# Effective Strategic Planning for Sports Marketing and Achieving real Investment: a Field Study of Algerian Elite Clubs

Sbaa Chemssedine <sup>1</sup>, Hamani Ibrahim <sup>2</sup>, Sbaa Ihab <sup>3</sup>, Sebaa Noufel <sup>4</sup> & Mazari Fatah <sup>5</sup>

1,2,3,5. University of Bouira, Algeria, Laboratory of Modern Sciences in Physical and Sports Activities, 10000.

4. University of Mohamed Boudiaf m'sila, Algeria, Laboratory of Learning and Motor Control.

Email: ¹c.sbaa@univ-bouira.dz, ²i.hamani@univ-bouira.dz, ³i.sbaa@univ-bouira.dz,

⁴newfel.sebaa@univ-msila.dz, ⁵f.mazari@univ-bouira.dz

#### Abstract

The study aims to know the important roles of marketing management and investment in sports clubs, especially in football, as it is the marketing field that absorbs the most money and marketing, with the selection of Algerian professional clubs, especially with the beginning of the lack of public funding that was affecting all clubs, and ways to search for methods of corporate investment and private financing in There has been an absence of a marketing culture for clubs and advertising for sports companies, and in view of the current management of professional clubs in general being characterized by a superior ability to perform precise financial and administrative management, as well as in terms of following up on the management of sports management and the movements of administrators, it requires it to take a suitable place for integrated management, and for this reason it has become necessary for administrators. Cognitive familiarity with modern scientific foundations while selecting principles or effective elements to achieve their desired goals. This is the goal that Algerian clubs have been striving to achieve since the enactment of the laws of sports professionalism to its application on the field, whether in terms of human, administrative or financial management. In light of this, our study came to clarify the relationship between marketing management and investment in Algerian professional clubs in managing funds, including inputs and outputs, and how they behave in light of the lack of government funding, and what are the strategies for searching for investment funding sources for this in terms of advertising and marketing. In the field part of the study, a sample of 04 Algerian clubs in the First Premier Division and 04 clubs in the Second Premier Division. A questionnaire form was designed for administrators, as well as an interview with the heads of the clubs of the study sample. In light of the results obtained, the researchers recommended the following: 1- The actual implementation of the contents of the Professionalism Law by transforming sports clubs into commercial institutions in order to reduce the state's expenditures on clubs and reliance on investment. 2- Relying on the management's advertising and marketing strategy in order to bring money to the clubs.

**Keywords:** Effective Strategic Planning - Sports Marketing - Achieving Real Investment - Professionalism.

# INTRODUCTION

For a long time, sports remained outside the concerns of economic development, but recent studies have proven that, in addition to entertainment and hobbies, it has a close relationship with consumer values, health and production. It is included in the framework of the economic cycle, whether as a product and partner or as added value. There are multiple studies such as sports economics, science Sports societies interested in this field have proven

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that sports are practiced by a broad base, and in many cases, a significant portion of individual income is allocated to them. As investment in the sports field has become estimated at 20% annually, and 90% of the family budget allocated to sports in Europe is directed towards purchasing clothes and magazines and attending sports matches, and therefore commercial institutions wishing to invest in sports will have a prominent role during the period. The future will contribute to the growth of their country's economies through sports investment. The inextricable relationship between sports and the economy has emerged. Sports investment is a new process for some countries, while this matter has come a long way in other countries, reaching its maximum extent, and even becoming one of the basics of sports construction. Economic support is a necessity for every specialized and competitive sport and in the world. There is a change in the sports aspect in terms of economic support. Sports are no longer a debilitating factor for the economy, but rather represent one of the economic tributaries for many countries and institutions, and there is a give-and-take relationship between sports and the economy. The problem: The development in the field of sports management, and its continuity, depends mainly on the extent of its success in providing Basic services that are related to the needs of its employees, and adding new services, and this is achieved through a study Beneficiaries or clients who represent the labor market with the aim of developing performance and achieving their expectations, through a window linking academic sports institutions, represented by colleges of physical education and sports, with the surrounding external environment represented by the Olympic Movement and international sports federations, and monitoring the changes that affect their activities, monitoring, following up and participating in them through International relations provided by international and regional sports institutions in the academic field, as it provides information and feedback on the level of services on which the sports services industry is built. The change that has occurred in the traditional philosophical view of sport, which is considered a social recreational activity that aims to build the human being physically, psychologically, and socially, and is nothing more than a cultural and social service, to a vision that considers it a future economic sector that can be relied upon for recovery and integration into the global economy, and an economic activity that tolerates profit and loss. This is what the major industrialized countries have realized and have begun to deal with sports as an investment in which huge capital is involved, with the aim of developing it. The main goal of sports has become competition.

