

Columbus Blue Jackets Case Review | May 15, 2014

# 2014 Fisher Invitational Case Competition

Featuring the NHL's Columbus Blue Jackets

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# TODAY'S AGENDA

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- + National Center for the Middle Market
  - + A brief background about the Center and why we targeted the Blue Jackets
- + Fisher Invitational
  - + History and process of the case
- + The Columbus Blue Jackets – 2014 Participants
  - + Exploration of challenges/issues/interests
  - + Summary of key recommendation themes
  - + Opportunities that might have been missed
  - + Insights from case writers and discussion
- + Feedback and Other
- + 2015 Opportunity – Fisher Cluster Program

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# THE MIGHTY MIDDLE MARKET

## DEFINED

ANNUAL REVENUE

**\$10MM – \$1B**

NEARLY

**200K**

BUSINESSES†

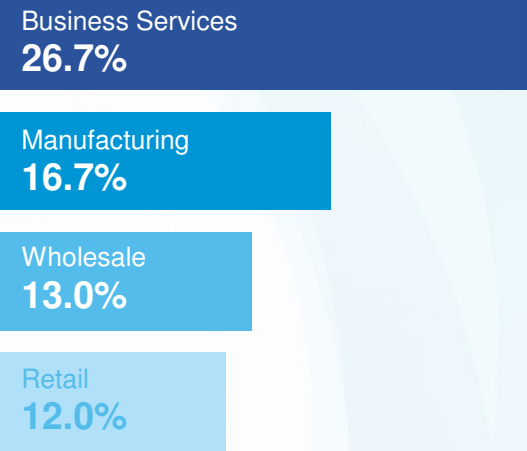
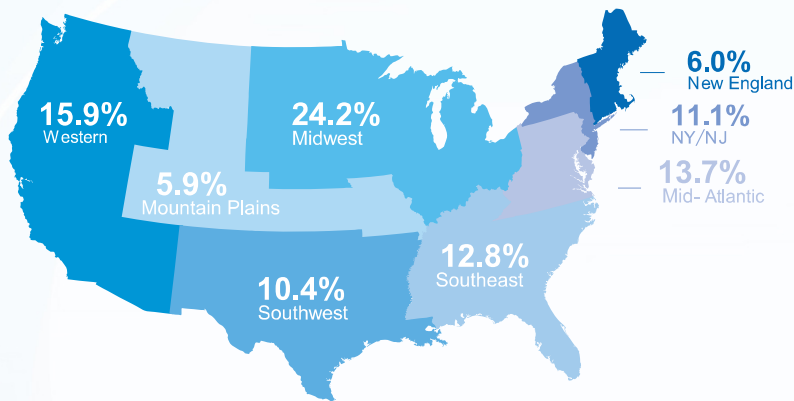
REPRESENTING

**3%** OF ALL

U.S. COMPANIES†

**1/3** OF ALL

PRIVATE SECTOR  
U.S. JOBS\*



\* Source: Market that Moves America † Source: Last Available Census

# THE NATIONAL CENTER FOR THE MIDDLE MARKET

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- + Comprehensive, Relevant Middle Market Research & Data
  - + Quarterly Middle Market Indicator
  - + Breakthrough research and insights on diverse topics including globalization, innovation, talent management and operational excellence
  - + Interactive benchmarking tools to help middle market executives compare company performance, supply chain resiliency and CEO compensation
- + Expertise & Outreach
  - + Experts travel nationwide to share relevant research with middle market companies, policymakers, media and academics
- + Executive Training
  - + Executive seminars focused on solving real-world challenges
  - + Informative webinars to build capabilities and facilitate best practices



Learn more about the NCMM at [www.middlemarketcenter.org](http://www.middlemarketcenter.org)

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# THE FISHER INVITATIONAL

## DEFINED

5

### + Highly Competitive Case Competition

- + 22<sup>nd</sup> annual event hosted by Fisher College of Business
- + Sponsored by the National Center for the Middle Market
- + Featured “live” cases in 2012 (Ethan Allen) and 2013 (Bravo Brio)
- + Participation from Big 10 B-schools and beyond (similar demographics):



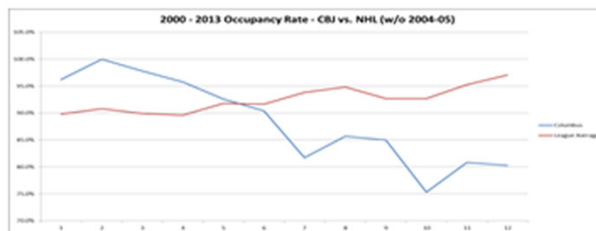
# THE CASE EXPERIENCE

6



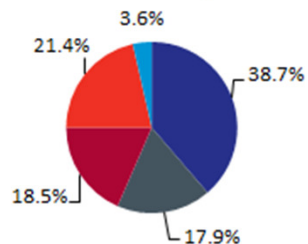
# THE CHALLENGE AT HAND: MAXIMIZE REVENUE

Although recent team performance has improved, attendance is rebounding slowly...



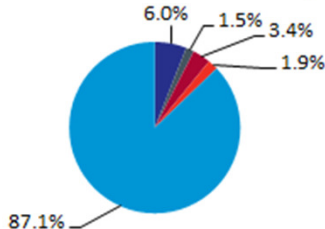
...CBJ currently operates at a \$20M/year loss...

