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Premium Seating in College Athletics: Trends of Today and the Future

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PREMIUM SEATING IN COLLEGE ATHLETICS:
TRENDS OF TODAY AND THE FUTURE

by

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ABSTRACT

The purpose of this study is to assist college athletic departments in attracting more fans to premium seating areas within their football stadiums. Existing research covers professional sporting venues in depth, but lacks volume regarding collegiate athletics. Due to the minimal knowledge and research recorded on premium seating in college football venues, there is a crucial need for the gap in research to be filled. The interviewing method and qualitative research was used to gain information on premium seating within college football venues. During the interview process existing premium seating, renovations in progress, and future addition plans were all explored. When discussing different premium seating options and common trends in the industry a few were expanded upon greatly. These included the addition of loge boxes, unique premium seating options that shy away from the traditional ticketed option, and the importance of the playing surface being visible from premium areas. This study highlights the need for additional research regarding topics such as premium seating in college athletics and the increasing trends and demands of premium seating.

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CHAPTER 1

INTRODUCTION

College football has been a game cherished by the American people since its inception in 1869 (Richmond, 2017). Fast forward through the wide variety of developments since 1869, and the way football is consumed has completely changed. The viewership of college football has increased more than 50 percent in consecutive years (Kilgore, 2017). While viewership and ratings are seeing a steady increase from year-to-year, it has caused game attendance to go in the opposite direction. The 2017 season was the fourth consecutive year that the Football Bowl Subdivision (FBS) attendance saw a decrease at 3.2%, the largest drop in average attendance since 1983 (Khan, 2018). The rise in viewership is the latest change that has forced venue managers to analyze the current state of football viewership and create new ways to draw people back to their stadiums. An area that can attract people back to the stadium and gain new fans is premium seating. Premium seating can be defined as an upgraded area at increased prices that feature a variety of amenities for the premium seat holders. These amenities include things such as area exclusivity, food and beverage options, climate controlled areas, private restrooms, availability of alcohol, and a variety of other offerings depending on the university and venue.

The Houston Astrodome opened in 1965 with a nickname of the “Eighth Wonder of the World” (Ballparks of Baseball, 2018). Suite Experience Group, who is certified by

the Association of Luxury Suite Directors, states that the Houston Astrodome featured the first luxury suite in 1968 (Spencer, 2016). The term luxury suite is used interchangeably with the term suite throughout this study, as both are ways to reference private, enclosed areas that are only accessible to individuals who have a ticket to that specific area. Suites, in most cases, do not include the same level of amenities as other premium seating options currently available in sport venues. Today, luxury suites have turned into a variety of premium seating options including loge boxes (i.e. semi-private group seating that includes amenities such as alcohol, food and beverage or personal wait-staff, and a variety of other options dependent upon the venue where they are located), club seating (i.e. designated spaces that individuals who purchase seats in a specific area have access to which feature a variety of amenities including, but not limited to, food and beverage, private restrooms, and climate control), and suites of various sizes. Suite Experience Group also stated in their July 2016 article, that premium seats often account for less than 20% of the seats in a venue, but they usually generate over 50% of the ticketing revenue (Spencer, 2016). Given the current state of college football recruiting and the arms race among Power Five conference teams, the revenue generation from premium seating is vital to program success both on and off of the football field. The Power Five conferences include the Atlantic Coast Conference, Big 10 Conference, Big XII Conference, Pac-12 Conference, and Southeastern Conference. In an article by Athletic Business featuring the Big 12 Commissioner, Bob Bowlsey, he states “We certainly are spending a lot of money on brick and mortar and on support facilities and personnel. The arms race is alive and well.” (Redd, 2018). The brick and mortar aspect that Bowlsey is alluding to includes premium seating in college football stadiums.

Premium seating options are a way an athletic department can attract fans to the stadium, generate more revenue, and improve the in-game fan experience. In a 2014 Washington Post article it was stated that, “Auburn athletics made \$69.2 million in ticket sales and donations, thanks in part to a tiered football season ticket strategy that requires donations ranging from \$140 to \$3,575 per seat. (The \$3,575 seats sold out, and there’s a waiting list.)” (Hobsen & Rich, 2015). This is one example of a university in a Power Five conferences that has a fan base willing to pay top dollar for an exceptional premium seating experience. The article also states, “Within the Power Five, the popularity of a school’s football team separates the richest of the rich from everyone else,” (Hobsen & Rich, 2015). Hobsen and Rich go into more detail by saying, “Powerhouse football teams fill stadiums with 100,000-plus paying customers, and command seven-figure donations from boosters to secure luxury suites.” With seven-figure donations for luxury suites and donations of up to \$3,575 per seat, athletic departments are relying heavily on this large revenue stream. This increases the importance of consumers viewing premium seating as attractive and worthwhile. Throughout this paper examples of spending on premium seating, the approaches being used to attract premium seat holders, and the benefits of doing so, will be explored and analyzed.

