



Australian Government
Australian Sports Commission

Market Segmentation Pilots Case Study 1

‘Hot Shots League’
with Tennis Australia



Background

In 2012, the ASC commissioned the '*Market Segmentation for Sport Participation in Sport*' research. The aims of this research were to :

- › gain an in-depth understanding of the 'demand side' of the Australian community
- › develop a consumer-centric needs based segmentation of current and non-sports participants to drive and inform retention and growth strategies

The outcomes of this research were two market segmentation models – one for adults and one for children - that described different attitudinal and behavioural groups towards participation in club sports.

Ten segments were identified in the adult segmentation model and six segments in the children's model.

Each segmentation model described the motivators and barriers to sport participation for each segment, effectively identifying possible features for sports to include in product offers to increase participation.



Current Research



In order to illustrate and bring meaning to the research findings and to help highlight its practical uses, a series of ‘activation’ projects were undertaken with a group of sports targeted by the ASC.

The ASC has funded 16 pilot ‘activation’ projects across 11 sports. Sports participating in the activation projects will share findings, with any learning accessible by the broader sector.

This was done via a case study approach.

Format of the Case Study Research



Two different approaches have been used throughout the production of the case studies:

1. An initial qualitative methodology with one pilot program: **The Hot Shots League run by Tennis Australia.**
2. A combined qualitative and quantitative approach utilising telephone interviews with stakeholders, and survey data from participants for all other case studies.



Latitude Insights conducted the first of these, and 'host' the survey in the second. The ASC was responsible for all qualitative research and reporting in the second approach.

Methodology for initial qualitative approach

The case study of the Hot Shots League pilot program run by Tennis Australia used the following research methodology:

Administrators



1x face-to-face in-depth interview.
1x telephone in-depth interview.

Coaches



1x paired face-to-face in-depth interview.
1x telephone in-depth interview.

Participants



3x triad/small group discussions with children who participated:

- › Red Ball (3 participants)
- › Orange Ball (4 participants)
- › Green ball (2 participants)

2x paired interviews with parents of participants:

- › Red Ball
- › Green Ball

1x face-to-face interview with parent of participant (Orange Ball).

1x telephone interview with parent of participant (Orange Ball).



Participation in a review session of the pilot between Tennis NSW and 3 coaches.

Case Study Information

Reporting has been structured in the following way:

1. Outline of how the program is different to traditional club-based sport participation opportunities.
 2. Experience of participants of the programs.
 3. Consideration for moving forward.
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1. *How the Hot
Shots League
is different*

'Hot Shots' is already an established product



Hot Shots is a product offering designed to provide a fun and easy way for children to learn tennis:

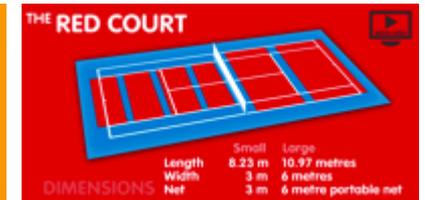
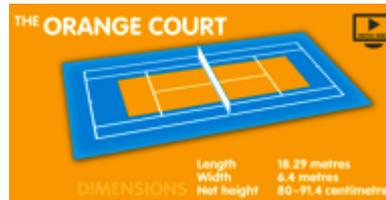
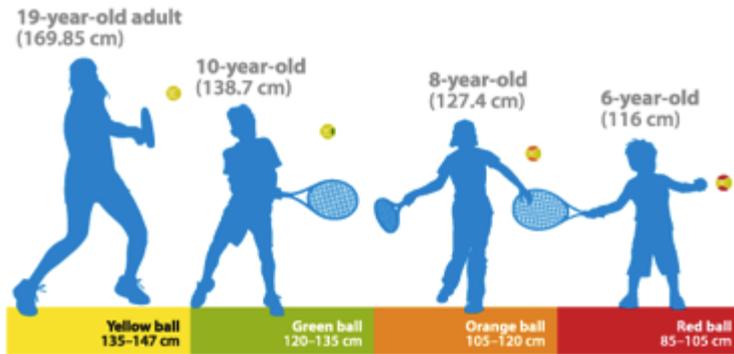
- › uses low compression balls that don't bounce as high, making it easier for children to hit
- › smaller court sizes that allow children to be able to cover and use the 'full' court

It has three different levels designed around the age of the children, with the intention that the modified equipment suits their physicality:

- › Red Ball for 5-6 year olds
 - › Orange Ball for 7-9 year olds
 - › Green Ball for 10-11 year olds
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Hot Shots equipment and courts

The modifications are intended to ensure the “kids can immediately play tennis”. They can “pick up a racket and play”. This is perceived to increase the sense of achievement and validation of playing the sport.



