

Sports Marketing in Light of Digital Transformation: New Horizons to Enhance the Competitiveness of Economic Institutions

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Summary:

Today, the world is witnessing a profound digital transformation that has affected various sectors, including the sports marketing sector, which has become one of the main tools to enhance the competitiveness of economic institutions. This intervention aims to analyze the role of digital transformation in the development of sports marketing and explore the new horizons it opens to enhance the economic performance of institutions.

The intervention focuses on answering the central problem: **how can sports marketing in light of digital transformation enhance the competitiveness of economic institutions?**

Keywords: sports marketing - digital transformation - economic institution - competitive advantage.

Abstract:

The world is currently witnessing a profound digital transformation that has impacted various sectors, including sports marketing, which has become one of the primary tools for enhancing the competitiveness of economic institutions. This paper aims to analyze the role of digital transformation in developing sports marketing and explore the new opportunities it offers to enhance the economic performance of institutions. The study focuses on addressing the central question: How can sports marketing, in the context of digital transformation, enhance the competitiveness of economic institutions?

Preface:

In light of the rapid development of digital technology, digital transformation has become one of the main axes reshaping the economic and social sectors globally, as digital technologies used by customers are widely used: for example, social media or other offer products and services to attract the attention of customers (Ahmed Mohsen Mohamed, 572,2022). Among these sectors, sports marketing is increasingly important as an effective way to boost economic revenue and enhance the competitiveness of both sports and economic enterprises.

Sports marketing is no longer just a traditional tool for promoting events or selling tickets, but has turned into an integrated system based on modern digital tools such as artificial intelligence, big data, and social media platforms. These tools not only help to improve

marketing strategies, but also allow to build personal experiences for fans and increase their loyalty, which contributes to raising the status of economic institutions associated with sports.

Problematic

With the rapid development of digital technology, sports and economic institutions are facing new challenges related to adapting and investing in digital transformation to achieve competitiveness. Sports marketing is no longer limited to traditional means, but increasingly relies on innovative digital tools, such as artificial intelligence, big data, and virtual reality, which represent an opportunity to make a quantum leap in enhancing the economic performance of these institutions.

In light of the above, the following question can be asked:

How can sports marketing in light of digital transformation enhance the competitiveness of economic institutions?

Importance of the study:

- 1- The study contributes to enhancing knowledge on the topic of sports marketing in light of digital transformation, an area that is witnessing rapid development.
- 2-Clarifying the relationship between digital transformation and sports marketing
- 3-A comprehensive vision of economic competitiveness. The study highlights the importance of digital marketing as a tool to achieve competitiveness.

Objectives of the study:

- 1- Analyze the role of digital transformation in the development of sports marketing and explore how it can be invested to enhance the competitiveness of economic institutions.
 1. Analyze digital tools used in sports marketing.
 2. Assess the impact of digital transformation on sports marketing strategies.

Theoretical framework:

1. Sports—Marketing.

Sports marketing is the systematic application of the principles, concepts, methods and marketing tools of sports offerings (products and services) in the sense of managing market-oriented organizations. Sports marketing includes all measures taken by both rights-holders and rights-holders in the field of sports to achieve their specific objectives (Manfred Bruhn · Peter Rohlmann,2022,4).

2-Importance of sports marketing:

Sports marketing is an important strategic tool in enhancing the economic and social performance of sports and economic institutions. The importance of sports marketing is as follows:

1- **Enhance financial revenues and broaden the fan base:** Sports marketing can be used to increase fan interest, participation in sports, and consumption of sports-related products. (Dalia Sedky, Wael)

(Kortam and Ehab AbouAish, 2020, 116)

2- **Brand building and promotion:** goods and services can have a high degree of customer identification – (STOIAN Remus Florin, 2017, 155)

Digital Transformation

It is defined as "the integration of digital technology into the business world, and a fundamental change in how it operates and delivers value to customers, as it is a cultural change from institutions that challenge the status quo and try it and remove failure." (Yahyaoui and Karbasi, 2019, pp. 131-148).