For the sake of professionalism and financial profit. In this sense, sport is part of the economic cycle, whether as a product or an economic partner. Developing countries have become interested in investing in the sports field because they have seen huge amounts of money coming from investing in various sports institutions, whether in huge sports facilities, to host sports teams and camps. Or by hosting tournaments or by converting sports clubs into joint-stock companies. For all of the above, in addition to the development in the field of sports management, faculties of physical education and sports have incentives to amend their regulations and update their visions in the curricula offered to their graduates in the field of sports management, by graduating distinguished frameworks of specialists in the field of sports management sciences, so that they contribute to the development of sports management. Dealing efficiently and effectively with modern variables and contemporary topics in sports management. Finally, the following question can be asked: Is there a relationship between marketing Management and Investment in the Sports Field for Some of the top professional Mobilis Football Association clubs?

# **Hypothesis:**

There is a relationship between marketing management and investment in the sports field for some of the top professional Mobilis Football Association clubs. **Research aims**: The research aims to study the relationship between marketing management and investment in the sports field for some clubs of the First Professional Mobilis Football League and to identify the positives and diagnose the obstacles facing the scientific application of the real relationship between them. Building sports requires quite a long time and is based on three basic foundations people and sports facilities. And the material support that represents the main nerve of sports activity and the driver for humans within sports facilities. **Reasons for choosing the topic:** 

There are several factors and motives that contributed to choosing this topic and conducting this research, and we will try to summarize them as follows following: - The topic touches on an important field of study that is in line with the new ideological and economic orientation of football the algerian. The Algerian football clubs in the First Professional League are suffering from various financial problems. - Knowing the various sources of funding for Algerian sports clubs in the First Professional League. - Discussing financing alternatives for some clubs in light of the expenditure rationalization policy recently adopted by the Algerian state.

# **Defining Concepts and Terminology:**

#### **Investment:**

### **Terminologically:**

Guitton defines it as "the development of available equipment and means of energy." Investment is the investment of money with the aim of achieving return, income, or profit in general. It may be in a material, tangible or intangible form.

Material or intangible funds acquired by the establishment and manufactured by its own means for use permanently in its operations and not for the purpose of concession in exchange for profit (Hum Jumaa, 2000, p. 20)

# Marketing:

#### Market source.

Transfer of goods from producer to consumer; An activity related to the sale of goods or services

- "Marketing of goods: sending goods to markets for trade, offering for sale."
- Telemarketing: buying and selling over the phone.

# **Marketing Term:**

In their book Principles of market, marketing is: the processes of planning and implementing concepts Pricing, promotion, and distribution of ideas, goods, and services to create an exchange that satisfies the goals of individuals and organizations (Lamp, 1994, p3) As Howard defines it, marketing includes the needs and desires of consumers or beneficiaries, understanding them in light of the organization's capabilities, then introducing the specialist to those desires and needs so that the product and service can be shaped according to them, and then delivering them to the consumer or beneficiary again (Al-Ghais Muna, 2000. p. 104)

# **Marketing Management:**

Marketing management is a dynamic process of analysis, planning and implementation of what the organization offers to meet the needs and desires of customers. The success of marketing management depends on the credibility of the marketers themselves and on the action plan that has been identified. Since marketing is the key to achieving the organization's goals and includes identifying the needs and desires of the target market and obtaining the desired satisfaction more effectively and efficiently than competitors. Philip Kotler

Definition of sports marketing: Sports marketing is nothing but polling opinions and prevailing trends in the market and then directing products and services mathematics to be available with those trends (150). (Booniel, 1994.p

It is also defined as a group of continuous and integrated efforts and activities that facilitate and accompany the transfer of goods, services and ideas from their sources of production to their buyers, leading to the achievement of economic and social goals and benefits for the consumer, producer and society.