The purpose of this study is to assist college athletic departments in attracting more fans to premium seating areas within their football stadiums. The factors discussed will be generated from interviews conducted with professionals within collegiate athletics in departments such as premium seating, development, and fundraising. The Association of Luxury Suite Directors will also be incorporated, based off of their continual research in this field of study. This paper explores and discusses the variables that are affecting the

increase of premium seating areas within college football stadiums throughout the Power Five conferences.

CHAPTER 2

LITERATURE REVIEW

In 1989, it was predicted that the sport industry would grow to a \$121.3 billion industry by the end of the 1990s (Mahoney & Howard, 2001). By the end of the 1990s the sport industry had actually risen to be a \$213 billion industry (Mahony & Howard, 2001). Comparing the prediction to the realized valuation shows an incredible amount of growth and why studies should be done frequently because of the inaccuracy of predictions when it comes to the sports industry.

In new sport-venue construction, 25% of seating is premium seating, and premium seating is a \$10 billion industry accounting for half of the \$20 billion sport ticket marketplace (Lawrence, Contorno, & Steffek, 2013). One major reason for the large percentage of premium seating in college athletic venues is the amount of revenue generated from premium seating. A large portion of the fundraising dollars at FBS schools includes seat premiums, which are added costs to ticket prices that go towards student-athlete scholarship funds (Gormley, 2014). Gilbert Gaul explained the creation and relevance of premium seating by saying that one of the lesser-known, but more lucrative, inventions was charging their most loyal, deep-pocketed fans thousands of dollars in fees to secure premium seating. Initially, these fees were limited to the best seats; however, as the popularity of college football grew and the demand for premium seating increased, schools expanded their programs to cover more seats (Gaul, 2015).

Premium Seating in Professional Sports

The professional sport industry has recognized that premium seating areas can be a great, relatively “untapped” revenue stream for venues and teams. Stadium developers and owners have realized there are ways to create additional revenues aside from the traditional ones. Parking, food and beverage, and ticket variety are all additional revenue streams that have enabled the “stadium arms race” to really heat up (Coates & Humphreys, 2003). There is a constant need to be the one revolutionizing the way people consume sports, and that goes from the professional leagues down to collegiate athletics. City officials and developers are hesitant to build completely new stadiums because of how expensive they are; therefore, venue managers must establish ways to make their current venues more attractive to the modern consumer.

Within professional sports, revenue generated by the teams and venues is largely due to the sale of luxury suites and premium tickets (Lawrence & Moberg, 2009). Professional sport organizations are capitalizing on the potential revenue stream associated with developing premium seating. The average number of available luxury suites per NFL stadium rose from 138 before 1995, to 248 between 1995 and 2009 (Komisarchik & Fenn, 2010). Each major league sport venue type, for which data is available, has nearly doubled seating sold to the public at a premium (Komisarchik & Fenn, 2010).

The motivation for buying premium seating can vary slightly between professional and collegiate athletics. Because professional teams are for-profit ventures, consumers may look at spending high amounts of money in their venues from a different

perspective. Amy Macaione found that the main group buying suites in professional sport venues are businesses, whereas in collegiate athletics, suites and premium seating areas are mostly consumed for personal use. The purchase of premium seating areas in college athletics derives from three main motivations; upgraded services and amenities, brand image of the team, and value of exclusivity in the venue (Macaione, 2017). Fans were found to be more attracted to premium seating areas at collegiate football games because of the ability to go inside during inclement weather, increased comfortability due to the literal increase in space of premium areas, and accessibility for those that may have disabilities (Macaione, 2017).

It is important to understand premium seating trends in both professional and collegiate venues to ensure attendees have a positive experience wherever they attend an event. In a study done by Davis, DeMange and Titlebaum in the *Journal of Venue and Event Management* it was found that corporations typically own suites and use them as a way to entertain potential and current clients. It is crucial to acknowledge who your clients are, so that they can be targeted and marketed to in the most appropriate manner. There are various types of premium seating and premium areas that offer their own unique atmosphere. When corporations buy suites, teams often “add value” by including other team related experiences like autograph sessions, access to the suite on non-event days, and possibly even traveling to away games (Davis, DeMange, & Titlebaum, n.d.). College athletics use a similar model; however, they often require a donation to the athletic department in addition to the purchase. The types of premium offerings available to consumers and corporations are ever-changing as teams strive to meet the evolving needs of their fans and generate additional revenue.

