stadiums. Such colleges' increasing desperation to keep the revenue flowing has led them to create ties with a new generation of savvy entrepreneurs who have sports-management degrees and have made a specialty of increasingly aggressive marketing to devoted fans of college sports.

Bowling Green State	April
<b>IN-HOUSE</b>	
Boston College	June 2010
Florida State	Aug. 2010
Kansas State	July 2010
LSU	Sept. 2010
Northwestern	Aug. 2010
Texas Tech	June 2010
Wake Forest	April 2010

\* - Extended contract in July

\*\* - IMG College acquired and renamed the DiFebo Company in January 2011

\*\*\* - Originally signed with DiFebo, extended contract in April

The website home page for Sutton's consulting firm, Bill Sutton & Associates, reads: "Our goal is simple: 'Leave no money on the table.'"

"An empty seat is a cancer to your brand, and no athletic director wants that," says Aspire's general manager, Bill Fagan.

Says Jane Kleinberger, founder of Paciolan, a ticketing, marketing and fundraising software provider for more than 100 college athletic programs: "Non-profit is a tax classification, not a state of mind."

### **The fallout from an 'arms race'**

The idea of a college athletic department hiring an outside company to handle at least some aspects of revenue-generating activity isn't totally new.

Nearly all major-college programs outsource something, whether it's multimedia and marketing rights sales, the licensing of items carrying the school's name or logo, naming-rights deals, merchandise sales or concessions. Some schools now even outsource the rental of portable chair-backs that can be temporarily attached to bleachers.

But proactive ticket-selling — contacting potential customers and persuading them to buy season or group tickets, as opposed to simply taking orders as they come in — is a new and potentially delicate enterprise for colleges.

College athletic departments are not accustomed to having staffers who work on commission, like the sales people at Aspire and other marketing firms. Some college officials have expressed concern about sharing university databases of personal information with an outside sales firm.

And then there are the NCAA's myriad rules that can ensnare experienced athletic personnel, never mind people not controlled by the program who are, for example, trying to make group ticket sales to youth teams that might have prospective recruits.

However, the potential windfall has led more than a dozen colleges to establish ties with marketing firms. For athletic departments, increased ticket demand and game attendance can be the basis for a range of revenue streams, from concession sales to corporate sponsorships to booster-club donations. Game attendance also affects how the public and potential recruits perceive a program.

During the past year, at least 20 of the 120 schools in the NCAA's elite-level [Football Bowl Subdivision](#) have gone into proactive sales, on their own or through an outsourcing deal. Twelve such deals have been made in the last three months alone.

"The colleges, for many years, were almost in an arms race for who could have the most seats — and they were able to fill those seats, for the most part," says Mark Dyer, a senior vice president for IMG College, whose menu of services includes ticket sales. "That has changed. ... Most schools across the country have an issue with their

football and/or their basketball seating demand vs. their seating capacity."

Dyer and others attribute this to a combination of the tough economy, high gas prices and advances in high-definition television that have improved home viewing.

Perennial attendance power Tennessee, after steadily increasing the capacity of its football stadium to more than 100,000, saw its season-ticket sales drop from 78,000 in 2001 to 67,000 last year, says Chris Fuller, senior associate athletics director for external operations. In May, Tennessee hired IMG College's ticket-selling unit. Meanwhile, schools with overwhelming ticket demand are leveraging it as never before in an effort to boost revenue.

[Notre Dame](#), for example, is varying football ticket prices by opponent for the first time this season. Games against Michigan State, [Southern California](#) and Boston College are \$80; that's \$10 more than tickets for games against South Florida, Air Force and Navy.

Those prices don't include a donation that Notre Dame, like many schools, requires for the right to buy nearly any non-student ticket. Notre Dame requires alumni to pay at least \$100, and non-alums at least \$1,500, for the chance to buy two tickets.

Georgia Tech is hoping Aspire will be able to continue a success story that associate athletics director Wayne Hogan and Aspire GM Fagan were eager to tell during a presentation in mid-June at the College Athletic Business Management Association convention in Orlando.

Standing before a packed meeting room, Hogan explained the humbling experience that led the school to hire Aspire, and Fagan discussed how its system works.

Coming to Georgia Tech in 2006, Hogan said he figured selling the Yellow Jackets in a huge metropolitan area "ought to be a piece of cake. If I can't do this, I'm in the wrong business."

Three years later — surrounded by the economic slowdown, four pro teams in Atlanta and the [University of Georgia](#) in nearby Athens — Hogan "out of desperation" met with Aspire CEO Bernie Mullen, who had formed his firm after working as an executive in college sports and with teams in the [NHL](#), [NBA](#) and [Major League Baseball](#). Hogan said Mullen told him, "Take everything you've done and throw it in the trash can."

The school hired Aspire, paid roughly \$300,000 in upfront and setup costs, then waited for weekly sales reports from the room in Georgia Tech's offices that Aspire calls its Fan Relation Management Center.