Hot Shots is already identified as a quality product (1)



Children learn with equipment suited to their size, allowing them to 'hit' the ball:

- › attain a sense of achievement and confidence they can do the sport
 - › allows them to learn 'technique' in their strokes as the ball bounces at a height allowing for them to attempt / make the right stroke
 - › in contrast to traditional learning with the standard yellow ball, which often bounces above their heads – results in learning a mostly 'defensive' technique
 - › modified court size encourages court coverage and full use of court in shot playing
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Hot Shots is already identified as a quality product (2)



Children play within an age group:

- › in any competition based in Hot Shots, this means children play against others their age
 - › as opposed to the standard use of ‘divisions’ based on ‘skill’ in traditional approaches to competition and coaching:
 - › this can result in a small eight year old facing a 13 year old in competition
 - › the physical differences can be psychologically intimidating for younger children, as well as resulting in loss of confidence if continually not winning
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Hot Shots is already identified as a quality product (3)



A more affordable way for children to learn tennis:

- › occurs in larger group settings making it more affordable for many parents compared to what many coaches may charge for 'traditional' tennis coaching
 - › 'traditional' tennis coaching tends to occur in a small group or one on one environment, which can be very expensive and costly for parents
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Despite the positives of the product, two key issues were observed by Tennis Australia

1. Opposition to the new product from those within Tennis who believe children should learn in the more traditional manner:
 - › while this was also identified as being an issue within clubs by the coaches and and parents within the research, these audiences all clearly endorsed the use of the Hot Shots product over more traditional approaches due to the advantages noted previously
2. Lack of transitioning from Hot Shots to club, competition and tournament:
 - › both coaches and parents identified that tournaments in the traditional offer could be daunting for younger children as they were often playing against opponents much older and physically larger

Each of these reasons are described in greater detail in the following pages.



The modified equipment and courts of Hot Shots is not endorsed by all who play tennis

Reasons for opposition:

Past 'champions' learnt using 'yellow' ball and on standard size



A belief children should learn 'properly' from the start. Demonstrates a focus on performance rather than participation.

Modified court markings



Not endorsed by adult, senior club members who claim they get confused by the modified court marking when trying to play on the full size courts themselves.

Difficult to implement in user pays facilities without full club endorsement as members who oppose the modified approach will not agree to the court markings and use of equipment.

Clubs have a perceived fear of the high equipment cost



Need for modified equipment – balls, nets, court markings – is seen to signify a high equipment cost.

It was also noted that Hot Shots did not necessarily encourage further participation

There was a lack of transitioning from Hot Shots into clubs.

Despite high registrations into Hot Shots, these were not being seen to translate into club and competition once children moved to yellow ball (or even beforehand).

Tennis Australia believed that this lack of transition was in part due to children not really understanding and enjoying the game of tennis through gameplay with others. While Hot Shots was a valuable tool to help children learn technique and shots, it did not necessarily allow them to engage in gameplay and competition with others and give them time to learn to enjoy the sport.

Another reason identified for the lack of transitioning was the fact that tennis is by nature a very solo sport, therefore children seeking a more social experience from sport may not get this need met by traditional product offers.



Feedback from participants and parents tended to support Tennis Australia's assumption



Children in the research often did multiple sports when young. This is consistent with the market segmentation where it was identified young children would trial different sports. The main motivation for changing sport was often so they could play with friends.

The market segmentation also found that when children were no longer playing with their friends (eg. due to grading) they would often transition to another sport.

As children (and parents) identified one of the best things about Hot Shots and the Hot Shots League was being able to play with their friends. This could indicate that no longer being able to be with their friends when moving to graded competition could encourage some to transition out.

Parents also identified that the gameplay involved in the League helped children improve their game and encouraged them to feel as if they were achieving at the sport.

