

HEAT

Lovin' the HEAT, season after season

By Christine Lyall

Laura Howe of Deerfield Beach, Fla., loves the HEAT. "I just love basketball," said Howe, who drives for an hour or more to attend the team's home games. "And I love Alonzo. I like (Coach) Pat Riley, but I love Alonzo."

And that's why she and her husband, Brett, have returned for five consecutive years as HEAT season ticket holders.

Howe's sentiments can be heard among many of the HEAT's season ticket holders, including Juan D'Arce of Miami. He's been a season ticket holder for seven years.

"It's always exciting to come to the games," said D'Arce, who is also an avid collector of HEAT memorabilia. "Every time we win it's a joyous occasion. We're like a family. It's like we are the whole town against out-of-towners. It's great."

Delivering a positive fan experience has been the goal of the Miami HEAT since the team's inception in 1988. But during the past year and a half, in particular, the franchise has worked extra hard to enhance the experience of its most prized customers – its season ticket holders.

Exclusive giveaways, organized events with the players and coaches, price discounts and free concession items are just a few of the bounty of benefits and rewards of being a HEAT season ticket holder. Most recently, the HEAT set up a system of delivering direct, one-on-one customer service

in their aptly named "Buddy Program." And the franchise has made a number of structural improvements to the AmericanAirlines Arena to create a more user-friendly facility for all visitors to enjoy.

Because of the HEAT's efforts, the NBA has recognized the group as a league-wide leader and innovator in service, entertainment and customer relations.

"For us, whenever we talk about our team marketing, business and community relations activities, the HEAT's name keeps coming up as a team that has devoted an extraordinary

amount of resources in those areas," said NBA Commissioner David Stern, during a press conference for the opening of the 2001-2002 basketball season.

"There are good things happening here, and I think the community will come to appreciate the job that the HEAT are doing," said Stern. "There's no team that

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has focused more than the HEAT on what we call the 'driveway-to-driveway' experience for our fans, and that's important."

The Miami HEAT have earned those accolades largely under the direction of Eric Woolworth, President of Business Operations for the HEAT Group since January 2001.

"HEAT season ticket holders

are about as loyal as they come in the NBA and all of pro sports," said Woolworth. "It goes without saying that they've stuck by us through the ups and downs. They're vital to this organization, and I want to make sure they know that we value them immensely."

Taking center court among the HEAT's fan-centric features is its Season Ticket Holder Buddy Program, which underwent a sample test-run in 2000-2001 and proved to be a tremendous success. As a result, the HEAT Group expanded its program to include all season ticket holders for the 2001-2002 season, and it's looking forward to the 2002-2003 season.

Through the Buddy Program, 120 members of the HEAT Group's full-time staff – from administration and sales to shipping and operations – are assigned a certain number of season ticket holders with whom they must follow up on a regular basis.

By either calling, writing to or personally meeting their charges face-to-face, the "buddies" inform season ticket holders of upcoming games and promotions, or assist them with any special requests, problems or concerns. They also make themselves available for

their assigned season ticket holders to contact them, if necessary.

Do you need a couple of extra tickets for a big game? Would you like to treat your spouse to dinner at Club Chivas Regal? Is there room for improvement? Perhaps you'd just like to chat about the HEAT's performance in last night's game, or – if you missed the game – find out the final score. Any and all of these requests and concerns can be addressed through the Buddy Program, which is offered exclusively to season ticket holders.

Woolworth's Buddy Program brainchild is recognized by NBA administration as a "best practice" and has encouraged other teams to follow. In fact, the HEAT hosted a workshop last season for several other NBA teams, and officials believe a handful of them will be implementing similar programs.

But the HEAT are clearly the trend-setters.

"We developed this program to enhance our relationship with the fans," said Woolworth. "While new facilities and arenas are being built that are vastly more fan-friendly than previous models, the price of tickets has gone higher. And professional sports teams must do more to compensate for those escalating costs, as well as

to maintain the interest of their existing customers," he said.

"I think our fans need to feel more of a connection with their organization that only personalized service can deliver. That's where we are going," said Woolworth. "We are making a real commitment to making sure that our season ticket holders are happy, because they are the core of what we do. We want them to understand that they are being set apart and they are being treated in a different, special way."

