

INVESTIGATING THE BUSINESS MODEL OF A PROFESSIONAL RUGBY UNION IN SOUTH AFRICA

LUDWIG GERSTNER

Research report presented in partial fulfilment
of the requirements for the degree of
Master of Business Administration
at the University of Stellenbosch

The crest of the University of Stellenbosch is centered behind the text. It features a shield with various symbols, including a book and a lamp, topped with a crown and a banner.

Supervisor: Professor F.J. Herbst

Declaration

By submitting this research report electronically, I, Ludwig Gerstner, declare that the entirety of the work contained therein is my own, original work, that I am the owner of the copyright thereof (unless to the extent explicitly otherwise stated) and that I have not previously in its entirety or in part submitted it for obtaining any qualification.

L. Gerstner

January 2015

Acknowledgements

I wish to express my sincere appreciation to the following people for their assistance and support:

- Professor Frikkie Herbst;
- The Boland Rugby Board, with a specific thank you to the members that took part in the interviews;
- All my friends and my wonderful family;
- My father, for his love, continuous support, and prayers;
- Ronèl Gallie and Leonie Viljoen, for their assistance with the technical and language editing;
- My heavenly Father, for His grace, love and guidance.

Abstract

The purpose of this study was to investigate the business model of a professional South African Rugby Union by determining the core logic and practices of the Boland Rugby Union.

Information was gathered mostly through semi-structured interviews conducted with board members of Boland Rugby. Additional information was gathered through observation, the media, the collection of relevant documents, as well as other secondary research methods. Boland Rugby, similar to most South African rugby provinces, has both an amateur and a professional arm.

The study indicates that Boland Rugby Union offers a strong value proposition to its target segments focused on development and creating a platform for the different rugby codes to participate and develop. The professional arm is focused on providing the Boland Cavaliers with the necessary resources to compete against other provinces. Boland covers a wide geographical area and therefore a good structure is needed to make governance easier. Market limitations and especially financial resources create challenges towards creating a stronger commercial value. Therefore partnerships with local businesses are essential in providing the necessary value proposition.

As shown by the literature review, there are strong links between the different business model components. An important finding was the co-creation that occurs continuously throughout the value creation process. Boland Rugby, its consumers, and all relevant stakeholders play an essential role in creating this value. The Osterwalder model used during the study acted as a good structure to capture the business activities.

Looking forward, Boland Rugby will have to explore different business avenues through which they can create revenue and further develop their value offering. It was clear that there is a lack in strategic drive to meet a changing market environment, although the union finds itself in a comfortable position as their geographical area will remain theirs. Boland Rugby has financial challenges that accompany professional sport, and it requires a sustainable financial model with a clear strategy towards long-term objectives. The study recommendations indicate that a change towards professionalism is not necessarily the only option, and is not always well received within a structure that is built on an amateur approach. Depending on the future strategy going forward, commercial rationale will play a central role in future decision-making. One thing is certain, good governance and corporate values are necessary to increase the faith of stakeholders in the decision-making processes and leadership of Boland Rugby.

Key words: business model, sports business, sports management, sports value network.

Table of contents

Declaration	ii
Acknowledgements	iii
Abstract	iv
List of tables	viii
List of figures	ix
List of acronyms and abbreviations	x
CHAPTER 1 ORIENTATION	1
1.1 INTRODUCTION	1
1.2 PROBLEM STATEMENT	2
1.3 RESEARCH OBJECTIVES	2
1.4 LITERATURE REVIEW	3
1.5 IMPORTANCE / BENEFITS OF THE STUDY	3
1.6 RESEARCH DESIGN AND METHODOLOGY	4
1.6.1 Sampling	4
1.6.2 Questionnaire design and data collection	4
1.7 CHAPTER OUTLINE	6
1.8 NATURE AND FORM OF RESULTS	6
1.9 CONCLUSION	6
CHAPTER 2 LITERATURE REVIEW	8
2.1 INTRODUCTION	8
2.2 BUSINESS MODEL STRUCTURES	8
2.3 THE POWER OF BUSINESS MODELS	10
2.4 BUSINESS MODELS IN THE SPORTS INDUSTRY	12
2.4.1 Business models in the football industry	12
2.4.2 Business models in the rugby industry	15
2.5 COMPONENTS OF A BUSINESS MODEL	16
2.5.1 Target markets	17
2.5.2 Value proposition	19
2.5.3 Value creation	22
2.5.4 The value network	26

2.6	STRATEGIC CHOICES AND THE EXTERNAL ENVIRONMENT	28
2.7	SUMMARY	30
	CHAPTER 3 RESEARCH METHODOLOGY	31
3.1	INTRODUCTION	31
3.2	THE POPULATION AND SAMPLE	31
3.3	THE QUESTIONNAIRE DESIGN	32
3.4	DATA COLLECTION	34
3.5	DATA ANALYSIS	34
3.6	SUMMARY	37
	CHAPTER 4 FINDINGS	38
4.1	INTRODUCTION	38
4.2	THE NINE BUILDING BLOCKS	38
4.2.1	Customer segments	38
4.2.2	Value proposition	40
4.2.3	Channels	42
4.2.4	Customer relationships	44
4.2.5	Revenue streams	45
4.2.6	Key resources	46
4.2.7	Key activities	48
4.2.8	Key partnerships	49
4.2.9	Cost structure	50
4.2.10	Conclusion	51
4.3	THE EXTERNAL ENVIRONMENT	52
4.3.1	SWOT Analysis	52
4.3.2	Porter's five forces	53
4.4	SUMMARY	55
	CHAPTER 5 SUMMARY, CONCLUSION AND RECOMMENDATIONS	57
5.1	INTRODUCTION	57
5.2	SUMMARY OF MAIN FINDINGS	57
5.3	PRIORITIES GOING FORWARD	59
5.4	RECOMMENDATIONS	59
5.5	FURTHER RESEARCH	61
	REFERENCES	62

APPENDIX A: QUESTIONNAIRE	68
APPENDIX B: INTERVIEW ONE	72
APPENDIX C: INTERVIEW TWO	80
APPENDIX D: INTERVIEW THREE	88
APPENDIX E: INTERVIEW FOUR	99

List of tables

Table 2.1: Osterwalder's nine building blocks	9
Table 2.2: Osterwalder building blocks described	10
Table 3.1: Secondary data sources	31
Table 4.1: Porter's five forces and Boland Rugby	54

List of figures

Figure 1.1: Chapter outline	6
Figure 2.1: Sports industry macro environment	29
Figure 3.1: Framework of Osterwalder's nine building blocks	32
Figure 3.2: The SWOT analysis framework	33
Figure 3.3: Porter's five forces	33

List of acronyms and abbreviations

CEO	chief executive officer
CMS	Content Management System
GDL	Good-dominant-logic
LSM	Living Standards Measure
ORFU	Otago Rugby Football Union
SARU	South African Rugby Union
SWOT	Strengths, weaknesses, opportunities and threats
VIP	Very important persons
WP	Western Province

CHAPTER 1

ORIENTATION

1.1 INTRODUCTION

Professional sport has become an important business phenomenon with different organisational assets and business models. Attention is focused on the managerial aspects of sports organisations to meet the opportunities and challenges offered by the sports industry. The manner in which teams generate revenues, earn profit and create a demand for the product or service delivered, is essential in being competitive on and off the sports field. Therefore, sports teams drive business performance through a well-planned strategy and a good business model. Organisational strategy needs to translate into a solid structure but practically workable programmes. The of-the-field strategic battles of sporting organisations remain under-represented in mainstream academic literature, even though it has significant social and commercial influence (McGaughey & Liesch, 2002: 384).

Teece (2010: 173) stated that a good business model lies at the core of a business strategy in determining how to create and deliver value to customers and convert the value created to yield profit. Magretta (2002: 86-92) described a business model as a “general blueprint” of a business activity. It synthesises the way for creating value and revenue inside an organisation through operations, competences, relations and resources (Demil & Lecocq, 2010: 1-13).

In addition, Howard (1998) mentioned that entertainment has become a multi-billion pound business and that competition between and within different sports has increased dramatically. It can be argued that sport now belongs to the field of economics and business, and that the primary goal within sports organisations is now focused on success, spectator support and making profit, among other things. Along with the growth in sports business, is the development of professionalism. According to the literature, professionalism in sport is associated with players that now make a living from their sport, and with the revenue and sales opportunities that are derived from broadcasting rights (Gomez, Kase & Urrutia, 2010).

Rugby turned professional in 1996; ever since, the sport has become more commercialised, with an increasing growth in broadcasting and media rights and opportunities. Stade Français Paris Rugby Club provides a unique example of a change in approach towards the business strategy of a club. The club’s strategy seems to have pioneered a method which other clubs in Europe began to follow (Bodet, 2009: 260). Different business strategies have also been used by various British clubs. Morgan (2002: 46) highlighted that certain Rugby Union clubs make use of a sports-based strategy by investing in high-quality players, offering contracts to the best players from all over the world. In South Africa, provincial teams and franchises have been adapting to professionalism, but

when compared to international trends where the leading nations have been developing professional structures, brand management, appropriate legal and medical relationships, South African sports in general have been stagnating (Williams, 2004: 18-19).

Sporting organisations depend on their governing body to ensure that the organisation remain financially competitive and sustainable. Williams (2004: 18-19) mentioned that leadership, governance, management, training and motivational methods are primitive, and that South Africa needs a new model for sports leadership and administration. Many sports administrators and sports people merely assume that sport is “naturally attractive and therefore satisfies consumer needs” (Shilbury, Quick & Westerbeek, 1998: 6). This type of approach inside a sports organisation, including rugby unions, can have a negative effect on the sustainability of the organisation, especially in the professional era. Sporting organisations, as with any other business, need to make use of a business model to create value for their stakeholders, enabling the organisation to remain competitive on and off the field.

There is limited research on the business models or strategies within the context of provincial rugby unions in South Africa, hence the need to explore the business models that exist within these unions. It is evident that the positions of teams and unions within their leagues are uncertain (Obel, 2010: 456), with ever-increasing pressure on teams to perform.

1.2 PROBLEM STATEMENT

The business model of South African rugby unions has changed considerably since the sport's amateur days. Globalisation and an ever-changing external environment force teams to find ways of adapting to change. The research study therefore explored an existing business model within a South African Rugby Union by analysing the different components to determine how the entire business system works. By identifying and analysing the business model components, and the relationships among these components, the research study was able to gain greater insight into the core logic and practice of business models within this context.

The primary research question that stems from the above problem statement is:

WHAT ARE THE CORE LOGIC AND PRACTICES THAT CONSTITUTE THE BUSINESS MODEL OF A PROFESSIONAL RUGBY UNION IN SOUTH AFRICA?

1.3 RESEARCH OBJECTIVES

The study aimed to:

- i. Identify the elements and relationships that constitute a South African rugby union's business logic.

- ii. Determine to what extent the business activities can be categorised as building blocks to act as a good framework for the analysis of a rugby business model.
- iii. Investigate whether the union's business model responds to changing market circumstances.
- iv. Formulate recommendations to the rugby union under study on how to improve their business model.

1.4 LITERATURE REVIEW

The primary focus of the literature review was to present research that gives perspective on business models within the rugby industry. However, with the limited existing research conducted on the business models of rugby, the literature review provided a wider scope, also focusing on research conducted on business models within other sporting codes. Relevant research performed within the rugby industry includes a study conducted into the marketing mix of the Stade Français Paris Rugby Club (Bodet, 2009: 252-262), while Morgan (2002: 58) found that British Rugby Clubs adopt different business strategies.

Most of the previous research focused on football teams in Europe, comparing rivalry clubs such as Real Madrid and Barcelona Football Club (Kase, Gomez, Urrutia, Opazo & Marti, 2006), and focusing on the unique business approach that Arsenal Football Club has adopted (Demil and Lecocq, 2010: 1-13). Some research has been conducted on the capacity of European Football Clubs to respond to the fast-paced, substantial change of the external environment, and additional to this the rising imperative for increased competitiveness (Gilmore & Gilson, 2007: 412). The business models of sporting codes based mostly in the United States have also been investigated (Andreff & Staudohar, 2002: 23-49), while the opportunity for sport as a new media and promotional tool for businesses is evident (Radicchi, 2011).

With a large amount of academic research done on the definition of business models, the literature review first provides insight into the function of a business model inside an organisation. Osterwalder and Pigneur (2010: 16-19) used a framework with nine building blocks to explain the dynamics of a business model. Research studies emphasise the importance of a business model as a tool for analysing the business activities of an organisation and the manner in which it creates and captures value (Magretta, 2002: 86-92; Shafer, Smith & Linder, 2005: 199-207; Zott, Amit & Massa, 2010).

1.5 IMPORTANCE / BENEFITS OF THE STUDY

This study is beneficial for various reasons. It will:

- i. Create better understanding of business models within the context of a sports organisation. An improved understanding will produce possibilities in the analysis of business models, and

could assist in improving the measurement, tracking and comparison of business logic in a sports organisation.

- ii. Bring about possible opportunities for business model improvement for the rugby union under study. Formalising the business model of a rugby union and expressing the model in a more tangible way will assist in the understanding and management of business practices.
- iii. Provide the prospect of using a business model to prepare for the future, and increase innovation. By understanding the relationship between different business model components, an organisation can simulate certain situations and design different models.

1.6 RESEARCH DESIGN AND METHODOLOGY

1.6.1 Sampling

This study adopted a mainly inductive, qualitative approach. Research findings also included secondary information in the form of quantitative data, such as ticket sales. The study used exploratory research based on a case study examination of the business model used by a professional rugby team in South Africa. This approach allowed the study to examine comprehensively the organisational and managerial processes used by this team. Data collection was done through a systematic process of planning, exploring, gathering, analysing and reporting the research findings.

The Boland Rugby Union was approached to conduct the research as part of a purposive sample. Specific information provided by Boland rugby union was kept confidential. This included the right to an interviewee's privacy, and information in the form of financial figures or future business initiatives.

1.6.2 Questionnaire design and data collection

The specific method chosen to conduct this study depended on the resources available, and the environment and opportunities within rugby unions in South Africa. Information sources such as libraries, the Internet, books, periodicals, media, universities and institutes were used for the gathering of mostly secondary data. Semi-structured face-to-face individual interviews were conducted to gather mainly primary data. Other information-gathering techniques included:

- i. The analysis of secondary research;
- ii. Website and media analysis;
- iii. The collection of texts and relevant documents; and
- iv. Observation.

Questionnaires were used during the interviews. Part of the data analysis and collection happened simultaneously, and therefore some of the wording of the questions and the follow-up questions varied to enable greater insight into the topic of discussion. The focus shifted during the interviewing process and unfolded into different questions. Ideas and theories that came to the researcher's attention led to more in-depth questions.

Most rugby unions in South Africa have a professional (private company) and amateur arm (union). The union predominantly owns most of the professional arm, and the rest belongs to external shareholders. For all-inclusive purposes, it was important to include interviewees from both the company and the union. The following is a list of people that participated in the interviewing process. The interviewees included all management positions that are responsible for the strategic and operational management of the Boland Rugby Union.

- i. Mr Willie Small (CEO);
- ii. Marketing and Communications Manager: Mr Jaco van Wyk;
- iii. Financial Manager: Me Marlise Loubser; and
- iv. Development Manager: Mr Clifflie Booysen.

1.6.3 Data analysis

The analysis of qualitative research requires a systematic approach, outlined in a stage-by-stage process (Burnard, 1991: 461). All the information gathered through the interviews was transcribed. By means of content analyses, an outline was developed for patterns in the information that were subsequently transformed into categories. Secondary data was collected first in order to improve the quality of primary information gathering.

The Osterwalder framework (Osterwalder & Pigneur, 2010: 16-19) was used as a guideline, but due to limited existing research within business models in the sports industry, the researcher was open to new categories that emerged from the research process. Through open coding during the analysis of the interviews, higher-order headings were formed. This allowed for the formation of new categories with sub-headings. Observations that were made before, during and after the interviewing process were also linked to the transcript and the categories.

Towards the final stages of the research data gathering, the transcripts were re-read to make sure that the categories covered all aspects of the interview. Where needed, adjustments were made to the categories and headings. As soon as the categories were finalised, the coded categories were collected together. A further analysis was performed on the information to determine the different relationships and links between the categories. Since the information was categorised, the original transcript was kept as reference to appreciate the context of the particular remark. After the

sections were finalised, the writing up began, comparing the research findings to the literature reviewed in Chapter 2 of the research report.

1.7 CHAPTER OUTLINE

This research report comprises the following chapter outline:

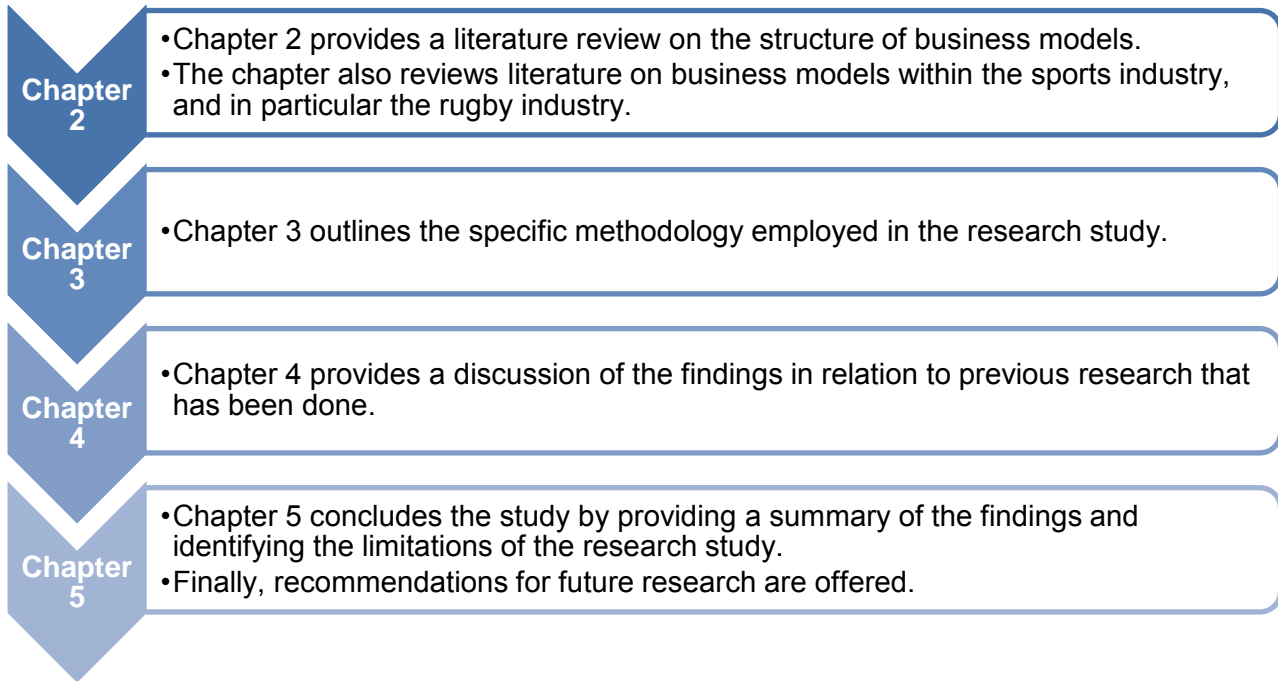


Figure 1.1: Chapter outline

1.8 NATURE AND FORM OF RESULTS

The research categories developed during the data analysis form the primary structure in which the results are displayed. Since most of the results gained through the research process were qualitative in nature, the categories include most of the research findings. The quantitative data gained throughout the study are graphically displayed. These graphs and figures are linked to the categories where these relate to the contents under the particular heading. The data of the quantitative research findings are secondary, and create greater insight into the qualitative research findings.

1.9 CONCLUSION

The research question and objectives aimed to explore the practice of business models within the local sports industry. There is not much academic research on business models in the sports industry, with no available research on rugby within the South African context. The research report therefore provides insight into a field that lacks academic research. Taking a qualitative approach with semi-structured interviews, the data gathering allows for new emerging business model

elements that could contribute to the field of sports business. The following chapter discusses the existing literature that is relevant to the study.

CHAPTER 2

LITERATURE REVIEW

2.1 INTRODUCTION

Professionalism in rugby is a relatively new phenomenon when compared to other sports such as football, with little relevant literature on the business models and strategies used by rugby teams in their approach to planning and operational management. The existing literature focuses on the marketing methods and planning activities used by European rugby clubs, and the manner in which clubs have adapted to a changing external environment. There is no published research on the business models of provincial rugby unions in South Africa. With professionalism in football established for a much longer time, research conducted in the business of football will create a better sense of the methods used by clubs in the professional era of sport.

This chapter will first present a literature review on business model structures, after which the power of business models will be explored more closely. The review then focuses more on the business models that exist within the sports industry, not only in rugby but also in other sporting codes. Finally, the literature review will provide an outline of some of the elements that constitute a business model within the context of sport.

2.2 BUSINESS MODEL STRUCTURES

All businesses either implicitly or explicitly make use of a business model (Teece, 2010: 191). Shafer *et al.* (2005: 200) stated that business models could be a powerful tool in analysing, implementing and communicating strategic choices. Business models capture the manner in which value is created and captured, and include all activities within the entire value network (Magretta, 2002: 86-92; Shafer *et al.*, 2005: 202). Teece (2010: 192) concluded that a business model is more than just a logical way of doing business. It needs to meet customer demands, and be non-imitable in certain respects and a basis for creating a competitive advantage.

Zott *et al.* (2010) explained that business models are emerging as new units of analysis, providing a holistic approach on how an organisation does business. Their study also contributes towards explaining how value is created and captured. In addition, Osterwalder, Pigneur and Tucci (2005: 4) mentioned that business model research is still a rather young research domain, but that it can contribute as a tool towards capturing, understanding, communicating, designing, analysing, and changing the business logic of the firm.

With business models still evolving, there is not yet a theoretical grounding in business studies (Teece, 2010: 174), and therefore there is no generic structure that will necessarily include all the elements that constitute an organisation's business logic. These elements may differ between

organisations from different industries, to enable them to create a competitive advantage relevant to the industry.

The book by Alexander Osterwalder and Yves Pigneur, *Business Model Generation*, provides a design for business model innovation. Published in 2010, the book provides a widely used framework with building blocks that enable organisations to implement a strategy through organisational structures, processes and systems. The book provides the nine building blocks shown in Table 2.1 that cover the four main areas of a business, namely customers, offer, infrastructure and financial viability.

Table 2.1: Osterwalder's nine building blocks

Key Activities	Cost Structure	Customer Segments
Key Partners	Customer Relationships	Channels
Key Resources	Value Propositions	Revenue Streams

Source: Osterwalder and Pigneur, 2010: 16-17.

The building blocks depicted in Table 2.1 illustrate the logic for a company on how to make money, and the rationale on how to create, deliver and capture value. The model provides the criteria to determine whether an organisation has a good business model. Because industries differ, and companies apply a differentiated design to create a competitive advantage, companies adopt different elements of its structure. Elements work together and complement each other, creating a hard-to-imitate model. A good business model has advantageous cost and risk structures, and it yields a compelling value proposition for customers through its products and services (Teece, 2010: 174).

Table 2.2 provides a description of each of the nine building blocks, as explained by Osterwalder and Pigneur (2010: 16-41).

Table 2.2: Osterwalder building blocks described

Element	Description
Customer Segments	An organisation serves one or several customer segments.
Value Propositions	It seeks to solve customer problems and satisfy customer needs with value propositions.
Channels	Value propositions are delivered to customers through communication.
Customer relationships	Customer relationships are established and maintained with each customer segment.
Revenue streams	Revenue streams result from value propositions successfully offered to customers.
Key resources	Key resources are the assets required to offer and deliver the previously described elements...
Key activities	...by forming a number of key activities.
Key partnerships	Some activities are outsourced and some resources are acquired outside the enterprise.
Cost structure	The business model elements result in the cost structure.

Source: Osterwalder and Pigneur, 2010: 16-17.

As simple as the framework may seem, its power lies in the complex interdependencies of its parts (Johnson, Christensen & Kagermann, 1996: 61). Afuah and Tucci (2001: 4) stated that a business model can be viewed as a system that is made up of components, linkages between components, and different dynamics.

2.3 THE POWER OF BUSINESS MODELS

According to Shafer *et al.* (2005: 202), business models have two fundamental functions, creating and capturing value. These are essential for any company to perform in order to remain sustainable over an extended period of time. Shafer *et al.* (2005: 202) continued by saying that companies have to differentiate their value offering in order to be successful. For companies to differentiate, they have to develop core competencies and capabilities and find an inimitable way to secure capital for the creation of value. Value creation occurs through the creation of value network relationships (Hamel, 2000).

Teece (2010: 173) explained that business models outline the architecture of a company's revenues, its profits and costs, all of which is associated with delivering value to a customer. He continued by stating that business models make assumptions on the behaviour of costs and revenues, about customers and their changing needs, as well as competitor responses. The core logic of a properly crafted business model articulates and makes key explicit assumptions about

the cause-and-effect relationships and also the internal consistency of strategic choices (Shafer *et al.*, 2005: 202). It develops a shared language that allows you to easily describe and manipulate business models to create new strategic alternatives (Osterwalder & Pigneur, 2010: 15).

In developing a good strategy, it is important to design a competitive and sustainable business model. A company needs to connect its business model and strategy. This can happen through segmenting the market, and creating a value proposition to deliver to each market segment, then creating the apparatus to deliver the value (Teece, 2010: 180). This is an important step in preventing imitation or disintermediation.

A business model is not a strategy. A business strategy is a pattern or series of choices, made over time. Business models reflect the choices that companies make on the strategy that they want to follow (Shafer *et al.*, 2005: 202). They test, analyse and validate the cause-and-effect relationships of the strategy. A business model indicates how a company will organise itself in delivering a value to its customers, and how it captures a portion of a value delivered to customers. However, it will be a mistake for a company to develop a successful business model, and think that it will by itself ensure a competitive advantage (Teece, 2010: 179). Even a good business model is more generic than a strategy, and can easily be shared or imitated. Value capturing and value creation do not happen in a vacuum, but in a value network that includes suppliers, distribution channels, partners and coalitions, extending a company's own resources (Hamel, 2000). The various elements in the business model need to work as a system (Teece, 2010: 180).

As explained by Shafer *et al.* (2005: 199-207), it is valuable to explore the role that business models have in evaluating a company's strategy. An organisation's ability or probability for long-term success progresses with the formality or the amount of rigour with which it evaluates or tests its own strategy through its business model. You have to truly understand your customers' needs, consider a range of alternatives, and continuously analyse your value chain (Teece, 2010: 190).

Apart from the design of a business model and the role it can play in measuring a company's strategy, a company's business model needs to adapt properly to the competitive environment. A company is not likely to remain profitable if it does not adapt to the external environment, even if it is making use of good governance, leadership, excellent employees, superior products and technology. It is necessary for business models to transform over time with changing technologies, markets and as legal structures dictate or allow (Teece, 2010: 177).

Technological innovation can be seen as just as important as business model innovation in capturing value. Furthermore, the business model needs to change as technology changes, although it does not mean technology is the trigger for change (Teece, 2010: 188). However, to profit from innovation, a company has to determine the appropriate technological strategy and

business model design by defining important features of business model choice, and then predicting outcomes (Teece, 2010: 184). Olympique Lyonnais, the French football club, is a good example of a sports team that decided to enhance its communication strategy to increase the number of supporters that decide to become season-ticket holders (Ferrand & Pages, 1999: 389).

Designing a good business model can be called an art. It is “the sensing, seizing, and reconfiguring skills that the business enterprise needs if it is to stay in synch with changing markets”. It is a key microfoundation of dynamic capabilities (Teece, 2010: 190).

2.4 BUSINESS MODELS IN THE SPORTS INDUSTRY

Different from most business entities, the success of sports teams is mostly not measured in the form of financial success only. Rather, they are measured by the amount of success the team achieves on the field, and by how many trophies and competitions they have won.