Reasons for Increase in Premium Seating Interest from Developers & Fans

There are a variety of reasons for the growing interest in premium seating. In 2017, Macaione mentioned that athletic administrators are constantly seeking new revenue streams, emphasizing their increasing financial challenges. In 2014, only 24 FBS schools generated more revenue than they spent, according to the National Collegiate Athletic Association (NCAA) Revenues and Expenses of Division I Intercollegiate Athletics Programs Report. (Macaione, 2017). Athletic department operational expenses are surpassing the level of institutional support universities can provide. This, as well as major Division I athletic programs experiencing a significant decrease in football game attendance, causes a need for increased revenue (Macaione, 2017). As a result, a growing number of athletic departments have opted to add or increase premium seating availability in their football stadiums.

Another reason premium seating interest has increased for developers is because financing of new stadiums and renovations has changed in recent years. The composition of arena financing has shifted in favor of increased private funding for every major league sport since the 1970s (Komisarchik & Fenn, 2010). College athletic venue financing relies heavily on private funding through donations and booster organizations. These methods enable universities to charge seat premiums and increase prices for premium seating areas within a venue.

From a fan's perspective, premium seating is desirable because of a variety of amenities that have been explored by athletic departments and researchers. The highest rated motivational factor was "upgraded services and amenities" (Macaione, 2017).

Premium seating affords other advantages in addition to the availability of alcoholic beverages such as comfort, exclusivity, and upgraded food and beverage services. However, the availability of alcohol plays an instrumental part in ensuring that premium seats are sold out on an annual basis (Huang & Dixon, 2013). Another positive of most premium seating areas is their newness and tendency to feature climate controlled areas. Because they are typically new to an existing venue, club areas tend to feature more accessibility for fans. Premium areas are typically indoors, or have a portion indoors which means weather is no longer an issue, as fans have the option to go inside (Macaione, 2017).

Development of Premium Areas

A study done in 2010 by Chris Cohen, Patrick Walsh and Warren Whisenant found that athletic department donations do not necessarily relate directly to the team's winning percentage. Of course, a winning team is a great way to showcase a University's athletic department, but they found that when the team moved into a new facility, they got more donations. In this specific study, they saw that even though the team's winning percentage went down from 53% to 41%, the school saw their best year in terms of donations to the athletic department (Cohen, Walsh, & Whisenant, 2010). The new facility featured a larger seating capacity, more individual seats, and modern premium seating areas. Overall, the new stadium added multiple areas and seats, that required donations to the athletic department prior to being purchased. The old stadium did not feature these revenue streams, which shows the positive fiscal impact of having more premium seating areas in a stadium (Cohen, Walsh, & Whisenant, 2010). A new stadium is not feasible for a lot of universities, but smaller renovations that add more premium

seating areas can have a positive fiscal impact on the donations an athletic department receives (Cohen, Walsh, & Whisenant, 2010). Developing new and updated premium areas is an opportunity for athletic departments to enhance their venues, create more excitement, and raise revenue for their programs. These seating options allow sport consumers to enjoy attending games, with all the comforts of watching from home (Macaione, 2017).

Head coaches have acknowledged the impact that upgrades, including premium seating, have on athletic programs and universities as a whole. Top schools have taken part in building sprees, constructing new practice and playing facilities, as part of the continuous competition to lure the best athletes and attract fans.

McLane Stadium at Baylor University, in Waco, Texas, a relatively new stadium, exemplifies the high-end upgrades. It will have a new locker room, a state-of-the-art scoreboard, 39 premium suites with catered food service and 79 “loge boxes” that provide a semi-private viewing experience for a premium price. ‘I’m not kidding you. It’s going to change the whole image of Baylor,’ said coach Art Briles (Karaim, 2014).

The excitement for premium areas extends beyond the fans who are purchasing it.

Premium seating can contribute to excitement from the athletic department, fan base, and coaches, as acknowledged above.

Lawrence and Moberg explained that venues need to be physically designed to accommodate consumer demands of premium seating (i.e. removable walls to convert luxury suites to a club seating environment). They also discussed that sales professionals need to be one step ahead of consumers in predicting future needs (Fuller, 2008). With this in mind, the application of academic research is one way for sport professionals to stay ahead of trends in their field (Lawrence & Moberg, 2009).

Conclusion

Macaione stated that the intercollegiate athletics market has had minimal investigation related to premium seating sales, service and retention for business or individual consumers. This, along with the above literature review, shows why research regarding premium seating in college athletic venues is needed and relevant. Premium seating in professional venues has received attention from various studies. These studies have uncovered certain trends that show consistency in fan attraction to premium seating within sport venues. Macaione also stated that gaining a better understanding of buyer motivations will allow intercollegiate athletic administrators to implement a variety of methods to increase revenue, profitability and retention. However, assisting collegiate athletic departments with attracting more fans to premium seating areas within their football stadium is an area that has largely gone without research.

