



Truly Remarkable Professional Sports Team Marketing

The Miami Dolphins 2009 New Season Ticket Holder Acquisition Direct Marketing Program

Overview and the Business Challenge

The National Football League's Miami Dolphins have been a client of DME's for several years and have utilized numerous DME services in the past – mail, email broadcast, data base cleansing and reconstruction, variable internet pages and voice broadcast to name a few. The team had a poor record in 2007 (1 win and 15 losses) and, not surprisingly, began to experience significant attrition in their season ticket holder base. The team made an important change heading into the 2008 season hiring one of the game's best known and most respected directors of football operations - Bill Parcells. The payoff was almost immediate. The Dolphins won 11 games and lost 5 in 2008 and made the NFL playoffs. Approaching the 2009 season the Dolphins Senior Director of Corporate Communications, George Torres and their Vice President of Ticket Sales, Scott Loft believed the team had a "very good story to tell" and wanted to make a strong push increase their season ticket holder base. They hired a new advertising agency – the Arnold Agency out of New York City – and approached DME for its best thinking on how to recover lost season ticket holders and attract new ones.

The Marketing Program

Scott Loft, being familiar with DME's innovative marketing tools, had a vision of how to apply them to this campaign. DME, in close collaboration with Scott, helped design an integrated, multi channel approach featuring a highly personalized interactive video message (IMV) that could be viewed online. Working closely with the advertising agency (to make certain the program was consistent with the Dolphins new branding), the mail, email art and the IMV itself were designed to have a Miami Style/South Beach feel. All of the creative was designed with last name photographic personalization on authentic Dolphins player jerseys and other relevant assets to make each recipient feel as though they were part of the team.

The marketing database was constructed relying heavily on a recent, detailed segmentation analysis. High income residents in South Florida, past single game ticket purchasers, former season ticket holders and key business segments were the predominant database targets. DME produced and dropped over 100,000 high end, 6 x 20 bifold self mailers and broadcast close to 680,000 emails over a six week period commencing May 1, 2009. Every data record was aligned with one of 20 Dolphins sales representatives and every consumer touch (mail, email, IMV viewing) cited the sales representative by name and listed each representative's phone number and email address. In essence, each prospect had their own personal Dolphins ticket sales

“concierge”. The “call to action” was to have the target go to a variable internet page, designed just for them, and become immersed in a personalized Dolphins video experience. That experience was immediately followed by a web based digital presentation of ticket purchase options. The personalized video experience and digital ticket purchase feature can be viewed by visiting:

www.mydolphinslive.com

Below are samples of the mail piece and broadcast email template:



As these pieces demonstrate, DME's production across all media (print, video and email) featured photographic personalization, particularly on Dolphins' team jerseys and scoreboards. This contributed mightily to the campaign theme "The Dolphins Most Important Signing in 2009 is.....You". The goal was to create marketing assets across all channels and media that were absolutely remarkable and attention grabbing.

The web based nature of the IMV allowed flexibility as it can reside anywhere on the internet. Not only was a predetermined target audience driven to www.mydolphinslive.com via mail and email communications, but links to the site were placed on the Miami Dolphins web site landing page and at the sites of partners and affiliated media companies (the Miami Herald and the Miami Sun-Sentinel, for example). An enrollment page allows individuals who were not in the marketing database to enter personal information and participate in the personalized video experience. This digital asset is also ideal for true internet marketing – mention at social networking sites, posts and blogs on Miami Dolphin fan, sports marketing and pro football chat sites. Additionally, corporate customers who have Dolphin suites with flat screen TVs and internet access will be showing the IMV, personalized for their clients, prospects and guests, during games this year.

The Results

As of the date of the release of this case study, July 8, 2009, the program continues to deliver results, and will for some time, as the IMV has a long useful marketing life. However, even the incomplete results to date have been extraordinary:

- 1) New season ticket sales are ahead of an aggressive plan. The team has secured \$4.5 million in new season ticket holder revenue to date on an annual cash basis. This represents approximately 6000 new season seats purchased by 2200 companies and individuals. The Dolphins calculate the expected life cycle value of that revenue to be \$17.89 million (based on an average season ticket holder average life cycle of 5 years, a renewal rate of 85%, and an average increase of 5% in the ticket price over that time). These numbers will continue to grow as the IMV based marketing program will yield dividends long after the last marketing communication has been sent.

Clearly DME's executions were not responsible for all of the new ticket sales and revenue. A brief analysis of DME's contribution follows.

- 2) 78% of the new season ticket holders received a marketing communication (photographically personalized mail or email) from DME or viewed the IMV. That translates into \$3.5 million in annual revenue and \$13.95 million in expected life cycle revenue that received marketing stimuli from DME.
- 3) ROI calculations are difficult as there are many influences on the strong ticket sales results; the Dolphins had a strong year in 2008/2009, they have a sizeable and talented sales team, their new ad agency played a role, etc. If we attribute all of the new season ticket holder sales to parties who received a communication from DME solely to our efforts, the ROI would be an astronomical 33 to 1 on an annual cash basis and over 130 to 1 on a life cycle value basis. Nonetheless, even if we attribute 70% of the new ticket sales to other beneficial contributory factors, DME's direct marketing program still has produced \$10 in new annual ticket sales for every \$1 of Dolphin direct marketing expense and \$40 in expected life cycle revenue for every \$1 spent. Inasmuch as 78% of the new season ticket holders received a direct marketing communication or visited their IMV this is likely an extremely conservative assessment of impact of the direct marketing program.

Summary

Willingness to embrace technology, marketing innovation and act decisively have led the Miami Dolphins to a successful 2009 ticket selling campaign. This achievement has come during an economic period when capture of discretionary income is exceedingly difficult. With the creation of the IMV, the Dolphins have a digital asset that has not only energized and motivated fans and prospects, but has inspired partners, sponsors and employees as well. The IMV is one of the most impressive digital assets currently residing on the Dolphins web site landing page (www.miamidolphins.com) and is ideal for internet marketing. And, most importantly, the supporting direct marketing programs have produced new revenue well in excess of the strongest expectations.

DME Company and Contact Information

DME (www.dmenet.com) is a vertically integrated, direct marketing service and execution firm located in Daytona Beach, FL. From concept, through design, production, communications transmission, tracking and response analysis we do it all "in house". We operate across all media (print, video, web applications, email) and channels (mail, broadcast email, web, telephone) that are applicable to data base driven direct marketing. Our core philosophy revolves around two main principles; a commitment to "one to one" marketing and an emphasis on marketing innovation.

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Miami Dolphins

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