Exploring Financial and Strategic Investments in the Marketing of Sport-Based Youth Development (SBYD) Organizations

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Background

The pressures of market-based environments have compelled many nonprofits to adopt professionalized management practices (Eikenberry, 2009), a trend that is especially evident among sport-based youth development (SBYD) nonprofits (Jones et al., 2019). Marketing has become an important aspect of nonprofit management that is arguably more complicated for nonprofits than other for-profit entities (Blery, 2010). However, there has been very little scholarly attention to how SBYD nonprofit organizations market their services.

Previous research suggests many SBYD nonprofits face chronic organizational capacity issues (Jones et al., 2019), which is known to constrain the development and activation of marketing strategy (Yorke, 2007). Moreover, the traditional normative values ascribed to youth sport often espouse overly-positive sentiments regarding the physical, mental, and social health benefits of sport participation (Coakley, 2011). As such, nonprofit SBYD organizations may simply feel sport “speaks for itself”, and thus do not invest substantively in marketing efforts.

Most SBYD organizations strive to differentiate themselves from traditional, overly competitive youth services and face competition from a growing number of alternative youth leisure time activities (e.g., video games). A deeper understanding of how marketing is currently prioritized and strategized within SBYD organizations would provide a foundation for developing more purposeful strategy. This study contributes to that objective by analyzing how marketing was strategically prioritized by a sample of SBYD organizations.

Methods

A mixed methods approach was taken to collect data in Fall 2019. First, 32 SBYD organizations in a large northeastern American were identified based on their mission statement. All available Form 990s were downloaded to quantitatively assess the level of financial and administrative investment in marketing efforts (n = 29). Second, semi-structured interviews were conducted with executives from 21 organizations. Data were coded using inductive thematic analysis to explore how marketing was incorporated into management and strategy.

Preliminary Findings & Discussion

The average total expenses of SBYD organizations in this sample was $1,333,406, with marketing, advertising, and promotional expenses averaging $13,871, or approximately 1.0% of spending. Interestingly, the correlation between total expenses and marketing, advertising, and promotional expenses was not statistically significant (r = .24, p = .21), indicating SBYD organizations with larger budgets were not necessarily investing more in this functional expense.

During interviews, executives from smaller organizations alluded to insufficient resources, meaning marketing tasks were typically folded into the responsibilities of one staff member. For example, Megan stated, “We just don’t have the bandwidth, I mean, like we have one marketing person to do all the promotions.” Executives from more established organizations also expressed difficulties associated with marketing strategy, with Paul commenting, “I know that marketing is not my strong point…our recruiting coordinator became a manager for the community outreach manager, he is the one on the ground going out and thinking of ideas.”

Overall, results indicate that SBYD organizations did not commit substantial financial or strategic resources to marketing, and often folded these responsibilities into other roles. This carries important implications for how SBYD organizations are perceived by stakeholders, as well as their ability to appeal to target populations.