Socio-economic value co-creation and sports tourism: evidence from Tasmania

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Abstract: Tasmania, the island state of Australia has been steadily escalating its appeal as a tourist destination. The state Government’s ‘sports-tourism’ partnership with the Hawthorn football club plays a key role to promote the tourism industry, and to contribute to various socio-economic issues of Tasmania. This case study attempts to analyse the relationships and interactions of these two partners, as they both work interdependently towards their multifarious goals. The findings descriptively portray the influence of relationship marketing (RM) on the mutually beneficial relationship value of Tasmania and Hawthorn, where RM steers their initial mutual value alongside their interdependence and multifarious socio-economic goals, towards a win-win outcome and further socio-economic value co-creation for all associated stakeholders. The findings contribute to the contemporary understanding of interrelations and interdependence among the stakeholders from sports-tourism, destination marketing and socio-economic development perspectives and suggest its research and practical significance.

Keywords: socio-economic value; value co-creation; sports-tourism; multifarious goals; relationship marketing; destination marketing; Tasmania; Hawthorn.


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1 Introduction

Tasmania, the island state of Australia is a land of natural beauty and attractions, including mountains, forests, a unique kind of wildlife, stunning beaches and so on. Furthermore, Tasmania is a place of great cultural heritage, as well as food and drink specialities (Tasmania, 2011a). Jointly, all of these factors result in an uncontaminated wilderness and offer an enormous opportunity for eco-tourism, cultural and heritage tourism, recreation and leisure tourism, sports tourism and so forth. For the promotion of Tasmania as a tourist destination, as well as to contribute to various socio-economic issues, the Tasmanian State Government has partnered with the Hawthorn football club (Naming Rights Partner, 2010). Hawthorn is a Victoria based (another state of Australia and located in the Australian mainland) Australian Rules football club, established in April 1902 and has a large amount of followers on a national level (Timeline, nd).

Since, Tasmania and Hawthorn are also known as ‘Tassie’ and ‘Hawks’, respectively in the Australian society, their socio-economic projects, promotional campaigns and other joint initiatives are branded as ‘Tassie-Hawks’ (Tassie Hawks in Schools, 2013). This joint collaboration between the Tasmanian Government and Hawthorn has provided a huge contribution to the Tasmanian society and economy, as well as the fact that Hawthorn has also received great returns on investments (Shams, 2011). The ‘Tassie-Hawks’ value network has developed a reinforced mutually beneficial relationship value among its two stakeholders, Tasmania and Hawthorn, where various relationship marketing (RM) perspectives play an important role in influencing their initial mutual value, alongside their multifarious goals and interdependence, in order to work together in a planned and organised way, with a long-term outlook. Ultimately, an initiative like ‘Tassie-Hawks’ results in a win-win outcome for both partners and co-creates further socio-economic value against their multifarious socio-economic goals, and promotes Tasmania as a tourist destination. Consequently, the partnership is recognised as a benchmark in the concurrent Australian sports tourism industry (Bresnahan, 2012).

Under a qualitative case study approach (Yin, 1994; Hair et al., 2003; Myers, 2013), this study attempts to distinguish the contribution of RM to the ‘Tassie-Hawks’ value network, while these two partners efficiently utilise various RM perspectives to promote the Tasmanian tourism industry and to contribute to socio-economic issues. The paper has the following structure. After the introduction, section two provides the conceptual framework and the method of enquiry. Section three describes the socio-economic value co-creation and the ‘Tassie-Hawks’ value network. Section four presents the findings and the discussion of the study. Section five provides limitations and research implications.

2 Conceptual framework and research approach

2.1 Literature review: from relationship marketing to sports tourism marketing

Thrassou and Vrontis (2011, p. 8) stated that “simply satisfying customer expectations is often not enough. Businesses have to overcome expectations of satisfying the requirements of quality (Gupta and Lehmann, 2002; Blackwell et al., 2001; Naumann et al., 2001; Foreman, 2000)”. The key basis to offering distinction in exceeding customer expectations is the provision of additional value, while meeting their basic expectations (Vrontis and Thrassou, 2007). There is the need for a strategic transition from the traditional automitous views of marketing management to innovative value-based marketing propositions, where value is innovated by all stakeholders and for all
stakeholders (Thrassou et al., 2014), while the stakeholders work interdependently towards their multifarious goals. As a result, the analysis of stakeholders’ relationships becomes an integrated part of contemporary marketing management. Since stakeholders are no longer satisfied only with the solution of their needs, the added value becomes the key to delight them. As a result, “the development of today’s marketing practice focuses on stakeholder relationships, retention and lifetime value” (Kotler et al., 2000, p. 5). From this perspective, the relationship marketing (RM) philosophy has replaced the traditional transactional marketing with the aim of creating value in association with the stakeholders involved. In RM, “marketing activities aimed at developing and managing trusting and long-term relationships with larger stakeholders” (Business Dictionary, 2010, np). RM helps stakeholders to work together in order to design and realign processes to support each other, with a long-term commitment between the stakeholders of the relationship (Tomer, 1998). This long-term commitment develops a bond among the key stakeholders that subsequently becomes increasingly intense through a chain of relationships (Gordon, 1998). Gummesson (2002) described that RM corresponds to a marketing-oriented management. By concentrating on relationships, networks and interaction, it offers a much more realistic approach to marketing management.

