Original Article

Social media and the value of contracts based on the example of the NBA

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Abstract
The article describes the dependence between the media value of an NBA player (AVE) generated mainly in social media, and the amount of his contract and earnings obtained from advertising activities carried out. It is pointed out that despite the fact that the data in the media space are not entirely accurate (a media fact), this research shows a strong dependence between the media value and the real value (professional contracts, amount of remuneration for participation in promotional campaigns). This may mean that the media space is not only an organisational creation in which the player realises himself but a space in which values are generated, co-creating the final material value, which is contracts or players' remuneration for participating in events.   The research described is based on the assumptions that the streaming of value flowstakes place on the boundaries of the organisational space of sport, in this case, the NBA, where these boundaries are exceeded in order to increase the value of the player by converting processes from real to virtual and then media space (Cieśliński 2015,2020). Moreover, the phenomenon of conversion, *i.e.*, the course of processes from the media space to the virtual and media space, also generates material values for the players, the show, the club, or the institution involved in football games. Thus, the theory, on the basis of which the explanation and description of the dependence between the media value (intangible) and the value generated in reality (tangible) was described.
KeyWords: nba games, nba players salaries, basketball players

Introduction

The issue of the use of social media by sport (sports organisations, sports events and players) has been discussed many times by researchers. One of the first monographs describing these dependencies is a book entitled'Social Media in Sport Marketing'written by Newman, Peck, Harris, and Wilhide (2017). However, this topic is more often described in scientific articles, such as, for instance by Filo, Lock and Karg (2015). Having analysed 70 articles, they noted that social media in sport aremainly studied in the following three categories: strategic, operational and user-oriented, where engagement and building relations is a priority. Lis and Tomanek (2020) and Lis (2020), when analysing the articles from the Scopus database using VOSviewer, noticed that the main trend in this area is to describe social media in professional sports management.Vale & Fernandes (2018) and Nisar, Prabhakar & Patil (2018) focus on building the involvement of football fans through Facebook, while Abeza, O'Reilly & Reid, (2013) describe organisations that conducted running races using social media in building relationships. Naturally, in addition to the important role of social media in building relationships with fans, there are also publications available on the market focusing on the activity of clubs on social media outside the match season (Kowalski, Łozorko 2020), knowledge management (Chwiałkowska, Tomanek, 2015), threats in the form of ambush marketing (Tomanek, 2020), the impact of relations on the sponsorship market (Kończak 2020, Gotowski 2013, 2015), or the placement of measures in a balanced scorecard (Gulak-Lipka, 2020).

Sznajder (2012) indicates that sports organisations use in their marketing activities that are not only traditional Internet tools, such as e-mail, websites and discussion forums, but also social media that favour the democratisation of information and allow the creation and development of the so-called virtual consumer communities. Hence, the use of social media by sports organisations should be considered in at least two dimensions: the first which is most common is a sports club –a fan, where the marketing department focuses on providing content to fans (news about transfers, results, photo coverage, *etc.*). The second level is the club's relationship with sponsors (contests with prizes from sponsors, product placement by players). Hastings (2010) also drew attention to one aspect more, namely social media and their monitoring serve as a kind of radar for the popularity of activities, such as decisions made by the club's (coaching) staff.

Social media in the NBA

The activities of marketing departments of sports clubs are often carried out through benchmarking, which mainly causes the American sports market to be monitored - for example, by trying to imitate building and

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maintaining relationships with fans. Interestingly, the NBA stars shown in Figure 1 do not generally have the most likes on Facebook of all athletes - although LeBron James tops the table below (23 million likes), Cristiano Ronaldo has as many as 123 million. The first figure shows the number of followers on Facebook, Twitter and the total of both social networks. The lowest overall value of followers is represented by James Harden with just over 4.8 million followers, the leader in terms of values is LeBron James, who, in turn, has 57 million followers. Undoubtedly, both players are very skilled, however LeBron has been the best player of this era since his first performance (2003), and with many years to come, he can be named among the best in basketball history. In the case of the ten highest-earning basketball players, the chart shows that both social media platforms are popular in the United States, but the one that is more frequently watched (or used by players) is Twitter. Two of the contestants whose Facebook ratings are higher than those of Twitter are the 2016 career-ending legend Kobe Bryant, and the other is Derrick Rose. It can be considered that they are not eager to use this application, which is reflected in the number of followers, but the sums are still considerable (over 11 and around 2.5 million, respectively).

