



CSBM

University of Navarra

M-1192-E
0-506-007

Atlético de Madrid: A Diary of Two Short Seasons in Hell

I don't believe it! We've lost our chance... But we're "Atleti" and that counts for a lot.

Feliciano Muñoz Rivilla,
Chairman of the Atlético de Madrid Veterans Association

On May 7, 2000, Club Atlético de Madrid (ATM) was playing at the Carlos Tartiere stadium in Oviedo in a last-ditch attempt to stave off relegation. It was a nightmare of a game. ATM were 2-0 down at half time, but equalized in the second half. Then, with a few minutes to go before the final whistle, they were awarded a penalty. The player who took the kick, Jimmy Floyd Hasselbaink, had never yet missed a 12-yard shot, but the ball went wide and ATM dropped to the Second Division for the first time in its recent history.

This case was prepared by Carlos Martí and Adrián Segovia, Research Assistant, under the supervision of Professor Ignacio Urrutia, as the basis for class discussion rather than to illustrate either effective or ineffective handling of an administrative situation. May 2006.

This case was written with the support of the CSBM (Center for Sport Business Management), IESE.

Copyright © 2006, IESE. To order copies or request permission to reproduce materials, call IESE PUBLISHING 34 932 534 200, send a fax to 34 932 534 343, or write Juan de Alós, 43 - 08034 Barcelona, Spain, or iesep@iesep.com

No part of this publication may be reproduced, stored in a retrieval system, used in a spreadsheet, or transmitted in any form or by any means - electronic, mechanical, photocopying, recording, or otherwise - without the permission of IESE.

Last edited: 12/5/06



In sporting terms, the season had been a disaster from start to finish. All levels of the organization were affected, particularly the PR and Communications Department, headed by Emilio Gutiérrez, the first manager of a Spanish football club to specifically market his team. The media made much of the relegation of what was still Spain's third ranking team and one of the top clubs in Europe. It was a headline story on television and radio, and in the national and international press. The photographs and news clips reflected the anger, disappointment, rage, frustration and fury of the ATM fans, watching helplessly as their team was demoted (see Exhibit 1). What was more, the club's centenary was coming up on April 26, 2003, making it essential to restore the fans' pride and get the team back into the First Division in time for the celebrations.

The club was at a critical juncture, as relegation coincided with its being taken into administration (High Court judge Manuel García Castellón issued the order on December 22, 1999). The first step was the appointment of Luis Manuel Rubi Blanc, a man unrelated to the organization and unknown in the world of football, as sole administrator. At first, everybody had wondered how this would affect the club. Now they knew: the result was relegation. How would the fans react to relegation? This was still a difficult question to answer. Management needed to carefully analyze the situation so as to adopt an effective marketing plan that would palliate some of the foreseeable consequences: the drop in revenue, the damage to the club's reputation, the high opportunity cost, the possible mass exodus of members. In a word, the uncertainty about the club's future.

The Spanish Football Market

In the 1990s, the vast majority of football clubs switched from non-profit status to become joint-stock sports companies (*sociedad anónima deportiva, S.A.D.*). A football club is an unusual sort of enterprise in that, although the club belongs to the shareholders, the emotional owners are the general public. Most companies tend to meet with their shareholders once a year; but in a sports company, management comes face to face with the emotional authority of the fans every weekend. And the sporting outcome is so closely linked to the management outcome that even the best managers in the world cannot help making irrational decisions. In fact, some questions have no clear answer: Who does the club belong to? The supporters or the shareholders? (see Exhibit 2).

In a "normal" market, the financial rules are generally known; in a sports market, by contrast, the financial rules go hand in hand with certain closely interrelated values that conform to no pre-established rules. The values that each club projects directly affect its growth as a company. Moreover, some of these values are unpredictable, insofar as they depend on sporting outcomes that are influenced by luck. Thus, sports companies are regular companies that do not want to be seen as such. The sporting outcome takes precedence over the financial outcome, whereas if they were normal companies it would be the other way around. Also, local support plays an important role in the club's financing, sometimes more important even than sponsors if supporters' groups are particularly active or have a large membership (see Exhibit 3).



In the football market, it is vital to manage the fans' emotions and try to anticipate their reactions, although negative emotions are very difficult to judge as they depend on the individual and the moment. How can a club manage its supporters' feelings when the team has just lost a Champions League final? Some teams have tried to do it by explicitly backing the most radical supporter groups, although sometimes this strategy has backfired.

It is crucial to identify and administer the main sources of funding that account for the typical revenue structure of a soccer club: basically, membership (season tickets), match tickets, player transfers, TV contracts, sponsorship agreements, advertising and merchandising. Until a few years ago, ticket revenue accounted for a large proportion of the total, close to 80%. In the more modern clubs, revenues are split three ways between marketing, broadcasting rights and friendly matches around the globe, and gate receipts.

ATM changed from a sports club to a joint-stock sports company in 1992. Following this change, membership fees increased sharply, driving away large numbers of members. Between 1992 and relegation (1999), however, the club's managers achieved steady growth in membership (from 10,500 in the 92-93 season to 27,000 in 99-00). This growth was due to the signing of some excellent players, so as to maintain a standard of play that led to a double triumph in the 1996 season, with both the La Liga and the Copa del Rey titles and several years of glory (see Exhibit 4 and Exhibit 5).

Membership growth was expected to suffer a setback in the coming season, now that the club would be playing in the Second Division, as interest in the games was likely to wane. Other important clubs had lost up to 40% of their members on relegation. And these were famous clubs whose supporters were used to seeing good football and simply stopped watching when the quality dropped off. A substantial loss of members is a severe blow to any football club, and even to the players. Apart from the decline in gate receipts, the sight of an empty stadium influences sponsors, who see it as a poor advertisement for their products, and also players, who need the support of a large crowd. Sooner or later the effect becomes apparent in the income statement.