Sporting organisations used to be structured as not-for-profit organisations, though professionalism has changed the orientation of their strategic approach. The competition between clubs has forced changes if teams wish to remain competitive, while there seems to have been a difference in the rate of response to these changes. Teams still differ in their approach to keeping their stakeholders content, while some organisations have taken on a specific approach to meet targets on and off the field.

According to McNamara, Peck and Sasson (2011: 1), industry recipes and business models are complementary concepts that assist managers in understanding the range of resources and capability configurations and uncertainties in selecting a strategy that has a realistic chance of creating value for customers and capturing profits for organisations. They add that the process of identifying an industry recipe and the links between resource configuration options, creating value for customers, and capturing value for a firm need to be measured qualitatively to account for the unique perspectives of both managers and the industry.

2.4.1 Business models in the football industry

From contemporary research and evidence in European football clubs, it is clear that different business model orientations exist within clubs. An ever-changing environment has resulted in different strategies being adopted by these clubs.

This difference can be articulated by comparing four top Europe-based football teams, Manchester United, Arsenal, Real Madrid and Barcelona. According to an independent consultancy, Brand Finance, Manchester United has had the most valuable football brand in the world for two years in a row, with a brand value of 853 million US dollars. Arsenal Football Club was ranked sixth for 2010 and 2011, with a brand value of 388 million US dollars (CNN International, 2012). However,

their financial strategies are totally different, with Arsenal sticking within their financial means (SportBusiness, 2012), while Manchester United, who have shown high levels of debt in the years gone by, keep spending money on expensive players (Mailonline, 2012). The English Premier League continuously records the highest amount of profitability of any football league in the world. As a result, these revenues have brought massive changes to the nature of the game. There exists greater variation in the mode of club ownership, with cooperative ownership or local benefactor structures being something of the past, now being replaced with wealthy international owners or stock market quoted companies (McNamara *et al.*, 2011: 4).

McNamara *et al.* (2011: 1-18) identified four different business model types in producing two value-creating resources and capabilities that are central to the English Premiership industry. These four business models consist of either the talent of the team's players, or a shared team experience that the team accumulates. The study indicated that value needs to be created for both customers and for adequate financial returns for the company. Generating both forms of value will create stability for the organisation. Player talent and accumulated shared team experience are associated with both success on the field of play (creating value for customers) and high financial performance relative to the industry of the company. The core value in creating logic of this recipe's business model is to win the "talent war" and retain the best industry talent. Consequently, sports organisations will be able to serve the customer needs, creating more value than their rivals do.

Between 2000 and 2006, Real Madrid Football Club and Barcelona Football Club each followed their own distinctive strategies, and achieved different results on and off the pitch. According to a study done by Kase *et al.* (2006), the two clubs had contrasting strategies, with Madrid having a market commercial orientation, while Barcelona followed an approach that emphasised on-field performance.

Much of the research conducted on football clubs has indicated differences in approach and success between European clubs. Arsenal versus Manchester United, Real Madrid versus Barcelona, Borussia Dortmund versus Bayern Munich, all present different approaches in the manner in which they strategise and create revenue. The following provides a short review of these studies and the approach these studies took in analysing the different approaches.

Demil and Lecocq (2010: 2) identified three basic components to analyse the business model of Arsenal Football Club. According to the study, the following components determine the structure and profit of a business, and therefore sustainability:

- i. The resources and competences developed by a business that drive the cost structure;
- ii. The organisation of a business within a value network or the boundaries of a firm; and

iii. The value proposition of the products and services supplied.

The study also emphasised that there is a strong interaction between the different components, and that if there is a change to a specific component, it affects the other components. Business models evolve, and any emerging changes in the elements of an organisation have an influence on the performance of a business model and its sustainability. Changes can be voluntary changes inside an organisation, or the result of external factors that the organisation has no control over.

Kase *et al.* (2006) selected four variables to analyse the differences between the sports strategies of Real Madrid Football Club and Barcelona Football Club. The study focused on the football management of staff and coaches, the player recruitment strategy, the playing time of each player, and trophies won by each club. These components helped them to identify the different ways in which these football clubs succeed.

Bayern Munich and Borussia Dortmund create another example of two teams with different budgets, with two very different squads competing against each other in the 2010/11 Bundesliga (Business Game Time, 2011). Dortmund won the 2010/11 league, easily beating Munich, a traditional powerhouse of European football. An article published on a well-known international football website (Whitney, 2011) mentioned that the rivalry of the two clubs emerged through the strong business model of Borussia Dortmund, among other contributing factors.

Demil and Lecocq (2010: 10) suggested that performance of a business model depends partially on sportive results, while broadcasting is directly related to such performances. Kase *et al.* (2006) found that there was a difference in the manner in which football clubs found their income in Europe when comparing commercial, broadcasting and match-day revenues. German clubs acquired a large proportion of their income from commercial sources, while Italian clubs earned more from the sale in broadcasting rights. English clubs showed more of a balance between the three sources of revenue. From this, the study explained that Real Madrid and Barcelona have different revenue sources because they have different strategic focuses. Real Madrid showed a very healthy income statement and balance sheet, which suggests a very strong market orientated approach. Barcelona performed poor financially, but won more trophies, practised a different player recruitment policy, and therefore showed more of a focus on on-field success.

Arsenal has developed new sources of revenues to ensure growth and sustainability. Through this, the club has demonstrated the relations between the different components that make up a business model. The club has been making use of a revenue-driven orientation, different to other football powerhouses such as Manchester United, although they have not been as successful on the field of play, with their last major trophy coming in 2005 (Sportsbusiness, 2012). The club

believes it has the best business approach to club football, with their CEO, Ivan Gazidis, stating that the football industry is moving powerfully in the club's direction (Sportsbusiness, 2012).

In the study done by Demil and Lecocq (2010: 8), they identified commercial revenues as an essential part of the Arsenal value network, together with broadcasting income. Arsenal also recognised that transfers and wages in a competitive market were an important part of their value chain to sustain the strength of the first team squad. Emerging changes in the football player market have induced changes within the club, while the creation of new departments provides market-related services to supporters. These factors all affect the cost structure of the club. Arsenal moved from their old stadium, Highbury, to the newly developed Emirates Stadium, with a much larger stadium capacity. This has enabled them to differentiate their value proposition in the new stadium, while entering the property market by transforming Highbury, therefore exploiting their property resources.

In England, the rise in broadcasting and commercial revenues, clubs listing on the stock exchange, and also the trend of foreign ownership, have modernised practices inside the industry. This is not only in England. In Germany, Wilkesmann and Blutner (2000: 19-37) argued that the successful development of a football club and an efficiently organised company lies in a broad range of interests and the efficient achievement of objectives.

2.4.2 Business models in the rugby industry

With the start of professionalism, teams in the northern hemisphere received financial backing by rich owners. This is similar to the situation in football. In the southern hemisphere, teams and players are controlled by their respective provincial unions (Obel, 2010: 442-460), where the provincial unions are mostly owned by the clubs that make up the respective provinces. However, professionalism has had its effects on rugby unions in South Africa, Australia and New Zealand, with financial and competitive differences between unions creating a competitive environment. Competition has created challenges to change and adapt to a more professional approach, of which the Otago Rugby Football Union (ORFU) is a good example.

The ORFU recently had to perform a restructuring of their organisation, and a change in operations to overcome financial challenges (Otago Rugby Football Union, 2012). The New Zealand Rugby Football Union has adopted a centrally governed approach for their rugby players, handing contracts to all the Super 15 players and coaches (Obel, 2010). It is very different to South Africa, where the South African Rugby Union (SARU) does not have that much control over the contracts of players within their respective unions.

There is a noteworthy difference in the capital investments within European football clubs and those of professional rugby clubs and unions. However, identifying the core value drivers and the

differences in approach to business models remains important, as this exists universally in the world of sports business. Different business and financial management issues influence the approach organisations adopt for their business model. A changing external environment changes the business strategies adopted by sports organisations.

A study conducted on rugby clubs in the United Kingdom (Harris & Jenkins, 2001: 112-124) identified certain barriers inside and outside organisations that influence the marketing planning of clubs. Internal barriers such as structural problems, scarce financial resources, poor communication, ignorance in planning due to the nature of the personnel appointed at clubs, and a belief in the value of reactivity and not planning, were common at the time in English and Welsh clubs. Many of these barriers exist as a result of an “old” committee structure with powerful chairpersons who managed the club as a “not-for-profit” organisation in the amateur era. External barriers that emerged as obstacles to planning included the impact of governing bodies, the extent of the uncertainty and the speed of change, the indirect control of local authorities, and the reputation hangover left in clubs by previous management. The study also mentioned that some clubs have not yet engaged with marketing planning activities and the benefits thereof. They identified that the potential reason for the gap between theory and practice of these activities are derived from weak governing body leadership in clubs, and the reactivity of their management.

In the study done on Stade Français, Bodet (2009: 252-262) focused on the marketing mix that the club made use of to change their target market. They identified that planning, consistency and innovative methods resulted in the club’s successful implementation of a marketing mix.

Stade Français looked at targeting different client segments to gain financial growth, making use of pre-game entertainment activities and selective target market specialisation to create a differentiation strategy. By making use of an aggressive pricing strategy, celebrities, and good transport links, to name only a few, they tapped into a relatively new target market compared to their opponents. This indicates a level of innovation in their approach, with a willingness to change common habits and business approaches in the club (Bodet, 2009: 260).

2.5 COMPONENTS OF A BUSINESS MODEL

Smith (2008: 15-16) described three different sports industries, that is, those that are associated with government or the public sector; the voluntary or non-profit sector; and the professional or corporate sector. Two of these sectors are of importance for this study, namely the non-profit sector, and the professional sector. Most provincial teams in South Africa consist of two legs, a rugby union, which oversees the clubs and development in each province, and the professional leg, which is the commercial side. The non-profit sector focuses on the development of the sport through organised competitions and participation, while the professional sector is commercially

focused where there is a more financial interest in sport (Smith, 2008: 15-16). The first sector should not be ignored, as the public sector creates the context in which sport is undertaken.

The world of sports marketing changed drastically during the 1990s. Mason (1999: 403) stated that corporate involvement, together with the growth in the professional sports industry, increased during the late 90s, with a transformation in the overall arena of sport. According to Mason (1999: 403), there is a monopolistic power in sports leagues in the producing, marketing and selling of the sports product. There has been a change in what constitutes a league product, and also in the type of groups that purchase the product (Mason, 1999: 403).

The industry of sport has changed so that fans can support teams that are outside their home city, province or country. An example of this is the global football following of Manchester United. This is especially true for European football teams that have contracted players from South American countries such as Brazil and Argentina. A South African example is the large number of Western Province Rugby supporters that live in Gauteng. Social media, the internet and satellite television have made it easier for fans to support and follow their teams from any part in the world.

The nature of professional team sport and its dependency on uncertainty complicates the analysis. Individual sports consumers have their expectations, thoughts, experiences of a match and everything around a match. A sports club's resources will only create a competitive advantage if they are recognised and are seen as valuable by a consumer (Dolles & Söderman, 2013: 370). The public perception plays an enormous role, creating pressures from outside that can interfere with the decisions made by sports organisations (Büchler & Nufer, 2011: 17).

As explained earlier in the literature, any strategy or competitive advantage requires a strong business model. In analysing a business model, there are certain elements that need understanding. The following discussion will focus on sport's target markets, value proposition, value creation through resources and activities, and the value network that includes distribution channels. These elements are consistent with what Osterwalder (Osterwalder & Pigneur, 2010: 16-19) described in his nine building blocks (refer to Table 2.2).

2.5.1 Target markets

Research shows a number of studies that have observed and analysed the formation of target markets within the sports context. This includes studies that have segmented sports consumers according to specific factors that lead to the formation of different target segments (Smith, 2008: 91-92; Bouchet, Bodet, Bernache-Assollant & Kada, 2011: 42-53; Dolles & Söderman, 2013: 367-395). Literature in this regard also includes reasons why sports consumers could be analysed from a psychological, behavioural and sociological point of view (Richelieu & Pons, 2005: 150-163; Smith, 2008: 244-245; Bouchet *et al.*, 2011: 43). A study done by Bouchet and Puhl (2006: 45) on

rugby spectators at club matches in France found that there is a diversity of attendance motives and spectator behaviours.

A sporting event or match can be consumed in different manners by different spectators. Sports consumption characteristics such as shared, individual or interpersonal experiences or both can be found. Spectators can be reactive, active, or even both, with strong symbolic or hedonic dimensions (Bouchet *et al.*, 2011: 44).

In addition, Smith (2008: 34) explained that there is a difference in sports consumers and sports stakeholders. Consumers use sport or sports-related services or products in exchange for indirect (television) or direct (tickets) payments, seen as the end-users. Stakeholders have an agenda or interest in sports services and products. Smith (2008: 34-35) further divided consumers into sporting goods consumers, sports service consumers, participants, volunteers, and also spectators or fans. There are various reasons why a person or company is captured within one of these segments. This can include psychological, socio-cultural, or self-concept motives. The sports fans or crowd can be seen as the market segment without which sport would not exist (Mason, 1999: 406-407). This market segment buys season tickets, pays for parking and concessions, and follows their team or player with loyal support.

In further categorising the factors that relate to sports market segments, Smith (2008: 89) identified demographic, socio-economic, lifestyle, geographic, benefit, and product behaviour segments. Dolles and Söderman (2013: 393) included spectators and supporters, club members, the media, sponsors and corporate partners, local communities, and other clubs as their consumers.

Trail, Anderson and Fink (2003: 9) found nine different motives for spectator consumption. These include the acquisition of knowledge, aesthetics, the drama and excitement, vicarious achievements, social interaction, the physical attractiveness of athletes, family, as an escape from everyday life, and the participant's physical or quality of skill. Further research done by Richelieu and Pons (2005: 155) and Pons, Mourali and Nyeck (2006: 276-287) identified three dimensions, sensation, cognitive and socialisation seeking, as consumer orientations towards sporting events. They further found four clusters of supporters, including social, super, experiential and contextual fans (fans by default).

As explained in the introduction, globalisation has added a different dimension to supporters. Fans now support a club for factors that are independent of the club's region, country or geographical anchorage (Bouchet *et al.*, 2011: 42). The participation or consumption logic of supporters or fans operates at various levels through different types of identification such as age, social background, ethnicity, gender, regional, national and continental affiliations (Bouchet *et al.*, 2011: 42). Bouchet *et al.* (2011: 42) stated that the manner in which the public attend and watch sporting events

seems to progressively affect the way people support and follow their sports teams. It affects the way they identify with their team and alters the meaning of social belonging.

Gathering from the research, it is very difficult to find a set range of categories that would describe a sports organisation's target market. However, it is important to realise that there is a wide variety of factors that play a role in segmenting markets, such as emotional and social factors. This information is important for sports managers as they need to categorise the supporters' demand accurately, which would allow them to target and satisfy the appropriate customer segment's needs (Bouchet *et al.*, 2011: 43).

Without relying too much on theory and the empirical links between the different components, Bouchet *et al.* (2011: 44) stated that it is important to identify that individuals look for different types of experiences, depending on the sport, the teams, or the athletes involved in the competition, the social context and also the type of attendance. It is important to link the experience to the particular context, as the motivations and profiles will differ between sports, teams, athletes or social circumstances. An important argument made during the Dolles and Söderman (2013: 385) study was that customer groups are interlinked and that they can be considered as a bundle of a club's value captures.

2.5.2 Value proposition

Sport comprises a rich variety of symbols and values, and sports organisations have the function to express this image to their environment (Ferrand & Pages, 1999: 387). It is so that sports organisations are becoming more preoccupied with their image. The image has the power to influence all of those that are involved with a sports organisation, including the spectators, members, sponsors, staff and journalists (Ferrand & Pages, 1999: 388). Ferrand and Pages (1999: 388) stated that sports organisations can effectively be seen as a brand, and nowadays sports organisations run brand marketing strategies. Image has the power to differentiate and position a sports organisation in the market place.

The characteristics of the sports industry have grown closer towards the services of the entertainment industry, as people worldwide have the option of going to the cinema, amusement park or to a sports stadium (Dolles & Söderman, 2013: 367). However, with the change in the sports industry and brand marketing strategies, it remains important to deliver an appealing value proposition to consumers. The past has shown that unless a compelling value proposition is offered to customers, and at the same time a profitable business system is created, the innovation will fail. It has to satisfy the customer's quality expectations at an acceptable price (Teece, 2010: 186). Fans do not just buy the uncertainty of a game's outcome, it is much more complex than that. Sports matches create interest for casual fans to watch sport and buy other league products.

Mason (1999: 405) argues that “die-hard” fans would support their team whether they are losing or winning, but casual fans need to be attracted to watching sport while a team is not performing well.

Although sport is often packaged into tangible goods, consumers mostly experience it as a service (Smith, 2008: 104). The benefits experienced through sport are intangible. But in general, consumers will mostly purchase a mixture of intangible and tangible elements. Smith (2008: 107) described the importance of consistency in delivering a sporting experience, and that there is variable quality because of a number of factors such as the weather and the variable performance of a team. The organisational experience delivered to sports participants can be inconsistent on a weekly basis. This is where the physical elements become really important, as these can reinforce the quality of a service through the environment in which it is delivered. Your stadium, food and beverage facilities, programmes and merchandise are important characteristics that combine with intangible elements. In marketing sports services, the critical success factors include service quality, customer relationship building and customer satisfaction (Smith, 2008: 237). Quality service is essential in building brand equity. Smith (2008: 239) explained five elements that are essential in delivering a quality service. These include reliability, responsiveness, assurance, empathy and tangibles.

Mason (1999: 413) identified four different types of products that sport offers as a value proposition. Although his study was performed in the late 1990s, many of these products are still applicable to today’s sporting environment. In the study, he identified the sports fan; communities and their sports facilities; television and other forms of sports media; and corporate ownership, sponsorship and patronage as part of creating the value proposition.

Dhurup (2010: 214) found in a study done in South Africa that consumers find the physical skills of rugby players one of the most important motivational factors for fan attendance. Another factor identified during the study was socialisation, in which experiences are shared with other fans or friends. Achievements also play a role where fans relate to a sense of personal achievement and pride when their team are victorious. Other factors that Dhurup (2010: 215) found that play a lesser role as motivators are aesthetics (the natural beauty of the game), that it is an escape from everyday life, and lastly the knowledge involved in the technical aspects of the game.

The value proposition created by a club does not rely only on what products or services are created in-house, but also the competition or league in which it operates. Mason (1999: 404) argued that teams cannot create the league product independently, and that the league itself should be seen as the business entity. Supporters would have little interest in the outcome of a match if the contest between two teams were not affiliated with a league. On their part, leagues can promote the rivalry between two teams or clubs by structuring the league so that it fosters

inter-club competitiveness. This will result in the increase of the overall appearance of leagues. Sports teams should recognise what competitors are selling as a product within their league.

Sports leagues should recognise what is important for a consumer, and at what level to assign, team or league, decision-making authority. Furthermore league owners should recognise what variations of league products exist for competitors within their own market segments. The uncertainty of a game's outcome has a profound effect on the appeal of a league for the consumer, although leagues are not always in control of a large part of their revenues. Television ratings and the periodic negotiation of contracts with television networks determine the income created (Mason, 1999: 411). Added to this is the association that supporters have with a specific team or its competitors through the "mobilisation of local, regional, national or emotional identifications" (Whannel, 1992: 199).

Some sports leagues have teams that create greater revenue through good sponsorships than other teams. As a result, these teams have a competitive advantage over rivals, therefore risking the uncertainty of results between teams. This could endanger the following of consumers (Mason, 1999: 414).

Commerce has certainly brought a different approach for sports organisations, especially as a form of entertainment. In the past each league produced a specific sports product, and sold it annually. Now consumers can choose what type of entertainment they would like to attend, with many options available. A broader competition exists for professional sport, with television audiences having the option to choose between watching sport or other forms of programming (Mason, 1999: 406). This affects the revenues generated through television for networks that bid to televise these sporting events (Mason, 1999: 406).

Corporate ownership and sponsorship have resulted in corporations buying blocks of tickets, seats that traditionally were filled with spectators. This includes luxury suits and seat licences in some sports. It is common for sponsorships to provide income for teams by paying for the right to be affiliated with a league and its product (Mason, 1999: 412).

Teams are able to sell large amounts of signage, advertising, and also team-related sponsorships, creating a revenue increase. Affiliated corporations are not buying into the uncertainty of game outcomes; they are aligning their business interests with the product delivered by the league and its product reputation. Through this they are increasing their own financial well-being (Mason, 1999: 413). As with any other business, making money normally depends on the creation of value. Where sports organisations used to focus on ticket sales for income, a shift toward sponsorships, merchandising, media rights and VIP lounges has developed new sources of income (Woratschek & Schafmeister, 2005).

As early as the 1990s, revenue from sales in local and national television constituted a major source of income for professional sport. This was not always the case (Euchner, 1993: 29). Mason (1999: 410-411) argued that the inclusion of sport as a national or global form of entertainment has resulted in the changing of rules to increase the popularity of some sporting codes. Rugby is an example of a sport that has had rule changes in order to make the game faster and more attractive for spectators.

Another dimension that has been on the increase is sports betting and fantasy games. Sports betting has the ability to increase the intensity involved for a consumer on the outcome of a game. The sports gambling industry has developed into a multi-billion dollar enterprise, and sports betting appears to be a complementary investment for fans (Mahan, Drayer & Sparvero, 2012: 159).

However, value creation occurs through a series of activities, and with the help of a number of resources, which without the service or product would not reach its end consumer.

2.5.3 Value creation

Sports management is inseparably linked with sporting activities. The specific characteristics of sport, such as the role of athletic display, the uncertainty of an outcome, also the kinaesthetic nature of sporting activities, the visceral nature of various sporting engagements (Hinch & Higham, 2005: 243-256), and the extreme emotions involved in sport (Hanin, 2007) distinguish sports management from other areas of management. The creation of value for sports fans is unique and complex (Yoshida, James & Cronin, 2013: 70).

Sports governance organisations come from an amateur era, and have been unable to avoid embracing commerce, especially with the massive revenues commerce offers, taking into account the few alternative options of funds available to sports organisations. Many of the governance issues existed before the commercialisation of sport, but have risen and intensified during this process (Forster, 2006: 80).

The increase in broadcasting revenues over the last few decades has been a key factor in the widespread commercialisation of sport. Subsequently, there has been an effort to strengthen the level of player power, increase economic power and global participation, and also increase the professionalisation of sporting organisations (Ward, 2010).

Value chain activities are separated into primary and secondary activities, with an organisation relating its strategies to the execution of the primary activities. Porter (1985: 12) explained cost advantage and differentiation as two generic strategies in creating a competitive advantage through the value chain.

Woratschek and Scafmeister (2005) applied Porter's value chain (Porter, 1985: 11-15) to a football match, illustrating a modification of the value chain within the context of sport. The match played needs to meet the expectation of the spectator, but a reputation needs to be built in order to create this expectation. A successful club will have more spectators watching their matches, since there is less uncertainty among spectators on the quality of the game. Therefore, building the reputation is very important in creating economic value for the club. The rest of the value chain can be divided into marketing and sales, inbound and outbound logistics surrounding ticket sales and match days, operations and services.

Dolles and Söderman (2013: 373) included a team; sporting competitions; the club; players; football services; the event, facilities and the arena; merchandise; and other commercial activities into their value captures that a football club offers. Football as a business activity is driving a number of other sectors, such as media and other services including the transportation and catering industries (Dolles & Söderman, 2013: 367).

Resources such as knowledge, competencies and skills are important in creating value (Vargo & Lusch, 2004: 1-17). The actors actively take part in the value co-creation process while interacting by integrating resources from service providers to their own as well as other resources (Woratschek, Horbel & Popp, 2014: 9-10). The entire context of integration of a firm's offering leads to a diverse value creation and perception, seen as value-in-context (Vargo, 2008: 213). It is important to understand context, as value always needs to consider the environment and / or situation within which the consumption is taking place. Context can be seen as a "set of unique actors with unique reciprocal links among them" (Chandler & Vargo, 2011: 40). Value propositions can be less valuable within one context but more valuable in another (Chandler & Vargo, 2011: 39).

Parks, Quaterman and Thibault (2011: 5-27) identified three different models to describe the sports industry, where in all three models sports competition is seen as the production process that is complemented in various ways by supplementary services. One of these models that was originally proposed by Li, Hofacre and Mahony (2001) divides the sports sector into a producing sector and supporting subsectors. This model sees sports events as the core product which is complemented by services and products provided by supporting organisations and firms. This is still the traditional approach, which is not necessarily the wrong approach, but as Woratschek *et al.* (2014: 6-24) described, there are more characteristics to include, such as co-competition, the involvement of volunteers in creating services, the mixture of profit and non-profit organisations, as well as the importance of emotions and fans' loyalty to their clubs.

Traditionally, value is created as a unit of output by integrating internal and external resources, such as the company's value chain. The company then uses its competencies and abilities to turn

the external and internal resources into products and services. An organisation's performance is concerned with what happens within the boundaries of that firm, with its collection of activities and systems and the manner in which they are managed (Adcroft & Teckman, 2008: 603). It is an internal focus that includes a company's mind-set and its performance orientation. The manner in which a sports organisation competes is externally driven, depending primarily on how the organisation interacts with those in its chosen marketplace (Adcroft & Teckman, 2008: 603).

Woratschek *et al.* (2014: 7) explained that the traditional approach in delivering goods, or the term he used, goods-dominant-logic (GDL), is no longer suitable for understanding sports management. GDL does include services, products and more complex services such as sports events, but as Woratschek explained in his study, sports markets have specific characteristics that need to be considered.

Within an ever-changing external environment, and given the economic challenges that face consumers, innovation of the sports product is of extreme importance. When sports organisations want to create growth and superior value, increase profitability and retain loyal consumers, it becomes vital to develop new products (Yoshida *et al.*, 2013: 68). Sports fans continuously evaluate the value that a sporting event has for them. The value equity for a sports fan refers to the assessment done by a consumer in comparing the value that is received with what has been given up, including time, money and effort (Yoshida *et al.*, 2013: 70).

Yoshida *et al.* (2013: 69-70) described four innovation points of sporting events that are necessary, including offerings, processes, the setting and also relationship-focused innovation. Innovation includes new stadium construction, facility renovation, adding expansion teams in leagues, new premium seating options, and unique ancillary services. Sports organisation-consumer transactions do not only involve the transfer of physical goods, but also include the performance of services and the experience of sporting events. These changes are essential in creating superior value for sports consumers (Yoshida *et al.*, 2013: 70).

Four major innovation components include the offerings that a sports team creates; the service that a sports team delivers to its consumers; the setting or where the team delivers its services to consumers; and the relationships that a team builds with its consumers (Yoshida *et al.*, 2013: 70-71).

An integral part in the value creation process is the role that the consumer plays. Past research did not fully appreciate the role that customers play in the value-creation process. The traditional perspective assumed that value was created by sports organisations and firms (e.g. sports leagues, teams, event organisers, the media) through combining their resources (Woratschek *et al.*, 2014: 9). Borland (2006: 22) argued that sports competitions require only four components

which include players, the clubs, the stadiums and the league, and that these components were consumed by spectators. A good example of other stakeholders that contribute to the creation of value in the case of a sporting event is the role of politicians. Not only do they make a significant contribution to decisions about funding (Woratschek *et al.*, 2014: 10), but within the South African context they can also make decisions on the diversity profiles of teams and management. One of the more important co-creators of value is sporting fans. During a match, home and visiting fans, VIPs and other spectator groups contribute either positively or negatively towards the atmosphere created (Woratschek *et al.*, 2014: 10). This indeed indicates that value cannot be created exclusively by sports organisations, but that value is created by a network of actors, which includes customers (Woratschek *et al.*, 2014: 10).

