

Where have all the Reds fans gone?

Cincinnati was the first baseball town—and it's still supposed to be one of the best. But while the Reds and their new owners are winning again, the city's fans haven't shown up. The first question is: Why? The second one is: Does it matter?

From May 13 to May 19, the Reds pulled off a nearly perfect homestand. The team won five of seven at Great American Ball Park, sweeping the St. Louis Cardinals, sliding into first place, and briefly becoming the talk of the baseball world. On ESPN, Tony Kornheiser marveled at the emerging rivalry between St. Louis and Cincinnati: “These are the two best baseball cities in the National League.”

The only place where things went wrong was in the stands. Against St. Louis, the Reds drew so poorly they ended up finishing 11th out of that weekend's 15 series in attendance. Against Chicago, Cubs fans seemed to outnumber Reds fans—and certainly out-sang them, channeling Harry Caray during “Take Me Out to the Ballgame” to “root, root, root for the Cubbies.” Against Pittsburgh, the crowds felt so small that you began to wonder if you were actually *in* Pittsburgh, where the Pirates recently set a professional sports record with eighteen straight losing seasons.

And yet, in terms of ticket sales, this actually represented an improvement. At the end of the homestand, the Reds ranked 18th out of 30 MLB teams in attendance—five spots better than this time last year, when they ranked 23rd. Last year, of course, the Reds also made the playoffs for the first time in fifteen years. Cincinnatians finally have a winning team again. So why aren't they supporting it? To answer this question, I undertook an exhaustive, comprehensive, damn near ethnographic investigation into the relationship between the Reds and their fans. I attended all seven games in the May homestand. I interviewed 173 Reds fans. I sat down and talked to Phil Castellini, the Reds' Chief Operating Officer (and the son of team owner Bob Castellini). I submitted myself to the relentless pessimism of local sports radio.

Here's what I found: there's no end to the list of reasons fans offer for not showing up. Still, the Reds are working incredibly hard to market themselves and to sell tickets. Maybe that's because they know what will happen if the fans don't soon change their minds.

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In order to understand the Reds' problem, you need to understand its history. And this can get pretty complicated since, when it comes to Cincinnati and baseball, history and myth tend to mix.

The biggest myth is that Cincinnati is a “baseball town.” Baseball towns earn this label through a blend of history, civic identity, and fan interest. On the first count, of course, Cincinnati can't be beat. In 1869, local businessmen assembled the first all-professional baseball team—in part to introduce and legitimize Cincinnati to the East Coast. The Red Stockings went undefeated,

carrying the city's name far and wide and keeping local fans glued to their telegraphs. But it didn't last. First, those East Coast cities decided to pay their players, pricing Cincinnati out of its own game. Second, and more important, the Red Stockings lost a few games, which meant their fans stopped showing up.

From the very beginning, then, you could see the city's real relationship to baseball. In 1935, and at Crosley Field, Cincinnati celebrated another baseball first: first night game. But even this was equal parts innovation and desperation, as the Reds had finished next-to-last in attendance for two years running. In the seasons since, Cincinnati has been blessed with consistently good baseball. From 1956, the year Frank Robinson won Rookie of the Year, to 2000, the year Ken Griffey, Jr. debuted in center field, Reds fans never suffered through four consecutive losing seasons. Still, other than a few bumps for World Series wins—and, again, we've been blessed: 1919, 1940, 1975, 1976, and 1990—the Reds' attendance has been consistently poor. Oh, and about the Big Red Machine: those years did produce the franchise's best attendance figures, with 2,629,708 fans showing up in 1976. But the Reds are now the only team in baseball to have set its attendance record *before* 1988.

Here, city apologists might point out that, with a population of just under 300,000, Cincinnati remains baseball's second smallest market. But that's not quite right. If we switch to the U.S. Census's Metropolitan Statistical Areas—a more logical statistic that, in Cincinnati's case, includes counties from Indiana and Kentucky—Cincinnati's population swells to 2.1 million. Or take Nielsen TV Markets: again, Cincinnati ranks as baseball's second smallest market. But the Reds can also claim parts of Columbus, Indianapolis, and Louisville. Throw in Cincinnati's business community—ten Fortune 500 companies, the country's fifth-largest chamber of commerce—and it seems more accurate to rank Cincinnati's market-size in the low 20s. That's right next to St. Louis's—and plenty big enough to support a good baseball team.

