

**Editorial Board and Staff:**

**Editor:**

*Mark S. Nagel  
University of South Carolina*

**Associate Editor:**

*John M. Grady  
University of South Carolina*

**Consulting Editor:**

*Peter J. Graham  
University of South Carolina*

**Editorial Review Board Members:**

*Rob Ammon—Slippery Rock University*

*John Bennett—Venue Management  
Association, Asia Pacific Limited*

*Chris Bigelow—The Bigelow  
Companies, Inc.*

*Matt Brown—University of South Carolina*

*Brad Gessner—San Diego  
Convention Center*

*Peter Gruber —Wiener Stadthalle, Austria*

*Todd Hall—Georgia Southern University*

*Kim Mahoney—Industry Consultant*

*Michael Mahoney—California  
State University at Fresno*

*Larry Perkins—RBC Center  
Carolina Hurricanes*

*Jim Riordan—Florida Atlantic University*

*Frank Roach—University of South Carolina*

*Philip Rothschild—Missouri  
State University*

*Frank Russo—Global Spectrum*

*Rodney J. Smith—University of Denver*

*Kenneth C. Teed—The George  
Washington University*

*Scott Wysong—University of Dallas*

**JOURNAL OF**  
**Venue**  
**& Event**  
**Management**

**Professional vs. Collegiate Facilities: Perceived  
Motivations of Luxury Suite Ownership**

Peter Titlebaum, Ed.D.  
University of Dayton

Carrie DeMange  
University of Dayton

Robert Davis, Ph.D.  
Miami University, Hamilton Campus

## Abstract

This study investigates buyer motivations and purchasing trends as perceived by those who sell luxury suites for college institutions, specifically those in the Southeastern Conference (SEC). Lawrence and Titlebaum (2010) conducted a previous study to analyze similar behaviors in professional sports. The premium seating industry has a yearly income stream of about \$10 billion that contributes to the financial success of professional and collegiate sports (Cohen, 2011). By understanding the similarities and differences between professional and collegiate luxury suite purchasing decisions, the sellers of those suites can create better sales presentations and retain owners who have already purchased suites.

The administered survey included a total of 57 responses from the National Basketball Association (NBA), the National Football League (NFL), the National Hockey League (NHL), Major League Baseball (MLB), and the Southeastern Conference. The results indicated what is perceived to be important at both the professional and collegiate levels. Specifically, purchasers in the collegiate market are perceived by luxury suite salespeople as being more likely than those in the professional sports market to buy a suite for personal use or to support the community. This study demonstrated the differences among the markets, and for those who sell premium seating, there is value in sharing this information.

Keywords: Southeastern Conference (SEC), Association of Luxury Suite Directors (ALSD)

## Professional vs. Collegiate Facilities: Perceived Motivations of Luxury Suite Ownership

### State of the Industry

The leading professional organization for premium seating sales, the Association of Luxury Suite Directors (ALSD), has recognized a changing landscape in initial suite sales and renewals. As early as 2004, ALSD executive director Bill Dorsey noted that “[p]remium seats do not sell themselves anymore” (Stone, 2004, p. 1). The owners need to identify ways in which they can successfully sell luxury suites and generate more revenue. The *Wall Street Journal* notes that “today’s suites can easily represent 50% of a team’s profit,” identifying the luxury suite market as a critical source of income within the sport’s market (Walker, 1998, W1). Premium seating has changed the way team owners approach the business, with owners insisting on more and more luxury seating options with each new facility (Miller & Washington, 2010). Due to the growth of the luxury suite market into a \$10 billion industry, understanding buyer perception of luxury suites is critical.

Lawrence, Contorno, Kutz, Hendrickson, and Dorsey (2007) found that professional teams realized an average of \$9.8 million from luxury suites each year. In addition, the professional sport luxury suite industry segment accounts for over \$600 million in gross revenues (Lee & Chun, 2002). According to the ALSD, there are approximately 12,527 luxury suites in professional sport

venues in North America (ALSD, 2011). Given this significant potential annual revenue stream, there is a need for continuous study of the perceptions of luxury suite purchasers. “Suites will continue to play a prominent role in new construction because the potential for revenue is great, and increased construction costs will require higher debt service payments that can be supported by suite sales” (Lawrence & Titlebaum, 2009, p. 172).