Woratschek *et al.* (2014: 11) argued that sporting fans do not consume or destroy the sports product, but they co-create the value with the involved firms and organisations within a collaborative process. Firms and organisations can provide a platform for the value co-creation. Sports leagues play an intermediating role in linking teams within a competition and coordinating market partners in creating a sports competition. In organising an event, it is necessary to coordinate stakeholders. A friendly match between two football teams can be seen as a team production within a value chain (Woratschek & Schafmeister, 2005), but there is much more that needs to be covered. This includes teams, service providers in the stadium, VIP (very important persons) guests, police, media, volunteers, security staff, fans, medical staff, and many other stakeholders (Woratschek *et al.*, 2014: 16).

Woratschek *et al.* (2014: 11) added that sports products and services are vehicles that convey the applied knowledge and skills of the actors that are involved. The process is an exhibition of applied knowledge. This provides consumers with an opportunity to achieve higher-order benefits or needs such as emotions. During sports matches fans or social groups can be influenced by other consumers, such as spectators that are singing or acting emotionally, co-creating towards the reputation of a specific sports event. Ferrand, Chappelet and Séguin (2012: 18) used the Olympic Games as an example where sponsors create value by providing products and services, communicating Olympic values in their advertising campaigns, creating value for themselves and for the Olympic brand to a worldwide audience.

Woratschek *et al.* (2014: 21) concluded in his study that sports managers need to be aware that they have limited control over their organisations' value creation, because they rely on actors such as partners, fans, and clubs, consumers, and the media. They need to develop strategies that provide a platform for the co-creation and collaborative brand building with other actors in the network.

2.5.4 The value network

There are various ways in which sports products and services are distributed from the producer, in this case a sports organisation or organisations, to the sports industry. Smith (2008: 310) described a sports distribution channel as an organised series of organisations or individuals that pass a product from the producer to the final consumer. Sports products therefore have a chain of people that are involved in getting the product from the manufacturer to the end user or sports consumers. For sports matches or experiences, the sports clubs or organisations involved in the match produce the product. The match is sold through the league or television network that broadcasts the match (Smith, 2008: 152).

Smith (2008: 154) further identified direct and indirect distribution channels, where the direct distribution channel is short, and the product is sold directly by the producer to the consumer. Indirect distribution channels have a number of organisations or people that are involved with the process along the way. Intermediaries are used in the middle since they mediate between producers and consumers.

Distribution channels have different channel lengths, locations or kind of locations, dependant technology, and consumer interactions or access points (Smith, 2008: 157). Sports facilities are of extreme importance for professional sports events and sports activity services, offering participation and services. An important source of revenue for sports events is selling tickets and therefore ticketing distribution is essential. Ticket distributors also include activities such as advertisements, personal selling, customer services, sales promotions and physically sending out tickets to consumers. Added to this is the convenience and accessibility of the ticket distributor, and services in general.

The value network does not only consist of the distribution channels that are involved in getting the sports product to the consumer, but also of the partnerships that are created in the value creation phase. As mentioned above, sports organisations have to deal with different stakeholders, some of which are partners that play an integral part in getting the product to the customer. Relationship building involves attracting, maintaining and improving customer relationships, creating an interactive and rewarding relationship with long-term exchanges. Organisations rely on networks in order to deliver certain services and products. These relationships need continuous management, keeping current customers and building loyalty, and attracting new ones (Smith, 2008: 315).

Büchler and Nufer (2011: 45-61) identified different relationships between products, customers and resulting relationships that exist in professional sports organisations. These include supplier-buyers relationships and business-to-business relationships that exist between sports organisations, their products and the primary customers (spectators, media, fans, companies and sponsors). They also identified employer-employee relationships and business-to-business relationships that exist

between sports organisations and secondary customers (such as employees, competitors, business associates, agencies and shareholders).

Various components are important in partnerships management. These include elements such as the attributes of the partnership, commitment, coordination, trust, organisational identity and learning, mutuality (rights and responsibilities between actors), synergy, staffing, communication, quality, information sharing, participation, decision making, conflict resolution, structure, the power balance and leadership (Parent & Harvey, 2009: 35).

Sponsorships are an essential form of income for sports organisations, and in the professional world of sports, sponsorships and partnerships are non-negotiable for surviving in a competitive market. Through sponsorship the sports property has the objective of gaining financial support, increasing awareness and credibility, and managing the brand image (Smith, 2008: 199). Dolles and Söderman (2013: 384) examined the main figures of revenues of professional clubs and found that match-day revenues, media revenues (broadcasting), commercial revenues (sponsorship and merchandising), profits from selling players to other clubs, and local communities mostly influence a football club's revenues.

Sponsors typically get involved and invest in a sports property if they wish to increase consumer awareness of their brand, building their brand equity (Smith, 2008: 192). Market positioning is important, as it indicates how a sports organisation would like its consumers to think and feel about its brand compared to those of its competitors, and will also be influenced by what consumers think and feel of the sponsor. There needs to be a good fit between the sports property and the sponsor, with an overlap of markets, and a match in brand positioning strategies (Smith, 2008: 200).

Smith (2008: 173) identified common benefits that are offered to sponsors, which include:

- Naming rights;
- Media coverage or indirect advertising;
- Signage;
- Goodwill for being involved with sporting events;
- Direct advertising opportunities;
- Access to a new consumer markets;
- An opportunity for new sales;
- A demonstration of products; and
- Political benefits.

For sponsors, it is becoming more and more important to use sponsorship as a communication platform in promoting their reputation, image, and visibility and therefore attracting national and

international investors (Tsiotsou, 2011: 558). For successful sponsorships, research has shown the importance of involving the exchange of valued resources from both parties involved, leading to balanced relationships and satisfied partnerships (Tsiotsou, 2011: 559). Meenaghan (2001: 100) added to this the role of goodwill, image transfer and also the concept of fan involvement. It is important to realise from this what sponsors expect from you as a partner, therefore creating a balanced and well-formed relationship. Additional to this, many sponsors find the characteristics of sports are attractive in finding social engagements, as it is a powerful vehicle for corporations to meet their social and community obligations (Smith, 2008: 208).

2.6 STRATEGIC CHOICES AND THE EXTERNAL ENVIRONMENT

In analysing any sports organisation, it is extremely important to understand the industry environment in which it operates and the factors that can influence decision-making. The sports industry has numerous other sports organisations that attempt to meet the same consumer demands, and it is important to understand your competition for various reasons. These include direct and indirect competitors, with direct competitors those that produce similar services and products. Indirect competitors produce substitute products such as different forms of entertainment (Smith, 2008: 62-63).

Additional to this, with the recent recession and the increase in economic pressure, DeSchriver (2009: 1-3) outlined the evidence available of financial difficulties within a number of American college programmes. The impact of the economic downturn on fans, donors, sponsors and advertisers are evident.

Payne (1996: 388), the former marketing director of the International Olympic Committee, stated that there are four important keys to the successful management of a sports organisation. These include total control, the integration of all the different programmes, professionalism, and having a positive relationship with your business community partners. As sports organisations operate within an increasingly competitive and complex environment, they have to take account of both internal and external pressures and barriers (Ferrand & Pages, 1999: 388). Sports organisations have to manage sponsorship relationships, creating loyalty amongst spectators, and increasing the number of supporters (Ferrand & Pages, 1999: 388).

Research on the evolution of business models and their elements has pointed towards the need to align the design of a business model to that of the industry and customer environment (Goldman, 2011: 175). This will also require strategic decisions related to the business model, and towards the positioning of the company. Ferrand and Pages (1999: 399) mentioned that an organisation's positioning has to be directly connected to its image and that that image needs to be attractive and distinctive.

Clubs are not in a position to geographically choose their locations, which can give certain clubs an inherent advantage (Santos, Dopico & Castellanos, 2012: 1). This can have serious consequences regarding the drawing potential of certain teams, financially and for participation. Where teams are publically owned by their local communities, and not privately by corporate firms, franchises or leagues, the demand exhibited by locals will determine the extent of involvement of the community in supporting professional sports teams (Mason, 1999: 409).

Buger and Walters (2003: 121) presented a general model for fan behaviour and also team performance, with strong evidence suggesting that market size and team performance interactively affect marginal revenues and therefore the willingness of teams to bid for players. Santos *et al.* (2012: 18-19) found in their study based on Spanish football teams that big market teams have a clear and meaningful advantage over smaller-market teams.

The forces acting in on a sports organisation or club are summarised in Figure 2.1, as sketched by Smith (2008: 61). In addition, B uchler and Nufer (2011: 50) also identified sponsors, associations, clubs, players, agencies, fans or spectators, the media and the government as key market players. With so many market players having an influence on sports business as a whole, one cannot ignore the role that these players have on the sports organisation itself, as well as the market and industry.

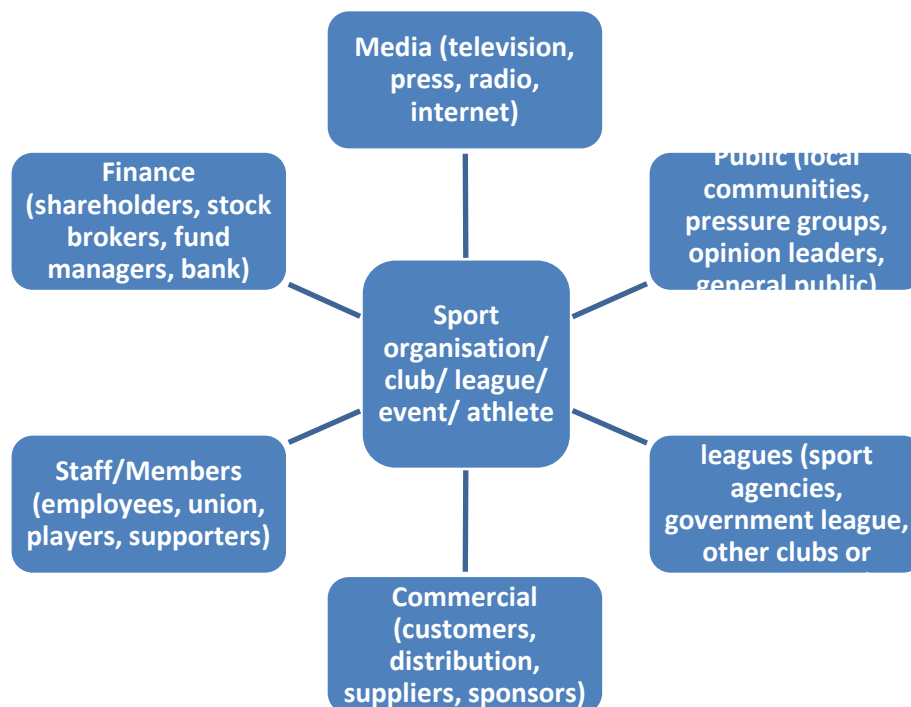


Figure 2.1: Sports industry macro environment

Source: Smith, 2008: 61.

2.7 SUMMARY

The review of the literature discussed the elements of a business model, describing it within the context of the sports industry. Research indicates that sport has definitely turned into a business sector. It can be described as an extraordinary sector, often seen as part of the entertainment industry. As any other business, sport has its client segments, and its value proposition without which consumers would not be interested in sport. As a multi-billion dollar industry, sport has its partners and value chain through which the value proposition is delivered. Many sports, including rugby, only turned professional during the last two decades. Their evolution has pointed to the need to align the design of a business model to the external industry and customer environment. It is within this environment of change and growth that this research paper is contextualised.

There is not much literature on business models inside the rugby industry, even more so the South African rugby industry. To better understand the context, the research design mostly focused on semi-structured interviews. This allowed the study to have some structure in finding the necessary information, but also leaving enough room for open exploration. The following chapter describes the necessary methodology and questionnaire design in order to realise the research objectives.

CHAPTER 3

RESEARCH METHODOLOGY

3.1 INTRODUCTION

As there is very little information on business models within professional rugby unions in South Africa, the study predominantly made use of primary data sources. The study utilised the questions outlined by Osterwalder and Pigneur (2010: 16-41) in their book *Business Model Generation*.

The primary data source used during the study was semi-structured interviews. In addition to this, secondary data sources were used to better understand the environment in which Boland Rugby operates, and also provide more depth to the research findings. The secondary data sources used in the study included the following:

Table 3.1: Secondary data sources

SECONDARY DATA SOURCES	ACCESSED THROUGH
2013 Annual report of Boland Rugby	<ul style="list-style-type: none"> • Internal sources
Annual reports of opposition rugby unions	<ul style="list-style-type: none"> • External sources
Sales data	<ul style="list-style-type: none"> • Internal sources (collected internally by Boland Rugby)
Books & articles	<ul style="list-style-type: none"> • Online and media sources • Library

3.2 THE POPULATION AND SAMPLE

The researcher decided to perform the research on the Boland Rugby Union situated in Wellington, South Africa for various reasons. The union provides a very good opportunity to analyse the logic of a business model within a provincial South African Rugby Union. The union is also within close proximity to the researcher, who lives in Stellenbosch. The Boland Rugby Union was founded in 1939. The team, known as the Cavaliers, play their home matches in Wellington. The Cavaliers play in the Vodacom Cup and the Currie Cup First Division, which is one division lower from the Premier League Division.

The fieldwork focused on the different business elements that comprise a business model. In order to achieve this, board members of the union were interviewed and secondary information was collected to further assist in constructing the business logic of the union's business model. Interviews were conducted with some of the board members and management of Boland Rugby. The interviewees that took part in the study were suggested by the Boland Rugby Union Chief Executive Officer (CEO), Mr Willie Small, and included the following people:

- Chief Executive Officer: Mr Willie Small
- Marketing and Communications Manager: Mr Jaco van Wyk
- Financial Manager: Me Marlise Loubser
- Development Manager: Mr Clifflie Booysen

The interviewees provided the researcher with the necessary expertise to address the questions included in the questionnaire. See Appendices B to E for the verbatim interviews.

3.3 THE QUESTIONNAIRE DESIGN

The questionnaire (Appendix A) is based on the Osterwalder Model (Osterwalder & Pigneur, 2010: 16-19), with questions focused on each of the nine building blocks as discussed earlier in Chapter 2. The questioning followed a semi-structured format with pre-formulated questions, but with no strict adherence to them.

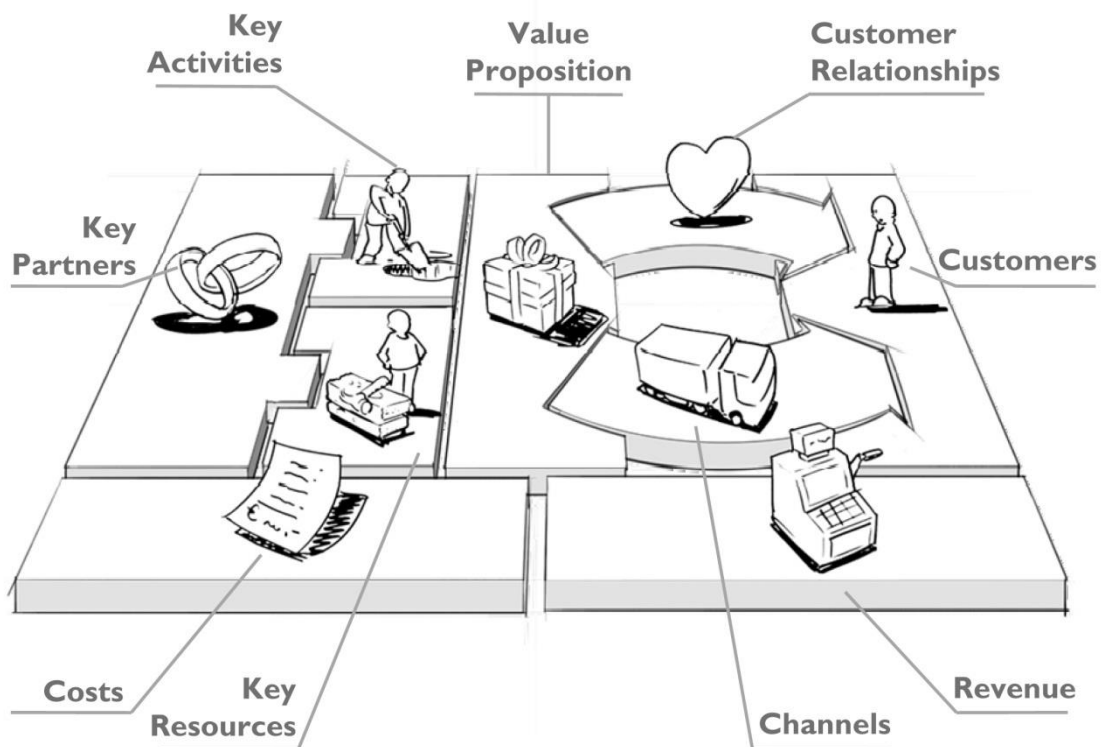


Figure 3.1: Framework of Osterwalder's nine building blocks

Source: Osterwalder and Pigneur, 2010: 18-19.

Business models are designed and executed within specific environments (environment-specific), and it is necessary for any business to understand the environment in which they operate. Therefore, the study also included information gathering of the external environment. Questions 11 to 13 focus on the external environment. Additional to this, the annual reports of opposition rugby unions were gathered, providing secondary research information. The frameworks of a SWOT

(Pickton & Wright, 1998: 101) analysis and Porter's five forces (Porter, 1985: 5) were used to structure the answers provided in these questions.



Figure 3.2: The SWOT analysis framework

Source: Pickton and Wright, 1998: 101.

The SWOT analysis was used to categorise the strengths, weaknesses, opportunities and threats identified for the Boland Rugby Union.

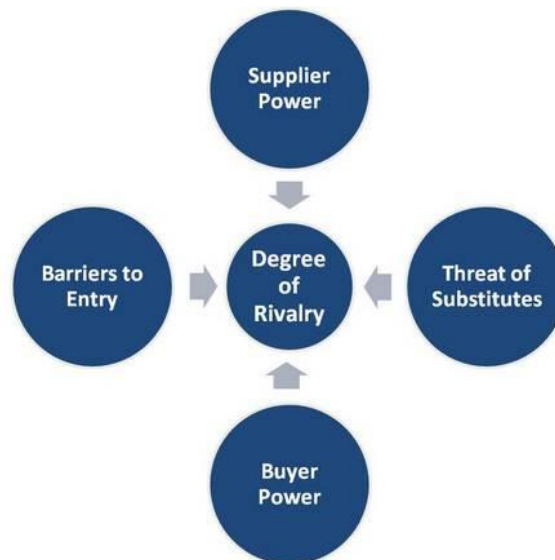


Figure 3.3: Porter's five forces

Source: Porter, 1985: 5.

Porter's five forces (Porter, 1985: 5) were used to categorise and structure the findings of the external environment.

The following provides a structure in which the questionnaire design addresses the objectives of the research study:

- i. Questions 1 – 10: To identify the elements and relationships that constitute a rugby union's business logic.
- ii. Questions 1 – 10: Determine to what extent the activities of the business can be categorised into a structure or building blocks to act as a good framework for the analysis of a rugby business model.
- iii. Questions 11 – 13: To investigate whether the union's business model responds to changing market circumstances.
- iv. All the questions: Give recommendations to the rugby union under study on how to improve their business model.

3.4 DATA COLLECTION

The data collection was conducted through audio recordings and meeting conversations, as well as researcher field notes. Table 3.1, presented earlier in this chapter, provides the secondary research methods through which data was collected. As already mentioned, most of the information was collected through semi-structured interviews. These interviews were conducted in person by the researcher at the Boland Rugby Union office in Wellington.

The information gathering took place through a systematic process of planning, gathering, analysing and reporting the research findings. Some of the data gathered through secondary sources such as the sales data, is quantitative, while most of the primary and secondary information is qualitative.

Although the research findings of each block address the questions as set out by the research, the findings have cause-consequence relationships across different building blocks (co-specialised). Coding played an important part in finding the different relationships and was integral to the study's data analysis.

3.5 DATA ANALYSIS

Theory suggests that there is a set of relationships that exists between business model elements (Osterwalder & Pigneur, 2010: 212), and the study continuously analysed the existing theory in relation to what happens in reality. This includes the discovery of patterns and causal relations among variables.

In order to discover these patterns, Earl Babbie (2010: 396) described the method used by Glaser and Strauss (1967: 105-113) to constantly compare and discover patterns and theories from the ground up. Theories can elaborate on theories that already exist in the following ways:

1. Comparing incidents that are applicable to a category – conceptualisation.
2. Integrating categories and their properties – noting relationships.
3. Delimiting the theory – when concepts become clearer, some concepts can be ignored because they are irrelevant to the inquiry.
4. Writing theory – putting it into words to share it with others.

The term conceptualisation refers to specifying what we mean by a particular term or concept for the purpose of research (Babbie, 2010: 130-131). “Codes are tags or labels for assigning units of meaning to the descriptive or inferential information compiled during a study. Codes are attached to ‘chunks’ of varying size – words, phrases, sentences, or whole paragraphs, connected or unconnected to a specific setting” (Miles & Huberman, 1994: 56).

The coding within the nine different building blocks has different categories, exposing thoughts, ideas and meanings that exist within each block. These different parts allowed for further analyses that could be compared within a specific category, or with information of other categories. This is similar to what Babbie (2010: 401-402) described as firstly selective coding and then open coding. This allowed for the identification of numerous concepts that are relevant to the study.

Research has shown that there are various ways in which qualitative research can be coded. Martin and Turner (2006: 352-368) described practical guidance in terms of “good notes” that are written within 24 hours of observation, and “theoretical memoranda” that expand ideas gathered about categories and relationships. Turner (2006: 333-351) identified nine stages of grounded theory that can be used to analyse qualitative data gathered, while Burnard (1991: 461-466) recognised 13 stages during which interview data can be analysed.

Lichtman and Tech (2013: 249) stated that there is no right way to perform a qualitative analysis, and that it will differ from one research project to the next. Lichtman and Tech (2013: 252) added that there are three stages that are important in turning data into meaningful concepts, calling it the three Cs of analysis: from coding to categorising to concepts. Lichtman and Tech (2013: 252-255) provided more detail, and used the following six steps:

- i. Initial coding;
- ii. Revisiting initial coding;
- iii. Developing an initial list of categories;
- iv. Modifying initial list based on additional rereading;

- v. Revisiting your categories and subcategories;
- vi. Moving from categories to concepts.

The six steps listed above link closely to previous research and also the steps Babbie (2010: 396) described in *The practice of social research*.

As already mentioned under the research objectives in Chapter 1 of the study, the primary objective for this research included understanding relationships between different business model elements. With the questionnaire focusing on the different building blocks that comprise Osterwalder's business model (Osterwalder & Pigneur, 2010: 16-19) and the patterns or relationships that exist between these blocks, the initial classification or labelling of categories was guided by these blocks. The blocks were used as standardised units of analysis and guided the coding during the interviews.

However, as already explained in the literature review of Chapter 2, very little research on business models in rugby unions has been done, hence the researcher did not want to limit categories to only Osterwalder's (Osterwalder & Pigneur, 2010: 16-19) nine building blocks. The study used Lichtman and Tech's (2013: 252-255) six steps mentioned earlier, although with some categories already formed, steps one and two had basically already been performed to a certain extent. However, initial coding was necessary for any new categories that might have formed during the research, and also new codes were formed for subcategories within already existing categories.

The following is a brief description of the six steps as explained by Lichtman and Tech (2013: 252-255):

- i. Initial coding:
 - Initial coding starts with an initial word, text or phrase.
- ii. Revisiting initial coding
 - By now there is already a large number of codes. These need to be renamed and examined. During step two redundancies are removed, synonyms are renamed and terms are clarified.
- iii. Developing an initial list of categories
 - Categories and subcategories are formed of the codes that exist.
- iv. Modifying initial list based on additional rereading
 - During step four you decide which categories are less important, and also decide whether some categories can be joined.
- v. Revisiting your categories and subcategories
 - Redundancies are removed and critical elements are identified.

vi. Moving from categories to concepts

- Step six includes the identification of key concepts that reflect the meaning that you have attached to the information that was collected. During step six the information can be intertwined with literature that exists about the research.

3.6 SUMMARY

This chapter has described the research methodology used during the study. This study used specific frameworks in categorising and analysing the findings. Of specific interest were the steps in which the research interviews were analysed. The following chapter discusses the research findings of the study.

CHAPTER 4

FINDINGS

4.1 INTRODUCTION

The primary research objective of the study (see pages 2 and 3 of the study) was to first identify the elements and relationships that constitute a South African rugby union's business logic, using Boland Rugby as a medium. Secondly, the study determined to what extent the findings could be categorised within a framework, making use of the Osterwalder Model (Osterwalder and Pigneur, 2010: 16-19). At the same time, the study also explored whether the union under study responds to changing market circumstances.

As indicated in the methodology in Chapter 1 (see page 4 of the study), Boland Rugby has an amateur arm as well as a professional arm. The union responsible for the amateur leg focuses on development within the Boland region, while the company responsible for the professional leg mainly focuses on the commercial aspects involved in Boland Rugby. During the discussion of the results it is important to distinguish between references to the amateur leg, or union, and to the professional side, or the company.

4.2 THE NINE BUILDING BLOCKS

As described in the methodology, the results of the interviews and secondary data sources were categorised within Osterwalder's (Osterwalder & Pigneur, 2010: 16-19) nine building blocks. The findings on the external environment are discussed after the nine building blocks, providing a better perspective of the environment in which Boland Rugby competes.

4.2.1 Customer segments

In order to discuss the customer segments applicable to the study, it is important to understand the geographical region of Boland Rugby, as determined by SARU. Boland Rugby is situated in the Western Cape, and shares the area with Western Province (WP) Rugby. The union has its headquarters in Wellington, representing towns from the rural area of the Western Cape. Boland includes towns down the West Coast of South Africa as far as Elandsbaai and Citrusdal, inland as far as the Witzenberg area northeast of Wellington, the Langeberg area to the west, and Kleinmond towards the east coast of South Africa. Stellenbosch clubs that are geographically situated in the Boland are affiliated to WP, while central towns such as Atlantis situated just outside Cape Town are affiliated to Boland.

It is not easy defining the boundaries between Boland and WP. In 2001, school players that traditionally represented WP in the Craven Week represented Boland. This included two

traditionally strong rugby schools, Paarl Boys High and Paarl Gimnasium. This was only for one year, after which these schools moved back to WP.

The Boland Rugby Union describes its most important customers as the clubs that are affiliated to the union (see Appendices B, C, D and E). According to the Boland Rugby 2013 Annual Report, there are 145 clubs affiliated to the union (Small, 2014: 1). Besides club rugby, included are women's, sevens and schools rugby. With development of main importance to the union, the primary and secondary schools play an essential role in feeding players to the senior teams. Junior teams include players at under 13, under 15 and under 18 levels. The professional sides include the under 19 and under 21 teams, as well as the senior side. These teams are known as the Cavaliers, the brand name used for all provincial representative teams from the region.

Boland Rugby represents such a wide area that it is very difficult for supporters to show their support for the Cavaliers by attending matches, as traveling is costly. Many supporters only have the opportunity to watch the Cavaliers play when their matches are broadcast on television. There are the loyal Boland supporters that attend matches, but not many of them. Match day supporters mostly comprise friends and family members of the players (see Appendix C).

In order to make competition easier, and create better contact within each area, the union has created different zones in which the schools and clubs can play each other. Within each zone or region there are different needs. By making use of the regional coordinators, as explained later, there is improved feedback to the union on the consumer needs (see Appendix D).

The supporters of both the professional teams as well as the club teams are important to Boland Rugby. Clubs are well supported on match days, and include males and females of all ages and classes within the community. These supporters tend to be really passionate about rugby, and are very involved with their local club teams. But this sentimental value does not necessarily reflect in their support for the Cavaliers. Supporters rather identify themselves with their club, to such an extent that clubs become a brand competition in the region for the Cavaliers (see Appendix E). At a professional level, rugby supporters in the Boland region rather follow WP, a successful rugby team situated in Cape Town. WP has won the Currie Cup, South Africa's premier local rugby competition, on 34 occasions, sharing it on four occasions. Boland, in contrast, have never won the Currie Cup.