City apologists might also point to the team's recent history, which is far from good, and to the team's recent owners. Marge Schott never skimmed on player contracts or autographs for kids, but she nearly destroyed the Reds' business operations, axing the customer service and community relations departments and trimming her staff to a smallest-in-baseball 40. When Carl Lindner bought the team in 1999, he bumped that number to around 90, but no higher. "I don't want to make money," Lindner admitted, "but I don't want to lose money, either." In 2003, the Reds' first year at the taxpayer-funded (and way-over-budget) Great American Ball Park, Lindner dumped four players at the deadline for piles of cash and a few fringe prospects.

Clearly, the 2000s stand as a dark decade for Reds' fans. Great American Ball Park ended up drawing the smallest first-year crowd of any of the 22 stadiums that have opened since 1989. Things bottomed out in 2009, the Reds' ninth-straight losing season, when they finished with their lowest season attendance in twenty-five years. It'd be easy to blame this on Schott and Lindner. Honestly, though, this baseball town has offered up a lot more years like 2009 than 1976.

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The Reds' current ownership knows all this. When Bob Castellini was introduced as the team's controlling partner in 2006, he promised to "bring championship baseball to Cincinnati." One of his first steps was splitting the Reds' baseball and business operations in two—and committing to take the second part as seriously as the first.

One afternoon during the Reds' homestand, I learned about these changes from Phil Castellini, Karen Forgy, and John Davis. Castellini had just returned from Major League Baseball's quarterly owners meetings, where he'd given a presentation as part of the Ticket Review Committee. It turns out teams that would never swap info on a pitching prospect share plenty about the business of baseball. "With the exception of the couple markets that have two teams in the same market," Castellini says, "there's open dialogue, bench-marking, and best practices exchange."

That's actually how these Reds employees talk. All three come from backgrounds in business, not baseball, and our interview felt buttoned-down in both dress—shirts and ties for Castellini and Davis, a navy suit for Forgy—and demeanor. It's a classic case of the business taking on the personality of its leaders. Bob and Phil Castellini both seem tough, fair, and very, very involved. (At one point, Phil stepped out to take a call about the possibility of canceling that night's game due to rain; when he returned, he interrupted everybody with a "What was the question?") They also seem focused and professional. "Being nice to fans is free," Phil says.

Or close to it. The Castellinis increased the Reds' business staff to about 125. They also began rehabilitating the team's image. In 2007, and on the independent blog Redleg Nation, Chad Dotson wrote about the frustration of loading his family into the minivan and driving to see a team with, at that point, the worst record in baseball. The Reds maintain their own blogs, Twitter feeds, and Facebook pages. But they also monitor those of fans, and Forgy, who had just started as the team's Senior Vice President of Business Operations, took Dotson's post to Bob Castellini. "Can't you get him up here?" the owner asked. Forgy ended up showing the Dotsons everything from the playing field to the radio booth—and introducing them to Adam Dunn.

Now, the Reds can't do this for every bummed-out fan, but they have found other ways to reach out. When the team first opened Great American Ball Park, they made some Opening Day tickets available online and over-the-phone. It was boring—plus the website crashed. Now, the Reds sell those tickets at a big Fountain Square event, complete with team mascots, tons of sponsors, and a long line of camped-out fans.

Still, the most important change has been the Reds' new philosophy of segmentation. "From a consumer-analytic side," Forgy explains, "we had to get a marketing strategy that would be more specific." So the Reds divided their potential customers into four categories: casual fans, avid fans, entertainment seekers, and families. Forgy can expand on these categories ("Mom's looking for a value, and she wants to make a memory") or subdivide them (the technologically-inclined casual fan). The Reds now key their advertising and parts of the in-game experience to each one.