2013/14 CBJ Revenues



- Ticket Revenue
- Sponsorship
- Local and National TV
- League Allocation
- Food & Beverage/Retail

2013/14 CBJ Major Expenses



- Marketing/Ticket Sales
- Corporate Sales
- G&A
- Other Expenses
- Hockey

...so in brief:

Given the Blue Jackets' location in a comparatively small, non-traditional hockey market, how should the team allocate its off-ice resources among the available alternatives to maximize team revenues?

# BLUE JACKETS CASE QUESTIONS ASKED

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How should the Blue Jackets focus their limited resources?



## Short-Term Ticket Sales

- Season Tickets or Single Game Tickets?
- Which segments offer the best ROI?
- Small/Medium businesses?



## Investing in Long-Term New Customers

- Columbus Youth Hockey?
- Local College Students?
- Non Hockey Fans?



## Infrastructure Upgrades

- Improved vendor POS system?
- Suite types and amenities?
- Integration with outside databases?



# THEME #1

## SOCIAL MEDIA REWARDS

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- **Reward most loyal/influential users with**
  - Public recognition
  - Ticket Discounts
  - Experiences
- **Incent season ticket holders to increase interaction**
  - In-Arena Food/Merchandise Discounts
  - Partner discounts
- **Strongest ideas**
  - Iowa – Rally Cry
  - Minnesota/Illinois – App Integration



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# THEME #2

## TAILORED MARKETING STRATEGIES

### Small/Medium Businesses



- Networking areas
- Fractional suite ownership
- Free tickets with sales pitch

### College Students



- Partner with on-campus organizations
- Group Student ticket discounts

### Families



- Kids Nights
- Special Seating Areas

### Days of the Week

|    | wednesday | Thursday | Friday | Saturday |
|----|-----------|----------|--------|----------|
| 1  | 2         | 3        | 4      | 5        |
| 8  | 9         | 10       | 11     | 12       |
| 15 | 16        | 17       | 18     | 19       |
| 22 | 23        | 24       |        |          |

- Alter promotions for early/mid-week games
- Focus free ticket marketing on low-attendance games

# THEME #3 TECHNOLOGY UPGRADES

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## App Improvements



- More purchasing options
- Group Tickets
- Social Integration
- Link with CRM

## Link RFID and POS



- In-Arena RFID system for targeted marketing
- Easier POS Purchases
- Link with Rewards Programs and Social Media

## Acquire More Data



- Link more data sources to the CRM
- Monitor secondary ticket market (Dynamic Pricing)
- Continue targeted marketing efforts

# THEME #4

## FOSTER LOCAL HOCKEY CULTURE



- Reduce cost of hockey equipment through youth rental program



- Partner more closely with elementary and middle schools
- Not just appearances, but group deals, tours ops, etc.



- Discounts tickets and Kids theme nights



- Sponsor street/roller hockey leagues

# OPPORTUNITIES WHERE THE STUDENTS “MISSED”

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- Identifying the lifetime value of customer segments
- Get Student Rush/D-Tix/similar data into CRM
- Too many assumptions that older demographics will take to social media
- Make CBJ a destination for the best and brightest of Sports Management
- Cross-Promotions with OSU Football and Basketball

# VIEW FROM THE CASEWRITER DISCUSSION

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## Combine the Best Ideas

- Capture more data from current student ticket offerings (Student Rush, D-Tix, etc.)
- Create Season Ticket Holder Referral Program
- Rally Cry Addition to App
- Develop best-in-class sales training
- Provide Sales with discretion to give trial tickets for Small/Medium Biz
- Build relationships with graduate schools, not just undergrad

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# Industry Clusters Program

An innovative approach unique to Fisher College of Business allowing undergraduates the opportunity to deep-dive into an industry or segment through the entire academic year



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GE Capital

# THE NCMM STUDENT ACTIVITIES

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## Career Fair

- Dedicated solely to middle market companies



## Fisher Invitational Case Competition

- MBA students solving real business challenges

- 2014: Blue Jackets



- 2013



- 2012



## Cluster

- Two-semester immersion into an industry or specialization

- Fall: Seminar/speakers

- Spring: Team projects

- Cluster Sponsors





# QUESTIONS?



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# APPENDIX

## IDEA INVENTORY

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1. Rally Cry – Social Ticket Sales
2. Increase Sales Force Effectiveness
3. Ticket trial offerings tailored for small/medium /large biz and college students
4. Implement Dynamic Pricing
5. Inter-Company Hockey Tournaments
6. Discount offerings for kids
7. Rewards points for social media engagements
8. RFID integration with POS system for rewards
9. Marketing towards school programs
10. 1-on-1 sales pitches for corporations – leverage premium events/appearances
11. New LED ribbon and Bar/Restaurant
12. Create packages w/ elementary/middle schools and local bars
13. Social media incentives/rewards
14. Use Analytics of secondary markets to improve pricing
15. Build base w/ college students on campus (Greek life, student council orgs, dorms, etc.)
15. Family pricing and sections
16. Alter marketing targets by day of the week
17. Season Ticket Referral Program
18. Relocate minor league teams
19. Kid's nights...free tickets with purchase by adult
20. Target Small/Medium Business with loyalty programs, speaker opps, networking events
21. Continue experience before and after the game with march and combo deals
22. Rent youth gear to offset expense
23. Mobile app similar to MLB app...ticket purchasing, social integration, targeted ads
24. Reduce low-tenure season ticket holder turnover through alternate ticket use options
25. Target students with Party Zone ticket packages
26. Networking Zone or Fractional Suite ownership for Small/Medium business buyers
27. Improve app to provide more analytics capability for targeted marketing
28. Free tix for SMB M-W with pitch in between periods
29. Sponsor youth roller/street hockey

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