It is also defined as the activity that is based on planning and presenting an integrated mix that satisfies needs and desires Consumers, trying to harmonize the objectives of the buyer with the objectives of the Authority and as a measure in light of the surrounding environmental conditions.

(http://www.iraqacad.org/Lib/adil/adil5.htm)

Through the previous definitions, we see that sports marketing is knowing the needs, opinions and point of view of the consumer in the market and directing the product or service in accordance with the point of view, opinion, direction and taste of the consumer in a way that determines the common goals of the institution and the consumer.

Marketing management and legal affairs management: There is a connection between legal legislation and marketing, and this is what creates the connection between marketing management and legal affairs management, and because the work of marketing management leads to the project being linked to relationships with distributors, suppliers, customers, salesmen, and advertising publishing houses, which makes the organization linked to a number of contracts and obligations. Which requires reviewing these contracts to avoid any legal damages that may occur to the institution (Bazraa, 2001, p. 214)

Sports marketing management in sports institutions: It is the administrative process that is carried out by the human element to plan the sports service, which is the sports product or activity, and organize these services through the elements of the marketing mix. Sports marketing management must be carried out by specialized committees in this regard in order to achieve the organization's goals and the required economic return. Aliya Hegazy, 2009, pp. 24, 12)

The importance of sports marketing: If we clarify the importance of sports marketing, we find that it seeks to raise the level of sports activities and the fields of physical education, sports education, training, management and recreation, and attract the public's interest towards practicing sports while clarifying its value to humans. Enhancing and strengthening it until it becomes a style

# **Sports Marketing and Its Importance**

# **Understanding Sports Marketing**

Sports marketing is a crucial field that supports sports activities and generates profit and financial returns. The absence of an administrative body specializing in sports marketing within sports institutions highlights the urgent need for its presence, as well as the necessity for specialists in this field. Additionally, it is important to clarify and implement marketing methods in the fields of physical education and sports to maximize benefits.

# The Role of Media in Sports Marketing

Media plays a pivotal role in sports marketing. The audience presence at sports events, whether in stadiums or through television and other media such as newspapers and radio, has driven many businesspeople and large companies to utilize sports as an effective advertising medium. Sports media helps link commercial products with famous athletes and clubs, enhancing the credibility of companies and embedding them in the audience's minds for longer periods. However, local media needs to encourage more sponsorship companies, as reluctance to mention these companies often leads to reduced support for sports.

# **Importance of Sports Marketing in Sports Clubs**

- 1. **Increasing Club Resources**: Working on improving the club's income through marketing sports services.
- 2. **Competition between Clubs**: Providing competitive opportunities between the club and other clubs.
- 3. **Improving Sports Services Quality**: Enhancing the quality of sports services offered.
- 4. **Defining Sports Services**: Identifying the types of sports services that can be provided.
- 5. **Clarifying Marketing Goals**: Explaining marketing goals to beneficiaries and staff in the marketing department.
- 6. **Conducting Surveys**: Conducting studies on local and international sports service marketing.
- 7. **Training Administrative Staff**: Training administrative staff specialized in creating marketing plans.

#### **Definition of Investment**

Investment is the process of adding to productive capacity and capital. This term is widely used in economics, accounting, management, and finance, and it is defined as the addition that increases the productive capability of assets.

#### **Previous Studies**

#### Study 01: Begaa Akli (2001)

This study focused on the role and importance of marketing in professional football in Algeria, and concluded that:

- Professional football should adapt to future socio-economic changes.
- Increasing the financial income of clubs through marketing.

