The International Expansion of Major League Baseball: The Case of Europe

A thesis submitted to the Miami University Honors Program in partial fulfillment of the requirements for University Honors with Distinction

by

William Robert Sherlock

April 2009
Oxford, Ohio
Abstract

The International Expansion of Major League Baseball: The Case of Europe

By William R. Sherlock

While the past two decades have seen Major League Baseball's market scope increase at an unprecedented rate, there is reason to believe that the best is yet to come. As the league has already become well-established in Japan, officials have set their sights on expanding the league's revenue channels by pushing into continental Asia, with China as the centerpiece of the plan. The league's future expansion, however, is not solely reliant on Asian-based revenue streams. While China does stand as the next stepping-stone in expansion, the game has an undeniable opportunity to go global. A logical next stepping stone would land Major League Baseball in Europe.

This thesis discusses the potential for Major League Baseball to expand its market to Europe, and outlines operational and marketing plans for such a movement. The justification for expansion itself is vested in past actions by Major League Baseball, while justifications for specifically targeting Europe draw largely on the economic and social conditions in modern Europe. The expansion plan itself is attributable to analyzing the successes and failures of professional football (NFL Europe), specifically focusing on the critical elements of brand extension involved in the process. The plan is centered around the development of a European baseball league, MLBeyond, and the marketing angles that will be used to launch the league.
The International Expansion of Major League Baseball: The Case of Europe
By William R Sherlock

Approved by:
Ms. Janice Taylor, Advisor
Dr. Dennis Sullivan, Reader
Dr. Deborah Fletcher, Reader

Accepted by:
____________________________, Director
University Honors Program
Acknowledgments

I would like to extend a special thanks and gratitude to my thesis advisor, Ms. Janice Taylor. Not only was she a wonderful source of information and inspiration during the writing process, she was the first person to introduce me to the practice of marketing, of which I will be forever grateful.

I would also like to specially thank each of my thesis readers, Dr. Dennis Sullivan and Dr. Deborah Fletcher. I know it wasn’t easy for professors of economics to analyze a marketing paper, but they took it in stride and put forth contributions that truly enhanced the content of my thesis.
Table of Contents

I. Introduction................................................................. pg. 1
II. Current Markets.......................................................... pg. 2
III. Past Actions.............................................................. pg. 3
    a. Development Initiatives........................................ pg. 3
    b. MLB Overseas...................................................... pg. 8
    c. World Baseball Classic........................................ pg. 10
IV. Justification for Europe............................................... pg. 12
    a. Case for South America........................................ pg. 12
    b. Case for Europe................................................... pg. 13
V. Model for Expansion................................................... pg. 16
    a. Brand Extension................................................... pg. 17
    b. Learning from NFL Europe..................................... pg. 18
VI. Why Would Baseball Succeed When Football Failed?........ pg. 20
    a. Sportization....................................................... pg. 21
VII. Expansionary Plan...................................................... pg. 23
    a. League Name....................................................... pg. 24
    b. Teams................................................................ pg. 27
    c. Schedule............................................................. pg. 28
    d. European Destinations.......................................... pg. 30
    e. League Objective................................................ pg. 32
    f. Timeline.............................................................. pg. 33
VIII. Cost/Benefit Analysis................................................ pg. 37
    a. Costs................................................................ pg. 37
    b. Benefits (monetary)................................................ pg. 41
IX. Marketing and Advertising Plan...................................... pg. 42
    a. Article................................................................ pg. 43
    b. Youth Audience Defined........................................ pg. 45
    c. Adult Audience Defined......................................... pg. 46
    d. Media................................................................ pg. 48
    e. Promotional Campaign........................................... pg. 48
    f. Internet Campaign................................................ pg. 51
    g. Youth Campaign...................................................... pg. 55
    h. Adult Campaign........................................................ pg. 57
X. Conclusion................................................................... pg. 59
XI. References................................................................. pg. 61
List of Illustrations

1)  MLBeyond Logo  pg. 52
List of Tables

1) Table 1: Media Sources pg. 49
**Introduction**

To the unknowing eye, baseball may look like a system of inconsistent movement and confusing rituals. To the well-acquainted eye, however, baseball is nothing short of poetry in motion. From the precision to the planning, the power to the finesse, the strategy to the execution, the game exudes beauty with every pitch. In a world fueled by capitalism, however, the beauty of the game is no longer confined to the playing field. The game of baseball helped fuel a growing sports culture in the United States, a culture that was growing on its own accord across the world, helping take the confines of entertainment off of the stage and the silver screen and into ballparks and stadiums across the country. As the sports culture in the United States grew, the sports industry followed suit, creating a business side of baseball to both enhance and profit from the game itself. As revenues grew, however, the potential for continental expansion began to decline, leaving the entrepreneurs to either accept falling revenues or to think outside the box. The officials, however, took thinking outside the box to another level by taking the business of American baseball overseas to Japan. With the Japanese market enjoying steady growth, those in charge of the game’s expansion have set their sights on other revenue channels for baseball’s influence to trickle down. While the primary focus has been centered in movement across Asia, I believe there is undeniable market potential for the game in Europe. In order to capitalize on this potential, however, action must be taken to allow the unknowing eyes of the European people to see baseball as poetry in motion, rather than as a system of inconsistent movement and confusing rituals.
Current Markets

Economic theory dictates that international trade allows for the most efficient allocation of resources and skills to produce goods. Trade has sculpted the world into an international marketplace where Japanese cars are sold in the United States, American computers are sold in China, and Chinese manufactured goods are sold across the globe. Not only does trade take advantage of productive efficiency, it also takes advantage of the broad market it creates. With the world population eclipsing six billion people, trade allows each producer to theoretically sell to six billion consumers. In this thesis, that producer is Major League Baseball.

As far as revenue is concerned, the two major markets for Major League Baseball (MLB) are in the United States and Japan. As of 2008, the population for the United States was 304,486,000 people and the population for Japan was 127,720,000 people (Population Reference Bureau). In other words, the major scope of MLB’s revenue stream is coming from a potential population of roughly 430 million people, less than half the population of China alone and one-fifteenth of the world population. Almost as surprising as the limited scope of MLB’s revenue-bearing markets is the fact that these markets are currently providing the league with record revenues each year. Specifically, Major League Baseball has seen its revenues double since the year 2000, totaling over $6 billion dollars in 2007 (Isidore). Such growth has left MLB nipping at the heels of the National Football League (NFL), whose 2006 revenue was $6 billion, as the greatest revenue giant in the American sporting world (Isidore). Such growth has largely been attributed to the league’s adaptability and willingness to embrace technology, along with the rapid international expansion the commissioner’s office has launched. Since
international revenue markets have greatly boosted MLB success, the five and a half billion potential customers living overseas that are unfamiliar with baseball present an undeniable opportunity for the league to expand its scope of influence and revenue generation.

**Past Actions**

Such potential has not gone unnoticed by MLB executives, who developed MLB International in 1989. The focus of the organization is to promote the international growth of baseball through game development, broadcasting, special events, sponsorship and licensing (MLB International). Such efforts have been evidenced in the changing face of baseball over the years, with 33 countries represented in the major league and minor league systems, and 45 percent of active players coming from overseas (MLB International). While the inflow of Latin born players has generated its own momentum over the years, the inflow of players from the other corners of the globe is largely attributable to the work of MLB International.

Since its creation in 1989, MLB International has helped establish baseball federations in over 40 countries, taking the total to more than 100 worldwide (MLB International). By targeting players, coaches, and organizations, MLB International has actively supported the growth of youth baseball in roughly 60 countries, operating through a number of initiatives. The development initiatives targeted at spreading the game’s popularity abroad have created youth programs, elite player development programs, and baseball promotion events as a means to generate both talent and interest in the game (MLB International).
The current youth programs overseas are three-fold, featuring programs known as: Pinch, Hit and Run, Play Ball!, and the Envoy Program (MLB International). The Pinch, Hit and Run program acts as an introductory tool for students overseas. The program introduces baseball to schoolchildren through a series of educational classes that are implemented into the physical education curriculum at participating schools. In order to accommodate the schools, MLB supplies both necessary equipment and instructional videos to aid in the educational process. MLB also promotes pitching, hitting, and base-running contests, with winners moving on to compete at the regional and national levels. Introduced in Australia in 1994, the program has reached 3 million students in countries such as Germany, Italy, Korea, Mexico, Puerto Rico, South Africa, and the United Kingdom (MLB International).

Play Ball! is MLB International’s program that aids organizations overseas that want to develop or expand youth baseball leagues in the area. The purpose behind the program’s introduction is to help economies overcome the most common obstacles keeping youth baseball from thriving. Play Ball! provides the necessary supplies for playing baseball, instructional materials, and coaching guidance, not to mention organizational guidance and promotions (MLB International). All participants receive MLB team pins and stickers, a personal player poster, and an official rules to the game guide. Like many leagues in the United States, Play Ball! assigns players to MLB team names such as the Red Sox or the Cubs. At the end of each season, each league selects an All Star team that competes in the national Play Ball! World Series. Since its creation in 1999, more than 60 leagues have been established in South Africa, the United Kingdom and Germany (MLB International).
The Envoy Program sends experienced high school and college coaches to countries with federations in need of baseball instruction. The program intends to provide support and training along with coach training, player development and organization development. While overseas, the Envoys do anything from building fields, to coaching players and coaches on the intricacies of the game. Essentially, their task is to help develop the game in any way they can. Since its creation in 1991, the program has sent over 700 coaches to nearly 60 countries (MLB International).

Like the youth programs, there are three elite development programs: The Australia Baseball Academy, Elite Camps and the Coaching Development Program. The Australia Baseball Academy, run through the Australian Baseball Federation, is geared toward developing a greater quality and quantity of baseball talent by training players to play professional baseball. The Academy is a two-month, live-in process that takes 70 players between the ages of 16 and 18 and gives them special training from MLB instructors on all aspects of the game. The program is centered around daily games and stressing the importance of training and conditioning. In its first two years alone (2001 and 2002), the academy produced 21 players who were signed by Major League teams (MLB International).

The Elite Camps bring together some of the top 15 and 16 year old players in the world for a 4-day camp with instruction from Major League coaches and players. The camps invite 40-50 of the top baseball players in each country to receive instruction on baseball fundamentals, training regimens, and lifestyle adjustments. The lifestyle adjustments stress diet, strength conditioning, and injury prevention. Federation coaches are also invited to the camps in order to better their knowledge of the game and their
ability to coach it. The players are also put through on field tests in order to measure their skills against those of Major League ball players. From 1999-2004, MLB put 13 camps together, reaching 550 players from countries such as Canada, Germany, the Netherlands, Italy, and the Czech Republic. Of those 550, 21 have signed on with Major League teams (MLB International).

Major League Baseball International's Coaching Development Program gives gifted coaches abroad the opportunity to coach along side MLB coaches in the instructional Fall League. The coaches are essentially included on each team’s coaching staff for two weeks and are shown the ropes as far as instructional coaching is concerned. The motivation behind the program is to better the coaching ability and baseball knowledge of the coaches in order to better the experience baseball players will receive overseas. Since its introduction in 2000, 60 coaches from 11 countries have taken part in the program (MLB International).

