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A modest proposal

for the revitalization of

Jaguars Ticket Sales

*Including A description of the "Killer App" that will
create a season-ticket waiting-list within three
years*



“If the Jaguars should leave Jacksonville, it will not be because of any inadequacy or inherent lack of suitability on the part of the Community: It will be due to scores of missed opportunities on the part of the Jaguars Organization itself.

“The shame of it is that it is all easily remedied, if only they would look to those things within their power to influence, rather than those that are not...”

- *Why the price-reduction strategy won't work*
- *Why Team Teal won't work (for long)*
- *Why the Champions Club won't work*
- *Why "Teal Deals" won't work (even though it's a great effort and a step in the right direction).*
- *Why the "Summer Seat Blockbuster" is the exact opposite of what needs to be done!*

More Importantly:

- ***What will work – and how and why!***

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Disclaimer:

Nobody Likes a critic

Someone once said that a critic is a guy who hides out in the mountains while the battle is on and then comes down to bayonet the wounded. With that in mind, I am offering these thoughts with some reluctance since I am not unaware of the presumptuous nature of any outsider's gratuitous pronouncements, placed from a self-constructed throne of easy analytics, teetering precariously on the limited amount of outsider's information available to a fan and devoid of any countervailing insider knowledge or perspective.

“A Critic hides out in the mountains and then comes down to bayonet the wounded...”

I have no doubt that a host of factors unknown to me influence every decision and approach the Jaguars' take, and nothing herein should be construed to reflect a belief on my part that the individuals associated with the Jaguars are anything but top-flight, hard-charging professionals deserving of *kudos* and gratitude.

I will apologize, therefore, up front, for any offense I might kindle and emphasize that engendering such is not my purpose or intention. My decision to risk opening myself to a probably accurate charge of overstepping is fueled by two things:

1. Regard for my adopted home of Jacksonville and my gratitude for all the efforts that have been made by proud and decent and talented people historically and currently to weave a wonderful and important place for the Jaguars in that tapestry.
2. A persistent conviction that opportunities are being missed, costing the team's organization its due rewards and likely to, eventually, cost the City its team.

Who the heck am I?

Why should anyone pay the slightest attention to me in these matters?

While it's true that I have started five multi-million-dollar companies in five countries and met payrolls for twenty-five years, what you have here are nothing more than the simple observations of a fan who cares about the Jaguars and who has been sufficiently intrigued and bewildered by certain things that are being done—or not being done—to induce some intense contemplation about the issues at hand—yielding thoughts and ideas and a few conclusions that I have attempted to memorialize herein.

And while I should admit that as a past national runner-up in the *Inc. Magazine*/Ernst & Young "Entrepreneur of the Year Award", in business I have a bias for action and tend to see things, well, entrepreneurially—I have no notion that I have any greater wisdom than anyone currently involved—only a different perspective and maybe a view unobstructed by too much otherwise valuable insider

knowledge or preconceived notions.

It's not so much that I'm thinking outside the box, it's that I've never been inside the box—normally a negative but, possibly, in this case a plus.

*"If the Jaguars
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ticket selling
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quickly solved."*

I have tried to make these observations lively, but I am reminded of something Evelyn Waugh once said about a hated contemporary's book, as being "easier to write than to read." I realize I might be running that risk here.

And, too, there is Mark Twain's apologetic note to his editor upon turning in a manuscript: "If I had more time, I could make it shorter."

So, to anyone who actually wades through these innocently offered but admittedly unsolicited musings (if, indeed, there should be even a single person who ultimately acquires that distinction)—I give my profound thanks for your forbearance. I cannot say that writing this has been a particularly enjoyable endeavor for me, but I have been determined to complete it so that if it should come to pass that the Jaguars are unsuccessful in Jacksonville, I would not be in the position of having to regret NOT offering these thoughts, however little good they might prove to accomplish, especially because (warning: grandiosity statement ensues...) I have an absolute certainty that if the Jaguars Organization did, indeed, hew to the principles I outline in this document, all ticket selling problems would be solved and the Jaguars would soon become not

only one of the most successful NFL franchises, but would be blazing a trail for other franchises who face similar difficulties, now or in the future.

Why should anyone bother to read this document?

This is a long and at times dense document. I am neither so naïve nor so presumptuous as to think anyone is likely to sit down, from the jump, and devote the kind of time and attention necessary to proceed through it from start to finish. From my point of view, that would be a nice reward for my effort, but I've been around the block enough to expect otherwise.

I can only hope that, perhaps, by looking at the Table of Contents, a reader might find something, a little thing, possibly, that warrants attention—or just tweaks curiosity. And maybe that will spark a thought—skeptical at first, no doubt—that maybe, just maybe, this guy is on to something. And that, in turn, might motivate the reader to dig a little deeper. It is my belief that, having done so, the reader will find that the seemingly disparate components of this discussion actually do “hang together”, make sense and contain value sufficient to warrant the effort necessary to fully and completely digest it.

If a person should do that who actually has some influence over the outcome of the events that will unfold regarding the Jaguars' relationship to Jacksonville, I will feel I have done my part.

Achieving simplicity on the OTHER side of complexity

Nevertheless, for your sake, and for mine, I do wish this document didn't have to be so long, especially since, after all, the solution to the Jaguars' ticket selling problems is so simple. But, unfortunately, that simplicity is obscured by a tangle of misguided ideas and assumptions. And so, propelling this effort on my part is agreement with Oliver Wendell Holmes' famous remark: “I wouldn't give a fig for simplicity on this side of complexity, but I'd give my right arm for simplicity on the *far* side of complexity.”

Accordingly, it's necessary to do a half-gainer into all that complexity with the goal of swimming our way as quickly as possible to the simplicity on the other side of the pool. It's there and we'll get there.

You do, of course, have a choice, just as everyone does, including Jaguars fans. You can choose to read this document, or not. They can choose to buy tickets or they can choose to not buy tickets. Too few are choosing to buy, and so we need to tweak the elements that are the building blocks of that choice.

That's what this document is all about.

The Problem is NOT “The Product”

It's not about the win/loss record of the team

For an NFL team faced with ticket selling challenges, it's a mistake—a very debilitating one—to think that the most important element propelling those ticket sales is the win-loss record of the team.

Despite the fact that one hears a great deal about how people are second-guessing this trade or that trade, complaining about this draft pick or that draft pick, bemoaning the won-lost record and so on—the fact is that the Jaguars “product” is superb, and *kudos* to the Jaguars organization for it.

That folks are complaining or debating is a good thing—it just means the fans are engaged and passionate; exactly what is hoped for.

Would it be great if the Jags won more? Sure. But is winning more, or winning a lot, a pre-requisite for ticket sales? Absolutely not, and I don't have to cite chapter and verse of the teams over the years who have had terrible stretches but who nevertheless sell out to the point of massive waiting lists. If it does solve the

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problem, even partially, it will be only for the short term and temporarily. If the team plays its way to the playoffs or even the Super Bowl, yes, you're going to sell some tickets, probably lots. And that will last as long as the team keeps winning. When that begins to slide, so will the ticket sales. The Jaguars have some direct experience with this.

In terms of providing a building block for ticket sales, winning the Super Bowl is like “extra credit”, but it isn't, or shouldn't be, necessary to sell tickets. Remember: The product is not only the Jaguars and whatever win/loss record they generate, the

“product” is also the NFL as a whole, available to all, right there in Jacksonville Municipal Stadium. On any Sunday you can watch Mojo and Rashean and a host of others play the game as well as anyone on the planet. When the visiting teams come in you can see Peyton Manning or Troy Polamalu. This is the NFL, for cryin'

out loud! The fans' relationship is with the NFL *through* the Jaguars team and their identification with those particular guys and "our" part of the whole. Win or lose, it's the NFL.

Team performance is *not* the crucial element. You can talk to fan after fan and find that the relationship they have to the team—the sense of identification and boosterism, no matter what—is there. (There just aren't enough of them—yet.)

The worst part of this sort of thinking, however, is that it causes you to wait around doing nothing effective in all the *other* marketing avenues that are available while placing all the emphasis, and all the bets, on team performance, hoping a playoff season will solve the problem. It won't.

I repeat: The "football" piece of the puzzle is in good shape—aces, in fact, more than sufficient to fill the stadium. That is NOT where the problem lies. There are other things that need to be seized upon, things the Organization can affect right now, things that can light a fire of enthusiasm in the community...

The Game day Experience is superb

The Game day experience also gets an "A" because it is like a beautifully orchestrated symphony at Municipal Stadium. Every staff person you encounter, from the ticket takers to the security people to the ushers and the folks working the restaurant stands—every single one is invariably pleasant, cheerful, upbeat and welcoming. This doesn't happen by accident: It happens because the Organization—and probably a few specific individuals charged with the "customer service" issues—are doing a magnificent job. All the ancillary things, from the Roar to the flyovers are spectacular. Need I mention Jaxson de Ville? There are a hundred things (maybe more) that the Jaguars Organization does extraordinarily well to provide a game day experience that is, I would wager, second to none. In addition, we're fortunate to have the North Florida weather patterns (as opposed, to, say, Wisconsin...) to enjoy the games in (usually) balmy conditions.

So what have we got? An NFL team that the fans love and a game day experience that can't be beat. These should be more than adequate to fill up the stadium. *That's* not where the problem lies.

A Change in approach to ticket sales is crucial

A Reasonable—but false and misleading—assumption

An impressive group of sophisticated and accomplished individuals worked long, hard and intensely to win the bid to bring the Jaguars to Jacksonville. It was a magnificent effort that paid off big for the Jacksonville community.

Phew! Now all we have to do is open the gates, build the team, and let the folks flow in.

And, in the early years, that's exactly what happened: Riding on the initial enthusiasm, as well as, remarkably, a team that performed far better than a new team like the Jaguars had any right to expect—things looked very good, indeed, from the ticket sales point of view.

But then, with time... not so much.

And now, here we are: Blackouts. Embarrassingly so.

And those folks who worked so hard to bring the Jaguars here, and who have done such a good job providing the city with a team it can love and a great game day experience—would have every right to say, in effect, "Hey, we worked our butts off to get this team here. We've worked like crazy to present a terrific product. What

"[The Jaguars haven't had] 80 years to build up a fan base, so they need to find a substitute for those 80 years, something that will work as well but in a drastically abbreviated time-frame."

on Earth is your problem, Jacksonville Community? What part of 'this isn't working economically' do you not understand?"

Which is to say, it is perfectly understandable why there might be a strong impulse to "blame the community" for not stepping up to the plate and doing its share to make this whole thing, this thing that is so clearly a huge benefit to the community in a million different respects—a viable and secure proposition for the owners. I mean, all the community has to do to accomplish that is *show up*.

Yes, it is an understandable impulse—but an utterly unproductive one. It accomplishes nothing positive and a great

many things that are negative. We're going to be talking about these things.

But as ground zero, we need to understand that it is indeed a false and misleading assumption to think that it is the job of the Jaguars Organization to provide the team and the environment, and that, once done, the baton (and the responsibility) passes to the Community whose job it is to—in response—fill the stadium.

Because that assumption presupposes, erroneously, that the Jaguars position “in the world” is essentially the same as other NFL teams, give or take some demographics, and it’s only a matter of tweaking a few things to “catch up”.

Not so.

The Jaguars are faced with a host of challenges that other teams are not faced with. And the reason for this is due, in largest part, to the simple fact that many other NFL teams have had as much as 80 years to build up and solidify a loyal fan base, irrespective of their particular demographics currently.

80 years of existence can solve a lot of ticket-selling problems, even if there isn’t a lot beyond the mere longevity to point to.

No more blaming; no more threatening

No matter how strong and understandable might be the impulse to be frustrated with the Community for not responding effectively to the great gem the team provides to the area, the reality is that if the Jaguars are to solve their ticket selling difficulties, they must immediately stop **blaming** the community for “lack of support” or **threatening** the community with the relocation of the team out of the City. The only thing those pronouncements accomplish is to exasperate, alarm—and in many cases annoy—the people who are already ticket-buyers while insulting those that aren’t, thereby driving them even further away. The impulse to try to bully or shame people into buying tickets is understandable, but, frankly, bereft of creative thinking and, clearly, ineffective, and, worse, counterproductive, accomplishing exactly the opposite of its intended result.

*“The Jaguars
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Oh, and by the way, it is very likely that these same ticket selling challenges would face the Jaguars in *any* city they moved to. A geographical move is very unlikely solve these problems—only relocate them.

Are the “Excuses” valid?

The ability to precisely envision the solutions to the Jaguars’ ticket-selling problems is being obstructed by a set of beliefs—some “notional underbrush”, if you will—that has to be cleared away first. In the main: The Jaguars Organization needs to stop looking *outside* itself for both the source of the problem and its solution. They need to stop blaming the poor economy; or the proximity population calculations; or (one of my favorites) notions like the one that says Jacksonville is a “college football town, not an NFL town.”

Are these enumerated challenges real? Certainly, to at least some degree. But are they “true” in that they are, singularly or in aggregate, insurmountable obstacles to The Jaguars’ success in Jacksonville?

While they might be legitimate explanations for why things require effort, creativity and high-level acumen, they are by no means valid reasons (or worse, excuses) for failure to sell out the stadium. They are not “true” in the sense that a top-flight organization should not be able to overcome and dispatch them with relative ease. And while my preference is to hasten to a discussion of the simple, positive steps the Jaguars can take to utterly transform things, first it seems we need to dispense with some of these debilitating ideas—the “underbrush”—that blocks the path to clarity:

“It’s the Economy, Stupid”—No, it’s NOT

Hollywood has been experiencing substantial growth and profits—this during one of

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the worst economic downturns in our lifetime. This is a not unexpected phenomenon, given past patterns. When times are bad, when folks are struggling and “down”, the “entertainment dollar” often actually *increases*, a counterweight of emotional relief, of plain fun, that people rightly understand is all the MORE necessary to maintain when things get rough. They are neither “wrong” nor profligate in so husbanding that entertainment option; they are human. And it is the mandate of the “entertainment community” to do the best job possible of satisfying those

intensified needs. If they do so, the dollars are there. If they do not do so, no amount of discounting is going to make a difference. In some respects, it is easier

to sell entertainment options when the economy is bad, IF the option does smartly and successfully address the legitimate needs for psychological escape from otherwise harsh realities. The important thing to realize is that if there are empty seats, blaming it on the bad economy accomplishes nothing other than to seduce one down the path of excuses and fruitless actions that address the wrong problem. Indeed, when we come to the section of this document on ticket “pricing”, we’ll see that assuming the primary barrier to ticket buying is the cost-factor can be both erroneous and painfully counterproductive and ineffective.

Jacksonville just doesn’t have the demographics?

Baloney. It seems people come at this notion deductively, rather than inductively. As in: The stadium isn’t being filled. THEREFORE, *ipso facto*, Jacksonville MUST not have the proper demographic makeup. If Jacksonville DID have the right demographics, the stadium would be filled. *Q.E.D.*

Deductive.

However, if some elbow grease were used on an inductive analysis, as in: compare Jacksonville’s demographics to a lot of other cities who have teams both in Football and other sports that DO fill up their stadiums, and ask yourself whether there is any real reason why Jacksonville doesn’t have the necessary demographic components—and you come up with a very different picture.

In fact, you come up with the same picture—or even better, given the passage of time—that caused the NFL to look favorably on Jacksonville to begin with.

We have more “entertainment options” than other cities?

This argument (excuse) says that Jacksonville, with its temperate climate, beaches and other attractions, has so many more “entertainment options” than other cities have that it causes folks who would otherwise come to Jaguars games to, instead, go boating, kayaking, running, jumping, snorkeling—or something.