As a result, Tennis Australia felt that Hot Shots League would be a natural evolution of the Hot Shots product to help address this lack of transitioning (1)

Specific features of the League:

Teams of four



Enabled all to be continually playing and involved – singles matches, doubles, then reverse singles. Part of a team, win or lose. Children are able to enjoy the social side of the sport, identified as so important in the market segmentation.

Round Robin event



This enables all children to play for the entire length of the competition – no sitting on sidelines during quarter, semi or grand finals.

In the market segmentation, it was identified that segments of children were discouraged from playing sport through not feeling as if they were good enough, which can be the result when ‘knocked out’ of the competition. This can also lead to children changing sports, or dropping out of sport altogether. Continuous play such as in a Round Robin assists in avoiding children feeling this way as they are able to play all the games to the end of the competition.

As a result, Tennis Australia felt that Hot Shots League would be a natural evolution of the Hot Shots product to help address this lack of transitioning (2)

Specific features of the League:

Any recorded scores were based on 'games' won, not matches or sets



This meant every 'game' counted towards overall team score throughout the whole competition. Prompted a 'never give up, keep trying, it all counts' attitude.

Each game won throughout each set over the entire course of the competition was added up to make up the overall score

This approach assisted in counteracting any potential for children to be discouraged in playing, due to feeling they 'were not good enough' when not 'winning' a set. Even if they were down being beaten in a set they knew that even by just winning one game, they were adding to their team's overall score.

This provided a sense of teamwork and achievement that the market segmentation identified as so important for children's continual enjoyment of sport.

2. Experience of Participants

For administrators, Hot Shots and now the 'Hot Shots League' is about encouraging 'participation'



Participation in tennis is declining (as similar to many sports) due to the myriad of recreational activities on offer.

One of the key goals is to encourage people to play more often.

Tennis has developed a range of products to assist in increasing participation:

- › memberships are 'pay as you play'
- › products such as Cardio Tennis

Getting children into tennis and keeping them involved is a key goal:

- › hence the development and adoption of the MLC Hot Shots program
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Administrators identified the segmentation as offering valuable insight into a potential target for the League product



It was believed that many of those not transitioning from Hot Shots to club tennis were likely to be 'Ponderers'.

The Ponderers segment of children identified in the market segmentation made up 21% of all Australian children. Ponderers are non club members but would like to do more sport but don't know how find out about it, making them a segment with a high potential for acquisition.

The market segmentation identified that the opportunity for clubs to encourage Ponderers to the sport was to provide information on clubs and club participation and trial offers and products for more entry level participants. Key to this is to provide opportunities for fun and social participation without overt competitiveness and addressing practical concerns about cost and commitment.

Key characteristics of Ponderers



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- › High interest in sport
 - › Like sport to be 'fun' and 'social', allowing the opportunity to interact and play with other children
 - › Have the barrier of feeling clubs can be too competitive
 - › Parental concerns on time, travel requirements and fees
-

Understanding these characteristics allowed for the product to be designed to appeal (1)

Ponderer Characteristic

High interest in sport

Like sport to be 'fun'
and 'social'

Hot Shot League Feature



Draws on children already engaged with Hot Shots.



Uses a 'team' approach to play rather than usual focus in tennis of 'the individual'.

Round Robin approach meant they met other children from elsewhere, with multiple rounds meaning they interacted with them more than once.



Understanding these characteristics allowed for the product to be designed to appeal (2)

Ponderer Characteristic

Overcoming fear of 'club' sport being too competitive



Hot Shot League Feature

Team approach to recording of scores and emphasis on fun assisted in overcoming fear of failure that underpins:

- › perceptions of over competitiveness
- › in addition, winning and losing is different in a team than individually



Achieve validation and confidence from being able to actually 'play':

- › use of the modified Hot Shots equipment and courts means children can 'hit the ball'
- › in contrast, if they had to use traditional equipment to be part of a league of competition, they would be less 'capable' and more likely to drop out



Age categories of Hot Shots increased likelihood of playing others of similar ability/level:

- › albeit this varied according to each 'League'

Understanding these characteristics allowed for the product to be designed to appeal (3)

Ponderer Characteristic

Parental concern of time, travel requirements and fees

Hot Shot League Feature

- Keeping leagues 'local' meant travel requirements are kept to a minimum.
- Team and group based activities minimise fees normally associated with tennis.
- Use of a Sunday afternoon **was an attempt** of addressing these concerns, as it was believed that this was more likely to be the time of the weekend with less competing commitments for parents and children (eg. other children's sports and family activities).