This can be understood with the addition of luxury suite boxes, seating for fans, and enhanced luxury suite amenities. The sport facility building boom that occurred between 1990 and 2010 substantially affected the premium seating industry, resulting in a 147% increase in the number of luxury suites in the United States’ four major professional leagues (Rhoda, Wrigley, & Habermas, 2010). For example, the New York Mets opened Citi Stadium in 2009 with 54 luxury suites, a 17% increase over their previous facility, Shea Stadium. Suites sold for as much as \$500,000 each per season, generating significant revenue. The NFL’s Dallas Cowboys’ new stadium, also completed in 2009, includes approximately 300 suites ranging in price from \$100,000 to \$500,000 per year (Mosier, 2009). In many venues, luxury suites are sold before the completion of the new stadium, indicating a strong interest in the value proposition offered by this luxury segment. This revenue is then often utilized to offset construction costs.

Given the success of the professional luxury suite market and the similarity in facility size and design at many university venues, examining collegiate luxury suite sales is important. Many colleges are finding that luxury suites are crucial in attracting more collegiate sports sponsorships and other forms of funding. “Adding luxury sky boxes to a stadium can be a lucrative source of revenue, and more colleges are turning to them to help support the ever-rising cost of athletic programs” (Coates, 1998, p. 1). Additional luxury suites are created by either renovating existing stadiums or building new stadiums to accommodate additional seating. “In fact, 17 out of the 20 most valuable teams have had expansions and renovations over the last ten years” (“Money Talks,” 2008, p. 1). The University of Michigan football stadium recently underwent a three-year renovation project that added luxury suites. In 2010, the University of Michigan had received advanced commitments for all 81 of the suites built during the renovation (Hordwedel, 2010). In 2004, the University of Georgia expanded Sanford Stadium at a cost of \$71 million, adding 688 new seats to the luxury suites mix (Sanford Stadium, n.d.). In 2005, Louisiana State University spent \$60 million expanding Tiger Stadium, adding 3,255 club seats to the stadium (Green, 2008).

As with professional sports teams, it is evident that increasing the available inventory of luxury seating provides an opportunity for colleges to enhance revenue. It is possible that the luxury suite market at major intercollegiate athletic programs may experience continued growth. However, it is also possible that the recent economic downturn might limit sales of luxury suites in the future. The banking industry has long been a significant consumer of the luxury suite market. Although banks and bank holding companies currently are the largest single industry segment to own luxury suites, with 6.9% of the market (Lawrence, et al. 2009), it is unlikely they will be able to sustain this level of suite ownership, necessitating the importance of better understanding luxury suite holder motivations and luxury suite sales tactics.

The SEC, long considered the premier college football conference, has member schools with facilities containing as many as 157 and as few as eight luxury suites. The average number of SEC luxury suites is 60, thus making the study of the SEC luxury suite purchasers a worthwhile endeavor. It can be concluded that the importance of income and popularity makes the study of luxury suite owners’ perceptions of why people purchase luxury suites in the collegiate market significant. Table 1 shows the number of suites and the capacity of SEC stadiums in 2011.

Table 1

*Suites and Capacity of SEC Stadiums in 2011*

SEC Schools	Stadium	Suites	Capacity	Opened
Alabama	Bryant Denny Stadium	157	101,000	1929
Arkansas	Razorback Stadium	132	72,000	1938
Auburn	Jordan Hare Stadium	70	87,451	1939
Florida	Ben Hill Griffin Stadium	46	88,548	1930
Georgia	Sanford Stadium	50	92,746	1929
Kentucky	Commonwealth Stadium	40	67,600	1973
Louisiana State	Tiger Stadium	70	92,400	1924
Mississippi	Vaught Hemingway Stadium	24	60,850	1915
Mississippi State	Davis Wade Stadium	50	55,082	1914
South Carolina	Williams Brice Stadium	18	80,250	1934
Tennessee	Neyland Stadium	78	102,459	1921
Vanderbilt	Vanderbilt Stadium	8	39,790	1922

*Note.* Sources: College Gridirons, n.d.; SEC athletic department websites and phone calls.

## Review of Literature

Professionals selling luxury suites have little academic literature specifically devoted to their efforts. Academic literature has only recently begun to address this discipline (e.g., Lawrence et al., 2009; Lawrence & Kahler, 2007; Lawrence & Moberg, 2009). However, there are a few recent studies that focus on suite owners and their perceived motivations (Titlebaum & Lawrence, 2010) and identify types of corporations that tend to purchase suites (Lawrence & Contorno, 2010; Lawrence, Kahler, & Contorno, 2009). Other studies demonstrate how to maximize value from suite ownership (Titlebaum & Lawrence, 2011) and the suite sales/customer relationship management process (Lawrence & Moberg, 2009).