From the literature, we have found that the research regarding premium seating in college athletics, trends, patterns, and driving factors, is minimal. When discussing premium seating, or luxury seating as the literature often discussed, it is most common to find information regarding professional sport venues. The number of universities containing college football teams far exceeds the total number of professional sports teams. The majority of these universities either do not have premium seating or do not have the fan base to support it. However, premium seating within the NCAA's Power Five Conferences is very prevalent and popular. Due to the minimal knowledge and research recorded on premium seating in college football venues, there is a crucial need for the gap in research to be filled. This research will bridge the gap between the existing research on premium seating in professional sport venues and premium seating in college

football venues. This will specifically focus on the trends throughout recent years and moving forward, the motivations for people to purchase premium seating in college athletic venues, and what is, or can be done, to attract more people to premium seating within college football venues. This research is important because the overall fan experience is a huge focus when enticing people to your venues. Premium seating allows the opportunity to enhance the fan experience and present an appealing option for fans to watch the team from your venue instead of their home. Existing research covers professional sporting venues in depth, but lacks volume regarding collegiate athletics.

CHAPTER 3

RESEARCH DESIGN

There is minimal theoretical modeling and previous research on premium seating within college athletics. Therefore, to build upon existing research, this study will move forward with an exploratory research approach. The interviewing method was used and assisted in uncovering trends and patterns within premium seating in college athletics. To begin, interview questions were developed by the researcher. These questions were then asked to experts in the industry. These experts included professionals within college athletics that work directly with premium seating. Information and research was collected from existing sources and applied to the interview questions before forming a final topic and outlining a script for interviews.

The interview and questions followed a diamond shaped sequencing. Basic, closed-ended questions bookended the interviews. Open-ended, more complex questions were presented toward the middle of the interviews. Every interview was different in its own manner, but topics and the outline for each interview were the same. The open-ended questions led to additional topics and allowed for follow-up questions that may not have been previously prepared. The interviews were executed by the researcher via video interviews and in person interviews. The interviews were recorded and analyzed during the research process.

Population/Sample

The target population for this study encompassed professionals working within college athletic departments with an emphasis in premium seating. This ranged from Directors of Premium Seating, Development & Fundraising Officers, Directors of Development, and Associate Athletic Directors of Auxiliary Services, along with other titles that include premium seating, development, and auxiliary services.

The sample was created from industry professionals within NCAA Division I Power Five Conferences. These individuals were found through industry contacts, the Association of Luxury Suite Directors database, and university athletic department directories. The Association of Luxury Suite Directors had previously shared this database and was willing to help connect the researchers to industry professionals. Several individuals in the sample were individually contacted and the study proceeded with those willing to participate.

The research participants were strategically selected and the approval of these individuals was decided by the researcher. The strategic selection of participants was conducted to show a diverse group of individuals, universities, athletic departments, and cultures within the country. The participants were all members of either the Atlantic Coast Conference or the Southeastern Conference, both of which are member conferences of the NCAA's Power Five conferences. Additional requirements included that the interviewees must 1) be directly responsible for premium seating sales, renewals, game day services, or oversee revenue generation from premium seating areas or 2) be employed by a Division I university or by an organization that assist in managing

premium seating within one (or more) Division I athletic departments. Pseudonyms were used during the analysis of the interviews, as well as throughout the results section. The use of pseudonyms ensures the confidentiality of those interviewed.

Data Collection

To collect the data for the study, the interviews were conducted by the researcher. For this qualitative study, interviews were the best option to learn more about what drives premium seating and how it has changed within college athletics. To begin, potential interviewees were contacted and asked if they would be available to meet for an in-person interview. This was discussed via email or phone call early in the interviewing process. It is understood that these professionals have very busy schedules; interviews were conducted during their “slow periods”, meaning when the regular season of football had ended, and before renewal season of premium seating occurred. How the sample was selected is outlined above, but after the sample was chosen, research continued on their venue and their university. The knowledge this research provided was crucial in providing background knowledge on the institution and venue while preparing and asking probing questions. Once each specific interview had been prepared for, the participant completed their interview. To begin each interview, the purpose of the research was given and permission to record the interview was granted. It was important to gain permission to record the interviews because interviewees had to be comfortable with information being documented and quoted throughout the research. If there was any issue with recording the interview, the issue was not to be forced. Fortunately, all interviewees gave permission to be recorded. The interview started with close-ended questions. As mentioned above the interview took the diamond structure, meaning it started with close-

ended questions, moved to open ended questions and then finished with close-ended questions. The list of questions was present to reference during the interviews, but there were opportunities to add new, probing questions when the researcher deemed necessary. The interviews took approximately 30 minutes, with adjustments to time and questions depending on interview flow and information given. Near the end of the interview a few minutes remained where the interviewee could add additional comments or topics not included in the interviewer's initial questions. Once the interview had been completed the interviewee was thanked for their time, and the researcher proceeded to analyze the interview.

