

SWOT Analysis for NBA Expansion Team

SITUATION

The newest NBA team, the Twilights, in Boise Idaho, are just completing their third season. The team president has asked you both, as marketing professionals, to assess the success of the concessions and merchandise areas of team business, including food, beverages, novelty items and general merchandise.

Sales statistics to consider:

Hats: 23,056 units sold this year, 21,578 sold last year, 24,901 sold two years ago

Jerseys: 11,879 sold this year, 18,300 sold last year, 23,089 sold two years ago

Food sales: \$1.4 million this year, \$1.9 million last year, \$2.3 million sold two years ago

Attendance has gone up 3% each year since the team was established, and season ticket sales have gone up 1% each year. For each of the first three years, the team finished with a losing record. This year, however, the team has signed a superstar free agent and the president of the organization has indicated that he believes the team's record will drastically improve.

The population of the area has remained constant over the last five years, and the slow economy has led people to cut back on discretionary spending. A large computer component plant just shut down, laying off 2,500 workers in the process and two small strip malls in the area are also shutting down.

The team has cut back on radio and television advertising due to cost, but increased newspaper advertising and internet-web based ads. The team has also stopped doing any tie-in advertising with local businesses and fast food outlets.

INSTRUCTIONS

With this basic information, prepare a careful analysis for the upcoming season as it relates to the franchise's concessions and merchandise business. Present your ideas to the team president, using a SWOT analysis and be sure to support your ideas with specific examples.

You will have 30 minutes to prepare, and 15 minutes to present your ideas to the team president (judge).

STUDENT BENCHMARKS

1. Identify the importance of a marketing plan
2. Explain the value of a SWOT analysis
3. Describe the elements of a SWOT analysis
4. Develop a SWOT analysis
5. Monitor and evaluate performance of a marketing plan