PR and Communications Department

In June 2000, the anxiety in ATM's PR and Communications Department was overwhelming. They had to decide what to do, and from what they had gathered so far, the fans seemed to have lost faith. Trends in the industry suggested that membership was likely to stop growing the following year (see Exhibit 6). The fans were despondent, and the outlook for the next season was anything but encouraging, as average game attendance had been falling since the double triumph in 1996, with a slight exception the previous season (see Exhibit 7).

To the club's supporters, relegation was incomprehensible. The team had looked set to have its best season in years; in fact, it had been a favorite for the La Liga title (see Exhibit 4). "But the players didn't take their responsibility seriously enough. It was up to them to help the club along," said one older supporter. "And throughout the history



of ATM there have been players who gave their lives for the club, who sweated blood out on the pitch. And there have been other times when the players thought they could win games without getting off the coach. The team started to feel uncomfortable; they got scared. Maybe it was a sign of impotence.”

After relegation, the Atlético “family” was in a state of confusion. “How could a team that had won so many trophies and with so many members possibly be relegated? For many of us, relegation was not the problem, because it had already happened. We had no words to describe it. We’re Atleti supporters, and we always will be. That was enough for us.” (Enrique Collar, Honorary President of the Atlético de Madrid Foundation).

“No one knew exactly in what direction the club would go after relegation, although there were signs it could be salutary. Because ATM supporters are not like the supporters of other big clubs. Being with Atleti implies a whole different attitude to life. That’s why all the Atlético supporters I know have more staying power than your average football fan. We’re used to hardship, we’re used to having to fight hard for what we want. And at the same time, we have extraordinary enthusiasm and hope.” (Javier González Ferraro, journalist).

Diagnosis of the Situation

One of the first consequences of relegation was that many of the club’s players were sold at knockdown prices, generally the most sought-after ones, the ones who since then have brought success to other clubs: Valerón, Molina, Baraja, Hasselbaink, Solari, etc. ATM just could not afford their salaries. Relegation brought the club to the verge of financial collapse. Most of its revenue-generating contracts were conditional on its staying in the First Division, including the broadcasting rights agreements with Sogecable, worth around 20 million euros per year (ATM was the third most watched club in pay-per-view). In all, management estimated that relegation would cost the club up to 40 million euros in revenue. According to one manager, “the players, as assets, have a certain market value; but when you’re relegated, they lose a lot of their value, which means the club loses its most important asset”. In addition, the club’s advertising contracts contained penalty clauses in the event that the team went down to the Second Division. As some managers acknowledged, “the club was in serious danger of going under.” Lastly, everybody was acutely aware that the centenary was just around the corner. Celebrating the centenary while in the Second Division would be a major disappointment for Atlético’s many members (the “red-and-whites” – the team colors – or “Indians,” as they were popularly known). The number of supporters was estimated at around two million, making ATM the third biggest club in Spain.

Emilio Gutiérrez, who had been an ATM supporter since he was a boy and now served as director of PR and Communications, was analyzing the circumstances in the firm conviction that whatever decisions he made had to be in accord with the club spirit. But what were his options? He could follow the line taken by other Spanish clubs, based on hiring new players who would inspire the fans and boost season ticket sales



for the upcoming season. Or he could take a different approach, one he liked to describe as “radical marketing”, because it was based not on the team but on the Atlético spirit. According to Gutiérrez, the main features of “radical marketing” were: a crisis situation; emergency planning based on deep knowledge of the market and the target audience; a bolder, more creative approach; more risk taking, aiming for immediate results. It was to be recommended only when strictly necessary. Emilio thought the first option would be simpler, as it did not require extra resources or ideas. But neither did it seem to offer much reward. In contrast, the radical solution would fire up “the Atlético feeling”, the aim being to remind fans how much it pained them to see their club in these straightened circumstances. The hope was that this would boost membership.

Emilio talked these ideas through with his team in the department. Almost all of them were in favor of the “radical marketing” option. They saw it as being much more avant garde and hard-hitting. This was a time of great crisis and whatever decisions they made had to be suitably drastic. But how could they do radical marketing with scarcely any resources? How would the fans respond to the club’s appeal after all they had been through? Would the club’s finances withstand the rigors of relegation without massive support from the fans? Would prices have to be adjusted?

As he walked down the stadium steps, Emilio recalled how he had felt, as a young boy, when his friends or family talked to him about ATM. Emilio knew the club had strong drawing power in the media. That would make it easier to get the message across. Of course, with the media, there was always the risk of sending the wrong message. Emilio wondered how best to link the message to the club’s image.

The next morning, after a long working session, Emilio’s team reached the following conclusions: “We must submit a plan to the board explaining why we need to make a break with our traditional style of marketing. There are a number of factors that call for a change of direction. The situation the club is in cannot be treated rationally, it’s a crisis. So we can’t plan for the medium to long term, assuming a constant strategy. We’re in a crisis, so we must take urgent action. Price, product, distribution and advertising: none of that is any use to us now. We need to focus on feelings, on the fans, on the general public, and on our specific market. And we need to do it boldly and creatively. The radical option is obviously much riskier because it must produce results in the short term. That means if we make a habit of it, it will lose its effectiveness. We need to make the most of our passion and our history, and put it across via the media.”

The Atlético Feeling

When asked what made them stay on as Atlético fans, some of the club’s longest-serving supporters replied: “Once an Atleti supporter, always an Atleti supporter. There’s no way around it. Do we give up? Not on your life! Being an Atlético supporter is an irreversible act of faith. Particularly when you get to know all the wonderful people who work, or have worked, in the organization.” (Enrique Gonzalo, journalist).



“Being an Atlético supporter is an act of faith, a dogma, as sure as I’m my father’s son. For some people, hearing people talk about Atlético is like having a shot of vitamins.” (Felipe, Senator of Club Atlético de Madrid).

