

The challenges of producing popular sports contests: a comparative study of biathlon and cross-country skiing

Keywords

International Biathlon Union (IBU) International Ski Federation (FIS) stakeholder events marketing

Harry Arne Solberg

Professor, Trondheim Business School Sør-Trøndelag University College Jonnsvannsveien 82, N-7004 Trondheim, Norway Tel: +47 73 55 99 72 Email: harrv.solberg@hist.no

Dag Vidar Hanstad

Norwegian School of Sport Sciences, Oslo, Norway

Kari Steen-Johnsen

Norwegian School of Sport Sciences, Oslo, Norway

Peer reviewed

Abstract

This article analyses how different configurations of stakeholders create opportunities for the production of popular TV sports contests. Based on qualitative methodologies, biathlon and cross-country skiing are used as contrasting cases. The paper concludes that the relative success of the International Biathlon Union is due to a favourable network position in relation to stakeholders. By comparison, the International Ski Federation suffers from a weak position within a dense stakeholder network.

Executive summary

The aim of this article is to analyse how different configurations of stakeholders create opportunities for the production of popular TV sports contests. The key to financial success is attention in the media, and particularly on TV. In recent years, the competition between sports has grown fiercer and it has become important to identify stakeholder settings that are favourable to producing popular TV sports contests. This paper contributes to existing knowledge by comparing the developments of biathlon and cross-country skiing as TV products.

The paper combines qualitative and quantitative data. The qualitative data is based on two case studies of the respective developments of cross-country skiing and biathlon as media sports. Within each case, central stakeholders such as presidents, board members, athletes and journalists have been identified and interviewed. Various sources of second-hand data, covering consumer surveys, TV ratings and data on TV rights fees were also collected. This served to establish the relative success and development of the two sports.



The international governing bodies for cross-country skiing and biathlon have both tried to increase their sport's popularity among TV viewers. However, the internal processes within the two sports have been different.

Being in possession of the TV rights, the International Biathlon Union (IBU) has had a central role, with freedom to construct a portfolio of contests that the media and TV viewers have found attractive. The athletes and the media have been involved in this innovation process. This has given them and the stakeholders a sense of ownership of new competitions that has been a part of the innovation process.

Cross-country skiing has more established traditions than biathlon as a competitive and a commercial sport. Powerful event organisers with a long history already existed when an official World Cup was launched in 1982. Over the years, the event organisers have developed mature relationships with commercial actors such as the media and sponsors, and they have therefore been unwilling to hand over power to the International Ski Federation (FIS). In contrast to the biathlon, the TV rights for the World Cup competitions are sold by the event organisers, not by the international sport governing body (FIS). This seems to have reduced the ability of the FIS to promote cross-country skiing as effectively as the biathlon is promoted. In addition, interviews with representatives from the FIS and athletes document that the athletes have stood up as powerful stakeholders and resisted innovations in the competition programme. On occasion, athletes have even used boycott threats to have their own way. The paper also reveals that different attitudes between nations within the FIS have had a similar effect.

This paper uses a stakeholder network approach to shed light on the differences between the IBU and the FIS. It concludes that the IBU is in a situation of low density/high centrality, a favourable network position in relation to its stakeholders; the FIS has a position of high density/low centrality and suffers from a weak position within a dense stakeholder network.

Introduction

Sports contests have a number of characteristics that distinguish them from other goods and services. One of these is the uncertainty of outcome phenomenon (Neale, 1964). Although many spectators are fans of teams and individual athletes and want their favourites to win, they also find close contests more exciting than those that are dominated by one contender. According to NoII (1974), the more uncertainty in the results of the games, the higher the public demand for the sport. This requirement of uncertainty of outcome calls for cooperation between the actors involved in the production of sports contests. Another characteristic of sports contests is the joint nature of the production (Gerrard, 2000). In principle, it takes at least two athletes or teams to produce a contest; in reality, there are usually many more. The relationship between the contenders is best described as 'cooperative competition'. These two characteristics, the uncertainty of outcome and joint production, make sports contests different from other commodities.

As well as the athletes, the production involves a range of stakeholders such as local event organisers, national and international sports governing bodies, the media and sponsors. These actors will have different motives for being involved; they may also have conflicting interests with regard to organisation of the competitions and which instruments to use to make them exciting. Such disagreements can make it difficult to organise a contest in a way that maximises the TV audience.

The aim of this paper is to shed light on how different stakeholder compositions create different conditions for successful TV products. Biathlon and cross-country skiing are used as comparative sports. Since the late 1980s, both these sports have aimed at attracting more TV viewers and spectators. There are many indications that biathlon has been the more successful of the two. The reasons for this are analysed using stakeholder theory (Freeman, 1984). Special attention is paid to conflicting interests between the international sports governing bodies and



various stakeholders – such as the athletes, local event organisers and national sports governing bodies, and the consequences that these conflicting interests have had for the promotion of the sport.

The first section briefly outlines the theory of uncertainty of outcomes before describing the main theoretical framework of the paper – a combination of stakeholder theory and network theory (Rowley, 1997). After describing the methodology, the paper goes on to outline the recent history of the two sports, including changes made to competition programmes and their relative success in terms of TV audiences and revenues. Then follows analysis of how the FIS and the IBU have each sought to develop their sports as media products, and how their respective organisational positions have influenced their ability to do this. The final part of the paper uses stakeholder network theory in order to discuss how the IBU's relative success in relation to the FIS may be explained by characteristics of the two stakeholder networks, and the organisations' different positions within these.

Developing successful TV products – a stakeholder network perspective

The theoretical section of the paper consists of two parts. First, a multidimensional perspective on the uncertainty of outcomes is introduced. This makes it clear that the production of popular sports contests is complicated and requires a high level of interaction between stakeholders. Second, a perspective on stakeholder dynamics and power is introduced, with the network as a central element.

The uncertainty of outcome phenomenon has received substantial attention in the literature from sports economists (Borland, 2003; Downward & Dawson, 2000; El-Hodiri & Quirk, 1971; Kringstad & Gerrard, 2003; Neale, 1964; Szymanski, 2003; Szymanski & Kuypers, 1999). Although empirical results have been ambiguous about the precise importance of uncertainty of outcome to the popularity of a TV sport, there is no doubt that this does matter.