Data Analysis

Data was gathered via interviews and field notes. Following the interviews, they were transcribed and reviewed multiple times using content analysis procedures. The interview process took a significant amount of time, as did the reviewing and organizing of information gathered via interview. As research continued, similar themes and topics from the interviews were compiled for easier finding and usage. The compilation of themes helped while analyzing the data, and assisted in determining when data saturation had occurred. Once data saturation materialized, and information repeated itself, interviews concluded.

The data has been analyzed based off of a thematic approach, meaning the researcher became familiar with any and all data, and searched for themes within the data. Light member checking took place by confirming interpretations of interviews with interviewees. These interpretations became the framework for the themes and trends

concluded from the study. The themes were assessed and analyzed to determine if multiple fit into a single theme or if many themes were presented from the data. Once all data had been analyzed and assessed, the researcher named the themes in preparation for the results section of this study. Following the analysis of themes, the interpretation of data and thematic emergence was peer reviewed. The peer review was completed by other researchers trained in qualitative methodology. The data analysis assisted the research by finding common themes and trends from interviews for the results of this study.

CHAPTER 4

RESULTS AND DISCUSSION

The primary objective of this study was to gain more knowledge regarding premium seating trends. This information can be used by industry professionals to attract more fans to premium seating in college football venues. During the interview process existing premium seating, renovations in progress, and future addition plans were all explored. This was helpful to the research because it provided insight to past, present, and future elements of premium seating within college athletics, primarily in football venues.

During the interview process some trends featured agreement from all interviewees, while some had different views on certain trends. The expansion of premium seating was mentioned and of interest to all interviewees. However, all interviewees are at different stages of developing new premium seating areas. When discussing different premium seating options and common trends in the industry a few were expanded upon greatly. These included the addition of loge boxes, unique premium seating options that shy away from the traditional ticketed option, and the importance of the playing surface being visible from premium areas.

Expansion of Premium Seating

My first interviewee, Chad, stated early in the interview, “Our stadium seats 82,000, there’s really no market to be 96,000 or 110,000... but there is a market for more premium.” As mentioned in the literature review, the construction of new facilities is

expensive and renovation is more realistic for many institutions. This contributes to the idea mentioned by Sara that removal of traditional seating to add premium seating is logical for many venues and universities. “Our football stadium seats just over 80,000 people, I think a trend is to seat less people and have more premium.” This conversation transitioned from the want for more premium seating to enhancing the in-game fan experience, “We’re always fighting to attract people to come to games and have an in-game experience versus staying home and watching it on TV.” Adding more premium seating is a way to enhance the in-game experience, as Sara brought up, but it may mean the removal of traditional seating. “Adding more premium to an inventory is on the rise, maybe that means less overall [seating] but it’s more premium for your fans to have a better experience.”

These interviewees are in two different stages in terms of renovations. Sara’s institution plans to unveil a large amount of new premium seating starting with the 2020 football season. Chad’s institution is not at that stage yet, estimating they are within five years of a premium seating renovation. Even with a highly differentiated timeline, both Chad and Sara are saying essentially the same thing; premium seating capacity is in demand.

Loge Boxes versus Luxury Suites

Stadiums today feature loge boxes and luxury suites. Mary works at a football stadium that features suites in their oldest premium area as well as their premium area currently under construction. However, she has seen the popularity in loge boxes increase and potential problems with suites surface. “Suites are too expensive for people.” She

followed this by discussing the additional costs that come with suites. “From the catering that you order each week, to the tickets that you buy. You are kind of hosting a party in your ‘house’ each weekend.” Many people either cannot afford the additional costs of suites, or, more commonly, would rather have an option that includes amenities. Having a semi-private area is one amenity of loge boxes that aligns closely with suite amenities. She mentioned other important amenities available in both loge boxes and suites such as personal seats, refrigerators stocked with the owner’s personal preferences and personal attendants to check on the areas. Mary shared that many of their loge box tickets include a parking spot and some have access to club buffets as well; both of which are offerings suite holders do not have included with the cost of their suite. The ability to have a semi-private area without the added cost suites have is appealing to many fans.

The difficulty suite holders have with filling large suites was a point discussed in multiple interviews. Chad explained this issue simply:

I think people struggle with trying to fill a 22-person box. The 12-person is right in someone’s wheelhouse, whether it’s a company or a family. They can find 8 to 12 people, and if you only have 8 people, it’s still a good experience.