“What strange urge is it that makes a person support a team everybody calls the “hard luck” club because that’s the only satisfaction to be had – just being a supporter? My wife is an Atleti supporter because that’s the way she is, and she’s very obstinate about it. In her opinion, this had to happen, seeing as it’s ATM. If you’re going to blow it, you might as well do it in style! It would have been different if they’d betrayed everything the club means to us.” (Carlos Chacacuela, journalist).

Indeed, it seemed as if Atlético were destined to live in a permanent state of doubt, as José Antonio Abellán, one of Spain’s most influential sports journalists, testifies. “How many times did I hear my mother say to my father, “Stop filling the boy’s head with nonsense!” She didn’t like to hear him injecting the Atleti poison into my veins. And the poison is not just about football, far from it. It’s a combination of a hundred different things, good and bad, that go to make up what has come to be called the Atlético feeling. It’s what makes you feel happy not only when the team wins, but on the way to the stadium with fellow supporters, discussing the previous day’s disasters and your worries about what might happen today. It’s a poison that gives you the ingenuity to overcome a thousand objections and come back with smart answers to questions no other human being who is not an Atlético supporter could possibly answer. It’s a wild poison that makes you cheer your team even louder when they’re losing than when they’re winning, and idolize players with no titles to their name who, without you ever knowing them personally, become cherished members of your family.”

“That’s why,” Abellán went on, “when I was seven and I used to go to the Manzanares¹ with my parents, my aunt Juli and my late grandfather Ángel, I used to ask, Why are we Atleti supporters, Dad? And he would say, Pedro, lad, you always ask such awkward questions! Like a newspaper reporter, you are... We support Atleti because you have to be prepared to swim against the tide, in life as in sport. We make everything more difficult. We swim against the tide.” (Pedro Arnuero, journalist).

“Being an Atlético supporter is a philosophy of life that rejoices in obstacles, flirting with defeat like a dark lady whose sweet nothings and bitter kiss inflame and electrify us. It’s a passion that relishes the joys and torments of hell. Never was such profound pessimism and fatalism cloaked in so radical and indestructible an optimism. Atleti have the sordid beauty of a curse, or a tragic destiny that rouses emotions with the epic spectacle of a persistent battle with misfortune. Victory is considered a contradiction. Being an Atlético supporter is a love that feeds on broken dreams, the vertigo of passing fantasies, where even failure become a tonic (...)” (Jorge Berlanga, writer).

¹ For many years the Atlético stadium was named for the river on whose banks it stands.



Being an Atlético Supporter is a Legacy

“For me, being a ‘red-and-white’ is above all an inheritance, one I don’t plan to give away. It’s something bequeathed to me by my father. Together with being a member of the Socialist Party, it’s part of the set of values that have accompanied me throughout my life, which is to say, exactly half the life of an Atlético supporter. The match that sent us down into the Second Division helped us forge a team spirit, as a state of permanent battle against injustice, of being there when the club needs us most. That feeling explains better than anything else why, now that the club is in the Second Division, the supporters have rallied round, so that once again the supporters are the heroes of the story. Also, our arch-rival, Real Madrid, has helped us be Atleti supporters. Without a strong enemy to define yourself against, the game wouldn’t be what it is today. Thank you, Real Madrid, for being our rival.” (Rafael Cortés Elvira, former secretary of state for sport).

“The team on the other side of the Manzanares, the other lot from the north of the city², live to win. If they lose at home, they get whistled off the pitch. If they go through a bad patch, the terraces are empty. It must be the M-30.³ Crossing that road causes a metamorphosis. To us it doesn’t matter whether we win or lose.” (Juan Pablo Colmenarejo, journalist).

“Atleti is more than a club: it’s an incredible cross between a myth and a dream. Players past and future, the living and the dead. They all have something in common: they are indisputably one of us.” (Tomás Cuesta, journalist).

“The Atlético feeling is very romantic. If you say you’re an Atlético supporter and you’re together with other ATM fans, you can criticize the team and that’s OK. But if you’re not a supporter, the same people who would otherwise have agreed with you will jump down your throat.” (Feliciano Muñoz Rivilla, Chairman of the Atlético de Madrid Veterans Association)

These comments⁴ clearly reflect the depth of feeling among Atlético supporters, torn between dream and disappointment, rebellion and resignation, in a constant contrast of emotion, where it can be difficult to tell joy from misery, because hope and disappointment follow one another in such rapid succession. As one supporter put it, “Atleti is a family for life, you’re not there for the ride. An Atleti supporter feels the legacy he has received and wants to pass it on, because he knows he has to be there when the club needs him. He knows the club is capable of rising to the toughest challenges. He knows the team has the guts to prove its critics wrong and swim against the tide. He feels the indestructible optimism. For better or worse, he loves the Calderón stadium, and Jesús Gil y Gil, and Luis Aragonés, and Paulo Futre.”

² The reference is to Real Madrid football club.

³ The M-30 is the main highway around the center of Madrid.

⁴ Some of the statements have been taken from the book *Atlético ¡porque sí!* published by Editorial Pinsapo, 2003. Others are from personal interviews conducted by the casewriters.



When asked whether there is anyone who cannot be an Atleti supporter, a manager of the club replied, "The sort of person who complains and gives up, the repressed pessimist, the perfectionist, the sort who's too realistic to dream, who wants to win at any cost, who does not know what it means to love. In a word, the person who has no passion. By definition, an Atleti supporter is loyal to his dreams. That means he's committed to the club. He's a member of the Atlético family for ever. This affection that gets passed down from generation to generation is what the players feel when they arrive at the club. And it's why Atleti supporters are regarded as the best supporters in the world." (Germán Robles, manager of the club).