Davis, the Reds' Vice President of Ticket Sales, uses segmentation to guide his work, too. Under Castellini, the Reds increased their number of giveaways from eight to 26—and started making

sure they had giveaways the fans would actually like, with this month's example being a Dusty Baker bobblehead that doubles as a working toothpick holder (and features a prominent logo for the Ohio State Lottery). But the Reds also started doing these giveaways at weekend games when a big turnout already seemed assured. The Baker bobblehead, for example, will drop during a Saturday game against Cleveland. The Reds realize this strategy means more small crowds on Tuesday nights. Still, their research says it's the best way to maximize a promotion's impact, so that's what they do.

These strategies also help the Reds keep their various messages and strategies coherent. When Lindner owned the Reds, the team contracted everything from legal counsel to video production with outside agencies—and often with multiple agencies. Today, it all happens in-house.

Things can still go wrong, as I learned when asking about the *Cincinnati Enquirer's* recent report that the Reds' ticketing would soon switch to "dynamic pricing." "That was erroneously reported by John Fay," came Forgas's sharp reply. Forgas had given Fay several quotations for his story, including one about the inevitability of dynamic pricing. But it was Fay who raised the issue—and who proceeded to write a piece (Paul Daugherty soon wrote another) suggesting dynamic pricing was right around the corner. What Forgas and the Reds were reacting to, in other words, was their lack of control. When the Cardinals rolled out dynamic pricing last year, they did it early in the offseason and labeled it "value-based pricing." The Reds would have liked to do something similar; instead, they had Davis doing damage control on local radio and TV.

Despite this choppy start, the Reds will continue to analyze and debate the Cardinals and the San Francisco Giants' attempts at dynamic pricing. They will continue to view the team through the latest corporate lens—Forgas mentions "consumer buckets," Castellini "internal data-mining." They will continue to distance themselves from the era of Farmer's Night and Klosterman Reusable Bread Bags. And this will continue to make sense. They're running the Reds the way you'd run any customer-driven company with a valuation of \$375 million.

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The big question remains: How are Reds fans responding? I decided the best place to start would be the team's ushers, many of whom date to the Schott era (and all of whom seem to be preternaturally friendly). But Castellini got to them first. The Reds now train their ushers, along with the stadium's other 2,000-plus employees, in the "Reds Way," a customer service protocol that borrows from Delta, Disney, and Ritz-Carlton. The Reds also drill them not to talk to the media. I tried six ushers without success—until I found one who shook his head no, then winked at me, then started pointing to various seats.

That's how I found Calvin Hutchens and Vada Young, an older couple who walk to games from Covington. Hutchens has owned season tickets (and kept score) since 1979. Vada's connection goes back even further. She grew up near Crosley Field and remembers watching Reds' games through a small hole in the left field fence. The local kids took turns at this—until Frank Robinson figured out what was happening and decided to have some fun. During breaks in the game, Robinson would amble over and cover the hole with his thumb.

Just about everyone I talked to—the autograph hunters lurking near the players’ entrance, the Suzuki Co-op kids waiting to play the national anthem, the former president of the Versailles, Indiana, branch of the Pete Rose Fan Club—offered a similar conversion story. Baseball fans don’t appear to have free will. They come to the game, and to their favorite team, through family, location, and circumstance. And for this reason, the things they like most about baseball are its clichés, its history, its pre-industrial pace. The thing they like most about the ballpark—and I heard this word again and again—is its “atmosphere.”

Still, that atmosphere hasn’t drawn as many people as you’d expect, and I asked fans why. Many mentioned the economy—and the price of gas, which hurts all the more because of Cincinnati’s sprawl. A few blamed the weather, which stayed so nasty that, for most of the homestand, the sky and the Ohio River seemed to be the same color. (The Reds analyze this, of course, and their models suggest they’ve already lost more than 30,000 walk-up sales due to rain.) Older folks missed Second Street bars like Caddy’s and Flanagan’s Landing, which gave Reds fans a reason to come early and stay late. Just about everyone noted that they now had access to a never-ending stream of entertainment options. Right at the end of the Big Red Machine, QUBE and its 30 channels of cable TV arrived in Ohio. Now, there were thousands of channels, many of them in high def—and that’s not even mentioning video games, movies, and the Internet.

