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A Survey of Social Media: Perceived Effectiveness in Marketing among Individual NASCAR Tracks

Amanda E. Greene

East Tennessee State University, greenea@etsu.edu

Andrew Dotterweich

East Tennessee State University, dotterwa@etsu.edu

Mauro Palmero

East Tennessee State University, palmero@etsu.edu

Don Good

East Tennessee State University, gooddw@etsu.edu

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Abstract

The purpose of this study was to examine the use of and attitudes toward social networking as a tool for use by NASCAR speedways and to gauge track perceptions on the effectiveness of social media as a marketing tool. Individual NASCAR tracks were surveyed (n=22, 84.6% response) to explore current track social media practices and the potential impact of social networking sites on NASCAR marketing and consumer relations. Results found that individual tracks as well as the two major ownership groups highly agreed about issues concerning the use of social media to increase sales and to develop fan bases. However, they also agree there are other marketing tactics that are still more effective than social media at this time.

Keywords

NASCAR, social media, marketing

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Abstract

The purpose of this study was to two-fold: to examine marketing professionals' (at NASCAR speedways) use of and attitudes toward social networking, and to gauge their perceptions on the effectiveness of social media as a marketing tool. Twenty-two individuals in the marketing departments at NASCAR answered a survey (84.6% response rate) exploring current track social media practices and the potential impact of social networking sites on NASCAR marketing and consumer relations. Results found that the marketing professionals at individual NASCAR tracks as well as the two major ownership groups highly agreed about issues concerning the use of social media to increase sales and to develop fan bases. However, they also agree there are other marketing tactics that are still more effective than social media at this time.

Keywords: NASCAR; Social Media; Marketing

Introduction

Equivalent to e-mail's effect on business and consumers, social media has ushered in a new way of communicating for sports fans and organizations. Social networking sites for sports organizations work in similar ways as companies outside the sporting world, with both aiming to connect on a more intimate level with fans and consumers (Coombs, 2009; Rice 2009). In 2011, worldwide marketing suggested investments of nearly \$4.3 billion by companies to increase involvement and exposure on social media networking sites (Williamson, 2011). Companies are seeking to develop relationships with current and potential consumers through social media, by creating brand communities for customers to follow and become fans. The companies then interact with the customers, thus developing consumers who are loyal and committed to the company (Vries, Gensler, & Leeflang, 2012).

Sports organizations have begun to increasingly explore the usage of social media to grow their brands. Through such practice, they intend to gain additional support from consumers. The majority of the organizations currently focus their efforts on increasing fan unity and creating online communities for their fans to interact with one another (Coombs, 2009). Social media provides a series of channels to which organizations can interact with fans in "real time," offering immediate feedback and updates. It is through these interactions that research indicates consumers tend to be more emotionally attached to the organization or brand than fans who are not engaged in social media interaction (Vries, Gensler, & Leeflang, 2012).

In the United States, professional sports organizations (in their majority) use social networking to grow their brands and to increase fan loyalty (Rice, 2009). Like all

the other professional sports leagues, NASCAR also depends on fan loyalty to be successful, but with one aspect going in its favor: fans of NASCAR, as a whole, tend to be more loyal than fans of the other United States professional sports leagues (Amato, Peters & Shao, 2005; Amato, Bodkin, & Peters, 2010, Cadwallader, Boyd, & Thomas, 2013). According to Amato et al. (2005), “NASCAR fan camaraderie stems from common norms, values, and beliefs. The ‘need for speed’ is a core characteristic tying members to the community; however, other values central to the NASCAR culture include individualism, freedom, mobility, courage, and fair play” (p.73). NASCAR followers connect via a common interest in the sport and regularly consume media covering NASCAR events and content (Amato et al., 2005). Levin, Beasley, and Gilson (2008) stated that NASCAR fans find loyalty as one of the most important morals of the NASCAR culture. They stated that fans are loyal to race team sponsors as well as to their favorite driver. Such unique characteristic creates interesting opportunities for those managing the sport.