I don’t need to present here an argument against this notion, because there would be a much more effective and comprehensive way to put it to rest: Go to any other NFL city, large or small, and tell the mayor or Chamber of Commerce or, for that matter, any man or woman off the street, that you believe Jacksonville has many more “entertainment options” than they do.

Then duck. And be prepared to listen to a ten minute peroration on why that notion is not only arrogant, narcissistic and insulting, but just plain wrong. Every NFL city in the country can give you a list as long as your arm of their other “entertainment options”, many of which they are justifiably proud of. It’s just that they don’t use them as an excuse for not selling tickets to football games.

Jacksonville is a "College Football Town" not an NFL town?

This one could be my all time favorite example of this sort of clouded ideation—and is an exemplar of the kind of benighted notion that serves to derail any positive conversation on these issues—the “college football town” canard: That the passion our community demonstrably has for college football drains the available pool of enthusiasm for football in general such that not enough is left to adequately support NFL football, the Jaguars.

Examining this idea can be helpful not only because it represents a wrong-headed way of looking at things, but also because, once more thoroughly understood, its underbelly points directly towards the key that will unlock stadium sales for the Jaguars:

The implications of this line of thinking: It’s like Coca Cola going into a town and seeing that everybody drinks gallons of Pepsi, and then abandoning the market as hopeless since the market’s demand for soda is already being satisfied by Pepsi.

Would the folks at Coca Cola really just throw up their hands in a “nothing can be done” gesture and walk away from a market where, clearly, people love soda, albeit, for now, Pepsi? Hardly. They would take it as a clear affirmation that there is certainly no problem convincing people that soda is something they want, and they would redouble their efforts to make sure folks were drinking their soda rather than the other guy’s.

“How can we get the same kind of allegiance they give to college football?”

It reminds me of the old bromide about the 18th Century Italian shoe maker who’s thinking about opening a factory in Abyssinia. He sends his two sons off to scout out the viability of the market. The first son writes back, “No point in opening a factory here: No one wears shoes.” The second son writes back, “Open factory as soon as possible; unlimited opportunity: No one wears shoes here *yet*.”

It’s all about how you look at things.

And what would happen if people who think that way were shown pictures of Municipal Stadium packed to overflowing with fans for college football games, but sparsely populated for Jaguars games? Would they say, “Oh, well, I guess people

around here like college football but not pro football; too bad...?"

Of course not. They'd be focusing on the "football" part of the phrase, not the "college" part, and they'd be saying "Yippee! Clearly people around here love football! And football is what we're selling!" And if the old adage is true that if you ask the right question the answer becomes self-evident, they would at least be *starting* to ask the right question, which is: "How can we get them to give some of the same kind of allegiance they give to college football—to us, the Jaguars? How can we generate the same kind of enthusiasm you see at the Gator Bowl, or Florida/Georgia?"

The answer, as we will see, is to apply a "Killer App"...

What do all the "reasons" for blackouts have in common?

Think about all the arguments you hear about why the Jaguars are experiencing blackout after blackout, unable to fill up the stadium: That the problem is an inexplicable or inexcusable inherent lack of support from the community; or the downturn in the economy; or the demographics of Jacksonville. Or that balmy Florida provides so many other "entertainment options" that people would rather do that than, say, come out to the stadium and watch some of the most supremely gifted athletes on the planet.

It's not hard to get all that in one's head, because it's pretty much all you hear about the Jaguars these days.

Now let me ask you: What do all these arguments have in common?

Give up?

They are all things that are *outside the control* of the Jaguars organization. As such, they are a distraction, because ascribing the ticket sales problems to any or all of those factors completely absolves the Jaguars organization from responsibility for its ticket-selling realities, and prevents it from seeking out those things that *are within* its control that could and would make a difference.

Don't blame factors that are outside your control: Identify the things that are within your control and proceed by fiercely addressing them!

It's all about how you look at things and whether you give yourself a pass by

blaming factors that are outside your control or, instead, identify those things that are within your control and proceed by fiercely addressing them.

And the worst part of all that “blaming” energy? It thwarts the aggressive and effective implementation of strategies that would actually make a difference. It’s like the Coca Cola guys walking away from the market and muttering to themselves, “There must be something wrong with that community, the way they insist on drinking Pepsi. Oh, well, let’s go find a more deserving community that will do the right thing and buy our product.”

I mean, are you *kidding* me? They would be rolling up their sleeves, looking to themselves and their own capabilities, not blaming the community or threatening it—but figuring out what they have to do to market to it in an effective way!

They would be sitting down and doing whatever was required to gather the information necessary to figure out an effective strategy that would galvanize their market, and then they would implement that strategy systematically, relentlessly and with a vengeance.

Why the Price Reductions aren’t working

Reducing Price isn’t a Strategy—it’s a Tactic

It has been said that the Jaguars strategy for filling up the stadium is to reduce prices. An old Chinese proverb says that “The beginning of wisdom is calling

*“Reducing prices
isn’t a strategy—it’s
a tactic.”*

things by their right name.” So let’s do that: Reducing prices isn’t a strategy—it’s a tactic. And since it proceeds from an incorrect premise, and since it stands as a marooned tactic without being part of a broader and more robust strategy, it is predestined to be ineffective. Put another way, it won’t do what it’s intended to do if that’s *all* that is done. It is one of the two

main “tactics” the Jaguars are using to try and fill up the stadium, both of which are doomed because they are sitting unsupported in a strategic no-man’s land. (The other is enlisting current fans as a sales force, and we’ll talk about that in a minute...)

Why lowering prices fails to “get it”

All you business majors can go for a coffee break now, while the rest of us get up-to-speed on the Price/Demand curve. By the time you get back, I promise, we’ll start emerging from wonk world and start getting down to *it*.

Okay, listen up: You will recall from Economics 101 that “The Price/Demand Curve” simply says that as you reduce the price of a product, the demand for it rises. More people will buy it if it’s cheap than if it’s expensive. Discount retailing is a classic example of this: Filene’s basement, Payless shoes, etc. While there is plenty more sophistication to it than just price-discounting-until-the-inventory-is-“moved”, it is, nonetheless, the engine that drives it, and, understandably and appropriately, in that world, price discounting tends to be the first stop in increasing demand—when that is necessary.

What does that have to do with stadium seats?

This: For the purposes of this analysis you can take your choice of how you’d like to view the “seat component” of the operative business dynamic. You can either look at the seats as “inventory” and empty seats as “unsold inventory”, or, if you prefer, you can see them as “over capacity”, meaning that the Jaguars have the ability to produce more seats than the market can (or will) “absorb”, which is to say, purchase.

Price reduction is usually the quickest and (often, but not always) easiest way that businesses deal with “over capacity” in production capability or too much existing inventory. If you have an oversupply of product (like, for example, more stadium seats than people are willing to buy tickets for), this particular principle says that if you reduce the price enough, eventually there will be a price so low that every seat will be sold.

Yes, bulk sales, odd lots, loss-leaders—all that can enter into it, also, and, indeed, the Jaguars are actively engaged in the equivalencies of these things, too, but, still, the important thing to remember is that they all hinge on “product pricing” at the fulcrum of the effort.

This makes a lot of common sense, of course, and it’s why product pricing is a true art, and a legitimate tactic—up to a point. Two points, actually:

1. Eventually, you reach the juncture where your margin— your ability to make a fair and reasonable profit—has disappeared. You have reduced prices so much that you can’t generate enough income for the organization

to be healthy and grow. That is to say: You are pricing yourself out of business.

2. And there is always a point at which it simply stops working-- that lowering the price does not, in fact, increase demand for the product. Something intervenes or interferes to distort or abort the normal workings of the Price/Demand curve itself.

At that stage the question becomes, "What is happening, and why?"

And while the answer can be complicated and multi-faceted, the bottom line is that the reduced pricing tactic isn't working because, one, the purchase decision is not sufficiently "about" pricing for it to "move" the market, and, two, anemic marketing has failed to garner the community good-will that could be had by such generous gestures and which could be used as a platform to at least start re-crafting the perception of the community towards the Jaguars Organization in a way that could be used to actually accomplish something. That is, the reduced pricing tactic could work IF it were pegged to an overall strategy of "connecting" the fan base to the

*"...the purchase
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not at all about
price..."*

organization *via* goodwill and then leveraging up the goodwill that has been generated by the pricing offer itself. But I'm getting ahead of myself: Look for more on this when we get to "The Solution".

For now, hold the thought that the answer as to why a reduce-pricing tactic isn't working is almost always lurking somewhere in a misperception the business has about the purchase decision-making process of its customers. That is, the seller may think that it's primarily about price, that a lowering of the price will put the desired product "within reach" of more people and therefore sales will go

up. What they're failing to realize is that the purchase decision is only *partially* about price, or, perhaps, *not at all* about price. At that point, no amount of reducing the price or creating "attractive" pricing packages is going to significantly increase demand. Something else must be done to do that, to increase demand. Attention must be turned elsewhere.

Where? Most often, one of two places:

1. Either improve the product—but, as we've seen, the Jaguars "product" is arguably, superb, and, at the very least, sufficient to not hinder an effective sales effort—or...
2. Improve the **marketing** of the product, which can and should include both the *configuration* of the product and its presentation. (See "The Killer App")

Nevertheless, and painfully I'm sure, this price-reduction tactic has been pretty much 100% of the approach the Jaguars have taken to filling empty seats. Yes, there has been some lipstick put on it from time to time, in the form of packages and other things, but, still, it's all about trying to reduce the price in order to increase ticket sales.

And at the end of the day, the single-minded approach of the Jaguars to increase ticket demand has been to lower prices, which has been done, I think, three times. When you consider that last season the Jaguars were the most blacked-out team in the NFL, you have to ask yourself, "How's this price-reduction policy workin' out for ya'?"

Of course, a fair question would be: Wouldn't it have been worse without the price reductions?

And a fair answer is: Well, sure, if nothing *else* was done. But that's the point: It's forgetting that there are two sides to the "price/demand curve". Yes, one way to deal with over-capacity is to lower prices, because, theoretically, yes, that's one way to increase demand. But it's only one way. And it tends to be particularly ineffective when the person with the overcapacity makes the mistake of failing to see that the demand is only partially about price—or even very little about price. Sometimes, believe it or not, reducing the price reduces demand. I'm not going to get into the psychology of all that here, because, for our purposes, it's unimportant. All we need to know is that the tactic of sequentially reducing prices lower and lower has not solved the problem. Period. Has it made it worse? Maybe, but no matter. It can be fixed.

The difference between "price" and "cost"

Surprisingly, there is often a difference between the "price" of something and the public's perception of its "cost".

Even more surprisingly, sometimes the "price" of a ticket can be raised while the perceived "cost" becomes seen as all the more reasonable—depending on the nature of the offer and whether "future value" has been injected into a current purchase.

Put another way:

When properly configured and supported by a robust underlying strategy, it is quite possible that ticket sales can be dramatically improved while *raising* prices, not lowering them.

*“Price” has to do
with how much
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“cost” has to do with
the perception of
value...*

“Price” has to do with how much money you pay; “cost” has to do with the perception of value relative to intangibles, such as other options for the same money, as well as (and crucially in this case) whether the current “price” generates future benefits beyond the immediate benefit—benefits that can be obtained or secured in no other way.

Huh?

Look at it this way: Make the purchase of a ticket today the only gateway to something extremely desirable *tomorrow*. Convince a fan that there’s something they’re definitely going to

want tomorrow, but that the only way to get it is by doing something you want them to do today, and they’ll do it.

A little further on we’ll see how the “Killer App” fully incorporates this concept. We’ll see how the price of Jaguars tickets can be raised significantly, both immediately and over time, while injecting greater “value”, at no additional “cost” to the Jaguars, in a way that is both fair to the fans, perceived as reasonable, and effective towards the purpose of bringing the interests of the fans and the interests of the Jaguars into synchronicity.

We’ll move away from sequential price-cutting unsupported by a comprehensive rationale, price cutting that serves to do little more than reinforce the “lack of value” implied by the price-cutting itself.

And we’ll do all this by adding *more* benefit for the fans, not less.

Stay tuned...

Why Jaguars' "Fan Appreciation" is disbelieved

It is not by any means a bad idea for the Jaguars Organization to attempt to enlist current ticket-holders to go out and, in effect, become the Jaguars' sales force by encouraging their friends and neighbors to jump on the bandwagon.

"If every one of our season ticket holders found one person... and got them to buy one ticket, we'd be sold out."

Absolutely true.

But it will never, ever happen until the Jaguars Organization starts asking itself the central, inescapable question about it, a question that for some reason they seem to have pretended for years doesn't even exist, which is:

"Why should they?"

... and then providing an answer to that question that doesn't revolve around either an insult ("the Jacksonville community is shamefully not supporting this great team") or a threat ("We're gonna be forced to leave".)

Yes, yes, yes, the Jaguars must get the Fans enrolled in the process, create a version of the "word of mouth" that every business strives for, and which some businesses (including, arguably, the Jaguars) cannot survive without. It is a key imperative, absolutely critical. But it is being implemented with a degree of obtuseness and fecklessness so titanic that it's actually accomplishing the opposite of its desired effect. Plus, it is like the price-reduction effort in that it is a tactic unsupported by a strategy that would provide the tools to make it successful. Hence, it's a non-starter. It's like sending people out to cut the grass, but not giving them a lawnmower to do it with.

In fact, one of the biggest problems the Jaguars Organization is facing—okay, maybe the biggest—is that the things they ARE doing to, supposedly, to generate fan loyalty, are so wrong-headed, so lacking in any meaningful substance, that they are actually preventing fan loyalty rather than creating it, generating resentment along the way.

Don't believe me? Okay, this is so important that I'm going to have to ask you to, once again, bear with me as I take a little time to walk you through it:

"Fan Appreciation' is being implemented with a degree of obtuseness and fecklessness so titanic that it's actually accomplishing the opposite of the desired effect."

How New Fans are being discouraged

Five years ago I moved to Jacksonville from New York. I told my wife that one of the first things I wanted to do as we began to put down roots was to get season tickets to the Jaguars. I had fond recollections of going to Giants games with my father and knew that the day would come when a ticket to the Jaguars would be as hard to come by as a ticket to the Giants. After all, while Jacksonville is obviously not New York in terms of overall population density, it is a vibrant, growing city, sophisticated and savvy, well steeped in the football tradition that the South-- and Florida in particular-- is famous for.

By almost all measurements Jacksonville is on an upward curve, destined to become even more sharply so as the economy improves, more and more companies continue to be attracted by the friendly business environment, as places like

“The conversation I had when I called caused me to question and ultimately abort my intention to buy tickets.”

Nocatee fill up, as the boomers (like myself) start swelling the population. I was eager to get in while the getting was good, keen to find out from the Jaguars' sales representative what kinds of future advantages I would garner by committing to season tickets now while the team was struggling and enduring TV blackouts for lack of seat sales. This wasn't Green Bay with a waiting list of 75,000 or DC where I'd have to pay some unspeakable sum for a "PSL" just to say hello. No, this was an *opportunity... for me* to get in while the getting was good. Yippee! I wanted to take advantage of a "ground

floor" offer so that I could eventually be one of the "smart" ones who signed on early, during the "buyer's market" years, in order to reap the gratitude and benefits of having done so, later, when the Johnny-come-latelies will be knocking on the door...

I was eager to see what emoluments the Jaguars Organization was offering in order to get me and people like me to commit, commit hard and commit long. I knew they wouldn't have to do much, 'cause, hey, I was ready, willing and able.