An explanation of how the relationship between the team/venue and corporation is cultivated is critical to business-to-business sales processes of all sorts. While the majority of suites at the college level are owned by individuals and not businesses, insight into what businesses hope to gain from these relationships could help the college market approach and interact with its customers. Cousens, Babiak, and Bradish published a study to fill the gap in the literature associated with the “mutually advantageous rationales from business-to-business relationships involving sport properties and corporations” (2006, p. 4). Their results provide three criteria to assess corporate-sport relationships: 1) the internal and external context facilitating or inhibiting the relationship formation, 2) the value-added benefits for both partners, and 3) the continuum of relationships (Cousens, Babiak, & Bradish, 2006).

Many companies are finding that at the college level, luxury suite purchases can not only potentially enhance their business opportunities but can also provide tax deductions. “While the growth of the luxury boxes has to do with a lot more than the tax deduction, the deduction certainly contributes to their growth” (Fagan, 2010, p. 2). Potential tax benefits may be counterbalanced somewhat by economic pressures, particularly in college sports. Lawrence noted that there was a “difference between professional and college sports and luxury suites. In professional sports, it was found that over 85% of pro teams have more than 75% of their suites owned by businesses” (2009, para. 1). The college market has a larger percentage of individual ownership. While it is not known if the individuals buy suites in college venues due to the schools’ nonprofit status, the lure of tax-deductible contributions may make alumni consider this investment favorable.

A tax-deductible donation to athletics provides alumni

with direct, personal benefits, such as skyboxes or court-side seats at sporting events. Quite a few big-time sports schools require ticket holders to make large contributions to athletics in order to secure the right to purchase tickets. Donors are allowed to deduct 80% of that contribution. For example, the University of Texas sells private suites in its football stadium for \$50,000 to \$80,000 (Luebchow, 2007). NCAA men’s basketball powerhouse Duke, with its iconic arena, sells season tickets—with a face value of about \$1,000—only with a contribution of at least \$7,000 to its booster organization (Clotfelter, 2011).

A luxury suite can either stand alone or be integrated into a larger sponsorship agreement. Either way, Dr. Bill Sutton, argues that “a suite, if presented and sold as a more aggressive brand activation platform, can completely differentiate your product” (Sutton, 2009, para. 1). Sutton supports the idea that a suite can set a brand apart from its competition and thus justify its expense. By applying the assessment tools proposed by Cousens et al. (2006) to brand activation, there is strong potential to add value to the suite industry. But unless the sport organization understands which of these components are important to the corporation, they may miss out on identification of the right benefits (Titlebaum & Lawrence, 2010). The need to understand which benefits add value is why relationships are the final component in the assessment of corporate-sport relationships proposed by Cousens et al. (2006).

## Methodology

Based on results of interviews conducted in previous qualitative research for the professional sport’s luxury suite market (Titlebaum & Lawrence, 2009), a questionnaire with four sections was drafted. The 29-item survey tool was developed using previously identified areas of perceived motivations for suite purchases/renewals by other populations. It also explored areas of possible improvement in established suite operations (see Titlebaum and Lawrence, 2010). The survey instrument, as shown in Table 2, was divided into four sections addressing 1) the perceived importance of a variety of motivating factors in the initial suite purchase decision, 2) the perceived importance of strategies related to enticements to purchase a suite, 3) the importance of improvement in certain sales and marketing areas moving into the future, and 4) the effectiveness of selling methods.

All responses were measured using a 5-point Likert type scale (1 = least important/effective, 5 = most important/effective). Surveys were distributed during the ALSD Conference and online (for those not

attending the conference) to suite sales professionals representing every team from the four major professional sport leagues: NBA, NFL, NHL, and MLB, with a response rate of 38.5% (47 out of the 122 teams). The response rates by leagues were as follows: NBA, 15 respondents (50% of the league); NFL, 12 (37.5%); NHL, 12 (37.5%); and MLB, 11 (36.7%). In an effort to increase participation, follow-up emails were sent to all identified participants who had not returned surveys.

