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Management Whitepaper

Innovation with Information Technologies and Using Nostalgia as an Organizational Strategy

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I. Research Problem

The purpose of this paper is to show (Figure 1) how sport organizations can use innovation through information technology (IT) to support the pursuit of nostalgia by revenue-oriented sport organizations as an organizational strategy to improve or maintain their fan nation. their fan nation.

A variety of organizational scholars have called for institutions and industries to be “more flexible, adaptive, entrepreneurial, and *innovative* to effectively meet the changing demands of today’s environment” (Sarros, Cooper, & Santora, 2008, p. 145). Within the topic of *innovation*, the advent of new technologies has been critically recognized as crucial for organizations to understand, accept, and devise in order to be responsive to the competitive marketplace (Hoeber & Hoeber, 2012). Further, Hoeber and Hoeber (2012) named “information technology” as one of the main driving forces for *innovation* and avoiding the status quo (p. 213). Can et al. (2011) notably identified a wide variety of growing IT outlets as prospective examples and causes of *innovation* in sports organizations.

IT applications in sports stadiums, the focus of this work, were identified as applications, such as “information processing software, office automation and communication systems, photography and video combined with computer technologies, and competition intelligent equipment” to facilitate the attractiveness of sporting events progress during the course of competitions (p. 605–606). Interestingly, to our knowledge, there also have not been many papers published that address the nostalgia within the high-tech innovations of sport stadium. This is interesting, as IT innovations and their harmony with nostalgia are highly important for positioning of revenue sport organizations in the competitive sport marketplace (Seifried & Meyer, 2010). The unique features of revenue-based sport organizations were described by Seifried and Meyer (2010) as “fertile locations for nostalgia” because supporters have many memories with facilities, sports teams and so on (p. 54).

II. Issues

Zaltman, Duncan, and Holbek (1973) defined innovation as “any idea, practice, or material artifact perceived as new by the relevant unit of adoption” (p. 10). Damanpour and Schneider (2009) also described innovation as “the development (i.e., generation) and/or use (i.e., adoption) of new ideas or behaviors” (p. 496). Wolfe (1994) further categorized innovation studies into three main streams, which are “diffusion of innovation, organizational innovativeness, and process theory” (p. 407). Diffusion of innovation is the study of the adoption patterns among entities (i.e., organizations and fields) or individuals such as “customers” (Damanpour & Schneider, 2009). The characteristics of each individual entity, social networks, environmental conditions, innovation process, and the characteristics of the innovation itself are determinant factors in adoption patterns. Within determinants, Zaltman, Duncan, and Holbek (1973) recognized about 21 characteristics of an innovation such as its cost, and sophistication of use. Organizational innovativeness studies the organizational willingness to accept innovations. Finally, innovation process addresses different stages of innovation adoption from initiation, development to termination, and determinants in each stage.

Damanpour and Schneider (2006) defined three main phases of innovation as initiation, adoption decision, and implementation, and studied different managerial, organizational, and environmental factors that can affect the innovation process. In the initiation stage, organizations face the question of whether they need an innovation or whether adopting previously created innovations can solve existing problems. If the answer of the question is positive, then they search for feasible options and evaluate each one in order to make a right decision (Rogers, 1995). In the second stage, which is adoption decision, usually high-level managers decide whether to accept or reject the innovation (Wolfe, 1994). If the decision is to accept the proposed innovation, the next stage (i.e., implementation) occurs, in which organizations try to provide resources and other required bases to embrace the project, product, or idea (Damanpour & Schneider, 2006). According to Damanpour and Schneider (2009), stages two and three are different since the former is about decisions to adopt innovations and the latter is about the decisions after adoption. Li-Min (2007) also introduced an innovation process based on many of these same ideas, which included task presentation, preparation, idea generation, checking ideas, and outcome assessment.

Holbrook and Schindler (1991) positioned nostalgia as “a preference (general liking, positive attitude, or favorable affect) toward objects (people, places, or things) that were more common (popular, fashionable, or widely circulated) when they were younger (in early adulthood adolescence, in childhood, or even before birth)” (p. 330). Seifried and Meyer (2010) described the important role of nostalgia management as a powerful strategy to improve interaction and engagement with current and prospective members of a fan nation. Capitalizing on a foundation of heritage which McKercher, Ho, & du Cros (2005) defined as “natural and

cultural environments, the encompassing of landscapes, historic places, sites and built environments as well as intangible assets such as collections, past and continuing cultural experiences, knowledge and living experiences” (p. 541), Seifried and Meyer (2010) identified multiple examples of the connection between nostalgia, IT, and sport facilities (i.e., the aforementioned context of this work). Specific examples of the connection involved advances made in television production, high definition and LED video board display systems, informational/statistical gathering approaches and processes, musical accompaniment, and the establishment of various entertainment zones (e.g., hall of fame, sport-specific simulators, and measuring devices [e.g., baseball pitching speeds]), and special seat development (e.g., smart seats) that provide information on games and the ability to change the temperature of the seat, order food, and display other information regarding the contest and its replays (Seifried & Meyer, 2010).