History and Idiosyncrasies of Atlético de Madrid

In the 99-00 season, with a budget of more than nine billion pesetas (second only to Real Madrid and F.C. Barcelona) and an excellent squad, there was no reason to suspect that ATM would end up being relegated (see Exhibit 4). The city of Madrid has two of the most important football clubs in Spain and in Europe: Atlético de Madrid, and Real Madrid Club de Fútbol (RMCF). The sporting rivalry between these two has always been a prominent feature of the city. While in times gone by (the 1950s and 1960s) the two clubs were roughly on a par, in recent decades Real Madrid has performed far better – on the pitch, and also financially. Nevertheless, support among the city's inhabitants remains more equally divided. ATM supporters have a reputation for being more passionate and loyal to their team than RMCF supporters, who are more accustomed to success. Also, according to FIFA, RMCF is the best football club in the world, which adds merit to ATM supporters and makes them more distinctive and unique. ATM has won fewer titles, is less profitable and has less brand image than RMCF. Despite facing a world-famous team in the same city with a host of star players, ATM has a huge supporter base (around two million worldwide) with more than 600 supporters' clubs in Spain and abroad.

ATM has a legend attached to it, built up from tremendous victories and ignominious defeats, which has given it a certain idiosyncrasy (see Exhibit 9 and Exhibit 10). Among soccer fans, ATM is nicknamed the "hard luck" club, on account of the extraordinary bad luck it has had on certain occasions in its long history. Many Atlético supporters, however, consider this unfair. ATM's idiosyncrasy lies in being a football club capable of beating the steepest odds and suffering the most unlikely defeats. An anecdote to illustrate this is the stray ball that inexplicably got past goalie Reina in the last minute of a European Cup final, while the fans chanted "We are the champions!"

However, one of ATM's crucial strengths is the determination of its supporters. This is not something that can be measured effectively (or affectively), yet many Spanish football professionals agree that ATM supporters are among the best in the game in Spain. However, as honorary president of the Atlético de Madrid Foundation Enrique Collar puts it, "The supporters have changed a lot in recent years. Before, in the 1960s, the supporters were very demanding. They came to the grounds to enjoy the game. Now they come to help, to take part in the game, not just to watch. I think the Atleti



players feel that, too. The fans have a great affection for the club. That makes them very loyal. They are very attached to the team's colors."

The supporters are the club's greatest asset. Over the years, thanks to their loyalty, enthusiasm and ability to rise to major sporting and non-sporting events, and despite poor results, ATM still stands alongside Milan, Juventus, Bayern München, Liverpool, and others, as one of Europe's top teams – a team that has played in the finals of European competitions, and that has the youngest supporters in Spain. The club's managers feel that this guarantees the future of the "Atlético spirit" for years to come.

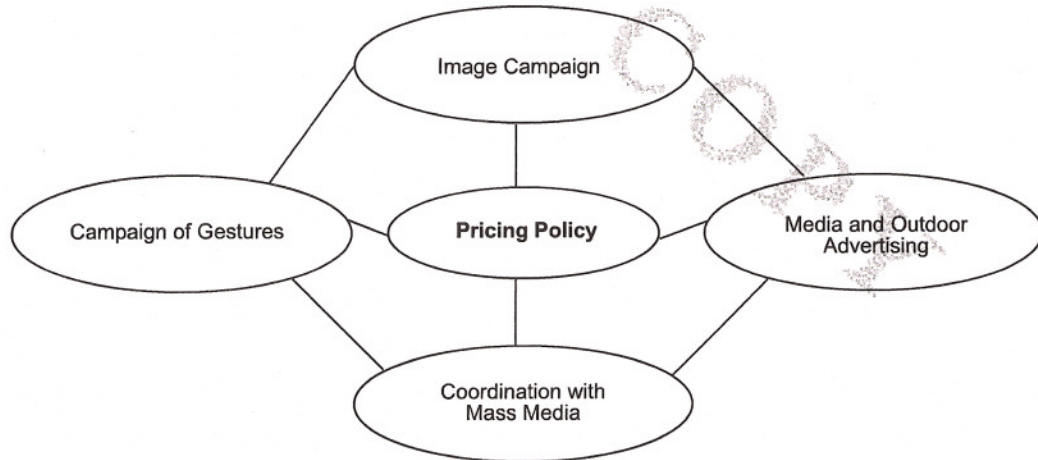
Financially, the supporters are the reason why the big sports brands sponsor ATM. World-famous sportswear brands such as Puma, Reebok and Nike have put their names on ATM players, knowing how well their products sell among ATM supporters. Other major companies that have built ties with the Atlético brand include Columbia, PlayStation, AXN, Mahou, Coca-Cola, Hugo Boss and Sogecable. The club's biggest source of revenue, however, is broadcasting rights. Since digital television came to Spain (in 1997), ATM has been the third most watched club in pay-per-view, ahead of clubs such as Valencia CF or Deportivo de La Coruña, which have been extraordinarily successful in recent years. For that reason, when it comes to selling broadcasting rights, ATM is one of the clubs that can negotiate the best deals with the digital platforms. Other sources of revenue direct from supporters are gate receipts on match days, purchases of club merchandise, subscriptions to the ATM Foundation and, obviously, season ticket sales.

Given that the supporters were not only the club's most important customers but also its most important asset, Emilio Gutiérrez was facing a more complex challenge than marketers are likely to encounter in most other markets. Gutiérrez knew that the club's added value or differential with respect to the competition was its supporters: "If Florentino Pérez (president of RMCF, ATM's neighbor and arch-rival) could buy Atlético's supporter base, he would have done so. But that feeling is not for sale." However, while there were doubts as to how long the "red-and-white" fans' patience would last, by the end of the 99-00 season ATM had reached the final of the Copa del Rey. It thus found itself playing against RCD Espanyol de Barcelona while still technically a Second Division team. The final was attended by nearly 25,000 ATM supporters, who saw their team lose again, as yet another title that could have been the consolation prize for a disastrous season slipped through their fingers. Despite the loss of First Division status, the supporters once again showed their loyalty. However, this defeat, combined with relegation and the deplorable impression the club had given over the year, prompted some supporters to loudly voice their dissatisfaction with the players and the club's management during the last game of the season, which ATM played at home, in the Vicente Calderón stadium.