4-The impact of digital transformation on business:

First: Improving the customer experience: During the post-pandemic period, customers expect continuous service to be available across multiple channels. We also want to provide websites and communication systems that are easy to use and compatible with mobile devices

(Fatima Khamis Al-Harthy, 2023, p. 306)

Digital transformation can provide improved and innovative customer experiences, such as providing online services, interacting with customers via social media, and providing innovative interactive experiences.

Second: Increasing productivity: Emerging technologies such as the cloud service can save time and improve efficiency in all types of business processes. For example, the use of digital technology such as artificial intelligence creates space for employees to focus on tasks that require creativity and problem-solving.

(Fatima Khamis Al-Harthy, 2023, pp. 305-306)

Third: Enhancing competitiveness: Digital transformation can give companies a competitive advantage by leveraging new technologies and ideas to create innovative products and services, leading to increased market share and profitability.

(Mahmoud Farouk Mahmoud, 2023, p. 351)

5-The relationship between sports marketing and digital transformation:

The relationship between sports marketing and digital transformation is an integrative relationship that aims to make the most of modern technology to enhance the effectiveness of sports marketing and increase the competitiveness of sports and economic institutions.

First: Enhancing interaction with the public: Social media is a key tool for communicating with audiences, as it allows the dissemination of news, direct interaction, and the provision of exclusive content that enhances fan loyalty .

Audience engagement, including likes, shares, comments, mentions, and click rates, all of which reflect varying degrees of interest, engagement, and affinity toward a particular content or brand. (Ashok Manoharan, 2024,150)

Second: Increasing revenues: An example of e-commerce where it allows the sale of products over the Internet, which opens new revenue channels for sports and economic institutions.

Digital sponsorship and online advertising offer additional opportunities for business partnerships and increased financial return.

Third: Improving Brand Management:

Digital transformation helps sports and economic institutions build a strong digital identity through innovative marketing campaigns that stand out across multiple platforms.

Digital sponsorship and targeted advertising strengthen the relationship between brands and sports clubs, achieving a higher return on investment. (<https://bytesfuture.com/en/the-influence-of-digital-marketing-on-sports-industry-activewear-brands/>)

Digital transformation has become a key factor in the development of sports marketing. By leveraging digital tools and data analysis, it enables sports and economic organizations to enhance their interaction with customers, increase their revenues, and improve their marketing strategies. This will contribute to a competitive advantage by leveraging the great popularity of the sport to reach a wide audience.

5-1 Digital transformation tools in sports marketing: There are many tools, including:

First: Artificial intelligence (AI) and big data (Big Data): Artificial intelligence is a branch of science that is concerned with machines that can solve for you the kind of issues that the Sun has resorted to because of its intelligence.

(Suleiman Yacoub Al-Farra, 2012, 3)

Chatbots **are** an exciting form of artificial intelligence for sports marketing and their use offers several advantages:

- An entertaining and intelligent chatbot can reach new target groups and boost fan loyalty because it provides unusual content.
- Chatbots collect data that can give important hints about the desires of fans or customers.

(<https://digitmark.com/blogs/the-importance-of-e-marketing-for-sports-marketing>)

Second: Means of social communication: Known by researchers Dana Boyd and Nicole Ellison. B) Nicole, Boyd .M Danah) as "websites that allow individuals to create their own page, in which they present a pressing about their personality in front of a broad and specific audience according to a specific system.

(Danah M. Boyd, Nicole B. Ellison, 2010,156)

Social media has evolved to become a driving force for communication, information distribution, and marketing skills in the digital age. It has revolutionized how people and organizations interact, communicate and trade. At the heart of social media is audience engagement, a core statistic that measures the degree of interaction, engagement, and communication between users and content providers or companies. (Ashok Manoharan, 2024,150).

Used for direct interaction with audiences and the dissemination of news and sporting events, as well as the delivery of exclusive and personalized content.

Third: Virtual and Augmented Reality (VR/AR):

Virtual reality (VR) is defined as creating an environment in which users can experience and explore the virtual world.