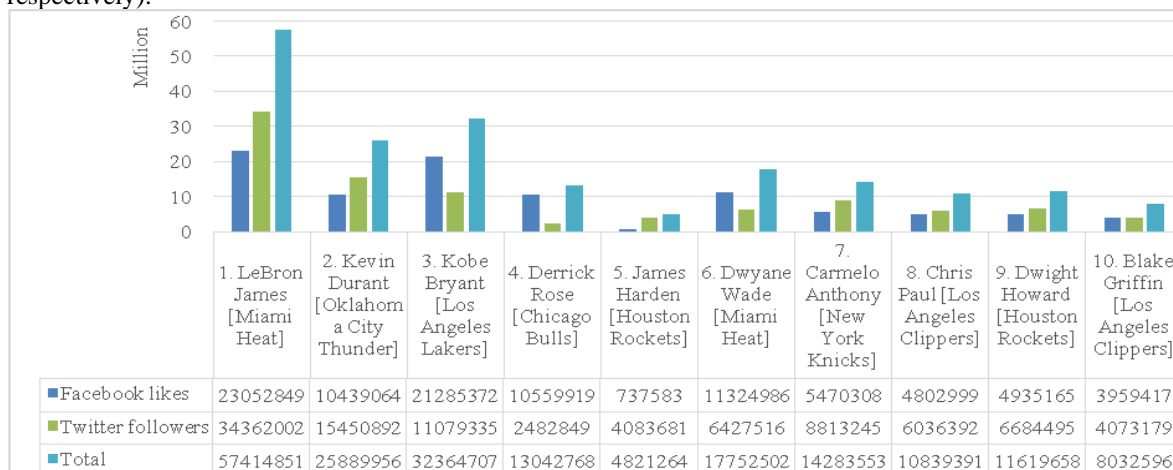|	1. LeBron James [Miami Heat]	2. Kevin Durant [Oklahoma City Thunder]	3. Kobe Bryant [Los Angeles Lakers]	4. Derrick Rose [Chicago Bulls]	5. James Harden [Houston Rockets]	6. Dwyane Wade [Miami Heat]	7. Carmelo Anthony [New York Knicks]	8. Chris Paul [Los Angeles Clippers]	9. Dwight Howard [Houston Rockets]	10. Blake Griffin [Los Angeles Clippers]
■Facebook likes	23052849	10439064	21285372	10559919	737583	11324986	5470308	4802999	4935165	3959417
■Twitter followers	34362002	15450892	11079335	2482849	4083681	6427516	8813245	6036392	6684495	4073179
■Total	57414851	25889956	32364707	13042768	4821264	17752502	14283553	10839391	11619658	8032596

Figure 1. The number of followers on Facebook, Twitter and the total number of followers
Source: M. Kloc, 'Wartość medialna a wartość kontraktów na przykładzie NBA' ('Media value and the value of contracts on the example of the NBA'), 2017.

In addition to the freedom of speech/action, official media/websites can undoubtedly afford more technological freedom with huge budgets, while promoting their services or products (selling them to their recipients). We, as the broadly understood Internet community, are willing to share with our friends what we have just seen or what is happening in our current life, being in contact with our loved ones, where 'reaction follows reaction'. Activities in terms of their space, acquaintances, and maintaining contacts between acquaintances are undertaken in various ways.An increasing number of different forms of fun, voting, challenges or funny pictures called 'memes' is being created to be used in the world of entertainment.