The Plan

Emilio had come to the conclusion that the club needed to change its pricing. By setting a radical new pricing policy, the club could make it clear to its supporters that money

was no object. Together with the new prices, the club needed to launch an image campaign. And then it needed to put together a team to drive the campaign with symbolic gestures. These three measures would be accompanied by carefully coordinated advertising in certain media. If planning was important, execution was key.



Pricing Policy

The pricing of season tickets for the 00-01 season had to help mitigate the all-too-likely decline in membership. Although pricing had changed considerably during the 1990s, at the beginning of the Gil y Gil era prices had been very high. The reasoning was that live football is a luxury product, so those who wanted to see it should pay accordingly. But if the club sank to the Second Division, did it still class as a luxury product? The argument used to justify the new pricing policy was that, as the team was now in the Second Division, the price should be half what it was in the First Division. Accordingly, the club decided to reduce season ticket prices by 50%. An ATM supporter could buy a season ticket for every game the team played in its first season in the Second Division for as little as 84 euros. A match ticket would cost roughly the same as a movie. Nothing like this had ever been tried in the First Division, and ATM was now 20% cheaper than any of its Second Division rivals (see Exhibit 5).

“Cutting prices was a step we had to take,” said Emilio Gutiérrez. “We felt that what we had to offer the fans was diminished. So it’s not as if we were giving anything away. If you have FC Barcelona or Real Madrid coming to play against you, it’s not the same, with all due respect, as Eibar, Leganés, Poli Ejido, and so on – from the spectators’ point of view, that is. If you don’t cut your prices, the spectators will feel you’re selling them an inferior product for the same price. At the same time, the club promised that, the next year, if we got back into the First Division, we’d keep the prices of season tickets at Second Division levels, as a reward to our most loyal supporters.” Emilio knew that if the club’s finance bosses accepted this proposal, the plan he had designed could be carried out without any problems.



The Plan Goes into Action

First of all, Emilio and the club “gave the supporters time to get over their disappointment.” They wanted to give the fans an opportunity to vent their frustration at the team’s disastrous performance and so win time to plan their next move. “We couldn’t make any immediate demands on our customers (in this case, the club’s members). They had every right to feel disappointed. There was a genuine sense of loss. It was the first time ATM had gone down to the Second Division in its entire history. The last time was during the Civil War (1936-1939), but even then it never actually happened, because of the war. Basically, it was a completely new situation for everybody. We didn’t know how to assess the financial impact it would have, or the impact on membership. Above all, we were worried it might lead to members leaving ATM en masse.”

The situation was critical, but ATM had the advantage of having started its brand-building previously, with various TV spots aimed at reinforcing brand value. One campaign used El Juli, a young toreador who at that time was just starting to make a name for himself. Having pioneered the use of advertising communication in Spanish football, ATM was in a good position to design a new campaign with a thorough grasp of what makes a good advertisement.

Sra. Rushmore

To execute these campaigns, Emilio contacted an advertising creative, Miguel García Vizcaíno, who was also an ATM fan. Miguel had worked for Tiempo BBDO (a highly prestigious advertising agency in Spain), but at the time of the relegation, he had just left to set up an agency of his own, called Sra. Rushmore, in which he was creative director. The first commission he received from his beloved club, obviously a very special client, was to create a campaign to rekindle enthusiasm among supporters who, like Miguel himself, had reached a critical point.

For Miguel García de Vizcaíno, “The relationship with Emilio was quite good. We first met in the early Nineties, but we didn’t actually start to work together until the year of the relegation. We produced one or two very emotional newspaper ads to get the crowds into the stadium. But ATM’s big advertising explosion came with relegation and the “Season in Hell” campaign. This campaign happened to coincide with the membership renewal period, although it was not actually aimed primarily at attracting new members. The goal was to revive the club’s image and get the Atlético feeling across to potential club members, supporters, and the Spanish population in general. The campaign was intended to stoke a general feeling in favor of ATM. Apart from the general public, we also wanted to get the attention of the media, given the impact ATM had in the media. With relegation, we were in danger of losing our newsworthiness. So the media were another of our target audiences.”

“When Emilio called me, we were just changing agency. He told me about the problems the club was having, and we talked about whether there was any point in doing anything at all at that time. Whatever we did could easily turn against us. But



we came to the conclusion that we had to say something, because we were all at sea. We needed to do something that would bring us together in the face of the trouble we were facing, avoid a mass desertion and keep the flame alive. And all this with no financial resources to speak of.”

Emilio outlined the strategic plan for ATM's first year in the Second Division. It all revolved around the concept of “A Season in Hell”, although in this case there would be no TV advertising, as it would be too expensive. Instead, the club would use a “neighborhood marketing” strategy.

“Once the supporters had had time to simmer down, we started an aggressive campaign, the “Season in Hell” campaign. The idea behind it was to give the fans a feeling of being special. We chose our team's star player, Kiko. We used fire as a symbol of purification, because we'd been bad, on and off the field. And mythologically speaking, fire purges everything bad in us. Based on that same idea, we launched a second campaign, with the message: “ManU and Milan have been here, too.” We wanted to convey the idea that this was going to be a short experience, which is why we talked about “a season.” In this case, it wasn't television, but more a kind of neighborhood marketing. The idea was to reach young people.” (see Exhibit 11).