Because this tool was previously used to successfully gather insights from the professional market, it was applied to the collegiate market with the additional goal of comparing the two to determine correlation. In this study, the collegiate market studied was the Southeastern Conference (SEC). Teams responding to this study represented 83% of the teams in the conference. According to the *Washington Times*, the SEC was identified as the “consistently leading conference in revenue distribution to its members, including an SEC record \$209 million for the 2009-2010 fiscal year” (Southeastern Conference, n.d., para. 1). In addition, the Street and Smith’s *Sports Business Journal* list of the top 10 revenue-generating college sports programs in the United States included four SEC institutions: the University of Florida, \$106 million; Auburn University, \$89.3 million; the University of Alabama, \$88.9 million; and the University of Tennessee, \$88.7 million (“Report: OSU No. 2,” 2009). The SEC, while representing only 10% of the teams in the Football Bowl Subdivision (FBS) of the NCAA, provides valuable data that is applicable to various sport organizations.

Using the four-section instrument, member schools in the Southeastern Conference (SEC) were surveyed in order to investigate how the collegiate market compares to the professional leagues already surveyed. Staff from 10 of the 12 universities (83.3%) within the SEC completed the survey. These respondents sold or serviced the suites and routinely interacted with suite owners.

## Results

The analysis demonstrated perceived buying tendencies for the professional and collegiate market, potentially aiding in the selling process for luxury suites. The research indicated the relative perceived importance of various aspects of the suite purchase. The sellers can utilize the data to help concentrate their sales pitches more effectively.

Because the survey was designed by incorporating the results of previous qualitative work (Titlebaum & Law-

rence, 2009), all variables under investigation were demonstrated to have some level of importance/effectiveness for teams before they were included in the survey.

## Statistics

Descriptive statistics from the survey results are shown in Table 2. The Mann-Whitney test was used to identify significant differences between those who purchased luxury suites from professional teams and those who purchased from SEC teams. Of the 29 questions in the survey, 23 did not show significant differences at a level at or above 10%. This result indicates that perceived reasons for purchasing luxury suites are in large part similar, regardless of whether the buyer is purchasing from a professional team or from an SEC team.

While most responses correlated well, six areas demonstrated lower correlation at a significance level of 10%. These differences are listed in Table 3, along with the value of the Mann-Whitney test statistic and the observed significance level. Three of these differences were so striking that their correlation level was 5%. The variables for which significant differences were found are discussed in the following section, in ascending order of observed significance level.

## Discussion and Implications

The most significant difference in responses was to the question, “How important is supporting the community in a buyer’s decision to purchase a luxury suite?” The average response for the SEC was 3.30, compared to only 2.26 for the professional teams. Given that professional sports teams are for-profit ventures, whereas universities and colleges in the SEC are not, this is not a surprising result. This result indicates that placing an emphasis on supporting the community is more likely to be part of a successful sales pitch for the individual selling luxury suites for a collegiate team than for a professional team.

The next significant difference was in response to the question, “How important is personal use in a buyer’s decision to purchase a luxury suite?” Again, the SEC responses had a higher average; specifically, the SEC average was 3.30, compared to an average response of 2.40 for the professional teams. The SEC buyer is perceived to be more interested in attending the games than the buyer of a professional team luxury suite. This could be due to stronger team loyalties among collegiate fans, particularly if they are alumni of the school or grew up in the area. It is important to keep in mind that this purchase is

**Table 2*****Perceptions of Buyer Motivation to Purchase Luxury Suites***

Factor	N	Mean	SD
Q1. During the buying decision, how important are these factors to your corporate luxury suite owners when they decide to purchase a suite?			
Entertaining new business clients			
Professional Leagues	46	4.30	.76
Southeastern Conference	10	3.80	1.03
Entertaining existing business clients			
Professional Leagues	47	4.30	.69
Southeastern Conference	10	3.90	.88
Entertaining employees			
Professional Leagues	47	2.55	.69
Southeastern Conference	10	2.80	1.32
Supporting the community			
Professional Leagues	47	2.26	.97
Southeastern Conference	10	3.30	.95
The perception in the community			
Professional Leagues	47	2.96	.93
Southeastern Conference	10	3.30	.95
Exclusivity from competitors			
Professional Leagues	47	3.19	.92
Southeastern Conference	10	2.90	.99
Personal use			
Professional Leagues	47	2.40	.85
Southeastern Conference	10	3.30	1.49
Value of exclusivity in the venue			
Professional Leagues	47	3.04	1.08
Southeastern Conference	10	3.30	1.34
Current team performance			
Professional Leagues	47	3.43	.83
Southeastern Conference	10	2.80	1.03
History of team performance			
Professional Leagues	47	2.85	.91
Southeastern Conference	10	3.30	.82
"Brand Image" of the team			
Professional Leagues	46	3.41	.88
Southeastern Conference	10	3.50	.71