Put another way: I felt it was likely that the Jaguars Organization would be hewing to that old business adage that says that every obstacle is an opportunity and the size of the opportunity is equal to the size of the obstacle. There were apparently some big obstacles to ticket sales, a tough business challenge within this inchoate but ascending demographic, so there must be some big inducements in the offing,

things crafted to cement loyalty from fans (me) now, one by one, so that the team can nourish itself through the building years. Cool. I'm game. I'm in. Let's go.

Credit card in hand, in the market for two club-seat season tickets that I intended to keep forever, I called the Jaguars, happy to support the team during the time when I presumed it needed my support and, I assumed, would be grateful for it.

The conversation I had when I called-- with a personable, competent and clearly well-trained salesperson-- caused me to question and ultimately abort my intention to buy tickets.

I kept asking over and over, "What benefits do I get down the road for being willing to support the team now, in the lean years, over the guy who will only buy tickets after the team is wildly successful, which is to say, a guy who will only buy tickets when the sun shines, as opposed to me, who will buy them now, while the weather is bumpy?"

What was the answer?

Nada. Zippo, Goose egg, nothing. "For example", I said, "What happens if, say, the Jaguars should win the Super Bowl this year?" What do I get next year that the guy who didn't buy this year won't get?

"You get to buy your tickets again," was the answer.

"At what price?"

"At the price we decide to charge."

"Okay, well, what about if the Jags make the Playoffs? What then?"

"You get to buy your tickets."

"At what price?"

"At the price we decide to charge."

"You mean to tell me that I have no advantage over a guy who *only* buys a ticket to the playoffs, as opposed to me, who has supported the team all year?"

"Well, you get to buy your ticket. He might not get one."

"That's it?"

"That's it."

"So let me get this straight: Suppose I buy tickets for ten years, the Jaguars finish in last place all ten years, there are blackouts for those ten years, and then they win the Super Bowl and a bunch of folks who wouldn't do *anything* for the team during that dry period, all of a sudden want to jump in. Is the Jaguars organization giving me any "props" for all that loyalty? Any advantage?"

"Well, lots of gratitude, I'm sure. Plus you get to buy your tickets again."

Me: "At the same price as the guy who hid out in the bushes for the entire ten years it took to get here?"

"Well, sure. I mean, the ticket price is the ticket price, and, naturally, we'll charge what the market will bear." He touted enthusiastically that I could "lock in" the seat price if I signed a three year contract.

"What happens after that three year period ends?" I asked.

"You can sign another three year contract."

"My goodness", I thought to myself, "not only are they not going to fill the stadium this way, they are going to empty it."

NOW I thought we were getting someplace. "Okay," so I can sort of "re-up" and still keep my original price, with, I realize, a nominal increase locked in, sort of like the Florida Homestead Act?"

"Well, no," he said. "At that point we'll be charging you the going rate, whatever that might be, but you can lock that in with another three year contract."

"So, any way you cut the cake, I'm not getting any real long term advantage, down the road, for being a loyalist now, while times are tough."

"I don't like to put it that way," he said.

"I gather that, but, then, it's the reality..."

There was further discussion, and the sales representative did his best to try and find ways to make me believe that there was some kind of real advantage to me for offering my support now rather than later, that the Jaguars would not only

say they were grateful for my loyalty but actually *prove* it with concrete actions and offers, but, added up, it amounted to nothing but empty words.

I thanked the nice young man—sincerely, he had done his best—and hung up the phone, without buying, astonished and bewildered at the Organization's ability to take a customer, credit card in hand, and snatch defeat from the jaws of victory. This is no mean feat: It is one thing to create demand and enroll customers *via* a convincing process; it is quite another to take a person already convinced and unconvince them.

"My goodness", I thought to myself, "not only are they not going to fill the stadium this way, they are going to empty it."

Understand this: I still wanted tickets and wanted to go to the games, but didn't want to buy the tickets because I felt bullied. The unspoken message was this: "Yes, it's all over the newspapers how concerned we are to get tickets sold to, at the very least, avoid blackouts, and it's no secret how much trouble we're having doing so, but we're going to pretend none of that is happening: Here's our offer, take it or leave it."

I decided to "leave it", not because I didn't like the Jaguars and not because I didn't want to go to the games, but because now, after my very first exposure to the Jaguars *organization*, I didn't like *them*. There was an arrogance to posturing as if it's a seller's market, when the opposite was true. I figured that if I was smart enough to get in early, they would be smart enough to recognize that and reward it in a meaningful way—if only as a crucial stepping stone to eventually enjoying the seller's market that WOULD, thereby, be created.

But I was wrong: For some reason, the Jaguar's Organization was adopting postures and positions that presumed a seller's market—when it was (and is) just the opposite.

This is a bad, bad recipe...

How Old Fans are being insulted

Coming off my own first negative experience with the Jaguars Organization, I began to wonder what it was like for those who had been season ticket holders for a long time. So I decided to talk to my neighbor, Bob who has been a season ticket holder from the very first game the Jaguars ever played, to this day. Club seats. Fifty yard line.

Sweet.

A happy camper, right?

Hardly. And, in fact, he's a perfect exemplar of a huge missed opportunity for the Jaguars organization: In business terms, an extraordinarily underutilized asset.

How so? Think of this: This guy has attended every single home game since the very beginning. Add up the dough he has spent on his two club seats over the years. I don't have to do the math for you.

I, on the other hand, have been a season ticket-holder for only four years: Yes, after that first year I had lowered my expectations sufficiently to just go ahead buy 'em, continuing to believe that the "structure of the deal" was ill-conceived by the Jaguars organization, that they were missing opportunities to harness the long term loyalty of potential ticket-buyers. Well, so be it, I thought. Frankly, I can afford it. So I bought two club seats and each year I have improved my position to the point where, this year, my seats are in the same section (109) and same row (R) as my aforementioned neighbor, Bob-- the one who has been at *every single game since day one*. He has great seats and now, so do I. Exactly as great, in fact.

Exactly as great. What does that tell you?

Does it tell you that we both have great seats and we both ought to be darn happy to have them?

Or does it tell you that my neighbor is a sap? More importantly, does it tell *him* that he's a sap?

I'll let him answer:

I ran into him one morning when we were both walking our dogs. "Bob," I said, "You've been a loyal season ticket holder, for, what, 15 years? I have been a season ticket holder for four years. You and I currently sit in the same row in the same section and pay the exact same price for our tickets. I'm sort of curious as to how you feel about that..."

Before I tell you what his answer was, let me describe his body language and facial expression, which I was watching closely:

All his movements bespoke a combination of embarrassment and chagrin. His facial expression seemed to say, "Yeah, yeah, I know..."

His answer was, "How do I feel about it? It definitely makes me feel like a...like a..."

"Sap?" I suggested.

"Sap. Exactly. A chump. A sucker. Like a guy whose wife cheats on him but he keeps coming back for more. I've been loyal from day one, but it doesn't get me anything you don't get. Don't get me wrong: I'm glad you're getting the deal you get. I just wonder how come my long term loyalty doesn't count for anything, not one darn thing..."

He added, sadly: "You know what they sent me last year for 15 years of Loyalty? A pin. They sent me a pin. I guess that makes us even, right?"

Not only did he not like the situation, but, clearly, it made him feel foolish and abashed, as if he had been found out doing something weak-kneed.

"There's something about it that really isn't fair," he said. "I just can't quite put my finger on exactly what it is." And then he added, rather heartbreakingly, "But, to tell you the truth, I really don't expect anything different. I guess it's sort of the way things go."

I said to him, "You know, next year some guy who has never bought tickets before, never supported the team through some of these lean times, can come in, pay precisely what we're paying, and, given that there are a lot of available seats, wind up with pretty much exactly what we have. I mean, what advantage is our loyalty to the team getting us?"

His answer was, "None". No advantage. I hadn't been sure that he—and no doubt other long term season-ticket holders-- understood that. Now I knew that, yes, he was completely aware that his fifteen years' of loyalty, to say nothing of upwards of \$70,000 to \$80,000 paid to the Organization for his tickets, bought him exactly nothing in terms of *return loyalty* coming back to him (with the exception of the ability to change his seats before people with less seniority, something he had no interest in doing, anyway.) He had zero advantage over a fresh-faced newcomer who could buy tickets for the exact same price, with probably nearly as good placement within the stadium.

"Every one of these loyal fans is someone who loves The Jaguars' but feels unseen, unheard, and unappreciated by the Jaguars organization."

Bottom line: *He felt invisible*. Invisible to the Jaguars Organization. He had been there, through thick-and-thin, from the beginning. The organization wasn't "seeing" him, was doing nothing of any real substance to recognize his loyalty, nothing meaningful to reward that loyalty-- certainly nothing more than it was doing for me, despite the fact that, mathematically, he was four times more loyal than I.

Oh, wait, that's right: They sent him a pin.

"What on Earth makes them think I wouldn't be insulted by that," he sighed...

The Danger of Empty Rhetoric

Nevertheless, I pointed out to my neighbor that The Jaguars Organization seems never to miss an opportunity say how much they appreciate fan loyalty, how the fans "are" the Jaguars, "You are the Fuel; You are the fire; you are the inspiration", and how they say it is up to the "12th Man" to "revive the Pride", and so on, and so on, and so on. I pointed out that it seems to me that they were, at least, sincere when they said those things. I asked Bob if he believed it when he heard the Organization say how much they appreciated his loyalty.

His answer was: "Not one single syllable".

He went on: "Don't get me wrong: I think they're very happy I keep sending in a check every year, but I don't think it goes beyond that, at all. If all those things were true, if they really believed those things, don't you think they'd be actually DOING something to demonstrate it, rather than just shoveling rhetoric at us? But don't get me wrong: I'm a realist: They're a business; I'm a customer, period. The funny part is that for some reason they think I'm going to be eternally grateful for a discount at Gate Petroleum and some rounds at a golf course that nobody wants to play. I don't even look at those things they send out every year, coupons and such, because it just infuriates me. I mean, do they think I'm unaware that they're probably "selling" me to these people for promotional consideration? What sort of low rent dude do they take me for, thinking I'd be jumping up and hollering 'Yippee!' over peanuts, compared to the thousands of dollars I pay every year?"

[Yes, "Teal Deals" is a move in the right direction: We'll talk about that in a minute, including the embarrassing fact that it had to be generated by an entrepreneur *outside* the Organization...]

So then I asked him this: Suppose the Jaguars win the Super Bowl this year: What do you think will happen next year when you go to buy your tickets?"

His answer was immediate: "Oh, my gosh, they'll *really* stick it to me."

This from a guy who is, ostensibly, *a non plus ultra* of Jaguars loyalty. If *he* has a sense that he's nothing more than economic cannon fodder in the opinion of Jaguars Management, what on Earth must less-committed or non-committed people be thinking-- if they think of the Jaguars at all?

Importantly, whether he is accurate in describing the actual, underlying attitude of Jaguars Management towards him is unimportant. Hey, maybe the Jaguars would not "stick it to" him after all (that the Steelers did not raise prices the year right after their Super Bowl win was sublimely smart), but what was important was his perception-- and what that perception said about how he believes the Jaguars organization views *him*.

He had no sense at all that the Organization was looking out for his interests, that he and the Organization were "on the same team" with the same agenda. He wanted the Jags to win the Super Bowl because it would be fun to watch and be a part of; the Organization wanted the team to win the Super Bowl so they could raise his prices. At least, so he believed-- and it is in that belief that the problem lies and where the key to the solution, overall, is lurking.

There are thousands of "Bobs". In fact, this year I moved my seats again and I am sitting in the midst of a whole bunch of folks who have been season tickets from day one, just like Bob. I am sitting right next to them, paying the exact same price, and I have only been supporting the team for less than one third the time they have. What does the Jaguars organization provide to them, over me, in return for their greater loyalty?

Absolutely not one single thing.

And while I can't claim to have made any formal studies or quantitative analysis, I've made a point of asking a lot of other folks how they feel about things, whether they have Club Seats or regular stadium seats, and it's pretty much the same thing across the board:

Nearly every one of these incredibly loyal fans represents someone who loves "The Jaguars" but feels unseen, unheard, and unappreciated by the Jaguars Organization, and in aggregate, they comprise, potentially, the most powerful sales force the NFL has ever seen—without having to actively "sell" anything.

In a while we'll talk about how to do that, but here's a preview: Offering them the "chance" to win a couple of tickets to the Super Bowl by getting a friend to buy season tickets, not only won't do it—yes, you guessed it, it's so insulting as to be counter-productive...

Why trying to turn fans into salespeople is not working

The Jaguars organization has also done a great deal of talking about the responsibility they feel existing ticket-holders should embrace in helping to help

“If you want fans to go out and sell tickets for you, you have to provide them with meaningful ‘tools’ to help them do so!”

sell tickets to others. What could be wrong with the desire to enroll fans in that process? It makes perfect sense, right?

Well, yes, and this one is painful to talk about because there is so much genuine good intention and good will associated with it, both from those who are behind it as well as those few—so very few—who have actually responded effectively to it and tried to go out and get folks they know to get with the program, to buy tickets.

The problem is twofold: Insulting incentives and the fact that they are sending people out to do battle without giving them any ammo to do it with. (The

one “exception that proves the rule” is “Teal Deals”—which, it should be noted, does NOT flow from the Jaguars organization itself—and we’ll talk about that in a minute...)

The initiatives intended to animate fans to become the Jaguars’ sales force are so bereft of any meaningful incentive for them to do so that they are, to put it charitably, hollow and baseless, and to put it more accurately, insulting and infuriating in their unintended arrogance and condescension to the loyal fans whose sales efforts they are trying to recruit.

Yes, that’s a harsh statement but, unfortunately, accurate despite the fact that, surely, none of these efforts—Champions Club or Team Teal, for example—were intended to insult anybody. But if you’re going to ask someone to do something for you—sell tickets—you need to give them a good, *meaningful* incentive to do it, and, having done that-- you need to give them some “tools” to work with as you send them out to till fresh soil in the marketplace for you. Right now, the incentive is puny and the tools are non-existent. So you have all kinds of good people with great enthusiasm on both sides of the fence—people behind the programs initiating them and lending their support with great good will and good faith, and, on the other side, people who, in the right circumstances would be eager to join in—all of

which is squandered because the organizing architecture of the program is so flimsy, so utterly without meaningful substance. You need to create a platform for it that it can stand on and thrive on.

Why aren't the incentives working?

To answer that, let's go through the "back door" and take a look at the "application" to join the Champions Club, where you are asked to answer several questions, two of which are these:

- **"Please detail any connections, interests, or contacts you may have which would assist the Champions Club"**
- **"Please list any previous sales / customer service experience."**

What, you might ask, is wrong with asking those things?

The answer is revealed when you examine the subtext implied by those questions, the message that is sent to the "applicant" simply by posing them: Essentially what is being communicated is that, okay, we're hoping you have all kinds of good connections that we can tap into, and that you've got some high-powered sales experience that we want you to put to work on our behalf, and if you do all that, in return, we're going to give you a hat.

Harrumph, you say: You get more than a hat, for crying out loud...

Do you? Oh, that's right, you "receive points" that earn "great rewards".

And what are these "great rewards"?

Well, get enough "points" and you can "earn" (their word, not mine) "hats, polo shirts and windbreakers". You can run out on the field in the "Walk of Champions", maybe tour the locker room. And if you really do well, you can "earn" enough points to have a chance—a *chance*—to enter, in effect, a lottery for a Super Bowl ticket.

"Not only are people not motivated by these incentives, they are insulted by them."

So let's get this straight: If I as a fan go out and use these "connections" of mine and apply whatever sales experience I might have towards signing up, say, five or ten people to buy season tickets, thereby generating many thousands of dollars in revenue for the Jaguars organization, I might do well enough to actually get a windbreaker.