The campaign would use sports newspapers and a few strategically situated billboards alongside main roads. It would also include a campaign of symbolic gestures aimed at building emotional identification among the fans. Several well-known former players who were the idols of ATM supporters publicly joined the club in the Second Division. According to a marketing study carried out by the club, football fans tend to be loyal, receptive and passionate, so a campaign of symbolic gestures would be just what the radical marketing plan needed (see Exhibit 12).

Another important consideration was the media. The campaign would have to be sold to the media, so that they transmitted it to a mass audience at little cost to the club itself. When ATM presented the campaign to the media, it received massive coverage. The levels of audience awareness, diffusion and impact were comparable to those of campaigns carried out by large multinationals. Costing ATM just 30,000 euros, the “Season in Hell” campaign achieved nationwide impact and unprecedented results.

Basically, the campaign centered on ticket prices. The new pricing policy revolved around two key issues: the reduction in season ticket prices, and the club's good faith and gratitude to its members, demonstrated by the promise to maintain season ticket prices for the next season (when the club was expecting to be back in the First Division). At the same time, special membership options were created for children, young people up to a certain age, and retired people.

Extraordinary Results

The results exceeded even the most optimistic forecasts. In the 00-01 season, ATM saw its membership grow by 69% (from 27,000 subscribers in 99-00 to 42,500 in 00-01). Initially, some managers thought that even if the supporters made a special effort,



average match attendance was unlikely to keep pace with season ticket sales. And yet, in the 00-01 season, ATM had the third highest average attendance of any team in Spain, in either the First or the Second Division. Attendance was higher than in previous years, and the stadium was sold out on six occasions. As it turned out, the fans backed their team throughout, and the strategy of getting supporters to “identify emotionally” proved successful.

Pay-per-view sales also increased as did Second Division TV audiences (once again, ATM was the most watched team on PPV). The “Season in Hell” slogan proved very popular. The media even started to refer to the Second Division of La Liga as “Hell.”

ATM continued to make the headlines. It even had its own section in the sports news, the “Diary of a Season in Hell,” playing on the club’s campaign slogan and offering daily reports on the team’s progress. Also, the Second Division started to attract serious media attention, due largely to ATM’s presence.

“The pain of relegation to the Second Division has made us close ranks. We are the faithful few, defending a utopia that remains the envy of all. In the end, we rose from our ashes. We will be true to ourselves, and our hearts are full as we stroll along the Paseo de los Melancólicos, arm in arm with a friend.” (Manuel Esteban, “Manolete”, journalist).

The campaign won awards in the most prestigious national and international advertising festivals and was praised for its bravery, creativity and effectiveness.

End of Season: “Another Season in Hell”

At the end of the 00/01 season, ATM failed to achieve its goal of returning to the First Division. True to form, it failed in a particularly agonizing away game at Getafe, with the terraces packed with ATM supporters. ATM won, but promotion depended on the result of a game between Leganés CF and CD Tenerife, also played in Madrid, in the Leganés neighborhood, and likewise attended by large numbers of “red-and-white” supporters. ATM needed CD Tenerife to lose, but it didn’t. On the last day of the national league championship, ATM found itself condemned to another “Season in Hell,” not on goal difference but on points.

The fans’ reaction was even worse than at the time of relegation. They had given their all and now they had to watch their team, number three in Spain in trophies and titles, suffer another year in the Second Division. What was more, the club was facing the same financial difficulties as in the previous season, and plans made while in the First Division were having to be changed. Meanwhile, the 2003 centenary celebrations were looming and the club could not afford to stay in the Second Division for much longer.

Emilio once again faced a fresh marketing challenge in trying to rebuild the fans’ enthusiasm. Rather than worrying about the broken promises of the previous year’s campaign, he contacted Miguel to talk about a new type of campaign. But what would the message be this time?



After several discussions, given the difficulty of finding a suitable message that would reignite the fans' enthusiasm, the idea of doing no advertising at all started to take root. ATM had announced the signing of Luis Aragonés, a famous coach and former ATM player, who in recent seasons had achieved some remarkable results with Valencia CF. Valencia had offered to renew his contract for a very substantial sum. But Luis turned the offer down in favor of a much less lucrative contract with ATM. He returned to the club in the firm conviction that he was the man to give it back its pride. This news had a big impact and set an example to the supporters.

"Why Are We Atleti Supporters, Dad?"

Miguel continued to try to think up a message ATM could communicate to its supporters. That was when he devised the "Why are we Atleti supporters, Dad?" campaign. This consisted of a short TV advertisement in which a father and his young son are driving in a car. The child asks his father, "Why are we Atleti supporters, Dad?" At this question, the father is left speechless, with a strange expression on his face. The image disappears and some words come onto the screen: "There are some things you cannot explain. It's too big for words."

Emilio was delighted with the idea. But he still wondered whether this was the right time for advertising campaigns. After what had happened, was it necessary, appropriate or right to launch another campaign? The idea fitted, but how crucial and significant to the club's image was an advertising campaign going to be in present circumstances? Would the club be able to raise the funds for a TV campaign? Would the supporters carry on backing the club whether it did any advertising or not? What should they do?



Exhibit 1

The Relegation in Photographs and Press Clippings



Source: *Marca*, 15th of May 2000.

Exhibit 2

Estimated Value of Some Spanish Soccer Clubs, 1999-2000 (In thousands of euros)

Real Madrid	488,658
Barcelona	404,881
Valencia	301,773
Atlético de Madrid	234,784
Deportivo de La Coruña	175,552
Athletic Club de Bilbao	151,812
Celta de Vigo	122,514
Mallorca	94,787
Español	92,141
Zaragoza	91,009
Málaga	81,617
Sevilla	78,079
Real Sociedad	76,645
Valladolid	50,680
Racing	48,156
Tenerife	46,455
Alavés	42,290
Las Palmas	40,189
Rayo Vallecano	17,938
Villarreal	11,972

Source: Barajas Á., *El valor económico del fútbol. Radiografía financiera del fútbol español*. EUNSA: Barañain.