Quite frequently, events of this type also happen before, during, and after matches, where fans are always looking for opportunities to interact with their favourites by taking photos with them, recording videos. They are also grateful and respond appropriately - the better the bond they create, the better they will be received and evaluated, all in order to strengthen their popularity and chemistry with the audience, and thus they will be able to become the face of the team and earn more money. Therefore, let us have a look at the comparison of earnings between Facebook and Twitter.
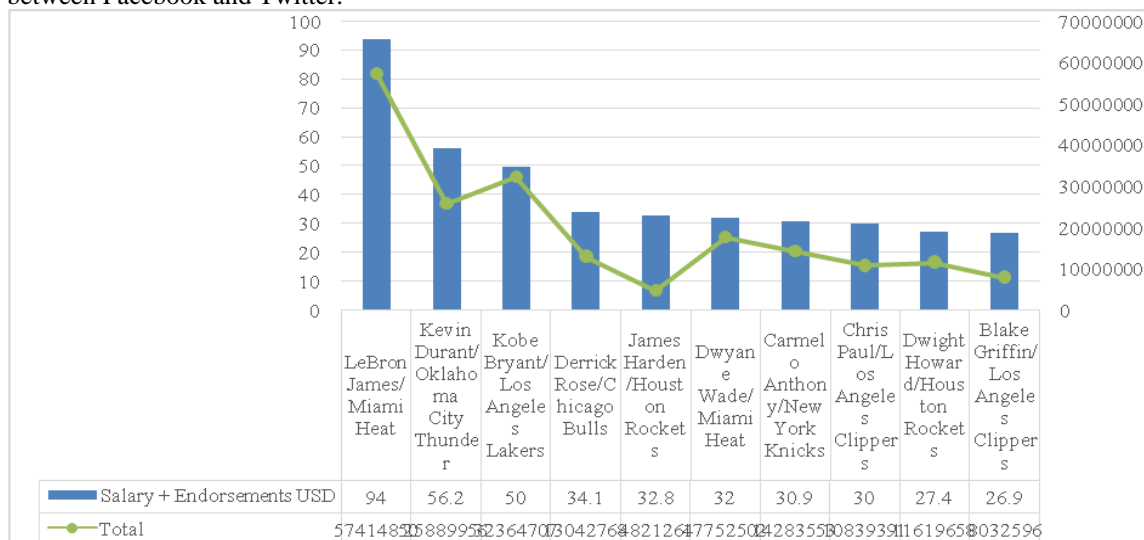

	LeBron James/ Miami Heat	Kevin Durant/ Oklahoma City Thunder	Kobe Bryant/ Los Angeles Lakers	Derrick Rose/Chicago Bulls	James Harden /Houston Rockets	Dwyane Wade/ Miami Heat	Carmelo Anthony/New York Knicks	Chris Paul/Los Angeles Clippers	Dwight Howard/Houston Rockets	Blake Griffin/ Los Angeles Clippers
■Salary + Endorsements USD	94	56.2	50	34.1	32.8	32	30.9	30	27.4	26.9
Total	57414851	25889956	32364707	13042768	4821264	17752502	14283553	10839391	11619658	8032596

Figure 2. Salariescompared tosocial networking sites (Facebook, Twitter)

Source: M. Kloc, 'Wartość medialna a wartość kontraktów na przykładzie NBA' (Media value and the value of contracts based on the example of the NBA), 2017
own study, based on data from Forbes 2016, 'Highest-Paid National Basketball Association Players in 2016', data from Facebook.com via the website
http://fanpagelist.com/category/athletes/nba/view/list/sort/followers_today/ - accessed on 03/04/2017, player's data James Harden accessed on 03/04/2017 from Facebook.com

Figure 2 shows the earnings of the top ten highest-earning NBA players in millions of US dollars - contracts (Salary), advertising (Endorsements) and the total number of followers on Facebook, Twitter (Total). The only example of a player earning over $20 million a year but with lower popularity is James Harden, the rest of the players have similar rates, while those players earning over $50 million a year have a significantly higher popularity index, which is a big reason to get more influential sponsors.

Sport and social media

Apart from the two interpenetrating platforms mentioned in the previous part, sport and social media are also inseparable elements. This is the time when people, being athletes of the highest level, compete to win the best laurels by fighting with others who have a different goal - to be the best by breaking records and writing down the pages of history. This is also the time when social media successfully promotes such a player. It is justthe desire to be the best that allows making big money in sports. The level and speed of providing Internet users with information on favourite events are express.