So there were the distractions. A few fans also had problems with the Reds’ actual atmosphere. Great American Ball Park remains one of those stadiums that does everything OK. The Castellinis have upgraded it—redoing the club seats, adding a deluxe Daktronics scoreboard, converting an empty camera bay into the Frontgate Outdoor Luxury Suite. They’ve also increased ad sales by 230 percent, which means it’s hard to find a flat, visible surface at GABP that isn’t covered with a sponsorship or digital screen. The scoreboard shows so many Skyline Chili Shuffles and Cincinnati Bell Rock Drum Cams that it no longer has room for the official scorer’s ruling on whether something’s an error or a double. You can text any “Safety & Service” disturbances to 90808, which means traditionally rowdy fans—including a drunk, bleacher-bound guy I saw yell “Fuck you, Holliday” during the Cardinals series—get thrown out. It can feel a little sterile.

Overall, though, most people praised the Reds’ new direction. The Castellinis got credit for the team’s community involvement, its playful social media, its constant march of bobbleheads. (One kid claimed to own “around 25.”) But no owner can fix the Reds’ small-market-ness. Obviously, that hadn’t kept these fans away; “a fact of life,” is how several described it. But four separate people mentioned having bought jerseys, only to see the Reds’ trade that player away. That’s one way being a small-market fan feels different. Your team rarely makes the sort of splashy move that creates an uptick in interest. You accept that your best players will migrate. You find it harder to believe in your team’s rebirth.

Realizing I wasn’t going to find many baseball skeptics at a baseball game, I also logged an hour on Mo Egger’s show on ESPN 1530 AM. A few callers brought up the same concerns I’d heard at the ballpark. But several new ones emerged. Mike in Ross complained about the stadium sales tax. “Every time we buy something, we’re supporting these teams,” he said. “When does it stop?” For the first time, steroids and baseball’s strike came up.

Now, a certain amount of despair is probably inherent to the medium. Still, these comments, along with the fact that I never got them at the ballpark, even when I went fishing, made me wonder if there was a large section of sports fans the Reds still hadn't reached. And that unreached section, along with the Reds' attendance numbers, made me wonder how many baseball fans the city actually had left. After we went off the air, I asked Egger for his professional opinion. Cincinnati came with so many sports options, he explained—good college football, great college basketball, some decent minor league baseball. And then there was the NFL. Egger said our call volume would have tripled if we'd talked about Carson Palmer's retirement. "In this town, you either love or hate the Bengals," Egger said. "You either like or dislike the Reds."

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Here we get to the Reds' real problem. It's not one of these reasons that's holding fans back—it's all of them. More than that, it's the way these reasons create a closed circuit of excuses. The biggest excuse—winning—has been eliminated. So people cite the economy, even though the Reds offer \$5 tickets and \$1 hotdogs. Or they cite the inconvenience, even though Cincinnati's traffic and parking aren't nearly as bad as Cincinnati's drivers claim. Or they cite their fear of downtown, even though the stadium's swarming with police. You get the feeling many fans see the Reds as a municipal utility—as something that will always be there. And nobody loves their water company, though many may like it.

But this means the Reds' fans have a problem, too—namely that, if the team's attendance doesn't improve, it will revert to mediocrity much sooner than people think. This has a lot to do with baseball's reliance on local revenues. While football teams get most of their money from national sources, baseball teams get most of theirs from local sources. So, instead of taking a cut from the league's shared TV contract, like they do in the NFL, the New York Yankees created their own TV network. That network, YES, now earns around \$400 million per year—and, thanks to some creative accounting, the Yankees shelter much of that money from baseball's revenue-sharing program.

The Reds actually played in the first game on YES—a preseason exhibition in 2002—but that's as close as they'll get to this kind of economic clout. This doesn't mean we should feel sorry for Bob Castellini. The Reds' value has increased from \$56 million (what Schott paid in 1984) to \$182 million (what Lindner paid in 1999) to \$270 million (what Castellini paid in 2006) to \$375 million (what *Forbes* valued the team at in its most recent "Business of Baseball" report). But *Forbes* valued the Yankees at \$1.7 billion—and the Yankees' TV network often gets valued at another \$3 billion besides.