And the latest? Sign up one friend and what do you get? A chance to maybe go to the Super Bowl. Maybe. Very unlikely, of course, but maybe. No guarantees, of course: after all, I don't actually get a ticket to the Super Bowl, I "earn" my lottery ticket with its one-in-a-bazillion chance...

Not only are most people not motivated by all this, they are *insulted* by it. Why?

Because they say to themselves, "What do you think I am—a trained seal who will jump through a hoop for a pickled herring? Am I a costumed monkey who will do a monkey trick for a treat?"

Harkening back to that question on the Champions Club "application", suppose I *do* have all kinds of sales experience? What on *Earth* would make you think I'd be inclined to deploy all that, plus the time and effort, in the service of the Jaguars Organization—in return for a windbreaker, a chance to run onto the field or visit the locker room or to get a lottery ticket?

It is absolutely colossally presumptuous, patronizing and off-putting in the extreme. And do you think you are going to change my mind by *threatening* me that you are going to move the team? Having already insulted me with the trifling "incentives" do you now think I'm going to respond to a threat with anything other than *increased* indignation? And further...

What do all these "incentives" have in common?

They all cost the Jaguars Organization *absolutely nothing*. Don't get me wrong: I'm not saying they have no *value* at all. But I am saying that it is just a huge mistake to think the Jaguars' fan base is so puppy-like in their devotion that they are unaware that, at least in terms of these incentives, the Jaguars have absolutely no 'skin in the game': It costs them nothing to let people run onto the field; It costs them nothing to let you visit the locker room; It costs them virtually nothing to give you a hat or a windbreaker, relative to the revenue of even one additional season ticket holder you might generate.

Frankly, it's a joke, and Jaguars fans are not idiots. Offering them warm beer as an incentive to go out and become your sales force is worse than offering no beer at all because it's insulting. It signals that you think the person is so venal, so hungry for peanuts that suasion need consist of no more than a token.

And it is a mistake to dismiss this as mere gestures of "thanks" and appreciation that can't, after all, hurt.

It not only hurts, it's corrosive to every single thing the Jaguars Organization needs to do to turn things around. It hurts because it unveils the unpleasant reality that no matter how much rhetoric is dished out from the Organization trumpeting how hugely they value the loyalty of the fans, the hoary truth is that the organization actually places a miniscule value on that loyalty and commitment, since, after all, they clearly believe it can be bought for the price of "a hat" or a lottery "chance" to the Super Bowl.

This is all something the fan senses intuitively—whether that fan has a sales and marketing pedigree or is just a hard-working decent guy or gal—and recoils from, landing on a clearly defined pod of resentment and indignation. Talkin' the talk doesn't help if you're not walkin' the walk.

In the end, this level of arrogance (probably unwitting) and obtuseness is painful to witness, and such a shame, and so unnecessary.

You gotta love "Team Teal", but...

It's a one-year impact, at best, and it seems to be dependent on Tony Boselli's herculean and tireless personal efforts and dedication. He can't be asked to do that forever.

I mean, hats off to Tony Boselli for lending his prestige and his time to this initiative.

Likewise, kudos to the other hard-chargers lending support. Yes, Team Teal is a good thing and a healthy thing for the Jaguars' fans.

But it won't work to fill the stadium, even if it does have some ticket-selling impact over the short haul, while Boselli and the others prop it up.

It lacks substance, it lacks "legs" and it suffers from the same deficiency as the Champions Club and every other effort so far to get

existing fans out there effectively moving new people into the stadium: Lack of *meaningful* incentives or *lasting* rewards—and no "tools" in their hands to accomplish the "selling" mission.

Yes, compared to the Champions Club, it's a little better over at Team Teal—some of the "rewards" for creating "teams" are pretty cool although, still, hardly sufficient to motivate people in a meaningful way.

*"Tony Boselli
can't be asked to
do these
Herculean
efforts forever..."*

But there's a fundamental problem, a miscalculation: The way it is set up it has people focusing on the "low-hanging fruit"—with the low-hanging fruit being those people who are *already* season ticket holders—to corral them into the "teams" and garner points. But the hard-to-reach fruit—the people who are not yet season ticket holders—and, after all, these are the ones who have to be roped in—are going to be the last ones to be recruited, because they are the hardest.

You can't "sell" without the "tools" to do so

Whether you prefer the "tools" metaphor or the military one, the bottom line is that you can't ask someone to cut the grass if you don't provide a lawnmower, or fight a battle if you don't give them ammo.

If you want the Jaguars fans to "do battle" in the marketplace on behalf of Jaguars ticket sales, you have to provide some "selling propositions" that have real heft and power.

Perhaps the best way to illustrate the fecklessness of the current selling apparatus would be to describe a phone conversation that is likely to take place between you, a season ticket holder who is willing to go out and see if you can gin up some ticket sales, and your brother-in-law, who loves football, watches all weekend on TV but who has never been convinced to go ahead and become a Jaguars season ticket holder:

You: Joe, I'm calling because you oughta be thinking about getting tickets to the Jaguars this year.

Joe: Really? What's different this year? I mean, I didn't buy last year, why should I change my mind this year? What's new?

You: It's not that there's anything particularly different, it's just that it's fun and we need to support the Jaguars or they're going to leave. Won't you feel bad if they leave?

Joe: Yes, absolutely, it'd be a shame. But I had that same feeling last year, and the year before, and it didn't goose me enough to buy tickets. I mean, I thought about it, but when it came right down to it, I just wasn't quite enthusiastic enough about it. Maybe in a few years when they're more established. Maybe if I watch a few more games on TV I'll get my boosterism

up. I don't know...

You: But you can't even watch them on TV 'cause they're blacked out.

Joe: That's right, I forgot about that. It's sort of a vicious cycle, isn't it?

You: C'mon, Joe, buy tickets. Please? Pretty Please?

Joe: Hey, buddy, I'd like to help you out, but you're just not giving me any reason to buy tickets other than the stuff that wasn't quite sufficient in years past. Come to me with something different or something additional and I'll reconsider, but, for now, it's "no".

You: Well, I'm really, really asking you to. I would really, really hate it if they leave.

Joe: I get that. I really, really get that. But I have to tell you, that sort of falls under the column header "Your Problem", or, maybe "The Jaguars Problem".

You: You know, Joe, I never liked you. My sister is way too good for you.

Joe: The answer is still "no".

The point is: Good luck trying to convince people who haven't been convinced in the past—good luck trying to convince them without anything new, an additional boost, just the same things—however attractive they are to you—that didn't motivate him in the past.

Despite some bells & whistles, some fancy rhetoric and even a few slick ads, the fact is that the value proposition hasn't changed in any significant or impactful way.

And since the value proposition hasn't changed—you can't expect his behavior to change.

If a way is found to inject more “value” into the “proposition”, only then can a different result be achieved. It is both futile to attempt—and unfair for a fan to be asked to attempt—to go out and sell something without providing additional, meaningful value—something about the offer that can be expected to make it more successful than it has been in the past. Again: Going out there with the same thing as in years past is going to yield nothing more than the same unacceptable result as years past.

What is needed is a “a Killer App”, something we’ll explicate in the next section. But, interestingly, the seeds of the solution (if not its ultimate engine) can be found in “Teal Deals”, so let’s talk about that....

“Teal Deals” is a great idea and *instructive*

Finally! Some “ammo”

Okay. Finally. Some “ammo” to help sell tickets. There must be some entrepreneurial energy and thinking here someplace. Oh, wait, it’s local entrepreneur, Joe Adeeb of Bono’s who has, apparently, shouldered this off the ground.

(And, by the way, it is entirely possible that certain ticket sales being attributed to “Team Teal” are more accurately ascribed to these “Teal Deals” as proximate cause.)

Note this: These “deals” really ARE deals—not just rhetoric—where the reward is commensurate with the effort needed to attain it. Instead of asking you to spend six months of your life as the Jaguars’ sales force in order to get “a hat” or a lottery ticket, all you have to do is patronize a local bistro to get something meaningful in return: Things like fully \$25 off a \$50 check at a substantial and well-known restaurant like Bistro Aix, or Mathews. That’s 50%. Or a free case of wine at San Sebastian Winery—that’s 100% off after you purchase the first case. Tires, Jiffy Lube, whatever. These are not insulting token savings, they’re meaningful. (Compare that to getting a pin for 15 years of loyalty...)

And *because* these offers do have some substance, they do indeed provide ammo in that conversation, above, with Joe the brother in law:

You: Check this out, Joe: This year if you get a season ticket you get this book of deals and they’re for real! Put together, they’re worth over \$1400.

Joe: Sure, on stuff I’d never want to use, anyway.

You: No, check `em out.

Joe: (After taking a look at the actual offers). Hmmmm... I actually would use a lot of this stuff.

You: Okay, then, do the math: Say you only use 50% of them. Deduct that from the price of your season tickets.

Joe: Hmmmm.... Well, now you've got me thinking....

That's why "Teal Deals" can work, and least to some degree— IF it's promoted properly and energetically; but...

Three problems with this program:

1. It doesn't go far enough

Yes, a step in the right direction and, therefore, a breath of fresh air, but, no, not nearly sufficient to solve the problem. What's needed is the kind of "Killer App" that we're going to be talking about, below, but, for now, hold that thought: Create programs and "benefits" that are not only NOT insulting, but which can be expected to "move the needle". "Teal Deals" is one: a small ray of sunshine... Will it solve the problem? No, not by itself and not by a long shot. But it's a *start* in the right direction. *Real* benefits demonstrating *real* appreciation.

2. It isn't promised for next year or the year after

As we will see when we get to "The Solution" part of this document, a key component is creating present value for future benefits. Brother-in-Law, Joe, should be further incentivized to buy tickets this year in the certainty that the "deals" this year will continue to be accrued to him next year, but ONLY if he jumps on board THIS year. (More later on that...)

3. It's coming from an "outside" entity

Why does an *outside* entity—not the jaguars Organization itself—have to be the one to *finally* start providing the lawnmower (albeit it a pretty small one) that puts some "motorization" into the "value added" proposition? It begs the question: Why is it that local businesses have to step in to provide fan benefits that are fine and welcome and appreciated—but which should pale beside benefits that could and should be fashioned by the Jaguars themselves? How can I really trust the Jaguars Organization if they are willing to wait around for others to do the job they should have been doing all along for themselves?

Is it a bad thing that the entities providing the discount coupons *also* benefit from the P/R value and the fact that it will drive customers to their venues who might not have otherwise come? No, because, again, the benefit is a *real* benefit, percentage-wise, easily and immediately perceived as such, so the offer is a

win/win that does what it's supposed to. Bravo. The Jaguars Organization, in addition to riding on the coattails of our local entrepreneurs, should be *learning* from them.

"Summer Seat Blockbuster"—exactly what NOT to do!

Here's what the email says:

"Starring the Best Premium Seat Deal in Pro Sports"

"Add a new club or MPS Group terrace suite seat at Half-Price* for every two club seats you own."

Okay, granted, this *seems* like a good idea. Why not offer a good deal to folks who already purchase two seats—let them get a third one at half price? Maybe they want one for themselves; maybe they'll be motivated to go out and find

"In order to provide an incentive to the Jaguars' second best customers, they are absolutely screwing their first best customers."

someone who would like to take advantage of the offer—become a salesperson, that is. I mean, after all, this third seat won't be anywhere near the first two, but, hey...

Why not? Can't hurt, right?

Well, did you notice that little asterisk after "Half-Price"? Let's take a look at what that refers to, the little note down below:

"*Offer only available on new...seats purchased in 2010."

Hmmmmmm....

Still, why not offer this to the people who are, arguably, the Jaguars best

customers: people who are already buying two of the most expensive seats in the house?

But the fact is that they are NOT the Jaguars "best" customers—they are the *second* best customers.

Who are the *first* best customers?

The people who already own more than two seats.

And that, obviously, is the reason for the little asterisk and the note.

One can sort of imagine the discussion while this promotion was being concocted, with folks sitting around a table. "Sure, let's give two-ticket holders an incentive to go out and be our sales force, find someone to buy a third one, at half price."

"But wait a minute", someone else says, "What if someone who already has more than two tickets comes to us and says, hey, what about me? I want the third and fourth ticket that I've already purchased—rebated to half price. If all of those people demand the same deal, and the promotion doesn't cause the ones with only two seats to go out and find more—we could wind up losing money on this thing!"

This is the sort of thinking that, when gone awry, inevitably leads to a trip to Mr. Asterisk. "Well, we'll just tell them 'Hold on, Buckaroo, take a look at that asterisk. This is only for 'new' tickets."

That way, of course, the people who *already* have more than two tickets, can't crash the party and start costing money, rather than producing new ticket sales.

Get it?

Here's what's happening:

In order to provide an incentive to the Jaguars' second best customers, they are absolutely screwing their first best customers.

Do they think those first best customers aren't going to notice?

But, you say, there really aren't that many folks with more than two tickets. I mean, sometimes to make an omelet you have to break a few eggs...

It's about the message that is being sent—and not just to those "first best" customers, however few they may be, that are getting screwed.

Do you think that the second best customers—even though they are the ones getting the "deal"—aren't going to notice and wonder, hey, if they'll screw the first best customers, they'll definitely find a way to screw me down the road, too...?"

It's about the message—and the message is all *wrong*.

Maybe this program will sell a few more tickets over the short haul. But over the long haul (like, for example, after the first year) the impact is negative and corrosive.

Will the people who got a ticket at half price this year buy it again next year?

Doubtful. More likely, they'll wait around for the same deal again—or take a walk. After all, they've already learned from the first deal—which they happily took advantage of—that the better they become as a customer, the more likely they are to get screwed.

As such, despite all good intentions, doing things like this “Summer Seat Blockbuster” promotion, while seemingly, at worst, benign is, in fact, profoundly wrong-headed and intensely detrimental to the kind of relationship the organization needs to develop with the fan base.

It moves, in fact, in the exact opposite direction from where the solution actually lies.

So let's talk about that... where the solution does reside, sitting there ready for the plucking, as simple as pie:

The Solution

What, then, is a “Killer App”?

No matter how much hoopla is dished out, no matter how many “Champions Clubs” or “Team Teals” are developed, nothing is going to fundamentally change for

“The concept has to do with the transformative power of injecting the right “value” into a proposition, any proposition, including the Jaguars’ proposition.

Jaguars ticket sales until a “Killer App” is developed *by the Jaguars organization itself*, far beyond what can be hoped for with “Teal Deals”, introduced with great *élan*, and promoted with relentless savvy, expertise, experience and aggressiveness—all things that are eminently do-able.

That will be the “killer app”.

What is a “Killer App” and how does it apply to Jaguars marketing?

We need to talk for a minute about

computers, of all things, and you're going to wonder what on earth this has to do with NFL football.

So I'm going to have to ask you to trust me, just a little while longer. It does apply. In fact, understanding the concept of "killer app" and devising one for the Jaguars will transform everything, almost miraculously—even though, in the end, it has nothing to do with computers, but everything to do with filling the stadium.

"App". A killer App. It's short for "application". Yes, the term originated in the computer world, but the concept, adapted properly, applies to many arenas, including this one. So let's talk about the computer version of it, delve just a bit into the early days of computers in order to explain what a "killer app" is, and then we'll show how it relates. Essentially, the concept has to do with the transformative power of injecting the right "value" into a proposition, any proposition, including the Jaguars' proposition.

So stay with me; we'll get there:

The early days: "Killer App" explained:

With the ubiquity of computers of all types now, from laptops to "smart phones", it is hard to imagine that there was a time when, although personal computers had been invented and were humming in garages and basements from Boston to Berkeley—there was no real market at all for them. No sales, to speak of. No one wanted anything to do with them except an underground *cadre* of young folks who had two things in common: bad skin and phenomenal brilliance.