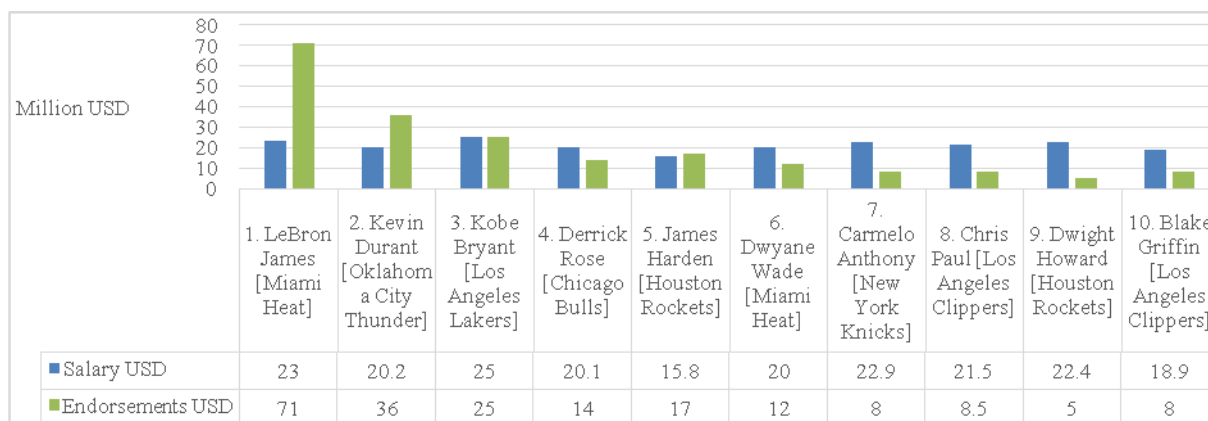|	1. LeBron James [Miami Heat]	2. Kevin Durant [Oklahoma City Thunder]	3. Kobe Bryant [Los Angeles Lakers]	4. Derrick Rose [Chicago Bulls]	5. James Harden [Houston Rockets]	6. Dwyane Wade [Miami Heat]	7. Carmelo Anthony [New York Knicks]	8. Chris Paul [Los Angeles Clippers]	9. Dwight Howard [Houston Rockets]	10. Blake Griffin [Los Angeles Clippers]
Salary USD	23	20.2	25	20.1	15.8	20	22.9	21.5	22.4	18.9
Endorsements USD	71	36	25	14	17	12	8	8.5	5	8

Figure 3. Comparison: salaries and endorsements
Source: M. Kloc, 'Wartość medialna a wartość kontraktów na przykładzie NBA' (Media value and the value of contracts based on the example of the NBA), 2017
own study, based on data from Forbes 2016, 'Highest-Paid National Basketball Association Players in 2016.'

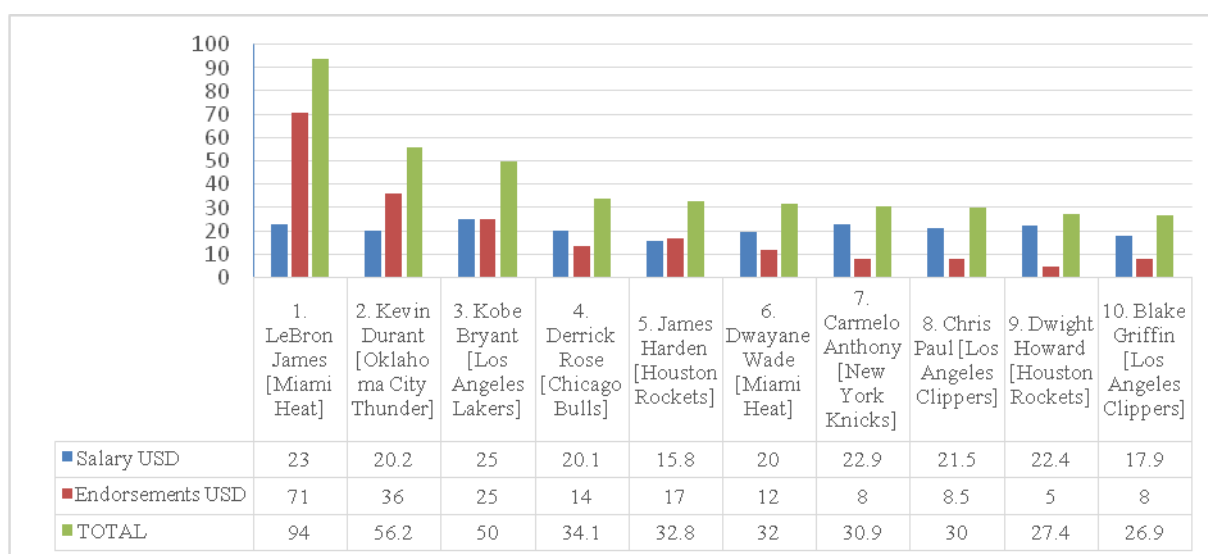|	1. LeBron James [Miami Heat]	2. Kevin Durant [Oklahoma City Thunder]	3. Kobe Bryant [Los Angeles Lakers]	4. Derrick Rose [Chicago Bulls]	5. James Harden [Houston Rockets]	6. Dwayane Wade [Miami Heat]	7. Carmelo Anthony [New York Knicks]	8. Chris Paul [Los Angeles Clippers]	9. Dwight Howard [Houston Rockets]	10. Blake Griffin [Los Angeles Clippers]
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TOTAL	94	56.2	50	34.1	32.8	32	30.9	30	27.4	26.9

Figure 4. The values of earnings generated from advertising and contracts
Source: M. Kloc, 'Wartość medialna a wartość kontraktów na przykładzie NBA' (Media value and the value of contracts based on the example of the NBA), 2017

Figure 3 shows the salaries of the top ten highest-earning NBA players in millions of US dollars - contracts (Salary), advertising (Endorsements). One can see here how great the value of advertising is compared to contracts and vice versa. LeBron James is the player with the second-largest contract ($23 million), but his funds are backed by advertising income (as much as $71 million). It is easy to see that the lowest revenue from endorsement is generated by Dwight Howard ($5 million).