The uncertainty of outcome element can have

several dimensions. In team sports, it can apply to individual matches. It may also apply on a seasonal level and be related to winning a tournament or league, avoiding relegation or qualifying for play-offs or other international tournaments. Individual sports also have procedures which give the uncertainty of outcome several dimensions – for example, the World Cup series and similar competitions that take the results over a whole season. Some sports also organise supplementary competitions within the main contest – for example cycling races, where separate sprint and climbing contests are quite common.

The uncertainty of outcome has been given several dimensions with the aim of attracting larger audiences and hence generating higher revenues. It is well documented that popular sports contests can generate enormous revenues, particularly from the sale of TV rights and through sponsorship (Gratton & Solberg, 2007; Fort, 2003). However, achieving such objectives is conditional upon how the competitions are produced by the TV media and how they are organised.

First, there is the visualisation of the contest element. A close race in itself is of no value for spectators and TV viewers unless they are able to observe it. It is not enough to read about it in the next day's newspapers; achieving a certain quality of production is vital. Second, it is important that the best athletes are willing to participate in all contests. The more athletes and clubs that are involved in contests of importance, the easier it is for the event organisers to sell the products. As an example, a World Cup series will lose its prestige if top athletes give priority to the Olympics and World Championships and only participate in a few World Cup races.

To fulfil the conditions of achieving high-quality production and of recruiting the best athletes, the owners of the product are dependent on coordinating and balancing the relations between hosts of stakeholders. Stakeholder theory is much used within research on sports events (Friedman & Parent, 2004; Parent, 2005; Parent & Benoit, 2007). In a widely



used definition, Freeman (1984, p.46) defines a stakeholder as "any group or individual who can affect or is affected by the achievements of the organisation's objectives". This is a broad definition, which has been contested by authors who seek more narrow, precise definitions of stakeholders, for example by requiring that a stakeholder group or individual must have direct relevance to the organisation's core economic interests (Clarkson, 1995). This paper is based on a broad definition of stakeholders, which seems suited to a situation where different stakeholders have very different types and degrees of claims on the organisation of cross-country skiing and biathlon (Mitchell et al, 1997).

In an argument for integrating stakeholder theory with network theory, Rowley argues that stakeholder theory has been too concerned with defining who is a stakeholder and with classifying individual stakeholder relationships (Rowley, 1997). As a consequence, the dynamic inter-relationships between different stakeholders are not captured. In Rowley's argument, the stakeholder tradition is thus incapable of grasping the real dynamic of how organisations respond to a multitude of stakeholder influences. Rowley (1997) seeks to address this gap by defining stakeholder power in terms of network structure and position and by analysing how aspects of an organisation's stakeholder network, namely network density and the focal organisation's centrality, influence its degree of resistance to stakeholder pressure. This paper is based on this combined perspective. The international sports governing bodies of the IBU and the FIS represent the 'focal organisation', while the local event organisers, athletes, the media, sponsors and national sports governing bodies are the 'stakeholders'.

Density is a characteristic of the whole network and measures the relative number of ties in the network that link the actors together. This is calculated as a ratio of the number of relationships that exist in the network (stakeholder environment) to the total number of possible ties if each network member were tied to every other member. A complete network is one in

which all possible ties exist. In this context, we can imagine that individual event organisers establish relations with one another that do not go through the international sports governing body. Likewise, athletes can communicate internally, for example, by establishing their own unions, which are independent of the international sports governing bodies. If we regard all individual actors as separate stakeholders, and these are tied together, then the network density will be close to 1.

Centrality refers to an actor's position in a network relative to the others. In contrast to power gained through individual attributes, centrality refers to power obtained through the network structure. Similar to formal power, which can be defined by a hierarchical position, network centrality implies a position of status. Social network literature distinguishes between three types of centrality, each corresponding to a different aspect of an actor's positional status: degree centrality, closeness centrality, and betweenness centrality. These are measures of an actor's number of direct ties to the other actors, independent access to other, and control over other actors, respectively (Brass & Burkhardt, 1993).

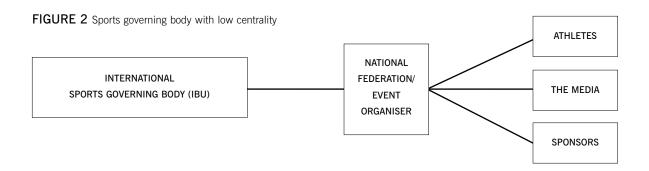
Degree centrality is defined as the number of ties an actor has with other actors in the network. The idea behind degree centrality is that players 'well connected' in their local environment – in terms of having many relations – will have access to many alternative sources of information, resources and so forth.

Closeness centrality defines an actor's ability to access independently all other members of the network. Frooman (1999) associates closeness centrality with efficient communication, stating that closeness means fewer message transmissions, shorter times and lower costs. One can measure an actor's closeness centrality by summing the lengths of the shortest paths between him or her and all other actors (Wassermann & Faust, 1994).



FIGURE 1 Sports governing body with high centrality





Betweenness centrality is similar to closeness centrality, since both measures consider access to other actors, but it is based on the viewpoint of an intermediary actor who is positioned between other actors, rather than the standpoint of the transmitting and recipient actors. Actors with high betweenness centrality are brokers or gatekeepers in the sense that they facilitate exchanges between less central actors (Scott, 1991). It is the extent to which an actor has control over other actors, independent access to others, and control over other actors respectively.

The most central actor(s) have the shortest

aggregate distances to all other actors and can reach other actors, through a minimum number of intermediary positions. The central actor is therefore dependent on fewer intermediary positions than the peripheral actor (Brass, 1984). All stakeholders must go through the most central actor to communicate or exchange resources with other parts of the network. An actor possessing low closeness centrality is highly dependent on other actors to access other regions of the network. An actor that is close to all others can disseminate information quickly throughout the network (Rowley, 1997). As the focal organisation's



TABLE 1 A structural classification of stakeholder influences: organisational responses to stakeholder pressures (Rowley, 1997)

		CENTRALITY OF THE FOCAL ORGANISATION	
		HIGH	LOW
DENSITY OF THE STAKEHOLDER NETWORK	HIGH	COMPROMISER	SUBORDINATE
	LOW	COMMANDER	SOLITARIAN

centrality increases, its ability to resist stakeholder pressure also increases, and a highly central focal firm might be able to resist all stakeholder pressures.