In order to spread intrigue, as well as talent MLB International has set up a number of promotional campaigns. The first of these is the Baseball Festival, which aims to bring about baseball entertainment in a hands-on environment. The festival features a number of activities and attractions to engage the audience. One of the main attractions is the assortment of pitching, hitting, and running games set up for people of all ages to test their baseball skills. There is also a large video screen that plays highlights of great MLB plays and players, not to mention kiosks where children can get autographs or win prizes. There is also an authentic MLB shop set up at each festival, giving attendees the opportunity to buy merchandise from their favorite teams. Since 1995, the festival has toured the world, reaching millions of fans in the process (MLB International).
The MLB Road Show is a smaller, more mobile version of the Baseball Festival. Maintaining the interactive focus, the Road Show is geared toward introducing baseball and the excitement surrounding it to children in developing baseball nations. It appears at schools, shopping malls, and sporting events to give children the opportunity to showcase their hitting and throwing skills. Furthermore, it features a “Discovery Zone” where children can learn more about the game, the rules, and the men starring in the majors today. Since it was introduced in 1994, the Road Show has made stops in the United Kingdom, the Czech Republic, France, Germany, Mexico, the Netherlands, and Greece (MLB International).

The expansionary efforts of MLB International have transcended the simple introduction of baseball to foreign countries. In a sense, the organization eventually began introducing the rest of the world to Major League Baseball, rather than to the game itself. In doing so, MLB International started developing revenue-bearing markets overseas. The expansion of the MLB enterprise overseas has been largely limited to Asia, especially in the expansion’s infancy, though the developmental measures to spread baseball overseas have acted as an essential building block for entering markets across the globe. Simply put, how could Major League Baseball be sold in a country unfamiliar with baseball? To date, the majority of expansionary efforts have come from playing MLB exhibition games in Japan and, more recently China, though the league has also featured All Star tours that visit Japan and has even arranged for major league teams to open their regular seasons in Japan. Furthermore, MLB’s commissioner’s office has been a strong force behind the establishment of the World Baseball Classic (WBC), the world cup of baseball.
The focal point of MLB International’s efforts to expand the market has come in Japan, the Land of the Rising Sun, or more appropriately, the Land of the Rising Possibilities. The All Star baseball tour began before MLB International had come into existence, finding its legs in 1986. Each All Star team is comprised of the top (willing) players in MLB, a selection process that not only ensures a good representation of American baseball, but also allows Japanese fans to form iconic views of the world’s best players. Since the tour’s inception, MLB International has done its work to keep the 8-game tours equipped with top tier talent and capable of generating the same level of intrigue year in and year out (Ellsesser). The first exhibition and season opening games played in Japan came in 2000, when the Chicago Cubs and New York Mets went head to head in the first season opener held outside of North America. Prior to the season opener, each team played two exhibition games against Japanese teams, with each team playing one game against both the Seibu Lions and Yomiuri Giants (Ellsesser). The trend of playing exhibition games and opening the major league season in Japan has continued over the years. In 2004, the New York Yankees and Tampa Bay Devil Rays played a 2-game series in Japan, and the Boston Red Sox and Oakland Athletics followed suit in 2008. The series have been a huge success, with tickets for the games selling out hours after being released for purchase. Over the years, Japanese baseball fans have come to know a great deal about American baseball, and today names such as David Ortiz are held in the same esteem as Daisuke Matsuzaka and Hideki Matsui (Ellsesser).

Bearing the names Matsuzaka and Matsui in mind, it is important to note that the most essential pieces to the expansionary puzzle in Japan have been imports, not exports. In 1995, Hideo Nomo became the first Japanese born player to play professional baseball
in the United States. After winning the National League Rookie of the Year Award, Nomo set the precedent that Japanese players were ready to make the jump to MLB. Since Nomo’s emergence in the league, 35 other Japanese born players have signed with MLB teams as of the 2008 season. While not all of the players have played at an elite level, countless others have met, if not exceeded, expectations. Nomo started a trend among Japanese players for making the MLB All Star team. Over the years, he has been followed by Ichiro Suzuki, Kazuhir Sasaki, Shigetoshi Hasegawa, Hideki Matsui, Kosuke Fukudome, and Daisuke Matsuzaka (Baseball Almanac). The inflow of Japanese players was better marketing for MLB than officials could have imagined, with Japanese baseball fans clamoring to watch games on TV and follow their heroes in the next stage of their careers. TV licensing agreements were eventually reached with Japan, with MLB games being broadcast in homes across the country. As fans followed their favorite players to the United States, they found new players to idolize. With new idols for the country, the merchandise sales to Japan grew rapidly (as will be discussed later), helping it emerge as a legitimate secondary market for MLB.

Having established solid footing in the Japanese market in less than two decades, MLB International followed in the footsteps of the National Basketball Association (NBA) and set expansionary sights on China. The NBA’s expansion to China was greatly aided by the arrival of Yao Ming to the NBA, just as MLB’s presence in Japan was fueled by Hideo Nomo’s arrival. While no notable Chinese baseball players have made the jump to the majors to date, Commissioner Bud Selig sees undeniable potential in the Chinese market. In 2008, Selig accompanied the Los Angeles Dodgers and the San Diego Padres to China during Spring Training for the first ever MLB exhibition games in
China. With China’s growing economy, 1.3 billion-person population, and a growing need for leisure activities as the middle class grows, Selig believes baseball could be very big in China. In the words of Dodgers owner, Frank McCourt, "We must be patient. We must build fields, provide equipment, train coaches. We need not worry about the money. This country grows wealthier by the moment. They don't need our money, they need our help and friendship. We need to be a good partner with the Chinese people and send a clear message that this game can be their game too" (Gurnick). There is little doubt in the capitalist world we live in that money talks, but McCourt is wise to believe the game should speak for itself for now (Gurnick). The Chinese example presents a different case than that of Japan in that the country is relatively unfamiliar with the game of baseball, whereas the Japanese fell in love with the game when it came to their shores in World War II. The seemingly daunting task left for MLB International is to get China to fall in love with the game before it can fall in love with the organization that brought it to them. The optimism of the likes of Selig and McCourt, however, suggests that daunting is not synonymous with impossible and the ends will certainly justify the means. China represents an important stepping-stone for MLB’s expansion overseas. Simply put, if the league can generate a taste for baseball in China, it stands to reason that it can generate a taste for baseball across the globe.

The least centralized measure MLB International has taken in promoting baseball around the globe came in the form of the World Baseball Classic, which debuted in March 2006. The Classic is a 16-team tournament, with each team representing a different country. Unlike Olympic baseball (which was recently suspended from the Olympic agenda), athletes from MLB are eligible to compete in the Classic (World
Baseball Classic). As a result, each team is equipped with a number of superb baseball players, and the public is treated to watching an excellent brand of baseball. While not all teams feature All Star major league lineups, the feeling among WBC officials is that exposing less star-studded squads to such talented ball players will motivate as much as it will shock and awe. The Classic was largely motivated by the popularity of the World Cup for soccer, with MLB officials realizing that some healthy competition among countries could generate considerable excitement about baseball in countries where the game is less established. Officials recognize it is easier for people to root for a country than for a team, suggesting that baseball popularity could ride on the coattails of nationalism and pride. While the 2006 Classic was won by Japan, and largely dominated by a select few countries, the presence of developing baseball nations such as Australia and South Africa in the tournament suggest the lengths to which the game can be extended (World Baseball Classic). Now, the question of how MLB benefits from the WBC, since the World Baseball Classic is an entity in and of itself, arises. The logic is similar to that of the Japanese case in that once people are excited about the game, they will recognize and appreciate iconic figures within the game and gravitate to them. By supplying the viewers with such icons from MLB, officials invite increased “fanhood” in the players in their league, which will stimulate demand for merchandise and media usage.

Commissioner Selig holds the ultimate goal of having Major League Baseball become an international league, though he is well aware of the physical limitations to this dream. Realistically, the plan of MLB International is to work now and dream later. Despite the work of MLB International over the past 20 years, professional baseball
leagues are largely limited to North and Latin America, with select European and Asian countries featuring leagues of their own. Without professional leagues abroad, it is hard to imagine MLB ever gaining a strong international footing. The work of MLB International to develop the game of baseball across the world has set the necessary groundwork for the development of professional leagues, and the league’s entrance into China is an indication that the organization is ready to build on past successes to bring professional baseball leagues to China. Some could view China as the first domino to fall. That is, if MLB International can bring professional baseball leagues to China, what is to say leagues can’t be brought to other countries? One league could start a movement, and that movement could ultimately make Commissioner Selig’s dream come true. It is my vision that Europe will be an integral piece of this movement.

**Justification for Europe**

The question of “Why Europe?” certainly comes to light. Surely South America stands as a logical destination given the game’s popularity in Central America, similar to the way Japan has been used as a stepping-stone into China. What’s more, South America presents a convenient geographical position for baseball to look into. From the simple cartographic perspective, South America is a hair closer to the United States than mainland Europe. From a more advanced cartographic perspective, a majority of population centers in South America fall in the southern hemisphere. The significance of this is simple: different seasons. Since countries in the southern hemisphere have opposing seasons to those in the northern hemisphere (i.e., winter in the United States is summer in Brazil), Major League Baseball could allow baseball to be played in the spring and summer in each hemisphere, while never having to overlap the seasons for the North
and South American leagues. Doing so would have the advantage of extending media contracts to each continent for each of the seasons, which could have revenue benefits for MLB. What’s more, the South American continent isn’t without a popular sports culture, with European football being the major passion. Furthermore, with the exception of Brazil, whose national language is Portuguese, the national language of each other country is Spanish. This would have advertising and marketing benefits, stemming from both simplicity and cost efficiency.

Despite these indications that South America would be the next logical destination for Major League Baseball to market toward, I contend that Europe presents a better opportunity for the expansion of MLB influence. While seasonal unity between Europe and the United States presents a relative downfall, it is no reason to let expansion stray from European soil. My justifications for targeting Europe are largely based on economic considerations, though cultural considerations aren’t without their place.

The most general economic consideration simply justifies European expansion based on the sizes of the targeted economies with respect to South American countries. I will look at Gross National Income (GNI) as the economic indicator determining the size of an economy, since income is the driving force behind consumption of all products, baseball included. As of 2007, the largest South American country in terms of GNI is Brazil, with the tenth largest GNI in the world (World Bank). The next largest South American economy is that of Argentina, ranked thirtieth in GNI. In Europe, on the other hand, Germany, Spain, and Italy all have a GNI greater than that of Brazil, while the Netherlands has the sixteenth largest GNI in the world (World Bank). These are the four European countries I will target for expansion, though the non-economic reasons for their
selection will be discussed at length at a later point. As far as GNI per capita is concerned, each of the four European countries has a higher ranking than any South American country, with Chile having the highest ranking at seventy-fourth in the world (World Bank). Given these numbers, the European economy appears to be more amenable to a league expansion than that of the South American economy.