Additional to the abovementioned, the Stormers, representing Boland and WP at Super 15 level, are traditionally made up of WP players. As Bouchet *et al.* (2011: 42) explained, fans support teams for reasons that are independent of the club's region, country or geographical anchorage. A good example would be the large number of All Black supporters that live in the Western Cape

region. Although supporters in the Boland easily identify with their local clubs, they present a different following when the level of play is higher than club level.

Throughout the interviews (see Appendices B, C, D and E) it became clear that the target segments easily identify with what has been found in research done by Dolles and Söderman (2013: 367-395), and in theory by Smith (2008: 35-39). The motivational factors identified by Trail, Anderson and Fink (2000: 9) are also prominent amongst consumers. It is important to realise that there are different clusters of consumers within and between the regions. The regions cannot be approached in the same manner, as they are diversified with different needs, motives and social behaviours.

To summarise, apart from the fans and spectators of clubs and the Cavaliers, Boland Rugby would target potential and current players, clubs, schools, tertiary institutions, potential sponsors and the business community as their target markets. One area that should not be ignored is the important role that past players can play in the success of rugby in the region.

4.2.2 Value proposition

As Ferrand and Pages (1999: 387) explained, there is a rich variety of values and symbols that sports organisations are able to express to their environment. These include products and services that are offered by both the amateur and professional arms. Theory suggests that sport is mostly experienced as a service, but in general it is a mixture of tangibles and intangibles (Smith, 2008: 107).

The Boland Rugby Union delivers a service to its clubs in the form of governance and a structure in which rugby can be played at a very low price. This ranges from organising matches, to all the logistical arrangements attached to that, including the participation and development components of rugby. The development of schools, women's and sevens rugby creates an opportunity for players to be developed, be selected for trials at regional level, and possibly represent the Cavaliers at age group or senior level. The development of coaches, referees, administrators (including financial management) and first aiders is just as important, as this improves the quality of competitions and allows for an opportunity of career advancement. Additional to the services that Boland Rugby Union offers to the community, it also provides clubs with the necessary equipment to play (see Appendix D).

At a professional level, Boland Rugby allows players and staff to compete against other provinces in South Africa with an opportunity of career advancement. The salaries paid to players and staff allow them to be economically active (see Appendix E). The literature showed that sport is seen as part of the entertainment industry (Mason, 1999: 402-418; Smith, 2008: 19; Dolles & Söderman, 2013: 367). Rugby is unique when compared to other forms of entertainment in the region. It is a

medium through which consumers can participate in sport and possibly develop their involvement into a career (see Appendices D and E). Boland also co-creates value with other rugby provinces in South Africa by playing matches against them in a national structure, at age group and senior level. As Mason (1999: 404) described, teams cannot create the league product independently, but a competition structure where many teams and rivalries are involved can create the necessary value. The playing style of a team can create further value. The Cavaliers aim to play attractive running rugby, especially with the type of players that traditionally come from the area. The Cavaliers have a history of good backline players that have developed into nationally contracted Springbok rugby players (see Appendix E).

However, it is not just providing a service or product to the different customer segments involved, but also creating customer satisfaction through quality in service (Smith, 2008: 84). This is essential in building brand equity (Smith, 2008: 192), an element that Boland are not always able to create amongst supporters within their region. The study showed that clubs can create a brand competition for Boland Rugby with the strong support they receive at their matches.

Rugby in general, and not just in the Boland region, allows people to come together and be passionate in their support of their team. The sport is easy to access and appealing to people in the community. The social value created through rugby allows people to practice sport within an organised environment, and nurtures socially acceptable behaviour. As Dhurup (2010: 214) described in his study, rugby allows fans to socialise and share experiences with friends and family. It also creates a sense of belonging and loyalty, and an opportunity for people from the community to relate and support a team. It creates a good platform for competition between teams and supporters. Additional to this are the lessons that are learned through rugby as a form of education. Children have the opportunity to rather take part in rugby within an organised structure provided by Boland Rugby than in other forms of social behaviour that are not welcomed in their communities (see Appendices D and E).

The elements that Mason (1999: 402-418) identified as products that sport offers as a value proposition can be found in the value proposition that Boland Rugby offers. These include the sports fans, communities and their facilities, television as well as other forms of sports media, and sponsorship and patronage. One aspect that Mason (1999: 402-418) identified that they are not offering is corporate ownership. With the company without a title sponsor, and the union technically owned by the clubs in the region, there is no commercial value created through ownership.

Mason (1999: 402-418) also identified the changes that corporate ownership and sponsorship have brought to sport, with changes in seat licences, denying spectators access to certain blocks of seats inside a stadium. This value proposition is not on offer at Boland Rugby or any other smaller union in South Africa, although it can be seen at the bigger provinces or international

matches. Boland Rugby does however receive tickets to Stormers matches as the union forms part of the franchise. Boland Rugby creates value for their supporters and partners through this channel, as these tickets can be won as prizes or handed to partners in exchange for specific services that Boland Rugby requires (see Appendix C). Although Boland Rugby does not share in all the financial benefits that professional rugby has brought to the industry, they compete in a structure in which other teams have these benefits. As Woratschek and Schafmeister (2005) mentioned in their study, the commercialisation of sport has caused a shift towards income through sponsorships, merchandising, media rights, and VIP lounges. An example where Boland Rugby does not fully benefit from this change is the small amount of Cavaliers merchandise that is sold.

Boland Rugby is also a channel for programmes that SARU has initiated, such as the BokSmart programme which provides medical education at no cost to underprivileged schools and clubs in South Africa. Another example is the player card system that was introduced during the past year where all players have to be registered via an online card system. This allows for better player monitoring (see Appendix B).

4.2.3 Channels

As described by Smith (2008: 154), a channel allows a sports company to deliver value to its customers, whether it is directly or indirectly. The channel that Boland Rugby makes most use of in delivering its value proposition to customers, is rugby matches. Through this direct channel Boland Rugby allow its professional, amateur and junior players to participate in league matches that are organised and governed by Boland Rugby. The union provides a structure for competing, training and buying of equipment, while for sponsors and donors they allow access to clubs. Competitions include sub-union and amateur tournaments not only for the 15-man code but also sevens rugby for junior and senior teams. Additional to this, matches provide a channel through which supporters can support their local teams.

A structure that the union also makes use of to govern clubs throughout the Boland region indirectly, is their regional system. Each region has its own regional coordinator and executive board through which important information is distributed to the clubs. These regional coordinators act as intermediaries for Boland because of the wide geographical area they have to cover (see Appendix D). This is similar to the intermediaries that Smith (2008: 154) described that act as mediators between producers and consumers. Within each region, coordinators are responsible for their own trials, women's and schools' rugby. An important aspect that became evident during the one interview is that coordinators have the ability to empower, but they may not make any decision that is in direct contrast to the policies of Boland Rugby (see Appendix D).

It is clear that Boland Rugby has created channels that can assist them in meeting the demands from within their community. These channels allow them to be close to their desired market,

handling the local demand in a cooperative manner. Their channels have become more financially viable with the introduction of their regional structures (see Appendices B and D). Additional to this they use these channels to forge better relationships with and within their communities, similar to the relationships described in the study done by Büchler and Nufer (2011: 45-61). However, Boland Rugby has to take careful consideration of which channels they use, and which channels will be cost effective. This is a direct result of how consumers perceive the value delivered, and what they are willing to pay for the value.

Boland Rugby not only makes use of intermediaries, but also acts as an intermediary themselves for partners and sponsors. As mentioned earlier, Boland acts as a channel through which SARU can reach players within the community, while the Region as their previous title sponsor gained access to what was for them a new market. Boksmart is one of the programmes through which Boland acts as an intermediary for SARU. Another partner that reaches out to the Boland community through Boland Rugby is Supersport with their “Let’s Play” initiative. This programme allows boys and girls to play tag and touch rugby at a very young age. This creates a good foundation for young players before they start playing rugby when they are older. With this programme as base, Boland Rugby has the opportunity to build their brand in youngsters at an early stage, co-creating value for themselves and for Supersport (see Appendix D).

Most of the Cavalier match tickets are sold on match-day, as a direct channel. Additional to this, tickets are sold at a sports shop in Paarl. They do not currently make use of ticket selling companies such as Computicket. With the low number of tickets sold it is not cost effective to outsource the selling of tickets through indirect channels. Boland Rugby reaches most of their supporters through media platforms such as local newspapers, radio talk programmes, posters, word-of-mouth, and social media, which includes Twitter and Facebook. Their website acts as an online platform for supporters to get the latest news and schedules (see Appendix C).

Channels are however not important only for one-way communication or service delivery from the producer to the consumer. Clubs and supporters have the opportunity to provide Boland Rugby with feedback on whether they are satisfied with the product or service provided to them. Clubs can either use their regional coordinators as a channel for feedback to the union, or make use of online platforms such as Twitter and Facebook. Boland Rugby has no online feedback channel through which they motivate consumers to provide them with feedback. Most of the feedback provided through social media was initialised by consumers. An additional platform for clubs to provide feedback is the annual general meeting for clubs, or the special meetings organised by the Boland Rugby Union board (see Appendix C).

4.2.4 Customer relationships

As Hamel (2000) described, value creation occurs through building a value network relationship. Boland Rugby has strong relationships within their community. The regional system makes these relationships possible through constant interaction by regional coordinators and their respective communities. This is an initiative that has enabled Boland Rugby to use people within their community to become more involved, and facilitate further connections between community members. This allows members to share ideas, and learn from each other in solving problems. These relationships are similar to what Büchler and Nufer (2011: 45-61) identified as supplier-buyer and business-to-business relationships.

Through their relationships Boland Rugby has created the opportunity for schools to form good relationships with clubs. This creates opportunities to participate as one party might have a shortage of certain assets such as fields or coaches. Smith (2008: 315) highlighted the importance of attracting, maintaining and improving customer relationships, creating an interactive and rewarding relationship with long-term exchanges. Because of the shortage of financial resources in Boland Rugby, the union relies heavily on relationships within the community in delivering their value proposition. Having this healthy relationship is essential for long-term exchanges and continuous success (see Appendix D).

Communities expect strong interaction through activities that are important for the growth of rugby in their area. Many clubs and schools need the necessary governance and guidance in getting structures in place for the hosting of matches, coaching development, administration, as well as financial assistance. Communities also expect Boland to create the structure for promising players of all age groups to further develop and get selected for provincial and national teams.

An important relationship the union has with its customers is the value that is co-created by the union and supporters of clubs. Yoshida *et al.* (2013: 68-84) described the importance of innovation in building strong relationships with consumers, and through the relationship creating superior value for consumers. As explained earlier in 4.2.2 Value proposition, value co-creation constantly occurs throughout the value creation process, a theory presented by Woratschek *et al.* (2014: 6-24). It is especially important for Boland Rugby to not only acquire new customer relationships, but also retain the ones they have in place. Customer retention is essential in continuously co-creating value.

Important relationships that need to be constantly built and maintained are with internal and external partners. As the study will show in 4.2.8 Key partnerships, there are important relationships between Boland Rugby and SARU, other rugby unions, municipalities, as well as medical and security service providers (see Appendices D and E). Tsiotsou (2011: 559) and Meenaghan (2001: 95-122) mentioned the importance of balanced relationships and satisfied

partnerships, and the importance thereof for successful sponsorships, and knowing what sponsors expect from you in your relationship with them as a partner.

One important relationship for any professional rugby team is the relationship with sponsors. Boland Rugby does not have a title sponsor and it is fair to say that Boland Rugby does not have a healthy image at the moment, with investigations into match-fixing in club rugby, although SARU has found no proof of this (Sport24: 2014a), and the suspension of the coach of the Cavaliers after it became known that he faked his rugby qualifications (Sport24: 2014b). This is in direct contrast with the elements that Parent and Harvey (2009: 35) described as important in partnership management, namely trust and leadership.

4.2.5 Revenue streams

The Boland Rugby Union receives most of its income from SARU. SARU provides money to Boland Rugby and other unions in order for them actively develop rugby within their communities. The income is project driven and Boland Rugby has to propose what development work they want to do annually in order for them to gain access to these funds. Payments by SARU are done in phases to ensure that the money is used correctly. Each project has deadlines by when feedback has to be given to SARU on the progress of the project before the next payment will be received (see Appendices B and D).

The Boland Rugby Company receives most of its income from broadcasting rights. The channel through which the income is received is SARU, who is in partnership with the broadcasters of the Vodacom and Currie Cup and distributes the money to unions on a monthly basis. Additional to this, the Cavaliers receive a travel subsidy for away matches during these competitions. The Vodacom Cup subsidy is paid out at the beginning of the year before the competition starts, and the Currie Cup subsidy in the middle of the year before the Currie Cup starts (see Appendix B).

Another source of income that became evident during the study, is development fees that a province pays when players are sold between provinces (see Appendix E). The Cavaliers also sell space on their rugby jerseys during the Currie Cup and Vodacom Cup competitions (see Appendix C). Another form of income, although not significant, is the club's affiliation fees. This is also seen as the price that clubs are willing to pay for the opportunity to participate in league competitions. Affiliation fees are normally paid once-off, and clubs have to make the payment before the end of the season (see Appendix B).

The Cavaliers matches do not sell many tickets, and therefore ticket sales do not form a large part of the company's income. Supporters are not willing to travel to Wellington, and then also pay to watch the Cavaliers play, especially if the matches are broadcast on television. A SARU initiative has resulted in the Cavaliers playing in smaller towns during the Vodacom Cup. Ticket sales for

these matches as well as club matches when hosted at the Boland Rugby stadium are mostly shared between Boland Rugby and the clubs. This is the same when the Cavaliers play Vodacom Cup matches at clubs. This income is seen by Boland Rugby as an opportunity for clubs to also generate an income. The annual friendly match between the Stormers and the Cavaliers does provide an opportunity to generate income. In the past Boland Rugby has entered into an agreement to sell the match to the Stormers, and then receive a set fee for the match (see Appendices B, C, D and E).

The revenues explained above are similar to what Dolles and Söderman (2013: 384) found in their study. Match-day and broadcasting revenues as well as commercial revenues and affiliation fees all contribute to Boland Rugby's income. The percentage contributed by each income stream differs significantly from what Dolles and Söderman found in professional clubs. The selling of players is a much smaller revenue stream compared to that of professional sports clubs, although it does contribute to Boland Rugby's income. As described in the literature, there are differences in percentages contributed by different revenue streams between clubs within and between countries. Arsenal Football Club (Demil & Lecocq, 2010: 1-13; Sportsbusiness, 2012) differs from other clubs in England, while there are also differences between German and English clubs (Kase *et al.*, 2006). This demonstrates the importance of context in analysing the revenues of different clubs. As explained by Santos *et al.* (2012: 18-19), clubs from larger cities have a meaningful advantage over smaller-market teams. A club's market size interchangeably affects its marginal revenues (Buger & Walters, 2003: 121). This, together with an inability to translate the value offering into money and incoming revenue streams, is one of the main reasons why Boland Rugby is very dependent on SARU as a revenue stream. This is however not a unique problem within the South African Rugby industry.

4.2.6 Key resources

As already mentioned, value creation occurs through a series of activities, with the help of a number of resources which would not reach the end consumer without the service and product. This includes both tangible, such as physical assets, and intangible resources, such as experience and brand value. As Demil and Lecocq (2010: 2) explained, resources and competencies drive the cost structure of a business, and therefore profitability and sustainability.

Boland Rugby relies heavily on both tangible and intangible resources that include personnel, financial and physical resources. The Boland Rugby stadium is a very important physical asset, but in the wider community it is important to have the necessary facilities at schools and clubs, even if they have to share these assets. With the role that Boland Rugby plays in providing a service in the wider community in the form of coaching and development, it is important to appoint personnel with the necessary skills in the right positions. Personnel need to buy into what Boland Rugby wants to

achieve, and to achieve that the job offerings need to be appealing to applicants (see Appendix D). In addition, employees need to be there for the right reasons. In the Boland Rugby Annual Report, Small (2014: 3) identified the need for a new organogram, with an improved job description for each employee as well as an implementation plan to evaluate personnel. Vargo and Lusch (2004: 1-17) mentioned that knowledge, competencies and skills are essential resources in creating value.

Within the communities it is important to select coordinators and development personnel that can apply the necessary leadership and technical skills in their role as coordinators and educators. Champions are selected to represent Boland as coordinators within the regions. They get along well with people within their community and are in a position to empower people in order to complete tasks, although these must be aligned with what Boland wants to achieve. Additional to the coordinators, personnel that can develop coaches and referees are essential for the growth of the game (see Appendix D).

An important asset to the Boland Rugby Union is the community, more specifically the players and their passionate supporters. These human resources assist in co-creating value that makes rugby very attractive to the wider community. As explained in the literature, during co-creation there is an interaction between internal resources and external service providers (Woratschek *et al.*, 2014: 6-24). This is more than the traditional approach of sports organisations creating value, and the end user consuming the product (Woratschek *et al.*, 2014: 7).

For the Cavaliers to be successful, Boland needs to contract good players and appoint the best possible coaches and team management in order to get the best out of their players. Players tend to leave the province when they receive bigger contracts from other teams, but history has shown that coaches and administrators stay within the Boland region. This is important for keeping the intellectual resources within the region (see Appendix E).

With Boland Rugby not having a title sponsor, and relying on SARU for most of their income, their financial resources are unsatisfactory. They are also not able to develop their brand to its full potential. It is extremely important to build good partnerships with role players that can offer the necessary resources to Boland Rugby where and when needed. It is important though, that such relationships need to be balanced, as Tsiotsou (2011: 559) explained. Harris and Jenkins (2001: 112-124) found that scarce financial resources, amongst other things, created barriers inside and outside rugby clubs in the United Kingdom. Many of these barriers were a result of "old committee" structures where powerful chairpersons managed clubs as "not-for-profit" organisations in an amateur era. This approach will continue to create a challenge for Boland Rugby if they want their capacity to expand.

4.2.7 Key activities

Boland Rugby creates a very important platform and structure for participating and developing rugby within the region. They are a governing body for all related activities, fulfilling a regulatory role that creates an opportunity for players not only to participate but also to progress in their careers as rugby players. Additional to this, the union plays an integral role in the development of coaches and referees. For this to happen, Boland offers training opportunities to develop coaches and referees in the different regions. Additional to this they offer assistance in administration and financial management within clubs (see Appendix D).

It is the leadership's responsibility to create stability in the union, and appoint competent people that can assist Boland in reaching their goals and objectives. With Boland spread over such a large region, it is crucial to empower the appropriate people within the necessary structure. This requires planning and good administrative processes to be in place, with clear roles and responsibilities. Furthermore, it is essential for clubs to see Boland Rugby as honest and trustworthy. For this to happen, leadership needs to ensure that everything is in place in the board room, and that the correct business decisions are made. This is especially important if you think of Boland Rugby as a problem solver. They act as a consultant for clubs in the community and also from a commercial point of view in making the correct business decisions (see Appendix D).

From a commercial point of view, the leaders in the company need to ensure that sponsors get a large enough return on their investment. There needs to be commercial value, with solid growth potential in order for sponsors first to get involved, and then stay involved (see Appendix E). In managing the relationship with SARU, project proposals and regular feedback on programmes are essential in ensuring the income stream for development (see Appendix D). The union is also responsible for managing the affiliation fees of clubs.

Other regular activities include the distribution and selling of tickets although, as mentioned earlier, Boland Rugby does not sell many tickets. In order for supporters to stay updated with what is happening at Boland Rugby, the website (through a Content Management System [CMS] system) and all forms of marketing including social media need to be updated regularly (see Appendix C). These are similar to the activities identified by Smith (2008: 98-99).

A sports organisation's activities can also be divided into primary and secondary activities, similar to what Porter (1985: 11-15) explained in his theory. From the results, the primary activities can be summarised as all the logistical and operational activities involved in delivering the value proposition to consumers. Included is the marketing and sales activities attached to delivering the value. Primary to creating value are the problem solving activities and their execution, as well as the governance, control and networking involved in delivering the value.

Secondary activities support the primary activities, and include the development of the necessary infrastructure to perform primary activities, and all human resources and facility management activities. It is also valuable to mention that sport offers activities that drive other business sectors, as identified by Dolles and Söderman (2013: 367). This is no different for Boland, especially with the role they play in their community and the way in which rugby enables consumers to be economically active.

4.2.8 Key partnerships

As suggested in the literature, sports organisations have many stakeholders that they have to deal with, including partners (Smith, 2008: 34). Boland Rugby also has a number of partners and strategic alliances that play a key role in contributing towards the value proposition that they offer. Rugby has the ability to provide corporate companies with commercial value and brand exposure. It also allows local businesses to be involved in their community through a partnership with Boland Rugby and their local clubs and schools.

With Boland Rugby as a channel, sponsors have the opportunity to reach appropriate customer segments either through exposure on television or through corporate social responsibility activities in the community. The previous title sponsor, Regent, made good use of their partnership with Boland (see Appendix E). As a foreign insurance brand to the Boland community, Regent received significant exposure in Wellington and the surrounding towns, increasing their brand exposure to the extent that they continued to do business in the area after their contract with the Cavaliers expired. This alliance also allowed the Cavaliers to increase awareness of their brand.

On the professional side of Boland Rugby, SARU, Coca Cola, Absa (indirectly through SARU) are key partners. SARU plays a very important regulatory role, providing leadership pertaining to policies. Other partnerships that are important from an operational point of view are transportation services, medical and security services, traffic departments, and graphic companies (see Appendices C and D).

The union also has partners that assist them in delivering a service to clubs and tournaments in the region. Many of these services, such as police and medical services, are essential during matches. In exchange for this service, Boland provides them with the opportunity of having an advertising board at Boland Stadium. As Tsiotsou (2011: 559) stated, the exchange of valued resources from both parties leads to a balanced and satisfying relationship. However, not all partners aim to gain exposure through billboards or broadcasting. Many smaller town partners are involved with rugby as a manner through which they can give back to the community. Other service providers are willing to offer their services to Boland Rugby at very low cost. This is similar to what Meenaghan (2001: 100) described as goodwill.

As discussed earlier under 4.2.3 Channels, Boland Rugby also has partners that aim to be involved with development work in the community. The union not only acts as a channel through which corporate companies can perform social responsibility activities, but also partners up with the expertise that they have in coaching and development, while at the same time building their brand.

The annual Boland versus Stormers match has developed into a partnership through which Boland Rugby generates an income through ticket sales (see Appendix C). This partnership goes much further than the annual once-off match that provides both teams with some much needed match practice at the beginning of the season, additional to the financial value of the match. Boland Rugby is part of the Stormers as a franchise that participates in the Super 15 competition, although it is almost always the case that when a player is good enough to play at Super 15 level, he will receive a contract from a stronger financial union. This partnership also provides Boland Rugby with the opportunity to get Stormers players involved with rugby development in their region, when the players are available (see Appendix C). However, this partnership is not operating at an optimal level. For the Stormers to continue to see Boland as a partner there has to be value in the partnership for both parties (Tsiotsou, 2011: 559).

These research findings provide an explanation for the fact that Boland Rugby currently is without a title sponsor. However, the research does not underestimate other contributing factors, such as difficult economic circumstances that challenge companies on whether they should invest in provincial rugby in general. Nonetheless, the brand image can be a contributing factor towards not finding a title sponsor. Parent and Harvey (2009: 35) mentioned the importance of certain elements that are essential in partnership management. These include factors such as trust and leadership. These elements can also filter through to influence the partnerships that Boland Rugby has within the community.

4.2.9 Cost structure

There is a difference in the cost structures of the union and the company. A difference in the activities and core competencies used to create value for stakeholders would be a main contributing factor (see Appendix B).

The Boland Rugby Union's largest expenditures are the salaries of personnel, which includes the chief operational executive, managers, assistants and office personnel, and the regional coordinators. Other costs in delivering the value proposition are the development of referees and coaches. In the past, the union spent a large part of their money on transport costs in an attempt to reach out to all corners of the region. The introduction of the regional system has resulted in a more cost-effective structure, although a large amount of money is still used for transport and

reaching out to these regions. When hosting tournaments, a similar approach is used where money is received from SARU and then managed as an in-out account (see Appendix B).

The company has expensive resources to sustain, which include player contracts, travelling and accommodation, team management salaries, and typical costs during home matches. The Boland Rugby Stadium continuously has large operational costs (see Appendix B). Other costs in delivering a service to customers are office costs to remain operational, match programmes, project-specific costs such as clothing and course material, and marketing costs for posters and branding (see Appendix C).

There are certain activities that SARU expects unions to fund themselves, such as the player-card system that was introduced. Although this is mostly a once-off fee, there are license fees that need to be paid annually (see Appendix B).

The cost structure of Boland Rugby is a balance between a value-driven and a cost-driven approach. The aim is to deliver a value proposition to customers that they would appreciate and find appealing, although with a shortage of financial resources and many projects being financially supported by SARU, Boland Rugby has to cut their costs and find the leanest possible way for delivering these services.

4.2.10 Conclusion

When interviewees were questioned whether they made use of a business model in their planning or as an evaluation tool, the majority of responses indicated that they do not make use of Osterwalder's (Osterwalder & Pigneur, 2010) nine building blocks, or any other similar framework (see Appendices A, B, C and D). Although management would get together regularly to plan projects and at the beginning of the year to plan strategically, the planning is not structured in this manner.

Interviewees felt that there were unique challenges because of the wide geographical region and large number of clubs that Boland Rugby has to service. Through the regional system, Boland Rugby has a unique structure that allows the union to reach out to their regions, and to empower coordinators in meeting the different regional needs (see Appendices A, B, C and D).

The general response when asked whether the external environment is measured through a strategic framework, and whether the company strategy is adapted to a changing external environment, was mostly also negative (see Appendices A, B, C and D). Individual units within Boland Rugby do look at what is being done by competitors in the industry, and adapt their strategy accordingly. However for Boland Rugby as whole, including both the union and the

company, there is no central strategy that is adapted regularly to meet the demands of the industry.

The research findings confirm that there are strong interrelationships between Osterwalder's nine building blocks, even within a rugby union. The different elements cannot be properly analysed and interpreted without the context of the others. As Osterwalder and Pigneur (2010) described, the structure illustrates the logic for a company on how to make money, and the rationale on how to create, deliver and capture value.

4.3 THE EXTERNAL ENVIRONMENT

As Teece (2010: 174) explained, a company needs to adapt properly to its competitive environment if it wishes to remain profitable. Good governance, leadership, excellent employees, superior products and technology alone are not necessarily good enough to continuously compete in a competitive market. In this case it is important to analyse not only the rugby environment, but also the changing landscape of the entertainment industry that is applicable to the customer segments of Boland Rugby. Therefore, it is important to recognise the components that could influence the macro environment of Boland Rugby. By means of the SWOT analysis and Porter's five forces (Porter, 1985: 5), many of these elements became evident.

Since Boland Rugby is not using a structure in analysing their external environment, individual units use their own initiative when comparing whether what they are doing within their units with competitors (see Appendices B, C and D). There is a variety of options available for Boland Rugby to measure themselves against rivals that are traditionally seen as smaller unions. The researcher approached the Mpumalanga Pumas, South Western Districts and WP as part of the analysis, all of whom agreed to share their annual reports for the study, but failed to do so.

4.3.1 SWOT Analysis

The interviewees felt that there are specific **strengths** within Boland Rugby. Most of the strengths are a result of the environment and community in which Boland Rugby is situated. Interviewees mentioned that they have a large number of passionate supporters with a large following of club rugby throughout the province. People in the community embrace development and related opportunities. An additional strength is that the regional structure has resulted in governing, training and general structures for participation (see Appendices B, C, D and E). The value that rugby as a sport offers to consumers as a form of entertainment is central to rugby and also specific to Boland Rugby. Within the different communities, people still view the route to becoming a Springbok rugby player as a pathway for success in life (see Appendix E). Rugby offers this pathway, which for many people is an opportunity they would never have otherwise. Boland Rugby has good facilities, which include their rugby stadium as well as access to fields and facilities

amongst the clubs and schools in the region. The regional system is definitely a strength for the union, but it is a system that can easily be imitated by other provincial unions where necessary.