And, when you think of it, astonishingly, it wasn't that long ago: The mid-seventies to about 1980, when everything changed. Up until that point all you had was a bunch of boxes that these geeky types were calling "computers", and which would do all kinds of things that they found incredibly fascinating and exciting, but which nobody else had the slightest interest in doing. These nifty things with their blinking lights and crazed devotees, while, indeed, nifty, had no particular use in the real world amongst people who got up and went to work every day.

Yes, you could buy a computer back then, if you looked hard enough, but hardly anybody did: Again, they didn't do anything that anybody "mainstream" particularly wanted to do.

So what changed things?

In 1979 a couple of fellows by the name of Dan Bricklin and Bob Frankston wrote a computer program called *VisiCalc*.

Even though “VisiCalc” sounds like some kind of eye lubricant, it was, in fact, the first electronic spreadsheet that could be run on a computer. The first one. It did the kind of stuff you do with Excel today: Crunch numbers.

“So what?” you might ask, and to understand the answer to that, you need to envision how the world was for the several thousand years *before* VisiCalc:

Let’s say you were an accountant. You would take a pencil to do a spreadsheet and write all the numbers on a great big page, maybe thirty columns wide by twenty columns deep. That means there would be 600 handwritten numbers on that great big piece of paper, and each number was in some way related to other numbers on the sheet. For the sake of this example, let’s say it was labeled “Sales Projections” and was intended to calculate the projected sales results of 20 different offices and 30 different products.

Nearby, you would have several dozen erasers because every time you wanted to change one of the numbers, you had to recalculate, often with a hand-calculator, one by one, and change all of them. (Don’t forget, each number affected all the others, or many of them, not unlike a column total: Change one of the numbers and you have to change the total.) In our “Sales Projections” example, suppose you want see what would happen to the overall numbers if you changed the price of one of your products from \$1.35 to, say, \$1.75. You would need to identify every cell on your spreadsheet that would be affected by that alteration, and change them one at a time, sometimes exponentially. Erase the number in one cell, do the math on a scratch pad, change that number, and then move on to the next cell and do the same thing, and the next, and the next, and the next, and the next...

it took forever and was just about as crushingly boring as anything you can imagine, but it is exactly how they did things (although, admittedly, the Egyptians did it with an abacus while more modern people at least had that hand-calculator help with the math in any one cell.)

It was stultifying, phenomenally inefficient, quite labor intensive (and therefore expensive)—but absolutely necessary for every business in the world to do on almost a daily basis, *ad infinitum*.

And then came *VisiCalc*. Think of Excel, but in baby form. Put all those numbers onto a computerized spreadsheet and then, if you want to run some “what if?” scenarios, just push a button and *voilà*, the numbers—all of them—have changed.

Now, the reaction an accountant or bookkeeper—any accountant or bookkeeper and every accountant or bookkeeper in every single business—who heretofore had

not the slightest interest of any sort in computers, was this: "I will do anything; I will pay anything; I will climb any mountain and undergo any learning curve in order to have this capability. *Anything.*"

So that accountant or bookkeeper—just about every single one of them-- went to the boss, the one with the checkbook, and requested—begged for, if necessary—a computer with *VisiCalc* running on it. The boss was reluctant to spend the money, and thought personal computers were a passing fad, so the accountant said to the boss: "You know how you're always asking me for projections, and how you give me the numbers and four days later I come back with the spreadsheet? I can do the same thing for you with this, but instead of four days, you can have it in five seconds."

The boss's reaction was: "I will do anything; I will pay anything; I will climb any mountain and undergo any learning curve in order to have this capability. *Anything.*"

Every boss, every accountant, had exactly the same reaction, and the personal computer industry exploded as the direct and singular result of the attractiveness of a "program", a capability, called *VisiCalc*.

If they could have run the program without a computer, they would have. But they couldn't. They had to buy a computer if they wanted to run *VisiCalc*—and so they did.

Every one of them.

And the personal computer industry was born.

VisiCalc has gone down in history as the first, and perhaps the greatest, "Killer App"—an "application" (software) so powerful, so inherently desirable, that it and it alone animates the marketplace. What sells computers is not hardware and "mother boards" and "Random Access Memory". Computers sell when something else, some other "value" is injected into them, via an "application". If the sales generating power of that "application" is truly monstrous—it is a "Killer App" because even though it is software, which is relatively inexpensive, it drives the sales of hardware.

How does a "Killer App" apply to selling Jaguars Tickets?

So, then, what could this possibly have to do with the Jaguars? Is the team or the organization, or maybe both, in some important respects just like the unwanted

“If we figure out a way to inject those Jaguars tickets with a huge amount of extra value, then it can become a “Killer App” and not only increase sales, but make them absolutely explode.”

computers in the story, only lacking a “killer app” to make tickets “fly off the shelves”?

Not exactly the team or the organization: Think of the season *ticket* like the computer. That ticket, as it stands now, will do all kinds of good things for you, it has all kinds of inherent “capability”: it will get you into Jaguars’ games to watch superlative stuff and allow you to enjoy what we have already determined is a top-shelf game-day experience.

Unfortunately, based upon experience and our current circumstances, we know that as good as that is, it isn’t enough to get people to buy *enough* tickets. The inherent capability of those computers wasn’t enough to get people to buy them. They, like the Jaguars’ tickets, need to be injected with something else, something additional, that will provide enough increased value to move buyers to a positive purchase decision. If we figure out a way to inject those Jaguars tickets with a huge amount of extra value, then it can become a “Killer App” and not only increase sales, but make them absolutely explode.

And there is, absolutely, a way to do that:

Implementing the Jaguars’ Killer App

Step One: Stop blaming, threatening and making excuses.

If you’re not convinced that blaming the community for lack of support, or threatening the community with the relocation of the team, or pointing the finger at all kinds of factors completely outside the Jaguars Organization’s control is accomplishing absolutely nothing except the erection of a barrier to doing anything that will actually improve matters—then do what you’ve got to do to get convinced, because I’m right.

Let’s start focusing—right now—on the things that *can* be controlled and that *will* work.

Step Two: Calculate Full-Stadium Revenues

Okay, let's do some math, and let's base that math on the ticket prices as they are being currently offered. Let's suppose the current program to sell tickets is successful and 100% percent of the seats are sold.

Get that bottom-line number in front of us, and hold onto it for dear life, because we're going to be coming back to it as we go along.

And while we're at it, let's do a little "getting our mind right" about all this. By that I mean the following, as it relates to the mindset of the owners of the team: As a business, the concept is to maximize profits, ROI, and underlying equity value. I get that. There's nothing wrong with that, and it is legitimate goal, one that, under this "Killer App" plan, can and will be realized in due course.

But for now, during the implementation period of this system, the Owners need to make the mental determination that if they can simply realize the bottom line associated with selling out the stadium *at prices currently being offered*—that they will be "happy" with that. (And why shouldn't they, given current realities—and the fact that filling the stadium will generate a lot of ancillary benefits, only one of which is making it much more likely that a stadium-naming sponsor will be found?)

Okay? Got that number? The bottom-line number that *would* be realized with a full stadium at current prices being offered? That's what we're going to achieve while, at the same time, accomplishing all kinds of *other* things—things that will transform the financial picture of the team and create "tools" for a very bright future, indeed.

So hold that number in your head, and stay with me...

Step Three: Find out NFL Median Ticket Prices

For a lay person, it's a little difficult to find out exactly what some of the teams are charging—specifically the ones that are sold out with a waiting list. That information is available, no doubt, to the Jaguars Organization.

So do comprehensive survey of all NFL ticket prices, various categories (Club Seats, General Admission, whatever categories are the equivalencies of the categories of tickets being offered by the Jaguars). Establish the median price for each category—the number at which 50% of the ticket prices are higher, and 50% lower.

Get these numbers down on paper, clearly enumerated. Since we know that the pricing being offered by the Jaguars is close to the lowest in the NFL, in all cases this NFL "median" number should be higher, probably considerably so.

This is a point of reference, only, at this stage. But we're going to need it, and it's going to become very important, indeed, when we get to the "P/R" and "Marketing" phases of the plan.

Step Four: Calculate "Loyalty Discount" price

We now need to do the further mathematics that will form the girders upon which we will build our "Killer App"—a skein of discount vesting based upon fan loyalty that will utterly transform the Community's relationship to the Jaguars Organization and provide, in addition, the basis of the "Buddy System" that will fill the stadium for years to come.

"...when presented next to information showing that in comparison to other NFL teams it is a bargain... it starts looking not only good, but like someone is trying to do him a solid by offering it.."

As we walk through this, don't be alarmed by all the talk of "discounts": Even with all that, the goal is to generate, in the first year, exactly the same revenues we anticipated in Step two, above, the "Full Stadium Revenue Bottom Line at current prices being offered."

We're just going to *arrive* at that number *via* a more advantageous methodology, a methodology which will, at the same time, provide us with the "tools" to actually make it happen.

Ready? Instead of giving 15 year loyalists "a pin" for that loyalty, or offering them a nearly worthless lottery ticket to maybe—*maybe*—go to the Super Bowl if they convince a friend to buy season tickets—

we're actually going to give them something meaningful, something they will respond to, and something they can use to get that "buddy" to actually sign up.

More math (sorry): The magic of creative pricing

For the sake of this part of the discussion we'll use Club Seat prices as the example, but the same would work for any category of seat prices.

In its most basic form, here's the concept:

One "Gold" Club Seat Season Tickets to Jaguars' games is currently priced at \$2400. Although on its face this seems like—and is—a lot of money, when compared to the league median price, it is cheap. Very cheap.

So here's the question: If I were going to offer a season ticket buyer a "25% discount" off the price of the ticket, what would the price need to be in order to end up at the exact same \$2400 amount?

The answer is: \$3200.

If I offer a customer the chance to buy a season ticket for \$3200, but with a 25% discount, he pays the same \$2400 he is currently being offered.

What about a "red" season ticket, currently priced at \$580? If I were going to offer a 25% discount on that ticket, I would need to price it at \$775 before the discount to arrive at the original \$580 after the discount is applied.

Again, \$775 is a lot of money to a hard working guy looking to attend some NFL games, but, when presented next to information showing that in comparison to other NFL teams it is a bargain, and if he can get a 25% discount off of *that* it's a flat-out deal, it starts looking not only good, but like someone's trying to do him a solid by offering it.

The question becomes: How does one tap into such a sweet deal, get such a nice discount?

The answer: Loyalty. Past, present and future.

The 2% per year Loyalty Discount

Just suppose: Every year you have been a season ticket holder generates a 2% discount off the next year's ticket price. But in order to get things rolling, we're going to make it *retroactive*.

So, if you've been a season ticket holder for at least 12 years, that's $12 \times 2\% = 24\%$. We're rounding it up to 25% as a bonus for reaching the full discount.

That means, of course, that folks who have been with the Jags from the beginning will get the full 25% discount starting next year. As I mentioned, I've been a season ticket holder for four years, so next year I'll get an 8% discount. The year after that, I'll get a 10% discount, and so on, until I reach the full 25% discount.

At this point I'm going to remind you of what I said earlier: Yes, we're talking about a lot of discounting here, but keep in mind that it's not "about" the discounting. It's about creating an unbelievably powerful "tool" that we'll put to agile use in the following steps.

Oh, and if you're not alarmed enough yet, did I mention that this discount will last *forever*? And if you think that doesn't make sense, especially from a hard-nosed business point-of-view—I beg to differ, and I'll explain why in a minute...

The important thing, for now, is to hold onto the concept: Fan loyalty “earns” Jaguars Organization loyalty in return—in the form of a 2% discount per year for every year of any given fan’s loyalty.

Step Five: Craft “Buddy System” discount

So, you say you want to fill up the Stadium *now* ?

Here’s how to do it, in a nutshell:

If I’m a loyal fan with a number of years “vesting” in my 2%-per-year discount, I have, accordingly, a substantial ticket price discount available to me.

Here’s the magic bullet that will fill the stadium, pronto:

I can offer **one new prospect** the opportunity to glom onto *my* discount by signing up for season tickets. It’s taken me, say, six years to “earn” that discount: He can have it *right away*, this year—as as my “buddy”.

Put another way, he gathers the 12% “vesting” I have earned—but he gets it in his first year, and then, every year after that, he continues to accumulate an additional 2% per year, until he reaches the maximum 25%.

And it lasts forever.

*“If the marketing is
done properly, I
won’t even have to
go out and find that
“buddy”: He’ll find
me.”*

But why should I be motivated to spend my time and energy going out and signing up a “buddy”? I mean, sure, maybe I just want to do a favor for a friend, but, relying on that sort of generalized altruism can be risky.

Put another way, where’s my self-interest in this deal?

Right here:

Each year my “Buddy” stays on and earns *his* additional 2% discount, *I* get an additional 2% discount, meaning that my

vesting accelerates to 4% per year instead of 2% per year, until I reach that maximum 25%. I continue to get my own 2% discount increase per year, but, because I’ve successfully recruited a “buddy”, I also get *another* 2% per year for each year that buddy stays on board.

Sweet.

So, which do you think is more likely to get me motivated to go out and convince a friend to become a season ticket holder: the extremely unlikely, one-in-a-bazillion chance to maybe, maybe, maybe go to the Super Bowl, one time—or the certainty of having my efforts and loyalty rewarded in a meaningful, substantial, and definite way for years to come?

(If you're having trouble answering that question, go directly to jail, do not pass Go and do not collect \$200.)

It's a classic win-win-win-win situation. The New Prospect wins by getting a discount right away that they, themselves, didn't "earn". I win by getting accelerated vesting. The Jaguars win by having new fans brought in by the existing fans, and *everybody* wins by filling up the stadium. Most importantly, everybody is *motivated*—motivated by legitimate self-interest generated by the "Buddy System"—to get this *done* and get it done *now*.

Oh, and by the way, if the marketing is done properly (see below), I won't even have to go out and find that "buddy": He'll find me. If I'm sitting on a nice little package of already-earned vesting, he'll seek me out. (And there are all kinds of constructive and creative ways the Jaguars' Organization could set up things to put vested loyalists together with interested newcomers wanting to jump onto their already-earned discounts. Like, for example, the online "meeting room." See below.)

The Three Year "Window"

The goal is to fill up the Stadium *now*. Arguably, the "buddy" program should last only one year: Do it now, or lose the opportunity. Indeed, if the initial launch and presentation is compelling enough, it is likely that all "buddy" opportunities—and more—will have been snapped up quickly, in the first year. From there, it's just a matter of adjusting the pricing for the "out years" (see below).

But prudence would dictate giving the Organization a little latitude, a chance to refine the marketing, advertising and P/R efforts, should that become necessary.

A three year "window" would be appropriate, and then the "buddy

"The program will be so powerful and effective that the opportunities will be fully subscribed in the first year."

system" opportunity will terminate.

But we don't want folks procrastinating until that third year, so the "value" of the vesting should decline, substantially, from the first year to the second and then the third. Get in now or you're going to lose some value. It should, therefore, be made very, very clear that the most "benefit" can be obtained by jumping on board, right away, in the first year. After that, the benefits should be reduced by half in the second year, and half again in the third.

My guess? The program will be so powerful and effective that—assuming the marketing and promotion is done properly—the opportunities will be fully subscribed in the first year.

Step Six: More math; Putting it together

So far, all we've done is a lot of research and calculation. And before we "launch" we need to do some more, I'm afraid...

Establish the Baseline Pricing Structure to Commit To

We've talked about how it's possible to arrive back at the original ticket pricing (the price currently being offered) even if we raise "book" prices, by then reducing it back by applying a 2% per year discount to those raised (but still very attractive, when compared to the NFL median prices) prices.