NASCAR is one of the best professional sports in which to market a product or service. NASCAR's premiere division, the Sprint Cup Series (NSCS), is ranked as the number one spectator sport in the United States (Odland, 2012). Its season lasts 10 months, what gives sponsor have the ability to create sustained and continuous marketing communications programs.

NASCAR itself has been investing in the use of social media to enhance its connection with its fans. While this type of relationship marketing is of importance in motorsports, little research can be found on what types of social media outlets are most effective for marketing directors of NASCAR tracks. The purpose of this study was to provide marketing directors of NASCAR speedways with a broad picture of the usage of social networking within that group. It was also a purpose of this study to inform those practitioners about the collective track perceptions on the effectiveness of social media as marketing tool.

Review of Literature

Social Media

“Social media encompasses a wide range of online, word-of-mouth forums including blogs, company sponsored discussion boards and chat rooms, consumer-to-consumer e-mail, consumer product or service ratings websites and forums, Internet discussion boards and forums, moblogs (sites containing digital audio, images, movies, or photographs), and social networking websites, to name a few” (Mangold & Faulds, 2009, p.378). Social media is very different from traditional media-outlets in that social media platforms allow users to connect, communicate, and collaborate with other users on a grand scale (Blaszka, Burch, Frederick, Clavio, & Walsh, 2012). Perhaps the most popular form of social media, social networking (e.g. Facebook, LinkedIn, etc.) connects millions of people worldwide. Boyd and Ellison (2008) define social networking sites as “web-based services that allow

individuals to (1) construct a public or semi-public profile within a bounded system, (2) articulate a list of other users with whom they share a connection, and (3) view and traverse their list of connections and those made by others within the system” (p.210). Social networking sites have quickly become outlets for people and organizations to connect with friends, co-workers as well as both current and potential consumers. A few of the more popular social networking sites available include Facebook, Twitter, Livejournal, Flickr, YouTube, Foursquare and LinkedIn. Also, messaging sites like WhatsApp and WeChat are growing in popularity globally (Olson, 2013)

Social Media and NASCAR Fans

Social Media has recently become an important tool used by businesses and organizations to attract potential customers and to interact with current customers or partners. A growing number of organizations are joining the social media world because consumers, particularly young ones, are increasingly turning away from traditional media and can no longer be treated as passive consumer. Social media today enables consumers to talk, discuss, and share information related to their interests, especially sports (Goetz & Barger, 2008). According to Li (2007), teenagers and young adults are much more likely to access social media sites than older adults. He reports that 60% of teenagers and 67% of young adults actively use social media sites, making the use of different social media vehicles as promotional tools extremely affective in marketing to younger consumers. The author adds that adults’ use of social media is growing rapidly, with 30% of adults over the age of 26 using social networking sites. Li’s (2007) research also showed that users who become aware of a brand through social media profiles are often likely to share the information with friends and peers. Of the adult users who were contacted for the study, 61% reported that they were likely to tell others about marketer’s profiles that they have viewed. Meanwhile, 77% of youth users reported that they shared similar information with their friends and peers. In agreement with the above mentioned data, Goetz and Barger (2008) argue that “if organizations want to be relevant participants in the dialogue with the new generation, they must go where these people are and speak their language and on their terms” (p.31). The creation of brand communities on social media sites has allowed corporations to take full advantage of sites such as Facebook and Twitter in order to increase exposure and enhance fan loyalty. This requires marketing brands on social networking sites and creating a buzz about the product through text, videos, and images (Keath, Kistner, Mirman, & Levey, 2011).

NASCAR possesses a unique advantage over the other professional sports organizations. The following studies describe why NASCAR fans are known to have separated themselves from those of other sports leagues. According to Hagstrom (1998), “no sport matches the unique relationship that exists in NASCAR between athletes and fans, nor the depth of fans’ loyalty” (p. 147). Supporting the statement above, Cadwallader, Boyd, & Thomas (2012) found that the fans of NASCAR, as a whole, tend

to be more loyal than fans of the other United States professional sports leagues. NASCAR fan loyalty extends beyond attending a race or watching on television, NASCAR often encompasses all aspects of a fan's life. "It is not uncommon for NASCAR fans to wear official gear costing hundreds of dollars or dedicate entire weekends to a NASCAR event (Cadwallader, et al., 2012)."