• Algerian professional football clubs use a "product-oriented" approach to sell and promote their products.

# Study 02: Haniche El-Hadj (2009)

This study on marketing strategies in sports institutions concluded that:

- Modern management relies on innovative management techniques for continuity and competition.
- A company's ability to meet consumer needs depends on its strategic approach.

# Study 03: Saad Mohamed (2009)

This study focused on sports marketing in private economic institutions and concluded that:

- Private economic institutions are interested in sports clubs.
- Sports marketing plays a crucial role in sports development.
- Private economic institutions are deterred by the weak performance of local clubs, leading to minimal audience engagement.

# Study 04: Ibrahim Gharab (2010)

This study on the reality of sports marketing in sports institutions concluded that:

- The ministry should clarify the importance of sports marketing to sports federations.
- Encouraging sports marketing requires new legislation.
- The ministry's regulations should include provisions for a dedicated marketing department.
- There is a lack of understanding of sports marketing among sports federation leaders.
- More research and studies on sports service marketing are needed.

# **Applied Aspect:**

# **Survey Study:**

In order for scientific research to be objective in presenting and analyzing the gathered facts, and to attempt to reach results that are accurate, rigorous, and realistic, we decided to conduct a field study in the departments and administrative bodies of a group of Algerian football clubs ranked in the first national professional division. This was done by traveling to different areas across the country, where we conducted interviews with supervisors and managing members. We also distributed prepared questionnaire forms and sent them to clubs that we were unable to reach, targeting individuals working in the administrative sector of sports clubs. This was done to study the organizational quality and financial management there, as well as the shortcomings and obstacles faced in the function. Additionally, the study allowed us to get a closer look at the financial structure of these clubs, their theoretical capabilities, financial position, the type of resources available, and the corresponding expenses. From this field study, we deduced several observations, including:

Understanding the organizational structure of these sports institutions, their legal and functional status, and the structural designs within them according to strategic planning.

Getting closer to the living reality in these bodies, and the moral and material conditions that led us to pose appropriate questions, pointing to the essence of the subject.

Reformulating our questions in the questionnaire, where necessary, and making useful additions if possible.

The survey study also revealed the importance and role of the committee responsible for the investment sector, which is almost absent and ineffective within the management of these clubs. This led us to adopt two means for applied research, namely the questionnaire and the interview. This was due to our inability to obtain all the financial reports and official budgets stating the correct financial values and available investments in the sports institutions we studied.

#### **METHODOLOGY USED**

In fact, it is not the researcher who chooses the methodology that he deems suitable for the study, but rather the nature of the subject matter that determines the type of methodology. Since the study at hand is an evaluation of marketing management and its relationship with investment in the sports field, we found it appropriate to use the descriptive-analytical method, given its suitability for the nature of the problem at hand. This method is one of the most commonly used research methods, especially in the fields of educational, psychological, social, and sports research. It focuses on collecting accurate scientific descriptions of the phenomena under study, describing the current situation, interpreting it, as well as identifying common practices and understanding the opinions, beliefs, and trends of individuals and groups. It also aims to study the relationship between different phenomena. (Ikhlāṣ Muḥammad, Muṣṭafā Bāhī, 2000, p. 83)

# **Research Community:**

The research community consists of all the elements or individuals subject to the problem. In the context of our study, our research community is embodied in the administrative bodies of Algerian sports clubs, especially professional clubs, where the legal framework of the administrative department can be found. Additionally, significant financial resources and investments are managed by specialized individuals in this activity, which constitutes the problem of our research.

Research Sample:

The Study Sample consists of the following professional clubs, totaling 30 employees:

Mouloudia Club of Algiers (MCA)

Union Sportive de la Médina d'Alger (USMA)

Nasr Hussein Dey (NAHD)

Chabab Riadhi de Belouizdad (CRB)

#### **Research Tools:**

Researchers used the following research tools:

Arabic and foreign sources and references.

Designing the questionnaire.

Designing the interview.

Description of the Questionnaire:

The scale consists of 05 items according to the following axes:

The first axis is related to marketing management in sports clubs according to strategic plans for attracting funds.