Europe also carries a more subtle economic advantage when compared to South America, in that there is a common currency (the Euro) among the targeted nations, while each South American country boasts its own currency. The advantages to a common currency are three-fold. On one level, the American players traveling to play abroad may go begrudgingly, if at all, if they know other teams are traveling to countries where their money will go further. What’s more, a non-universal currency suggests more potential restrictions on working in a South American country that is not one’s own. On another level, the single currency makes it easier for fans of teams to travel to watch their team play and making merchandise transactions more convenient from country to country. On the final level, exchange rates could put the ballpark owners at a disadvantage. By having a common currency, no owners are at a revenue advantage and the playing field is leveled. This is of particular importance for the later stages of expansion, when European players will ultimately take over the league. When the ballpark owners are required to pay players for their services, they will obviously want to get the best bang for their buck, and a common currency allows this because no team will have a currency that “goes further” than the others. In Major League Baseball, for example, the Toronto Blue Jays have fallen victim to years in which the Canadian dollar depreciated against the American dollar, leaving the organization in weak standing with respect to player
management and revenues. Specifically, while 80 percent of the team’s revenue comes from Canadian dollars, 80 percent of the team’s expenses (player contracts being the major expense) are in American dollars (DePalma).

The European culture also provides a greater beacon of expansionary hope for baseball than South American culture does. In my eyes, the most telling sign of this is the sports culture itself of each continent. While South America does feature a popular European football league, it is telling to note that the greatest South American players flock to play in European leagues, where their star can shine brighter and where their pockets can get heavier. Europe features the world’s elite European football leagues, and the culture of the continent supports and demands the best. While one could argue that the leagues are more successful in Europe based on the economic figures noted above, a fact that can’t go unnoticed, I can’t help but think the European countries are better suited for professional athletics. Money doesn’t necessarily put people in the stands, but enthusiasm and passion do. I believe that Major League Baseball should look to expand where stars can shine the brightest and where fans are most receptive to the product put before them. It is with this, that Europe overshadows South America.

What’s more, with respect to the cultural differences among the continents, it is a common perception that many South Americans model themselves after Europeans, especially the well-to-do. Since the ultimate goal of Commissioner Selig is to spread baseball across the globe, it would make sense to target Europe before South America. In a sense, targeting Europe would act to kill two birds with one stone. That is, should baseball reach prominence in Europe, there could be a trickle-down effect through which South America would be introduced to, and hopefully adopt, the game of baseball. Major
League Baseball officials are certainly interested in getting the biggest bang for their buck, and first targeting Europe provides them the opportunity to do so.

It is with these economic and cultural justifications in mind that I believe Europe to be the next logical stepping stone for Major League Baseball in its attempt to globalize the game of baseball.

**Model for Expansion**

While the recent market expansion to Japan has been an essential element to the expansionary process, there is little merit in using the Japanese example as the case on which to base further measures. The reasoning behind this is simple: Japan already had a popular professional baseball league before Major League Baseball came to the country, other countries do not. In a perfect world, MLB International would generate revenue by simply exporting goods and licensing rights; but in the world at hand, MLB International also has to export the game. As noted, the preliminary frameworks for doing so have been established through youth league development and the organization is poised to build from there.

Now, the question looms: where should MLB International go from here? It is my contention that the most sensible option for the league office to follow is to extend the Major League Baseball brand itself into other countries, in the form of MLB leagues. MLB is essentially defined by the product it puts on the field. Specifically, it is known to be the most prestigious and talented professional baseball league in the world, the Mecca of baseball. What’s more, the league has also begun to define itself as being the ultimate baseball experience, as evidenced by the “I live for this” and “There’s only one October” commercials that have been aired in recent years. The immediate benefits to the MLB
brand extension are two-fold. First of all, by keeping the MLB name associated with the expansion, as opposed to developing an entirely new entity, the league would be able to reap the monetary benefits of expansion faster. Specifically, instead of having to wait for foreign fans to be introduced to MLB players in the United States, which would then generate revenue for MLB, extending the brand would bring in money the second the gates open and games begin being played. Simply put, the brand extension would greatly decrease the gestation period for revenue generation. Second, extending the brand would allow MLB to levy the strength of the brand name, which would increase the probability of success for each league. If new leagues are considered products, and 9 out of 10 new products fails, than the importance of brand strength can’t be overlooked. By giving overseas leagues the MLB name, MLB International would give the leagues the credibility and esteem of the strongest baseball league in the world.

If executed successfully, the MLB brand extension could lengthen the maturity stage of the product life cycle, thus sheltering the league’s success from a premature decline. In this regard, the extension itself is well in line with the desires of MLB executives: to promote and maintain the economic health of the league. Past brand extensions from Major League Baseball have come in the form of merchandise, which has burgeoned into one of the major revenue sources for the league, particularly in overseas markets. Further success, however, is reliant on further innovation and movement, further extension, if you will. I can state with conviction that the next necessary extension for the league will come in the form of extending the game to other markets. Being a fan of the game, I see the benefits of this extending beyond the simple “nickel and dime” incentives that must be considered by the Commissioner and his
associates. On one front, yes, the economic incentives to extend MLB influence into the establishment of leagues abroad are undeniable. New leagues mean new fans, new fans mean new revenue streams, and new revenue streams mean new reasons to believe the game will thrive monetarily for years to come. On another front, economic theory of productivity throws itself into the forefront. Theory logically dictates that the most productive, high-quality workers will put together the best product. In the case of baseball, the best players will put on the best show and make the game the best that it can be. To say that the greatest baseball talent in the world is being generated from less than one-tenth of the world population would be to redefine naivety. Just as players from Latin America and Japan have changed baseball in the United States over the years, so can players from the rest of the world if given the opportunity. Let the economists call it the result of production theory, let the haters of the Yankees call it parity generation, let fans call it a gift to the game.

Such an initiative should come fully equipped with a “proceed with caution” sign. Given the nature of the product MLB International is looking to introduce, it can’t rely on the brand name alone to move the product, it can only rely on the name to move the people to a level of interest. The prime example of this fact stems from the failure of NFL Europe, the National Football League’s brand extension that reached a bittersweet conclusion in 2007. The league’s expansionary movement was founded in 1991 with the creation of the World League of American Football (WLAF), a minor league system, of sorts, for the NFL. The WLAF represented the first intercontinental American football league, featuring 11 teams from both North America and Europe. The North American teams were placed in secondary markets, while the European teams called primary
markets, such as Barcelona and London, home (Campbell and Kent 118). After just two seasons, however, the league was dissolved, largely due to a lack of enthusiasm and support from American viewers.

According to Campbell and Kent, the WLAF failed to establish and hone the two major necessities of a successful brand extension. These necessary components are product feature similarity and brand concept consistency (Campbell and Kent 118). The WLAF ended up creating a very different product than that popularized by the NFL. On one level, the intricacies of American football were tweaked in the form of minor rule changes, namely “necessary” roster spots for international players and playing the season in the spring, rather than the fall as is traditional for the NFL. Furthermore, since the league featured so few teams, the season was considerably shorter. Finally, by having teams from two different continents playing one another, as opposed to having all teams on the same continent as in the NFL, regional rivalries (which often fuel revenue generation) never developed (Campbell and Kent 118). What the WLAF also failed to do was stay aligned with the brand concept established by the NFL, which was centered around quality of play and rich tradition. Since the WLAF was created to act as a minor league, or feeding system, for the NFL, the quality of play was undoubtedly below that of the NFL and thus broke away from the brand’s assurance of quality (Campbell and Kent 118). While the NFL is steeped in tradition, and loved for it, the WLAF made no attempt to garner the same traditions. From failing to allow for regional rivalries, to stressing the importance of tradition to fans, and even to support the competition for specific game times, the WLAF looked nothing like the NFL (Campbell and Kent 118).
By late 1993, the NFL decided to reestablish the WLAF in another attempt to take the European market by storm. In this rendition of the expansionary plan, six cities were granted franchises, all of which were in Europe. After establishing media contracts with Fox in 1994, the league was set to kick off in April of 1995. By 1998, the name WLAF was officially replaced by NFL Europe. The league witnessed early successes, generating revenue and finding popularity in Europe, though success was short-lived (Campbell and Kent 118). The game lost its luster among the European constituents, and by the time the league was shut down in 2007, Germany had five of the six teams still in business. The ultimate decline of NFL Europe came as a surprise to many, because as recently as 2002 the league was seen as a successful entity of the NFL. The downfall was particularly surprising from a brand extension standpoint. Namely, in structuring NFL Europe, officials were keen to avoid the pitfalls exhibited in the first launch of the WLAF (Campbell and Kent 118). First of all, league officials made sure to keep the league entirely in Europe to allow regional rivalries among teams to form. Furthermore, officials did everything they could to make the European league a mirror image of that in the United States. As such, rules stayed consistent but the name of the league changed. By replacing the name WLAF with NFL Europe, greater parallels could be drawn between the leagues based on name recognition alone (Campbell and Kent 118).

**Why Would Baseball Succeed When Football Failed?**

So why would baseball be able to find its way through the clutter and emerge as a successful sports league in the European market? The answer lies within the fact that NFL Europe didn’t fail as a brand extension, football failed as a product. In a sense, the NFL was playing the right cards in the wrong game. The WLAF failed because the
wrong steps were taken to establish it. NFL Europe failed because the European people were not ready for Americanization to reach its borders to that extent. History and culture ruined any chance American football had at launching the game into the Euro-athletic stratosphere, but just because one sport found its way down the wrong path, doesn’t mean all did.

The roots of Americanization were buried long before globalization brought the likes of Nike and Coca-Cola to all corners of the Earth. Not surprisingly, America needed to become Americanized before any other nation could. Since the country was just finding its legs in the early nineteenth century, the sense of power and status didn’t grow until after the Civil War’s conclusion, at which point Americans began to view the English lifestyle with less admiring eyes (Van Bottenburg 1554). At the same time, sports were being developed in both countries (a process dubbed “sportization” by Van Bottenburg), and each country had inner struggles to define “football”. Each country featured a “kicking” form and a “handling” form of the game (Van Bottenburg 1554). Ultimately, the official ruling in Great Britain was to adopt the kicking game and allow the handling game to break off and become rugby. In the United States, however, the men at Harvard favored the handling form and eventually spread its popularity across the Ivy League (Van Bottenburg 1554). The differences between the selections, however, were more deeply manifested than in rules alone. The European form of the game became a game of the people and spread rapidly, while the American form became a game of the elite while the likes of baseball and basketball became the games of the American people (Van Bottenburg 1554).
Football remained a game of the elite for a pivotal time in the sportization of different countries. Studies have shown that the sports introduced to countries between 1870 and 1930 had a better chance of leaving a lasting impression on a given culture than games introduced later in time (Van Bottenburg 1555). Since football was not the game of the people, it did not ride on the coattails of American diplomacy and expansion, failing to enter into the regions that the United States had great influence: Latin America and East Asia. Through American involvement in each of the two World Wars, the game of the people was introduced to Europe before the major period of sportization closed. That game of the people was baseball. It wasn’t until the 1950s and 1960s that American football established a dominant position in the American sporting culture, and it is believed that by then it was too late for the sport to generate a major impact overseas. As a result, as Americanization has overpowered countless cultural forces across the globe over the past decades, it has been unable to overpower the sportization process in Europe that ended nearly 80 years ago (Van Bottenburg 1555).