According to Mickle (2011), NASCAR faces an aging fan base and needs to entice younger fans to the sport. The author reports that NASCAR speedways are currently using all existing means to reach out to the younger generations, including the use of social media and the use of on-campus ambassadors (NASCAR U Crew - students marketing NASCAR to their peers). The information above suggests that NASCAR marketers have the opportunity to form strong and lasting bonds with fans and consumers through the use of social media as marketing tools.

Methods

Participants/Data Collection

This study focused on official NASCAR tracks in the United States. Specifically, marketing professionals working at NASCAR speedways were sought for the purposes of this study. At the time of this study there were 26 tracks utilized for NASCAR races in the U.S. Of the 26 U.S. NASCAR tracks, 22 returned completed surveys (n=22) for an 84.6% return rate.

All of the 26 tracks were mailed a paper copy of a survey designed to explore current track social media practices and the potential impact of social networking sites on NASCAR marketing and consumer relations. Follow up emails were sent approximately two weeks after the initial mailing. A third email containing an electronic copy of the survey was sent out approximately two weeks after the follow up email.

Instrument

A survey instrument was used in this cross-sectional, non-experimental investigation. Based on the literature review and feedback from experts in the field of motorsport and motorsport marketing, a survey instrument was designed to address the purpose of the study. The instrument was verified and improved through a panel of experts' review.

The panel of six experts in the field of motorsport and motorsport marketing was conveniently selected and was composed of one marketing director, one marketing manager, two sales managers, and two communications managers in the field of motor sports. The panel reviewed and rated the instrument's face and content validity. Via email, they provided their feedback, by rating and commenting on the appropriateness of each question and the overall questionnaire.

The reliability of the instrument was also tested. Because the study collected responses to different items on the same instrument at the same time, Cronbach's Alpha coefficient was utilized. The reliability test yielded a Cronbach's Alpha coefficient of .534, which is low due to the limited sample size in this study. The survey consisted of 17 items focusing on social networking practices being offered and/or performed by the individual NASCAR tracks.

Analysis & Results

Data from the social media survey were analyzed using descriptive statistics to illustrate the effectiveness of and involvement in social media among the different NASCAR tracks. Further analyses were conducted using single-sample T-tests and independent-sample T-tests to compare means. All statistical tests utilized IBM-SPSS software.

The social media survey focused on areas of marketing, staffing, and perceptions of effectiveness as related to each individual NASCAR track. As expected, the study showed 100% of responding NASCAR tracks have websites to aid in their marketing efforts. Seventy percent also have a full-time staff position dedicated to managing social media on the web. Of the remaining 30% without a full-time staff position, only one stated they wished to hire a full-time staff member to manage the website and social media marketing efforts. Representatives from two of the tracks indicated they never plan to hire this type of position. All respondents indicated that the track they work for utilize website and email as primary means of marketing on the web.

When asked about how much time track personnel spend each week updating social media, 86% of the respondents stated they dedicated 5-15 hours per week updating information on social media. Responses showed that only two of the tracks devote 15-25 hours per week, and one track devote more than 25 hours per week updating social media sites such as Facebook and Twitter.

Single-sample t-tests were used for further analyses examining effectiveness and overall perceptions of social media as a marketing tool for each NASCAR track (Table 1). Using a population value of 3.00, results showed that marketing professionals at NASCAR tracks significantly agreed that NASCAR marketing is ahead of the curve in utilizing social media to reach fans ($t(20) = 16.87, p < .001, \bar{x} = 3.14, SD = .854$). Marketing professionals at NASCAR tracks also significantly agreed that social media was an effective way to increase sales ($t(20) = 21.534, p < .001, \bar{x} = 3.91, SD = .831$).