Table 2 continued

Factor	N	Mean	SD
Q2. How important are each of the following factors the team might use to entice a suite buyer?			
Exclusive access (travel with the team or behind the scenes at a game)			
Professional Leagues	46	3.33	1.03
Southeastern Conference	10	3.20	1.23
Events to further business-to-business			
Professional Leagues	46	3.13	1.05
Southeastern Conference	10	2.60	1.17
Networking events to leverage suite ownership business-to-business opportunities			
Professional Leagues	46	2.85	.99
Southeastern Conference	10	2.50	.85
Customized gifts for suite owners			
Professional Leagues	46	2.26	.88
Southeastern Conference	10	2.50	1.08
Personal relationships between suite owners and the team			
Professional Leagues	46	3.52	.98
Southeastern Conference	10	2.80	1.14
Premium events to strengthen relationships between suite owners and their clients			
Professional Leagues	46	3.46	.91
Southeastern Conference	10	2.90	.99
Use of suites on non-game days			
Professional Leagues	42	1.88	.99
Southeastern Conference	10	2.00	1.15
Q3. Related to luxury suite clients, how important is it for you to improve on each of the following areas in the future?			
Adding personal touches			
Professional Leagues	47	4.11	.79
Southeastern Conference	10	4.00	.82
Relationship cultivation			
Professional Leagues	47	4.13	.74
Southeastern Conference	10	4.10	.57
Assisting owners brand the suite			
Professional Leagues	47	2.53	1.02
Southeastern Conference	10	2.90	1.20
Upgrading suite amenities			
Professional Leagues	47	3.47	.88
Southeastern Conference	10	3.90	.32

Table 2 continued

Factor	N	Mean	SD
Create unique experiences for business-to-business deals			
Professional Leagues	47	3.43	1.06
Southeastern Conference	10	2.70	.95
Ensuring that suite administrators are dispensing tickets properly			
Professional Leagues	47	3.45	1.04
Southeastern Conference	10	2.90	1.37
Q4. What are the most effective methods your team has used to sell luxury suites?			
Educate on using their suite effectively			
Professional Leagues	46	3.24	.97
Southeastern Conference	10	3.20	.63
Strong relationships to retain business			
Professional Leagues	45	4.16	.74
Southeastern Conference	10	3.80	.63
Networking utilizing local chamber and business groups			
Professional Leagues	46	2.61	1.06
Southeastern Conference	10	2.50	1.08
Sales staff involved early and often			
Professional Leagues	46	3.48	.98
Southeastern Conference	10	3.00	.82
The role of suite administrator in the renewal process			
Professional Leagues	45	3.58	.92
Southeastern Conference	10	3.20	1.03

Table 3

*Mann-Whitney Test-Significant Variables*

Question	N (Pro)	N (SEC)	W	P-value
Supporting the community	47	10	1235.0	.0053
Personal use	47	10	1267.0	.0367
Unique experience for deals	47	10	1455.0	.0449
Upgrading amenities	47	10	1280.5	.0658
Personal relationships	46	10	1390.5	.0759
Current team performance	47	10	1439.0	.0915

not seen as a business tool for most in the collegiate market. In this survey, most survey respondents indicated that between 40% and 100% of their clients are alumni.

The last significant response difference was to the question, “How important is it to create more unique experiences in which to conduct business deals?” In this case, the SEC responses had a lower average than those of the professional teams; the SEC average was 2.70, while the average for the professional teams was 3.43. It had already been determined that SEC buyers are more likely to buy the suite for their own personal use, while buyers of professional luxury suites are more interested in finding new ways to facilitate business deals. Since professional buyers are more likely to view the suites as a way to impress clients, as opposed to using the suites for themselves, unique experiences would matter more to them.

Also statistically significant was the response to the question, “How important is it to upgrade suite amenities?” The average SEC response was 3.90, while the average professional team response was 3.47. Both of these are somewhat high; the difference may be a consequence of the SEC buyers’ likelihood to buy suites for personal use with a commensurate greater concern for amenities.

The fifth significant difference in response was to the question, “How important are personal relationships between suite owners and the team in enticing buyers?” The professional teams had an average response of 3.52, compared to an average response of 2.80 for the SEC respondents. From the perspective of the suite seller, these personal relationships are critical. With this expectation comes a burden to deliver. This sentiment is much stronger at the professional level than at the collegiate level, since the primary intent of purchasing the suite was to drive additional business deals rather than merely to support the community.