In the end, NFL Europe was unable to penetrate the European market for two reasons. First of all, people will choose to watch and pay attention to the sports and activities that they take part in (Van Bottenburg 1559). By introducing American football to Europe after the sportization period, the game was unable to gain significant momentum in terms of youth leagues and public involvement before the introduction of the NFL initiatives. The league thus failed to lay the groundwork that would have been necessary for prolonged intrigue in the game based on viewership. All the NFL did was support people watching the game, not support people playing the game. Second of all, American football is seen as the antithesis to European football and is symbolic of
Americanization, “an anomaly in the world sporting system” (Van Bottenburg 158). There is a common view that the game is in direct opposition to European soccer, something that can’t be and won’t be replaced (Van Bottenburg 1560).

Since baseball was presented to the European sporting system prior to the closing of the sportization period, it stands to reason that the game itself is capable of avoiding one of the major roadblocks that stopped the growth of NFL Europe. Furthermore, the initiatives of MLB International have promoted the playing of baseball to this point, not the viewing of it. In other words, MLB International is laying the groundwork that the NFL failed to, so Europe will have baseball players before baseball fans, and not vice versa. Moreover, baseball doesn’t stand as the antithesis to the official game of the rest of the world, so there may be a greater taste for the game in Europe. One caveat to this, however, is that the game may not have as solid ground to stand on in Great Britain because of the presence of Cricket, the close relation of baseball. Another caveat stems from the fact that France has largely been opposed to the Americanization process over the years, thus leaving the French people less receptive to an American game. Bearing these caveats in mind, the MLB brand extension may be most easily introduced into Europe without the inclusion of Great Britain or France, though their exclusion is not inevitable given the “proceed with caution” mantra the process should adopt.

**Expansionary Plan**

Although American football failed to reach the levels of popularity the league had hoped for, the NFL Europe program did provide meaningful insights and realizations regarding the intricacies of international league expansions. According to Campbell and Kent, there are five lessons to be learned from the NFL Europe experiment: there must be
a limited geographic scope, the brand name must be leveraged, talent must be bridged between leagues, the expansionary league must have a clear objective, and the league must be open to re-launch (119). The expansionary plan I envision for Major League Baseball largely mirrors that of the second launch of the NFL’s expansion. Again, this is because I believe that American football, not the expansionary plan, failed in Europe. As such, each of the five lessons learned from NFL Europe will play integral roles in the expansion of MLB.

The idea of establishing an unspecified entity in Europe seems farfetched, so the logical place to begin is to leverage the MLB brand name into a powerful Euro-league name. While it is tempting to name the organization MLB Europe, it stands to reason that choosing this name could make gaining support for the initiative difficult. While the name does levy the power of the MLB brand name, it is suggestive of NFL Europe, an expansionary belly flop. While the name didn’t ruin the NFL program, the program did fail, and I think it is a risky endeavor to associate MLB’s expansion with the NFL’s failure in any way. In order to take advantage of the MLB brand name and to avoid association with NFL Europe, the expansion league would be called MLBeyond. The main benefits that this name derives are both brand name recognition and flexibility. As far as the brand name is concerned, it is the central component of the name and remains easily recognizable. While the way “MLB” is used in the name of the league seems basic, it is nonetheless important. By making MLB the focal point of the league name, fans will know which organization is sponsoring the league and what to expect from the product put before them. The name thus provides the league with an element of credibility before a single game is even played. Just as important as the brand name
recognition in the league name is the flexibility of it. On the most basic front, the name is fairly creative and catchy, using a play on words of sorts to get the point across that this league is more than just Major League Baseball.

The choice of the word “beyond” was made for a number of reasons. First of all, the name has staying power and the aforementioned flexibility. The name is indicative of movement and change for Major League Baseball, not specifically where that change is intended to arise. MLBeyond can set up leagues in Europe, Asia, South America, or even Africa without having to develop new entities such as MLB Asia and MLB Africa to start leagues abroad. As a result, a single office can oversee the introduction of the leagues across the world, as opposed to different offices in different countries following a blueprint for expansion. Yes, if expansion of MLBeyond reaches multiple continents, the ever-so-popular colon may be included in the league name for distinction (i.e. MLBeyond: Asia), but each league remains under the common expansionary regime. Not only will this make expansion easier, it will also make expansion more consistent, and consistency is a necessity for successful expansion, as shown by the NFL Europe example.

There is also a psychological reason for using the name MLBeyond as opposed to MLB Europe. Not only might people associate MLB Europe with the financial downfalls of NFL Europe, they might also associate MLB Europe with being a lesser league than that of the American league, as was the case with NFL Europe. Essentially, MLBeyond carries no negative connotations regarding the league or the quality of baseball to be played. All it suggests is that Major League Baseball is extending beyond its previous means for the good of the game and baseball fans across the world, and who can argue
with that? Overall, I believe the name would give the league the greatest chance for immediate success, long-term stability, and international consistency.

With the name accounted for, the next pressing need is to find a way to bridge talent between the leagues. This situation presents the greatest obstacle for expansion, as American teams and fans will be unwilling to compromise the level of play in the current leagues to support the international expansion. In truth, there is really no way to perfectly bridge the gap between talent in the leagues. There is, however, the potential to develop what I will call a “talent illusion” (i.e., the talent is comparable). Just as NFL Europe benefited greatly by having players such as Kurt Warner and Adam Vinatieri graduate from the European ranks and go on to star in the NFL; just as Chinese interest in basketball has grown with Yao Ming, and Japanese appreciation of Major League Baseball has grown with the success of Ichiro Suzuki and Hideo Nomo, MLBeyond can benefit from seeing former players star in MLB. It is the potential for All Star “crossovers” that could create the illusion of comparable talent, or at least give European fans a reason to believe they are enjoying a quality game. Not only could this build intrigue in the American league as fans follow the careers of their favorite MLBeyond stars, but it could also increase interest in MLBeyond itself, as fans flock to see the next crossover star in the wings.

The actual process of creating such an illusion of comparability is no small task. Where NFL Europe went wrong was filling team rosters largely with NFL “has beens” or “never will bes”. As such, Major League Baseball cannot stock MLBeyond with big leaguers who are past their prime or aspiring young players who aren’t good enough for draft consideration. These players will not only fail to represent what baseball can offer,
they also won’t have the potential to become crossover stars. As a result, the original movement to Europe won’t be as much an immediate expansion as it will be a relocation.

The plan at hand is to move the six lowest grossing single A minor league baseball teams to six different European cities. The reasons for such a move stem from both economic and baseball considerations. The way minor league baseball works is fairly creative. Owners of ballparks vie for the rights to each minor league franchise, essentially paying to have the team play in their ballparks. The ballpark owners sign contracts to have the teams play at their venue for a number of years, then either re-sign the contract or open business with a new major league club. While many minor league teams are an integral part of the community, there are some that have little connection with the community and little fan base. To say I would like to supplant a large number of single A teams would cause an uproar in a number of communities, particularly those with both money and emotions invested in the team, but to supplant the six lowest grossing teams may allow the move to trek across less turbulent waters. The major league teams that control the players on each of these six teams could then enter into contracts with ballpark owners in Europe, thus continuing the trend of owners paying to bring franchises to their parks. In order to give the league time to establish itself, the lease will be made for 20 years, with an opt out clause for the parent club after 10 years, should the European system sputter.

The baseball related justifications for moving single A teams overseas operate on two fronts. On the first front, talent must be considered. While single A teams lay on the lower rung of the ladder to the major leagues, they also act as a necessary stop for many highly talented players. For example, the Kane County Cougars alone have produced
100 major league players over the past 15 years. Those 100 include All Stars A.J. Burnett, Miguel Cabrera, Edgar Renteria, and World Series hero Josh Beckett (Kane County Cougars). The teams thus present great potential for creating the talent illusion and producing crossover stars to generate intrigue in both the American and European leagues. On the second front, the way Major League Baseball player operations are handled must be taken into consideration. During the course of a season, major league teams will bring countless players up from the minor leagues to help the team at different times or to meet certain needs. Despite the fact that countless players move up and down among the major league ranks in a season, it is rare for a team to bring someone directly to the majors from single A. While it isn’t rare for players in single A to get promoted to double A, and sometimes triple A, the relocation at the lower levels is of less immediate importance than is relocation to the majors. Since double A and triple A teams see players go directly to the majors (whose teams are located in North America), it would be a great disadvantage to have some of these players playing overseas. This disadvantage, however, is greatly muted when dealing with single A teams, thus making them a prime option for movement abroad.

The major problem facing the movement of six teams abroad is that the season would be greatly shortened, relative to the typical 140 game seasons played by American leagues featuring more than 10 teams. Since moving more than six teams runs considerable risks, as noted above, and since the WLAF showed that the teams in Europe can’t play the teams in the United States, some specific alterations to league play must be made. In the Midwest league, the league the Kane County Cougars play in, there are 14 teams for a 140 game season. In other words, each team is scheduled to play each of the
other teams around 11 times each season. The breakdown for this would typically be three, 3-game series, and 1, 2-game series (Kane County Cougars). In MLBeyond, teams will necessarily have to play one another more often. While some may see this as a detriment, I would contend that it allows a greater opportunity for rivalries among teams to be established. In a perfect world, each team will form some sort of rivalry with each other team in some way, shape, or form, which will increase fan involvement in games. Since each team must play five other teams, I would set up the season to feature 20 games between each team. These 20 games would be split into five, 4-game series. Each city would host two of the series to distribute revenue fairly, leaving an additional series to be played. In total, each team will have five series that will be played at a neutral venue. These venues will be located in other major population centers in Europe, such as London, Paris, and Moscow, in order to spread excitement regarding MLBeyond across Europe without having to station teams in each city.