Augmented reality is a technology that allows users to see the real world, with virtual objects being computer graphical objects. (Najwa Hussein Al-Samarkandi, Hana- Abdul Rahim Yatni, 2021 ,pp. 149-150)

Augmented reality and virtual reality, offer new ways to engage fans and enhance their interaction. Using augmented reality, fans can get interactive statistics and information about players in real time.

Virtual Reality (VR): Used to deliver immersive experiences to fans such as watching matches from different angles or virtual stadium tours.

Augmented Reality (AR): Enhances the fan experience by providing interactive information during matches or sporting events. (<https://www.sportlomo.com/top-digital-tools-used-in-sports-management/>)

7- Economic Institution:

Definition: An enterprise is an organization that brings together people with diverse competencies that use capital and capabilities to produce a good, which can be sold at a higher price than it costs. (Muhammad Akram Al-Adwali, 2002, 14).

COMPETITIVE ADVANTAGE

Definition: It is defined by (Lynch 2000) Competitive advantage is the ability of the institution to create something unique and different from the rest of the competitors. (Mohiuddin Yahya Al-Qutb, 2012, 80)

8.1 Importance of Competitiveness:

- Ensures a competitive environment conducive to the efficient allocation and use of resources and encourages Creativity & Innovation
- It helps to eliminate the most prominent obstacle facing the improvement of production efficiency is the obstacle of the narrowness of the local market that prevents benefiting from economies of scale .
- A key means to develop the economic capabilities of developed and developing countries and increase opportunities for coexistence in an international environment characterized by globalization, economic openness, and market liberalization

(Fatima Al-Zahraa Boutoura, 2022, 359)

9-The role of sports marketing (digital -interactive) in enhancing the competitiveness of sports and economic institutions:

9-1 Enhancing audience reach: Digital marketing has brought innovative ways to connect with fans and stakeholders, radically changing the sports industry. The integration of digital tools and platforms has enabled sports organizations to reach a global audience.

(<https://www.hype-communications.com/post/impact-of-digital-marketing-in-the-sports-industry>)

Through social media platforms, smart apps, and live streaming, economic and sports organizations can reach a global audience faster and more effectively than traditional methods.

9-2 Supporting Innovation and Achieving a Competitive Advantage:

Big data analytics can spur innovation by uncovering new business opportunities. Companies can identify gaps in the market, discover untapped customer needs, and develop new products or services. Data-driven insights can lead to new business models.

(<https://www.hashstudioz.com/blog/big-data-analytics-tools-techniques-and-real-world-applications/>)

Organizations that rely on digital marketing have more flexibility and innovation than their traditional competitors, enabling them to respond quickly to market changes and achieve a sustainable competitive advantage.

9-3 Improving Operational Efficiency: Using big data analytics, companies are able to identify inefficiencies in their processes and streamline processes. (<https://www.hashstudioz.com/blog/big-data-analytics-tools-techniques-and-real-world-applications/>)

Digital tools such as artificial intelligence and Big Data analytics help organizations understand customer behavior and preferences, enabling them to design more accurate and effective marketing campaigns.

Digital sports marketing is a strategic tool to enhance the competitiveness of sports and economic institutions by improving operational efficiency, enhancing audience reach, and supporting innovation. Using modern technology such as artificial intelligence, data analysis and social media, sports and economic institutions can achieve sustainable growth and strengthen their position in local and global markets.

10-Theoretical Model:

10-1 Elements of the theoretical model:

Inputs

- **Digital transformation as a primary input:**
 - **Technological tools used such as:**
 - ARTIFICIAL INTELLIGENCE (AI)
 - The data is huge
 - Social Media.
 - Robots
- **Sports Resources:**
 - teams and players as marketing products.
 - Sports events (e.g. tournaments, leagues).
 - audiences as a marketing objective.

b. Processes:

- **Sport Marketing**
 - Digital Content Creation: Promotional Videos, Targeted Ads.