The final significant difference in response was to the question, “How important is current team performance in the decision to purchase a suite?” As might be expected, the professional suite buyers were more concerned with current team performance than those buying suites for SEC teams. The professional average was 3.43, while the SEC average was only 2.80. This point can be illustrated in suite attendance at Cleveland Cavaliers games after the departure of LeBron James (where sales decreased) as compared to the observations at the SEC level made by Arkansas assistant athletic director Jerry Pufall, who noted “there has been ‘no or very little’ turnover in suite

license agreements at Walton Arena since its completion in 1994” (Sparkman, p. 1, 2004). As previously indicated, buying a suite from a college team is perceived more likely to have a community service component, and alumni typically will support their schools even when the teams are struggling; hence, current performance is only one of the factors of the experience for the collegiate buyer.

Taken as a whole, the survey responses illustrate that sports organizations selling suites can utilize information discovered from both the collegiate and professional market to aid in their selling methodology and to gain more suite purchasers. They can leverage these methods to create better experiences for the suite buyer, which will heighten their experiences and hopefully elicit favorable renewal rates. This is true especially if the information is shared.

Since information is power, leagues should consider cooperating with one another on research related to suite ownership, as opposed to operating in isolation. This would improve understanding for all leagues, and allow for stronger sales techniques, resulting in the potential for additional revenue (Titlebaum & Lawrence, 2010, p. 93.)

While the differences are compelling, survey responses yielded many similarities that are also noteworthy. The results indicate that collegiate and professional suite purchasers are similar based on the perceived perceptions of luxury suite sales associates. Several similarities between the collegiate market and the professional market were identified during the purchasing process in the study. The brand images of the team in the community, exclusivity in the industry by setting the company apart from competitors, and the value of exclusivity in the venue were aspects found to be very important for both professional team and collegiate athletic suite sellers. In addition, other similarities identified as important to improve were relationship cultivation throughout the year, adding personal touches to the relationship, and ensuring that suite administrators are dispensing tickets in ways that best benefit the company. Lastly, the most effective method identified in both the collegiate and the professional markets were strong relationships with current clients, sales staff involvement early and often in business deals, and education for companies on using their suites to grow business.

An important consideration for buying a suite at the collegiate level was to support the community. By contrast, the purchaser of a professional suite cited com-

munity support as important, but not as significant. In a previous study, University of Dayton Senior Associate Athletic Director Dave Harper pointed out that,

UD Arena provides us with not only a venue to entertain corporations and those people in the community who are looking for a more premium experience, but also a mechanism for us to build relationships with them. This leads to a multi-pronged rapport with these people, not only as a suite holder but also as a donor and someone who wants to support the UD sports program (Mirabedini, 2011, p. 16).

The importance of community stemmed from the donor wanting to contribute money to the program and the school, therefore exemplifying the perceived importance of community in the collegiate market. Research indicated that “proximity plays a role in a respondent’s ability to recall sponsors and that is why local sponsors are seen to be the most valuable to the program” (Alvarado, 2006, p. 1). Suite owners are more likely to gain sales from buyers located in proximity due to the desire for community involvement. On the contrary, the professional buyer likely hopes the suite experience would exemplify a valuable connection to the team for their business clients more so than for the community. The perks of ownership are perceived as being a source of pride to them.

## Limitations

It should be noted that due to the small collegiate sample, more differences may exist between the collegiate and the professional markets. In the future, schools in other conferences could be surveyed in order to increase the sample size and so that researchers will be able to identify other potential differences between the two markets.

## Future Research

The next step is to explore actual motivations of suite owners by directly surveying or interviewing suite buyers. The end-user feedback on the sales process can enhance industry understanding and allow even better targeting techniques. Areas to investigate include 1) the role tax-deductible contributions plays in suite ownership for businesses or individuals, 2) customer analytics of suite and premium-seat holders, and, 3) the difference in length of ownership of the suite holder in both the professional and collegiate markets. Understanding the best practices from corporations who own suites will aid in the sale of a luxury suite and educate future buyers about what is working from the busi-

ness standpoint. Techniques in premium seating sales are an additional area of study that will allow teams to understand what the customers want and need.

## Conclusions

By understanding the perceived differences between professional and collegiate luxury suite purchasing decisions, the sellers of suites can create better sales tools and improve the suite experience, thus encouraging suite retention. Both markets can gain insights from sharing this information.

