



AS I SEE IT...

By Mark Stewart

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As the “busy season” for Tailgating approaches, I want to share with you some of my thoughts on our industry—and offer some perspectives on where the business of Tailgating and the Tailgating Industry Association are headed in the years to come.

Recently, TIA conducted a survey that was answered by both manufacturers and retailers of Tailgating products. The summary of these answers can be found on the TIA web site (www.tiassn.org). Based on the responses and comments, I feel that the following 8 questions are worth considering when evaluating the State of the Tailgating Industry:

1) What Is Tailgating?

Tailgating is an invaluable brand-building vehicle for companies making a wide range of food- and sports-related products. It is also a key component in the marketing of major sports, principally pro and college football, and auto racing. Any company that wants to connect itself with these institutions can do so by building a “relationship” with Tailgating. If a product is viewed by Tailgating consumers as being innovative or authentic, the maker of that product stands to turn a significant profit. Everyone from breweries to game-makers to car manufacturers knows this. They see Tailgating as a powerful weapon in their marketing arsenal—because it is easy to understand and, for the most part, it is “free.”

TIA Action Step: Bring more major brands into the Association, encourage them to take a leadership role in the industry, and continue to help Tailgating grow in both size and stature.

2) Who makes up the Industry?

The Tailgating Industry is incredibly diverse, reaching into almost every important consumer product category. It has four cornerstones:

- Manufacturers/Distributors
- Retailers—both Brick-and-Mortar & Online
- Tailgating Consumers
- Teams, Leagues & their licensing arms



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In most large industries, lines of communication and basic models for cooperation exist between the representative bodies. These exist in order to create economies and facilitate programs that benefit the industry as a whole. In Tailgating, though, these relationships have yet to be developed. Everyone—big and small—is “doing their own thing.” Relatively little in the way of business information or strategic planning is shared.

TIA Action Step: Encourage the flow of critical information among Association members, streamline the working relationships between Tailgating manufacturers and retailers, and develop stronger ties with teams, leagues and conferences.

3) Who is making purchasing decisions?

On the consumer level, purchasing decisions are made by the most coveted demographic groups. For traditional Stadium Tailgating, males in the 18 to 50 range do the bulk of the buying across almost every category. These individuals rank among the most passionate and brand-loyal consumers on earth. Their buying decisions involve careful planning and consideration, as well as impulse purchases. For Home Tailgating, a larger percentage of purchases are made by female consumers. Because these products will be used in a domestic environment, more attention is paid to durability, safety and overall design. The quality of items related to food also tends to be higher.

On the business-to-business level, the answer to this question is somewhat murky. Relatively few retailers employ dedicated Tailgating buyers, in part because the category is viewed as seasonal. One crystal-clear piece of data that came out of the TIA survey was that manufacturers said their business would be transformed if big accounts had an easily identifiable Tailgating Buyer.

There is a clear need for more information and expert input in the marketing and merchandising of Tailgating products at retail. Some of that should be supplied by the Tailgating Industry. The industry must also do a much better job rebranding itself as a viable, year-round retail category—specifically where Home Tailgating is concerned.

TIA Action Step: Develop a “tool kit” that will help retailers in a wide range of categories better understand and respond to the buying habits of Tailgating consumers, and work with sports and lifestyle media partners to promote Tailgating as a wholesome, mainstream, year-round business phenomenon.

4) What is the size of the marketplace?

That depends on who is doing the counting, and the methodology they use to determine what constitutes a “Tailgating expenditure.” A figure of \$20 billion annually has been circulating for several years; about 2/3 of the people in the industry seem to be comfortable with that number. It is an impressive figure, to be sure. However, it does not tell the outside world enough about our industry.

Indeed, Tailgating is such a vast, far-reaching cultural phenomenon, that measuring it down to the last dollar misses the point. It is precisely this vastness that excites manufacturers, retailers, mega-brands, sports marketers and other business partners.



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What they find particularly appealing about Tailgating is that it represents a very high return on investment. No one is out there running multimillion-dollar ad campaigns convincing people to Tailgate. They are doing it already, in ever-growing numbers.

The promotional dollars that are being spent are targeting consumers who have fully embraced the lifestyle and culture of Tailgating. This is why big brands are paying such close attention to Tailgating. It is a smart, efficient and economical way to push product.

At the end of the day, manufacturers and retailers don't care if the number is \$2 billion or \$10 billion or \$25 billion. They are focused on increasing sales to consumers who can never seem to get enough of a good thing.

TIA Action Step: Build an accurate profile of the industry through a combination of existing data on consumer habits through a combination of traditional research and surveys, and explore methodologies for generating accurate statistics on Tailgate consumers, retailers and manufacturers.

5) What do we do well?

To the previous point, Tailgating as an industry has established itself as a fun, wholesome, leisure activity that appeals to almost every demographic that matters to American business. It celebrates the values of family, neighborhood, tradition and loyalty. The central element of Tailgating—breaking bread with people whose passion you share—is as old as civilization itself.

Even during difficult economic times, the popularity of Tailgating remains undiminished. That has been critical to the brand-building efforts of leagues and teams, whose fans in many cases have had to cut back on their game tickets. These fans remain engaged and enthusiastic—in many cases continuing their Tailgating tradition in stadium parking lots—and through their participation in the emerging trend of Home Tailgating. This generates sales of licensed products, and also makes it easier to bring children into a sport.