Most importantly, the 'League' format was seen to offer the opportunity to 'just play' and 'have fun with friends' for children



Learning tennis is traditionally focused mostly on learning shots and skills.

Time is usually spent as part of a small group/one on one coaching situation where the emphasis is on learning 'technique':

- › even in Hot Shots itself, the focus is often on learning shots and skills.

Both children and parents identified that the League offered a chance to 'play' the game with others:

- › allowed participants to really understand what 'playing tennis' as a game is
 - › provided opportunity to develop own style of play
 - › most importantly, it removed emphasis from 'technique' to fun with friends - a vital element identified in the market segmentation for sport to appeal to Ponderers
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Among coaches, the League was seen as a potential vehicle for either ‘development’ or ‘participation’

The pilot program operated in a range of locations, with coaches from two of these locations interviewed in the research. Notably, the approach to the operation of the League and motivations for undertaking the League varied:

Location 1

League was conducted among 3 clubs where Hot Shots was well established with high numbers of participants:

- › already have existing Hot Shots ‘competition’ within some of the clubs
- › deliberately selected ‘better’ players to participate in the League



Motivation for coaches was encouraging development.

Location 2

Lower number of Hot Shots participants:

- › no existing Hot Shots ‘competition’
- › opened participation in League to all those from the Hot Shots program who wanted to play



Motivation for coaches was encouraging participation.

The location (Location 1) that focused on development saw the League as providing two key opportunities

For 'good' players to play against other 'good' players



Seen as a means of increasing skill and technique and developing talent further.

From this, the value of the Hot Shots program could be demonstrated to tennis more widely



If the Hot Shots League is seen as a means of identifying talent, then it was believed it would become more widely accepted by those who currently reject it and who still advocate for traditional learning.



For these coaches, it was highly important that the players were of equal ability within the League



Making the League ‘aspirational’ was their goal:

- › only the better players from the club’s Hot Shots program would be invited to participate. This was seen as encouraging others to try and improve
 - › If the League were to get larger, these coaches advocated that ‘divisions’ would need to be introduced to ensure children only played against others of similar ability.
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The focus was squarely on ‘participation’ for the coach from the other location involved in the research



- › Lower number of Hot Shots program participants within that location overall meant that to work, the League had to be open to all.
 - › However, for this coach, the value of the League was in ‘encouraging’ all to enjoy tennis through play, and through having fun with friends, not just in fostering talent.
 - › In effect, this coach identified that the League was fulfilling the core needs of the Ponderer segment of being social and fun, without overt competitiveness.
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In this location, the League was seen as invaluable as a means of fostering confidence and achievement

The coach reported that some parents had initial concerns about the possibility of their child not being good enough to play 'games':

- › with the perception that this could lead to feelings of inadequacy when they were unable to play like others.

This is identified as a key characteristic of the children Ponderer segment from the market segmentation.

However, the round robin format meant that children played others of a range of standards:

- › providing opportunity that all played others at a similar standard at least some of the time and could gain the confidence from being able to play

"No one got bowled over."



In addition, this location did not declare 'winners' or 'losers' even at the end of the season



Although scores were kept and recorded, i.e. games won, no 'individual' or 'team' was declared a 'winner' at the end of the League:

- › and nor have any even asked who the winners were
- › everyone got a prize!

The coach identified that because there was no 'winner' at the end of the each week (as all games added up to the end) the concept of competition became secondary to the elements of fun and social.

Therefore by the time the League concluded, none were concerned as to the final competitive outcome.

This method of a round robin, team emphasis and long term scoring approach, appeals directly to Ponderers' need for social and fun without overt competitiveness.

Regardless of motivation, all coaches agreed that the success of the Hot Shots League was because children got to play!

Instead of the traditional tennis coaches approach of just doing squad, drills, group lessons, the children played matches against each other.



Location 1

Identified children with some level of interest and skill (likely to be indicative of a different segment to Ponderers)



Key result was that children improving on technique through play



Importantly, however, in both locations, playing with others in a team was seen to make tennis social and FUN. Regardless of skill level, products that are social and fun appeal to all children.