And we've talked about how the goal is to fill the stadium while generating at least the same amount of revenues, overall, as would have been garnered with a full stadium under the current pricing system.

Now we need to determine how to price tickets within the framework of the "buddy system" where loyalists get their discount—but also offer it to newcomers.

This is complicated by the fact that some ticket holders have already earned the full 25% discount, while many others have only earned varying degrees of that, if they have been a season ticket holder for anything less than 12 years.

Ameliorating that first complication is the fact that these numbers are *known* by the Jaguars. It's already in the database. You can look up any season ticket holder and know exactly how many years of "Loyalty" they have earned, and therefore anticipate what would be paid, after the discount, by any particular fan. Add all that up, calculating the known discounts off of "book" price, and it's a relatively easy calculation to figure out what, indeed, that "book" price would need to be to arrive at the same bottom line we've talked about—the one that would have been realized with a full stadium under current pricing.

What is less easily known (at least at this point until some years of experiential data can be actuarialized) relates to the “buddy system”. That is, there’s no real way to predict whether any particular “buddy” is going to be signed up by a loyalist with 12 years of loyalty or six or two or whatever, and so you can’t be certain, in any given case of a convinced “buddy”, what particular discount they will be entitled to in their first year.

It’s a pretty good bet that the fully-vested loyalists will be more successful than partially vested loyalists in signing up newbies, but, again, until some empirical data can be compiled over a number of years, there’s going to have to be some “probability” factors injected into the calculations.

Nevertheless, if the NFL “median” ticket price (for each ticket category) is known, and if the discount status of each current season ticket holder is known (and it is), then it is entirely possible to land on a reasonably precise ticket pricing schedule that can be relied upon to land the revenues from a full stadium that has been established by this process—right around that target number.

Fine, you say, but who the heck is actually going to do all these calculations, once the known-data has been gathered and collated into a presentable form? Here’s the good news: Yes, these mathematical calculations might sound complex, but, actually, relative to what any moderately advanced mathematicians can do (and you can find some at, for example, the University of North Florida) it’s child’s play, and actually fun.

Oh, and when you ask them to do it, here’s a way to make it more fun for them, and more valuable to you: Ask them to provide some “pricing flexibility options”—all of which arrive at the same bottom line we’ve targeted (with, again, that bottom line defined as the number you have already determined would be generated by a full stadium under current pricing.)

What do I mean by “pricing flexibility options”?

Well, in our example, above, we talked about the ticket price that would arrive at the original number after the application of a full 25% discount. Maybe the full 25% discount should yield a price *less* than they are currently being offered. That would mean that folks with only one or two years’ loyalty (and therefore only 2% or 4% vested in the discount program) might be paying slightly *more* under the new system. (Would they react badly to that? Possibly, at least initially, but within the context of the overall program, where they realize they are on their way to earning discounts that will last them well into the future, it can be, and should be, a fairly easy “sell”).

In other words, if the bottom line remains constant (our “target” revenues overall for a full stadium at current prices) the way to arrive at that number, the particular “mix” of ticket prices by category, can vary, and those variances can, possibly, generate more or less advantageous marketing opportunities, scenarios and postures.

I won’t go into a lot of detail here, but, as you think about it, there are all kinds of tweaks to the scenario that could give greater or lesser incentives in varying directions, so long as the basic concept is kept intact.

Make these calculations a class project for any advanced mathematics class, working with the Computer Science department—and you’ll have your answer in a couple of weeks, if not sooner.

The number exists; it’s findable; they’ll do it.

Step Seven: Prepare the “On-Line Buddy Room”

Under this system, it is to the extreme advantage of a loyal fan to find a buddy, and, for a fan who will be convinced to join in—even more important to find an existing fan with an already-earned discount to buddy up with.

“This ‘Buddy’ forum can evolve into all kinds of positive applications for supporting fan loyalty and interaction in a myriad of ways for years to come.”

A lot of those pairings will occur by their own accord, neighbor-to-neighbor, friend-to-friend.

But, that process should not be relied upon unsupported by a sophisticated, effective and easy-to-use platform created by the Jaguars, an online “meeting room” wherein folks looking to “buddy up”

can do so efficiently.

Let’s face it: The fans with the most discount vesting under their belt will be the most in demand, obviously. If I were convinced by the “Buddy System” offer that now is the time to sign on for Jaguars tickets, I would be looking to get paired up with someone with the full 25% discount, right now. The Jaguars should provide a platform where I can find easily and quickly find that fan, fully vested and willing to sponsor a “buddy”—me.

Then, when all the fully-vested fans have been paired up, my next best choice is the one who is *almost* fully vested, until that pool is exhausted. And so on down the line.

And, yes, I suspect you're ahead of me on this: If you do the math (yes, more math) and assume that, say, 50% (or 90% or 40%-- whatever, run the numbers...) of the existing fans get "paired up" with a "Buddy", you'll find that the Stadium fills up very quickly, indeed. Voila.)

This "On Line Buddy Room" will be important, it will make a difference (maybe a crucial one) so get the programmers going, get it built and in place—and tested—prior to launch of the marketing and promotion of the "Killer App" so that it can do its job while initial enthusiasm is at its peak.

And by the way, although I won't go into detail here, when you think about it, this forum can develop and evolve into all kinds of positive applications for supporting fan loyalty and interaction is a myriad of ways for years to come.

Step Eight: Identify P/R and Advertising Agency Vendors

Don't skimp in this area

This Program is so clearly in the best interest of the Community, the Fans, The Organization and the Team, and so inherently powerful, that the only way to blow it would be by doing a mediocre, inefficient, lackadaisical or unprofessional job on the P/R and marketing front.

Earlier on we talked about one manifestation of anemic P/R and marketing: The fact that so few fans have any idea of the relative attractiveness (compared to other NFL teams) of the Jaguars ticket pricing, resulting in the lack of the appreciation that could be generated by the nature of the offer itself. This, despite the fact that, yes, it is "mentioned" from time to time.

Put another way: When the "Killer App" program gets rolled out, it needs to be done full-blast, supported by the kind of multi-faceted P/R and advertising efforts that can be achieved by professionals in those areas—of the very highest caliber with proven track records.

A take-no-prisoners determination to get this understood throughout the community, promoted and implemented with muscularity and brio.

High-level P/R and advertising is, among other things, expensive.

But trying to save money in these areas would be profoundly foolish. Letting this program "limp out" without robust, grittily determined P/R and advertising would be like unveiling a remarkable new automobile by sending out, first, the bumper, then the tires, and so on.

When the curtain comes off, it needs to have enormous community impact, boom, right then, and, from there, it only grows.

Eliminate the complexity of the presentation

The “killer App” buddy system is, at its core, sublimely simple. But, yes, it’s true that some of the architecture of it, the discounting, the math, etc. can be a challenge to communicate succinctly and effectively. And it is therefore also true that the marketing, P/R and advertising aspects of the roll out are critical to its success.

Two things:

One, remember that these are not obstacles, they are opportunities. Creating this program gives birth to a whole new framework for communication between the Jaguars organization and its fans, offering a golden opportunity to create a

relationship that is solid and healthy and helpful to both sides of the equation, something that can last long into the future.

*“Selling isn’t
convincing someone
to do something they
don’t want to do; it’s
convincing them to do
something they do
want to do.”*

Second, think of the discounting and the “Buddy System” as a “hook to hang your hat on”, and by that I mean the marketing hat, the advertising hat, the promotional hat and the public relations hat. It is something real and something meaningful and it is the launch pad for an advertising campaign that could be—and should be—one for the ages.

This “framework” is something that any advertising agency worth its salt would love to sink its teeth into. It requires the right campaign, the right slogan, the right media, but, given that, it will be absolutely transformative in terms of the attitude of the fans towards the Jaguars and their ticket buying behavior.

What sort of “hooks” are we talking about?

Ultimately that would be and should be the work product of advertising and P/R professionals at the highest level. The idea is that fans need to jump on board

before it's too late; that the day will come when, like other NFL cities, you can't get a ticket at any price. Sign up now and reap rewards well into the future. This is the type of thing that a good ad agency eats for breakfast, but as (admittedly amateurish) examples, here are a few:

"Commit to the Jaguars and the Jaguars will commit to you!"

"Build your equity in the Jacksonville Jaguars."

"Climb on now; be there later."

"Invest now; be glad later."

"We're going places... Come with us!"

"The Jaguars plane is taking off; get on board before it's too late!"

Remember the old adage: Selling isn't convincing someone to do something they don't want to do; it's convincing them to do something they DO want to do.

Give people a reason to jump on the bandwagon NOW. And if what you have now isn't sufficient to do that, then sell them on what they can get later-- but only if they jump on now.

A good ad team could knock your socks off with this program. I can see them doing a commercial where they go to Green Bay and Minnesota and Washington and Foxboro and interview fans there, who look into the camera and tell Jaguars fans how much they wish they could get a deal like the one being offered to folks in Jacksonville."

Or show someone in New York who's going to move to Jacksonville. "You can't get a NFL ticket here in New York at any price. I'm moving to Jacksonville—like a lot of other people—and the first thing I'm going to is get season tickets to the Jaguars while you can still get them."

Buzz: The central role of "Public Relations"

A first class public relations effort needs to work hand-in-hand with the more formal advertising effort—but is very different from it.

This doesn't mean simply issuing a press release from time to time and hoping for the best.

And it isn't referring to all the great community service stuff the players do, to say nothing of the magnificent work of the Weaver family and the Weaver foundation. That stuff is great, but it's not the type of "P/R" effort needed in this program.

The kind of P/R program that is crucial is all about creating *buzz*. Its goal is to get this community talking about Jaguars *tickets*. Not the Jaguars *team*—although that's good, too—but, rather, talking about Jaguars *tickets*, in the completely *opposite* way from the way their doing it now, where chatter about negative things like blackouts and lackluster ticket sales—and how the community isn't "supporting" the team—dominates the conversation. *All that needs to be overwhelmed by positive "buzz"*.

That means talk about the loyalty the organization is demonstrating to the fans with the "loyalty discounts". The fact that these discounts can be shared, for a limited time, with others, only until the stadium is filled.

Talk about the buddy system and the urgency of jumping on board before it expires.

Buzz. It can be done, and it has an exponential effect. It needs to be a true, multi-pronged P/R assault, not just to launch the program, but to give it increased momentum as it begins to work.

Prepare to Get it done! Get Creative! Have fun with it!

There are a hundred things that could be done, hung like Christmas ornaments on this program, each one fun, and effective and compelling. Like, for example, something as simple as tee shirts.

Tee shirts?

Every Jaguars season ticket holder should get, when they receive their tickets, a teal tee shirt with a big number on it representing the number of years they have been a season ticket loyalist. They should get a new one every year, and eventually the stadium should be filled up with tens of thousands of season ticket holders proud of their "vesting". It will be recognized and a subject of conversation—and I'll bet people will be wearing them, again, with pride, outside the stadium in everyday life, yet another "free" promotion for the Jaguars.

You've found a "buddy" you're sponsoring? Give them a teal "buddy" hat to wear and spread the word.

These are just a few things. Creative minds enthusiastic about a program that actually has some substance can and will think of a hundred things to support it. Give skilled professionals a solid framework like the discounting and buddy system,

and they will come up with incredibly exciting and effective techniques and organize them into a focused, powerful program with a clear mission and that mission is to cement the relationship of the fans to the Jaguars organization for the specific purpose of selling tickets. The phrase “We ARE Jaguars” will take on a whole new meaning and will finally be not only a game day chant—but a heartfelt emotional reason to buy tickets. The goal is clear and it is achievable: Within a very reasonable amount of time, a waiting list for season ticket holders. Yes, we ARE Jaguars. Not just the organization, but the organization AND the fans, as one.

Get that implemented; get that cemented; get that “one-ness” going practically and emotionally—and all else follows.

Step Nine: “Killer App” Roll-Out

Get the Ducks in a Row

Before “pushing the button” on the “Killer App”, the following should be in-place:

- All research and “mathematics” done.
- Based on the mathematics, a pricing structure incorporating the “loyalty discounts” has been clearly established. We’ve decided on the exact pricing we’re going to offer for each category, and we’ve configured it in such a fashion that we know that if every season ticket holder renewed, using their earned discounts, their actual price, after the discount, would be identical to that they would have paid, anyway, under the old system.
- And we’ve done further calculation, based on some probability scenarios, that show the effects of the “Buddy System”, and, even though there are certain unknown factors (will “buddies” be signed up with fully-vested loyalists and therefore be entitled to the full discount right away, or will they be signed in greater numbers by lesser-vested loyalists?) and we’ve established, based upon those varying scenarios, a “range” of outcomes, from likely lowest to “the best we could hope for” and we know that every point on that range is, at least, acceptable from the owner’s point of view.
- The online “Buddy Meeting Room” built and ready-to-go, incorporating the ability to take initial activity data and project out how long it will take to get enough people “buddied up” to fill the stadium, what discounts are likely to result from that, and what the revenues will therefore be, at the ticket prices then offered.
- Top-flight advertising and P/R professionals have been selected and a substantial advertising and P/R budget approved and available, of a size

commensurate with the importance of the project itself, which is, arguably, do-or-die. Put another way: The success of the program would mean tens of millions over the short haul and, perhaps, hundreds of millions over the long haul. And its success will be, without question, dependent on an effective advertising and P/R effort to get the message “out there”. And the message will not get “out there” by itself or by osmosis. *Do not skimp.*

- Marketing pieces printed and ready to mail.
- Advertising media purchases researched and ready-to-go.
- A full-scale Public Relations program ready-to-go, together with any printed materials, and including a national component to “change the narrative” (see below).
- Management has done everything necessary to infuse a positive, enthusiastic and cooperative organization-wide “mindset” with each and every individual fully “on-board”, fully supportive of and enthusiastic about a program based upon recognition of fan loyalty and incentivizing just that in a meaningful, powerful way, having had its structure comprehensively explained to them within the context of a fierce determination to do whatever is necessary to make it successful.

The Jaguars Organization needs to have on its rally cap, from top-to-bottom.

Now it’s time to take a deep breath, put on the game face, push that button—and make it happen.

Go.

Changing the “Narrative”

As mentioned, a portion of the P/R effort should have a national focus. The idea is to get everyone from ESPN to Peter King thinking about the Jaguars differently and *talking* about the Jaguars differently.

Currently, and for a while now, the national “story” about the Jaguars is—blackouts. The Jaguars Organization is portrayed as feckless, the Jacksonville community as clueless.

It’s embarrassing, and, worse, contributes to the ticket selling problems. How so? Again, the community is not going to be shamed or threatened into buying tickets, whether that comes from within the Jacksonville Community, the Jaguars Organization—or from the national media.

But the opposite *will* work: The implementation of the “Killer App” by the Jacksonville Jaguars, if supported by the right P/R effort, will be a national story. The “narrative” will go from the depiction of a hapless organization confronted with an indifferent community—to the boldness and audacity of an organization fiercely committed to making things work, and doing so in exciting, innovative and creative ways—ways other teams should perhaps take notice of.

When Wayne Weaver walks into an Owners Meeting, he will command a whole new respect.

Will this national attention help sell tickets? You bet it will, right here in Jacksonville. Because the narrative will be completely different, the buzz will be given increased momentum by the national attention, and one thing will feed on the next.