The **weaknesses** of Boland Rugby are mostly situated internally, and also linked to the area in which they are located. A lack of trust seems to be developing in the union as a result of the media coverage on the internal issues it faces (see Appendix B and C). This has an effect on whether sponsorships see Boland Rugby as an investment opportunity. Additional to this, there is not much commercial value in amateur rugby. Therefore, a challenge that unions with an amateur or semi-professional approach will always have, is access to financial resources. This is where conflict can develop between the private company and the union. With the leadership of the union being determined by the clubs in the region, it creates decision-making power that should be a reflection of the needs within the communities of the clubs. The selected leadership then determines the strategic direction in which the union will move. Consequently, the best business decisions are not necessarily made for remaining financially viable and competitive in a continuously changing rugby environment. The Mpumalanga Pumas have shown how a change in business model can change the competitiveness of a rugby union (see Appendix E). However, as seen at the Pumas and at Griquas, player depth is important towards the latter part of the season, and when a union does not have the financial means to have a large group of quality players, it remains difficult to compete continuously with the traditionally larger unions. Boland Rugby, situated in close proximity to WP, will always be challenged in attracting supporters that traditionally follow WP and the Stormers.

Boland Rugby has had success during the past year in their junior teams, with players coming through their rugby academy. There is an **opportunity** for improved transition to senior level with good business decisions, coaching networks, and a focus on player development. A better committee structure would also be able to coordinate a better approach towards sponsorships and networking within the local business community, enhancing strategic relationships from the current position.

One of the major **threats** for Boland Rugby is that other rugby unions with a more professional approach towards their strategy can consequently be in financially stronger opponents. These unions will have a better ability to offer long-term contracts to players and coaches, building their success on the performance of their professional team. Recruitment by unions at school level has been happening for a number of years, and there is a great incentive for players to move (see Appendix E). There is always the risk of financial instability with rugby becoming more professional.

4.3.2 Porter's five forces

Smith's (2008: 61) description of the macro environment of the sports industry (see Figure 2.1) identifies many environmental factors that any management has to take into consideration. All of

these factors were evident in the analyses done in this study, and can have a considerable influence on the manner in which Boland Rugby strategically plan their business model and strategy. The following table presents a summary of Porter's five forces (Porter, 1985: 5) through the lens of Boland Rugby.

Table 4.1: Porter's five forces and Boland Rugby

Supplier power	SARU should remain a source of income for Boland Rugby. There are not many other financial inputs for Boland Rugby, with low switching costs. Rugby is passionately followed in the Boland region, and is also a family sport. There will always be schools and clubs playing rugby, supplying Boland teams with quality players.
Threat of substitutes	Rugby remains a very attractive medium through which people come together and can be socially active. Players can develop a career from rugby, which is rarely the case in other forms of entertainment within the Boland region. However, there are other sporting codes that are becoming more popular within schools, for example football. Football has low switching costs for children.
Barriers to entry	Rugby as a sport is traditionally strong and has a good brand identity in the region. However, with football becoming more of an additional option for school children, Boland Rugby will have to ensure that they keep their market share and continue to develop the game in schools where popularity has decreased, or where rugby has never been developed. Because of the high capital requirements, football, or any other sports clubs for that matter, will not easily enter the market in the region. Schools and clubs have easy access to rugby facilities and clubs. With rugby having a provincial structure, different from a national club structure as in football, Boland Rugby will always be the representative body at national level.
Buyer power	Opposition unions have much better financial support to buy players from schools. A large part of the Boland supporters are from lower living standards measure (LSM) classes, which affects the buying power of these supporters. There is a diversity of attendance motives and spectator behaviours. With clubs voting during an election for a president, clubs have significant input in the manner in which rugby is run in the Boland.
Degree of rivalry	There is strong competition between teams playing provincial rugby in South Africa. With competitions for various age-group levels, the Vodacom Cup played between all the provincial teams, and the Currie Cup, all the provinces need to be aware of moves made by their competitors – it is a rivalry for revenues. However, for the smaller rugby unions in South Africa, there is low growth in revenues. The traditionally larger provinces have a much stronger rivalry for revenues.

No major threat towards the existence and current value of Boland Rugby emerged from the analysis. The union will continue to exist as a province, and participate as a province in SARU's national competitions. However, Porter's five forces (Porter, 1985: 5) will play a more significant role, as Boland Rugby shows interest towards performing at a national level. As the SWOT analysis indicated, Boland Rugby will face significant challenges if they were to turn fully

professional. Porter's five forces indicate a strong competition for talent amongst South African Rugby provinces. As McNamara *et al.* (2011: 4) identified, winning the "talent war" and retaining the best industry talent are essential in serving customer needs and creating more value than rivals do. Although it does seem that Boland Rugby has a solid income stream through SARU, this does not create a competitive advantage with each union receiving similar financial support.

There is good reason to believe that Boland Rugby has been taking account of their external environment. However, when comparing them to international trends, it would be difficult to ignore the statement made by Williams (2004: 18-19) that even though South African teams and franchises have been adapting to professionalism, when it comes to developing professional structures, brand management, appropriate legal and medical relationships, South African sports in general are stagnating. One could possibly argue that Boland Rugby should not be compared to international trends, and that the study should only consider their business model within the context of the local environment.

4.4 SUMMARY

Although Boland is far away from Europe and its competitive sports business landscape, and rugby is not yet as competitive at club or provincial level as other sports industries such as football, a business model remains integral to what an organisation does. As McNamara *et al.* (2011: 1) explained, business models are complementary concepts that assist managers in understanding the range of resources and capability configurations and uncertainties in selecting a strategy that has a realistic chance of creating value for customers and capturing profits for organisations.

The findings show that a business model is a system filled with complex inter-dependencies, and different dynamics, similar to what research indicates (Johnson *et al.*, 1996: 61; Afuah & Tucci, 2001: 4). To make it even more perplexing, the market in which Boland Rugby is situated creates unique challenges. It would be challenging for Boland Rugby to turn their value proposition, resources, competencies and entire value network into a strategy that can drive its cost structure. These are components that Demil and Lecocq (2010: 2) identified as key to creating financial sustainability.

Boland Rugby indicated in their 2013 annual report that their goals were to support their clubs financially through a title sponsor, and that the Cavaliers had to improve their performance during the 2014 Vodacom and Currie Cup competitions (Small, 2014: 6). These goals were met with some success, especially at junior level. More importantly, these goals show ambition for an improved business model that can lead Boland Rugby towards financial growth and sustainability.

One of the aims of this study was to provide the union under study with possible business model improvements, by expressing the model in a more tangible manner. In Chapter 5 the researcher

will use these findings to provide recommendations for further improvement of the union's current business model, taking into consideration that the business model needs to prepare Boland Rugby for the future.

CHAPTER 5

SUMMARY, CONCLUSION AND RECOMMENDATIONS

5.1 INTRODUCTION

South African rugby has undergone significant changes during the past two decades. The effects of these changes are still being felt by stakeholders, and there is an increasing need to manage rugby business along more professional, corporate lines. There are provinces in South Africa that have definitely adapted better to professionalism in certain instances, and the same is true when South African rugby as an entity is compared to other countries.

The on-field success of the Cavaliers is important as it has the ability to drive critical components of off-field success, including broadcasting revenues and sponsorship. A more commercially viable brand will generate more income through broadcasting and other deals that can be invested in the Boland regions and the further development of talent. For both the company and the union, important areas to address are governance and financial sustainability, and these areas need to be addressed from the business model outwards towards a companywide strategy.

Williams (2004: 18-19) identified that in South Africa sports leadership, governance, management, training and motivational methods are primitive, and that the country needs a new model for sports leadership and administration. Although his study was done in 2004, many of these practices are still applicable today. As explained in the introduction to this research report, he based his motivation on the fact that many sports organisations merely assume that sport is attractive and therefore satisfies consumer needs. Forster (2006: 80) reiterated what Williams (2004: 18-19) said, namely that the governance of sport comes from an amateur era, and that many sports organisations have not been able to embrace commerce. Many of the issues related to this already existed in the amateur era, but have risen and intensified with professionalism.

As Teece (2010: 179) stated, a business model in itself cannot ensure a competitive advantage. What it does create is a shared language from which you can easily describe and manipulate business models and create new strategic alternatives (Osterwalder & Pigneur, 2010: 15). As Demil and Lecocq (2010: 10) indicated, the performance of a business model depends partially on sportive results, while broadcasting is directly related to such performance. Winning matches not only gets more people inside your stadium, it also allows a team to play in a semi-final and final, so increasing broadcasting revenues.

5.2 SUMMARY OF MAIN FINDINGS

The first research objective of this study was to identify the elements and relationships that constitute a particular South African rugby union's business logic. The information gathered during

this study was categorised by using Osterwalder's nine building blocks (Osterwalder & Pigneur, 2010: 16-19).

The findings indicate (see pages 40 to 42 of study) that Boland Rugby has a strong value proposition that they present to their market segments. The value proposition for the union is aligned with what the South African Rugby Union expects of the union, with development of rugby within their borders as a priority. The union aligns their resources, human and financial, in delivering the value proposition to their consumers. The cost structure is developed in a manner intended to meet the development projects delivered. With such a wide geographical area the union has developed a structure that makes it easier to govern the activities within the regions of Boland. Through their channels, Boland Rugby allows the different rugby codes to develop and participate. Additional to this, the channels allow for the development of aspects such as coaching and refereeing. The channels and activities are limited in order to stay cost effective and to stay within the financial means, which are extremely limited.

Furthermore, the Boland Rugby Company aims to create a platform for the region's representative team, the Cavaliers, with the necessary resources to compete. The business model activities of the company are similar to those of any other professional sports team, as discussed in the literature. However, the findings indicate that it is challenging to create value for consumers and stakeholders due to market limitations. Additional to this, it is extremely challenging without a title sponsor, especially when competing against teams that have developed as a business and have stronger commercial value.

With limited financial resources, Boland Rugby relies heavily on good partnerships and support from SARU to deliver their value proposition to their consumers, and to further grow rugby within the area. This is far from the revenue streams from broadcasting, commercial revenues and ticket sales typically seen in European models for football and rugby. However, this is not a unique position, with many other South African provincial unions finding themselves in the same position.

It is clear from the findings that there is a strong link between the different components, with none of the building blocks able to function in isolation. Furthermore, it is important to understand that the value proposition and activities provided by Boland Rugby to its market segments is a result of continuous value co-creation between Boland Rugby, its stakeholders and consumers. The findings also indicate that the business activities of a rugby union can be categorised into a structure acting as a good framework for the analysis of a rugby business model, and this meets the second objective of the research study.

The investigation into whether the union's business model responds to changing market circumstances showed that the union finds itself in a comfortable position where their geographical

area will remain theirs as a result of provincial rugby borders. Within different business units there are efforts to change and adapt as the markets develop. However, there is no overall strategic drive to meet a changing market environment. This applies not only to rugby as a sport, but also as a player in the entertainment industry.

5.3 PRIORITIES GOING FORWARD

Boland Rugby will have to explore different avenues through which they can create revenue and further develop the products and services offered to stakeholders and consumers. An example would be the possible sale of the name of the Boland Rugby stadium to a sponsor. However, it is important to prioritise and determine what they would like to achieve in the long run, and also what would be seen as realistic expectations. Would it be in the best interests for Boland Rugby, its consumers, stakeholders, and rugby as a sport, to develop into a professional operation, be semi-professional or rather take an amateur approach?

Büchler and Nufer (2011: 17) stated that the public perception plays an enormous role in creating pressure that could interfere with the decisions made by sports organisations. Dolles and Söderman (2013: 370) mentioned that a sporting organisation's resources would only create a competitive advantage if the consumers recognised them as valuable. In a changing market environment where there are clear financial challenges, would it be best to allow public perception to dictate the direction in which a sports organisation should move? It would be best to argue that it is about finding a balance between what rugby as a business expects from provincial teams, and what the consumers within each union need. It is also about influencing the social trajectory of the region, without compromising the values and integrity of Boland Rugby.

One thing is certain, in order to move forward there needs to be clarity and agreement on the decision, and the union needs to plan and align its resources accordingly. With a responsibility that stretches to a higher governing body in the form of SARU, it is the union's responsibility to position itself so it is financially viable, and continues to develop a sustainable player base.

5.4 RECOMMENDATIONS

In order to provide recommendations it is important to see what is working and why it is working. Additional to this, any recommendations must be aligned with the goals and needs of Boland Rugby.

The financial objectives for Boland Rugby as described in their annual report is firstly to get a new title sponsor, to improve financial governance, and to create better support for the Cavaliers during home matches by the clubs, and thereby increase ticket sales. The annual report also describes the objectives to improve club rugby. This includes the abovementioned objectives as well as educating club management members and office personnel; designing a new club rugby

competition with fewer clubs for financial sustainability; developing a preventative strategy for violence during club matches; and the training of coaches and implementing conditioning programmes in order to improve the quality of rugby played in the region. In order to achieve these objectives, the union will have to perform an accurate analysis of their external environment. This will allow the union to develop potential options and prototypes for the future.

The size of the market in which Boland Rugby operates does pose a challenge. In analysing the market segments and the values seen as valuable by the consumers in the region, one has to be careful in suggesting that professionalism is the only way forward. There are many talented players in the Boland region and Boland Rugby acts as a vehicle for these players to turn professional. This is also true for coaches and referees. For many people this is a way towards becoming economically active and developing a profession. Additional to this, the union provides a platform that allows social players to participate within a proper structure. Boland Rugby should keep their focus on the development of players, and align their business model towards that. With the increase in mobility, player contracts at a junior level become more important, not only to strengthen the player base, but also to generate income through the selling of players. Part of this value proposition would be to offer good coaching in a strong development system and a high performance programme that would result in parents wanting to keep their children in the Boland region, close to their home. For the union these players would develop into sellable products in the end. Good coaching will depend on the union's ability not only to develop good coaching programmes, but also to offer coaches long-term contracts.

The union and the company should get sponsors involved that need and want to increase their corporate social responsibility. However, there has to be a careful balance where the donors must not become more important than creating value for customers. Boland Rugby should set an example for corporate values and integrity for sponsors to buy into them as being a vehicle that develops people and not just players. The union needs to provide programmes that will earn sponsors a good return on investment. There needs to be an increase in faith in the decision-making processes and leadership, with a shared vision and values. In order to achieve this, there needs to be a focus on the core organisational competencies, game and management related, and support services, which include primary and secondary activities. Management-related competencies include brand and marketing management, strategic relationship building, administration, competition management, player management and contracting, and commercial management. Support services include human resource management, financial and sponsorship management, media and public relations, and communication (internally or outsourced).

Governance-related recommendations largely depend on the decisions that will derive from the recommendations just explained. Boland Rugby has to analyse and align their board competencies to meet their strategic objectives, introduce performance measures and incentives, and lean

towards fact-driven decision-making. Depending on the level of professionalism, commercial rationale will play a central role during decision-making. A business model needs regular evaluation for possible improvements, or for early detection of problems, and is not a once-off process.

5.5 FURTHER RESEARCH

The findings of this study suggest that formalising and understanding the business model of a rugby union would be an important activity to undertake, and that it could lead to possible and necessary improvements. However, this study was a first attempt to investigate this particular question within the South African rugby context. It is proposed that a similar study be done at a union that has a stronger financial position, as well as a comparative study between two traditionally larger unions. Another suggestion would be to study the effect that the composition of board membership has on a rugby union, specially focusing on the ratio of executive and non-executive members. The Nicholson report released in 2012 by Judge Christopher Nicholson and his committee focused on structural defects in administration within South African cricket. The report presented interesting findings that could have a large role to play in the governance, ethics, and the management of sporting organisations.

REFERENCES

- Adcroft, A. & Teckman, J. 2008. Theories, concepts and the Rugby World Cup: Using management to understand sport. *Management Decision*, **46**(4), 600-625.
- Afuah, A. & Tucci, C.L. 2001. *Internet business models and strategies: Text and cases*. New York: McGraw-Hill.
- Andreff, W. & Staudohar, P.D. 2002. European and US sports business models. In Barros, C., Ibrahimo, M. & Szymanski, S. (eds.), *Transatlantic sport: The comparative economics of North American and European Sports*, 23-49. Cheltenham: Edward Elgar.
- Babbie, E. 2010. *The practice of social research*. 12th edition. Wadsworth, OH: Cengage Learning.
- Bodet, G. 2009. Give me a stadium and I will fill it: Analysis of the marketing management of Stade Français Paris Rugby Club. *International Journal of Sports Marketing and Sponsorship*, April, 252-262.
- Borland, J. 2006. The production of professional team sports. In Andreff, W. & Szymanski, S. (eds.), *Handbook on the economics of sport*, 22-26. Cheltenham: Edward Elgar.
- Bouchet, P. & Puhl, M. 2006. L'expérience vécue: Un autre regard sur l'analyse du comportement du consommateur.
- Bouchet, P., Bodet, G., Bernache-Assollant, I. & Kada, F. 2011. Segmenting sport spectators: Construction and preliminary validation of the Sporting Event Experience Search (SEES) scale. *Sport Management Review*, **14**, 42-53.
- Büchler, A. & Nufer, G. 2011. Professional sporting organisations and their relationships. In Büchler, A. & Nufer, G. (eds.), *Relationships marketing in sports*, 45-61. Oxford: Butterworth Heinemann.
- Buger, J.D. & Walters, J.K. 2003. Market size, pay and performance: A general model and application to Major League Baseball. *Journal of Sports Economics*, **4**, 108-125.
- Burnard, P. 1991. A method of analysing interview transcripts in qualitative research. *Nurse Education Today*, **11**, 461-466.
- Business Game Time*. 2011. *Micro-tactics: The post-ideological future*. [Online] Available: <http://businessgametime.com/2011/03/07/micro-tactics-the-post-ideological-future/> Accessed: 15 October 2012.
- Chandler, J.D. & Vargo, S.L. 2011. Contextualization and value-in-context: How context frames exchange. *Marketing Theory*, **11**(1), 35-49.

CNN International. 2012. *Brand power: Football's most valuable clubs unveiled*. [Online] Available: <http://edition.cnn.com/2012/05/21/sport/football/football-brands-bayern-united/index.html#rankings> Accessed: 11 October 2012.

Demil, B. & Lecocq, X. 2010. *Business model evolution towards a dynamic consistency view of strategy*. Lille: IESEG School of Management.

DeSchraver, T. 2009. Recession emerges as formidable foe for college sports. *Phi Kappa Phi Forum*, **89**, 14-16.

Dhurup, M. 2010. Motivational variables that influence fan attendance in domestic rugby matches. *African Journal for Physical, Health Education, Recreation and Dance*, **16**(2), 204-220.

Dolles, H. & Söderman, S. 2013. The network of value captures in football club management: A framework to develop and analyze competitive advantage in professional team sports. In Söderman, S. & Dolles, H. (eds.), *Handbook of research on sport and business*, 367-395. Cheltenham: Edward Elgar.

Euchner, C.C. 1993. *Playing the field: Why sport teams move and cities fight to keep them*. Baltimore, MD: Johns Hopkins University Press.

Ferrand, A. & Pages, M. 1999. Image management in sport organisations: The creation of value. *European Journal of Marketing*, **33**(3) 387-402.

Ferrand, A., Chappelet, J.L. & Séguin, B. 2012. *Olympic marketing*. London: Routledge.

Forster, J. 2006. Global sports organisations and their governance. *Corporate Governance*, **6**(1), 72-83.

Gilmore, S. & Gilson, C. 2007. Finding form: Elite sports and the business of change. *Journal of Organisational Change Management*, **20**(3), 409-428.

Glaser, B.G. & Strauss, A.L. 1967. *The discovery of grounded theory: Strategies for qualitative research*. Chicago, IL: Aldine.

Goldman, M.M. 2011. Post-crises sport marketing business model shifts. *Managing Global Transitions*, **9**(2), 171-184.

Gomez, S., Kase, K. & Urrutia, I. 2010. *Value creation and sport management*. [Online] Available: http://assets.cambridge.org/97805211/99230/excerpt/9780521199230_excerpt.pdf Accessed: 12 October 2014.

Hamel, G. 2000. *Leading the revolution*. New York, NY: Plume.

Hanin, Y.L. 2007. Emotions in sport: Current issues and perspectives. In Tenenbaum, G. & Eklund, R.C. (eds.), *Handbook of sport psychology*, 31-58. 3rd edition. Hoboken, NJ: John Wiley & Sons.

- Harris, L.C. & Jenkins, H. 2001. Planning the future of rugby union: A study of the planning activities of UK rugby clubs. *Marketing Intelligence and Planning*, **19**(2), 112-124.
- Hinch, T. & Higham, J. 2005. Sport, tourism, and authenticity. *European Sport Management Quarterly*, **5**, 243-256.
- Howard, H. 1998. *The explosion of the business of sports in the United States*. [Online] Available: <http://www.unc.edu/~andrewsr/int092/howard.html> Accessed: 12 October 2012.
- Johnson, M.W., Christensen, C.M. & Kagermann, H. 1996. Reinventing your business model. *Harvard Business Review*, November-December, 57–68.
- Kase, K., Gomez, S., Urrutia, I., Opazo, M. & Marti, C. 2006. *Real Madrid – Barcelona: Business strategy v. sports strategy, 2000-2006*. Navarra: IESE Business School.
- Li, M., Hofacre, S. & Mahony, D. 2001. *Economics of sport*. Morgantown, WV: Fitness Information Technology.
- Lichtman, M. & Tech, V. 2013. *Qualitative research in education: A user's guide*. 3rd edition. Thousand Oaks, CA: SAGE Publications.
- Magretta, J. 2002. *Why business models matter*. *Harvard Business Review*, May, 86-92.
- Mahan, J.E., Drayer, J. & Sparvero, E. 2012. Gambling and fantasy: An examination of the influence on fan attitudes and behaviors. *Sport Marketing Quarterly*, **21**, 159-169.
- Mailonline*. 2012. We'll keep splashing the cash on stars, vows Gill despite Man United's lacklustre start on New York Stock Exchange. [Online] Available: <http://www.dailymail.co.uk/sport/football/article-2186906/Manchester-United-spending-players-says-David-Gill.html?ITO=1490> Accessed: 13 October 2012.
- Martin, P.Y. & Turner, B.A. 2006. Grounded theory and organizational research. In Johnson, P. & Clark, M. (eds.), *Business and Management Research Methodologies*, 352-368. 3rd edition. London: SAGE Publications.
- Mason, D.S. 1999. What is the sports product and who buys it? The marketing of professional sports leagues. *European Journal of Marketing*, **33**, 402-418.
- McGaughey, S.L. & Liesch, P.W. 2002. The global sports-media nexus: Reflections on the 'Super League Saga' in Australia. *Journal of Management Studies*, **39**(3), 383-416.
- McNamara, P., Peck, S.I. & Sasson, A. 2011. *Competing business models, value creation and appropriation in English football*. Elsevier: Long Range Planning.
- Meenaghan, T. 2001. Understanding sponsorship effects. *Psychology and Marketing*, **18**, February, 95-122.

- Miles, M.B. & Huberman, A.M. 1994. *Qualitative data analysis: An expanded sourcebook*. 2nd edition. Thousand Oaks, CA: SAGE Publications.
- Morgan, M. 2002. Optimizing the structure of elite competitions in professional sport: Lessons from rugby union. *Managing Leisure*, **7**, 41-60.
- Obel, C. 2010. Club versus country in rugby union: Tensions in an exceptional New Zealand system. *Soccer & Society*, **11**(4), 442-460.
- Osterwalder, A. & Pigneur, Y. 2010. *Business model generation*. Hoboken, NJ: John Wiley & Sons.
- Osterwalder, A., Pigneur, Y. & Tucci, C.L. 2005. Clarifying business models: Origins, present, and future of the concept. *Communications of the Association for Information Systems*, May, 15.
- Otago Rugby Football Union. 2012. *Circular to clubs & schools: Circular 2012/13*. [Online] Available: www.orfu.co.nz/uploadGallery/Feb%20Mar%202012.pdf Accessed: 12 October 2012.
- Parent, M.M. & Harvey, J. 2009. Towards a management model for sport and physical activity community-based partnerships. *European Sport Management Quarterly*, **9**(1), 23-45.
- Parks, J., Quarterman, J. & Thibault, L. 2011. Managing sport in the 21st century. In Pedersen, P., Parks, J., Quarterman, J. & Thibault, L. (eds.), *Contemporary sport management*, 5-27. 4th edition.ampaign, IL: Human Kinetics.
- Payne, M. 1996. *Sport organisation marketing*. Paper presented at the European Master in Sport Organisation Management Research Seminar, Lausanne, 13 December.
- Pickton, D.W. & Wright, S. 1998. What's swot in strategic analysis? *Strategic Change*, **7**, 101-109.
- Pons, F., Mourali, M. & Nyeck, S. 2006. Consumer orientation towards sporting events: Scale development and validation. *Journal of Service Research*, **8**, 276-287.
- Porter, M.E. 1985. *Competitive advantage: creating and sustaining superior performance*. New York: Free Press.
- Radicchi, E. 2011. *Business models in a new media context: Comparing four US-based sport leagues*. [Online] Available: <http://www.eng.sinergiejournal.it/rivista/index.php/ds/article/view/534> Accessed: 23 April 2013.
- Richelieu, A. & Pons, F. 2005. Reconciling managers' strategic vision with fans' expectations. *International Journal of Sports Marketing & Sponsorship*, **6**, 150-163.
- Santos, J.M.S., Dopico, J. & Castellanos, P. 2012. Playing success and local market size in Spanish football league: Can small cities dream of winning teams. *Journal of Quantitative Analysis in Sports*, **8**(2), 1-23.
- Shafer, S.M., Smith, H.J. & Linder, J.C. 2005. The power of business models. *Business Horizons*, **48**, 199-207.

Shilbury, D., Quick, S. & Westerbeek, H. 1998. *Strategic sport marketing*. Sydney: Allen and Unwin.

Small, W. 2014. *Boland Rugby Unie: Hoof uitvoerende beampte operasionele verslag vir die 2013 seisoen en finansiële jaar*. 27 Februarie.

Smith, A.C.T. 2008. *Introduction to sport marketing*. Sydney: Elsevier.

Sport24. 2014a. *SARU: Boland Rugby clean*, 29 September. [Online] Available: <http://www.sport24.co.za/Rugby/SARU-Boland-club-rugby-clean-20140929> Accessed: 10 November 2014.

Sport24. 2014b. *Boland coach faked qualifications*, 16 September. [Online] Available: <http://www.sport24.co.za/Rugby/Boland-coach-faked-qualifications-20140916> Accessed: 10 November 2014.

SportBusiness. 2012. *Gazidis backs sustainable approach as Arsenal profits rocket*. 28 September. [Online] Available: <http://www.sportbusiness.com/news/186387/gazidis-backs-sustainable-approach-as-arsenal-profits-rocket> Accessed: 10 October 2012.

Teece, D.J. 2010. Business models, business strategy and innovation. *Long Range Planning*, **43**, 172-194.

Trail, G.T., Anderson, D.F. & Fink, J.S. 2003. Sport spectator consumption behaviour. *Sport Marketing Quarterly*, **12**(1), 8-17

Tsiotsou, R. 2011. A stakeholder approach to international and national sport sponsorship. *Journal of Business and Industrial Marketing*, **26**(8), 557-565.

Turner, B.A. 2006. Some practical aspects of qualitative data analysis: One way of organising the cognitive processes associated with the generation of grounded theory. In Johnson, P. & Clark, M. (eds.), *Business and management research methodologies*, 333-351. 3rd edition, London: SAGE Publications.

Vargo, S.L. 2008. Customer integration and value creation: Paradigmatic traps and perspectives. *Journal of Service Research*, **11**, 211-215.

Vargo, S.L. & Lusch, R.F. 2004. Evolving to a new dominant logic for marketing. *Journal of Marketing*, **68**(1), 1-17.

Ward, S. 2010. *What alternative business models exist in the organisation of professional football clubs?* [Online] Available: <http://www.ribm.mmu.ac.uk/symposium2010/extendedabstracts/Ward,%20Sara.pdf> Accessed: 23 January 2014.