Luxury suite sellers at all levels need to understand the most effective methods to attract business for professional suites so they can similarly attract collegiate buyers using the same techniques. Through this research, it has been determined that many luxury suite purchasers are perceived by those who sell luxury suites to identify with both the collegiate market and the professional arena. There are more similarities between the two markets than there are differences, suggesting that existing sales techniques employed in the professional sector may be suitable for the collegiate customer with minor refinement, based on the differences identified in this study. If individuals selling professional and collegiate suites use what they have learned from previous selling experiences, they will be able to enhance the attraction for collegiate buyers. Building on current and personal relationships and enhancing the suite experience will facilitate retention of existing suites and aid in selling more luxury suites, which in return will increase revenues.

However, there are mixed reviews on what percentages of schools actually make money from college athletics, as there are many factors that must be considered. According to an *NCAA Report*, “only fourteen of 120 Football Bowl Subdivision schools made money from campus athletics in 2009, down from 25 the year before” (2010, para, 2). Understanding the small number of colleges actually making profits from college athletics demonstrates the importance of adding value through luxury suites. Adding suites and amenities will potentially increase revenues within the college market, particularly if highly effective sales techniques are implemented. Also, if collegiate athletic departments utilize the luxury suite market as a tool to raise money by garnering support for ticket packages, they will be able to enhance their overall revenue. Therefore, the college market needs to understand the luxury suite market as a whole, and implement a variety of methods to improve revenue, profitability, and retention.

## References

- Alvarado, G.J. (2006) Athletic donor perceptions of corporate collegiate sponsorship. Unpublished thesis, Texas Tech, Lubbock, Texas
- Association of Luxury Suite Directors. (2011). *ALSD 2010–2011 Annual Report*. Cincinnati, OH: ALSA.
- Clotfelter, C. (2011, January 10) Stop the tax deduction for major college sports programs. *Washington Post*. Retrieved from <http://www.cambridgeblog.org/2011/01/clotfelter-booster-donations/>
- Coates, P. (1998). College stadiums are adding luxury boxes to help revenue. *Journal Record*, The (Oklahoma City). Retrieved from [http://findarticles.com/p/articles/mi\\_qn4182/is\\_19980116/ai\\_n10116029/pg\\_2/?tag=content;coll](http://findarticles.com/p/articles/mi_qn4182/is_19980116/ai_n10116029/pg_2/?tag=content;coll)
- Cohen, A. (2011, February) Recession forces changes premium spectator seating. *Athletic Business*. Retrieved from <http://athleticbusiness.com/articles/article.aspx?articleid=3694&zoneid=27>
- College Gridirons, Comparisons by Conference. (n.d.) Retrieved from <http://www.collegegridirons.com/comparisons.htm>
- Cousens, L., Babiak, K., & Bradish, C. L. (2006). Beyond sponsorship: Reframing corporate-sport relationships. *Sport Management Review*, 9, 1–23.
- Fagan, E. J. (2010, April 5). Eliminate luxury suite tax deductions. *New York Times*. Retrieved from <http://www.theyankeeu.com/2010/04/new-york-times-op-ed-eliminate-luxury-suite-tax-deductions-16482>
- Green, K. (2008, August 15). Top 15 college football stadiums. *Bleacher Report*. Retrieved from <http://bleacherreport.com/articles/47924-top-15-college-football-stadiums>
- Hordwedel, L. (2010). Luxury seating at Michigan Stadium sold out for 2011 football season. *AnnArbor.com*. Retrieved from <http://www.annarbor.com/sports/um-football/luxury-seating-at-michigan-stadium-sold-out-for-2011-football-season/>
- Lawrence, H. J. (2009, May 19). Luxury suites: Pro v. college. Retrieved from 2011 from <http://collegesportsblog.wordpress.com/2011/05/19/luxury-suites-pro-v-college/>
- Lawrence, H. J., & Contorno, R.T. (2010). [Premium seating ownership]. Unpublished raw data.
- Lawrence, H. J., Contorno, R.T., Kutz, E., Hendrickson, H., & Dorsey, W. (2007). An Examination of luxury suite ownership in professional sports. [Premium seating survey]. Unpublished raw survey data.
- Lawrence, H. J. & Kahler, J. (2007). Who buys luxury suites? *SEAT*, 19(3) 29–34.
- Lawrence, H. J., Kahler, J., & Contorno, R.T. (2009). An examination of luxury suite ownership in professional sports. *The Journal of Venue and Event Management*, 1(1), 1–18.
- Lawrence, H. J., & Moberg, C. R. (2009). Luxury suites and team selling in professional sport. *Team Performance Management*, 15(3/4).
- Lawrence, H. J., & Titlebaum, P. (2010). Luxury suite administrators: Essential to success. *Journal of Venue and Event Management*, 2(2), 42–53.
- Lee, S., & Chun, H. (2002). Economic values of professional sport franchises in the United States. *The Sport Journal*, 5(2). Retrieved from <http://www.thesportjournal.org/article/economic-values-professional-sport-franchises-united-states>
- Luebchow, L. (October 9, 2007). Are tax deductions for college athletics worth the price? Retrieved from [http://higheredwatch.newamerica.net/blogs/education\\_policy/2007/10/tax\\_deduction\\_athletics\\_donations](http://higheredwatch.newamerica.net/blogs/education_policy/2007/10/tax_deduction_athletics_donations)
- Miller, R. K., and Washington, K. (2010). Stadiums & arenas. *Sports Marketing*. Retrieved from <http://www.rc.edu/wp-content/uploads/2011/07/viewyear-book2011.pdf>
- Mirabedini, R. (2011). University of Dayton Arena flies right. Association of Luxury Suite Directors. *SEAT*, 21(2), 16.
- Money Talks: The business of college football. (2008). *Bleacher Report*. Retrieved from [http://bleacherreport.com/articles/7086-money-talks-the-business-of-college-football?search\\_query=Money talks: The Business of College Football](http://bleacherreport.com/articles/7086-money-talks-the-business-of-college-football?search_query=Money%20talks%3A%20The%20Business%20of%20College%20Football)
- Mosier, J. (2009, March 10). Dallas Cowboys show off first completed luxury suite at Arlington stadium. *Dallas Morning News*. Retrieved from <http://www.dallasnews.com/sharedcontent/dws/spt/stories/031009dnmetstadiumsuite.1c42741f.html>
- NCAA Report: Economy cuts into sports. (2010, August 23). Retrieved from <http://sports.espn.go.com/ncf/news/story?id=5490686>
- Report: OSU No. 2 for sports revenue. (2009, June 15). *Columbus Business First*. Retrieved from <http://www.>