Stakeholder relationship marketing involves creating, maintaining, and enhancing strong relationships with customer, employee, supplier, community, and other stakeholders with the goal of delivering long-term economic, social, and environmental value in order to enhance sustainable business financial performance. (Murphy et al., 2005, p. 150)

According to many authors (Morgan and Hunt, 1994; Gummesson, 1999; 2002; Christopher, Payne, and Ballantyne, 2002; Grönroos, 2004; Payne, Ballantyne and Christopher, 2005; Stavros, 2005; Kurtz, 2009; Shams, 2012), based on the mutual relationship, commitment and bond, RM identifies, develops, nurtures and expands value for the target markets in association with the key stakeholders, with a win-win outcome, by interdependently sharing the mutually beneficial relationship value, through the cause and consequence of stakeholders’ relationships and interactions, so that the multifarious goals of the stakeholders involved can be satisfied. The rewarding value-delivery process to the ultimate consumers does not only rely on an organisation’s inspired effort. Stakeholders, the most important associates of a value-delivery network and their significant contribution, are definitely necessary for a win-win outcome for all parties involved in the value-delivery process. Gordon (1998) described RM helps to mutually create value for the target market and shares that value with the associated stakeholders. Indeed, RM attempts to identify the competitive offer for target markets that generates value for all associated stakeholders in a value network. A value network is a set of social, business and expertise resources formed by the key stakeholders (Donaldson and Preston, 1995; Freeman, 1984) for the mutual co-creation of value within and/or beyond the network, where stakeholders interdependently work together via mutually beneficial relationships to create socio-economic value through exchange and relationships between their roles. This co-created socio-economic value that take on the form of knowledge (Babylon, 2009; Winter, 1987), helps to pursue the multifarious goals of the associated stakeholders.

Value is an anticipated outcome of any sort of planned and organized activity. The activity could be derived from monetary, psychic, or physical resources. The more the outcome meets initial anticipation, the more the possibility of win-win outcomes or value optimization for all involved stakeholders. (Shams, 2013, p. 38)
Just like other industries, sports marketers need to carefully re-examine and re-develop the nature and range of their value propositions (Vrontis et al., 2014), in order to optimise value for all of the stakeholders involved, with an objective to superiorly meet the initial value anticipation through a win-win value proposition. “Additionally, they need to perform an analysis of their potential value stakeholders…to draw strength from strategic collaboration” (Vrontis et al., 2014, p. 355). However, researchers argue that the sports marketing literature has originated from conventional marketing theories; there is a lack of progress in the sports marketing theory. Since, “the sport product is still being regarded as on-location or media entertainment, limiting researchers and practitioners to a correspondingly pre-defined (marketing) approach that fails to incorporate the spectrum of sport value” (Thrassou et al., 2012, p. 278). Again, in an incessantly changing tourism industry, the innovation of unique strategic models, which “do not simply fit new competitive conditions, but perpetually and automatically predict and adapt…according to the pace and nature of change” (Thrassou et al., 2014, p. 352) becomes a key for superior competitive advantage. Consequently, recognising the nature of stakeholder activities, preferences, beliefs, attitudes and affections (Thrassou and Vrontis, 2009) appear to be important for both the sports industry and the tourism industry to compete advantageously. Accordingly, similar to other industries, the stakeholder relationship management is crucial for the sports industry, as well as for the tourism industry. The initial theoretical discussion of this study shows that the implications of RM against stakeholders’ joint collaboration, towards value co-creation and their mutual effort are extensively researched. However, the sports industry and the tourism industry, separately, have also acknowledged the significant contribution of RM in stakeholders’ engagements and its relevant challenges and opportunities (Cousens and Babiak, 2001; Fyall, Callod and Edwards, 2003; Stokes, 2005; Stavros, 2005; Hopewood, 2005; 2007; Jones, 2006; Álvarez, Martín and Casielles, 2007), the implications of RM on the cause and consequence of sports tourism stakeholders, particularly in terms of the role of sports events/sporting bodies in tourism destination promotion, in order to increase tourist visitation are not widely analysed.

The rise of the number of sport events that countries, regions and communities host denotes the importance of sport events for tourism and economic development and suggests a synergy between sport and tourism marketing. However, theoretical and applied research that explains…this relationship is rather limited. (Kaplanidou and Alexandris, 2013, p. 1)

Therefore, a recognised gap exists between the theoretical and managerial perspectives to distinguish the impact of RM on the contemporary destination marketing in order to attract an increasing number of tourist visits through the association of stakeholders from the sports industry, while such a cross-industry collaboration co-creates further mutually beneficial relationship value for all stakeholders involved and contributes to various socio-economic issues.

2.2 Research aim and method

This study adopts a qualitative case study method (Yin, 1994), using a single case, the ‘Tassie-Hawks’ value network. On a methodological level, the study is conceptual, based on the extant literature and secondary data analysis of the ‘Tassie-Hawks’ case study. Case studies include a comprehensive method and represents one of the most common ways of carrying out qualitative research (Stake, 2000), especially when the focus is on the contemporary phenomenon within some real-life context (Yin, 2003; 2009). In brief, case studies play a clear role in research and most importantly provide a way of
explaining the causal links in real-life intervention that is too complex for the survey or experimental strategies (Gomm, Hammersley and Foster, 2001; Yin, 2003; 2009). Consequently, based on the contemporary phenomenon within the real-life context and the causal links between the intervention of the cause and consequence of stakeholders' relationships and interactions in the sports-tourism industry, the aim of this study is to analyse the implications of RM on the ‘Tassie-Hawks’ value network, while they work interdependently in a planned and organised way, underlying their mutually beneficial relationship value (such as monetary, intellectual and physical resources and its further prospects), in order to pursue their multifarious goals (e.g. increased tourist visits and responding to various socio-economic issues for Tasmania, and increased membership sales for Hawthorn), with the intention of co-creating further socio-economic value from a win-win perspective. The purpose of studying the ‘Tassie-Hawks’ value network is Tasmania has been gradually increasing the number of tourists, as well as reinforcing various socio-economic projects, where Hawthorn plays a central role in the promotion of Tasmania’s sports tourism, as well as providing an important contribution to the Tasman socio-economic issues (Naming Rights Partner, 2010; Tasmanian Tourism Snapshot Archive, 2014).