The models in Figures 1 and 2 are adaptations from Rowley (1997) and illustrate two sports governing bodies whose ability to influence will be different. The governing body in Figure 1 is in a powerful position due to high degree centrality and also high betweenness centrality. All contacts with local event organisers, the media and sponsors have to go through these, and it is only one step away from the stakeholders.

This is fundamentally different from the situation in Figure 2 where the event organiser is more powerful, and at the cost of the sports governing body. Here the event organiser is the most central actor, only one step away from the other actors. Furthermore, the event organiser can also benefit from high betweenness centrality, because the other actors have to communicate through him or her.

Table 1 illustrates how the centrality of the focal organisation and the density of the stakeholder network influence the distribution of power between them. In a situation of high density/high centrality, stakeholders are able to constrain the focal organisation, while a highly central focal organisation is able to resist stakeholder pressures. Stakeholders can coordinate their efforts to monitor and sanction the focal organisation, and the focal organisation can influence the formation of expectations. The focal organisation faces an uncertain environment, since its stakeholders are capable of forming a strong, unified force against it.

A centrally located focal organisation facing a densely connected set of stakeholders will want to

decrease the degree to which its stakeholders could exercise their ability to change the organisation's behaviour. Stakeholder pressures, especially unforeseen demands, could disrupt the organisation's performance. As a result, the focal organisation will become a compromiser, attempting to balance, pacify and bargain with its influential stakeholders (Oliver, 1991). The goal of a compromiser is to negotiate a mutually satisfactory position, which at least minimally appeases stakeholder expectations, and to achieve a predictable environment in which stakeholders are unlikely to oppose its actions collectively.

Under high density/low centrality the focal organisation is in a vulnerable position. The network structure allows for efficient communication between stakeholders, and the focal organisation is unable to influence the information exchange process from its peripheral position. A focal organisation holding a peripheral position in a high-density network will become a subordinate to its well organised stakeholders and not be in a position to resist stakeholder pressures (Rowley, 1997; Oliver, 1991).

Under low density/high centrality conditions, the focal organisation is able to resist stakeholder pressures. Stakeholders that are not united in their pressure on the organisation will become passive and unable to exert unified pressure on the focal organisation. The relative power balance shifts in favour of the focal organisation, which can adopt a commanding role, attempting to control stakeholders' behaviours and expectations.

In a low density/low centrality situation, the focal organisation is unable to manipulate established norms. It does not occupy an influential position in the



network, and will adopt the role of a solitarian, attempting to avoid stakeholder pressures.

Stakeholder network theory permits an interactive analysis of characteristics of networks and of positions within such networks. We have already indicated that the FIS and the IBU participate in different types of networks and hold different positions within them. As the empirical data shows, this difference in organisational structures has consequences for the possibilities for change in TV sports products.

Methodology

The paper combines qualitative and quantitative data. The qualitative data is based on two case studies of the respective developments of cross-country skiing and biathlon as media sports. For each case, central stakeholders have been identified and interviewed. At the level of the international sports governing bodies, interviews with representatives of the IBU and the FIS have been conducted, among them Anders Besseberg, president of the IBU; Sverre Seeberg, member of the Council of the FIS and chairman of the Norwegian Ski Federation; Odd Martinsen, chairman of the Cross-Country Committee of the FIS from 1986 to 2002; and Vegard Ulvang, chairman of the same committee since 2006 and a member since 1997.

At the national level, the Norwegian Biathlon Association (NSSF) was researched most extensively as part of a larger in-depth study into the development of this association. Key personnel were interviewed (the president, the general secretary and the head of development). A number of athletes (n = 15) in the national team were also interviewed, and fieldwork was conducted in which the national team was followed during the World Championship in 2005. The interviews with the Norwegian Ski Association (NSA) were conducted especially for this paper, and included the current chairman and a former athlete who was a central person at the national team during the 1990s.

Among other relevant stakeholders, one interview was carried out with a TV journalist who had been central to the Norwegian TV productions of both biathlon and cross-country skiing since the 1980s.

Finally, various sources of second-hand data were also collected, covering consumer surveys, TV ratings, TV rights fees, sponsorship deals and prize money paid to competitors. This was supplemented with data from newspaper articles and other sources. The combination of qualitative and quantitative methods enables us to analyse the topic more thoroughly than would have been possible by means of a single method (Silverman, 2001).

The development of biathlon and cross-country skiing as TV sports

Cross-country skiing became an Olympic sport in 1924, and was dominated by the Nordic countries for several years, and later by the Soviet Union. The World Cup was unofficially introduced in 1973/74 and became official in 1982. The modern winter biathlon has a shorter history and was introduced in 1955 in Macolin, Switzerlandi. As with cross-country skiing, the Nordic countries and the Soviet Union dominated the sport during the early years. It became an Olympic sport in 1960, and an official World Cup was inaugurated in 1978.

Both sports have enhanced their geographical territory, and this is reflected in the distribution of medals in international championships. Three nations won medals in the 1991 Biathlon World Championship and nine in the 2005 championship. In cross-country skiing, the number of countries winning medals increased from five to nine in the same period. Biathlon has become a very popular TV sport, and in 2002 it was the most watched winter sport in Europeii.

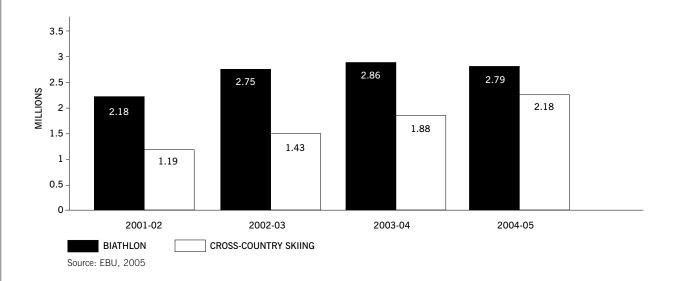
In the following we present the developments in competition programmes, spectator popularity and

i http://www.biathlonworld.com/eng/history/page 000085.htm

ii Source: ESPN,2002. Retrieved 29 April 2006 from: http://sports.espn.go.com/oly/winter02/xcountry/feature?id=1303976



FIGURE 3 Average TV audience World Cup competitions, Germany (millions)



financial revenues within the two sports. Data from Germany and Norway, which represent two core markets for these sports, are used to illustrate development trends.