Such scheduling takes each team to 100 games for the year, leaving the league 40 games short of its American counterparts. In order to fill the gap, each MLBeyond team will play two, 4-game exhibition series against the national teams from Germany, Italy, Spain, and the Netherlands. Each team will host one of the series and visit the national team’s ballpark for the other series. This will give the best European players the opportunity to play against American players, an opportunity that can do what the World Baseball Classic does in terms of motivating foreign players, though on a much smaller scale. While just exhibition games, these 32 games against national teams would lengthen the season to 132 games, not far off of that of the American leagues.
With six single A teams being supplanted, six European cities must be targeted as new homes for the first MLBeyond teams. Naturally, cities to be selected must have both great potential for developing a fan base as well as generating revenue. In an econometric study of Major League Baseball, Gustafson and Hadley hypothesized that a team’s local revenue is a function of the team’s winning percentage, the city’s population, ticket prices, stadium age, and the number of All Stars from the previous season (254). Of primary importance to the expansion overseas is the population of a city and its relationship with revenue, since the remaining variables are less relevant to a league in its infancy. What Gustafson and Hadley found was that there was a statistically significant, positive relationship between local revenue and population. In other words, the larger the city, the greater the revenue teams earn (257). While the study was done for Major League Baseball teams in the late 1990s, work done by Vrooman regarding European football also suggest that, in theory, revenue is largely a function of winning percentage and market size (317), making the inclination that population has a positive impact on revenue seemingly universal. Furthermore, in my own econometric regressions using the Gustafson and Hadley model for the years 1995-1999, population was still an important variable for revenue generation. Specifically, running a two-stage least squares equation I found that revenue is positively and significantly influenced by team winning percentage, ticket price, metropolitan area population, and newness of stadium, with team winning percentage and metropolitan area population having the greatest impact. Since this time period directly followed the 1994 Major League Baseball strike, it may represent the closest available information to a league expansion. This is because while Europeans have yet to develop a taste for professional baseball, the strike
contributed a level of distaste for the game in the United States. As such, the period of
time following the strike may grant the greatest similarity between European and
American tastes for baseball. The fact that population remained a significant variable in
my regressions adds another layer of support to the argument. Given these econometric
findings, it stands to reason that the targeted cities for MLBeyond should have large
populations. For the sake of clarity, we will define “large” as consisting of over 500,000
people in the city itself, the metropolitan area notwithstanding.

Given the potential obstacles facing expansion in France and Great Britain, and
given the economic struggles Russia has been prone to, these countries will be excluded
from the original expansionary considerations despite having large cities such as Paris,
London, and Moscow. The original expansion will thus seek to put six teams in four
different countries. These four countries will be Germany, the Netherlands, Italy, and
Spain. Germany was selected for three reasons. First of all, these countries were selected
because each has its own professional soccer league. Specifically, Germany has German
Bundesliga, the Netherlands has the Dutch Eredivisie, Italy has Italian Serie A, and Spain
has Spanish Primera (Sports Illustrated). This is indicative of each country being capable
and willing to support multiple athletic teams, both economically and in terms of league
success. What’s more, since there are cultural differences among the residents of each
nation, looking at past actions taken in specific leagues and countries will allow MLB to
“personalize” the expansion to each country, if need be.

Second, the countries were selected not only because of their large population
centers and developed football leagues, but also because their cultures are the most
conducive to baseball. Germany was the country most receptive to American football,
and thus seems fairly well sheltered from anti-Americanization sentiments, a circumstance that bids well for baseball. Like Germany, Spain was selected because there are a number of large cities to support teams and help foster regional rivalries. Finally, Italy and the Netherlands were selected because baseball is already fairly popular in each country, with each sending a representative team to the World Baseball Classic in 2006 and 2009. Germany will have one team located in Berlin, with another located in Hamburg, the two largest cities in the country. Spain will also have teams in each of the two most populated cities of Barcelona and Madrid. Italy and the Netherlands, on the other hand, will have just one team in the country’s largest city, Rome and Amsterdam respectively. With all the cities being in Europe, not to mention multiple countries featuring two teams, there is definite potential for rivalries to develop among the teams, a necessity to a successful brand extension.

What the case of NFL Europe has taught us is that having a well-planned approach to expansion can only go so far, and that having a well-defined objective for the league is an essential element for success. After all, how could any entity such as MLBeyond reach its fullest potential if its fullest potential hasn’t been defined? While the European phase of MLBeyond has one major goal, a professional baseball league in Europe, it would be shortsighted to believe that this ultimate goal is all the expansion should focus on. In other words, the plan will feature a number of goals, a number of ends to a single mean in a sense. For this, a simple timeline can be constructed to outline each goal and the timeframe for its fulfillment. Since the process of generating a taste for the game of baseball is already underway, though barely out of its infancy, in Europe, the plan for MLBeyond isn’t one of short-term goals. Rather, the plan is to continue
nurturing the game itself while simultaneously bringing the professional aspect of the sport to the public. Specifically, there are four waves of goals that will be attained over a number of years that will, ultimately, lead to the establishment of a professional baseball league in Europe.

The first major goal of MLBeyond will be to establish itself as a legitimate form of entertainment for the residents of the cities receiving teams. Since the selected countries are those that are already among the most active baseball participants in Europe, there is a relatively high probability that people will respond well to becoming fans of the game, as opposed to simply being players of it. This implication is supported by the aforementioned findings of Van Bottenburg, who dictated that players of a game are more likely to become fans of the game. While this may hold true, players won’t simply gravitate to the ballparks to watch the games, and this is where marketing will play its largest role in the development initiative. This marketing plan will be discussed at length at a later point in the thesis. Bolstered by the marketing plan and the growing level of participation in the sport, the goals of the first five years are quantifiable through sales reports. Ideally, the league would like to see substantial growth in ticket and merchandise sales over the five-year time frame. Since the typical minor league baseball season runs from April through late August, there will be minimal overlap with European football seasons, which typically get underway in mid-August and end in mid-May. As such, baseball will offer off-season entertainment to European sports fans, giving it a seasonal niche it could thrive on, especially in June and July. Furthermore, since the baseball season features far more games, European football will only take priority once or twice a week during the overlapping months of play. After five years, MLBeyond will
come to a fork in the road. Down one road, the league will not have garnered the enthusiasm it had anticipated and will want to reconsider a strategic relaunch, as the NFL did in the early 1990s. Down the other road, the league will have witnessed the desired levels of popularity and excitement that could allow it to bring MLBeyond toward the next goal.

Assuming the league follows the latter fork in the road, the next logical step to take would be to establish media contracts with European television stations in order to start expanding the focus and scope of the league. After five years, the hope is that residents of the cities will have been involved enough with the teams that they will want to watch them play even when they can’t make it to the ballpark for a game, just as is the case with European football. Furthermore, if the series played in cities like London and Paris are able to generate any type of intrigue over the years, the media contracts won’t be limited to the countries featuring teams, a major plus as far as both exposure and revenue are concerned.

The five-year mark for the league is also important as far as interest in the American based leagues is concerned. After five years, the past stars of MLBeyond will likely have begun to leave their mark on Major League Baseball. As such, after five years, officials would expect to see European interest in the American based leagues start to blossom. As interest grows, revenue channels are created. MLB officials can then begin to funnel things such as merchandise and media contracts through the channel, meeting the demand of the European consumers and creating future demand for MLB products. As mentioned previously, as the European fans follow one player to the United States, they become acquainted with more and more American stars. Once more players
are idolized, more merchandise is demanded overseas. Given the evidence of this in Japan for baseball, and China for basketball, it would be foolish to veer far from the course. By setting the five year mark as a goal for European entry into the American merchandise and media market, the plan gives players time to rise to prominence in MLB while European intrigue in the game continues to grow, a combination that could be the ideal recipe for fast-paced growth.

As live and television viewership of the sport grow across Europe, it stands to reason that youth participation in the sport will also grow. As a result, after ten years, MLBeyond would start to filter European born players onto the rosters of the participating teams. While this would necessitate the general managers of the major league teams juggling their rosters in order to accommodate the addition of European players to the MLBeyond rosters, this acts as a necessary step in the expansionary sequence. It is important to note that these players will not be under the control of the major league teams, so as not to impose more obligations on the parent clubs. The European players will receive wages comparable to those of their American counterparts, but will be paid by the ballpark owners themselves. As such, the ballpark owners are still paying to put entertainment on the field, though major league teams will no longer be the sole beneficiaries of these payments. As more European players come to prominence in the league, league expansion would become possible. The expansion teams would be entirely composed of European players, and the original teams would continue to filter American players back to the leagues in the United States while European players replaced them. This expansionary process would be drawn out over the better part of a decade and would be the final piece put toward the final goal of a fully European baseball
league. By the time the 20 year lease is up and major league teams begin to bring the rest of their affiliates back to the United States, the goal is to have 100 teams in the MLBeyond league, all of which will be comprised solely of European players.

    The greatest “glitch” that may be seen in this plan stems from the filtering of American based players back to the United States as European players begin to take their roster spots. Such a glitch exists because the American players won’t have teams to rejoin once they return to the United States. There are two ways to remedy this situation. On one hand, the replaced players could return to the United States in packs and be placed on teams that play in newly leased ballparks. While undoubtedly feasible, this system could generate strong opposition from major league management. Single A baseball is largely about player development, so those whose jobs depend on how players develop may want all their players coached by the same staff and have no players from other teams coached by said staff. As a result, the filtration of American players back to the United States to play on jumbled rosters seems unlikely. The second option will keep American baseball players overseas for the duration of the stadium lease, but won’t discourage European stars on the rise from getting involved in the league.

    Instead of filtering European players onto the rosters of the existing teams, the Commissioner’s office could start the MLBeyond Academy. Similar to the academy established in Australia, the MLBeyond Academy would take gifted young athletes and provide them with high-level training and instruction. Unlike the Australian academy, the MLBeyond Academy will be a year-long commitment for the players. Each year for four years, a roster of 25 players will be selected from the academy and will play as the newest expansion team in the league. In the six years following the selection of these
teams, the academy will continue to put together 25 man rosters, which will subsequently become a farm team of sorts for the original six teams. These farm clubs will use the same facilities as the American teams, and will learn the tools of the trade from their American counterparts as time passes. After these six farm clubs have been developed, the 20-year lease on the European stadiums will be up for the American based major league teams. As a result, the farm clubs will replace the American teams in the MLBeyond league, the American players will return to new venues in the United States, and there will be an entirely European baseball league up and running. Given the fact that major league teams will have already bended to allow teams to float abroad, the expansionary plan needn’t bite the hand that has fed it. Bearing this in mind, the logical solution to the “glitch” is to establish the MLBeyond Academy and follow the highlighted ten-year plan.

**Cost/Benefit Analysis**

To conduct a discussion of expansion based solely on the benefits underlying it would be to apply a utopic spin to a plan that undoubtedly has cost considerations to take into account. The aforementioned expansionary plan will come equipped with its share of financial obligations and general costs, though I believe that three in particular merit discussion. Specifically, I think the plan needs to take into consideration the cost of housing differences between American and European cities, the exchange rate difference between the United States and Europe, and the costs of advertising for the league.

It stands to reason that costs of living differences will exist between the selected European cities and the cities in the United States that the teams will be vacating. In particular, one would be inclined to believe that there would be a considerable difference
in apartment rental rates between Berlin and Geneva, Illinois, the home of the Kane County Cougars, for example. While Geneva is a suburb of Chicago, it is not metropolitan by any stretch and the demand for apartments has yet to send rental rates skyward. With that being said, it is not difficult to cost out the rental rate differences between Geneva and Berlin. In Geneva, the average apartment rental rate is $1085 per month for a two-bedroom apartment, leaving the rate at roughly $540 per resident (Rent Bits). Berlin, on the other hand, has rental rates for similar rooms ranging from 880 euros to around 1,000 euros, leaving the rate between 440 and 500 euros per person (Villanao). In terms of dollars, players will pay between $580 $660 per month. Since the apartments typically rented by minor league baseball players aren’t luxurious by any stretch, this analysis will assume the players choose to live in the cheaper apartments in Berlin. It will also be assumed that the price differences between Geneva and Berlin are representative of the price differences between other US cities with minor league affiliates and the selected European cities. As such, the monthly rent differential for the league will be roughly $40 per player. With the league consisting of six teams, and each team featuring 25 players and three coaches, 168 people will be living overseas for 4 months at a time. As a result, there will be an additional cost of about $26,880 per season. As such, for the 20-year duration of US teams playing abroad, the cost would be $537,000.