Although multiple scholars have emphasized the use of nostalgia in sport facilities as a strategy to maintain a competitive advantage (Fairley, 2003; Hinch & Higham, 2004; Mason, Duquette, & Scherer, 2005; Ranshaw & Gammon, 2005) few recognized this as an innovation or presented a process in which to implement nostalgia through IT. Concentrating on the conservation and promotion of artifacts (e.g., videos, statistics, photographs, etc.) through IT services, Seifried and Meyer (2010) recognized sport facilities as home for the preservation of the fan nation’s past and possibly future activities. Actively promoting the facility as a tourist destination capable of producing incredible spectacles, sport organizations increasingly embrace nostalgia through IT services by focusing on “significant moments, mythical figures, and heroic performances that occurred within the current or past facilities to benefit the organization” (Seifried & Meyer, 2010, p. 53-54). Bale (2003), Erickson (2001), and Gammon (2002) positioned this as possible to accept because professional and other revenue generating sports (e.g., men’s collegiate basketball and football in the United States) are regularly identified as sacred spaces from which a large number of people gather in either live or remote attendance.

III. Summary

Conceptual Flowchart

The stages are explained as following:

The process starts with the need for technological applications in an organization. This is observable if new technologies can solve existing problem(s), which this work concentrated on framing as nostalgia to help improve or maintain fan nation engagement. In the competitive marketplace that many sports organization exist, many are increasingly using informational technologies to improve their performance and attract more attention to support organizational survival. Sports organizations may lose legitimacy or financial resources if they cannot embrace and acknowledge the utility of information technology and nostalgia (i.e., future

or past) as strategies (Seifried & Meyer, 2010). This point is also supported by Barrett and Sexton (2006) who proposed that innovation should be an investment strategy organizations engage in to help maintain or build success.

When top managers decide to invest additional time and resources on technological innovations, research, and development following initial research efforts to identify problems and form solutions, teams must be organized to study the feasibility of new technology as well as available substitutions for potential implementation. In essence, this stage involves researchers and their attempt to find out answers for some concerns and questions, such as:

- Is the technology available in the country?
- Is it possible to import the technology?
- Does the company have required infrastructures (i.e., physical, financial, or organizational, or human resources) to run the new technologies?
- Is it financially possible for the organization to invest on the innovations and/or can public monies be used?
- Does it fit in policies and regulations of government or sports industry?

Again, managerial, environmental, and organizational determinants are featured to help facilitate movement to stage 3.

After checking the feasibility of the prospective technological innovations in terms of budget, processes, resources, and so on (i.e., organizational determinants), the next step requires for the compatibility to be controlled. In this case, is the proposed information technology compatible with nostalgia (e.g., environmental determinants)? The important role of nostalgia in sport organizational strategy presents a reason to expand the innovation process of Damanpour and Schneider (2006). In this phase, two types of nostalgia should also be defined (i.e., soft nostalgia and hard nostalgia). Examples of hard nostalgia include the aforementioned high definition and LED video board display systems, informational/statistical gathering approaches and processes, the establishment of various entertainment zones (e.g., hall of fame, sport-specific simulators, measuring devices [e.g., baseball pitching speeds]), and smart seats (Seifried & Meyer, 2010).

Implementation of the innovation is started with a detailed and concise planning schedule along with the possible marketing of the innovation being tested or offered for consumption. This is followed by an assessment to understand the effectiveness of the IT and if it is necessary to change the tangible or intangible of technologies to make them better matched with nostalgia.

Finally, in the last step, the effectiveness of the IT and nostalgia combination is judged through a post-event analysis from which decisions to discontinue, continue as is, or continue with a new or revised approach is made. Again, managerial, environmental, and organizational determinants are featured to help facilitate the choice towards the right decision.

IV. Analysis

Within the topic of innovation, the advent of new technologies has been critically recognized as crucial for organizations to understand, accept, and devise in order to be responsive to the competitive marketplace and/or fan nation (Damanpour, 1987; Hoeber & Hoeber, 2012; Lanzolla & Suarez, 2012). Hoeber and Hoeber (2012) added “information technology” (IT) in association with “changing demographics and societal pressures, and shifting ideologies” as one of the main driving forces for innovation and avoiding the aforementioned status quo (p. 213). Dewett and Jones (2001) further acknowledged IT as a potentially powerful force to improve organizational practices and infrastructures. In one of the rare papers studying the application of information technology in sport, Can, Lu, and Gan (2011) defined IT as “the process of computer and communications technology to collect, store, processing, transmission, display that includes sound, images, text and data in a variety of information including a range of modern technology” (p. 605).