Competition programme

Both sports have undergone major changes since the 1990s. In cross-country skiing, this process started in the 1990s and continued into this century. Cross-country skiing had one (classical) style until the 1980s, when free style was introduced. Historically, all individual contests were based on sequential start procedures, with competitors starting every 30 seconds. Since early in the 1990s, new contests such as sprint, mass start, pursuit start and duathlon have been introduced. As a consequence of these developments the numbers of competitions have increased significantly, from two in the 1924 Winter Olympics in Chamonix to 12 in the 2006 Winter Olympics in Turin.

Biathlon has undergone a similar development, from a single contest in the inaugural 1960 Olympics to 10

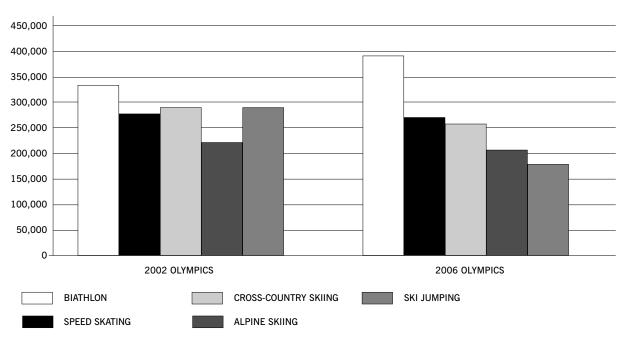
in the 2006 Turin Olympics. Pursuit start and mass start were introduced in World Championships in the 1990s. Shooting procedures have also been modified in order to improve the view of the standings during the race.

Development as TV sport

The promotion efforts seem to have paid off in terms of TV exposure and revenue generation, as illustrated. Figure 3 shows a growth in the TV ratings for World Cup competitions in Germany for both sports in the period 2001 to 2005, with the exception of a minor decrease for the biathlon in the last year. Biathlon was the second most popular sport over the whole period, and enjoyed a 9% increase in TV viewers. Crosscountry skiing had the strongest growth, and climbed from (joint) fifth to third during the same period. The biathlon World Cup competitions achieved an average market share of 22.6% (2004/05) and 22.1% (2003/04), while the equivalent percentages for cross-country skiing were 18.4% (2004/05) and 18.6% (2003/04). For biathlon, the positive



FIGURE 4 IFM-Index ratio of transmission duration to reached audience



The IFM-index combines the rating figures and the duration for the specific sports programmes. Retrieved 5 May 2006 from: http://www.apf.at/apf/hp.nsf/47587915C0A67B8AC1256DD0004FAC69/\$File/BWC%20VKP0607%20E.pdf

development continued during the first part of the 2005/06 season after the small decline in 2004/05.

Figure 4 illustrates the ability to reach TV audiences during the Winter Olympics in 2002 and 2006. It is based on ratings figures and the duration of the programmes for the specific sports, and it confirms biathlon's leading position in the German market. Cross-country skiing was rated second in 2002 and third in 2006. Biathlon enjoyed a positive growth of 15% in viewers from 2002 to 2006, while all the other sports experienced a decrease. Figures 5 and 6 are based on consumer surveys measuring the interest for various winter TV sports in Germany. The results document biathlon's leading position; cross-country skiing is fifth. Figure 5a refers to the respondent's personal 'top two' winter sports, and

shows that one in two mentioned biathlon while one in four mentioned cross-country skiing. Figure 6 confirms biathlon's superiority and shows that while one in three was very interested (level 6) in biathlon, only one in nine was very interested in cross-country skiing.

Surveys from Norway documented a similar pattern, as illustrated in Figures 7 and 8. The 2003/04 biathlon World Cups attracted the highest TV audiences ever, and the sport enjoyed an increase of 7% over the entire period (17% up to 2003/04). For cross-country skiing, the ratings were lower for every year following the 1999/2000 season except for the 2004/05 season, when they were unchanged from the previous season.

Biathlon was ranked as the sixth most popular TV



FIGURE 5 Popularity of winter sports, Germany

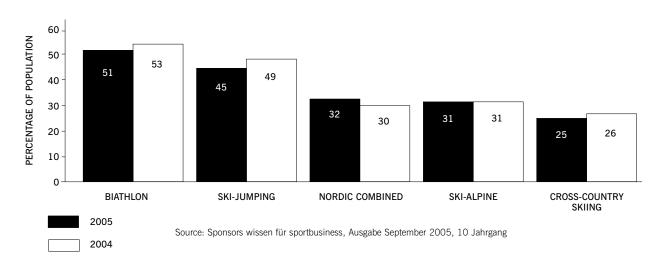
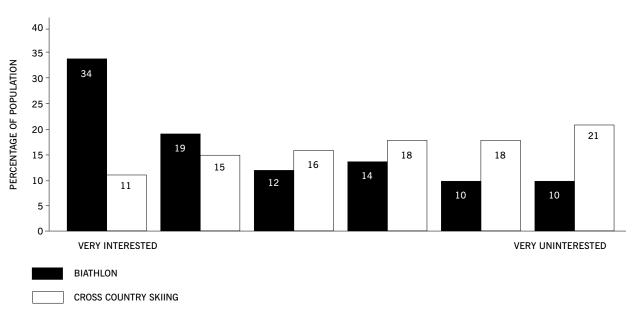


FIGURE 6 Interest in biathlon and cross-country World Cup 2005 (Germany)



Source: Sponsors wissen für sportbusiness, Ausgabe September 2005, 10 Jahrgang. Retrieved 30 June 2006 from: http://www.apf.at/apf/hp.nsf/_/2FA94DB1CE8995A9C1256C590031DE50?opendocument http://www.apf.at/apf/hp.nsf/_/0B6E23B826197CE3C1256D9C00418F1C?opendocument



