



PLAYFLY

ASPIRE

IMPROVING YOUR VENUE'S YIELD BY EMPHASIZING VALUE

Yield management is key to accurately valuing your brand and maximizing revenue.



PLAYFLY ASPIRE



INTRODUCTION

Despite fans telling us time and again that they value live experiences, properties are reluctant to revise ticket prices for fear of angering their buyers. This stagnant approach to pricing leads to chronically undervalued inventory and lost incremental revenue. Properties who neglect to analyze pricing will even see more empty seats in their venues because they fail to identify a market appropriate price floor. Worst of all, this business as usual mindset reinforces the misconception that price and value are synonymous.

Surveys consistently show fans' top attendance considerations to be: **Convenience/Social Value, Team Success, and Price**. Leagues, conferences, and multi-media rights holders control the scheduling calendar and wins are an expensive and slowly achieved prize. This leaves athletic properties to try and fill their venues by pulling on the only lever left: **Price**. Approaching the ticket pricing process with a mindset of gameday experience and total **value** perception not only helps the bottom line, but makes attendance more affordable for fans sitting outside of the most in demand sections. Giving families, groups, and younger fans cost effective ticket options will fill your venue and your sales pipeline, create an atmosphere that fans will want to revisit and generate significant ancillary revenue in the form of parking, concessions, and merchandise sales.



Changing ticket prices is not easy and will come with objections:

"If we raise prices, we'll lose fans"

You can't cut your way to prosperity. Decreasing prices or instituting excessive discounts displays a lack of brand value and will upset your most loyal fans who are locked into long-term packages. Evaluating pricing does not equal raising all prices.

The University of Illinois' wildly successful "FamILLy" pricing, which has helped [generate more than 10,000 new football season tickets](#) to date, was established based on an in-depth pricing workshop with Playfly Aspire. Similarly, the University of Denver, a perennial men's hockey powerhouse, saw incremental season ticket and half season ticket revenue increases of **more than ~\$100K (+7%)** following a Playfly Aspire repricing study. This fiscal success came despite overall average ticket prices coming down -2%. y/y.

Sports properties often overstate their fans' sensitivity to price changes, or their elasticity of price demand. Direct fan surveys conducted by Playfly Aspire find that ticket price changes play a major role in less than 25% of attendance lapse decisions. Sports fans, particularly more loyal season ticket holders, exhibit relatively inelastic demand, meaning an X% increase in their ticket price will drive ticket sales declines of <X%. Much less in most cases. Dedicated fans who donate to athletic funds and buy premium inventory in your venue are even more likely to exhibit very inelastic demand curves and won't be deterred by modest price increases.

“Our quality of play doesn’t warrant price increases”

Across sports, leagues, and markets, fans consistently indicate socializing, team traditions, and convenience of start times as primary attendance drivers. Success in the win-loss column certainly correlates with ticket sales figures, but fans derive value from events regardless of the outcome. Drawing a parallel to remote consumption, a fan would never call their cable provider demanding a discount if their favorite team went on a losing streak.

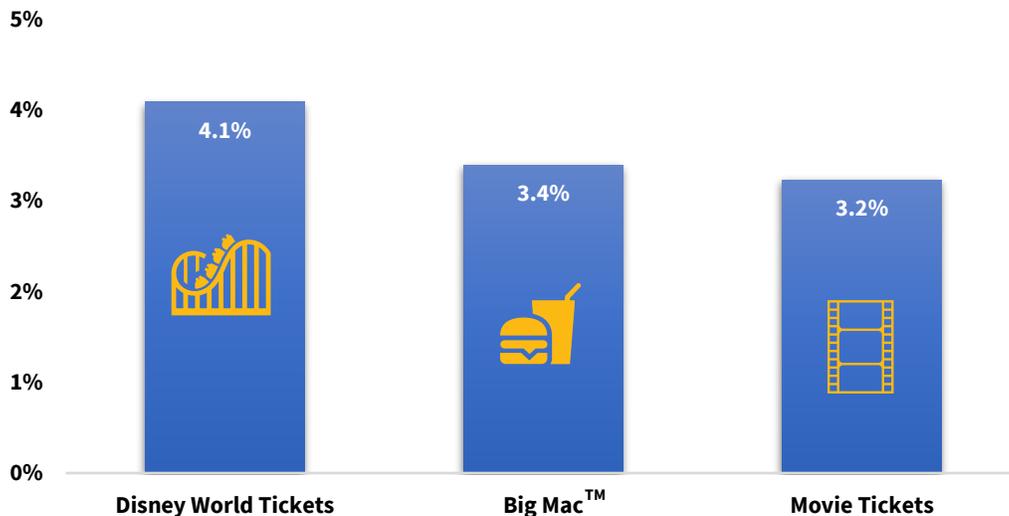


You cannot regain the incremental revenue you give up by delaying price evaluation due to poor performance. Waiting until your team is successful to change prices means missing out on years of incremental revenue and will not garner any goodwill from fans who remained loyal during down years. Sports properties who take this approach often alienate their most loyal buyers and expose their team to negative “bandwagon” branding.

"Fans are used to the price they're paying"

What is your pricing reevaluation process? Have you reevaluated pricing since the COVID-19 pandemic started? Since 2015? Compared to 2019 figures the average price of a movie ticket in the U.S. has gone up 15%¹; Disney World single day entrance cost +11%²; a Big Mac +7%³. U.S. consumers have seen 20% cumulative inflation since 2019⁴ and 29% since 2015. Have your ticket prices kept up? How about your tickets on secondary markets?

Average Annual Price Increase (Since 2015)



A fan who is *used* to paying a certain price for a ticket could see that price come down if optimal pricing is implemented. Fans who are resigned to watching from home due to an inefficiently high price floor are given the chance to attend following appropriate pricing analysis.

The total cost, and value, of live sporting event attendance has not held flat. Prices of ancillary products, such as concessions and parking, consistently increase, as do fans' benefits. Market these value increases and use them to justify a fair price. Knowing your fans may be paying much more to see your team compete on the road against properties who regularly reevaluate prices should be all the motivation you need.

¹ [National Association of Theater Owners](#)

² [All Ears](#)

³ [Big Mac Index](#)

⁴ [Bureau of Labor Statistics CPI](#)

CONCLUSION

Too often, athletic properties neglect the conversation on ticket pricing, allowing the “bogeyman” of an upset fan to delay the process. It is much more beneficial to approach the conversation with a focus on total experience valuation, in-market entertainment comparisons, and dynamic price and package setting. By turning to an outsourced partner to manage this strategic initiative, properties tap into an objective opinion, enhanced analytics, and a wealth of cross-property benchmarking capabilities. Recent applications of this method have driven millions in incremental ticket revenue, set attendance records at some of the most storied sporting events in the world, and enabled countless fans to attend their first live events, starting them on their journey to becoming fans for life.



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THANK YOU FOR READING

About Playfly Aspire

Playfly Aspire is an award winning sports and entertainment marketing firm, named as a top employer in the industry by both Forbes and Front Office Sports. Globally recognized for innovative consulting, ticket sales, and partnership services, Playfly Aspire created the outsourced ticket sales niche, revolutionizing with its first Fan Relationship Management Center (FRMC) at Georgia Tech in 2009. Over the past 15 years, more than 300 collegiate and professional sports properties have trusted Playfly Aspire to drive revenue, attendance, and enterprise-value growth through the combination of strategic consulting and research, sales and service training, and best-in-industry fan relationship management.