As shown in Figure 4, the wealthiest player is LeBron James, who obtains as much as $94 million income annually for contracts and advertising. A clear difference can be seen when comparing players such as Dwight Howard or Blake Griffin, whose annual earnings reach the level of $27.4 and $26.9 million per year respectively, or of Kobe Bryant, ranked third, who diedin 2020.

Media value, theory and practice
Widespread and recognised all over the world leagues: hockey (NHL), football (NFL), baseball (MLB), soccer (MLS), and basketball (NBA) successfully attract more and more fans and those who play for them, *i.e.*, the most prominent/loudest names of professional gamers. It is the United States (apart from soccer, which is not so popular in the USA, but this is also changing) that is a dream country for many of them to play in.

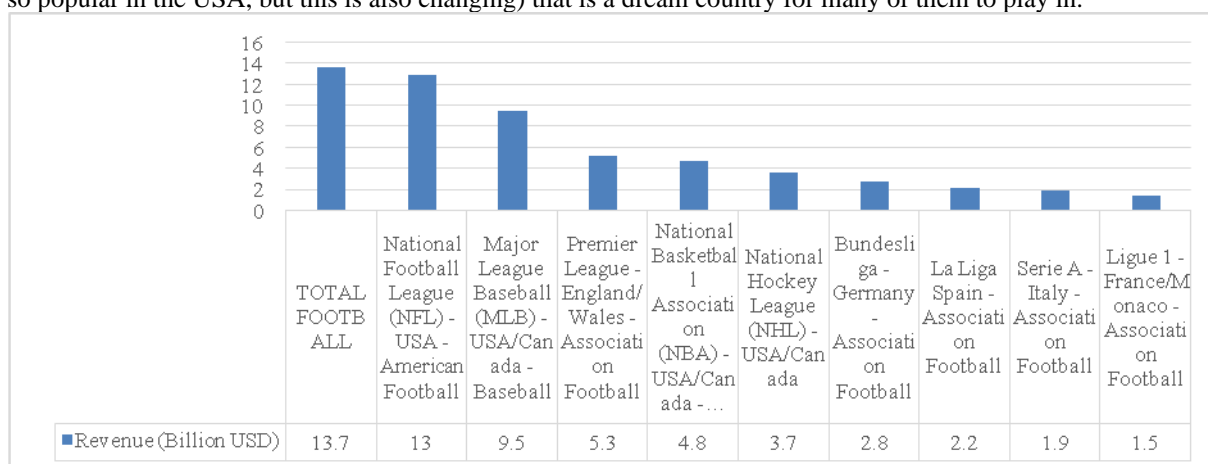|	TOTAL FOOTBALL	National Football League (NFL) - USA - American Football	Major League Baseball (MLB) - USA/Canada - Baseball	Premier League - England/Wales - Association Football	National Basketball Association (NBA) - USA/Canada -...	National Hockey League (NHL) - USA/Canada	Bundesliga - Germany - Association Football	La Liga Spain - Association Football	Serie A - Italy - Association Football	Ligue 1 - France/Monaco - Association Football
Revenue (Billion USD)	13.7	13	9.5	5.3	4.8	3.7	2.8	2.2	1.9	1.5

Figure 5. The highest income among professional sports leagues
Source: M. Kloc, 'Wartość medialna a wartość kontraktów na przykładzie NBA' (Media value and the value of contracts based on the example of the NBA), 2017
own study, based on data from the website https://howmuch.net/articles/sports-leagues-by-revenue accessed on 03/04/2017

Figure 5 shows the highest revenue (Revenue) in sport generated by the world's top leagues, expressed in billions of US dollars. American football is the most profitable league with a figure of $13 billion a year, followed by the second American sport - baseball - $9.5 billion, the English football league - the Premier League - $5.3, followed by the NBA - $4.8. The TOTAL FOOTBALL indicator shows the sum of the earnings of the largest football leagues at the level of $13.7 billion: $5.3 (Premier League); $2.8 (Bundesliga); $2.2 (La Liga); $1.9 (Serie A) and $1.5 (Ligue 1). Annual earnings are different in sports such as American football, baseball and in other non-American leagues.