Can et al. (2011) notably identified a wide variety of growing IT outlets as prospective examples and causes of innovation in sports organizations to address external and internal challenges provided by the competitive marketplace and efforts to better engage their fan nation. Examples of information technologies evolving in recent years include 1) office automation systems, 2) intelligence-gathering systems, 3) communication systems for event management, 4) ticket access control system, 5) television broadcast improvements, 6) contest information relay systems, 7) command and control systems, 8) sports training systems, 9) decision support systems, 10) check-in access control systems, 11) news publishing systems, 12) high-speed photography and video, and 13) large-screen display systems (Ammon, Southall, & Blair, 2004; Caza, 2000; Fried, 2005; Fuller, Junge, & Dvorak, 2012; Giulianotti & Klauser, 2010; Graham & Ward, 2004; Larson & Steinman, 2009; Sawyer, 2005; Seifried, 2011; Seifried & Meyer, 2010; Waddell, Barnett, & Berry, 2007). Interestingly, to our knowledge, there have not been many papers published that address the nostalgia within the high-tech innovations of sport stadia. We find this interesting, because Can et al. (2011) identified sport stadia as one of the three main IT clusters (i.e., along with physical education training venues and sports fitness and entertainment venues). Further, IT innovations and their harmony with nostalgia are highly important for positioning of revenue sport organizations in the competitive sport marketplace and toward the maintenance and/ or growth of fan nations (Seifried & Meyer, 2010).

V. Implications

Considering the three classifications of the innovation process presented by Damanpour and Schneider (2006) and the description of innovation by Wolfe (1994), this paper aimed to contextualize the utility of informational technology within the innovation process for sport organizations looking to use nostalgia as an organizational strategy. In order to make theoretical frameworks more compat-

ible within the applied industry and enable better practical analysis, customization of the stages was completed as recommended by Li-Min (2007).

Although the proposed framework can be applied to all types of innovations, we mainly focus on high-tech innovations because their usages are growing in the sports industry. Managers trying to use nostalgia as a facilitator to increase their financial support or maintain/improve their fan nation should understand many of the technologies are usually costly (Seifried, 2011).

Next, Wolfe (1994) discussed that although innovation has been studied widely, innovation behaviors still remain unknown due to “inconclusive and inconsistent” research (p. 405). The type of academic quest conducted here honors the call of Wolfe (1994) and others (e.g., Ostroff, Kinicki, & Tamkins, 2003; Sarros et al., 2008) who proposed more studies on the concept of innovation along with innovative strategies used by organizations. Further, such a search is consistent with Barrett and Sexton’s (2006) proposition that innovation studies require more investigation and should be accompanied with specific examples to explain its contribution to future management practices. Again, innovations are crucial for organizational competitiveness and effectiveness (Wolfe, 1994; Zimmermann, 1999; McDonald, 2007).

Wolfe (1994) further believed that organizational innovations depends greatly on the environment, organizational culture, nature of the innovation, and its applications. In other words, it is “context-sensitive”; therefore, there is not just one approach to innovation or innovation theory (Wolfe, 1994, p. 406). One could conclude that it would be appropriate to study the organizational innovations in the form of case studies. Damanpour and Schneider (2006) clearly stated the need for more case studies in innovation process. Examples of case studies of innovations in sports can be observed in the works of Wolfe, Wright, and Smart (2006), Gilmore and Gilson (2007), and Hoeber and Hoeber (2012). Consequently, one potential future direction to study the organizational innovations is to conduct research on different cases such as nostalgia as a form of innovation through the use of Information Technology. Case studies could incorporate testing and the comparing of results to improve organizational products, services, and thus performance.

Finally, another potential research area would be on managerial, organizational, environmental, and innovations determinants that can facilitate or hinder the process of innovations, especially in sports organizations. Hoeber and Hoeber (2012) suggested more research to test the degree of affect of managerial characteristics such as risk taking, personal attitude, and age, on innovations in CSOs. Damanpour and Schneider (2009) also recommended more studies on “innovation characteristics on innovation adoption in organizations” (p. 497). Along with this focus, additional study of determinants that hinder or promote the innovation could look at age of management since that has provided mixed results (Berry & Foster, 1998; Damanpour & Schneider, 2006).