He then transitioned from the difficulties associated with large suites to the appeal of loge boxes with both families and companies. “The loge box where it has 4 to 6 to 8 [people], I think is perfect for a company and a family. If you can price it right, I think people would love that.” Chad’s university currently features no loge boxes; however, it has been discussed with architects as an option for upcoming renovations.

Loge seating was taken into consideration when Sara’s institution began planning their 2020 renovation. “We’ve been told by the architects and the firms we’re dealing with that loge seating is the first and fastest to sell with renovations and new seats that

come online.” The confidence architects and developers have with loge seating supports the trend to build loge boxes instead of suites, or in addition to suites. Chad shared, “If I were going to build new, it would be 12 person suites, loge boxes, or something to a smaller capacity.”

The last statement that is a driving force for loge box development is that loge boxes are an easier addition to existing stadiums than suites. “The structure of our stadium, while it can’t handle [the addition] of suites, loge boxes are a little easier to build and are more cost effective.” Sara has spent the last several months working on premium seating expansion plans and gained this knowledge from their renovation’s developer. Additional suites are desired, but as she states, the stadium cannot handle the addition of suites. Loge boxes, with their reduced cost, easier construction, and popularity among fans are a great fit for their upcoming renovation.

There was one outlier during the interview process. Amanda was unsure about loge boxes with her university’s fan base. “I’m not sure what our administration would think about doing loge boxes. I would say, with our clientele, a suite would probably sell better than a loge box.” This statement indicates that even trends popular with the majority of universities could be unpopular with certain fan bases. Knowing your fan base and their desires is important to the overall success of premium seating and development of premium seating in college athletics.

Unique Premium Seating Options

The literature review prior to interviews indicated that luxury suites were the primary type of premium seating researched, mostly in professional sports. During interviews, suites were the first areas professionals in the industry mentioned, however the conversation was quickly taken over by other unique premium seating options. Lower cost areas, often referred to as “beer gardens” or “party decks”, field level clubs and suites, clubs with no ticketed seat included, and loge boxes, as mentioned previously, were all frequent topics. All interviewees were interested in adding at least one of the mentioned unique premium areas, if not all, to their inventory. Chad, who currently has no stadium renovation plans in place, said premium is on their radar and there is a desire for additions, “We’d love to [add more premium] next year, but we don’t have final approvals and final plans. I’d say it’s within five years.”

The idea of lower priced premium areas where a fan must pay a fee to enter the area and have access to a cash bar, also known as a beer garden or party deck style area, is a trend that people are reluctant to implement at football stadiums. Mary opened the conversation with a hesitant approach, “The thought of a beer garden at a football game slightly scares me. I definitely want to look into the models other people have [for our department] to implement something that’s successful.” There are universities that have successfully implemented beer garden or party deck style areas, many of these areas are located at sports other than football. University of South Carolina, University of Missouri, Louisiana State University, and others have added these types of areas at their baseball venues. Pictures and pricing can be found on their respective athletic websites. However, when you consider establishing a larger scale beer garden or party deck that

would be required at a football venue, industry professionals are hesitant. With that said, Mary followed up her hesitancy to the idea by talking about the financial side positively:

You charge \$5.00 a head plus there's still a cash bar inside... You can fence off a part of our North concourse and there's so, so little out of pocket. It could be a great addition that doesn't cost us a lot.

In addition to the potential revenue generation, all interviewees mentioned the potential for beer garden areas to attract young alumni. "I think that having something like [a beer garden] would be the best way for our [annual fund] foundation to get young alumni on board," Amanda voiced. Sara continued on the topic by discussing "a younger market" as the target market for beer garden and party deck areas, if they were to be added. Sara also agreed saying that these areas could be used as a "stair-step" for young fans and alumni to eventually purchase more traditional premium seating.

Amanda had positive thoughts regarding beer gardens, but has limitations that are keeping her institution from developing the areas. "Our concessionaire has talked to us and said that should this [option] become available to us, they will be building beer gardens." Amanda's university is located within a dry county, where liquor laws are stricter than many other regions of the country. This prohibits them from selling alcohol in any area within their football stadium. In addition to the state and county laws Amanda and her university have to be conscious of, they also have other concerns. "Our concessionaire is trying to work out the Southeastern Conference's (SEC) no-re-entry policy." The SEC no-re-entry policy prohibits patrons from leaving the stadium and re-entering at a later time. Amanda mentioned that this adds another difficult element to their plans of establishing a beer garden. "You can't leave the stadium to go get another beer, so how would we make that beer garden part of the stadium? While not part of the

stadium where we're selling alcohol in the stadium?" Having a law that prohibits the sale of alcohol within a stadium, while having a conference rule that prohibits patrons from re-entering the stadium creates a unique and extremely challenging issue for Amanda and her institution. Circumstances such as these restrict institutions from the ability to create certain premium areas.