Whannel, G. 1992. *Fields in vision: Television sport and cultural transformation*. London: Routledge.

Whitney, C. 2011. *Why the emergence of a rivalry between Bayern Munich & Borussia Dortmund is essential to the revival of German football*. [Online] Available: <http://www.goal.com/en/news/1717/editorial/2011/11/19/2762177/why-the-emergence-of-a-rivalry-between-bayern-munich> Accessed: 15 October 2012.

Wilkesmann, U. & Blutner, D. 2000. Going public: The organizational restructuring of German football clubs. *Soccer and Society*, **3**(2), 19-37.

Williams, D. 2004. SA sports: No pain, no gain. *Financial Mail*, 13 February, 18-19.

Woratschek, H. & Schafmeister, G. 2005. New business models for the analysis of sport organisations. [Online] Available: http://www.fwi.uni-bayreuth.de/de/download/WP_05-05.pdf Accessed: 25 January 2014.

Woratschek, H., Horbel, C. & Popp, B. 2014. The sport value framework: A new fundamental logic for analyses in sport management. *European Sport Management Quarterly*, **14**(1), 6-24.

Yoshida, M., James, J.D. & Cronin, J.J. 2013. Sport event innovativeness: Conceptualization, measurement, and its impact on consumer behavior. *Sport Management Review*, **16**, 68-84.

Zott, C., Amit, R. & Massa, L. 2010. The business model: Theoretical roots, recent developments, and future research. [Online] Available: www.iese.edu/research/pdfs/DI-0862-E.pdf Accessed: 4 January 2013.

APPENDIX A: QUESTIONNAIRE

QUESTION 1:

CUSTOMER SEGMENTS
Grouped based on common needs, behaviours, offerings, distribution channels, relationship types, profitability or other attributes.
<ul style="list-style-type: none"> • For whom are you creating value? • Who are your most important customers?

QUESTION 2:

VALUE PROPOSITION
The reason why customers turn to one company over another – qualitative and/or quantitative
<ul style="list-style-type: none"> • What value do you deliver to your customer? • What bundles of services and products are you offering to your customers? • What customer needs are you satisfying? • What makes you different and/or unique?

QUESTION 3:

CHANNELS
Channels raises awareness about offerings, allow customers to purchase products or services, deliver a value proposition to customers, and provide post-purchase customer support.
Customers can be reached through a company's own channels, through partner channels, or through a mix of both.
<ul style="list-style-type: none"> • How do you raise awareness about your company's products and services? • How do you help customers evaluate your organisation value proposition? • How do you allow customers to purchase specific products and services? • How do you provide post-purchase customer support? <hr style="border-top: 1px dashed black;"/> <ul style="list-style-type: none"> • How are you reaching customers? • Through what channels do your customer segments want to be reached? • How are your channels integrated? • Which of your channels work the best? • Which of your channels are most cost-effective? • How are you integrating them with customers routines?

QUESTION 4:**CUSTOMER RELATIONSHIPS**

Customer relationships can be in the form of personal assistance, dedicated personal assistance, self-service, automated services, communities or co creation.

- What type of relationship does each of your customers expect to establish and maintain with them?
- Which relationships have you established?
- How many of them are integrated with the rest of your business model?
- How costly are they?

QUESTION 5:**REVENUE STREAMS**

Each revenue stream may have different pricing mechanisms, such as fixed pricelists, bargaining, auctioning, market dependant, volume dependant, or yield management.

Transaction revenues through one-time payments and/or recurring payments

- For what value are your customers really willing to pay?
- For what value are they currently paying?
- How are they currently paying?
- How would they prefer to pay?
- How much do each revenue stream contribute to your overall revenues?

QUESTION 6:**KEY RESOURCES**

These resources allow an enterprise to create and offer a value proposition, reach markets, maintain relationships with customer segments, and also earn revenues.

Can be financial, physical, intellectual or human – owned by the company or acquired from key partners.

- What key resources do your value proposition require?
- What key resources do your distribution channels require?
- What key resources do your customer relationships require?
- What key resources do your revenue streams require?

QUESTION 7:

KEY ACTIVITIES
Key activities can be categorised into production, problem solving or networks/platforms.
<ul style="list-style-type: none"> • What key activities do your value proposition require? • Your distribution channels? • Your customer relationships? • Your revenue streams?

QUESTION 8:

KEY PARTNERS
Key partners can be different types of partnerships (strategic alliances, coopetition, joint ventures, or buyers-supplier relationships) or be a motivation to form partnerships (optimising and economy of scale, reducing risk and uncertainty, acquisition of particular resources or activities).
<ul style="list-style-type: none"> • Who are your key partners? • Who are your key suppliers? • Which key resources are you acquiring from partners? • Which key activities are key partners performing?

QUESTION 9:

COST STRUCTURE
Cost-driven or value-driven cost structures
<ul style="list-style-type: none"> • What the most important costs inherent in your business model? • Which key resources are most expensive? • Which key activities are most expensive?

QUESTION 10:

Which of these building blocks/interactions between blocks bring you strategic differentiation from your competitors?

QUESTION 11:

How often do you evaluate and/or transform your business model?

QUESTION 12:

Do you use any strategic frameworks to measure your external environment in order to adapt your strategy?

QUESTION 13:

Evaluate external environment:

- What are your industry trends and opportunities?
- What are your competitor's trends, threats and opportunities?
- What are your customer and/or market trends and opportunities?

(Use SWOT and Porter's five forces frameworks)

APPENDIX B: INTERVIEW ONE

QUESTION 1:

Dit is eintlik maar die klubs. Ons het min of meer 260 klubs wat aan ons geaffilieer is – hulle is eintlik ons kliënt. Net om miskien vir jou 'n prentjie te gee, ons bestaan uit 'n maatskappy en 'n unie. Die maatskappy is die professionele span – die onder 19's en die onder 21's, en almal wat met hulle te doen het – die afrigters, die spanbestuurders, die fisioterapeut al daai goed. Jou unie is jou ontwikkelings kant – daar is dit die klubs en alle dienste wat ons vir hulle lewer. In die unie het ons se maar vier afdelings – vroue rugby, skole rugby, klub rugby en streek rugby. Klub en streke redelik naby aan mekaar. Dit gaan maar oor die ontwikkeling wat jy moet doen, en die projekte wat jy moet doen.

Dit is basies uitgesit deur SA Rugby, want in elke unie is dit maar dieselfde?

Ja dit is maar dieselfde in elke unie, jy het die ontwikkelings en professionele kant.

Julle het baie betrokkenheid by skole?

Ja ons het.

Die mense wat julle by julle wedstryde kry is maar die getroue Boland ondersteuners deur die jare?

Dit is korrek ja.

QUESTION 2:

Alles word basies uit die kantoor gedoen, daarso sal ons ontwikkelings bestuurder vir jou beter kan verduidelik, hy is hoof van ontwikkeling. Wat ons vir die klubs elke naweek doen – ons reël elke naweek se wedstryde, skeidsregters, alles wat hulle nodig het om die wedstryd te laat plaasvind. En dan ook het ons die “Boksmart” program (daar sal ons ontwikkelings bestuurder vir jou kan sê), en noodhulprogramme, 'n bietjie administrasie en finansies waar hulle na die klubs toe uitgaan om vir hulle ook te help om 'n klub reg te bestuur en administreer, en om aan al die vereistes te voldoen vir n wedstryd. So dit is maar basies opleiding wil ek amper sê, ontwikkeling en dan gee ons ook vir hulle elke jaar balle, ons het vanjaar 'n kaartstelsel ingebring wat ook maar eintlik van SA Rugby af gekom het – dit was vanjaar 'n baie groot uitgawe vir ons. Elke speler het 'n kaart gekry waarop al sy inligting is, en jy moet 'n kaart hê om te kan speel. As hy dan oorgeplaas word, dis eintlik maar om beter kontrole te hou oor die spelers – alles is gelaai op die kaart, al die inligting. Jy moet met ons ontwikkelings bestuurder gesels, hy sal vir jou baie goeie inligting kan gee oor al die ontwikkeling. En in die skole, daar is baie druk om ontwikkeling van vroue rugby te

doen. Ons het al die jare net 'n onder 18 (dink ek) skole meisies span gehad, maar vanjaar is daar onder 16 en onder 18 spanne, en dan die volwasse vroue span. SA Rugby druk nogals hard vir dit – daar is ongelooflike baie dae aangebied en daar is baie aan sewes rugby toernooie deelgeneem – so daar gaan nogals baie in vroue rugby in. En skole, die hoof toernooi is mos maar die Craven week, en die oloop daarvan is maar die proewe en ontwikkeling, en die kies van die spanne.

QUESTION 3:

Nota ontwikkelings bestuurder – ek dink dit is die laaste twee jaar – kyk Boland se area is baie groot, en dit is baie moeilik om by almal uit te kom. Ons het streke gestig om dit makliker te maak om by almal uit te kom – en ons doen baie in die streke.

Ons het ongelooflik baie kostes aangegaan want gewoonlik bied jy 'n projek in 'n gekose plek aan, en almal moet daar kan uitkom, en ons moes die vervoer betaal. Ons het altyd baie geld hierop gespandeer, en vanjaar kan ons werklik die verskil sien van die voordeel van die streke, want elke streek het 'n streek koördineerder, en hy doen alles in daardie streek en hy beplan goed in die streek. Hulle speel proewe, en elkeen gee hulle top spelers daar en uit dit stel hulle dan hul span saam. Vanaf skole en vroue rugby, almal kies eers hul spanne in die streke om te verhoed dat jy die enorme klomp kostes het om almal by een punt uit te kom.

Is die koördineerders vrywilligers?

Nie noodwendig nie. Vanjaar (ons wil dit volgende jaar verander) het hulle uit die uitvoerende bestuur uit 'n lid aan elke streek toegewys, waarvoor hulle dan verantwoordelik is. Ons wil volgende jaar daarna kyk om eerder iemand wat binne die klub is meer van die verantwoordelikhede gee – gesels met ons ontwikkelings bestuurder hieroor.

Die toeskouers wat wedstryde kom kyk hierso, is daar enige spesifieke pakette wat julle aan hulle bied, of waarna julle kyk, ten opsigte van kaartjieverkope? Een van jul kliënt segmente is tog sekerlik borgskappe?

Kyk ABSA is 'n borg van SA Rugby se Currie Beker wedstryde. So hulle het volgens hul kontrak voordele, soos kaartjies wat hulle vernuut kry. Vir buite mense wat nie borge is nie, kry hulle 'n advertensiebord teen die veld of op die klere. Mense wat kom kyk, in die Vodacom reeks het ons skop kompetisies gedurende wedstryde gehad.

Integrasie met die streeksisteem, werk dit?

Die integrasie binne die streke werk werklik effektief, dit was 'n baie goeie idee gewees.

Is dit koste effektief?

Ja, die vervoerkostes het omtrent helfde minder geword vir ontwikkeling. Dit is 'n wye afstand en om almal hiernatoe te bring is werklik duur.

QUESTION 4:

Ons het baie politiek binne die klubs, en ons het op hierdie stadium 'n probleem met ons beeld daar buite, en ons lok glad nie meer mense na ons wedstryde toe nie, daar kom 167 mense op 'n Saterdag, en daar sal 'n intensiewe plan moet uitgewerk word om weer bietjie mense weer terug te kry by ons wedstryde. By ons klubwedstryde sit die mense die stadions vol, en ons kan nie almal huisves nie – hulle kom ondersteun hulle klubs, ongelooflike ondersteuning. Hulle trek met busse in. Maar wanneer ons klubs speel is dit glad nie dieselfde nie.

Is dit iets wat verander het van vroeër jare?

Dit het, ons het definitief meer ondersteuners gehad. Ons het in die laaste ses jaar deur 'n tydperk gegaan waar dit meer interne goed is wat ons beeld beïnvloed, en dit het te doen gehad met die bestuur wat hier was, en hulle bestuurstyl en besluite wat ons regtig skade gedoen het, so ons sukkel om, ek moet vir jou sê die hoeveelheid kaartjies wat ons net weggee om mense by ons wedstryde te kry is baie meer as wat ons verkoop. Daai is 'n probleem waaroor ons baie praat, en ons gaan werklik 'n poging moet insit om die vertroue van die mense terug te kry in Boland.

So sou jy sê dat jou kliënte segmente is iets wat mens dalk moet heroorweeg sodat jou mense weer na die wedstryde terug moet kom, al is dit nie 'n groot deel van jou inkomste nie, maar nogsteeds daardie ondersteuning is iets waaraan aandag gegee moet word?

Wanneer die mense hulle klubs ondersteun is hulle honger vir rugby, maar die probleem is die vertrouens verhouding is seergemaak – mens moet kyk om jou klub wedstryde of skool wedstryde, skole wedstryde lok weer baie ouers en familie – mens sal moet probeer om dit te moet integreer met jou wedstryde wat jou Kavaliers speel om weer die mense hier te kry. Daar sal moet 'n hele plan opgetrek word – dit gaan baie oor die beeld daarbuite.

Dit is nie 'n unieke probleem nie?

Nee, om jou 'n idee te gee, ons het 'n rukkie gelede 'n vergadering met WP gehad, en dit is werklik skrikwekkend die invloed wat televisie wedstryde het op hulle, hulle speel wel in 'n ander liga waar hul wedstryde almal uitgesaai word, maar hulle sukkel om hul losies of sitplekke te verkoop. As jy kyk, daar is tye waar daardie stadion leeg is, dit is makliker en veiliger vir mense om die wedstryde by die huis te kyk. Dit raak nie net vir ons nie, wat heeltemal 'n ander probleem het as hulle nie, maar dit raak 'n probleem vir alle unies in Suid Afrika om hul stadions te vul.

Dit is iets waaraan SARU moontlik sal sal moet help?

Ja, dit is iets wat 'n unie nie alleen kan doen nie. Daai is nie werklik ons probleem nie, ons probleem is meer met ons beeld. Maar ek weet die groter unies kla dat hulle kry nie hulle stadions vol nie, dit is makliker om die rugby by die huis te kyk.

QUESTION 5:

Basies al ons geld kom van SARU af. Ons hekgelde is nie eers 'n persent van ons inkomste nie. Aan die maatskappy se kant af kom die uitsaaieregte se geld wat onderverdeel word onder die unies, en dan ook vir elke wegwedstryd wat jy speel kry jy 'n vervoer subsidie. Ons het op hierdie stadium glad nie 'n borg aan die maatskappy se kant nie. Verlede jaar het ons borg klaargemaak, en dit help nogals baie om natuurlik 'n borg te hê vir die maatskappy. Aan die unie se kant betaal jou klubs bietjie affiliasie gelde, maar dit is minimaal. Daar is ons hoofinkomste – aan die begin van elke jaar dien ons 'n ontwikkelings voorstel in vir watter toernooie jy wil aanbied – ons groot toernooie wat ons jaarliks aanbied is die visfabrieke toernooi, en dit is netbal en rugby, en hierdie jaar is daar nou sokker ook by. Dit is uit-en-uit ontwikkeling wat gedoen word in die weskus.

Wel dit is kliënte verhoudings ook?

Ja dit is uniek aan ons, die visfabrieke toernooi, wat nogals groot geraak het oor die jare, en dan doen jy maar weer aan die einde van hierdie jaar weer aansoek vir die aanbied van toernooi, of dit nou is die subunie toernooi, amateur toernooi, of een of ander skolespan, Craven week span, of sewes span. As jy dit kry, kry jy 'n groot toekenning van SARU, so dit kos ook maar vir jou want jy moet die span stuur en jy moet self ook maar daarby bylas. Maar vir die ontwikkeling self, afgesien van die toernooie, daar dien ons ontwikkelings bestuurder 'n voorstel in van dit wat hulle beplan om te doen in vroue rugby, dit is wat hulle beplan in die klubs, in die streke, en dan daarvolgens kry jy jou geld.

Is dit iets wat julle elke jaar moet doen, of is dit 5-jaarliks?

Nee dit is iets wat ons elke jaar moet doen. En die gelde word ook nie, in die verlede het die hele bedrag geld aan die begin van die jaar gekry, maar nou kry jy die geld in paaielemente, met 'n klein bedrag aan die begin en dan moet jy elke keer 'n verslag instuur wat het jy nou al gedoen, en as jy nie gedoen het dit wat jy alles gesê het nie dan kry jy nie jou res nie. Dit is 'n goeie ding want unies het die geld eintlik, ek wil nie sê misbruik nie, maar dit gaan in ander strome in as wat dit voor was. En dit is maar ons hoofinkomste aan die unie kant. By toernooie is daar bietjie hekgelde maar dit is regtig minimaal.

Hoe betaal hulle – jy het nou self verduidelik hulle betaal in fases?

Ontwikkeling is in fases, as jy gekeur word om 'n toernooi aan te bied, dan kry jy so omtrent maand voor die tyd die toernooigeld om die voorbereiding en die depositos te betaal. En uitsaairegte wat opgedeel word in 'n maandelikse paalement, en vervoer subsidie is maar in die begin van die jaar kry jy die Vodacom Beker se subsidie, en dan in die middel van die jaar kry jy die Currie Beker se vervoer subsidie.

As klubs vir julle betaal is dit direk in julle rekening in?

Baie klubs betaal kontant, maar ja daar is van hulle wat in die rekening betaal.

Is dit so dat hulle ook in fases kan betaal, of is hulle betaling alles eenmalig?

Nee hulle kry nogals redelik grasie, ons probeer gewoonlik in Februarie bepaal wat hulle in 'n jaar moet betaal, en dit word na hulle toe uitgestuur wat hulle moet betaal. Daar is van hulle van nog moet betaal, maar dit maak hier na einde Oktober toe maak dit klaar, en dan moet hulle klaar betaal. Wat ons doen indien 'n klub in die kwarteindstryd of uitspeelwedstryde moet speel, en sy klubgelde is nog nie betaal nie, dan mag hy nie deelneem nie, net om 'n manier te kry om hulle te maak betaal.

Is daar 'n inkomstestroom wat ons uitgelaat het?

Nee, soos ek sê as jy 'n borg het is dit 'n ander saak, maar op hierdie stadium is SA Rugby ons enigste borg wat verantwoordelik is vir 95% van ons inkomste, as dit nie 99% is nie.

As julle 'n borg sou hê, soos in die verlede, wat is die tipiese goed waarvoor julle die borggelde sou gebruik het?

Die borge wat ons gehad het is meestal vir jou professionele kant, die maatskappy kant. Die twee gaan maar baie hand aan hand, ons borg wat ons laas gehad het was maar meestal vir die Kavaliers, dit is meestal gemik op jou professionele kant.

Beter spelers, met beter salarisse?

Ja jy kan seker sê vir beter salarisse.

Jy kan jou groep vergroot, en jou spelers tog beter betaal?

Ja, waarna ons nou kyk is om 'n aparte borg te kry vir ons stadion, ons het regtig dit nodig. Daar is sekere regulasies wat verander het waaraan jou stadion moet voldoen, en so aan. WP Rugby sit met dieselfde probleem. Ons het nou nogal koppe bymekaar gesit, en gesê miskien ons moet eintlik 'n stadion borg kry waarvoor jy die geld kan gebruik net vir dit. Die stadion kan jy vernoem na die borg. Jy kry 'n stadion borg, en jy skei dit van ander borgskap gelde.

Veiligheid raak al meer van 'n risiko?

Dit is so. Ons moet nou vir elke wedstryd, waar jy in die begin van die jaar aansoek gedoen het om wedstryde aan te bied vir die hele jaar, moet jy nou vir elke wedstryd aansoek doen om dit aan te bied. Dit raak 'n probleem, en ons gaan iets moet doen sodat ons net weer aan die begin van die jaar aansoek hoef te doen.

QUESTION 6:

Is maar personeel, en jou stadion en kapitaal.

Verder doen SARU die werk met die uitsaaieregte?

Ja, dit het niks met ons te doen nie.

Enige spesifieke personeel wat jy voel is werklik belangrik?

Ons ontwikkeling is baie belangrik – daar moet 'n persoon wees wat dit kan saamvat want dit is 'n baie groot area, dit is eintlik jou unie. Jou klub bestuurder en personeel, aangesien ons verskriklik baie klubs het, en om alles daar in plek en gestruktureerd te hou is belangrik. Aan jou maatskappy se kant is dit jou spelers en ondersteuningspan.

QUESTION 7:

Reeds vasgevang in die vorige vrae

QUESTION 8:

SARU en die klubs.

Iets wat ons reeds geïdentifiseer het waar daar 'n gaping is, is binne die gemeenskap, want daar kan ook vennote wees. En dan ook borgskappe?

Ja

QUESTION 9:

Soos ons reeds bespreek het – julle kry geld wat spesifiek toegepas moet word. Is daar buiten dit enige ander kostes wat deurlopend is?

By die maatskappy – heel grootste uitgawe is spelers kontrakte; tipiese wedstryde kostes, weg is dit vervoer en verblyf. By tuis wedstryde is ons grootste koste noodhulp en sekuriteit. Dit is ons grootste uitgawes.

Werk julle nou saam met die polisie?

Die polisie is op bystand, maar ons kry 'n sekuriteits maatskappy wat die sekuriteit doen by elke wedstryd. Maar die polisie is op bystand indien ons hulle benodig. Maar soos ek sê die grootste uitgawe is die noodhulp. En dan in jou ondersteuningspan het ons maar ons afrigters, hulpafrigters, spanbestuurders, dokter, en jou noodhulp is apart van jou span, jy moet 'n stadion dokter hê, indien daar iets verkeerd gaan. Noodhulp is gefokus op die mense op die veld en hulle mag nie met mekaar inmeng nie. Dan is daar die fisioterapeut wat permanent by die span is, en ook die kondisionering. Aan ons unie se kant het ons die bestuurder met sy assistent, afgesien van die mense wat in die streke werk. Die ontwikkeling bestuurder het sy persoonlike assistent, en dan sy grondvlakafrigters wat die werk binne die streke gaan doen. Die streek mense is eintlik nog onder dit, en hulle kry 'n toelaag. Dan is daar klubontwikkeling, daar is dit die ontwikkeling van skeidsregters, en daar kry jy jou bestuurder met twee persone onder dit, en dan het jy finansies, en jou hoof uitvoerende beampste en kantoor personeel.

Dit is waar tipies die meeste van jou uitgawes lê?

Ja, en dan jou stadion, en dit is baie gebonde aan wat fout gaan en wat breek. Ons moes nou in ons vorige jaar 'n groot deel van die sitplekke vervang het. Elke jaar verskillende goed, maar dit maar deurlopend is dit maar jou onderhoud. Vanjaar was 'n baie groot uitgawe by die klubs die kaartstelsel, eenmalige uitgawe. Nou wat dit op is, gaan jy net 'n jaarlikse lisensiegeld aan die besigheid betaal wat dit doen.

Is die kaartstelsel uniek aan Boland?

Nee, word reg deur SA gedoen, en baie klubs is daarop. En ja, Boland moes hiervoor betaal. Ander uitgawes is tipies maar met die hou van toernooie, operasionale kostes. Ontwikkeling is 'n in-en-uit bedrag, SARU kan dit doen, en dan word dit spandeer. Dit wat nie 'n in-en-uit is nie, is maar jou salarisse en daai tipe van kostes. Bedryfskoste om jou stadion aan die gang te hou, en jou kantore aan die gang te hou.

QUESTION 10:

Uniek is die groot streek, en hoe julle te werk gaan om dit bymekaar te hou?

Ja, ek glo is al die unies is baie dieselfde. Maar Boland se streek is die grootste, so ons het ander uitdagings daar as wat ander unies het.

QUESTION 11:

Definitief ja, daar word baie daarvoor gepraat. Ons is ook besig om daarvoor te praat hoe ons ons beeld daarbuite kan verbeter, dit is 'n sneeubal effek, want as jou beeld sleg is sukkel jy om jou gemeenskap se belangstelling te kry.

QUESTION 12:

Ja ons doen nogals – ons bemarkings en ontwikkelings bestuurders doen baie van die werk.

QUESTION 13:

Sterkpunte – omdat ons baie klubs het, hulle is honger vir ontwikkeling en vir geleenthede, en as jy alles kan regkry, kan jy eintlik iets regkry, die potensiaal is daar. Mens moer die klubs meer geleenthede gee. Binne ons klubs kan dit 'n groot sterkpunt wees.

Negatiewe – daar is baie interne politiek. Dit beïnvloed jou borgskappe, wie gaan jou borg, en dit doen ons finansiële skade aan. Miskien oor drie of vier jaar is dit uit gesorteer. Dit is 'n kwelpunt.

APPENDIX C: INTERVIEW TWO

QUESTION 1:

Ek het maar gedink die rugby ondersteuners, die Boland gemeenskap, alle klasse eintlik, want elke tipe mens, dit geld vir mans, vrouens, kinders, skole, veral in die boland, of in ons geval net in die Boland, ons klubs, hy is nogals 'n groot een, media, waarmee ek baie werk, en dan die borge en partners.

Soos ek opgetel het, die klubs is nogals 'n belangrike segment, voorgesê deur SA rugby, jy moet kyk na die klubs binne jou omgewing. Dink jy daar is 'n groot verskil tussen die mense wat na die klubwedstryde toe gaan as die wat hiernatoe kom?

Dit is moeilik om te sê, weet jy dat sommige van die klub wedstryde word beter ondersteun as die provinsiale span. Dit is waarmee ons nou besig is, is die finale, en dit is ook waar ons jaarliks die meeste van ons hekgelde maak, en dan ook wanneer ons in die begin van die jaar ons vriendskaplike wedstryd teen die Stormers speel. Die Stormers lok natuurlik ook mense. Maar ek sal sê oor die algemeen teiken ons maar dieselfde mense, ek dink die doelwit is om die ouens wat die klubs so goed ondersteun ook hier te kry, en dit is moeilik, want die afstand is maar moeilik, en selfs die naby ouens is maar moeilik.

Dink jy dit het verander die laas klompie jaar met die A en die B liga in die Currie Beker, het dit 'n invloed. Jy gaan natuurlik beter spelers hê in jou A liga wedstryde. Dink jy dit is maar finansiële en afstand uitdagings wat al hoe groter rol begin speel, of is dit 'n kombinasie van faktore, wat maak dat mense nie na wedstryde toe kom nie, of is dit 'n waardepropossie wat nie verkoop word nie?

Ja dit is definitief, ek is al vier jaar hier en ek was voor dit vir vier jaar by die plaaslike koerant waartydens ek ook nou met die unie saamgewerk het. In daai tydperk, was dit die tydperk toe ons in die premierliga gespeel het teen die WP en die Blou Bulle, en ek onthou ek was een wedstryd hier toe ons Currie Beker teen die Blou Bulle gespeel het, en die stadion was vol gewees. Ek dink toe ons eerste liga toe gegaan het, het dit 'n groot verskil gemaak. Veral die Currie Beker wedstryde word nie goed ondersteun nie, ek sê altyd vir myself dat 80% van die mense is vriende en familie van die spelers op die veld, en dan die res is maar net wat kom vir die rugby, vir die atmosfeer. Maar die getalle het definitief afgeneem, maar onthou 'n groot faktor is dat as die wedstryde op die televisie is, dan sit die ou eerder by sy eie huis, hy betaal niks vir dit nie.

Julle wedstryde is baie deesdae op 'n vrydagmiddag, wat beteken mense is nog by die werk?

Ja dit ook, maar selfs hierdie jaar het ons baie wedstryde op saterdag gespeel, was dit ook moeilik gewees. Dan kompeteer jy teen ander wedstryde, en die ou besluit kyk ek eerder by die huis as wat ek geld uitgee om hier te kom kyk. Die ander groot ding wat ek vir jou kan sê is, ons het die Vodacom beker en die Currie Beker. Die Vodacom Beker in die begin van die jaar speel ons teen die groter name, teen die WP, Haaie, teen die Vrystaat, dit is Super Rugby tyd so hulle spanne is ook maar uitgedun. Wat ons in die Vodacom Beker doen, dit is eintlik 'n SARU inisiatief of voorwaarde, is ons vat van die Vodacom Beker wedstryde na die gemeenskap toe en daardie wedstryde word baie goed geondersteun. En selfs al, in die Vodacom Beker, het ek al gedink as mens die groter wedstryde hier hou, word dit nie goed geondersteun nie. Ons het 'n wedstryd laasjaar en hierdie jaar in Ceres gehad en die stadion was stampvol.