Exhibit 3 Football Fans (I)

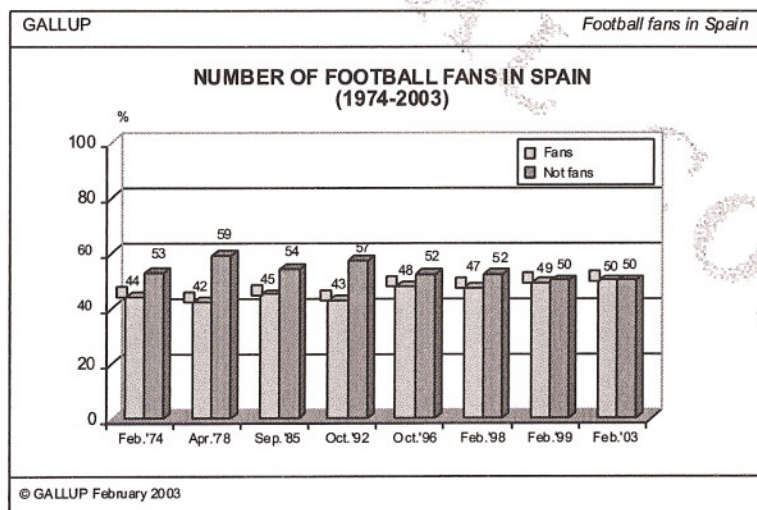


Exhibit 4 Team Line-Up and Basic Data (in Euros)

Season	1995-1996	1996-1997	1997-1998	1998-1999	1999-2000
Budget		18,072,289.16	30,120,481.93	36,144,578.31	96,385,542.17
Average attendance	44,238	31,800	27,789	36,210	
Capacity	77.61%	55.79%	48.75%	63.53%	
Position					
- La Liga	Champion	5th	7th	13th	19th
- Copa del Rey	Champion			Finalist	Finalist
- Europe		Quarter finals	Semifinals	Semifinals	Eighth finals
Team		Molina	Molina	Molina	Molina
		Ricardo	Ricardo	Jaro	Toni
		Aguilera	Aguilera	Aguilera	Aguilera
		Geli	Geli	Geli	Geli
		López	López	López	López
		Pablo Alfaro	Andrei	Chamot	Chamot
		Santi	Prodan	Santi	Santi
		Solozábal	Santi	Serena	Gamarra
		Toni	Toni	Toni	Bejbl
		Bejbl	Bejbl	Bejbl	Cristian Díaz
		Caminero	Caminero	Torrise	Capdevila
		Fortune	Ezquerro	Jugovic	Gustavo
		Pantic	Pantic	Mena	Paunovic
		Paunovic	Paunovic	Njegus	Mena
		Pirri	Juninho	Juninho	Roberto
		Roberto	Roberto	Roberto	Valerón
		Simeone	Bogdanovic	Valerón	Hugo Leal
		Vizcaíno	Vizcaíno	Vizcaíno	Juninho
		Biagini	Futre	Biagini	José Mari
		César	José Mari	José Mari	Lardín
		Esnaider	Lardín	Lardín	Kiko
		Juan Carlos	Kiko	Kiko	Solari
		Kiko	Vieri	Vieri	Correa
		Penev		Correa	



Exhibit 5

Ticket Prices (in Euros)

SECTOR	1997-1998 season (before relegation)	1999-2000 season (year of relegation)	2001-2002 season (in Second Division)
In front of VIP boxes	2,104	2,104	1,262
Above VIP boxes	1,503	1,503	902
VIP boxes	1,503	1,503	902
B Boxes	721	721	361
PREFERENCE			
Grandstand	541	511	252
Stands	451	481	240
Sectors 201, 202, 230 and 231	451	421	210
Upper grandstand low	451	451	222
Sectors 404-406, 435-437	451	391	192
Upper grandstand high	361	361	180
Sectors 503-506, 536-539	361	301	150
SIDE			
Grandstand	451	451	222
Sectors 1317, 318, 323 and 1324	451	391	192
Stands	391	391	192
First tier	343	331	162
Sectors 423, 424, 418 and 417	343	288	144
GOALS			
North grandstand	288	270	132
Stands	234	210	108
First tier	234	210	108
Second tier	234	168	84
CONCESSIONS			
Young person	204	192	96
Over 65	180	180	90
Disabled			

Children under 12 get 50% discount on sector price.



Exhibit 6

Football Fans (II)⁵

Football supporters are still 73.8% male, while the proportion of women has fallen to 28.3%, compared to 1999. Interest is highest in the 15 to 24 age group, accounting for 58.3% of the total, three percentage points higher than four years ago. The groups least interested in football are those aged 35 to 44 and the over-65s, with 45.9% and 46.7%, respectively.

According to the Gallup Poll, 54.5% of middle class people are football supporters, compared to 48.7% of the higher socioeconomic classes and 44.6% of the lower class. Comparing these results with those of four years ago, it appears that the upper classes have lost interest in football, while the middle classes have become more interested: in 1999, the proportion of fans was 60% among the upper class and 47% among the middle class. North and northwest Spain have the highest proportion of fans: 57.8% and 55.7%, respectively. The center and east of the Iberian Peninsula are the regions least interested in football, with 42.7% and 46.5%, respectively. Compared to four years ago, the interest in football is more evenly spread among the regions. This season the difference between the regions with the most and the fewest supporters is 15 points, whereas four years ago it was 19 points.

Looking at individual towns and cities, football fans live mainly in cities with fewer than 50,000 inhabitants, although the differences with respect to respondents in larger cities are not significant. Madrid and Barcelona are the exception, with 43.3% of fans, six points below the national average.

⁵ Data from Gallup Poll.