This study uses scholarly literature, secondary data and an in-depth analysis of media contents. Creswell (1998) stated that case studies are analysed by providing a “…detailed description of the case and its settings” (p.78). Stavros (2005) suggests that the issues, concepts and variables from a case would be useful to pursue the aim of the study, where the “…insight, intuition and impression” (Dey, 1995, p. 78) of the collected data are important components of analysis. Accordingly, a pattern is adapted for analysing the ‘Tassie-Hawks’ value network, where the prospective variables (various RM perspectives) identified from the case have been analysed through insight, intuition and impression for understanding of the impact of the identified variables on the aim of the study, i.e., how various RM perspectives affect the ‘Tassie-Hawks’ value network according to their mutual understandings and helping to strengthen the Tasman socio-economic development, through an increased number of tourists, as well as contributing to the increased sale from memberships for Hawthorn in Tasmania. From this perspective, this study pursues the following research question:

Which relationship perspectives of sports-tourism stakeholders stimulate them to work interdependently in order to pursue their multifarious goals and co-create further mutually beneficial socio-economic value?

However, for several decades, RM has played a key role aimed at satisfying and exceeding the post-modern market’s value anticipation from various perspectives, the earlier analysis of extant literature of this paper describes that the academic and practical understandings of RM, in relation to the sporting events and tourism and their further correlation from socio-economic perspective are not broadly analysed. Subsequently, along with the customary deductive positivist epistemology used to describe a theoretical viewpoint at the beginning of the article, this study also adopts an inductive constructivist outlook, which enables findings to emerge logically from the analysed data (Eisenhardt, 1989; Yin, 1994). Consequently, with regards to an earlier theoretical viewpoint, and based on the references of Glaser and Strauss (1967) and Hallier and Forbes (2004), this study also provides additional literature in the discussion stage, as an inductive research process, in order to justify the findings, in accordance with the earlier theoretical foundation and the aim of the study.

3 Socio-economic value co-creation and the ‘Tassie-Hawks’ value network
The purpose of this section is to analyse the secondary data of the ‘Tassie-Hawks’ value network, in order to understand the impact of RM on the value network, while the two partners (Tasmania and the Hawthorn) of the network interdependently work together to pursue their multifarious goals. The outcomes of this analysis are presented in the ‘findings and discussion’ section.

Tasmania (2011a; 2011b) is a place of natural attractions and the smallest state in Australia, including 300 islands and located 240 kilometres to the south-east of the Australian mainland. However, Tasmania has enormous beauty to offer in terms of ecotourism, cultural and heritage tourism, recreational and leisure tourism, sports tourism and so forth, in order to promote its economic growth; Tasmanian economy and its development is still a long way behind compared with other Australian states.

For most Tasmanians a darker reality lies behind the seductive tourism brochures showcasing the state’s pristine wilderness, gourmet-magazine articles celebrating its burgeoning food culture, and newspaper stories gasping at a world-leading art museum. Tasmania ranks at the bottom among Australian states on virtually every dimension of economic, social and cultural performance: highest unemployment, lowest incomes, languishing investment, lowest home prices, least educated, lowest literacy, most chronic disease, poorest longevity, most likely to smoke, greatest obesity, highest petty crime, worst domestic violence. It seems not to matter which measure is chosen, Tasmania will likely finish last. (West, 2013, np)

From this perspective, with the purpose of propelling collective development, the multifarious goals of Tasmania would be:

- creating income and employment;
- promoting education, literacy rate and extra-curricular activities;
- ensuring a healthy social, cultural and sporting lifestyle to avoid anti-social activities and so forth.

Although, Tasmania ranks behind among all Australian states, while pursuing such multifarious goals (West, 2013), it has been endeavouring to accomplish these goals by utilising the mutually beneficial relationship value of its stakeholders of the sports-tourism industry. The mutually beneficial relationship value of Tasmania and the Hawthorn Football Club has been playing a key role to flourish an alternative route for Tasmania to pursue their goals through sports-tourism. Hawthorn is a Victoria based Australian Rules Football Club, with a huge number of fans on a national level, established in April 1902 (Timeline, nd). Alongside their on-the-field successes, Hawthorn established themselves as one of the most financially strong Australian Rules football clubs (Institute of Chartered Accountants in Australia, 2002; Stavros, 2005). Hawthorn’s motto is ‘spectemur agendo’, loosely translated as “let us be judged by our acts” (Hawthorn 2013 AFL Preview, 2013, np). Since 2001, Hawthorn has focused its concentration on the Tasmanian market as a strategic niche (Naming Rights Partner, 2010). Since 2007 Hawthorn has played four of its home games a year in Tasmania as their second home ground (Gordon and Gordon, 2009). The multifarious goals of Hawthorn to niche into the Tasmanian market would be:

- to optimise their brand awareness;
- to maximise their membership and other sales;
- to penetrate into the Tasmanian market intensely and so forth.
Since Tasmania is known as Tassie, the value network of Tasmania and Hawthorn is branded as ‘Tassie-Hawks’ (Tassie Hawks in Schools, 2013), in order to prolifically use the Hawthorn mania to enhance the Tasmanian socio-economic projects, to boost Tasmania’s appeal as tourism destination, to develop a strong Australian Rules practice in Tasmania, with the aim of strengthening the physical activities of Tasmanian young generation and so forth (Gide and Shams, 2011). The Tasmanians are starved of Australian Rules football, but up to 2001 they had to put up with simply being passionate viewers at a distance (Stavros, 2005). This long distance support has reached the highest possible levels, once Hawthorn decided to play some of their home games in the capital of Tasmania, at the Aurora Stadium, instead of their native home of Victoria. Previously known as York Park, Aurora Stadium (2013) has created its profile as the home of the Australian Rules football in Tasmania and is the Hawthorn’s home away from home. According to Hawthorn’s Membership Manager:

Human beings naturally want to belong to something, that’s the way we are and being affiliated to a football club and being part of a family is the thing that we push and it’s something that we can readily offer. It’s a special thing, you feel special because you are with other like-minded people. (Stavros, 2005, p. 97)

Underlying this natural belongingness and the passionate support of Tasmanians, the Tasmanian State Government and the Hawthorn strategically work out their mutually beneficial relationships value, the ‘Tassie-Hawk’, while working interdependently in order to pursue their respective multifarious goals. The strategy helps to conveniently convey the respective promotional messages and appeals of the Tasmanian Government and Hawthorn to the people of Tasmania, while it allows Tasmanians to enjoy the Australian mainstream sports from their own homes for the first time, as well as creating awareness on various economic, social and cultural issues.

A membership in Australian Rules Football is much more than a local way of expressing an individual season-ticket holder. A member is someone, who has a legally protected stake in the management and running of the organisation. This means that major decisions at clubs often require members to vote; almost certainly in the case of appointing a board of directors and president. This is similar to the (many) functions of shareholders in a listed company. (Stavros, 2005, p. 104)

The Australian Rules are a lot more than a football league to Australians, it is their passion, it is their identity and it originates from their culture (Football in Australia, 2008). Australian Rules is Australia's premier spectator sport attracting millions of people each year (Football in Australia, 2008), whereas up to 2001, the Tasmanians had to put up with being a passionate spectator at a distance. The partnership between the Tasmanian Government and Hawthorn bridges that gap for the Tasmanians. The successful partnership of Hawthorn and Tasmania co-creates huge value for both partners. At the end of 2009, the membership of the Hawthorn is at a record high, with Tasmanians representing a remarkable fourteen per cent of the total Hawthorn membership (Stevenson, 2011). Hawthorn chooses Tasmania as their ‘second home’. In return, Hawthorn provides significant value to the State’s local communities. Hawthorn
has been organising a prominent community profile in Tasmania through the Australian Rules Community Camps programme (Naming Rights Partner, 2010). The Community Camps see Hawthorn players visit communities across the state and provide a dynamic contribution to the efforts of local charities, community groups and football club (Lombardi et al. 2014) fundraising activities.

The Australian Rules football in Tasmania through the Hawthorn’s partnership offers a significant boost to the Tasmanian tourism industry, which has been recognised as a priority sector in the Tasmanian Government’s economic and social development programmes (Events Tasmania, 2012). In July 2009 the Tasmanian Government, the Hawthorn and the Bupa (nd) launched the ‘Hawks in Schools programme’, later the programme was renamed as ‘Tassie Hawks in Schools Programme’, with the aim of encouraging students to have fun and be active. The ‘Tassie Hawks in Schools programme’ provides complimentary sports packs to all 226 primary schools of Tasmania (Naming Rights Partner, 2010, Bupa, nd). Furthermore, as part of the ‘Tassie Hawks in Schools programme’, all grade four students in Tasmania received a Tassie Hawks in Schools booklet, developed by the Tasmanian Department of Education in collaboration with the Hawthorn’s major partner Bupa (nd), the leading health-service provider in Australia. The booklet is fun and engaging, full of interesting sports and health-related information for kids. Under this programme, Hawthorn, Bupa and the Tasmanian Government organise road shows, visit schools, communities, festivals across Tasmania to encourage people to get involved in sporting activities (Bupa, nd), provide free footballs and netballs to the schools in Tasmania, in order to encourage physical activity in the school yard (Tassie Hawks in Schools, 2013). According to the Tasmanian Minister for Sport and Recreation, Michelle O’Byrne (2012), over 45,000 primary school students in Tasmania will have access to the new sports gear that will be a great support to the primary students of the state, in order to foster an active, sports-loving youth. The Hawthorn General Manager, Consumer Services and Community, Greg Cook (2012) described the initiative “will help promote healthy living and positive choices to the next generation of young Tasmanians, which will assist them in whatever they choose to do in life” (np).

Again, Hawthorn has partnered with the Tasmanian Government’s initiative, ‘Move Well Eat Well’, and on their visits to Tasmania, they promote this government’s ‘Healthy Children’ initiative as a ‘Preventive Health’ programme to various schools (Tassie Hawks in Schools, 2013). The ‘Move Well Eat Well’ programme

Seeks to improve physical activity and healthy eating among children as a key strategy to prevent overweight and obesity. The program is provided through a partnership between the Department of Health and Human Services and the Department of Education. (The Tassie Hawks in Schools, 2013, np)

Move Well Eat Well provides a comprehensive yet simple guide and framework for primary schools and early childhood services to help them create environments for children that support healthy eating and physical activity for every child, every day. The program promotes six healthy messages (The Tassie Hawks in School, 2013, np):