The next unique premium seating area that was frequently mentioned was the idea of a field level club without a seat associated. These clubs are located on the field level and do not feature a ticket, they are purchased as a season long pass that people purchase in addition to their current season ticket. When discussing their newest field level area, Mary described the area by saying, "it is a season long pass for an area that is open pre-game, during game, and post-game." Mary continued discussing the appeal of this area to a fan base new to premium areas. "You can keep your 50-yard line seats, but say you want to hang out in the Bunker Club all day, you could do that." An area that is not associated with a ticket, assists fans who love their outdoor seats and fans who may not be able to afford the premium seats that they desire. Sara described the need for this area at their football stadium by explaining how hard it is to get the best premium seating. "You have to be a very high-level donor to our annual fund to get good tickets anywhere in the stadium, especially premium seating." A club area with no ticket associated helps additional fans gain access to a premium experience. "As long as you qualify for [the passes] and pay for them, you'll be able to purchase the pass." The university Sara works at is hopeful this area will generate new revenue for them as well. "I think a reason this is starting to sell well is because we have people who don't want to give up their 50-yard line seats." Selling passes to areas instead of associating a ticket with the area allows for

fans, who enjoy their current seats or are unable to purchase the most desirable seats, to gain access to a premium area they did not previously have access to.

The Importance of Field View in Clubs

Throughout the country universities and professional teams have opened clubs with limited to no site lines of the playing surface. Amanda began discussing this topic with a positive outlook, “it’s very unique, I like the idea certainly,” but continued by saying, “I think it all depends on what your fans do on game day and the traditions your university hold.” When she became more specific about the trend at their football stadium it was clearly not a trend they believe would work for them. Amanda referenced concern about fans interested in an area where they could not directly see the game. Her concern was primarily based upon the fan base’s loyalty to a well-known pre-game spot located on their campus. When discussing the trend overall and at other Division-1 collegiate football stadiums Amanda brought up the possibility of this trend working well in certain niche markets. “There is a niche for it somewhere and people do enjoy it, especially in the South.” Climate can impact the desires fans have for premium seating areas, “You know people want to get out of the sun on a hot, September day, go eat and go drink in the [air conditioning].”

Mary had a similar view of premium areas with no field view stating, “It would not work with our donors.” The tradition of tailgating is important to the fan base Mary is most familiar with, mentioning that tailgating is more important to some fans than coming in the stadium to watch the game. However, Mary brought the focus back to the fans who do enjoy the game from inside the stadium later in the interview. “For the

person that is coming into the stadium, they want to see the game. They want to see the field.” Mary said that they have not tried an area with no field view at the football stadium, but she gave an example of this idea not working well for them at their basketball arena:

We tried two years ago. We renovated a storage room at our basketball arena with TVs and bars, but there’s no view of the court, no view of the game. It has not been successful.” This contributes to the hesitancy with creating an area with no site lines of the playing surface for them.

In Mary and Amanda’s situations a trend in the industry may not be a successful trend with their fans.

A shift in beliefs has occurred with one interviewee, Sara, and her athletic department. Their current premium areas feature views of the field from the seats and club areas. “We felt that was very important and a huge factor in why we have the prices we have for those areas.” With that information given regarding their current premium seating areas, Sara then described the change in premium seating for their upcoming 2020 renovation. “In the new areas, you can’t see [the field] from the clubs. The seats are in front of the clubs, so the club is more of a bunker area.” After discussion about why this shift in thinking occurred, Sara used other institutions as examples. “We heard presentations from Auburn and Notre Dame that have clubs that don’t have field view and have sold just as well as other clubs.” Sara concluded her input on field views from clubs by saying, “Our 2020 renovation will certainly test that concept.” When the 2020 renovation is complete, Sara will oversee club areas that do and do not feature field views.

A slightly differing view of clubs with no field view was presented by Chad, where they are currently renovating their annual fund offices and including a balcony on

the top level. The balcony will overlook their pre-game team entrance, but it does not feature views of the playing field. “We will sell this as a club membership, where folks could come in early, have food, beverage, and hopefully alcohol, and then come back at halftime and do the same thing.” Chad mentioned that the appeal of this area is for the pre-game events and not necessarily to sell as an area for people to stay during games.

It would be to the market of someone who says ‘hey I like my seat on the 50-yard line. I do not want to be in a club, I like the outside atmosphere, but if I could go someplace pre-game and at halftime, I would do that.

The idea of a ticket holder not wanting to move from their existing seat was also mentioned by Mary when discussing their new field level club. Finding premium offerings for individuals who want to keep their existing seats is a contributing factor to industry trends. The club areas with no field views, as well as clubs with no tickets associated are both ways to capture this audience within premium offerings.