Location 2

Encouraged all children of varying skill levels to participate and play with each other (more indicative of the Ponderer segment)



Enabled children to see what playing 'tennis' was really about



Parents identified a number of positives that the League offered over traditional coaching (1)

Many of these were indicative of the type of product the market segmentation determined would appeal to Ponderers:

1. The children enjoyed being part of a team – *“playing with their mates.”* (Social)
 2. The method of recording scores because every game counted, encouraged ongoing involvement and a sense of achievement (Avoids overt competition)
 - › Kids don’t give up if ‘losing’ against a much stronger player.
 3. The ‘team’ environment makes it more about playing and having fun, rather than being at the top of the table such as in tournaments (Fun and avoid overt competition).
 4. Through playing games, children rally more and therefore ended up practicing more shots (Achieving build confidence).
 5. The League was part of Hot Shots – it meant children played against others their age – not against players who may be much older (and bigger) as they do in a Saturday comp.
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Parents identified that the League could appeal to a range of children

Those more serious and competitive about their tennis...



Were able to have match play against others from outside their immediate environment, which improved their skills and technique.



For both, the League was about playing and improving their tennis (even if unintended), and enjoying playing with friends.

Those less competitive...



Were able to have match play as part of a team and the scoring system meant they felt they achieved something even if losing.



Competitiveness takes a backseat to gaining skills and playing in a team with friends



Some parents identified that even though their children may be highly competitive usually, this was not the case when their child was playing in the Hot Shots League.

Parents identified that, while those that did 'win' (in Location 1) enjoyed doing so, this was superseded by:

- › the fun of playing with friends
 - › the enjoyment and new skills gained through match play
 - › the scoring system making them feel as though they still achieved
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One area which proved somewhat difficult for some parents was the scheduling



The League occurred on a Sunday afternoon:

- › not to clash with existing Saturday comp for participants and also due to the availability of courts.

While for some parents this suited, others found it difficult to juggle other family commitments.

This highlights that while attempts may be made to find a least 'busy' time for parents to incorporate their children's sport into schedules, there is not time that will suit all families.

That said, a number of parents, coaches and participants claimed that being on a Sunday afternoon made the League seem more relaxed.

All children identified that improved technique and fun with friends were the best elements of the League

Improved technique

- › Through game time
- › Being matched to other players of similar age and standard enabled longer rallyings, and subsequent improvement in shot making.

“Its one thing to hit a tennis ball and another thing to play a game.”

“Being able to rally was the best.”

“You get better at shots.”

Fun with friends

- › Team environment and cheering for each other
- › Focus on the team, rather than individual performance resulted in children not feeling so pressured, and allowed ‘room’ for fun:

“Just didn’t feel as serious as Saturday comp.”

“You never give up, ‘cause you know your friends were there and every game counted.”

“Us three were friends first, but now we’re all friends.”



Indicative of the needs of Ponderers, social and fun participation without overt competitiveness.

Children liked emphasis on self-improvement over competition



Playing against others from different clubs helped them improve even if they lost:

- › although the scoring system of every game counting to an end score also meant they never gave up when they lost individual sets

Older children (Green Ball) saw the League as complementary to their other tennis activities, such as Saturday comp, which were more competitive:

- › these children identified the League as the place to help them improve for this different level of competition
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One of few criticisms children had was of the time of day the competition was held



Although Sunday afternoon was not really a problem directly for children (as it is their parents who need to juggle competing commitments), the time of year (in winter) meant it got a bit dark and cold towards the end of the day.

Most children felt that it would be better in summer when “*the sun goes down later.*”

Participants in the pilot programs were ‘personally’ asked by coaches

Either in person or via email.

This was consistent across both locations with the small, local nature of the Hot Shots program allowing this to occur.

Location 1

- › Coaches approached the ‘best’ players in each age group to participate:
 - › face to face invitation to participant and parent
- › These coaches aim to make participation in the local League aspirational for others

Location 2

- › Coaches told all ‘Hot Shots’ players about the League and invited participation
- › Face to face with participants and parents of those who expressed interest

Children liked the idea of being asked by the coach to participate



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- › All trusted, respected and were familiar with the adult making the suggestion:
 - › it made them feel as if the League would be something they may like
 - › All parents were comfortable with how they were approached:
 - › identified the ‘team’ element, and the ability to just play matches as the appealing features
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Key message areas for Ponderers



The market segmentation identified that the key messages in communications needed to be about:

- › participation that is fun and social
 - › membership /participation for all, regardless of skill level
 - › being able to participate in their own time
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In both locations, the message of ‘playing with friends’ was a strong motivator for participants

That said, each location tailored message content to suit the specific participant type they were wishing to target

Location 1



Targeting engaged players with some skill to assist in their development



The message of playing against other good players in a team with friends was emphasised.