TIA Action Step: Broaden the scope of Tailgating to promote its significance as a brand-building and revenue-generating engine, and communicate this message to all constituencies.

6) What don't we do well?

The life-blood of Tailgating as a business is its long tradition of ingenuity and entrepreneurship. The most glaring weakness in the industry is its failure to adequately promote new products and ideas to dedicated tailgaters. Small-to-medium sized companies are limited in their marketing, promotion and advertising budgets, and the dollars that are available are often split between informing retailers and consumers about their products. The bottom line is that they just cannot afford to get the word out.

The larger Tailgating brands promote their products effectively to consumers, but a great many fall short in establishing authenticity with dedicated Tailgaters. This is a critical component when building loyalty among Tailgaters—and the key to building new retail partnerships.



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In the TIA survey, most manufacturers admitted there was room for improvement when it comes to utilizing social media. However, an industry with as much innovation as Tailgating still needs a reliable and organized way to bring new products to the public (and also retailers) through constant promotion.

TIA Action Step: Create multiple opportunities for TIA members to promote their new products to retailers, consumers and the media, and sharpen the industry profile with consistent message of innovation, authenticity and imagination.

7) Where is our greatest potential?

Given that Tailgating already caters to a devoted consumer base, the ongoing goal for manufacturers and retailers—both big and small—should be to create cost efficiencies wherever possible. They also can also expand their partnerships with retailers to find ways to get the most “eyeballs” on their products as possible while investing the least amount of time and money.

Often, this comes through experience—of not repeating mistakes. For retailers of Tailgating products, the greatest success will likely come from a better understanding of the Tailgating consumer. They need to buy smarter, merchandise better, and educate themselves to evaluate the best ways to generate all-important incremental sales.

From an overall industry standpoint, the greatest potential for Tailgating is recasting its relationship with pro and college sports teams and leagues. At the moment, most people in the industry would say that it is basically a non-relationship. But that is far from true. Sports organizations may not have formally reached out to Tailgating, but they reach their fans through it and have built their brands on it. Logically, the next step should be some sort of formal recognition of what Tailgating tradition and culture—and the billions of dollars it generates—does for sports. There are certainly obstacles to gaining this kind of recognition, and of forging working partnerships, but not until that day comes will the Tailgating industry truly be able to flex its muscles.

TIA Action Step: Continue the effort to formalize Tailgating as an industry, and establish the Association as a traditional organizing body and go-to source for information on all matters related to the business and culture of Tailgating.

8) What is our greatest vulnerability?

There is no other way to put it: Tailgating is a soft target. For all of its positives, it will always be associated with alcohol consumption. A few bad apples, a few drunken fans, and the first place finger-pointers turn is toward the stadium parking lot. The fact is that the social conventions of Tailgating actually tend to modify behavior of unruly fans. Drinkers usually lose their sense of boundaries once they leave the parking lot and enter the frenzied atmosphere of the stadium. Unfortunately, there is currently no mechanism for countering organized efforts to associate dangerous, irresponsible behavior with Tailgating. The industry needs to pull together and address this unacceptable status quo in a positive and proactive way.



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TIA Action Step: Build a body of research that supports the image of Tailgating as a safe, wholesome activity that embraces the core values of family and fair play, and issue measured responses to the media whenever this image is challenged.

Role of the Tailgating Industry Association (TIA)

TIA was established to promote the goods and services of Tailgating and Tailgating-related manufacturers. In looking at the current State of the Industry, it is easy to see the need for a strong trade association. That is why TIA was formed, and why the association has spent the last several months identifying strategies and priorities that are most likely to benefit manufacturers of Tailgating products, as well as the industry as a whole.

Your participation in TIA is crucial. Currently, there is no organized body representing the interests of companies like yours. That costs you time and it costs you money. More important, it costs you opportunity. A unified industry is a strong industry, and with a strong industry TIA can meet and exceed the following goals:

- Refine the image of Tailgating to be safe, fun, engaging and inclusive—and transmit that message effectively to all constituencies
- Rebrand Tailgating to encompass the greatest variety of sports- and food-themed gatherings
- Promote Tailgating as a year-round category to major retailers, and encourage them to embrace this concept in their merchandising and marketing
- Define the industry's size, scope and influence for manufacturers, retailers, consumers, investors and the media
- Promote and communicate the positive qualities of Tailgating to all constituencies, and defend the industry against unfair and inaccurate depictions in the media
- Promote innovation and entrepreneurship in the industry
- Provide Tailgating manufacturers with usable research, manufacturing and marketing tips, and an ongoing stream of ideas and information to help maximize sales
- Build working relationships with teams and leagues, and encourage them to increase their direct involvement with—and investment in—the Tailgating industry

Building a formal trade association from the bottom up requires a lot of behind-the-scenes work and a lot of input from industry members. It requires leadership, participation and bold ideas. It is our hope that in the coming months you will consider joining TIA and become a part of this process.

Right now, you have no voice in your own industry... because the industry itself has no voice.

That can change. But you need to be a part of that change.

Very truly yours,

Mark Stewart, • Executive Director • Tailgating Industry Association