Nevertheless, there is no shortage of football fans as it is one of the most-watched sports. Table 1 shows the number of fans ofthe five most popular sports in billions.

Sport	The number of fans in billions
Football	4
Cricket	2
Basketball	1
Tennis	1
Formula 1	0.55

Source: own study, based on data from http://www.totalsportek.com/most-popular-sports/

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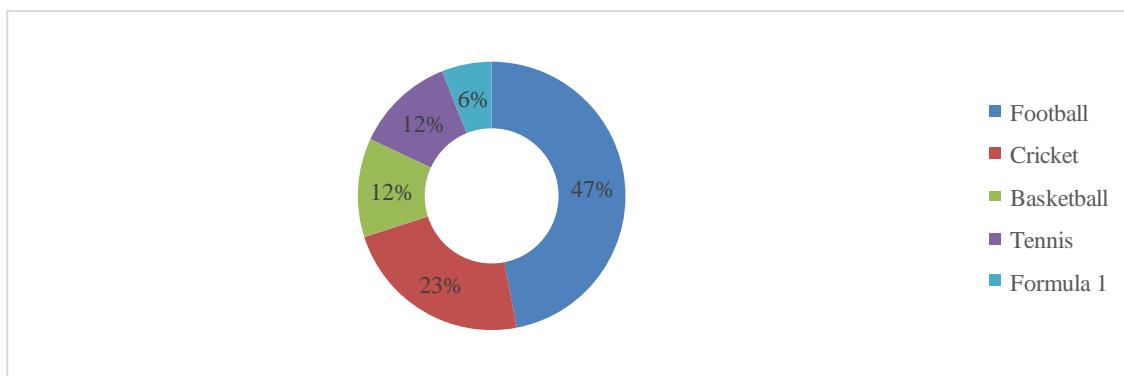
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Figure 6. The number of sports fans worldwide

Source: M. Kloc, 'Wartość medialna a wartość kontraktów na przykładzie NBA' (Media value and the value of contracts based on the example of the NBA), 2017

own study, based on data from http://www.totalsportek.com/most-popular-sports/

Figure 6 shows the comparisonof the number of fans in a given discipline. It indicates the specific percentages of the five sports – the dominance of football, then cricket, tennis and basketball 12% each, followed by Formula 1 racing. There is a massive scale of popularity of football reachingfour billion, whereasin the case of basketball it is one billion.

Analysis of the results
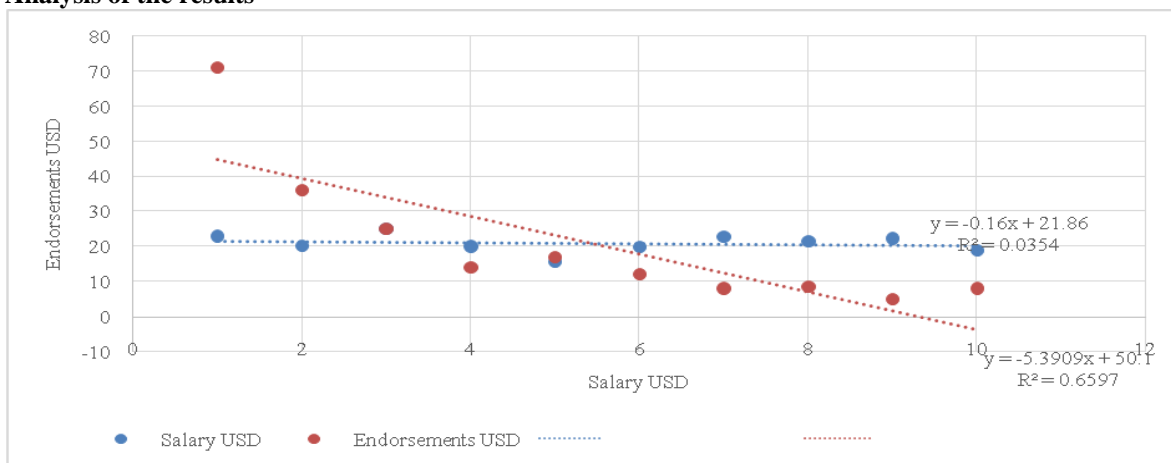
Figure 7. Pearson's correlation - earnings obtained from endorsements and contracts