Gaan daardie inkomste dan na die klub, of kry julle die inkomste?

Ons finansiële bestuurder sal beter kan sê. Daar is 'n prosedure wat jy moet volg met die plaaslike munisipaliteit, want kyk hier is soveel dorpe wat mens moet oorweeg, ons kyk maar waar die plaaslike munisipaliteit die wedstryd by jou sal koop, en natuurlik die geriewe het om die wedstryd te kan hou.

Sien julle SARU as 'n kliënt of 'n vennoot?

As jy dink die Currie Beker, dit is 'n SARU toernooi, in daardie sin van die woord is hulle seker 'n vennoot want jy sal nie borge kan inbring sonder daardie toernooi nie.

En jy is weer 'n kliënt van hulle?

Ja verseker, en kyk alle toernooie of dit nou die Craven week of die Akademie week is, of die interprovinsiale sewes, of die amateur toernooi of so, die kanaal waardeur jy beweeg is SARU. Die bestuur wat die toernooi aanbied word saamgestel uit die unie wat die toernooi aanbied en SARU, so jy werk baie nou saam met SARU met elke toernooi.

QUESTION 2:

Ek dink as mens na rugby in die groter prentjie kyk, dan is dit miskien om meer van 'n sielkundige vlak en is dit 'n mate van lojaliteit teenoor jou klub. Die passie van jou span, sport oor die algemeen bring mense na mekaar. In ons geval probeer jy terugploeg in jou klub, soos ons netnou genoem het, ons probeer die wedstryde terugneem na die klubs, seker daarvan hulle maak iets daaruit. Ons probeer 'n unieke atmosfeer skep, wat aantreklik is tot om meer mense te lok, dit is 'n plek vir gesonde kompetisie tussen spanne en ondersteuners, en 'n "sense of belonging", jy kan jouself "relate" tot jou span.

Dink jy dit is soms baie sterker by die klubs as by die unie, omdat dit 'n gemeenskap is, dit is Malmesbury teen Ceres, dit gaan nie noodwendig altyd oor dis Boland teen die Valke nie?

Ja verseker, ek beskou ook altyd, jy kan dit afbreek, Boland is soos die internasionale span, en die klubs is die provinsiale spanne vanuit 'n SA Rugby konteks. Die ouens is baie meer, en dit geld nou net vir ons unie ek kan nie vir ander unies praat nie, omdat ons soveel klubs het, die ouens is baie lojaal teenoor hul klubs. Ouens sal amper eerder sê ek is 'n Roses ondersteuner as 'n Boland ondersteuner, end ie ondersteuners is baie kompetend.

Watter bondel dienste lewer julle aan kliënte?

Ja daar is maar klomp goed wat deel is van die ooreenkoms. As dit byvoorbeeld 'n ABSA toernooi is, ons moet byvoorbeeld vir hulle 200 kaartjies gee vir elke wedstryd. Al die unies moet, jy gee hulle miskien toegang tot die presidentslosie.

Het julle lede?

Nee ons het nie. Ons het op 'n stadium agt losies gehad, en dit was jaar ooreenkoms gewees, en elke losie kan ongeveer 30 mense vat, dan sal die ou wat die losie besit dan mense nooi na die losie toe, met kaartjies vir elke wedstryd.

Het julle nog 'n losie by Nuweland waarheen julle jul klub president kan nooi?

Nee, maar ons bestuur kry uitnodigings na hulle presidentslosie toe, dit is maar gedurende Stormers wedstryde. En ook ons kry 200 algemene pawiljoen kaartjies vir elke Stormers wedstryd – dit is deel van 'n pakket. Ons het ook soms byvoorbeeld gesê dat as iemand 'n advertensiebord vat kan hy 'n paar Stormers kaartjie kry.

Daar is nie 'n aktiewe stelsel, wat meet wat doen julle reg en wat nie. Dit is baie moeilik met soveel klubs om terugvoering te kry?

Ek sal nie se dit is nog nooit genoem nie, maar dit sal wel help om te sien watter platform kan ek gebruik, wat ek dink is soms is 'n mens bang vir die antwoorde, as mens kyk wat staan in die koerante. Dit is definitief iets waarna ons moet kyk.

Wat sal jy sê maak julle uniek. Julle het 'n taak van SARU om werk te doen binne die gemeenskap, en dit word gedoen binne al die unies, maar wat sou jy se maak julle uniek of anderste vir wat julle kan bied vir die taak binne die gemeenskap?

Ek dink wat moeilik is, as ek kyk na die vraag, die rede hoekeom 'n kliënt een besigheid kies bo 'n ander, in hierdie geval is ons teikenmark Boland rugby ondersteuners, ons probeer nie WP rugby ondersteuners hierso kry nie. So as jy sou kyk na ander besighede, jy kompeteer met die

opposisie en jy probeer om hulle kliënte na jou toe te kry, deur beter diens en beter produkte. In ons geval ons het hierdie groot ondersteuningsgroep met wie ons moet werk om hulle hier te kry, en dis wyd versprei.

Kompeteer julle teen ander vorms van vermaak vir families op Saterdag?

Ja, ons kompeteer selfs teen die klubs, alhoewel ons probeer dat die klubwedstryde nie gespeel word op dae wanneer die wedstryde gespeel word nie.

Ek dink buiten die uitdagings wat daar is buite, is daar ook uitdagings vir rugby, want jou toeskouer getalle is nie unieke probleem by Boland rugby nie, dit is maar dieselfde wanneer jy George toe gaan in SWD of as jy Nuweland toe gaan en daar is maar 15000 mense. Ja daar is meer mense wat die rugby op die televisie kyk, maar daar is ook meer mense wat Saterdag op 'n wynplaas gaan sit vir vermaak?

Ja presies. Ons probeer 'n unieke rugby atmosfeer skep, wat soos jy nou sê, vergelyk met 'n wynplaas, dit gaan ook maar oor persoonlike smaak op die einde van die dag. Die vorige aandeelhouer het sy eie model probeer bou, en op meer as een geleentheid het ons mense wat opgetree het voor wedstryde, die probleem is die mense vra geld, nou gaan jy genoeg geld maak om dit te kan regverdig anderste gaan dit net vir jou 'n uitgawe wees. Dit het nie so goed gewerk nie, dis nou so drie jaar terug, maar ja dit hoef nie hierby te eindig nie. Ons probeer voorwedstryde reël wat ook mense sal lok, klubwedstryde, of selfs skole rugby, wat ons nou nie baie doen nie.

QUESTION 3:

As ons praat van dienste, verwys ons na wedstryde en produkte, as ons praat van unies ons het natuurlik ook "merchandise", ook truië wat jy verkoop, by ons natuurlik in 'n baie klein mate. Ons verhoog bewusmaking deur die media, dis maar beperk tot wanneer Supersport vir ons wedstryde gee. Die radio, ons het 'n gesels program wat elke maandag moet gebeur, maar dit gebeur meer elke tweede of derde maandag.

Watter radiostasie is dit?

Radio KC, hulle is in die Paarl, maar hulle dek 'n groot deel van die Drakenstein area. Ander radiostasies is Valley FM, of Weskus radio of iets soos dit. Koerante is die Son, ek dink dit is ons teikenmark grootendeels, die Burger, die laaste paar maande bietjie minder van ons, maar ons het in die Vodacom Beker meer blootstelling; en dan die plaaslike media of koerante, die Weslander, Swartlander, Bos en so aan. Ons kommunikeer met meer as oor die 50 verskillende media, dan is dit koerante, radios, webblaaie, Rugby365 skryf nou en dan oor ons. Sosiale media is vir ons groot, en interaktief.

Julle het 'n Twitter en Facebook profiel?

Ja, en dan ook die webblad, hy is bietjie oud, maar ons werk daaraan. Dan is daar “word-of-mouth”, en “posters”. Ons adverteer glad nie, miskien met die Stormers wedstryde in die begin van die jaar want ons weet wat die hekinkomste gaan wees. Andersins, ons gee nie geld uit vir bemarking nie, die plaaslike koerante sien ons, ons is die mees senior span in die omgewing in die Boland, so hulle sit ons nuus graag in.

Die sosiale media, is dit iets wat julle intern hanteer, en nie eksterne nie?

Nee, alles van hier af. Ons het al na besighede gekyk, maar ons kan nie die waarde van die geld daarin sien nie.

Hoe help julle kliënte om jul waardeproposisie te evalueer? Aan watter kliënt behoeftes voldoen julle?

Sosiale media, dit is soms dat jy nie hiervoor vra nie, maar jy kry soms die antwoord. Maar ek dink dit is miskien glad nie 'n slegte idee om dit te doen nie, Ons het ons algemene jaarvergadering en spesiale vergaderings waar al die voorsitters van al die klubs kom. Dit is 'n platform waarby jy terugvoering kan kry, dit is nie sommer vanuit 'n bemarkingsoogpunt nie, maar hulle kan terugvoering gee. Maar anders nee, miskien moet ons so vraagstuk doen wat mens op die webblad of sosiale media moet sit vir terugvoering.

Kaartjieverkope?

Toevallig genoeg nou van volgende jaar af gaan ons al ons kaartjieverkope moet doen deur of Ticketpros of Computicket, ek is nie seker nie, maar dit is deur 'n ooreenkoms met SARU. Maar dis in die toekoms, op hierdie stadium gebeur al die kaartjieverkope op wedstryd dag by die stadion. Ons het ook by 'n sportwinkel in die Paarl kaartjies verkoop.

Na-verkope kliënte diens?

Nie van toepassing

Kry julle 'n deel van die inkomste van die wedstryde se inkomste wat die WP hou as julle daar speel?

Nee, ons gebruik basies net hulle fasiliteite.

Ons het twee jaar terug by die Kaapstad stadion gespeel, en ons het basies die wedstryd aan hulle verkoop, en hulle hanteer dan alles, en ons kry dan 'n vaste bedrag en ons is gelukkig met die bedrag.

QUESTION 4:

By julle tuiswedstryde, is daar basiese dienste wat julle bied behalwe jul mediese dienste wat julle bied? Is daar enige ander dienste wat julle bied soos byvoorbeeld stalletjies?

Stalletjies is iets wat die klubs kan doen – hulle betaal daarvoor, maar hulle het die geleentheid.

Dit is beide kante toe, want julle skep die geleentheid vir hulle om daar te verkoop, en terselfdetyd kan mense wat die wedstryd kom kyk iets koop.

Ja ons het nie mannekrag nie, en dis waaroor dit gaan. Weereens, stalletjies is weer beperk tot kos, want ons het 'n vennootskap met Coke, en ons mag nie eintlik iets anderste hier verkoop nie. Coke het ook hulle stalletjie hier.

Enige iets met SARU wat julle verhoed om sekere produkte te verkoop?

Nie regtig nie.

Is daar verhoudinge met die boere in die omgewing of plase met wie julle dalk vennootskappe dalk het?

Ja, ek maak redelik staat op borge vir sekere goed by plaaslike ouens. Besighede kan borde opsit inruil vir sekere dienste. Die borde, ons het nou onlangs begin met 'n model begin werk.

Doen julle ooit wynveiligings waarby julle betrokke is?

Ja, ons doen.

Golfdae?

Ja, en dit is 'n groot sukses. Ons het in die verlede al by drie of vier geleenthede ook met die Stormers golfdae gehou, wat hulle hul spelers vir ons beskikbaar maak, en dan adverteer ons dit aan die publiek. Jy probeer al jou borge en vennote betrokke kry, maar dit is iets wat ons vir die publiek doen.

QUESTION 5:

Ons het verkoopspasie op die trui, en veral wanneer ons op Supersport speel is daar verkoopspasie op die maag vir die titel borg, maar ons het al op die mou verkoop.

Is daar spesifieke riglyne met betrekking tot die advertensiespasies op die trui van SARU vir die Currie Beker of die Vodacom Beker?

Spesifieke spasies is gereserveer op die trui vir die titel borg gedurende toernooie, op die broek, op die mou, ABSA en Vodacom.

QUESTION 6:

Behalwe wat reeds genoem is – elke wedstryd benodig sekuriteit, stalletjies, nooddienste, ER24 vir wedstryde en vir velddiens.

QUESTION 7:

By bemarking en die promosie van wedstryde skakel ons baie met die media. En dan baie om die nie soseer die atmosfeer te skep nie.

Jy skep 'n platform?

Ja, daar is baie stappe wat voltooi moet word voor 'n wedstryd.

QUESTION 8:

ABSA is 'n vennoot van SARU. SA Rugby, so ABSA is 'n partner van 'n partner. Coke is ons grootste partner. Coke, Medi clinic, Protours, die vervoerdiens, Visual graphics. Club Mykanos is 'n partner van ons, hulle gee nie fisies iets nie, behalwe afslag vir verblyf as ons oefenkampe het, of toernooie.

Julle het nie sageware wat julle gebruik wat uniek is tot julle nie?

Ja “statistics”, dis nie uniek tot ons nie, maar wel 'n “tool”. “Statspro” en ook “ScrumEd”.

Enige ander aktiwiteite wat julle outsource as 'n vennootskap?

Nee nie waaraan ek kan dink nie. Die bou van die webblad word deur 'n kontrakteur gedoen. Maar dit doen ons elke vier jaar. Ek hou dit op datum deur die CMS system.

QUESTION 9:

Bemarkingsmateriaal sluit in jou prente, “branding”, dit hang maar af, die prente wat ons laat druk is maar 'n borg. Ons is eintlik maar 'n nie-winsgewende maatskappy. So, ek dink nie jy verwag om by die finansiële jaareind 'n groot wins te toon nie.

QUESTION 10:

Die atmosfeer is belangrik. Die feit dat dit 'n sportwedstryd is, sportmense en dit is 'n sportmal land waarin ons woon. Op die ou einde van die dag probeer jy iets skep wat 'n familiedag is, sport is vir almal.

QUESTION 11:

Nee, ons werk nie noodwendig van so 'n spesifieke model, riglyn of platform nie, ons sal sit en idees uitruil.

QUESTION 12:

Nee ek dink nie so nie

QUESTION 13:

Jy moet maar jousef meet teen die kompetisie, in hierdie veld is vermaak die groot ding.

Sterkpunte – getalle in die gemeenskap en passievolle ondersteuners.

Swakpunte – dit gaan verskriklik oor hoe bemerkbaar jou produkte is.

Is die Kavalier bemerkbaar?

Nie so baie soos die Blou Bul of die Stormers nie. Die Stormers is 'n "franchise", 'n handelsmerk, ook die Kavaliers, maar hoe kompeteer jy teen 'n span wat teen internasionale kompetisie speel op die ou einde van die dag.

Verdere swakpunte?

Professionaliteit, goed soos om iets uit te kontrakteur, ons gaan nie betaal vir iemand om ons SCO te doen en ons webbemarking nie, waar dis dalk iets wat WP rugby sal doen, of hulle doen weet ek nie. Begrotings, jy kan ook net soveel begroot soos wat jou borge jou toelaat, en dit is definitief 'n negatief punt. Vir Nuweland, WP Rugby en die Stormers is dit baie makliker om 'n borg te kry.

'n Span soos die Pumas, wat doen hulle reg?

Dit is ook iemand teen wie ek ons meet. Moet sê die stadion speel 'n groot rol, hulle het 'n Wêreldbeker stadion, hulle het geskuif na Nelspruit, en hulle het self gesê dit is deel van hulle sukses, hulle is nader aan hulle gemeenskap, toekouers hoef nie ver te ry nie, spelers is naby aan hulle oefeninge. Ek dink hulle afrigtingspan is briljant.

Wat van die Kings, goeie stadion, geld?

Hulle het die ondersteuning van SARU. Hulle word gedruk, mens moet verstaan dit gaan daar oor ontwikkeling.

En Griekwas ook?

Ek dink geld is hulle grootste probleem, gaan kyk gou elke jaar skop hulle sterk af, gaan kyk maar die Pumas ook, dis presies dieselfde. Griekwas en die Pumas het sterk begin, en dis waar beserings inkom, jy het nie die diepte of die geld vir diepte nie, dis my opinie.

APPENDIX D: INTERVIEW THREE

QUESTION 1:

Kyk die belangrikste is dat ons nie net met die rugbygemeenskap in die Boland moet werk nie, maar die groter gemeenskap, ons as 'n unie kan 'n daadwerklike bydrae lewer tot die ontwikkeling van die gemeenskap in die Boland in die breë. So hier fokus ons spesifiek op ons klubs, en dan kyk ons na ons skole ook, basies ons voedingsbronne. So ons klubs op hierdie stadium kyk ons na 143 klubs wat op hierdie stadium in die senior kompetisie speel, en omtrent so 87 wat in die zone speel. So ons maak nie net voorsiening vir die ouens in die stad self nie, maar ook in jou plaasareas, dis hier waar jou zones spanne inkom. 'n Zone seksie funksioneer half op hulle eie, maar as deel van die groter Boland unie. So hulle het basies 'n substruktuur waar hulle 'n voorsitter en 'n klein bestuurtjie het, wanneer hulle, ek weet nou nie hoe gereeld hulle vergader nie, maar seker so twee of drie keer maandeliks, en dan die voorsitter van hulle verteenwoordig hulle by die groter zones wanneer hulle 'n algemen jaarvergadering het. So op hierdie stadium kyk ons na ses zones, uit en uit ses plaasareas waar hulle ook baie dankie kan sê vir die boere wat die geleentheid vir daardie spelers gee in daai spesifieke plaasarea. Die kliënte waarmee ons basies werk is ons klubs en ons skole binne ons gemeenskappe, want soos ek gesê het ons skole is ons voedingsbron, en ons het so ver gegaan om te kyk om ons die konsep wat ons het, klub-skool verhouding te skep waar 'n klub 'n skool moet aanneem. Ons weet dat skole het nie al die fasiliteite nie, skole het byvoorbeeld nie 'n veld nie, maar is byvoorbeeld langs die veld geleë wat aan 'n spesifieke klub behoort, nou kan daai fasiliteit tot sy beskikking gestel word, in plaas van dat die skool se ons het nie die fasiliteite nie ons kan nie speel nie. Dieselfde ook, ten opsigte van die afrigting daar is baie van die ouens wat werkloos is, nou van daardie spelers kan gesê word, as deel van die klub se ontwikkeling kan hy bydrae tot die sport kom ek gaan rig daai klub se onder 11 of onder 13 spannetjie af.

Kyk op hierdie stadium het ons spesifiek vir ons ontwikkelingsdoeleindes, ons sal moet kyk of ons nie ander aspekte op dieselfde manier kan hanteer nie. Dan om alles uit Wellington te doen is absoluut onmoontlik, ons het ons agt streke, ons het ons Noordweste, Weskus, Swartland, Witzenberg, Breerivier, Langeberg en Overberg. In elkeen van die streke het ons 'n koördineerder aangestel wat verantwoordelik is vir die aktiwiteite. So as ons kyk byvoorbeeld, daar is 'n verteenwoordiger op elkeen van daai koördineringsstrukture, verteenwoordig van die hoërskole, die laerskole, van vrouerugby, skeidsregters, van jou "educators", jou ouens wat die skeidsregters en jou afrigters oplei, jou mediese personeel, en dan wil ons dit verder uitbrei en kyk of ons 'n kondisioneringsafrigter in elkeen van die areas kan kry. So in al agt die streke het ons die koördineringsstruktuur, nie 'n besluitnemingstruktuur nie, want ander bou elkeen sy eie

koningkrykie daar, en dan is daar probleme. Tot en met verlede jaar het ons in plek vir die ontwikkelings department se aktiwiteite, maar mens moet verder gaan en se, ten opsigte van jou kompetisies, gaan mens nie meer waarde vind indien ons kompetisies in streek verband, sterkte teen sterkte kan speel nie.

Die Boland rugby unie kan nie bestaan as die klubs nie daar is nie, so dit is belangrik om om te sien na die belange van daai klubs wat die bestuur in plek gestel het om namens hulle die rugby te bedryf. As jy nie na die belange van die klubs gaan omsien nie, dan weet jy jy is verlore. 'n Mens kan kyk hoe jy die konsep meer effektief kan maak, om meer komponente van die unie jy kan laat resorteer daar onder, maar mens moet net maan daarteen dat jy nie van 'n koördineringsstruktuur na 'n besluitneming struktuur moet gaan nie, want dan gaan jy groot probleme kry. Die rolle moet duidelik deurgegee word.

Ander kliënte, aan jou maatskappy se kant?

Jou plaaslike regering, jy kan niks sonder jou plaaslike regering en munisipaliteite doen nie, baie van die ouens is afhanklik van die munisipaliteite om hul gras te sny, hul lyne te verf. Jy moet ook kyk na jou plaaslike department van sport in die Weskaap wat ook op 'n gereelde basis ondersteunend is. Maar dan moet jy ook kyk na jou ander sport strukture dat, bv die "Boland Sports Council", waar jy ook jou op 'n ander forum kan verteenwoordig word en jy ook voordeel kan trek. Behalwe dat kyk jy na jou borge, mense wat op verskillende maniere wat nie altyd in terme van finansies kan ondersteun nie, maar sekere dinge in plek kan sit. Dit is ook deel van die komponent. Dan is daar 'n belangrike deel van jou kliënt segment, is jou ondersteuners. Baie ouens vergeet die belangrike rol wat die ondersteuners speel, maar vir my is dit teen van die belangrikste rolle as jy jou gemeenskap bymekaar wil trek. Daai is die ouens wat vir jou gedurende goeie en moeilike tye gaan deurmaak. As jy as klub gaan dink jy gaan jou nie steur aan die toeskouers nie, dan maak jy 'n groot fout.

En klubwedstryde word goed ondersteun?

Ja veral met die uitspeelwedstryde, vir die afgelope drie weke, die mense gee nie om om te ry nie, hulle span wat hulle ondersteun, en daar kan ek sê hulle is absoluut fanaties oor hulle spanne. En ons kan eintlik gelukkig wees dat ons mense wat tot op die einde ondersteun, as jy vat dat ons nou al November inspeel, dis eintlik n onding, as jy kyk na die veiligheid van die spelers.

QUESTION 2:

Jy moet n kwaliteit produk aan jou gemeenskap gee, en dit wat jy doen, jy moet eerbaarheid toon, jy moet opregtheid toon. Want as jy dit doen gaan mense respek kry vir jou, en 'n ding wat ek ook in rugby geleer het, of deur die lewe, moenie mense goed belowe wat jy nie na kan kom nie. Daai

is die gouste wat jy mense teen jou gaan kry. Jy wil dit aan hulle verkoop, jy wil voorsien, jy kyk na jou afrigters en jou skeidsregters, jy wil kyk na kwaliteit afrigters en skeidsregters, so van jou unie se kant af moet jy sorg dat jou programme in plek is om jou afrigters en skeidsregters op te lei. So wanneer hulle opgelei is kan hulle teruggaan na hulle klubs en skole toe om daai spelers op 'n beter vlak te kry. So die produk wat jy moet gaan verkoop is eerbaarheid en opregtheid, en wat daarmee gepaard gaan is beplanning. Vir my is daar nie tyd vir "sideshow" nie, en jy moet die mense buitekant bemagtig, want deur die produk wat jy aan die mense verkoop, bemagtig jy weer jou gemeenskap daardeur wat weer verskillende aktiwiteite daarby doen, en dan is jou gemeenskap weer direk betrokke.

Dit is nie net rugbylesse nie, dis lewenslesse?

Absoluut, dit is deel, deur rugby bemagtig en voed jy natuurlik jou gemeenskap ook op. Want jy kan vir die ouens se, deur middel van rugby, kan jy 'n heldeverering proses in plek kry. So dis nie net rugbylesse nie, dit is die opvoeding en die blootstelling aan die gemeenskap om die breër gemeenskap op 'n beter vlak te kry. So daardie gereelde interaksie met die gemeenskap het jy nodig, jy kan nie sonder dit nie.

Van die kliënt se kant sien hulle dit so as iets wat groei?

Ons moet ook kyk na die verskillende streke, as jy kyk na die verskillende vlakke van die samelewings wat jy daar kry, baie van die ouense moet nog op n Saterdag gaan werk ook. So as hy moet weg speel op 'n saterdag gaan hy nie kan werk nie, so die streekskonsep is baie goed ontvang deur die gemeenskap in die streke. Daar is minder finansiële uitgawes, mense kan beter beplan, en dis makliker om 100 mense by Caledon te kry vir n kurses, as wat jy die kurses op Wellington hou. Ons sal moet gaan sit en kyk aan die einde van die jaar, ons is nou al vir meer as 20 maande terug begin met die streekskonsep, wat is die lesse wat ons daaruit geleer het, en hoe kan ons dit meer aanlokliker maak. So mens kan die konsep baie meer versterk, baie meer produktief kan maak, maar jou uitdaging is om daai struktuur baie meer te kan bevestig en meer mense in daai streek kan bemagtig, maar dan die grootste ding is, jy moet toesien dat jy die regte persone in daai streke dan aanstel om dit te dryf.

Dis uniek tot Boland?

Ek se vir jou hoekom dit is, as ons net kyk na ons begroting spesifiek vir ontwikkeling, as ons hom moes doen van Wellington af, sou ons 75% van die begroting in die vervoer moes ingaan. Wat bly oor van die aktiwiteite wat jy graag wil dryf.

Enige vennootskappe in die struktuur wat julle geskep het?

In die onderskeie streke laat ons die manne toe om interaksie te hê met die plaaslike borge of die wat hulle ondersteun. Is nie reg dat ons sê ons doen alles hier van Wellington af nie. Wie ken die mense beter van daai streek as daai streek se mense. En dit is hoekom dit belangrik is om nie daai inisiatiewe van daai manne wat graag daai goed wil doen, ek ondersteun daai inisiatiewe, al wat ons vir die ouens sê, dit moet net nie in konflik wees met die bestaande doelwitte wat Boland het nie. Iets wat ons moet verstaan, die omstandige in al agt die streke is anderste.

Is die skole bevoegd om hul eie wedstryde te reel?

Ja in die Boland is ons gelukkig dat spesifiek die hoërskole speel rugby, en ons het bevoegde administrateurs in die meeste van die skole. Die skole is verdeel in ses streke, waar hulle hul streekbestuur het, en daai streekbestuur, die voorsitter van daai streekbestuur maak deel uit van die groter bestuur, so die interaksie tussen die ouens in die streke is redelik goed, en is iets wat ons ook weer as 'n voorbeeld kan deurgee..

QUESTION 3:

Jou boodskap na die klubs en die skole toe. Jy kan ten minste kompeteer in daai streek wat 'n volgende vlak is en as ek goed genoeg is sal ek raakgesien word en dan gaan ek na die volgende vlak toe. So ons het half 'n interim vlak ingebou vir daai speler wat nooit 'n geleentheid gaan kry om in die Boland span in te kom nie, maar hy kan interaksie hê met 'n speler wat in 'n Boland span gaan of gespeel het.

Enige ander kanale?

Struktuur vir kompetisie en die programme wat jy gee vir ontwikkeling. Selfs as van die klubs en die skole vir jou vra vir ondersteuning, bv die uitmeet van velde by skole. Opleiding by die uitmerk en voorbereiding van velde, funksies by skole, aankope van apparate. Die ondervinding wat ons oor jare opgetel het wat ons moet deurgee aan hulle, dan het jy die vrymoedigheid as jy die dag iets nodig het dan kan jy die foon optel en vir hulle vra om my te help.

Julle vat ook baie van julle wedstryde na die gemeenskap toe?