- Analyze data to personalize services and ads.
- Social media engagement
- Improve the fan experience using virtual reality technologies.
- **COMPETITIVENESS**
 - Expand audience base and reach new markets.
 - Improve branding through sports partnerships and sponsorships.
 - Increase revenue through digital streaming and e-commerce services.

Outputs

- **Improving the economic performance of enterprises:**
 - Increase revenue from advertising and sponsorship.
 - Promote brand loyalty to audiences.
 - Improve the overall image.
- **COMPETITIVENESS**
 - The organization's ability to stand out from the competition through digital innovation.
 - Achieving a stronger presence in local and international markets.

10-2 Relationships between the elements of the model:

- **Digital Transformation Sports Marketing** ← **Strategies:**
 - Digital transformation provides innovative tools to improve how sports services are delivered and marketed.
- **Competitive sports** ← **marketing strategies for economic institutions:**
 - The quality and innovation of marketing strategies enhances an organization's ability to attract audiences and generate sustainable profits.
- **Digital transformation** ← **Competitiveness of economic institutions:**
 - Investing in digital transformation enhances the competitiveness of organizations by developing more efficient and effective tools.

Practical Samples:

1 Real Sociedad:

Main objective:

Improve the club's operations at all levels, including:

- Promote fan engagement.
- Improving the experience of the stadium attendees.
- Increase sports and financial performance.
- Innovate by exploring new revenue streams.

Digital transformation strategies.

- Developing a club-specific app: It allows fans to have a personal and interactive experience, which enhances loyalty to the club.
- **Using Augmented Reality (AR):** To deliver innovative experiences to fans, such as watching exclusive or interactive content sponsored by brands.
- **Chatbot:** Introducing the concept of conversational marketing via chatbots to interact with fans and promote the club's products and services.

RESULTS:

- Increase average match attendance from 22,000 to 30,000 fans per match.
- The number of season ticket holders increased from 23,000 to 35,500.
- Revenue from e-commerce grew by 85%.
- Make extra income from your YouTube channel.

(<https://keilandigitalmarketing.com/>)

Importance of the experience:

These strategies enhanced the fan experience and broadened the club's fanbase, significantly improving the club's financial performance.

2- Nike Company

Main objective:

Enhance global brand positioning and increase sales through innovative digital marketing strategies.

Digital Marketing Strategies

- **Use of social media sites**
 - Nike relies on platforms like Instagram and Twitter to publish engaging and creative visual content aimed at young people.

- Using advertising campaigns that focus on inspirational stories for athletes, boosting brand loyalty.
- **Internet shopping**
 - The NikeID platform allows customers to design their own products, providing a personalized shopping experience that enhances customer satisfaction.
- **Mobile Apps :**
 - Develop applications such as Nike Training Club and Nike Run Club to offer free sports services and enhance customer interaction.

RESULTS:

- Significantly increase online customer interaction.
- Enhance brand loyalty with personal experiences and creative content.
- Make huge profits from e-commerce thanks to personalized user experience.

(<https://www.rmg-sa.com/>).

Real Sociedad and Nike are successful examples of sports marketing strategies in light of digital transformation. While the club focused on improving the fan experience and broadening its fanbase, Nike focused on enhancing customer loyalty and providing personalized shopping experiences.

Recommendations:

1. Promote investment in advanced digital technologies such as artificial intelligence and virtual reality.
2. Develop digital infrastructure to support digital transformation in sports and economic institutions.
3. Providing specialized training programs to qualify cadres working in the field of digital sports marketing.
- 4.

Conclusion

In recent years, the world has witnessed a remarkable development in the use of digital transformation as an effective tool to make a quantum leap in various fields, including sports marketing. The current study represents an attempt to analyze the role of digital technologies in improving sports marketing strategies and enhancing the competitiveness of sports and economic institutions, by focusing on innovative digital tools such as artificial intelligence, big data, and virtual reality technologies.

The study has shown how digital transformation can open new horizons for sports and economic institutions, as it contributes to expanding the audience base, improving the fan experience, and increasing revenues. She also highlighted the importance of investing digital tools in flexible and innovative marketing strategies to achieve competitive excellence in the local and international market.

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