Source: own study based on M. Kloc, , 'Wartość medialna a wartość kontraktów na przykładzie NBA' (Media value and the value of contracts based on the example of the NBA), 2017

Figure 7 shows Pearson's correlation in terms of earnings obtained from endorsements and the value of NBA contracts. It can be noticed that in the case of seasonal contracts (Salary - contracts, Endorsements - advertising), the correlation is weak, at the level of 0.0354. The reason may be the salary cap regulation in force in 2016, where the teams have the maximum budgets for the team, and the exceeding causes the owner to pay additional tax. It can be concluded that a star of one team (its leader) earned in 2016,an amount similar to that of a star of another team. However, a significant difference is visible in the case of earnings obtained from endorsement; here, the correlation is 0.6597, which shows that popularity strongly affects this type of income.
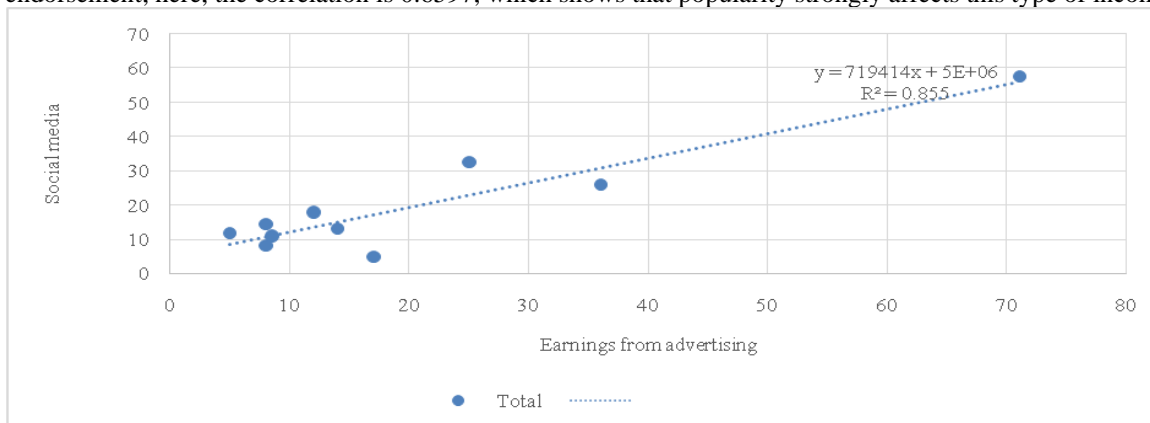

Figure 8. Pearson's correlation - earnings from advertising and social media (Facebook, Twitter)

Source: own study

Figure 8 shows the correlation between earnings from endorsements and social media. There is a significant value where the correlation is 0.855; which means that popularity on social media (Facebook, Twitter) has a powerful influence on this type of income.
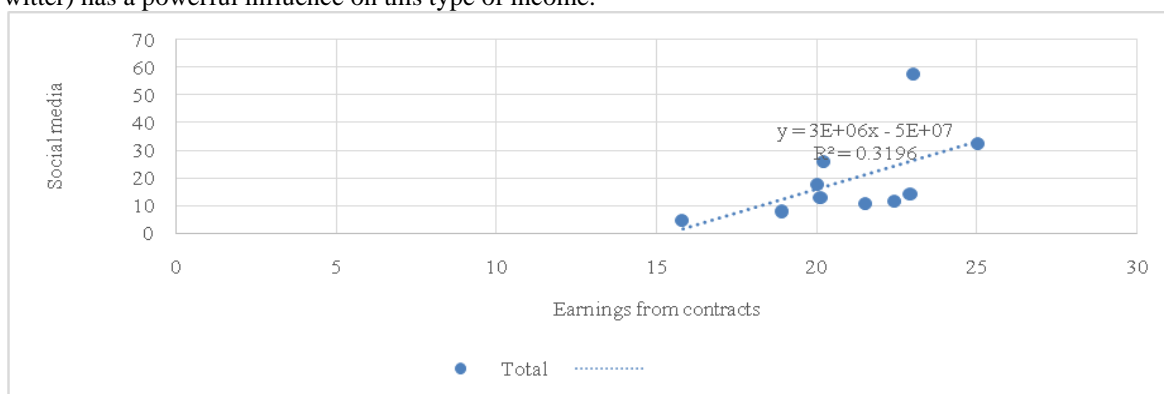

Figure 9. Pearson's correlation - Earnings from contracts and social media (Facebook, Twitter)
Source: M. Kloc, 'Wartość medialna a wartość kontraktów na przykładzie NBA' (Media value and the value of contracts based on the example of the NBA), 2017