“So I asked who else was playing, and she said XXX and XXX and we’re all mates, so I said yep”

Location 2



Targeting Ponderers directly to encourage participation



While the fun and social elements were emphasised and were a key drawcard for children, communications in this location also focused on reassurance that children of all levels would feel happy playing. That is, that even very beginners would not lose confidence.

The coach emphasised the scoring system and the round robin format as a means of describing this to parents who had initial concerns about their children’s ability to participate.

*3. Moving
Forward*

Overall, both parents and children wanted to see more clubs, more participants in the League



More clubs and more participants means more children for teams to play against, and to interact with socially.

A larger size League would enable more game time for children, which is one of the most valuable features for the Hot Shots League, due to:

- › developing technique
- › learning about playing the game
- › achieving something new
- › having fun
- › meeting other children

Coaches, parents and participants all feel actually playing the game is a more effective means of achieving these features over and above practicing shots as is done in traditional tennis coaching and lesson.

Tennis Australia hope to achieve increased League participation by using a best practice approach



Controlling the ‘environment’ is considered by Tennis Australia as essential in ensuring the delivery of a quality product:

- › to ensure all the local clubs implement the League in a consistent way in terms of structure, scoring and game time
 - › within this, it needs to be recognised that clubs will all start from a different existing situation:
 - › some will have a strong established Hot Shots program and may already have an existing competition
 - › some may have a relatively small Hot Shots program
 - › some may only be thinking of trialing Hot Shots
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Reconciling the 'development' and 'participation' focus may be an issue moving forward



That said, this could be overcome by the use of the different divisions, if sufficient numbers of players can be found. Use of different divisions:

- › will allow for players to be matched on skill level
 - › while still opening the League to those of lesser skill in a manner that is inclusive and fun
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This may be more difficult in places with lower numbers of participants

Where participant numbers are lower, alternative approaches may need to be used to ensure the multiple benefits of the League are achieved:

- › developing skill and confidence by playing against others of a similar ability (from those skilled to those beginning)
- › meeting new friends
- › playing in a team with friends / having fun
- › gaining a sense of achievement and validation
- › enjoying the sport through playing the game rather than practising shots

The first of these – developing skill by playing against others of similar ability – is the most difficult to achieve in areas with smaller participant numbers.

Alternative approaches in locations to overcome this may involve:

- › teams not remaining fixed through the League, and instead are changed around, or
 - › actively ensuring equality of ranking of players across teams so all end up playing the similar levels of the other teams
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There were a number of areas where Tennis Australia made use of the segmentation model (1)



1. Identified an area within an existing product where there was an obvious gap in retention/ acquisition of a specific target group:
 - › The lack of transition from Hot Shots to club competition and tournaments
 2. Matched characteristics of a potential segment for acquisition, with the general characteristics of the audience:
 - › Ponderers, which was determined based upon existing participation in Hot Shots indicating an interest in sport
 3. Developed an existing product further to appeal to the particular characteristics of the specific segment:
 - › The use of teams in what is otherwise a relatively solo sport, along with the different scoring system of every game counting meant the product was 'fun' and social' without overt competitiveness which appealed to the specific needs of Ponderers
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There were a number of areas where Tennis Australia made use of the segmentation model (2)



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4. These features of the product then made up the message content of the communications to the identified audiences
 5. This case study also demonstrated flexibility in the newly developed product, as the same basic product could be adapted to target different segments:
 - › Location 1 used the product in the pilot to encourage engaged and skilled Hot Shots players (likely to be another segment identified as 'Social Loyalists') with the purpose of encouraging development
 - › Location 2 used the product to help encourage the less engaged to want to play more (Ponderers) with the purpose of encouraging participation
 6. Across both locations, the basic product and communications remained the same, with slight changes made to both to cater for the different focus.
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