- tap into water every day;
- plant fruit and veg in your lunchbox;
- limit ‘occasional’ foods;
- move, play and go;
- turn off, switch to play;
The success of the program’s (Move Well Eat Well) development can be attributed to significant input from a range of organisations and advisory groups during the development stage, and ongoing support from key agencies and individuals. The Move Well Eat Well design and health messages icons are delivered under license to the Department of Health, Victoria, and is an adaptation of their Kids-‘Go for your life’ Program. We acknowledge their invaluable advice in the program development stage. (Department of Health and Human Services, nd, np)

Alongside the ‘Tassie Hawks in Schools Programme’, Hawthorn administers a ‘SportsAbility’ centre at the campuses of the University of Tasmania at Launceston and Hobart of Tasmania, and the Club also helps with capacity-building within the sport sector around the state, providing advice on how sporting organisations may become more prolific and offer sustainable services to their communities (Events Tasmania, 2012). Hawthorn also runs an online TV channel featuring Hawks Kids (2010) that broadcasts on Southern Cross TV in Tasmania at 8.30 am every Saturday morning of the football season and can be streamed online too from 9.00 am from www.hawthornfc.com.au.

Hawks Kids is filmed at Hawthorn's Multimedia Centre, Waverley Park, and on location across Tasmania, featuring weekly interviews with all the Hawthorn stars, skills and drills to train the stars of tomorrow, Hawthorn match reviews and highlights, and results and match reviews from junior leagues around Tasmania. (Hawks Kids, 2010, np)

The mutually beneficial relationship value of Hawthorn also helps Tasmania to promote their tourism industry in other states of Australia:

Tourism Tasmania (nd, np) showcases its amazing tourism offering to (Australian Rules Football) fans, sponsors and corporate audiences each year via the Tasmanian Game of the Year promotions at the MCG (the Victorian stadium at Melbourne and Hawthorn’s native home), as part of Tasmania's sponsorship of the Hawthorn Football Club.

Come and see why the Hawks have nested in Tasmania. With world class experiences closer than you think, a short flight will land you on an island packed with premium food, rich maritime and colonial history, and vast world heritage wilderness. (Tourism Tasmania, 2013, np)

Tasmania has also increased its level of attraction as a visitor destination based on the mutually beneficial relationship value of Hawthorn.

Every year, thousands of (interstate Australian Rules Football) fans travel to Tasmania for Hawthorn home games, and many stay on to explore the rest of the state or return later for a holiday. The benefits of this partnership are far-reaching and have made a real difference. (Tourism Tasmania, 2013, np)

Tourism Northern Tasmania Chief Executive Chris Griffin (2013, np) described:

The winter is our low (tourism) season and naturally we’ll see visitor numbers decline, but Hawthorn football games are a great opportunity for us to offset that decline and increase the time and money people spend when visiting the region.
Accordingly, the Hawthorn mania has resulted in an increase in the number of tourists to Tasmania. “Hawthorn games in Launceston have boosted the traditional low winter tourism market” (McKay, 2013, np). Indeed, the Australian Rules football, Hawthorn and increased number of tourists in Tasmania are interdependent. Roger Findley (2013) an Australian Rules fan from Victoria stated:

> When I checked the Virgin flights out of Melbourne (to Tasmania), I noticed that most of the seats have gone on the day of the game. Why not make it a long weekender? Sail aboard the spirit of Tasmania on Friday night. Catch the bus down to Hobart (Tasmanian capital). Go to the footy (the Australian slang of football). Stay the night and fly home on Sunday. (np)

The economic impact research (Naming Rights Partner 2010) shows that Tasmania is receiving a significant return on its investment in the ‘Tassie-Hawks’ value network. During the 2008 season, Australian $15.136 million was injected into the Tasmanian economy directly from the tourism (travel and hospitality) industry boom by Hawthorn’s visits, promotions and mutual activities in the island state. A total of 299 full-time equivalent employment positions were created in Tasmania as a result of the Hawthorn’s mutually beneficial relationships and interactions, with 197 of these a direct result of increased tourist visits. Bresnehan (2012) reported that the creation of full-time equivalent employment was more than 400 in the 2011-12 season, as a result of the increased number of tourists due to the Hawthorn promotion. The Tasmanian Sport and Recreation minister, Michelle O’Byrne (2013):

> Thanked the club for its loyalty, now in its 13th season of playing home games in Tasmania, and acknowledged the strong connections formed with the Tasmanian community, including through their genuine commitment to help those communities and towns affected by the January bushfires. (np)

Hawthorn has been providing $5000 Australian Dollars to each of the three Tasmanian regional junior leagues for the last six years, as well as an annual grant of Australian $150,000 from Hawthorn, which goes a long way in supporting the state’s community developments, and the impact of the sponsorship implies more than 26,000 additional tourists that visited Tasmania each year to watch the Australian Rules football, as a direct result of the Hawthorn agreement (O’Byrne, 2013).

Figure 1: Increased tourist visits in Tasmania since 2006 (Source: Tasmanian Tourism Snapshot Archive, 2014).