FIGURE 7 TV viewers World Cups in biathlon and cross-country skiing, Norway

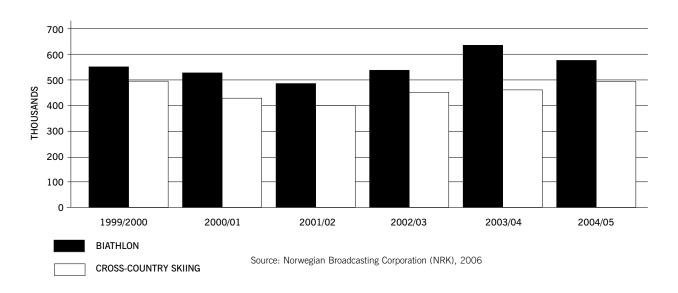
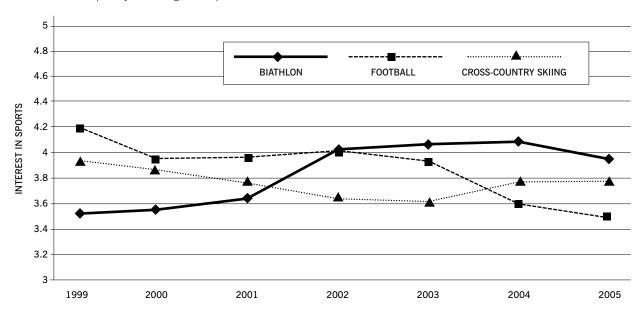


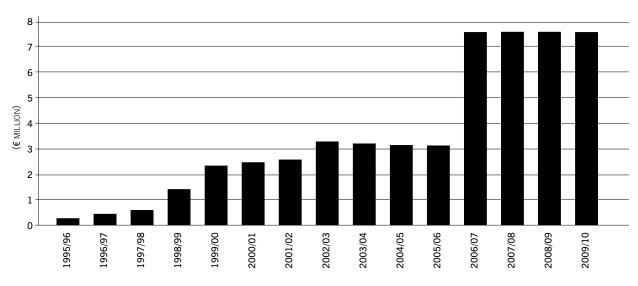
FIGURE 8 Popularity of Norwegian TV sports



Source: MMI Sponsoring, 2005



FIGURE 9 TV revenues IBU (€ million, 2005)



Source: IBU, 2005

sport in 1999, but climbed to the top of the popularity ladder in 2002, a position it has held since then, according to Figure 8. Cross-country skiing held the number one position until 2001, but has been overtaken by biathlon and soccer in recent years. Other surveys have documented a similar pattern, with biathlon at the top of the popularity ladder (Solberg, 2002; Hammervold & Solberg, 2006).

Financial revenues

Biathlon has experienced an enormous growth in TV rights since the early 1990s, as shown in Figure 9. Some contracts have had a duration of several years, but the annual real value may have declined due to inflation.

The European Broadcasting Union (EBU) has always acquired the biathlon rights, but has met fierce competition from rival bidders in recent years. This competition was the main reason for the increase in the rights fee from 2006. ARD and ZDF, the two German national broadcasting services, are the guarantor of the new deal and will shoulder the bulk

of the cost, paying at least 50% of the rights fee (TV Sports Markets 9(10), p.5).

It is difficult to present similar data for cross-country skiing TV rights, since these have been offered in packages which also cover ski-jumping. In comparison to biathlon, the World Cup skiing rights are sold individually by each local event organiser. The FIS only sells the World Championship rights. Nevertheless, one finds several indications of the biathlon being the more successful of the two in terms of revenue generation. For the TV deal from 2007 to 2011, the German skiing association will receive an annual payment of about €14 million for the first three seasons, and €15 million for the final season. This represents a slight reduction from the previous deal, where it received €15 million annually (TV Sports Markets, 2007, 11(10), pp.5-7). European fees were set to fall for the World Championships in the last round of negotiations with the EBU. The EBU had agreed in principle to pay less for the 2011 and 2013 championships than the €97 million it paid for the 2007 and 2009 event, but some EBU members



became concerned about competition from private broadcasters, raising the fee to €121 million. However, the competition never materialised (*op. cit.*).

Both cross-country skiing and biathlon have gone through extensive changes in their competition programmes since the 1990s. Many of these changes have gone towards enhancing the uncertainty of outcome effect, by introducing shorter races and races where the first person to cross the finish line wins the competition. Despite this similarity in development, TV ratings figures and the financial revenues deriving from TV rights in the two sports indicate that biathlon has become the more successful TV product since the turn of the century. It is argued that this can be explained by the respective power of the product owners, i.e. the international sports governing bodies, the IBU and the FIS. More specifically, their different positions in stakeholder networks have given them different degrees of opportunity to shape the visual TV product and to integrate elite athletes into the joint effort of production.

The shaping of a successful TV product – analysis of underlying elements

Three elements are essential to the TV product. One is the production of the TV transmission: to what degree it allows for TV audiences to experience the uncertainty of outcome, by the timing of clips and results. The second element is the competition itself, with the uncertainties of outcome that it implies. According to the perspective of this article, the context of the competition – i.e. a World Cup series – is also important in creating this uncertainty of outcome. Hence, the third element concerns the athletes' willingness in contributing to making the World Cup a viable product. In this section we will show how the FIS and the IBU have worked to create good TV productions and interesting competitions, and how they have tried to integrate athletes into developments.

The production of TV transmissions

Cross-country skiing has a long history and this includes event organisers that over the years have become powerful stakeholders. Among them, first and

foremost, are the organisers of the ski festivals of Holmenkollen (Oslo, Norway), Lahti (Finland) and Falun (Sweden). For several decades these were the major events in addition to the Olympic Games and the World Championships. These, and some newcomers, have not been willing to hand over their power to the FIS. The chairman of the NSA and member of the council of the FIS stated:

"Remember there are many traditional event organisers in cross-country skiing. In cross-country and skiing in general, the FIS has the rights for the World Championships, while it is the national associations that can sell the rights for the World Cup."

In most cases there is also a close association between local event organisers and the national federations. This means that separate national federations have their own power base in relation to the international sports governing body, the FIS.