Another major obstacle to expansion exists due to the difference in monetary power between the dollar and the euro, with the euro being relatively more powerful. To date, the dollar-euro exchange rate stands at about $1.32/euro. In other words, the American dollar wouldn’t go as far in Europe as it does in the United States, limiting the
purchasing power of players overseas. As a result, the expansionary plan will need to take into account that players and coaches will need to be appropriately accommodated monetarily for their time spent in Europe. First year minor-league baseball players receive $1,100 per month for their services (MiLB). Though single A teams are largely comprised of first year players, the rosters do feature single A veterans. As such, for the purpose of this discussion we will assume that the average salary of those going abroad is $1,200 per month. Given the exchange rate, each player will need to be paid roughly $1,585 per month. As already mentioned, the league will be sending 168 people abroad for four months, meaning there will be an additional cost of about $65,000 per year in terms of player and coach salaries. For the 20-year duration of American involvement, the total would come out to $1,300,000. What’s more, minor league baseball players are given $20 for food for every day spent on the road (MiLB). Taking the exchange rate into account, each player will have to be allotted $26.40. Since each of the 168 members sent abroad will spend roughly 65 days on the road, there would be an additional expense of about $70,000 per year on food expenses. For the 20-year duration, this will total roughly $1,400,000, taking the total expenses from the exchange rate differences (assuming it remains relatively constant) to $2,700,000.

The final, and largest, financial consideration to take into account for the installment of MLBeyond deals with the advertising costs associated with the plan. The specific plan itself will be discussed later, though an overview and general cost analysis will be presented here. Now, while the specific costs of advertising for various publications and television stations in Europe proved elusive, this analysis will assume that the magnitude of the costs will be comparable to those in the United States. As such,
the publications and television programs selected for the United States are representative of the types of publications and programs that will be selected in Europe. The advertising will ideally be determined by the specific media being used, with the print campaign launching two months prior to the league’s opening and the television campaign launching one month prior to the league’s opening, with these ads running every other week. By following this plan, two print ads can be run in each monthly magazine and each selected television program will feature the commercial twice in the timeframe. What’s more, one ad will appear in the selected newspaper each day for the two-month block of time preceding the opening of the league. The selected shows will be Dancing with the Stars ($229,000), American Idol (2 nights = $1,214,000), Family Guy ($163,000) as far as prime time is concerned (Advertising Age), and two football matches each week two ($500,000 each), assuming the costs are close to those of college football BCS Bowl games in the United States (Sports Business Daily). As noted, these selections will be focused on in two separate weeks, taking the television advertising total for a single country to $4,812,000.

As far as print advertising is concerned, the sample publications are Sports Illustrated at $330,165 per ad (Sports Illustrated), ESPN The Magazine at $208,000 per ad (ESPN), Business Week at $112,000 per ad (Business Week), and the New York Times at $731 for 60 pages (New York Times). Since each of these publications will feature two ads (with the exception of the New York Times), the total print expenses for the plan will total $1,301,061. As such, the total advertising cost for each country will be $6,113,061, or $24,452,244 for the entire introductory plan. After this, the owners of the
ballparks will be largely responsible for any further advertisement, as is the case in the United States.

It is also worth noting that there will be a need to build a ballpark for each of the teams moving abroad. This, however, appears to be too expensive an endeavor for Major League Baseball to undertake, with most minor league stadiums having building costs upwards of $20 million, which could set MLB back well over $100 million (Baseball Parks). As such, I propose that stadium construction be aided by MLB, but largely funded by the eventual stadium owners and entrepreneurs fueling the league.

As a result, the major costs facing MLB for the league expansion can be determined by summing the costs for housing differentials ($537,000), exchange rate differentials ($2,700,000), and advertising costs ($24,452,244), with the total coming out to be $27,689,844.

While spending nearly $28 million dollars is no small undertaking, it is my contention that such expenditures can be justified based on the monetary benefits that could stem from successful expansion. Japan represents a perfect example for reaping the fruits of one's labor. Since 2000 alone, the number of licenses extended to Japan from MLB has risen from 6 to 61 (Arnold). Over the same time period, merchandise revenue has nearly tripled, now totaling $103.7 million (Arnold). In other words, if the next twenty years bring roughly half the success Japan has had, MLB could get back twice as much as it put into MLBeyond. Now, while Japan was already greatly involved in the game prior to the year 2000, it still presents a good example of market potential and is proof that hard work and ingenuity can turn ideas into profits. If nothing else, Japan suggests that Europe could very be a worthy investment over the next 20 years.
**Marketing and Advertising Plan**

With the expansionary plan set, MLB officials will be left with the pleasant task of creating a taste for baseball in Europe. While the groundwork has been set through youth leagues, the process of generating intrigue in a professional league is still daunting. As such, central to the expansionary effort will be an integrated marketing plan. While the marketing plan itself will not necessarily create a taste for baseball in Europe, it will work to build intrigue and curiosity, each of which helps bring fans to the ballpark, which will ultimately build the taste for the game. What complicates the desired marketing plan is the fact that the campaign will have to be launched in four different countries, meaning more media research will be required for the plan than if the expansion had targeted a single nation. While this complicates the process, it doesn’t cripple it, so it seems that it is full steam ahead for MLBeyond.

While marketing and advertising will be major contributors to the MLBeyond European campaign, there is little doubt that it would be irrational to launch into an advertising campaign for a product unknown to the general public, at least with a product as specialized as a professional sports league. Yes, marketing is the foundation of product introduction, but I think MLBeyond presents a special case. It is my contention that ordinary marketing methods won’t suffice in terms of detail regarding the league for consumers. Specifically, the advertising for the campaign should focus on bringing people to the ballpark, while other preliminary measures should be undertaken to give an in depth account of what the league actually represents. One such preliminary measure would be to place an article explaining MLBeyond in the major newspapers and magazines in each country.
The article would focus on what the league is, what it aims to do, and how it plans to operate. Instead of riddling the description of the article with vague adjectives, I have drafted the article that could be run in each magazine.

"It's such a beautiful sport, with no politics involved, no color, no class. Only as a youngster can you play and as a pro can you win. The game has kept me young, involved and excited." These are the words of Jack Buck, but they are the sentiments of millions. While the name Jack Buck carries little weight in today’s Europe, the voice of the famous baseball announcer still rings in the ears of the countless Americans who share his unadultered love for baseball. While his last days have passed and his voice has faded into a memory, the game he loved has kept its beauty and has grown into as much of a lifestyle as it is a game. Just as Europeans live and die with their football teams, Americans, like Jack Buck, live for baseball and die happy to have seen its magnificence.

Buck believed that baseball had no politics, no color, and no class; Major League Baseball (MLB) believes that baseball has no boundaries, no exclusivity, and no reason not to spread its wings and fly. And just as the flight of a football toward the goal brings Europeans to their feet, it is hoped that the flight of baseball across the Atlantic will be greeted with much the same ovation.

In the coming months, Major League Baseball plans to launch its first major initiative on European soil in the form of the first European professional baseball league: MLBeyond. The league, under the direction of MLB International, is expected to feature six teams, each boasting rising stars in the game of baseball, which will play in Berlin, Hamburg, Barcelona, Madrid, Rome, and Amsterdam. According to MLBeyond coordinator, Will Sherlock, however, games will not be limited to these cities.

“Who are we to dictate which people we bring baseball to and in what context we do it,” Sherlock said. “Contracts have been signed with six cities, so we obviously have some say in the matter, but the initiative is bigger than six cities. Expect for games to be played in London, Paris, Brussels, Moscow, you name it. Europe is home to some of the greatest sports fans in the world, so why limit the influence to six cities?”

True to his word, Sherlock has arranged for each team to play twenty games in cities such as London and Paris, saying that, “The expansion could easily turn into a contraction if the organization was to set premature limitations.”

Each team is expected to play 100 league games, but will also play what Sherlock described as “32 development initiatives.” Specifically, each team will play two 4-game series against the national teams from Germany, Spain, Italy, and the Netherlands.

“We think the games against the national teams will fire on two fronts,” stated Sherlock. “On one front, what better way to build fan intrigue about baseball than through
national sentiments? On the other, what better way to encourage and enlighten European players than to play some of the rising stars in the American based league?"

While NFL Europe, the recently failed expansion of American football to Europe, came abroad as a means of player development and revenue generation, Sherlock is adamant that MLBeyond has starkly different objectives.

“All else aside, you can call this as much a good will mission as it is a business venture in the name of baseball. While anyone will make the argument that business decisions are made on the grounds of revenue and feasibility, MLBeyond is as much about the game as it is about the money. Yes, money is of importance, and success isn’t a guarantee. What we believe is that the world stands to gain more from this league succeeding than we stand to lose from this league failing. Europeans love their football, but if Americans can love football and baseball, why can’t Europeans? Baseball is truly a beautiful game, and we want to give people the chance to see that.”

In the coming months, Sherlock has to worry about more than the monetary suspicions of journalists, with the marketing campaign for MLBeyond set to launch within the year. Despite the upcoming inauguration of the league, Sherlock was more interested in talking about the big picture than the preliminary strokes of his artwork.

“When it all comes down to it, this is about baseball. We want kids to go to games and want to go home and play catch with their dads. We want moms and dads to go to games and fall in love with the poetry in motion, the camaraderie, the intensity, the integrity. We want people to love the game the way it is loved in the United States. Twenty years from now, we don’t want to have a single American based player crossing the Atlantic to put on a show. Twenty years from now we want the league to be bigger, better, and most importantly, entirely European.”

With MLBeyond set to open, it appears that baseball and European football have at least one thing in common: goals. With Sherlock at the helm, however, baseball and European football will have more in common than a poorly put together pun: they will be successes on European soil.

Once the seeds for the idea have been sown in the article, the MLBeyond marketing plan will be able to launch in each respective country. While each country utilizes a common currency, the list of general comparisons among the four doesn’t extend far past this. That isn’t to say that each country features a completely homogeneous population, nor is to say that Europe as a whole is entirely heterogeneous,
it is simply to say that the expansionary plan will require a greater degree of diligence in its endeavors.

As Jack Buck’s quote dictated in the article, baseball knows no class or color, nor does it have any sense of politics. While this would appear to make the target market for the marketing plan painfully broad, it is actually indicative of how appealing to the target audience won’t be terribly daunting. That is, the plan doesn’t have to appeal to different political sentiments or different socioeconomic groups; it has to appeal to sports fans. Fanhood and love for the game are not generated by ethnicity, residence, or socioeconomic status; rather, they are generated by the competitive nature and human desires that are inherent in all people. It will be this competitive nature and these human desires that the plan will cater to, giving the plan’s effectiveness a broad scope with effectively limited appeals. The focus of the campaign, however, will not be void of specification. While the theme of the campaign will be striking the appeals of sports fans, the term “sports fans” can benefit from a wave of specificity. That is, the marketing plan at hand will feature two separate campaigns, one appealing to a younger audience and one appealing to the population at large.