The second axis is the fundamentals of investment in these sports clubs.

The third axis is the relationship between marketing management and sports investment.

#### **Interview:**

The interview is one of the well-known and recognized methods of scientific research, used to inquire about things and subjects. It represents a social event aimed at obtaining specialized information for analysis and interpretation. The interview can be a survey leading to a case study conducted within the framework of our research with supervisors in the administrative department of the aforementioned sports clubs within the research sample. The interview is considered an important tool, and the main objective of its use in the applied study is to make the individual feel free and not bound while answering orally posed questions, as it is an open-ended method that allows the person to expand on topics and directions in their answers.

# DISCUSSION OF THE OBTAINED RESULTS: IN LIGHT OF WHAT HAS BEEN PRESENTED

What is the marketing management of sports clubs? And what are the most important investments through the main revenues and expenses of clubs in light of their transition to professionalism? This is to research the financing of physical sports activities, managing their capital according to the scientific formulas specified by researchers and analysts, and efficiently implementing strategic mechanisms that provide the best conditions for productive athletes to work in. From this perspective, and from what has been mentioned regarding the concepts and policies of financial management in any institution, using various specialized methods and theories in the field should be considered to improve financial estimation tools to control the management of the institution, as Edward Deming exposed in his theories and methods that determine the financial conditions in the institution, such as SWOT analysis to analyze the financial management mechanisms of institutions. By highlighting the essential role of this administrative function, it is necessary to shed light on this aspect in particular. Initially, by attracting the maximum amount of resources and employing or investing them in positions that yield profits under pressure, trying to reduce costs and inputs of productive work, and increasing its outputs.

As clubs currently suffer from a shortage of financial resources and a significant increase in spending, the numbers may decrease if the problem of declining oil prices continues for a long time, affecting strategic plans, or there are clubs that will continue in the same way in financial contracts but may find themselves drowning in a sea of debt.

The relationship between sports and the economy is strong, and those involved in sports cannot operate without money, as it is the most important factor in the organizational process towards achieving short and long-term goals. At the same time, the government's economy affects all other sectors, and a decrease or increase has a direct impact on the life of the citizen. Therefore, the economy is an integrative process between government sectors in solidarity with the private sector. Every impact affects one party greatly affects the other because they share the same goal. Therefore, the decrease in oil is the first factor affecting the economy, which

will negatively affect both government and private sectors because government spending mainly depends on oil, and therefore, a decrease means reducing and rationalizing spending, which will reflect on major companies that rely on government contracts and investment found from the government sector.

We propose dealing with everyone on the principle of reward and punishment and depriving unsuccessful federations that have no results from external participation and determining what is spent on them so that they are limited only to internal activities in order to form strong teams that can compete with Arab and international teams and then participate in them to achieve achievements and not for recreational travel.

In return, provide allocations to successful federations as an incentive for them and their teams to develop national achievements into Arab and international ones. I believe this is the essence of professionalism and justice if we really want to work professionally and with utmost integrity in service of sports.

# Recommendations

- Consider investment projects in privatizing sports bodies by adopting policies that develop their activities and promote cultures, designing them according to plans and strategies.
- The necessity of practicing marketing management in these bodies in a scientific manner and with strict organization in task assignment, all based on strategic planning aimed at excellence.
- Assigning management positions in sports bodies to those with the ability, effectiveness, and efficiency and periodically retraining them.
- Focus on achieving the best financing structure in the institution, considering that financial resources are limited, while caring for expenses and financial budgeting for available resources and costs.
- Work with the goal management approach and planned management to achieve the success of the financial management function and use all modern scientific means for the importance these activities occupy in developing the financial position of institutions.
- Adopt a policy of flexibility and adaptation to cope with situations alongside transparency and communication as principles for implementing the strategy and thus achieving the desired goals of financial management and financing for the body.
- Activate administrative work in the institution according to scientific principles subject to consultation and adopted by employees for planning with the strategic concept and then evaluating the results and reviewing systems.

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