In biathlon, with its considerably shorter history, things are different. Early in the 1990s the IBU assumed control over TV right deals for World Cup competitions as well as the World Championship rights, so the IBU did not have to negotiate with powerful stakeholders such as event organisers. The difference between the IBU and the FIS in this respect is spelled out in the interview with Ulvang, a former elite athlete and current leader of the cross-country committee and a longstanding member of the FIS athletes' committee:

"Some events are solved differently in biathlon and cross-country skiing. Among other differences, there is the difference with regards to the World Cup, where the IBU is the initial TV right holder. This has been possible because biathlon has a shorter history as a commercial sport than cross-country skiing. Biathlon did not have traditional event organisers that had organised international events since the early or mid 20th century. Therefore, it was easier for the IBU to get control."



The IBU has used this control strategically to choose its broadcasting partners. One principle has been to ensure that the same broadcasters are given the rights to all the World Cup events during the season. A second principle is to prioritise public broadcasters. By selling production rights to the EBU, the IBU ensures that the World Cup is delivered by public broadcasters in the different European countries. According to the president of the IBU, this is an important principle in order to make the sport accessible to the widest possible audience. Finally, the IBU has also required that the same producers are involved in all productions during a season, to ensure quality. According to the Norwegian TV commentator in our study, this has been important in creating highquality productions over time.

By comparison, the FIS was not in a position to control which broadcasters had the rights to cross-country transmissions. Each national federation negotiated its own agreement, and in some cases the financial aspects of the agreement were prioritised over quality. Moreover, the World Cup was distributed between different channels during a season, and there was no continuity on the production side. Hence, the quality of transmissions has varied significantly.

The control of the IBU over TV rights has put this international sports governing body in a position where it can ensure certain principles in the production of the biathlon as a TV product. As we shall see, the control position of the IBU has also had consequences for the development of the competition programme when compared to the position of the FIS.

Development of the competition programmes within cross-country skiing and biathlon

When a new competition programme was developed in biathlon, the IBU and the president, Besseberg, took a leading role. However, this was done as a process of involvement, which Besseberg describes thus:

"Regarding mass start in biathlon, several alternatives were considered, and the TV broadcasters were included, as they were when the pursuit start was designed. Indeed, they were not the only ones, as the pattern of this process is typical for most of what is happening in biathlon. The key word is involvement, and hence joint responsibility. I spoke to many of the involved parties during this process, among others to athletes, TV commentators, sponsors and journalists. We listened to their suggestions and used them before constructing the final design."

What is important to note is that the IBU was in a position to take the lead in the process and to coordinate the viewpoints of a range of stakeholders.

In the FIS, disagreements between national federations, in particular in the Scandinavian countries and Finland and in Central Europe, were a problem to the process of changing the competition programme. They involved the views on 'mass start versus sequential start' and also on the length of sprint distances. Central Europeans have preferred short sprint distances, while the Nordic countries preferred long distances in order to make sprint competitions attractive for all-round athletes. These differences were confirmed by the FIS representatives Ulvang and Martinsen:

"Discussions have revealed a major difference between the Nordic countries and Central Europe. In the Nordic countries we have been accustomed to long [races of] 50 kilometres [and to] measuring 'intermediate times', while Central Europeans have their background in cycling and athletics. Young people of today do many things while watching TV. A mass start is easier to watch in a superficial way, while individual start requires more concentration." (Vegard Ulvang)

When sprint was introduced, the Nordic countries, and particularly Norway, argued that the distance should be as long as possible.

"The reason for this was to prevent the sport becoming divided and specialised. However, the Central Europeans saw their chance with the



introduction of sprint and wanted the distance to be as short as possible. They saw their chance for cross-country skiing to have a breakthrough as they thought that the Scandinavians were slower and easier to beat than in traditional cross-country skiing. A compromise was reached, with a sprint distance between 1,200 and 1,500 metres." (Odd Martinsen, current leader of the FIS competitive committee)

These two citations clearly indicate that the FIS has had to negotiate between strong stakeholders within its own organisation. The different national federations have had the power to fight for their own interests, and the FIS has not had the measures of control to take a clear leading role in developments.

An additional issue for the FIS was that many athletes and their coaches were very negative about changing the competitions, for example by introducing mass start and pursuit start. Pursuit start was tested in 1987 and 1988, but many athletes disliked it. Snowy weather conditions on the second day could represent a disadvantage for the winner of the first day's race and also prove to be a disadvantage for racers who not were as good competing head to head as they were when starting sequentially. In 1989 the athletes managed to stop a World Cup race due to the FIS plans to introduce a 'wave-start' system, with five skiers starting together. A similar incident occurred the following season, when the athletes forced the FIS to cancel plans to introduce pursuit start in the 1991 World Championship. Seeberg, chairman of the Norwegian Ski Association and member of the Council of the FIS, stated:

"While representatives of the FIS have worked on adjusting the sport for spectators and TV viewers, the competitors have resisted it. Therefore the process has taken more time."

Ulvang, triple Olympic Champion in Albertville 1992, was one of the most active in the dispute with the leaders of the FIS. He is currently chairman of the FIS cross-country committee:

"The competitors have more or less always opposed altering the existing [system], which also was the case during my career. We, the competitors, were not involved at all. The biggest problem occurred with the suggestion to introduce the wave start in December 1989.... A meeting between the competitors gave full support to a boycott of the new arrangement. The support was massive... The boycott was a reaction to competition procedures which we disliked, but first and foremost we reacted to the way they were introduced. The FIS cross-country committee made their decisions without consulting the athletes."

Such problems have not occurred in the biathlon. One reason for this is that the athletes were involved in the preparations of innovations such as pursuit start and mass start before they were introduced in championships. Hence the biathletes adopted positive attitudes towards the new competitions. In addition, coaches, journalists and other key figures were involved in these processes. Furthermore, new starting procedures were tested at unofficial events before being adopted in World Championships, World Cups and the Olympic Games.

The biathletes revealed more positive attitudes than the cross-country skiers. Ole Einar Bjørndalen (five times Olympic Champion and winner of the World Cup) stated:

"The biathlon has gone through a rapid development during the last 10-15 years. As for the competition programme, I believe we have found a lasting design. There should not be any changes made for the sake of change."

Halvard Hanevold (twice Olympic champion):

"Some important developments have taken place involving the biathlon, but without the sport being adversely affected."