At the same time, the Tasmanians have been fulfilling their aspirations in enjoying Australian mainstream sports at their hometown, as according to Hawthorn’s Marketing Director, not only did Tasmania seem to take a shining to Hawthorn as their team, but also membership sales have grown significantly in Tasmania, all of the Hawthorn’s matches in Tasmania have been sold out and Hawthorn has been given full media coverage in Tasmania since the very beginning, in order to penetrate the Tasmanian market (Gide and Shams, 2011). The Hawthorn Marketing Director also added that the Tasmanian market is now dominated by Hawthorn and capturing of Tasmania market is a landmark for the Australian Rules given that other clubs had attempted to capture other parts of the country in the past with no real success (Stavros, 2005; Hawthorn FC, 2010; Naming Rights Partner, 2010).
Consequently, in fourteen years, the initial mutually beneficial relationship value that was rooted in 2001 has been continuously co-creating further value. As a result, Hawthorn has chosen Tasmania as their second home. The 2001’s relationship value co-creates further value for Hawthorn as Tasmanian State Government’s naming rights sponsorship since 2006, which helps Hawthorn to penetrate intensely into the Tasmanian market that directly reflected through Hawthorn’s membership sale in Tasmania. Furthermore, alongside the naming right sponsorship of the Tasmanian Government, Hawthorn attracts additional businesses through the Tasmanian industry based sponsorships (Silver Sponsors, 2010). Likewise, the 2001’s initial relationship value co-creates further value for the Tasmanian local community from larger perspectives, as in 2009, the CEO of Hawthorn, Stuart Fox (2009) was able to evaluate the further value proposition with the Tasmanian Government, which was estimated to be worth up to Australian $20 million over another five years. Moreover, at the end of this five-year period, the contract has already been extended for another five years up to the 2017-18 season, in order to strengthen an already important social, community, tourism and economic driver for the state (Bresnehan, 2012; O’Byrne, 2013). According to one of the top marketing experts in Australia, the Tasmanian sponsorship deal with Hawthorn is one of the best sports tourism value proposition in Australia, it is a smart investment and no other state in Australia comes closer to such a value proposition, while the Head of the Brand Tasmania described it is an outstanding part of our investment (Bresnehan, 2012).

4 Findings and discussion

The development of the current global commercial groups is the outcome of power of the associated stakeholders (Gummesson, 2002). Underlying the cause and consequence of stakeholders’ relationships and interactions, and the anticipated mutually beneficial relationship value, relationship marketing (RM) formulates joint power among the key stakeholders that helps them to pursue their multifarious goals (Kurtz, 2009; Shams, 2012). Similarly, the cause and consequence of relationships and interactions between the Tasmanian State Government and the Hawthorn, which was initiated in 2001, when Hawthorn played one of their home games in Tasmania for the first time, and further anticipation of their mutually beneficial relationship value appeared as the antecedent of this joint power of the ‘Tassie-Hawks’ value network. Based on high stakeholder service, commitment and contact, and cooperation, trust and share of dependency, risk and uncertainty among the involved stakeholders, RM bases ventures prolifically stimulate the joint power of the stakeholders, while they work interdependently towards mutually beneficial multifarious goals (Gummesson, 2002; Stavros, 2005; Kurtz, 2009; Shams, 2013). Similarly, the joint power of the ‘Tassie-Hawks’ value network develop an alternative route in order to flourish their respective businesses, in order to meet their individual multifarious goals, while they work interdependently and expediently connect with other targeted stakeholders, such as the schools of Tasmania, various public and private sector health and education organisations, sporting clubs and community centres of Tasmania, and ultimately the different demographics of Tasmanian people, the target audience of the ‘Tassie-Hawks’ value network. Consequently, this RM proposition appears as the benchmark in the Australian sports-tourism industry.

As part of an ongoing relationship with customers, marketers must continually measure and improve how well they understand and meet customer’s needs. Knowledge of what customers need, want and expect is a continual concern of company’s focus on building long-term relationship aiming to retain them. (Kurtz, 2009, p. 317)
It was indicated earlier that Tasmanians are ardent followers of the Australian Rules football, just like other Australians; however Tasmanians had to put up with being distant viewers until 2001. The ‘Tassie-Hawks’ value network understands their target markets’ (the people of Tasmania) contemporary or latent needs, as they realised that their mutually beneficial relationship value will foster further attention of their target markets, which will help them to advantageously promote their socio-economic messages to their target audiences. As a result, Hawthorn has chosen Tasmania as their second home and started to play some of their home games in Tasmania, and also involved them in various Tasmanian socio-economic projects. Eventually, such an understanding satisfies the contemporary or latent needs of the target markets, i.e. enjoying the Australian Rules extravaganza at their home ground. Furthermore, the ‘Tassie-Hawks’ organises various road shows, visits schools and community centres around Tasmania to make an awareness of various socio-economic issues (Naming Rights Partner, 2010) that helps to make the target audience aware of the importance and benefits of the ‘Tassie Hawks’ initiatives, offerings and the mutual effort for value co-creation for Tasmania. Gummesson (2002) described that a favourable approach is envisioned with the relationship process, where stakeholders’ (including customers) relationships have to be consequential centred on the personal knowledge of the target audiences with regards to the value proposition. Again, according to Rajaobelina and Bergeron (2009), stakeholders’ knowledge is certainly related to relationship quality. Therefore, RM concentrates on stakeholder’s orientation on benefit about the value proposition in order to enhance their knowledge against the benefit. From this perspective, the ‘Tassie-Hawks’ value network deep rooted into the Tasmanian society and enhanced their relationships with the Tasmanian communities through various socio-economic awareness campaigns in order to develop an orientation of advantage of these campaigns. Simultaneously, ‘adaptation’, similar to many other merits of relationship perspectives in marketing management, RM keeps an eye on changes so that the associated stakeholders could timely adapt with any transforming circumstance (Gummesson, 2002) in order to respond to any problem or to evolve any opportunity. Subsequently, the Tasmanian State Government has adapted the ‘Move Well Eat Well’ programme from the Victorian ‘Kids-Go for your life’ programme (Department of Health and Human Services, nd), with the aim to ‘improve physical activity and healthy eating among children (of Tasmania) as a key strategy to prevent overweight and obesity’ (Tassie Hawks in Schools, 2013, np).