Exhibit 7

Average Attendance at the Vicente Calderón Stadium

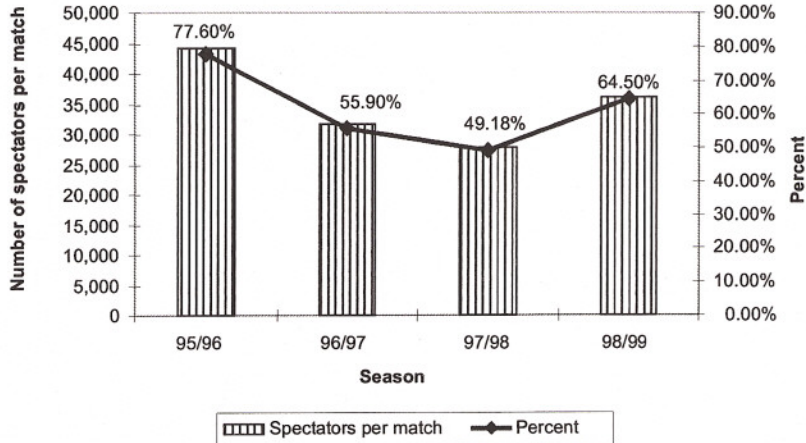


Exhibit 8

Titles

- Club Atlético de Madrid was founded 103 years ago.
- Over the course of its history, Atlético de Madrid has built up a noteworthy sporting track record (it ranks third in Spain in sporting titles).
 - Nine *La Liga* titles (1939-40, 1940-41, 1949-50, 1950-51, 1965-66, 1969-70, 1972-73, 1976-77, 1995-96) and eleven times runner-up.
 - Nine *Copa del Rey* titles (1960, 1961, 1965, 1972, 1976, 1985, 1991, 1992, 1996) and ten times runner-up
 - One Cup Winners' Cup (1962).
 - One Intercontinental Cup (1974).
 - One Spanish Supercup (1985).
 - Five European Finals (three Cup Winners' Cups/ one European Cup/ one Intercontinental Cup).
 - Six times participant in the European Cup.
 - Nine times participant in the Cup Winners' Cup.
 - Seventeen times participant in the UEFA Cup.



Exhibit 9

History of the Club's Name

The name Atlético de Madrid was not used until 1992. Before that, the club was known as:

- April 1903 - September 1939: Athletic Club de Madrid
- September 1939 - January 1941: Athletic Aviación Club
- January 1941 - January 1947: Club Atlético de Aviación
- January 1947 - July 1992: Club Atlético de Madrid
- July 1992 - Present: Club Atlético de Madrid, S.A.D.

Exhibit 10

Atlético Anthem

Atleti, Atleti, Atlético de Madrid
Atleti, Atleti, Atlético de Madrid
Playing, winning, you fight with the best.
Because your fans always
quiver with excitement
when you're the champion
and out onto the pitch
comes a real team
that today will make the terraces roar.

I'm off to the Manzanares,
to the Vicente Calderón stadium,
where in their thousands come
those who love football emotion.
Because they fight as brothers,
defending their colors
in a noble, healthy game
with a display of courage and mettle.
Atleti, Atleti, Atlético de Madrid...

José Aguilar and Angel Curras (1972)

Exhibit 11

The Season in Hell Campaign

"IT'S NOT GOING TO BE EASY. THIS IS THE STRONGEST SECOND DIVISION EVER. WE'RE GOING TO SEE SOME GREAT GAMES. AND WE NEED YOU TO HELP US WIN PROMOTION AS SOON AS POSSIBLE. COME WITH US TO HELL. WE'LL BE BACK"

KIKO NARVÁEZ



Exhibit 12
Campaign of Symbolic Gestures

Este documento es una copia autorizada para uso particular de D./Dña. Jorge Alberto Souza De Vasconcellos E SÁA. 2011-11-03

EL FLAMENGO YA ESTA EN MADRID

El equipo brasileño se entrenó en el Cerro del Espino

M. L. | MADRID

El flamenco, rival del Atlético en el 'Villón de Madrid', llegó ayer a la capital de España con su entrenador y su equipo. Los flamencos, recién llegados de su entrenamiento en Madrid, se entrenaron en el Cerro del Espino, donde se encuentra el estadio del Atlético. El flamenco se entrenó en el Cerro del Espino y por la tarde volaron a los entrenamientos.

Los jugadores también se abonan

No faltaron a la cita en las oficinas del club

M. L. | MADRID

Los jugadores del Atlético de Madrid pusieron cara al trabajo y ayer en un ambiente tranquilo se pasaron por las oficinas del Vapores Club, después del entrenamiento a puerta cerrada, para renovar su suscripción a las abonos. Tras el día ya se trasladaron en la...

HAN DICHO

“Si tuviera que elegir entre jugar y que el equipo ascendiera, prefiero el ascenso”

Oscar Mena
jugador del Atlético

“El día mañana es un partido para agradecer y estar ahí cicer por cicer”

José Juan Luque
jugador del Atlético

EL DATO

Rocio Durcal, la próxima

Además de los jugadores, también los fans del Atlético estarán en la cita. El grupo de fans se reunirá en la plaza de la Puerta de Toledo y el Atlético visitará una vez a la casa de la cantante Rocío Durcal.

La cesión de Carcedo podría cerrarse hoy

M. L. | MADRID

Juan Carlos Carcedo sigue entrenando en el nuevo club que el fichaje de sus compañeros. Sin embargo, el jugador aún no ha firmado la ficha de inscripción en el Atlético de Madrid. El jugador podría cerrar la cesión a las 18:00 horas del sábado para comenzar su entrenamiento con el club madrileño. Se espera que la llegada de Miguel Ángel Gil Marín para la nueva temporada...





Translated title: "Even the players are buying season tickets"
Source: Marca, 25th of August 2000