An extension of premium areas with no site lines is the field level club. The ability to offer a premium area to those who either cannot purchase premium seating or want to keep their existing seat was discussed in a previous section. The limited field view from a field level club is important to reference in this section. A commonly known field level club is located at AT&T Stadium in Dallas, Texas. “The Dallas Cowboys were a huge influence on that design. When Populous was presenting the design, they said the field level club design is inspired by the Dallas Cowboys,” Mary shared during her interview. Sara also referenced the Dallas Cowboys field level club and revealed that a prominent coach at her university liked what the Dallas Cowboys had as a field level club and wanted something similar. The Dallas Cowboys being referenced multiple times can be an indicator that professional leagues frequently contribute to premium seating trends

in college athletics. Chad brought up the Dallas Cowboys influence, as well as the limited field view, when discussing the potential of opening a field level suite. He is surprised that the trend of field level clubs has taken off for multiple reasons. These reasons include the hindered view of the game, but he believes there are attractive aspects as well, “The proximity to the field could make it something that is still special... especially if the team could come by at some point.” The influence of the Dallas Cowboys and AT&T Stadium’s field level club was evident throughout the interviews conducted and future premium seating plans at the universities represented in this study. Field level clubs, whether they are located at a college football or professional football venue, face the same field view challenges, however this option continues to be developed by those in the industry.

CHAPTER 5

LIMITATIONS AND RECOMMENDATIONS FOR FUTURE RESEARCH

There are several limitations and recommendations that can be shared based from this study. This investigation was heavily focused on college football venues, with interviewees contributing small portions of information about premium seating in other sporting venues. The focus being on premium seating at college football venues was necessary due to the lack of research depth for this particular subject. However, information and trends within college football venues do not necessarily occur at other collegiate sporting venues. Future research should focus on a variety of sports, likely through multiple studies due to the amount of research and venues available. Baseball, basketball, hockey, softball, and volleyball venues are all potential sports, in addition to football, to focus on when conducting future studies.

Another limitation of this study is the minimal number of NCAA Conferences and geographic regions within the United States of America (USA) represented by interviewees. Due to limited amount of research readily available, information from all universities and regions of the USA are helpful when establishing a foundation for college athletic venue premium seating research. In future studies, more regions should be included, as this study focuses primarily in the southeastern and midwest regions of the USA. Additional NCAA conferences should be included in future research, as only

the Southeastern Conference and the Atlantic Coast Conference were analyzed through this study.

An additional factor of this study with potential to enhance the research and contribute a new dynamic to the information would be to interview premium seat holders. Expanding on the elements driving consumers to purchase premium seating with both qualitative and quantitative investigation may lead to a more distinct image of which trends will progress over an extended span of time. Continued and expanded efforts to understand the college premium seating consumer may help with more than trends and patterns of the industry. Pricing of premium seating areas, incentive to purchase, and general desires from specific fan bases may be uncovered.

Lastly, conducting this study in the span of less than one year presents valuable information; however, a longitudinal study may present itself useful in future research. Performing a study on premium seating within college athletic venues over the span of multiple years would open itself to more participant schools and professionals, renovations to current buildings or construction of new facilities, and other opportunities as they present themselves throughout the research.

Although this work contains some limitations, it can serve as the foundation for studies regarding college athletic premium seating in the future. This study highlights the need for additional research regarding topics such as premium seating in college athletics, the increasing trends and demands of premium seating, and major factors impacting the future of premium seating in college athletics.

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APPENDIX A:

INTERVIEW QUESTIONS

Open-Ended Questions:

1. When was the most recent renovation to your premium seating area?
2. If any, what are the plans for expansion within your premium seating areas?
3. What are your premium seat-holder's favorite amenities that you offer, or what do feel like people like the most?
4. What is your opinion of premium seating areas, usually club seats, that have no direct site-line of the football field?
5. What are your thoughts on loge boxes?
6. Do you currently have any loge boxes or plans to develop loge seating at your venue?
7. There is a trend with lower cost premium seating areas, sometimes referred to as "beer gardens" gaining popularity among college athletic venue premium seating. Do you have any of these areas and what are your thoughts on these areas?
8. How have you reached out to young alumni, and the younger demographic to attract them to purchase premium seating?
9. Do you see any other trends within premium seating that you believe will continue to grow?

Closed-Ended Questions:

1. What is your current title within your athletics department?
2. How long have you worked in premium seating?
3. Have you worked in premium seating prior to this job?
4. Have you always worked at your current university, or have you worked at multiple universities?
5. Are you a member of Association of Luxury Suite Directors?

*Further questions will be incorporated as follow-up questions per flow and answers of interviews.