Lars and Berggren (2010) acknowledged that the various extents of relationships between a company and its stakeholders can enhance brand loyalty. Based on strategic RM and being proactive in relationship, companies can create more satisfied customers by enhancing brand loyalty. Lars and Berggren (2010) describe that closer relationship strategies assist in developing a corporate brand image, while focusing on important aspects of the relationship with the customers; companies can achieve customer loyalty and a sustainable brand image. Again, one of the central aspects of RM is communication with customers (Andersen, 2005). Involving consumers in a marketing communication process is a prerequisite for achieving brand involvement and loyalty. Accordingly, the joint efforts of Tasmania and Hawthorn is branded as ‘Tassie-Hawks’, where the branding initiatives, such as ‘Tassie Hawks in Schools’ (2013), the value network and so forth are focused on the relational aspects of Tasmania and Hawthorn, as Tasmania is known as ‘Tassie’ and Hawthorn (nd) is also known as ‘Hawks’ (NBC News, 2013). The logo of ‘Tourism Tasmania’ is exhibited on the top of the home page of the Hawthorn (nd) official website, as well as the ‘Tassie-Hawks’ value propositions and the branding campaigns are promoted through this website. On average, 2,270 users visit the website every day and 2,076 anonymous visitors visit the website every day from various states of Australia, as well as from outside of Australia (URL Metrics, 2013). Such a
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A relationship factor-focused branding campaign helps the ‘Tassie-Hawks’ value network to develop a sustainable brand image to attain and retain their customers on the long term. RM focuses on long-term business (Kurtz, 2009), where the lifetime value of customers is a major element in the practice of RM (Little and Marandi, 2003). Similarly, the ‘Tassie-Hawk’s initial relationship value since 2001 has been gradually expanding its capacity, co-creating further socio-economic value for both of the partners of the Australian sports-tourism industry, where the partnership is now extended to the 2017-18 Australian Rules Football season, with a stronger prospect of further value co-creation (Bresnehan, 2012; O’Byrne, 2013). At the same time, the co-created socio-economic value, such as the enhanced physical and sporting activities of the young people around Tasmania also extends a life-time value for these people, as it “will help promote healthy living and positive choices to the next generation of young Tasmanians, which will assist them in whatever they choose to do in life” (Cook, 2012, np). Again, Little and Marandi (2003, p. 29) illustrate that “RM shifts the emphasis from concentrating on gaining share of market to keeping clients and attempting to gain a bigger share from them”, as RM accentuates retaining customers instead of making sales only (Kurtz, 2009). Accordingly, the accomplishment of major shares of the Hawthorn that they accumulate annually for sponsorship and societal marketing purposes, becomes the tempo of the Tasmanian tourism industry in order to extend the tourism in Tasmania and co-create socio-economic value for all associated stakeholders through the mutually beneficial relationship value of the ‘Tassie-Hawks’ value network.

The initial mutually beneficial relationship value of the ‘Tassie-Hawks’ value network was originally rooted in 2001 for the first time, when Hawthorn played one of their home games in Tasmania. Following that initial mutually beneficial relationship value and further value anticipation, the analysis of this study shows that the multifarious goals of Tasmania and Hawthorn stimulate them to rely on each other, in a way that allows them to work interdependently towards a win-win outcome for both of the partners through the co-created further socio-economic value, where the described RM perspectives play the central role in their planned and organised activities, and individually and/or jointly reinforce the mutually beneficial relationship value of the ‘Tassie-Hawks’. For example, the joint power of the ‘Tassie-Hawks’ reinforces the 2001’s initial mutually beneficial relationship value. Eventually, this joint power and the anticipation of its prospects against their multifarious goals bring these two stakeholders closer to work interdependently, in order to pursue those goals, such as mutually promoting Tasmania as a tourism destination, contributing to various Tasmanian socio-economic issues (for example, increasing employability) for the Tasmanian Government, as well as increasing membership sales, creating brand awareness in the Tasmanian market for Hawthorn. Collectively, the initiatives and the anticipated prospects of this joint power and the associated RM perspectives through the planned and organised activities of the ‘Tassie-Hawks’, which are derived from their monetary (e.g. naming rights sponsorship), intellectual (e.g. prolific utilisation of various RM perspectives) and physical resources (e.g. Hawthorn’s road shows and visits in the Tasmanian communities and so forth) satisfy or exceed that initial anticipation. Consequently, the partnership has reached to the 2017-18 season so far from the initial relationship in 2001, as well as facilitates a win-win outcome; optimise that 2001’s initial value through the co-creation of further socio-economic value for both of the partners. The described RM perspectives demonstrate the applicability of RM from a socio-economic case of the ‘sports-tourism’ industry, where the associated stakeholders were able to align and/or realign their interdependence, alongside their mutually beneficial relationship value, in order to pursue their multifarious socio-economic goals. The findings contribute to the understandings of the variables (RM perspectives) that should be analysed prior to conceptualise any value
proposition in the sports-tourism industry in order to co-create socio-economic value for the associated stakeholders towards a win-win outcome. Since underlying such RM perspectives, Tasmania is able to increase the number of tourist visits, advance with their socio-economic projects, while they interdependently co-create further socio-economic value in association with their sports-tourism stakeholder, whereas it is cross-referenced earlier that other clubs of the Australian Rules football had attempted to capture other parts (destinations) of the country with no real success.

(please insert Figure 2 about here)

Figure 2: A relationship marketing framework for socio-economic value co-creation.