Fantasy Press Release

Here’s what the Jaguars’ world might look like, in the form of a “fantasy press release” when the “killer app” is fully configured and the button is pushed:

[Fantasy Press Release]

Weaver Unveils Historic Loyalty Incentive Plan to Spur Ticket Sales

Plan Reaffirms Commitment to Jacksonville and rewards loyalty of current fans far into the future

Unique “Buddy System” provides unprecedented incentives for new fans to sign on

Jacksonville, March 1, 2010-- Jaguars owner Wayne Weaver quelled speculation today about possible relocation by inaugurating what may be the most substantial commitment to its fans of any organization in NFL History.

Encompassing a tapestry of benefits for fan loyalty, it is designed to provide extremely attractive future benefits in the form of substantial, ongoing discounts to fans willing to support the team now, during difficult times.

According to Jaguars owner, Wayne Weaver, “This is intended to be a massive ‘thank you’ to fans who have stuck with the team year-after-year. Our team of players is our second biggest asset; the first is our fan base. We’ve known that all along but, frankly, we haven’t done a very good job of letting them know that we know it. That changes as of this moment.”

The program features deep discounting—up to 25% off published ticket prices— both now and in the future, based upon the number of years a fan has been a season ticket holder. Vesting in the discount will be applied retroactively to current fans, and presents a powerful incentive for new fans to jump on board quickly so that they can begin building up the same kind of discounts in the future.

Weaver explains that the plan is structured as follows: For every year a fan has bought season tickets to the Jaguars, they're going to get a 2% discount the next year, building up year-to-year, up to a full 25% off ticket prices. "They're going to get that discount for as long as the Jaguars are in Jacksonville, and, as far as I'm concerned, I hope that's forever," says Weaver.

In addition, a unique "Buddy System" gives reason for new fans to buy now rather than later: Long term fans have the ability to bring in new ones by offering them the one-time chance to piggyback on the discount entitlement they have already earned. That means, for example, that a season ticket holder with three years' loyalty, which entitles them to a 6% discount, can offer that same discount to a new season ticket buyer. When a fan does recruit a "buddy" they, in turn, have their own discount vesting accelerated by double: They receive two years' of discount vesting for every one year that they and their "buddy" are both season ticket holders. That means getting to the full 25% discount twice as fast.

Explained Weaver: "If it were me, I'd be finding a 'Buddy' as quickly as I can and signing up for tickets, because I'm telling you, we're going to be selling out the stadium fast with this, and the door is going to be shut. I strongly recommend that folks jump on now while they can take advantage of this incredible Buddy System offer. It's great for the existing fan and great for the new one."

Weaver's goal is to identify the fans who are loyalists now and make sure that loyalty is rewarded on an ongoing basis. Says Weaver: "Look, the day is going to come when we're going to be just like a lot of other NFL cities where getting a ticket is nearly impossible. It's coming, I promise you; it's just a matter of when. And when that day comes, we're still going to be remembering and thanking the fans who sign on now, while we're struggling a bit. We are not ever going to forget the loyalty they're showing us now. The discount they earn during these lean years will never end. Never."

Every year of fan loyalty will be worth a 2% discount, so that current season ticket holders in at least their 12th season will automatically get the full 25% discount when they repurchase their tickets next year. A fan purchasing for the fifth year will get a 10% discount, the fourth year an 8% discount, and so on.

When asked whether this discounting wouldn't make worse an already difficult financial situation for the Jaguars, Weaver said, "No, because we're also implementing our 'Buddy System' and this is the greatest deal for new fans that they'll ever see. The reduced revenues from

giving our loyal fans a discount will be made up for by filling up the stadium with new faces.”

Jaguars insiders predict that finding a vested “Buddy” will be so attractive that friends and neighbors will seek out individuals to buddy-up with. To assist in this process, an online “meeting room” is being created where new fans can be connected with potential buddies, and *vice versa*.

According to Weaver, “We’re opening this up to new fans for a three year period, and it has the most value the first year, reduced by half the second year and half again the third. We want to give the most reward to the fans who are willing to join up with us right now. But to tell you the truth, this is such a great deal for new fans that I’ll be surprised if there are any tickets available the third year.”

For more details and information on how to sign up, go to www.jaguars.com/BeMyBuddy

#

Issue a press release like that, and it will get national attention. The ball will be rolling. The rest will be history...

Step Ten: Out Years – adjust price, establishing “premium” for Newbies

The stadium will be filled; time will move on; the Jaguars team will experience varying degrees of success.

Each year, ticket prices can and should be adjusted.

Things will move from being a buyer’s market, as it currently is, to a seller’s market.

And when it does, the Jaguars owners are fully entitled to reap the benefits of that change, and under this “Killer App” system they can and they will.

It is simply a matter of adjusting the ticket pricing so that even though the 25% discount is still in place, after applying the discount the resulting price is fair market value.

In other words, if, absent the “Killer App” and absent the 25% discount, the amount the Organization would be charging for a ticket is, say, \$1,000, then the face value of the ticket would be set at \$1335 . Would anyone actually be paying the “face value” price? Assuming every seat was re-sold to a fully-vested fan, then, no. Everyone would simply be applying the discount and paying, instead, fair market value.

But if there was some fan attrition, some seats became available, then newcomers would, indeed, be paying a 25% *premium* over "Fair Market Value" the first year, and then a 22% premium their second year, a 20% premium their third year, and so on down the line until, after 12 years, they are entitled to the same 25% discount as the original, loyal fan base.

Let's look at the "fairness" issues associated with all this:

Is this fair to the Old Fans?

This program is not only fair to the long term fans, it provides, for the first time, some real and substantial "payback" for the loyalty they have been willing to demonstrate—unlike many others who have not been willing to offer support during the "tough" years.

What about when prices are raised? Will it be deemed deceptive?

Down the road, when it's a seller's market, even though a loyal fan will continue to get, yes, a 25% "discount", the resulting price will be fair market value. It will no longer be a "bargain", even *with* the discount. Will that be perceived as a dippy-doodle, a sham, purposely deceptive?

It shouldn't be, so long as the system is fully explained, along with its rationale.

If you ask people, you will find that they are not looking to deny the Jaguars Ownership its just rewards. They simply want their choices to reflect market realities. As those realities shift, the perceptions of "fairness" shift, as do the targets of any perceived unfairness.

In the early years (or maybe just a year) fans are looking to Ownership (the Jaguars Organization) to reward their loyalty—loyalty they have proffered in good faith during a time when it was most needed by the ownership—in the form of, yes, discounts that reflect a bargain. But once the tide has turned, the stadium is filled, the fans will not be looking to deny Ownership the benefits they are entitled to—but they would still like to have an advantage over a *newcomer* who jumps in only after they, the loyal fans, have stuck by through thick-and-thin.

That is, the locus of the unfairness, in the mind of the loyal fan, would be with the new fan who is allowed to come in at the exact same price they, the loyalists, are paying. If long term loyal fans are paying fair market value, they would have no reason to complain, and wouldn't, so long as newcomers were asked to pay a *premium* until such time as they, too, had earned a similar loyalty discount.

If these new fans were allowed to come in at the *same* price right away—that's what would be perceived as unfair.

But under this program, the newcomer does pay a justified and justifiable premium over the “fair market value” that the loyalists are paying, and, indeed, will be asked, fair-and-square, to pay the same “dues” the loyalist has already paid over years to earn the price they are getting.

Again: Even though the loyalists are now paying Fair market value, so long as they don’t have to see newcomers come in and pay the same price they worked so hard to earn-- it’s not only fair—it’s extraordinarily fair, and in no way deceptive or misleading, especially when it is considered that the program itself is what has allowed the team to garner the income necessary for it to survive and remain in the City.

Is this fair to New Fans?

Of course it is. Sure, they’ll be paying more for their ticket than a fan who has been with the Jaguars for, say, 20 years, a fan who was there when seats were going a-begging. And they should.

Making it even more fair for these new fans, they now have the same opportunity to “earn” the discounts the loyalists already possess. Stick with the program, buy your seat year after year—as the loyalists have already done—and eventually you’ll get the exact same benefits they have. It’s just that you don’t get them right off the bat. Fair? Eminently so.

Will it discourage new fans?

But will paying a premium over fair market value discourage newbies from jumping in at all, if a seat opens up?

Get real.

Look around the NFL at the teams with waiting lists—just like the waiting lists this “Killer App” will create for the Jaguars. If they can get a (then) much-prized seat, they’ll be happy to pay the premium, diminishing over time, because, if properly explained, they’ll understand the inherent fairness of it.

“The owners are entitled to run their business like a business and reap the rewards commensurate with the success of their enterprise.”

Is this fair to the owners?

Fairness is a two-way street and, granted, the Fans tend to have an acute sense of fairness as it relates to them—understandably so—and sometimes lose sight of the fact nothing will work over the long haul if it doesn't incorporate an equal fairness to the owners.

And the beauty of this "Buddy System" program is that it does do that, equally, for both sides of the equation.

No, it will not deny the Owners Revenue

Again, it is important to understand that down-the-road, once the ticket selling challenges have been successfully addressed *via* a fair and robust loyalty program—the owners are entitled to run their business like a business and reap the rewards commensurate with the success of their enterprise and the value of their product. Nobody should be looking for a "gift" or for some kind of charity.

That is, the Owners can decide what they want to charge for tickets—and charge it. If that means they raise the face value of tickets so that a 25% loyalty discount will yield the price they would have wanted to charge anyway, there's nothing untoward, unfair or deceptive about that. As described above, it simply means that as the market realities shift in favor of the Ownership, the "loyalty benefit" also shifts from getting a discount in the early years to, instead, NOT having to pay the premium that newbies have to pay in the out years, and that's fair to both the loyalists and the Newbies, while ensuring the underlying business fairness to the Owners.

What about underlying equity value of the franchise?

Hmmm... let me see: You fill the stadium and create a waiting list. That results in all kinds of ancillary benefits like finding a name sponsor for the stadium. Ticket prices go up, revenues go up, margins increase, ROI blossoms, goodwill skyrockets—what is not to like about this from an equity point of view?

Will the fact that the Organization's relationship with the fan base includes the promise of a 25% discount *forever* be a deterrent to a potential buyer if the Owners should decide to sell their franchise? Why should it? As we've seen, nothing in this program prevents the Owners—either current or prospective—from being able to market their product at whatever price they want.

Fair to the Owners? Completely and utterly. Not only will they not be prevented from doing anything they might otherwise do, they will be provided with a mechanism and tools to do all kinds of positive things that would not be available absent the program.

What about THIS year?

The Jaguars are currently knee-deep in a program to try and solve the ticket selling problems. "30-30", "Teal Deals", "Super Bowl Referral Sweepstakes", and so on.

Those things won't solve the problem, certainly not over the long haul, but they will, hopefully, provide at least some forward motion. But what if it isn't *enough* forward motion? What if blackouts loom once again?

It's too late to implement the "Buddy System" this year—but it wouldn't be too late to make use of it.

There are so many ways to do this that I won't go into them here, except to mention the broad outlines of one:

Suppose, despite all the efforts, the Jaguars wind up looking at blackouts again this year. And suppose it is decided to implement this "Killer App" next year. It is also possible to "introduce it" this year, during the height of the season, which can have two very positive effects:

- 1) It can get the ball rolling for next year, allowing "buddies" to hook up for next year, now, which will take care of next season,
- 2) It can help fill the stadium this year, in the interim. How?
 - a) In order to give potential newcomers a "taste" of the great things they can anticipate when they jump on the full-scale Buddy Program next year, any current season ticket holder this year can provide a "voucher" to any prospective "Buddy" for next year, and that voucher is good for 50% off any game ticket still available before the game *this year*.
 - b) Even better, any New Season ticket holder for next year who has agreed to *commit* to next year's "Buddy Program" can purchase at *half price*, this year, the best available seat to any game, if that seat is still available seven days prior to game day.

These are two simple things, but, when you think about them and how they could "play out", you begin to realize the power of this program, and its receptivity to "tweaks" which can be rolled out as needed to solve all kinds of problems.

How can the logistics of all these vouchers and matches and "best available seat" issues be handled? In the same place we talked about, above: The online "Buddy Meeting Room". Hard to program? Nah. Relatively easy. And it has the added benefit of encouraging folks to go to that very online room—where all kinds of other sales, marketing and promotional activities can take place.

Again, this single seat option is just one idea. There are many, and they all flow from the fact that the “Killer App”, the “Buddy System Discount” is so inherently powerful in so many respects that its applications are limited only by the imaginations of the executives empowered to effectuate its implementation.

What About FUTURE years?

There’s been a lot of talk herein about “forever” and “future” and “ongoing”.

An understandable and legitimate question might be: “Hey, this sounds like a permanent solution to a temporary problem...”

In other words, okay, suppose this “Killer App” “Buddy System” does, indeed, fill the seats to overflowing, maybe in the first year. The job is done, but the Jaguars Organization then has to live with it, with the discounts and everything else—forever.

Two things about that:

Number one, the reason the seats *will* fill up so fast is due to the inherent power of the permanency of the discount, with all the good things, both direct and indirect, that such an offer implies.

“The ‘Killer App’ will not only solve the immediate problem—it will provide robust benefits in many other ways for years to come...”

Water down the offer and the power is deflated, and it *doesn’t* work in the first year—or ever.

But, more importantly, even with a completely full stadium comprised of folks where every single one of them has “earned” and is therefore entitled to the 25% discount—the “program” is still generating all kinds of benefits in the form of ongoing goodwill, a sense of “belonging” on the part of the fans, of being a “founder” or “insider” and that status becomes all the *more* desirable to those who don’t have it. If a seat opens up, be it tomorrow or ten years down

the road, it will be filled instantly—at a premium price until that person “pays his dues” and earns the same discount the others have already earned.

This will resonate throughout the community. Again, the “narrative” will change. As the community becomes more and more aware of what a plum it is to be able to secure a ticket to a live game, how sought after they are and how hard to get, and how lucky the folks who have earned their discounts are, TV viewership will increase—as will the attendant ad revenues.

The Jaguars will become synonymous with the Jacksonville community—in much the same way that the Steelers are iconographic of Pittsburgh. That has implications and benefits well beyond football, benefits both for the Jaguars and the community itself.

There is no way to overstate the difference in the power-for-good between a NFL team experiencing blackouts *vs.* one that has a stadium full of completely “invested” fans and tons more watching on TV. The “killer app” described herein will not only produce that, it will keep it that way for, well, forever.

And, once again, it will become the “best practices” way for any struggling NFL team to fill its stadium.

Because it will work. It will solve the immediate problem, and provide robust benefits in many other ways for years to come.

Objections – Asked and Answered:

This program, as described in this document, will work. But, like any new program, bold proposal or newfangled idea, people confronted with it will choose one of two paths:

They will either get on board and use all their smarts and creativity to help make it work, or...

They will spend a similar amount of energy trying to convince themselves and others that it won't work, or can't work, or might not work—all the reasons they can find to relieve themselves of the obligation to implement it and make it happen.

In terms of the first side of that equation, my own business experience taught me that many people have a misguided notion about what constitutes a “good idea” in business. They believe the goal is to come up with an idea that “will work”. They are convinced that if they think hard enough and long enough and examine every single angle and anticipate every single eventuality, then, maybe, with luck, they will have come up with the magic idea, the one that “will work”. Of course, under this line of thinking, whether they were correct that assumption will be revealed only after they implement it. If it works, it was, perforce, a good idea. If it doesn't, well, that proves it was a bad idea to begin with.

But in the real world, things are different, and thinking that way causes either paralysis on the one hand, or lousy implementation on the other.

I learned the hard way that the goal isn't to figure out what will work—because that's an impossible goal. Perfect information is an impossible and self-defeating goal. Everything can't be known, everything can't be seen, every problem can't be anticipated, every opportunity pre-conceived.

Seek not the "magic" idea that *will* work—seek the powerful idea that you can *make* work— and formulate a plan that provides you with the best chance of doing so. For sure, it will incorporate flexibility that allows you "zig" when ziggling is called for and "zag" when zagging is called for.