When asked if there were other marketing tactics more useful than social marketing, respondents again significantly agreed that there were other more successful ways of marketing ($t(20) = 21.534, p < .001, \bar{x} = 3.91, SD = .831$). The last question directed toward the effectiveness of social media. Respondents indicated that they significantly disagree that social media will eventually be more effective than billboards, commercials on television, or brochures ($t(20) = 18.009, p < .001, \bar{x} = 2.857, SD = .727$).

Table 1:

Effectiveness and overall perceptions of social media as marketing tool for each NASCAR track

Survey questions	N	Mean	SD	p-value
Ahead of the curve in social media	20	3.14	.854	<.001
Social Media increase sales	20	3.91	.831	<.001
Other marketing tactics more successful	20	3.91	.831	<.001
Social media is better than standard marketing	20	2.85	.727	<.001

A second series of questions was asked referring to the amount of time and staff devoted to social media and marketing of the individual NASCAR tracks (Table 2). Using the same population value of 3.00, the results from single-sample T-tests suggested marketing professionals at NASCAR tracks significantly agreed the increase in technology justifies having a Social Media Director to manage all social media sources ($t(20) = 14.188, p < .001, \bar{x} = 3.19, SD = 1.03$). While the respondents recognize the importance of having personnel devoted to social media, they significantly disagreed that it is important to devote at least 4 hours per day to updating and interacting on social media sites ($t(20) = 14.695, p < .001, \bar{x} = 2.952, SD = .921$). Lastly, the marketing professionals at NASCAR tracks significantly agreed that overall, social media has helped grow the NASCAR fan-base ($t(20) = 17.037, p < .001, \bar{x} = 3.619, SD = .973$).

Table 2:

Time and staff devoted to social media and marketing of the individual NASCAR tracks

Survey Questions	N	Mean	SD	p-value
Social Media director needed	20	3.19	1.03	<.001
Devote more than 4 hours per day to social media	20	2.952	.921	<.001
Social media has helped grow NASCAR fan-base	20	3.619	.973	<.001

Discussion

As sports organizations continue to work on building fan bases, growing their brand, and increasing communication with their followers, they are also adding social media to their marketing efforts. NASCAR tracks have begun their foray into these technology based media outlets in earnest. All of the respondents indicated they utilize their website and email as one of the primary means of marketing their NASCAR tracks. Curiously, during an informal personal communication before our survey was sent out, a track administrator (who did not participate in the survey) indicated that while email and websites are currently the primary means of online marketing for his track, he foresees social media such as Facebook and Twitter as frontrunners in motorsport marketing tactics in the near future (personal communication, August, 2011). In spite of disagreeing with our study's results, this administrator's perspective mirrors the research by Li (2007)

and others (Goetz and Barger, 2008) that suggests increasing use of social media by teenagers and young adults and the need to address this new market.

In addition, the same track administrator also suggested that his personnel need to devote more time updating social sites to be successful. He also indicated that the focus was not only on marketing, but on customer service and developing relationships with fans, which leads to a more loyal fan-base (personal communication, August, 2011). While this is in line with the work of Goetz and Barger (2008), the findings of this study indicated that respondents didn't see as appropriate to devote too much time to updating social media sites.

Scholars in the fields of motorsports, sport marketing, and sport management have identified the need for organizations to maintain relevance and to integrate new fans by utilizing the technology that those fans are adopting (Amato, Peters & Shao, 2005; Amato, Bodkin, & Peters, 2010; Cadwallader, Boyd, & Thomas, 2013; Goetz & Barger, 2008; Vries, Gensler, & Leeflang, 2012). Thus, it is interesting to see that the respondents' perceptions did not fully support those ideas.