While MLBeyond certainly isn’t opposed to reaping immediate monetary rewards by appealing to a younger audience, the main initiative of this phase of the campaign has a “big picture” mindset, relative to the other campaign. Specifically, the youth oriented phase of the campaign will aim to appeal to children, mainly males, aged 5-13. The key to this campaign is getting the youth of the European countries involved in baseball, not just interested in it. While introducing the children to baseball may drive them to want to see professionals play, this would simply act as icing on the cake for the plan, with the
cake being youth participation in the sport. Creating such a youth movement in the sport makes expansionary sense on four fronts. The first front has already been briefly discussed, and is nothing more than getting kids interested enough in the game to become immediate MLBeyond consumers. The second front stems from the previously discussed findings of Van Bottenburg, who dictated that those who play the sport are more likely to be active fans of the sport. As such, engaging children in the sport at a young age would provide the league with potential life-long consumers, which is closely related to the third front. On the third front, life-long fans and consumers of MLBeyond are not only graced with the love for a beautiful game, they are also gifted with the reproductive prowess of human beings. Life-long fans, thus, have the potential to spread the love of the game to their children, who could then spread it to their own children, and so on. In short, appealing to youth in order to create life-long fanship gives the league greater potential for continuity, longevity of success, and future growth. The final front on which the youth phase of the campaign will operate has the eventual European takeover of the league in mind. It goes without saying that the league could not become an entirely European entity without some prodding by the commissioner’s office. By promoting active participation in baseball from the marketing onset, MLBeyond gives itself the best chance to begin producing European baseball talent prior to the opening of the MLBeyond Academy after 10 years and the change of guard after 20 years. In sum, the four fronts of the youth oriented plan are less geared toward current market success as much as they are the long-term goals of the league.

The second campaign will largely be the “money maker” for the marketing plan, adopting a far broader age group and focusing on the league’s near-future concerns such
as attendance, interest, and revenue. The targeted age-range would span from 14 to 50, again with a male slant. This age group envelopes a great percentage of the population at large, especially those who would be more likely to be receptive to the game of baseball. While those older than 50 represent an intriguing group, given the fact that these people may have more disposable income and more leisure time once their children have grown, I would contend they have less incentive to go to a baseball game, at least relative to the other age brackets being targeted. Those aged 14 to 30 are still in the sensation seeking points in their lives, looking for new things to try and new media for entertainment. By marketing attendance at MLBeyond games as a new means of entertainment, or as the new “hot ticket” in town, adolescents and young adults would find greater incentive to attend. Those aged 31 to 50 are those who dominate the parenting scene across Europe, and are more likely to be influenced by family oriented activities and opportunities. Since going to professional baseball games offers a family friendly atmosphere and an entity for the family to gather around, the baseball as entertainment appeal still carries considerable weight. What’s more, if the first campaign to children takes off, mutual interest between father and son (gender specific language given the tilt of the campaigns) could generate considerable excitement around the league. Since those over the age of 50 are often set in their ways and less inclined to try new things, and are past their age of parenting, their attendance incentives are less than those within the specified age group. Obviously, while people older than 50 may respond to the marketing plans put in use, the plans simply won’t cater to what could perceived as the “50+ desires”. In the end, by focusing on the human desires and attitudes that would lead people to attend professional
baseball games, MLBeyond would have the potential to reach short-term revenue and attendance goals before the first campaign has time to ensure longevity.

In order to reach these target audiences, the MLBeyond marketing plan will primarily (though not exclusively) function through four different media: magazines, newspapers, television, and the internet. Listed in Table 1 are the specific magazines, newspapers, and television broadcasting stations that the marketing plan will target in each country. The listed magazines fall into a number of categories, namely: business, sports (often specific to European football), children’s magazines, general interest magazines, and family oriented publications. The targeted newspapers, with the exception of weekly sports oriented publications, will be the major regional and national newspapers published by each country. The listed television broadcast stations are the leading broadcasters in each country, each offering a wide range of programming that will effectively reach the varying age groups targeted in each campaign. Finally, the internet portion of the campaign will be used through the implementation of a league specific website, MLBeyond.com, and the use of Google Adwords, giving the plan specificity and breadth.

Before applying specialization to the marketing process, the first order of business for the MLBeyond staff is to advertise and launch a promotional campaign that will directly precede the start of specialized marketing and the beginning of the season. The campaign, MLBelieve in MLBeyond, will be a combination of the aforementioned Baseball Festival and exhibition games. Like the Baseball Festival, the MLBelieve in MLBeyond campaign will feature interactive opportunities for fans of all ages to not only
Table 1

<table>
<thead>
<tr>
<th>Country</th>
<th>Magazines</th>
<th>Newspapers</th>
<th>TV Stations</th>
</tr>
</thead>
<tbody>
<tr>
<td>Germany</td>
<td>1) Eulenspiegel</td>
<td>1) Berliner Margenpost</td>
<td>1) ADR</td>
</tr>
<tr>
<td></td>
<td>2) Finanz Nachrichten</td>
<td>2) Saarbrucker</td>
<td>- MDR</td>
</tr>
<tr>
<td></td>
<td>3) Jetzt</td>
<td>3) Das Sonntagsblatt</td>
<td>- WDR</td>
</tr>
<tr>
<td></td>
<td>4) Sport 1</td>
<td></td>
<td>2) KI.KA</td>
</tr>
<tr>
<td></td>
<td>5) Sportbild</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>6) Bunte</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>7) Der Spiegel</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Italy</td>
<td>1) Capital</td>
<td>1) La Gazzetta dello Sport</td>
<td>1) RAI</td>
</tr>
<tr>
<td></td>
<td>2) Rai TGS</td>
<td>2) Corriere della Sera</td>
<td></td>
</tr>
<tr>
<td></td>
<td>3) Football Italiana Magazine</td>
<td>3) Corriere dello Sport</td>
<td></td>
</tr>
<tr>
<td></td>
<td>4) Pano Rama</td>
<td>4) Il Resto del Carlino</td>
<td></td>
</tr>
<tr>
<td>Spain</td>
<td>1) Expansión</td>
<td>1) ABC</td>
<td>1) RTVE</td>
</tr>
<tr>
<td></td>
<td>2) Interviv</td>
<td>2) El país</td>
<td>2) Telecinco</td>
</tr>
<tr>
<td></td>
<td>3) Fisión</td>
<td>3) El mundo</td>
<td></td>
</tr>
<tr>
<td></td>
<td>4) Don Balón</td>
<td>4) Sport</td>
<td></td>
</tr>
<tr>
<td>The Netherlands</td>
<td>1) Voetbal International</td>
<td>1) De Telegraaf</td>
<td>1) Veronica</td>
</tr>
<tr>
<td></td>
<td>2) Tribune</td>
<td>2) Metro</td>
<td></td>
</tr>
<tr>
<td></td>
<td>3) Kiddo</td>
<td>3) De Groene Amsterdammer</td>
<td></td>
</tr>
<tr>
<td></td>
<td>4) Men’s Health</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

For citations, please refer to Appendix 1

learn about baseball, but also learn to enjoy the game. The festival will visit each of the cities that will house a team, with each festival supplying those in attendance with vouchers for free tickets at any home game and samples of standard, American baseball game cuisine. Vouchers will be used, as opposed to tickets to a specific game (such as opening day), because it increases the chances of people actually attending the games, which subsequently increases the chances of people enjoying their experience. What’s more, each person attending the festival will be given a complimentary baseball rulebook.
Overall, the festival will aim to both build excitement toward, and understanding of, the game of baseball, not to mention the opportunity to pursue this newfound intrigue and understanding at no charge. Just as Major League Baseball has had teams play exhibition games in Japan, China, and Mexico in the past, the MLBelieve in MLBeyond campaign will also feature exhibition games at each of the six league venues. Each major league team with a minor league affiliate playing in Europe will play two spring training games in the city their affiliate will soon occupy. By using major league teams to christen the baseball souls of the European people, MLB would be able to let the stars of today pave the way for the stars of tomorrow. Each team will select one prominent player who played for the organization’s single A team (that which has been moved to Europe), to act as the “blast from the past”. These players will act as ambassadors of the game, making appearances at the Baseball Festival and being featured in a body of literature. Doing so will act to give European fans an immediate connection with the American league, not to mention develop a sense of intrigue around “Who’s next?” Obviously, the chosen player should be charismatic and carry an element of showmanship, a quality that European footballers have used to their advantage over the years. Just as David Ortiz of the Boston Red Sox has attained great popularity in Japan, the blasts from the past can use their personalities and abilities to win the European people over.

MLBelieve in MLBeyond is simply intended to generate enough interest in the game to get people to gravitate to the ballpark. Just as any promotional campaign, MLBelieve in MLBeyond is about introducing people to baseball, not about creating life-long fans within a number of hours. The belief is that if the campaign can build enough
excitement about baseball to put people in the seats, the future marketing initiatives and the game itself will do the rest to keep people coming back. While the campaign won’t be cheap, given all the complimentary items being distributed, the expenses should be well justified by the fact that it is an inherent human quality to fall to the temptations of incentives. After all, people are less stubborn and more likely to try new things when these things are at no cost to them. Just as someone can’t develop a taste for chocolate ice cream if they never take a bite, MLBeyond can’t develop a European taste for baseball without getting them to a game.

Since the costs of actually setting the wheels in motion for MLBelieve in MLBeyond are high, and since the event won’t exactly be on the same, small level of magnitude of, say, a tea party, the advertising for the event will be as simple and as minimal as possible. The campaign will feature a single advertisement, which will be printed as a full page ad in the newspapers listed in Table 1 and used as a flyer to be handed out at schools and hung up in public transit depots (and vehicles, if possible). The advertisement will give the specifics of the event, such as when and where, not to mention a description of what the event will entail. Visually, the advertisement will have an action photo of each of the six blasts from the past, each surrounding the new MLBeyond logo (shown below).

As previously indicated, the internet component of the marketing plan will feature both elements of specificity and breadth. What makes the internet portion stand out from the other media is that the plan at hand will be fairly age-neutral, and will work on a “one size fits all” basis. As far as the league specific portion of the campaign is concerned, in the creation of MLBeyond.com, the model will largely follow that already set in place by
mlb.com. Specifically, it will be an interactive website to give fans easy access to scores, standings, statistics, schedules, and important league news. Also of note, the website will have a “Blast From the Past” section for fans to track the progress of their favorite players from yester-year. The website will also present a link to mlb.com, and links to the individual team sites (which have already been established, but will have to be edited to take into account the change of venue, language, and type of fan… meaning the update will be no small task). Finally, the website will have a “Shop” link, giving fans the option to shop for tickets, memorabilia, and apparel from MLBeyond and MLB itself.