In summary, the IBU has shown a greater ability than the FIS to promote change in the competitive programme. This has been made possible through a combination of being in control of central resources (the TV rights) and use of their intermediary position between stakeholders. The FIS, on the other hand, has not been in control of TV rights, and its development of the competition programme has been characterised more by dispute. Negotiation between the various stakeholders has been less possible, which is most clearly expressed through relations with the athletes. This state of affairs has also had consequences for the support by athletes of the biathlon and the cross-country World Cups.

The prestige of the World Cup

The main objective of the World Cup was to enhance the uncertainty of outcome through a seasonal dimension. To achieve this, however, the best athletes would need to participate as often as possible in World Cup competitions. History indicates that biathletes have taken the World Cup more seriously than cross-country skiers. This was illustrated during the 2005/06 season, when both sports hosted 24 World Cup events. In the biathlon, the top 10 male athletes participated in 21 events on average, while the top 10 male cross-country skiers participated in only 11. According to Seeberg, weak participation in the World Cup is a problem for the FIS:

"We [the FIS] have toiled with the problem of competitors not participating in enough races. The World Cup product is being devalued if the best competitors do not participate. In the long run, there is a risk that the World Cup competition would be discontinued."

Ulvang makes a similar point:

"If we are unable to create an attractive World Cup, cross-country skiing will continue being a great sport – but not an interesting TV sport." Consequently, the World Cup's prestige has been reduced. In turn, this has reduced its ability to enhance the uncertainty of outcome dimension. The disagreements have also made it difficult to promote cross-country effectively. Although many athletes have shared the goal of promoting the sport, the international 'cross-country family' has not stood united behind innovations. The conflict of views has reduced the ability to reorganise contests to align them more closely with audience preferences, despite this being necessary for increasing popularity.

Discussion

The empirical data presented in this paper indicate that the biathlon has been more successful than cross-country skiing in terms of growth in popularity and revenue generation over the past two decades. One major reason for this has been the different positions of the two sport governing bodies, the IBU and the FIS. The position of the IBU corresponds with the situation described in Figure 1, where the focal organisation is powerful and the stakeholders are less influential.

Biathlon has been in a position of 'low density/high centrality'. The IBU has been an influential focal organisation, and neither the athletes nor the event organisers have stood up as powerful stakeholders against the IBU. This has allowed the IBU to tailor competitions to make them attractive for the media, particularly TV. The best athletes have participated in (almost) all World Cup races. This has made the competition prestigious and, in turn, given the uncertainty of outcome an extra dimension - in addition to the specific race. The biathletes have accepted the changes in the contests. One reason for this is that they have been involved in the planning and preparations of new competitions. The interviews indicate that the IBU listened to their views before introducing modifications to competitions. This seems to have reduced the motive to use their own 'union', the Athletes Commission, as a powerful stakeholder against the IBU.

The FIS has toiled with influential athletes who have



been unwilling to alter competitions. The model in Figure 2 best describes the situation of cross-country skiing. The FIS has found itself in a position of a low degree of centrality, while the close ties between the athletes have created a high degree of density. The athletes have stood up as a powerful stakeholder, and have on several occasions resisted changing the events. This was illustrated by their success in preventing the introduction of new competitions through the threat to boycott World Cup competitions. The interviews also provide other examples where athlete power was used. To summarise, the FIS has been given a role as subordinate - or at best a compromiser – and hence found it difficult to take a stand against influential athletes and local event organisers (Oliver, 1991).

Another reason for the different attitudes between biathletes and cross-country skiers could be that the shooting element can have great influence on the order in a biathlon race. This reduces the relative importance of other factors, such as start procedures. This may also explain why biathletes have been more positive towards innovations such as the mass start than cross-country skiers. However, the fact that cross-country skiing does not have this dimension makes it important to extend the uncertainty of outcome by other features. Hence, internal disagreements may have 'punished' the sport harder than they would have punished biathlon.

Another major difference has been seen in the positions of local event organisers. Cross-country skiing has long traditions. Consequently, powerful event organisers with a long history already existed when the official World Cup was introduced. Over the years, these stakeholders had established long-term relationships with commercial actors, such as TV broadcasters and sponsors. Therefore, they were unwilling to provide the FIS with the same power as the IBU. As an example, the event organisers have sold the TV rights for World Cup competitions in cross-country skiing. In reality, there will be many event organisers, not only one, as Figure 2 indicates, and they will not have the same motives as the sports

governing body to standardise the contests in order to promote the World Cup.

Biathlon had a short history when the official World Cup was introduced. Therefore, the IBU gained more power than event organisers (compared to crosscountry skiing). This enabled them to standardise competitions in order to promote the World Cup. Furthermore, the IBU has always sold the TV rights for World Cup competitions and the World Championship.

An attractive World Cup can also reduce the prize money and hence save costs for event organisers, since athletes aiming to win the World Cup would have to participate in as many events as possible. Representatives of the FIS have on several occasions argued in favour of centralising the sale of the World Cup rights, as they believe that this would help market the sport, through increased exposure and by boosting revenue (TV Sports Markets 9(21), p.1).

In summary, cross-country skiing seems to be ridden with conflicts between individual and collective rationalities. It is likely that a reorganisation of the contests would have increased the sport's popularity among TV viewers. In turn, this would also have increased the revenues to be shared between the actors involved in the organisation of the competitions. However, the problem has been that some of these actors are better off with the current system if alternative systems introduced increase the power of the FIS and put them at personal financial disadvantage.

Conclusion

This paper has revealed that organising sports contests in a way that maximises their popularity can prove difficult if the production involves stakeholders with different interests. It has illustrated the advantages of standing united as a homogeneous organisation when adaptations of the products are required, but it also makes clear that certain factors can make it difficult to launch necessary innovations.

Sports fans in general prefer close contests, with a high degree of uncertainty of outcome. However, a



close competition is of no value unless spectators and TV viewers are able to get a good view of it.

Biathletes have stood united behind the innovations aiming to increase the popularity of their sport. The IBU has been a central and powerful actor, and has avoided conflicts with powerful stakeholders such as athletes and local event organisers. In cross-country skiing things have been different: severe internal disagreements between the competitors and the FIS have delayed innovation. Biathlon has also been more successful than cross-country skiing in using the World Cup to give the uncertainty of outcome a seasonal dimension.