The fundamental elements of the traditional marketing mix are product/service, price, place and promotion. Among these elements, the ‘Tassie-Hawks’ value network develops services for their common Tasmanian market. Some of these Tasmanian services are the modified version of the services, which are applied in other states of Australia. For example, the Tasmanian ‘Move Well Eat Well’ programme is adapted from the Victorian ‘Kids-Go for your life’ programme (Department of Health and Human Services, nd), with the aim to “improve physical activity and healthy eating among children (of Tasmania) as a key strategy to prevent overweight and obesity” (Tassie Hawks in Schools, 2013, np). All these ‘Tassie-Hawks’ services are also positioned so as to satisfy and exceed the socio-economic needs of Tasmanians, which is a common market of the Tasmanian State Government to implement their socio-economic programmes, and the Hawthorn to penetrate into this market by promoting the Australian rules football and the associated services and merchandises, and increasing their membership sales. Following an analysis of the Tasmanian socio-economic issues and their individual goals against those issues, the State Government proactively integrates their business partner’s (Hawthorn’s) goals with the contemporary and latent needs of their common market. In this integration, various RM centred co-creation driving variables as portrayed in Figure 2, play a central role to align/realign the business processes, in accordance with the interdependence and interrelationships between these two partners. The success of such business process alignments/realignments of the ‘Tassie-Hawks’ value network in terms of socio-economic value co-creation is judged according to the extent of the co-creation mediating variables’ capabilities to respond to the initially recognised socio-economic issues.

Alongside the services, the other elements of the traditional marketing mix (Kotler and Armstrong, 1991; Brooksbank, 1999; Shilbury et al., 1998) are also active in the ‘Tassie-Hawks’ value network, as the co-creation mediating variables. As the services are promoted through online and television advertisements and publicity (Hawks Kids, 2010; Events Tasmania, 2012; Hawthorn, nd). As part of public relations, they organise road shows, visit schools, communities, festivals across Tasmania (Bupa, nd), provide free footballs and netballs to the schools in Tasmania (Tassie Hawks in Schools, 2013), where the Hawthorn’s naming rights sponsorship has an imperative influence for the success of such promotional efforts in a market, which is passionate for Hawthorn mania (McKay, 2013; Findley, 2013). The Tasmanian market is the location of ‘Tassie-Hawks’ services, where the services are offered based on a value-price. Since, “value is an anticipated outcome of any sort of planned and organized activity…the more the outcome meets initial anticipation, the more the possibility of value optimization for all involved stakeholders” (Shams, 2013, p. 38). Accordingly, the Hawthorn mania has not only boosted the tourism industry of Tasmania through the increased interstate tourists (Mckay, 2013; Findley, 2013), but also the Hawthorn membership sales in Tasmania has increased significantly (Stevenson, 2011), indicating that the target market is satisfied
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with the value they receive against the price they pay. The last point of our conceptual framework in Figure 2 is ‘the socio-economic value co-creation continuum’. Here, we suggest that although a service that is co-created to contribute socio-economic value, may be assumed as either valuable or of no value, implying a binary concept, value actually exists on a constant basis between completely valuable or entirely value-less. The concept of value as a spectrum, with a threshold, is not well researched, but we illustrate this concept in Figure 2 through the use of a double headed arrow to represent the varying level of perceived co-created socio-economic value. Since, the perceived extent of a co-created socio-economic value actually positions in the mind of the customers, in relation to the capacity of the value to satisfy their socio-economic needs, where such a perception may differ from customer to customer.

5 Conclusions, limitations and future research

The academic and professional implications of these RM perspectives have been particularly significant for any destination, industry and offering, as Gummesson (2002) described that RM is applicable to any industry and market; however the relationship portfolio should only consent to the given situation of the targeted destination, market or industry. Here the given situation would be relevant with the respective market or industry conditions, such as the degree of interdependence among the associated stakeholders of the targeted destination/market, based on the stakeholders’ multifarious goals, a relevant appeal to attract the target audiences’ attraction and so forth. Here in our study, the relevant appeal was the name of ‘Tassie-Hawks’ focusing on the Tasmanian Australian Rules football market.

The extant literature shows that in association of the key stakeholders, RM is the most important way of using the stakeholders’ mutually beneficial relationship value, however; the recognised course of action of stakeholder commitment and the extent of their relationships are partial in the extant literature from the perspective of sports-tourism industry. Against this increasing importance and potential of RM to contribute to the post-modern marketing management, this study contributes from this viewpoint to the existing understanding in stakeholder relationships and interactions in the sports-tourism industry, especially to respond to the socio-economic issues. However, as with any other studies, this study is diluted by some limitations that offer opportunities for further research. In order to reinforce empirical validation of the findings, quantitative investigation would be beneficial. Furthermore, a longitudinal data collection process would be useful to ascertain how the application of the associated RM perspectives has progressed, and perhaps to recognise other emerging RM perspectives. Similarly, it is suggested that future research can be conducted in other markets and from different socio-economic viewpoints, across a wide range of industries to determine if the findings can be extended to such areas of RM. Additionally, since the perceived extent of value differs from customer to customer, future research could be directed to measure the extent of perceived socio-economic value. Beside the academic interest, further research will also satisfy the need for explicit guidance for practice.

References


Andersen, P.H. (2005) ‘Relationship marketing and brand involvement of professionals through


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Figure 1: Increased tourist visitation in Tasmania since 2006 (Source: Tasmanian Tourism Snapshot Archive, 2014).

Figure 2: A relationship marketing framework for socio-economic value co-creation.