Now, while MLBeyond.com will offer great specificity to the public already familiar with the league, it does very little in terms of promotion. It is here that the use of Google Adwords becomes undeniably important to the success of the campaign. That is, it will be through Adwords that the internet advertisements will function through. As opposed to simply targeting consumers over the internet by advertising on specific websites, the use of Adwords would go one step further. Adwords is the system created by Google in which advertisements appear in the right hand margin of the search page. The advertisements are keyed by the specific search run by the Google user, so the product will essentially only be advertised to people who may be looking for our product,
or one similar to it. The position in the right margin will be determined by what is called a rank score, which is determined by multiplying a company’s bid by its quality score. The bid is the amount the company is willing to pay for each keyword that will associate to its product, while the quality score is based on the product’s relevance to the keywords. As such, the high bidders with highly relevant products will get the best positioning in the advertising margin. The payment of the bid is made per click, and by determining a daily budget, clicks can be limited so the competition can’t run the price of advertising through the roof (Google Adwords).

A key feature of using Adwords to the company’s advantage is the presence of a content network, which adds specificity to the marketing process that wasn’t included in the search network already described. Specifically, this function allows a company to put together keywords associated with the product and target market, create an ad, and allow Google to place this ad on specific websites based on the given keywords. In this content network, companies are given the option to either pay per click or per impression. A click is defined as whenever an internet user visits the site provided by the ad, while an impression is defined as any time the ad appears on any website. Paying by click is better for the return on investment because money is only being spent on people who actually visit the site. Paying by impression is better for brand-oriented advertisers since it is a more efficient way to get the message about a product out (Google Adwords). Given the nature of the expansion at hand, the method of choice for the MLBeyond campaign will be to pay by impression.

For the search campaign to function efficiently, MLB executives will have to generate a high rank score in order to grant MLBeyond a high rank position, ideally in
one of the top two positions. Since the operation will be functioning through the international component of Google Adwords, and since baseball isn’t overly popular in Europe, MLBeyond could very well be the most relevant baseball search, meaning that MLB won’t have to spend a great amount of money to ensure a high rank score. Since the search function is for products, the link in the margin would be for tickets and would take consumers to MLBeyond.com/tickets. Not only would this search campaign make it easier for consumers to make ticket purchases, it would also help promote the league by getting the brand name better exposure.

For the content phase, some of the noted keywords would be: baseball, sports, entertainment, family, tickets, MLB, football, and fun. These keywords would best allow MLBeyond to be advertised on websites that potential fans are most likely to frequent. The campaign would feature both text and display ads in order to appeal to different purchasing cues and interest generators of consumers. Text ads would specifically appeal to those more inclined to read about a product, while the display ad would appeal to those who are more visually stimulated. The text ad, for example, would be much in the same aesthetic as the newspaper advertisement utilized for MLBelieve in MLBeyond, while the display ad may have streaming video of highlights or action photos to catch the eye of the internet surfer.

The purpose of the two-pronged approach is to allow the search volume on Google itself to grow while the content campaign also takes off. In other words, by appearing on websites, the content campaign acts to advertise for the search campaign (increasing Google searches), as well as MLBeyond itself. Simply put, the content section advertises the product directly and indirectly (Adwords.google.com). Most
importantly, the two-pronged campaign will act to do exactly what it is meant to: spread brand awareness and increase the usage rate of MLBeyond as a product.

With the details of the internet campaign accounted for, the marketing plan will then travel down two different avenues, as dictated by the separate target audiences. As previously noted, the purpose of the youth oriented marketing plan is to move children to play the game of baseball more, while the targeting of the older audience is geared toward getting people to attend games and take part in the MLBeyond experience. Given the fact that each portion of the campaign aims to suit different goals, each portion will necessarily operate through different means in attempt to reach these different ends.

For the youth campaign, the first order of business would be to extend MLB’s Youth Pitch, Hit & Run program (already in Italy and Germany) to Spain and the Netherlands. What’s more, the program will be expanded in Italy and Germany, allowing the reach to extend far beyond what it currently holds. For the sake of efficiency, the dawning of the program expansion will be centralized to the schools in the team-wielding cities and their surrounding suburbs, though over the years the program would ideally trickle into all European cities. While the exigent purpose of the Pitch, Hit & Run program would be to generate an interest in playing baseball, in line with the long term plan for MLBeyond’s success, the league could also be the immediate beneficiary of the program’s influence. Instead of simply rewarding the talented participants in the national skills competition, I would propose that the plan establish the Pitch, Hit & Run Club at each school. Members of the club will be students who have completed the baseball unit at their school that year, and will be rewarded with a free ticket to a game of their choice.
If the child has a free ticket, the parents are more likely to buy tickets, and thus attendance at, and affection for, the game can grow.

As far as specific marketing through different media outlets is concerned, the youth campaign will largely function through television commercials, as opposed to print advertisements. Since children are more likely to watch TV than read a newspaper or magazine, not to mention the fact that they are largely responsive to visual demonstrations, television advertisements appear to be the most effective means of reaching the selected audience. The commercials for the campaign will be submitted to each of the major broadcasting companies (Table 1), and then aired during the major programs for children. Occasional ads will be run in youth magazines, such as Jetzt in Germany and Kiddo in the Netherlands, though these will be used sparingly. Since the majority of children who will be seeing these advertisements will be members of the Pitch, Hit & Run club, they will be able to understand the subject matter in each ad.

The television campaign will launch two commercials, one with an emphasis on playing baseball (though still being sponsored by MLBeyond), the other with an emphasis on the league itself. For the “play” oriented commercial, the scene will be a schoolyard at recess time, with a gathering of kids getting together to play European football. Teams will be chosen until there is a single boy left, and with each team filled, he is left out of the game and as the rest of the children run off toward the field, he is left alone with a bucket of assorted balls and a stick. In his disappointment and anger, the boy picks up the stick, throws up a ball, and hits it. The ball soars through the air and, to the delight of the boy, lands just short of the football field. He picks up another ball and hits it, and another, and another, with each hit bringing the ball closer to the field and
bringing the smile on his face closer to a half moon. The other children start to take notice and, curious of the boy’s delight, begin to trickle away from the football game to try to catch the balls as he hits them. Finally, all the children have left the football game, and the boy launches another ball toward the crowd, with this ball being caught by one of the larger boys who yells, “You’re out!” The young boy runs out toward the boy who caught the ball and hands him the stick. The two share a grin and the boy who caught the ball runs toward the bucket and starts hitting as the young boy takes his place trying to catch the balls. The camera then goes black and words appear, saying, “Play baseball, because even when you’re out, you’re in!” These words then fade and the MLBeyond logo appears briefly, before the commercial concludes.

The “league” commercial will show two young boys jumping up and down, cheering after their team has just won the championship. From the TV, the announcer says, “And after the better half of a year, the season is over and the torch has been passed. I don’t know about you, but I don’t know what I’ll do without football for the next few months.” The joy of the boys slowly fades as their jumping turns into nothing more than lifting their heels off of the ground. They look at one another, distraught, and the screen fades to highlights from assorted baseball games. These plays cycle through and the screen goes black upon their completion, with the words “No Football? No problem.” appearing. These words then fade into the MLBeyond logo and the commercial ends.

Since print advertisements won’t be of maximum importance to the youth campaign, they will be fairly generic, closely following the template used for the Baseball Festival advertisement, with the MLBeyond logo and “Blasts from the Past” highlighting the ad. The ad will then read, “Grab a bat and have a ball. Watch. Play.
Learn. Baseball.” The ad will thus act largely as a reminder that baseball is an option for kids, and will convey this message in a positive light.

Opposite to the media distribution in the youth oriented campaign, the “adult” campaign will have a greater focus on the print media than in television advertisement. Since adults are more inclined to read newspapers and magazines, these seem to be the proper media to use in attempt to spread word regarding the league. The advertisements will be featured in each issue of each magazine and twice a week in each newspaper (Table 1). Occasional television commercials will be aired during primetime television programs or major sporting events, but the marketing resources will by no means be exhausted to reach the audience through this medium.

Like the television campaign for children, the print campaign will feature multiple advertisements. One advertisement, which will be run in newspapers, will be fairly generic and will simply serve as a reminder for families. The advertisement will keep the same template as that for the Baseball Festival and will list ticket prices and upcoming games. The ad will also boast the tagline, “Where entertainment meets family.” The magazines will then run two different advertisements, one targeting family oriented consumers and the other targeting sports fans. The family oriented advertisement will feature a picture of a family of four overlooking the field, the sky dark, the lights lit, fireworks exploding in the night sky. The picture, taken from behind the family, will show the father with his arm around the mother as she peacefully rests her head on his shoulder, while the young boy, with his glove hoisted in the air in celebration, hugs his sister as the batter rounds the bases after his home run and the fireworks stay ablaze. Below this scene will appear the MLBeyond logo, and next to it the words, “Where every
night is a family night.” The sports-fan oriented advertisement will feature two figures, each placed on opposite sides of the page. On the right side will be a confused looking football player who has just kicked a ball toward the left side of the page. On the left side of the page will be a baseball player, bat in hand, ready to hit the ball, which is transforming from a football ball into a baseball as it travels. Specifically, the ball will be in the center of the page, with the right half of the ball being a football and the left half being a baseball. From right to left, the field they are standing on turns from a soccer field to a baseball field as the ball travels and changes. Underneath the picture will read, “Passing the ball. Passing the torch. Football players have off-seasons; Sports fans don’t”. Next to this will be the MLBeyond logo.

The television commercial will be nearly identical to that in the youth campaign, though the featured individuals in the commercial will be adults as opposed to children. Like the newspaper advertisements, this will largely be used as a reminder for sports fans, as opposed to being a ad of persuasion, as the magazine advertisements are intended to be.

**Conclusion**

To say that Major League Baseball’s future with respect to revenue is solely reliant on the successes of the league’s expansion to Asia would not only go against the hope that the game has the potential to go global, it would also overlook the fact that Europe represents an alluring opportunity for the league. While skeptics point to the failure of NFL Europe in the late 1990s and early 2000s, optimists can point to the economic stability and competitive culture that has come to define modern Europe. What’s more, the optimists can follow the lead of Van Bottenburg and see that baseball
falls in Europe’s crucial “sportization” period while American football does not, thus giving baseball greater potential for having staying power in the European market. I, myself, am an optimist, a believer. It is with this optimism that I believe establishing a European based league, MLBeyond, could succeed. While there are obvious costs to be considered for expansion, I do believe the ends justify the means, with the revenue flowing in from Japan supporting this argument. As such, by launching two marketing plans to target the present and future success of MLBeyond, I believe the endeavor is given the greatest opportunity to succeed.

In the end, once the contracts have been signed, the teams have been moved, the schedules have been set, the promotional campaigns have been finalized, the commercials have been filmed, the print ads have been developed, and the advertisements have been put into distribution, MLBeyond would be left with but one thing to do in its expansionary journey: Play Ball!
References


Appendix 1

The contents of Table 1 are attributable to the following corporations, organizations, and websites.

(MIT Libraries)
(University of Iowa – German Department)
(Ciao Italy)
(All You Can Read)
(ARD)
(KI.KA)
(RAI)
(RTVE)
(Telecinco)
(Veronica)