Woolworth and his "team" have thus established a Fan Experience Division to monitor and address HEAT fans' needs and wishes and to administer the Buddy Program. To facilitate its mission, the division has installed a new computer software system called Epiphany, which is designed specifically for customer-relation management (CRM).

According to Bernie Mullin, Senior Vice President of Marketing and Team Business Operations for the NBA, the HEAT Group is the first franchise in the NBA league to use Epiphany, having served as a beta test site for the computer software.

"Epiphany includes a database with all of the customer transaction information on HEAT fans,

whether they bought tickets, bought merchandise, got on the web site, filled in all-star ballots, etc.," said Mullin. "All of that information is located in one place. This allows the HEAT to really have a better understanding of what their fans want or need, and then to send them offers that are custom-tailored to their needs.

"This is cutting-edge software that Amazon.com and American Express have," said Mullin. "We in the NBA are the first league of all of the major leagues to install the CRM solution, and the Miami HEAT's the first team to use it."

And use it they have. Mullin, in particular, is quite impressed with the HEAT Group's unique business and customer-service practices.

"The HEAT have instituted a complete orientation from the top down to be the best at everything they can possibly be the best at," said Mullin. "Then, within that context, there is a total commitment to the fans, to keep their fans happy and to meet their needs.

"The Buddy Program, in particular, really speaks for itself in terms of how well it works in getting season ticket holders connected with people in the front office so they feel special and they feel needed and they have a

voice other than just the sales person or the customer service rep with the team," said Mullin.

Bill Sutton, Vice President of Team Marketing Services for the NBA, said he especially likes the HEAT's Buddy Program because it involves all levels of the company's staff.

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organizational commitment to customer satisfaction," said Sutton. "It's not a department, it's a whole organization. And that's the most critical factor – that everybody, regardless of their position in the organization, is committed to customer satisfaction and retention.

"There are other teams in the NBA that are now beginning to work toward this," continued Sutton. "But Miami is the only team that really has made the commitment thus far and has put it into place."

Mullin added that today's sports and entertainment market is far more crowded than it was just a few years ago, especially with the introduction of extreme sports and interactive video games. It is therefore far more challenging – yet imperative – for professional sports team to maintain their customer base.

"The competition for the sports and entertainment dollar is becoming increasingly more heated," said Mullin. "The job of keeping existing customers has become more and more important, because it has become harder and harder to acquire new customers. This is because there are so many other sports and entertainment alternatives available to fans. Plus you've got a younger generation that has grown up on extreme sports, video games and interactive games, that is generally not as interested in watching sports like prior generations.

"You have to do a better job of marketing to today's audience," said Mullin. "That's why it's

important to know their names and their contact information. That's what's behind this move to create programs like the HEAT's Buddy Program."

Mickey Arison, owner of the HEAT and the HEAT Group, added that the beautiful city of Miami alone presents a unique challenge to the HEAT's overall success.

"We have a very, very tough marketplace," said Arison. "We don't just put a shingle out on the door and have a sold-out building. Here in Miami, we have a lot of things that we can do on a Sunday afternoon other than watching a football or basketball game. We have great weather and a lot of opportunities not to go to games. So we have to do a great job with our fans so that they want to come back, over and over again, because they have a great time."

While part of that process is to put a competitive product on the floor, "another part is to develop relationships with our fans so they appreciate what we mean to the community," said Arison.

So, is all of this working? Are the HEAT's fans getting the message? Rene Palma, a Miami resident and seven-year season ticket veteran, said he is – loud and clear.

"I received two e-mails – one

for each of my two accounts – in which my HEAT buddies introduced themselves," said Palma. "I then got two Christmas cards and one of them contained four tickets for the Chivas Regal club, which I guess were sent as a little perk. I like that."

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–Eric Woolworth, President of Business Operations for the HEAT Group

D'Arce, who is a co-worker of Palma's, said the Buddy Program works to foster a sense of value and importance among the HEAT's season ticket holders.

"It makes you feel more like they care about you," said D'Arce. "And it makes me feel good to know that I can always call my buddy if I need something."