Figure 9 shows the correlation of earnings derived from contracts and social media. In the case of a field contract, the correlation is moderate - at the level of 0.3196.
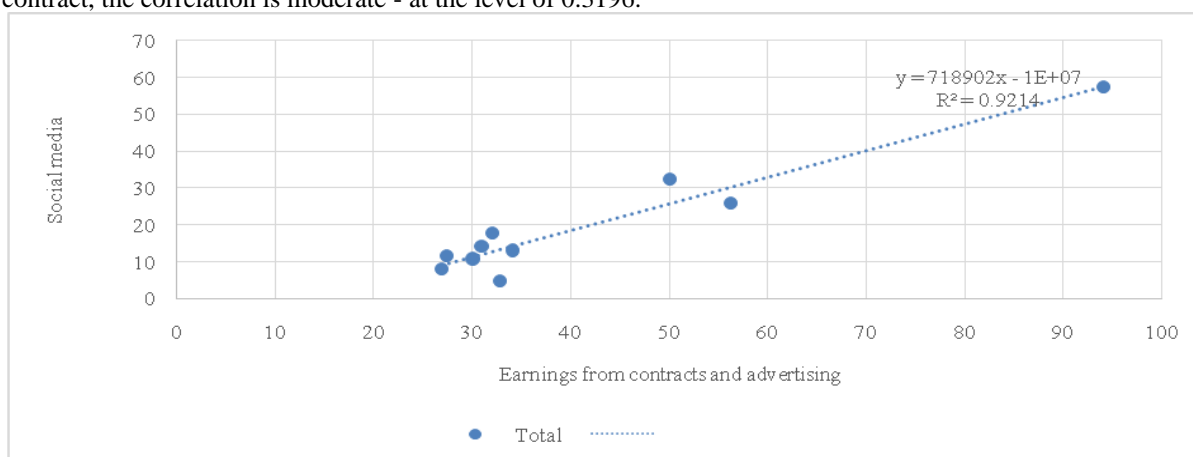

Figure 10. Pearson's correlation - earnings from contracts, endorsement, and social media (Facebook, Twitter)
Source: M. Kloc, 'Media value and the value of contracts on the example of the NBA', 2017 (own study)

Figure 10 shows the correlation of earnings from contracts and endorsementand social media. The total value of contracts and endorsement is shown compared to the popularity on both websites. Here the value is 0.9214 – this means that the dependenceof earnings is very strong.

Conclusion

Summarising the Pearson's correlations mentioned above, it can be surely stated that there is a dependence between the player's earnings and his popularity. Each of the graphs and the correlations proved to be a factor influencing the money generated by the player.

Looking at Figure 1, it is easy to see that social media are a popular means of communication for the community. The lowest value is shown by James Harden - 730,000, the next ones are at the level of several million, and LeBron James has the most followers - over 57 million. Also, James Harden is the exception, in this case, having the fewest followers and making a total of $32.8 million. Figure 2 shows a summary of the total number of followers and total earnings, displaying him as the only one in the entire list that collects a large sum of money despite his low popularity.

Ending

The presented and analysed data were used to determine the impact of social media based on the example of Facebook and Twitter. As it turned out, a significant number of people follow the actions of their role models, using social networking sites, and prove that promoting themselves on the Internet can contribute to an increase in earnings.

The increase in recognition may turn out to be a quick path to social promotion - among your fans or acquiring a new sponsor opening new paths (advertising contracts) in business. Naturally, it is worth remembering that the degree of this dependence, in the case of an athlete, is continuously verified on the pitch,

3068--

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his features, experience, character, role on the pitch, skills and how he can be useful to the team, but it is often happening that colourful characters are better paid due to greater media coverage and the possibility of 'catching' the attention of fans or reporters. Indeed, working on your skills is very important in being a professional athlete, but building a good brand, establishing and maintaining contacts with people from the circle, so that they have confidence, seems to be an obligatory activity. It is also essential to work on the promotion of not only the player himself but also the club, which collectsvast sums of money for the season and are able to invest in him, also increasing his market value in the event of a transfer.

Both in the case of income from contracts and endorsements of the ten best-paid players presented in the article, dependence was found between the value of earnings and the media value of the NBA player. Basketball is undoubtedly considered by many to be a very dynamic team sport. In addition to this value, it is also one of the most-watched disciplines, which is another reason influencing the reach of sponsors.

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-- 3069

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