The contribution of stakeholder network theory in analysis of the organisational conditions for enhancing media products is that it combines information about individual positions in the network with characteristics of the network itself. For example, the FIS' difficulties in positively engaging athletes in changes to competition programmes must be understood both through the FIS' low degree of centrality and through the density of the athlete network. Likewise, the IBU's successful role must be understood as a result of its centrality within a dense network where close interaction in promoting change is made possible.

The importance of establishing favourable organisational situations is manifest through the changing situation in European TV markets. In addition to declining rights fees, TV audiences across Europe are much lower than they were several years ago. According to one senior skiing rights executive, if these problems are likely to continue, skiing could go the way of tennis and athletics in disappearing from Europe's television screens, unless changes are made to how the sport's major events are organised (TV Sports Markets 11(10) pp.5-7).

There is a need for more research that might clarify the organisational conditions required for promoting the necessary changes. Research should aim to provide more in-depth analysis of how sports can promote themselves effectively. This, among other things, also requires more consumer surveys on the factors which influence people's interest in viewing sport on TV.

Biographies

Harry Arne Solberg is a professor at Trondheim Business School at Sør-Trøndelag University College. His research interests are the economic impacts of sport and sporting activities, with specialisation in sports broadcasting and sporting events. Within this field he has published around 20 articles in refereed journals and several book chapters. In addition, he has published, with professor Chris Gratton, The Economics of Sports Broadcasting. He is a member of the editorial boards of the International Journal of Sport Finance and European Sport Management Quarterly.

Dag Vidar Hanstad is a PhD candidate in the Department of Cultural and Social Studies at the Norwegian School of Sport Sciences. His research interests include sports politics, doping, media and organisational change.

Kari Steen-Johnsen holds a post doctoral scholarship at the Norwegian School of Sport Sciences. Her research interest is in the dynamics between civil society organisations and society. Her most recent work deals with organisational change within national sports organisations, with a particular view of the interplay between internal and external forces in producing change.

References

Borland, J. (2003) Demand for sport, Oxford Review of Economic Policy 19, 478-502.

Brass, D.J. (1984) Being in the right place: a structural analysis of individual influences in an organisation, Administrative Science Quarterly 29, 518-539.

Brass, D.J. & Burkhardt. M.E. (1993) Potential power and power use: an investigation of structure and behaviour, Academy of Management Journal, 36, 441-470.

Clarkson, M.B.E. (1995) A stakeholder framework for analysing and evaluating corporate social performance, Academy of Management Review 20, 92-117.







Downward, P. & Dawson, A. (2000) The Economics of Professional Team Sports. London: Routledge.

El-Hodiri, M. & Quirk, J. (1971) An economic model of a professional sports league, Journal of Political Economy 79, 1302-1319.

Fort, R. (2003) Sports Economics. Prentice Hall, Pearson Education.

Freeman, R.E. (1984) Strategic Management: a Stakeholder Approach. Boston: Pitman.

Friedman, M. & Parent, M.M. (2004) Building a framework for issues management in sport through stakeholder theory, European Sport Management Quarterly 4, 170-190.

Frooman, J. (1999) Stakeholder influence strategies, Academy of Management Review 24, 191-205.

Gerrard, B. (2000) Media ownership of pro sport teams: who are the winners and losers?, International Journal of Sports Marketing & Sponsorship, 199-218.

Gratton, C. & Solberg, H.A. (2007) The Economics of Sport Broadcasting. London: Routledge.

Hammervold, R. & Solberg, H.A. (2006) TV sports programs – who are willing to pay to watch, Journal of Media Economics 19, 147-162.

Kringstad, M. & Gerrard, W. (2003) 'The concepts of competitive balance and uncertainty of outcome' in Papanikos, G.T. (ed.) The Economics and Management of Mega Athletic Events: Olympic Games, Professional Sports and Other Essays. Athens, Greece: Atiner.

Mitchell, R.K., Agle, B.R. & Wood, D.J. (1997) Towards a theory of stakeholder identification and salience: defining the principle of who and what really counts, Academy of Management Review 22, 853-886.

MMI Sponsoring (2005) Sponsorbarometer 2005 – oppsummeringsrapport. Olso, Norway: MMI Univero.

Neale, W. (1964) The peculiar economics of professional sports, Quarterly Journal of Economics 64, 1-14.

Noll, R.G. (1974) 'Attendance and price setting', in Noll, R.G. (ed.) Government and the Sports Business, 115-57. Washington, DC: Brookings Institution.

Oliver, C. (1991) Strategic responses to institutional processes, Academy of Management Review 16, 145-179.

Parent, M.M (2005) Large-scale sporting events: organising committees and stakeholders. Unpublished doctoral thesis, University of Alberta, Edmonton, Canada.

Parent, M.M. & Benoit, S. (2007) Factors that led to the drowning of a World Championship organising committee: a stakeholder approach, European Sport Management Quarterly 7, 187-212.

Rowley, T. J. (1997) Moving beyond dyadic ties: a network theory of stakeholder influences, Academy of Management Review 22, 887-910.

Scott, J. (1991) Social Network Analysis: a Handbook. Thousand Oaks, CA: Sage.

Silverman, D. (2001) Interpreting Qualitative Data (2nd Edn). London: Sage.

Solberg, H.A. (2002) The European Commission's Listed Events Regulation – over reaction?, Culture, Sport, Society 5(2), 1–28.

Sponsors (2004) Ausgabe, September, 9. Jahrgang, 9.

Sponsors (2005) Ausgabe September, 10. Jahrgang, 13.

Szymanski, S. (2003) The assessment: the economics of sports, Oxford Review of Economic Policy 19, 467-477.

Szymanski, S. & Kuypers, T. (1999) Winners and Losers. London: Viking.

TV Sports Markets (2005) 9 (10), 5.

TV Sports Markets (2005) 9 (21), 1.

TV Sports Markets (2006) European TV and Sports Rights 2006. London: TV Sports Markets.

TV Sports Markets (2007) 11(10), 5-7.

Wassermann, S. & Faust, K. (1994) Social Network Analysis: Methods and Applications. New York: Cambridge University Press.

Copyright of International Journal of Sports Marketing & Sponsorship is the property of International Marketing Reports Ltd. and its content may not be copied or emailed to multiple sites or posted to a listsery without the copyright holder's express written permission. However, users may print, download, or email articles for individual use.