[bizjournals.com/columbus/stories/2009/06/15/daily6.html](http://bizjournals.com/columbus/stories/2009/06/15/daily6.html)

Rhoda, B., Wrigley, B., & Habermas, E. (November 1, 2010). How to increase revenue as industry evolves. *SportsBusiness Journal*. Retrieved from <http://www.sportsbusinessdaily.com/Journal/Issues/2010/11/20101101/SBJ-In-Depth/How-To-Increase-Revenue-As-Industry-Evolves.aspx>

Sanford Stadium. (n.d). College Gridirons. Retrieved from <http://www.collegegridirons.com/sec/Sanford-Stadium.htm>

Southeastern Conference. (n.d). Washington Times. Retrieved from <http://www.washingtontimes.com/topics/southeastern-conference/>

Sparkman, W. (2004, September 27). Dedicated 'Suite 16' fans support Razorback sports. *Arkansas Business*. Retrieved from [http://findarticles.com/p/articles/mi\\_hb5248/is\\_39\\_21/ai\\_n29125176/](http://findarticles.com/p/articles/mi_hb5248/is_39_21/ai_n29125176/)

Stone, D. (2004, January 7). Best seats in the house. *Stadia*. Retrieved from <http://www.stadia-magazine.com/>

Sutton, W. (2009, February 2–8). Activating a suite: Contemporary view of a traditional product. *SportsBusiness Journal*. Retrieved from <http://www.sportsbusinessjournal.com/article/61434>

Titlebaum, P., & Lawrence, H. J. (2009). Luxury suite sales in professional sport: Obtaining and retaining clients. *Journal of Contemporary Athletics*, 4(3), 169–181.

Titlebaum, P. & Lawrence, H. J, (2010). Perceived motivations for corporate suite ownership in the “Big Four” leagues. *Sports Marketing Quarterly*, 19(2), 87–95.

Titlebaum, P., & Lawrence, H. J. (2011) The reinvention of the luxury suite in North America. *Journal of Sponsorship*, 4(2), 124–136.

Walker, S. (1998, October 30). The best and worst stadium boxes. *Wall Street Journal Eastern Edition*, p. W1.