One reason for such a difference in perception is the fact that perhaps professionals do not have a full understanding of the power of social media and social networks. Research has been somewhat limited, and while growing exponentially, the trickle down from academia and market research to management may be slightly slower than the growing usage rates by consumers. Having said that, a recent study by Samuel, Lam, Sevitt, and Loh (2013) on Facebook and Twitter usage in the USA, Canada and the UK indicated that 73% and 24% of the population use Facebook and Twitter respectively. Research is growing fast and the evidence of the implied impact of social media is becoming hard to ignore. For example, the same study suggested that usage spreads over multiple age groups (18-34 years: Facebook 20%, Twitter 33%; 35-54: Facebook 45%, Twitter 43%; 55-64: Facebook 35%, Twitter 24%) and is largely gender balanced (Facebook: 56% female, 43% male; Twitter: 46% female, 54% male). Supporting the argument that social media is even more impactful than what the previous study suggested, Samuel et al. (2013) found that 75% of social media users aged 18-34 log into Facebook daily (2013). This high usage provides valuable contact time with consumers and may partially address Mickle's (2011) assertions that NASCAR is facing an aging fan base and is in need of attracting more youthful followers. All the previous data support the argument that, against the respondents' perception, social media may become the most effective NASCAR marketing strategy in the near future.

Limitations and Recommendations for Future Research

There are some limitations that need to be recognized. Our study's sample size is low. However, because representatives of all NASCAR tracks were surveyed and the response rate was high (84.6%), it is safe to say that the sample was truly representative of the total population.

Another limitation is the fact that not all NASCAR tracks have the same human resources structure. Therefore, while the researchers were very careful making sure the most appropriate person within each organization was surveyed, not every track had a person with the same job title and description. Thus, it is possible that some respondents may have been more (or less) qualified to answer the survey questions than others. To make matters even more complicated, the individual respondents were asked to provide their opinions and attitudes, which may or may not be representative of the overall organization. However, the researchers strongly believe such approach is a solid way to explore current NASCAR track social media practices and the potential impact of social networking sites on NASCAR marketing and consumer relations.

The fact that the survey did not explore all aspects related to the topic, there is a clear need for further examination of the topic. The study's results showed that social media is not perceived to be more effective than traditional media, and the literature pointed out social media and social networking have a growing influence in sports organizations' marketing efforts. Thus, it would be appropriate to have a follow-up survey in the near future to check if NASCAR tracks administrators' perceptions and attitudes towards social media and social networking will change. Furthermore, the follow-up survey would also be a comparison piece, with the intent of discovering what type of social media marketing NASCAR tracks are actually engaging in at the time, and how that compares to their responses from the initial survey

It would be also worthwhile to survey fans who utilize social media to communicate with individual NASCAR tracks, and evaluate their perception of the use of social media, social networking and other marketing tools to promote NASCAR tracks and their events. The methodology for this study would be a survey placed on individual NASCAR track's social media sites. Results from this survey would yield qualitative and quantitative data on the effective of various social media outlets and marketing tools, and would provide an in-depth look at fans' perceptions of social media marketing by the marketing teams of each NASCAR track.

Conclusion

At the time of the survey, most respondents agreed there were still other marketing tactics that were more effective than social media. However, the results of this study indicated high agreement to the fact that social media is an effective way to increase sales, and that NASCAR is ahead of the curve in utilizing social media to reach fans. An increasing amount of data produced by marketing research point towards changes in NASCAR fan demographics and increase in social media power (Goetz & Barger, 2008; Keath, Kistner, Mirman, & Levey, 2011; Li, 2007; Mickle, 2011). Based on such evidence, the researchers foresee a change in the current perception of the role of social media as a marketing tool in the near future.

The information presented in this study serve as strong evidence that, as NASCAR fans change and the marketing effectiveness of social media and social networking grow, sport marketing professionals will eventually have to adjust their marketing strategies. They may have to embrace the fact that, in the future, traditional marketing may cease to be the most effective way to connect and relate to NASCAR fans. It is the researchers' hope that the information provided in this article help NASCAR sport marketing professionals recognize the need consider investing more time and effort towards furthering the use of social media to market their products, so that they can respond properly to change and maintain the strong relationship they currently have with their fans.

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