No, the goal isn't to figure out what "will work", it is to gather all the facts, all the ideas, make some solid probability judgments and then configure a plan that is as likely to be a good idea as can possibly be conceived—and then make a decision to *make it work*.

And, yes, part of arriving at the point where, despite the unknowns, an idea is deemed to be worthy of the commitment to "make it work"—is examining some fair and reasonable objections, *up to a point*.

Here are a few of those objections, and some thoughts about each.

Why not do something simpler, like a "Homestead Act" for tickets?

As a bunch of smart people sit around and start focusing on this "Killer App" concept, something is likely to happen that usually happens when there is something bold and audacious on the table. People will get skittish at the very boldness, and look around for something akin, a simulacrum, but less bold and, therefore, so they think, less risky.

My guess is that in this case, folks will latch onto the "discount", focus too narrowly on that, and propose, as a simpler, less-chancy alternative, something akin to the Florida Homestead Act, as applied to the price of a Jaguars' ticket.

First let's talk about why it will seem like a good idea (because doing so can reinforce some positive things that are "true") and then we'll take a quick look at why it's actually a bad idea, because doing that will also illuminate *other* bad ideas that might crop up. Conversely, showing why it's a bad idea highlights the reasons the "Buddy System" is a *good* idea.

As the name implies, the idea would mimic the Florida Homestead Act that limits property tax increases to eligible individuals to a maximum of 2% per year—no

matter how much they go up for other, non-eligible people in the same year. The approach would be to apply the same concept to Jaguars' ticket sales to loyal fans.

Unlike the current 3-year "lock in" being offered, this "Jaguars Homestead Act" would last, like the "Loyalty discount" we've been talking about—forever. Stay a season ticket holder and, no matter what, the most your price can go up in any year is 2%. A few years down the road, that could mean you are paying far less than newcomers, but only if you get on board now.

Is this a marketable idea?

Absolutely.

Would it get a lot of attention and generate fan loyalty?

Absolutely.

Could it fill the stadium if it were marketed properly and aggressively?

Possibly.

So why not do it? It sure is a lot easier to explain to the fans...

Here's why not:

It would be profoundly unfair to the Jaguars Owners.

Why? Because as time went on it would quite possibly put them in a bind where their revenues could not approach fair market value—and no part of the "Buddy System" "Killer App" is intended to do that—or would.

None of the "fairness" issues we discussed above, and especially the balance and equality of fairness between old fans, new fans and the owners, is achieved by this program—in fact, quite the contrary.

The only thing you can say about it is that it would be drastically more effective than anything else that's been tried—but it's still bad—and the cure would be worse than the disease.

This despite the fact that, on its face, in that room full of executives looking for a "less risky alternative" to the "Buddy system" program, it will seem like a good idea, a good alternative proposal.

It isn't. Nor are any of the other watered down proposals. Watch out for them, recognize them when they land like a big flopping flounder in the middle of the table, and send them to the freezer where they belong. Either send the troops to

the Normandy beachhead with full, complete support, throwing in the full nine yards—or don't go at all.

A 25% discount forever is too much—how about 5% for five years?

Promoting the concept of “tandem interest”, where the interests of the Organization and the interests of the Fans are the same, is profoundly important. For the program I'm describing to work, the Jaguars organization is going to need to put some real skin in the game in a way that leaves absolutely no doubt that it's serious. *Very* serious. It's like the old joke about what's the difference between the chicken and the pig when it comes to ham and eggs? Answer: The chicken was involved, but the pig was *committed*.

What does a “commitment” look like?

“Twenty years down the road a newcomer will be paying 25% more than you do because you were smart enough to connect with the Jags when they needed you—and they were smart enough to give you enough reason to do so.”

It doesn't look like a 5% discount. It looks like a 25% discount, because 5% is ho-hum but 25% is *serious*.

And the “Buddy System” pitch has got to incorporate the idea that if you—the fans—get in this boat *now*, we will always remember it and always reward you for having jumped on board in the hour of need. *Always*.

“Always” isn't five years—it's *forever*.

“Forever” is committed, and people know the difference, sense the difference and respond to the difference. Get committed and it *will* work. 5% and five years is “involved”, and it won't work. 25% and *forever* is committed, and it *will* work.

Think about it from the point of view of the loyal season ticket holder:

The day will come—hopefully not too far down the road—when you, the loyal fan who signed on early, will be perceived as “the smart guy” for taking advantage of this offer and then reaping the rewards later on when you can't *beg* a ticket to a Jaguars game, like the way it is in Green Bay or New York or Washington. Twenty years down the road, when a seat opens up and someone has the good fortune to

get the season ticket, they will be paying 25% more than you do, even then, because you were smart enough to connect with the Jags when they needed you, *and they were smart enough to give you enough reason to do so. Forever.*

And, as we've seen, all this can be accomplished—a 25% discount forever—without costing the Jaguars anything.

Fully-vested loyalists don't gain as much as others

True.

How so?

Well, let's remember that part of the incentive for loyalists with some vesting to go out and find a buddy is that their forward-looking vesting will increase twice as fast.

In other words, if I'm a five year season ticket holder and, therefore, entitled to a 10% discount, increasing by 2% per year, I'm encouraged to find a "buddy" because, if I do, my year-to-year increase in vesting moves from 2% to 4%.

But what if I'm *already* fully vested? I don't have anything to gain, anymore, by signing up a "buddy".

And, ironically, since I DO have full vesting, I'm the most attractive candidate for someone to buddy up with.

Again, true.

But think about it:

If I am fully vested, that means that I am a die-hard Jaguars fan and have been for a long time. More than anyone else, I want passionately for the Jaguars to stay in town and thrive. If we had to rely on anyone to do the right thing for its own sake—this would be the group.

And, to a large extent, they will.

But, yes, beyond that, it would be very wise to configure an incentive specifically and exclusively for this group of fully vested potential "buddies". Okay, fine, a chance to go to the Super Bowl is a *start*—but it needs to go well beyond that, for all the reasons we've discussed. I won't speculate here on what that should be, but I will say that it can and should be done, and when done—if done properly—it will become yet another piece of the puzzle, yet another example of the Jaguars Organization doing the right thing—and being perceived as doing the right thing.

The lawyers will never go for it

When it comes to this “forever” stuff, it’s true: Lawyers don’t like “perpetuities”. In fact, it can nullify a contract. That’s why the “duration” will be tied to some contingency or eventuality or a combination of those things.

Because it’s instructive, I’ll give you an example of one that would work, and one that wouldn’t...

Here’s one that would work: The discount is in place unless the Jags move to another city. Why is that fair? Because the only reason the Jags would move would be if they were not selling out the seats, meaning that the discount program didn’t work as intended, anyway. And, in fact, with the “Buddy System” the fans not only have a stake in selling out the stadium, they have a very real ability to affect it by seeking out buddies. So, hey, it’s a two way street. The Jags are making no bones about the fact that in return for making such a massive commitment to the Jacksonville fans, the fans have an obligation, too, to make it work. If they don’t, that relieves, forever, the organizations’ obligation.

Now here’s one that *doesn’t* work: The deal is off if the Jags are sold to a new owner.

Why doesn’t that work? Because the Jaguars fans aren’t idiots. They know what being “sold down the river” looks like and they’ll recognize that potential if it’s stated up front in the “deal” docs. They’ll smell a Three Card Monte game in the works where they commit and bust their butts to find new season ticket holders—at which point the owner can cash in and the new owner can wiggle out of the deal. Does Wayne Weaver give any indication at all that he is the type of guy who would do that? Absolutely not, but that’s not the point. The point is to avoid doing anything that would cause fans to mistrust the sincerity of the offer and the willingness of the owner(s) to be rowing the exact same boat in the exact same direction as the fans.

The important thing is to remember that it *can* work. Lawyers? Trust me, they can find language that is fair, conveys the proper message and works from a judicial point of view. And if they tell you they can’t, find new lawyers.

The NFL Might Quibble—or object strenuously

Yes, there are NFL rules and regulations that might have to be dealt with. If so, then the battle is on, but it’s a battle that can absolutely be won. Everything about this program is not only good for the Jaguars—it’s good for the NFL. If rules need

to be bent or changed, so be it. Frankly, Wayne Weaver didn't get where he is by being a pushover or timid. If he needs to do a little persuadin', I got a feeling he can do a little persuadin'...

This is going to cost money to advertise and promote

True. In fact, absolutely true, and one of the biggest possible mistakes would be to fail to allocate a budget sufficient to make it happen.

But it is also true that the advertising and promotional costs, as well as the costs to build the logistical architecture to track it and follow it and manage it—the computer systems, buddy “meeting rooms”, etc.—pales when compared to the value of the results flowing from its success.

There tens of millions if not hundreds of millions of dollars at stake here, one way or another. Yes, hiring a world class ad agency to do what's necessary is expensive. Only top, top firms should be asked to pitch the account—but they *should* be asked. Same with P/R firms. Give them the mission and see what they come up with.

Solicit proposals from at least five major firms-- and make sure the budget is sufficient to galvanize their enthusiasm and focus-- and be very clear about the mission. They need to be managed and the structure of the relationship needs to have built-in measurability and accountability, and this should be done by an internal person with a very large amount of experience. That person, too, can be expensive.

On the Public Relations side, we're not talking about charity balls and fluff here: We're talking about a major and sustained campaign to light a fire under the community's attitude towards the Jaguars and towards the "value proposition" being offered and to *change the narrative*. Will they want to identify specific market segments and tailor the “pitches” specifically to each one? Sure. Does this cost money? Sure. Do tee shirts cost money? Sure. Will they want to do focus groups? Sure.

How much are we talking about? In real dollars? Lots. Certainly several million dollars. The exact number won't be known until the program is more completely configured.

Is it worth it?

Find a real bright, 26 year-old MBA who knows his way around a spreadsheet. Assume that substantial capital is necessary to implement this program. Put that number on the spreadsheet. Then take a look at what things are like in five years

with a full stadium, naming rights sold, and all the other positive things that will be happening. Have your guy run the IRR numbers on those expenditures.

All this can be achieved with some relatively small advertising, marketing and personnel expenditures?

There isn't a business guy in the world who wouldn't take those numbers.

A final Word (I promise)

The present value of future value

If the "Killer App" concept strikes some as either too bold, or maybe even a weird or bizarre approach, they might take consolation in the fact that at its core, it is simply a way of injecting the fundamental principal of "future value" into the equation.

Put simply, if it is demonstrably true that the "present value" of an item is not sufficient to induce a purchase decision, then one of two things must happen:

Either the current value (the "present value") must be somehow enhanced to the point where it "crosses the line" into a value area sufficient to induce the sale—or, somehow, some desirable *future value* must be injected into it in such a fashion that that future value can only be obtained by purchasing now ("presently").

So, what we've done in order to turn around Jaguars ticket sales *today* is to make the purchase of a ticket today the only gateway to something extremely desirable *tomorrow*. Convince recalcitrant fans that there's something they're definitely going to want tomorrow, but that the only way to get it is by doing something you want them to do today, and they'll do it.

The "Killer App", among other things, injects today's ticket with enormous future value, which can be a mightily effective (and not particularly unusual) business approach.

That's one.

Here's two:

It'll Work

The "Buddy System" will work-- if the offer remains as robust as it is described here—extremely meaningful, chock-a-block with future value, and not watered

down—and if substantial and sufficient funds are allocated to get it marketed properly.

- The cost of it all will be negligible in the long run as it hoists the Jaguars into a position of rock-solid financial stability.
- Good for the fans;
- Good for the team;
- Good for the Organization;
- Good for Jacksonville; and
- Good for the NFL.

Not one scintilla of positively moving forward involves *blaming* the community for not showing up or *threatening* the community with the team's departure. It precludes hand-wringing about demographics or even the state of the economy.

Tim Tebow will not solve the problem.

A Super Bowl will not solve the problem.

When the organization starts looking towards *itself* and what *it* can do, that's when things will change, dramatically. It can be done; it can be done easily; and the result will be transforming:

- Within three years there will be a waiting list for season tickets. (Perhaps sooner if the team plays well, but, again, *this is not dependant on the performance of the team.*)
- There will be an immediate and ongoing upward growth pattern to the ranks of Jaguars loyalists, with each loyalist becoming a powerful sales engine (without that loyalist having to do *anything* other than continue to *be* a loyalist), and with each *new* Jaguars fan further cementing the loyalty of all the *prior* ones—in a powerful upward spiral of ticket sales. (And this has nothing to do with attempting to enlist mature individuals who aren't idiots into becoming the Jaguars sales force by offering them, essentially, a raffle ticket to do so.)
- The Jaguars Organization will be showing the way, breaking new ground with a level of creativity and boldness that will probably be emulated eventually by any other NFL team facing ticket-sales challenges.

On the other hand, if the Jaguars move to another city and take the exact same approaches they've taken in Jacksonville, they will get the exact same result. If they move to another city and do the things I'm describing in this discussion, they will succeed gloriously. But, then, they would have succeeded here and Jacksonville, too, if they'd done them here...

Which brings up an interesting question:

What if?

The Community Acquires the Franchise?

What if the principals and programs outlined in this document are not implemented, blackouts remain and/or the team economics becomes untenable, to the point where the Weaver family does, indeed, decide to either sell the team or move it?

Or maybe Mr. Weaver decides, simply for estate planning purposes, to sell the team?

“It is entirely possible to put together a coalition of fans and local businesses to acquire the franchise.”

Here's what should happen:

The Community itself should get together to purchase the team.

Sound outlandish?

It isn't. Yes, any NFL team is worth hundreds of millions of dollars, and that includes the Jaguars, and the Weaver family are entitled to a fair price at market value.

I won't go into the details, here and now, of how the plan would work.

But I will say that within the context of many of the concepts outlined here, it is entirely possible to put together a coalition of fans and local businesses to acquire the franchise.

From my own point of view, if these were done without the implementation of the “killer app”, I would be reluctant. Conversely, with assurances that the “killer App” “Buddy System” would be implemented—I would invest in a heartbeat.

Because remember: The “Killer App” “Buddy System” outlined in this document will work.

When you start to think what could happen if an *equity component* were attached to it, whereby fans could purchase not only their seat tickets—but equity in the team (not unlike Green Bay), and whereby local business leaders and high net work individuals could make what would be a solid, realistic investment, it becomes well within reach.

But, again, that’s a story for another day. I mention it here only because it is, indeed, a story that could work, if it becomes necessary.

Bottom line? Go Jaguars!

Coda:

I want to repeat that by crafting this document I have intended no offense. I admit to sometimes waxing hyperbolic to make a point. Everything else aside, I am very grateful for all the many hours of fun and entertainment the Jaguars have provided. I do not mean to be dismissive of the mighty efforts so many in the Jaguars organization have made in good faith and with dedication to the community, and continue to make.

And therein lies a conundrum, a kind of cognitive dissonance, flowing from the fact that, on the one hand, I have never heard a negative or unkind word uttered about Mr. Weaver, or anything less than flattering about any particular individual working for the Jaguars’ Organization, but, on the other hand (and here’s the dissonance) you will be hard pressed to find anyone who feels “seen” by that organization, really cared about by that organization or who doesn’t, on some level resent the organization for the precarious situation the team finds itself in, relative to its continued location here in Jacksonville.

And—more dissonance—Mr. Weaver has worked indefatigably for this Community in good faith. He has a right to the support of the fans—but it won’t happen by itself, and it won’t happen under current scenarios.

And that’s a shame.

More importantly, it’s unnecessary—and *fixable*.

This has been my attempt to make a contribution towards that worthy and highly desirable result.

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