Absoluut, dit is beleid van SARU om van die Vodacom wedstryd na die gemeenskap toe te neem, en wat ons dan daar doen, dit is nie net die Vodacom Beker wedstryd wat daar gespeel word nie, dan betrek ons daai plaaslike klubs. Jy trek jou hoërskole ook in, volhuis geen probleme nie. Ons wil byvoorbeeld die stadion gratis aan skole gee, ons weet die skole het dit moeilik om fondse in te samel. So alles, alle hekgelde en verkope daardie dag gaan aan hulle. Hulle moet dan net 'n donasie gee, vir die stadionwerkers wat die Saterdag en die Sondag gewerk het gee.

Voel julle kom by almal uit?

Ons kan verder uitreik, en veral kyk na die skole wat nie op hierdie stadium rugbyskole is nie, maar ook skole wat voorheen skole was, ons moet hulle weer probeer optel. Die skole wat nie rugby speel nie, ons moet kyk watter grondslag ons daar kan lê dat hulle wel ontwikkel.

Watter gevare is daar van byvoorbeeld sokker wat rugby vervang in 'n sekere mate by skole?

Ons moet nie probeer kompeteer teen sokker nie, ons gaan nie wen nie. Ons moet kyk hoe ons rugby aanloklik kan maak sodat ons getalle kan groei. Indirek se ons ons gaan kompeteer. Ons moet iets daar in plek sit, dat kinders by die huis kom en sê, ek wil gaan rugby speel, sodat ons dit aanloklik en aanskoulik kan maak. Ons moet nie kompeteer teen ander sportsoorte nie, dit sal tot ons nadeel wees.

Die Kavaliers as 'n produk. Hoe aanloklik maak daai brand rugby binne die boland gemeenskap?

Ons as unie moet ook beseft dat ons nie kan kompeteer teen die groter unies nie. Dit is ideaal dat jy jou handelsmerk so bou dat jy gereelde ondersteuning van daai mense ook kry. En n manier hoe jy dit kan doen sal ek sê, jy kyk na 'n mini Kavaliers program of iets soos dit. Jou skole moet op die dag van die Kavaliers speel ook speel. Met die "Lets Play" inisiatief het ons ons Kavaliers ook hier gehad. Die outjies hoor hulle gaan op die veld speel, dit is sommer net iets anders, en van die outjies se ouers het ook saamgekom. En selfs in 'n hoërskool vlak, ons kan gelukkig wees dat ons in 'n land bly waar mense rugbymal is, en as jy in ons kontrei sê die Kavaliers gaan in die stadion speel, jy sal ondersteuning kry, maar ons moet kyk hoe ons Kavaliers of Boland rugby as 'n handelsmerk kan bou.

QUESTION 4:

In jou streke is daar sekere aktiwiteite wat ek direk gaan befonds. Ek sal nie alle aktiwiteite kan befonds nie, maar wel sekeres. Die mediese komponent, daarvoor onderhandel ons nie.

Enige vennootskappe?

Ja ER24 al vir 'n hele paar jaar, veral vir wedstryde hier, het ons met Paarl Medi Clinic altyd 'n ambulans van ER24 op bystand. Ons het ons spandokter en veld dokter, jy moet natuurlik ook na jou ondersteuners ook kyk. Mens sal graag sulke vennootskappe verder en verder uitbrei. Verder ten opsigte van die sekuriteit ook, ons is gelukkig dat ons 'n betroubare sekuriteitsfirma hier in Wellington het, en wanneer ons weg speel wil ons graag daai plaaslike gemeenskap se ouens ook inskakel maar dit is nie altyd moontlik nie. Dis nie altyd moontlik nie, dan gebruik jy weer die seniors van hier met van die plaaslike ouens, dan kry jy weer die interaksie.

Sien julle SARU as 'n kliënt?

As 'n kliënt, 'n vennoot, 'n borg, alles. As hoofliggaam het hulle sekere beleide wat ons moet nakom om te kan aansoek doen vir die subsidiering van fondse. Hierdie riglyne gee ons weer deur na ons klubs en skole toe, dit is die riglyne waarbinne ons moet beweeg as ons befondsing, borgskappe en toelae van SARU wil kry.

QUESTION 5:

Vir ontwikkeling kry jy jou fondse van SARU af?

Ja, jy moet jou projekte kan motiveer, jy moet ordentlike agterna jou verslag kan doen. Dit is die fases waardeur ek moes gegaan het, dit het gebeur, wat het nie gebeur nie, dit is die swakpunte. Die grootste bron van inkomste is maar SARU. Ontwikkeling uit en uit SARU, niks spesifiek anders nie. Met hekgelde sorg jy dat jou gemeenskappe hulle deel van die inkomste kry. Somtyds wanneer jy hier speel is jou uitgawes om die stadion vir die dag oop te maak meer as jou inkomstes vir die dag, maar ons het nogsteeds die verantwoordelikheid teenoor ons gemeenskap, teenoor ons senior spanne wanneer hulle hier speel. Jou uitspeelwedstryde, dan het ons 'n reëling dat die plaaslike spanne wat in die wedstryd speel, dan se jy dat jy kan al die verversings verkoop, jy kan die kroeg vat, en dan die hekgelde kom dan na die unie toe. Ons het nie borge nie, ons het vennote om sekere goedjies te kan doen. Dit is die ooreenkoms wat ons maar het met die spanne.

As julle 'n oorhoofse borg gehad het?

Die borg wil baie keer 'n belegging in die gemeenskap ook indoen, so hulle borgskappe sal insluit dit is vir die ontwikkeling van die spel selfs vir administrasie ook, dat 'n gedeelte van die geld daarin gaan.

Jy gaan ook sorg dat jou borg sal inkoop in die ontwikkeling?

Ja as jy kyk na jou Vodacom of CellC, as gelukkig sou wees om so borgskap los te slaan, wie sou nie gelukkig wees om so borgskap los te slaan nie.

Is dit iets wat gewoonlik van SARU af sal kom, of is jy op jou eie?

Op hierdie stadium, is dit maar op die unies self, juis omdat SARU alreeds die uitsaairegte en daai gelde onderverdeel na die unies. Ek dink dit sal onregverdig wees om dit van SARU te verwag, elke unie bou maar sy eie identiteit.

Sou ABSA as borg van die Currie Beker, betrokke raak binne jou gemeenskap as deel van die SARU kontrak?

As jy jou huiswerk reg doen, dan kan jy met jou plaaslike ABSA tak miskien 'n uitvloeï kry, niks verhoed jou om dit te doen nie.

QUESTION 6:

Almal is eintlik belangrik. As ons nie ordentlike finansiële hulpbronne het nie, sal jy nie die regte personeel kan aanstel om die werk vir jou te kan doen nie. 'n Tekort aan personeel en die regte personeel is regtig iets wat jou beplannings in die wiele kan ry.

Die regte personeel sluit mense in wat sal inkoop in wat jy wil doen?

Absoluut. Dit gaan ook oor die vaardighede, om dit reg toe te pas en vir die regte redes, en hulle moet aanklank vind.

Grootste tekort in hulpbronne, buiten finansiële?

Die opleiding van ons administrateurs in die klubs, as die administrateurs in die klubs beter sal wees sal dit ons help as 'n unie om meer effektief te funksioneer. Ons administrasie, die ondersteuning en verfyning van administratiewe prosesse, as die klubs dit beter kan doen, en die registrasie van jou spelers. Ons as unie moet ons struktuur en infrastruktuur en kapasiteit so bou dat die ouens in die klubs die nodige vertroue in ons het. Jy weet nou self wat die afgelope klomp maande aan die gang is, dit is alles goed wat vertwyfeling daar veroorsaak, en chaos op die einde van die dag kan veroorsaak. As jy jou administrasie, die mense sien hier is nou regtig leiding en ondersteuning, dan sal jy makliker na jou klubs toe kan gaan en sê dit is wat ons wil doen. Ons is in die proses dat dinge stadig besig is om in plek te kom, maar ons moet ook onthou dat dinge nie oornag gaan verander nie. Jy moet heeltyd die drywer wees, daar gaan haakplekke kom, dit is deel van die groeiproses.

Jy moet ook vir hulle laat beseft wat nodig is om te doen?

Ja maar die belangrikste is, die manier hoe jy dit gaan doen, dit gaan die sukses bepaal. Dit is 'n taktiek, ek het my idee, ek sit op skrif, jy kyk na jou areas watter ouens jy kan teiken, jou "champions". Daar is verskillende gebiede, en jy moet aanpas, beweeg na hulle vlak toe.

Binnenshuise hulpbronne wat julle voel julle kort om te doen wat julle wil doen?

Kyk toe ek verlede jaar hier kom word daar briewe gefaks en gefaks, nou moet jy ouens in die streke begin oplei in eposse. Dit is besig om te verander. Ons personeel struktuur, ons het die mense, maar het ons die regte mense in die regte posisies, volgens vaardighede, en wat jy wil bereik. Jy moet ook geleentheid bied vir opleiding, bemagtig vir hulle, sodat hulle ook weer mense

kan bemagtig. Daardie tipe interaksie is ook belangrik. Hulle moet ook weet hoe, waar en wanneer om die regte mense te kry, want as jy nie weet hoe om jou kliënte op die regte manier te benader nie, kry jy meer en meer probleme.

En aan die professionele kant, wat julle het en tekort?

Die interaksie van die professionele kant met jou amateur kant. Jy moet eintlik hand aan hand **werk**, dis nie so dat die ouens aan die amateur kant wil weet wat alles daar aangaan nie, maar jy moet weet dit is die amateur kant, die amateur span, hulle gaan dit doen, hulle gaan daai doen, sodat jy as personeellid bewus is van wat aangaan. Meer kennis moet gedeel word tussen die twee, nie om meer te weet wat daar aangaan nie, maar om mense bewus te maak in die omgewing.

Die twee moet nie in silo werk nie?

Ja en dis wat gebeur

QUESTION 7:

Was daar sekere aktiwiteite wat belangrik was om die streek strukture te kry waar dit vandag is?

Die eerste ding wat belangrik was om die regte mense te kry om in daai streke aan te stel. Jy bemagtig jou streek koördineerder om weer mense aan te stel. In jou streke moet jy plaaslike mense he, en as jy as leier nie mense aanstel wat saam met jou wil werk nie, dan gaan jou projek skipbreuk lei, so dit is so fyn lyn wat jy moet loop. Jy moet die regte mense aanstel wat jou doelstellings van jou organisasie sal ondersteun, en ook ouens aanstel wat bevoeg is om die werk te kan doen, en ouens wat aanklank het in jou gemeenskap. As jy die regte netwerk het, weet jy dat jou programme 'n sukses gaan wees. Hier en daar gaan jy van menings verskil, maar dis nie radikale goed nie. Behalwe dat jy sê dit is die program wat jy met SARU ooreengekom het moet jy ook ruimte skep vir daardie ou om as gevolg van sy situasie die nodige aanpassings te maak maar altyd by daai riglyne te bly. As daai struktuur gevestig is, sal daai programme vanself hardloop, dan gaan jy die nodige ondersteun kry.

Is daai koördineerders gekontrakteur by Boland, of het hulle 'n ander werk ook?

Ja hulle is deelyds, hulle het 'n ander werk ook.

En die skeidsregters, julle het mense wat verantwoordlikeheid neem binne daai streke, en hulle werk in samewerking met daai persoon?

Dis reg, daardie interaksie is daar. Selfde met kursesse, kyk wie is jou gekwalifiseerde "educators", kry hulle bymekaar, bepaal die behoefte, en daar gaan jy. Baie keer met kursesse, seminare,

werkswinkels, al is dit in daai streek, kom die korrespondensie van die Boland af. Dat ek ook op 'n gereelde basis weet wat aangaan, so wanneer ek aan SARU moet verslag doen, dan kan ek.

Enige iets waar daar finansiële komplikasies is, hou jy jou hand daarop?

Korrek, ek doen verslag aan die hoof uitvoerende beampte, president, en SARU.

QUESTION 8:

Sommige van die streke is daar individuele aktiwiteite, bv. Overberg het Ashwin Willemsse begin met die "Greensmart" projek, daai hoërskole daar word weer daarby betrek. Ons het nou weer 'n vennootskap met die SA legendes, wat ook die onder 15 ontwikkelingstoernooi op 'n jaarlikse basis aanbied.

Enige hulpbronne wat julle intrek behalwe mense?

Spesifiek toernooie, jou plaaslike toernooie, wedstoepassing, verkeer, beskerminsgdienste, al daai komponente betrek ons ook. Om 'n toernooi te kan aanbied moet jy jou veiligheidsplan in plek hê, ons het die polisie, die munisipaliteit. Jy het ook die voordeel as jy vroeg beplan, dan laat weet jy vroegtydig vir die spesifieke munisipaliteit, en hulle maak dit deel van hulle programme. Hulle wil ook wys hulle het in die groter gemeenskap bygedra.

Club Mykanos is ook 'n vennoot van julle?

Ja, so ons kry goeie pryse vir byvoorbeeld die sewes toernooi vir spanne oor die land.

QUESTION 9:

Vervoer, as gevolg van die afstande, jou aktiwiteite in projekte. Sommige aktiwiteite finansier ons 100%. Sommiges is daar van die komponente waar rolspelers moet bydrae. Verder kursesse en uitrusting. Van die uitdagings, is jou mediese kostes in geval van 'n groot besering.

Iets belangriks wat ons dalk gemis het wat julle doen is probleem oplossing?

Ja dis waar. Hoe jy goed gaan benader is kritiek tot die sukses van 'n ding. Jy kan nie as dieselfde benader nie. Jy moet seker wees dat jy weet wat is die omvang van dit wat jy graag wil doen, wat jy wil aanspreek, die manier hoe jy dit gaan aanspreek. Jy moet nie sommer net in 'n ding inspring en dan beland jy in groter probleme nie.

QUESTION 10:

Wat rugby anderste maak is dat alle "shapes and sizes" geakkomodeer kan word, meisies en seuns, ons moet net die regte platform daarvoor skep. Wat vir Boland uniek en iets besonder maak is, die wyd uitgestrektheid, die meeste klubs, en dat jy in elkeen van die streke die

kompetendheid aspek kan kry, en die koördinering kan kry. Jou streek identifisering en koördineerder is iets uniek.

QUESTION 11:

Vir die afgelope twee jaar wat ek hier is, nooit nie.

En in ander provinsies?

Absoluut.

Aan die einde van die jaar kyk ek na die finansiële verslag, na wat was die doelstellings vir die jaar, waar ons uitgekom het en waar nie, en hoekom nie. En wat kan ons anders doen volgende jaar, beplanningdag. Elke Maandag sit ek met my department en kyk wat is die aktiwiteite vir die week. Van die begin van die jaar af tot November het ek n opsomming van aktiwiteite vir die jaar, en dan weekliks sit jy net al die besonderhede by. Jy weet waarheen jy oppad is. Daardie strategiese beplanning is iets wat kort hierso.

QUESTION 12:

Ons moet, maar ons doen nie.

QUESTION 13:

Selfs ten opsigte van leiding van bo af, dinge is besig om meer gestruktureerd te raak, ons moet daardie nodige kalmte en stabiliteit kan kry, en wanneer jy dit het, dan kan ons kyk waar was ons en waarheen wil ons gaan, en hoe gaan ons dit doen. Daai negatiewe goed sal altyd daar wees. Deur middel van die aktiwiteite wat jy binne die organisasie doen, in die middel van die storms wat in die rondte is, sal die mense die positiewe draai kan sien.

Jy moet dit bemark onder jou mense?

Absoluut

Die suksesse van jou junior spanne, jou onder 19 span, die onderskeie toernooie, dis die goed wat jy op 'n gereelde basis moet uitgooi. Dit is een van die nuwe goed wat ons wil doen op ons nuwe webblad. 'n Meer interaktiewe webblad.

Het mense toegang tot webblad?

Ja, hulle het. Jy moet wel seker maak dat die inligting wat jy daarop sit korrek is. Dit sal die beeld weerspieël, veral van 'n administratiewe kant af.

Wat het die Pumas anderste gedoen?

Hulle het 'n meer professionele benadering gevolg, hulle het nie noodwendig professioneel geraak nie, maar wel 'n meer professionele benadering gevolg in hoe jy goed doen. Ek dink dit is wat ons kort. Meer professioneel optree in hoe jy goed doen, dinge binne die kantoor self ook doen. Meer professionele houding in interaksie, nogsteeds aangenaam. En daardeur kan jy weer die volgende mense ook bemagtig. Die potensiaal is nie net hier binne die kantoor nie, maar daar is ongelooflike potensiaal daarbuite. Meer en meer mense sal inkoop.

Is daar enige veranderinge wat plaasvind onder die mense, hulle verwagtinge?

By uitspeel wedstryde het jy weer daai fanatiese ondersteuning, maar hoekom is dit net by uitspeelwedstryde, is daar nie iets meer wat jy kan doen gedurende die seisoen om meer mense te kry nie, nie net klubs nie maar ook provinsiale wedstryde. Hoe gaan ons die unie bemagtig en bemerk en hoe gaan ons die professional span bemerk. As ons daai bemerking strategie in plek gaan kry, en dit hand aan hand kan loop met die bemerking van die unie sal die klubs ook voordeel daaruit kry. Op hierdie stadium sou ek nie kan sê of daar 'n verandering is nie, omdat ek nie self baie blootgestel word aan die klubs nie. Ons kort daardie verkoopstrategie.

Wat is julle sterkpunte?

Die klubrugby, die ontwikkeling van jou skole en klubs aktiwiteite. Jy wil dit ook verder vat, die sukses die afgelope twee jaar van die onder 19 en onder 21 spanne, direk as gevolg van die SARU akademie wat ons hier het, is ook iets wat ons moet uitbou, want uit daai strome vloei daar weer spelers uit wat moet na die Kavaliers toe gaan. Daar is baie positiewe goed, dit moet net reg geanaliseer en reg benut word.

APPENDIX E: INTERVIEW FOUR

QUESTION 1:

By die maatskappy is dit die spelers asook SARU.

QUESTION 2:

Geleentheid om deel te neem en ekonomies aktief te wees, dit is rand en sent wat die ou verdien – ek sou sê dit is die belangrikste. Geleentheid vir loopbaan ontwikkeling, en om te presteer. Iets wat ons uniek maak in die Boland is dat ons die meeste klubs het in die land, en ons het die meeste bruin rugbyspelers, as jy gaan kyk na ons area, die area wat ons bedien. In terme van massa, ons is geografies wyd uitgestrek. As jy gaan kyk na Kimberley, Noord-Kaap is 'n groter area, maar hulle het 'n tekort aan getalle. Ons het beide, ons het groot area, en persone, 143 klubs plus 75 klubs wat in die eerste liga speel. Die feit dat ons geleenthede skep vir ouens, rugbyspelers, mense in ons gemeenskap wil rugby speel.

Gaan daar baie rugbyspelers uit die Boland uit na ander Unies?

Ja, jonk en oud. Dis die “brand” wat ons het in die Boland, die wyse wat ons speel ook, hardloprugby, ons het vinnige rugbyspelers, dit maak ons uniek.

Is daar iets wat Rugby uniek maak teenoor ander vorms van vermaak/sportsoorte?

Potensiaal, kohesie, in ons gemeenskappe, mense praat rugby van Maandag tot Maandag, van die kombuis tot in die slaapkamer, dit is oorheersend in ons gemeenskappe. En dit is 'n, soos die gesegde, “a child in sport is a child out of crime”, vryetydsbesteding wat hulle weghou van kriminele aktiwiteite af wat ons doen, en dit is georganiseerd. As daar nie rugby in ons gemeenskappe is nie, kan ek jou sê daar gaan 'n totale verval wees in ons gemeenskappe, maatskaplike waarde, die feit dat ons mense, binne die georganiseerde konteks van sport, die mense die geleentheid gee om sosiale aanvaarbare gedrag te openbaar. Balans tussen kommersiële, en om geld te maak in die gemeenskap. Hoekom is die WP meer suksesvol as ons, omdat hy meer geld het, hy kan spelers koop wat ons nie kan koop nie.

Wat doen julle om Boland rugby, die Kavalier te bevorder en buite by mense te kry?

Dit is weer 'n geval van hoeveel geld jy het om te spandeer op effektiewe bemerking. Ons probeer maar deur die media om die brand te bou, deur koerante, sosiale media, ens.

QUESTION 3:

What is important, you need to leverage your corporate sponsors, you need to serve them, Regent, what is your responsibilities, terms and conditions, conditions, you serve your sponsor through the context of extra responsibilities. For every sponsor, equity partner, you have to make sure that the sponsor gets commercial value, and be involved. En een van die groot kommersiële waardes wat sport en rugby het vir ons borge bied is brand blootstelling, en dit is wat ons kan bied. Ons vorige titel borg, Regent het definitief hulle merk gemaak, en almal weet wat Regent is, en Boland het gehelp daarmee.

Watter kanale gebruik julle om spelers te trek na Boland toe?

Streekkanale aan die amateur kant, skole en klubs sisteme vir die identifisering van spelers vir junior spanne. Professioneel is maar agente wat 'n groot rol speel. Binne en buite ons eie omgewing, ons kyk waar ons die beste kan kry, ons het eintlik nou 'n goeie balans.

Hoe dink julle sien die gemeenskap Boland Rugby, wat verwag hulle?

Hulle wil ten minste hê dat rugbyspelers in die gemeenskap 'n geleentheid kry om vir Boland rugby te speel. Die klubgemeenskap wil 'n beter finansiële ondersteuning kry van die Boland. Die gewone publiek wil net hê dat Boland se sake in orde moet wees, en dat hulle wenrugby moet speel. Die raadsaal, politiek in orde is, en wenrugby speel.

Hulle ondersteun hulle klubs goed?

Ja maar dis nie dieselfde vir die Kavaliers nie hoor, dis 'n groot uitdaging.

Is dit omdat so wyd versprei is?

Ek dink dit is brand kompetensie, mense sal eerder die Stormers ondersteun as die Boland, en dit is 'n historiese ding. Mense vat nie regtig eienaarskap van die brand in die gemeenskap nie. Hy identifiseer baie goed met sy klub, mense ry uit Vredendal uit om die Stormers te gaan ondersteun, maar nie Boland nie.

Maar hulle sien dit as 'n medium vir hulle kinders?

Hulle sal met trots 'n Boland rugbytrui dra, hulle sal 'n t-hemp kom bedel by my en hom dra, maar daardie sentimentele waarde sal nie noodwendig reflekteer in sy ondersteuning vir die Kavaliers nie. In rugby is daar sekere realiteite wat jy moet aanvaar.

Kom groot unies na die Boland toe, en kom soek spelers hier?

Ja, aktief.

So Boland kan nie spelers van 'n jong ouderdom af verkoop aan 'n ander unie nie?

Nee, SARU se reël sê dat as jy van unie na unie gaan, is daar 'n ontwikkelingsfooie wat jy moet betaal, maar nie van skool tot skool nie.

QUESTION 4:

Ekstern – SARU en ander Unies

Intern – klubs, borge, munisipaliteite, ER24

Wat behels die verhouding met ander unies?

Interaksie met mekaar ten opsigte van kompetisies, reël van kompetisies, deel van idees.

QUESTION 5:

SARU en borge

Iets wat SARU doen as 'n aktiwiteit vir julle?

Regulatories, om vir ons leiding te gee rakende prosedures en prosesse.

QUESTION 6:

Die afrigters en die administrateurs bly gewoonlik, die spelers gaan gewoonlik.

Watter hulpmiddels benodig julle om jul winste uit te bou?

'n Borgskap is al wat ons op die stadium nodig het, 'n titel borg – dan kan ek spelers koop. Ons leierskap, sommiges verstaan die besigheid van rugby, en baie min van hulle verstaan dat rugby 'n besigheid is, en dis 'n groot uitdaging. Skep 'n hefboom vir geleenthede. Professionele rugby is die enigste bedigheids eenheid wat effektief die potensiaal en die vermoë het om vir jou inkomste genereer.

QUESTION 7:

Watter kern aktiwiteite kan julle doen om weer 'n borg te kry?

Jou leierskap moet erken, jy moet besluite neem wat rugby as 'n besigheid bevorder, en dan sal ons ver kom. Die enigste manier hoe 'n borg betrokke gaan raak, is dat hulle 100% seker moet wees dat daar is genoeg stabiliteit in die unie is, en daar sal genoeg groei in die belegging vir die borg wees. Die enigste manier dat ek geld in 'n rugby unie gaan sit, is as ek weet dat my belegging is sterk en gaan groei. Dit binne die ekonomies resessie tyd. Ons het in die Boland 'n unieke model, ons het 'n kommersiële waarde in ons getalle, ons het 'n sterk segment van amateur rugby in klubs en skole, en dit beteken dat ons het 'n myn wat ontgin moet word, daar is waarde daar vir 'n borg.

En veral as hulle 'n tekort het aan korporatiewe sosiale verantwoordelikheid projekte?

Korrek, maar nie sommer in die huidige omstandige nie.

Wat het die Pumas gedoen om daai stappie op te neem?

Die Pumas het 'n paar goeie besigheids besluite geneem. Maar die een fundamentele verskil is, ons het baie rugby politiek, dis klubs en almal wil 'n sê hê. Die Pumas, as hulle agt klubs het is dit baie. Ek het 143 klubs

Kan jy die konstitusie verander?

Ja maar jy het nogsteeds die meerderheid van die klubs nodig om dit te kan doen.

Die Pumas se president is 'n rekeningkundige, hy neem goeie besigheidsbesluite, die Pumas aanvaar die konsep dat rugby is 'n besigheid. Maar die Pumas sukkel met hulle finansies.

Is dit volhoubaar?

Man ek dink wat hulle goed gedoen het, jy moet geld uitgee om geld te kan maak. So die Pumas het gegaan en 'n goeie strategiese skuif gemaak. Nuwe stadion hulle kry nie baie mense nie, maar hulle kry toetse daar. Die spelers kom almal van buite. Hulle besigheidsmodel is goed, hulle belê in hulle afrigters, hulle afrigters nou al ses jaar daar. Hulle het langtermyn kontrakte met hulle spelers, en hulle bou hulle sukses op die prestasie van hulle professionele span.

Is dit iets wat hier ook kan gebeur?

Nee

Die klubs kies die leierskap, en die leier bepaal die strategiese rigting waarnatoe die unie beweeg.

QUESTION 8:

Reeds vasgevang in die vorige onderhoude

QUESTION 9:

Reeds vasgevang in die vorige onderhoude

QUESTION 10:

Reeds vasgevang in die vorige onderhoude

QUESTION 11:

Reeds vasgevang in die vorige onderhoude

QUESTION 12:

No, trial and error. As mentioned, some of them understand the business of rugby, but not many of them. Solank jy nog nie daai kopskuif gemaak het nie, daai paradigma skuif gemaak het nie, gaan dit baie moeilik wees. WP, Thelo Wakefield, as ek kyk wat hulle alles doen, is ons ver agter. Jy moet gedryf raak deur jou visie en missie, en jy moet sê, wat is noodsaaklik om die organisasie na die volgende vlak te neem, buiten rugby politiek. Hoe kan ek Boland 'n krag maak is SA rugby, deur terug te gaan na semi-professionele rugby, nee. Dit begin alles by die effektiewe leierskap.

Die Kings?

Ek dink die leierskap is anders daar. Professional rugby het gekom om te bly, as jy professional rugby sien as 'n bedreiging aan jou amateur kant, dan gaan jy dit nie maak nie. En dis ongelukkig die probleem waarmee ek dink ons sit. Professional rugby kan nooit 'n bedreiging wees nie. Dit moet die medium wees waar jy amateur rugby kan sterk maak. Amateur rugby het nie die korporatiewe waarde nie, SWD het heeltemal amateur gegaan in 2010/11, is die maatskappy gelikwedeer, en hulle funksioneer goed, hulle het nie 'n titel borg nie, hulle kry nie 'n titel borg nie. Hoekom nie, want daar is geen kommersiële waarde in amateur rugby nie. Amateurs bedryf op die oomblik professionele rugby, klink dit vir jou reg, hulle doen dit.

QUESTION 13:

Reeds vasgevang in die vorige vrae