Fagan explained the setup: 12 to 14 full-time staffers working on commission, each making 80 to 100 phone calls a day from a database of Georgia Tech-connected names in a wide-open space under the supervision of a manager. Get potential customers to talk about their love of the Yellow Jackets. Seek referrals and new leads.

Above all, make sales — and get *psyched* about making sales. Every time a staffer makes a sale, they ring a bell. Staffers who don't ring the bell enough get fired.

Even with Aspire, Georgia Tech's football season-ticket sales have decreased from 26,308 in 2009 to 22,848 so far in 2011, Hogan says.

However, because the firm seeks only new sales — not renewals — it has "turned what would have been a monumental decline into a moderate decline," Hogan says. So while Georgia Tech has handed Aspire \$900,000 of the \$2.7 million in gross sales the firm has generated, it recently extended the deal through December 2013. "We understand that outsourcing is not the only option" for ticket-selling, Fagan said in an interview.

"If you can do it in-house, we encourage you to do it in-house. But not everybody can. (Schools) don't have the core competency or the expertise to build it, and many schools can't pay commissions to their sales consultants because of university rules. They don't have the flexibility and the nimbleness to hire and fire quite like we can in the private sector."

But what schools may give up in those areas by staying in-house with sales, they gain in control of the operation and personnel. Florida State and Kansas State, located in markets not nearly as competitive as Georgia Tech's, have launched smaller-scale sales operations of their own. Each school cites oversight as a reason they have kept things in-house.

"We didn't want a team in a war room not involved with our own operational process," says Ben Zierden, Florida State assistant athletics director for ticket sales and operations. "We still have that element of control. (The sales staffers) are right there in the office. They're part of our daily meetings."

Zierden said there was some "tension" among athletic department employees because sales staffers are paid through the athletic booster club, have low base salaries but have the possibility of high commission earnings, "but in every other way are the same as athletic department employees."

"It is touchy," Zierden says.

For Kansas State, it was a matter of "accountability," assistant athletics director for business Stacy Martin says. The school "is responsible for what that (sales) person's doing and saying and selling. They're responsible to know the (NCAA's) rules, they're responsible for the privacy acts that everybody has, and we wanted for that person to be a part of our educational and monitoring program."

But Martin says the in-house employees are "on a dedicated sales structure every day. ... They're pushing. Pushing, pushing, pushing."

When Florida State's six-person staff succeeds, Zierden says, they celebrate Seminoles style: They play a recording of the school's ubiquitous war chant.

### **Beyond ticket sales**

While some college athletics programs still might worry about the implications of adopting pro sports marketing tactics, one veteran of the pros says the colleges have room to grow without losing their distinct identity.

Longtime pro sports marketer and team executive [Andy Dolich](#), whose current work as a consultant includes assisting schools on behalf of IMG College, acknowledges there are "speed bumps out there. Institutions go, 'Where is the edge? ... We're an educational institution that has amateur athletes in it.' You know, the ongoing debate about paying the athletes, etc."

"But," he adds, "there's so much out there that you can add to their business that doesn't disrupt the equation that has made these schools successful in the first place."

Some colleges are signaling that their use of marketing firms is likely to expand.

Some schools are interested in getting help making rights deals that cover not only the athletic program but the entire university.

Some already have such arrangements. Georgia Tech has campuswide contracts with food-service provider Sodexo and retailer Barnes & Noble, both of which have separate but related agreements with the athletic department.

"What you're seeing," Dolich says, "is some schools saying, 'We attract a lot of attention, we attract a lot of revenue and fans on the sports side, but — wow — think about if we were to get into a business with our banking, our tech involvement, our energy.' All of these other areas where schools are spending tens of millions of dollars and could package that in a more intelligent fashion, I see that as a next step."

The Georgia Tech athletic department's contract with Aspire includes terms under which Aspire employees can be used to make fundraising calls for the athletic program, although Hogan says that had not yet occurred. Sutton says other schools also might be interested in outsourcing athletic fundraising.

It's an idea that "gets a little dicier, because when people donate money, they want to know that 100% of the money — or a large part of the money — is going to support what they think it's going for," Sutton says. "That would be more of an issue, but it could happen."

(Georgia Tech's agreement with Aspire says Aspire employees will be paid their normal \$8 per hour rate for fundraising calls without commission "unless otherwise agreed in writing in advance." Florida State's in-house sales staff is "pushing booster donations" in concert with tickets, Zierden says, and commissions are paid on the donations.)

The limits on this seem only to be the imaginations of the schools and the capabilities, entrepreneurship and inventiveness of third parties.

"We had one school that actually threw out the idea, 'What if we privatize the whole athletic department?'" IMG College's Dyer says. "We didn't know quite how to respond to that because we don't necessarily think that's the model for the future. But when it comes to commercial activities and revenue-producing activities, if we're not in a particular discipline there, then we'd certainly look at possibly getting into it."