Local media revenues are where market size really makes a difference. Last year, the Reds' ratings were way, way up: fourth best in baseball on TV, best in baseball on radio. But ratings represent the percentage of an audience, not the size of an audience. The Castellinis have tried to get creative here—they expanded the Reds Radio Network to 77 stations and brought its ad sales in house—but they'll never catch the big markets. In 2007, the Reds signed a new ten-year deal with Fox Sports Ohio, which means their improved play won't translate into more money. The

team's premium seating provides only 20 percent of its revenue. And the Reds seem close to capped out on their corporate sales and synergies.

That still leaves regular tickets. Before we go there, though, let's turn to the team's payroll. This year, the Reds committed \$151 million to new contracts for Joey Votto, Johnny Cueto, Jay Bruce, and Bronson Arroyo. Add in Aroldis Chapman's \$30 million deal from last year, and you've got five core players. Now watch how their five salaries will grow: from \$28.9 million this year, to \$38.7 million in 2012, to \$50.2 million in 2013. Those players form a fine core, but nowhere near a full roster. According to *USA Today*, the Reds' 2011 payroll stands at \$75.9 million—the highest in franchise history. So, if the Reds keep their payroll steady, in 2013 they'll have only \$25 million to sign their other 20 players. And that doesn't include extensions for Brandon Phillips or Scott Rolen, arbitration for Homer Bailey or Drew Stubbs, or injuries for anyone at all.

It all seems pretty crazy until you realize that, with these extensions, the Reds have made a calculated bet on increasing their revenues in the next couple years. If they succeed, though, it'll have to be through those regular ticket sales. "Our single largest growth opportunity in this market is tickets," Phil Castellini says. According to the *Forbes* numbers, which Castellini admits are "close enough to get everybody's attention," the Reds pulled in \$46 million in gate receipts in 2010. That's a nice bump over 2009, when they earned \$39 million. But it's still well behind the Cardinals' \$95 million.

And that discrepancy says it all. Castellini believes baseball "has to get closer to an NFL-type parity model." But while baseball's labor contract expires at the end of the year, it has too many people making too much money for anything major to change. That means the Reds' immediate future will come down to its fans. And yet, despite the team's intentional and intelligent marketing, despite its talented and likeable roster, despite its tripling of the promotional schedule, those fans barely did better in 2010 than they did in 2005, the year before Castellini bought the team. If you're a Reds fan, that's reason to be worried. Or maybe to buy some tickets.

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On Friday, after finishing my first round of interviews, I return to the press box at Great American Ball Park to watch the ninth inning of the Reds and the Cardinals. The Cardinals, up 5-4, call on their closer, Eduardo Sanchez. Sanchez begins by walking Edgar Renteria on four pitches, none of them close. The crowd can sense that something was wrong, that Sanchez didn't have it. He sends Renteria to second on a wild pitch, and from there Phillips drives him in. Red fans explode into a spasm of rally towels and cheers, and, while the team can't finish Sanchez off, they do push the game to extra innings.

In the top of the 10th, the crowd regroups—takes a breather, as much as that's possible in an inning pitched by Francisco Cordero. In the bottom of the inning, Ramon Hernandez leads off with a double to right, only a few feet short of the spot where he smacked his walk-off home run on opening day. Chris Heisey hits a hard liner to third, but Hernandez, running like a catcher, gets caught in a rundown. Heisey smartly advances to second, then stays there as Drew Stubbs flies out and Renteria works another walk.

So, two outs, bottom of the 10th, winning run at second, and up to the plate steps Joey Votto. The scoreboard loops Votto's little intro video, an awkward, over-produced affair where the first baseman stands in full uniform while someone off screen clearly keeps begging him to smile. It's the only time I've ever seen Votto look uncomfortable while holding a bat. He's always been very professional and very private, someone who works though his at-bats quietly, carefully, procedurally. (This, by the way, remains Reds fans' best hope for why Votto will stick around—for why he signed a short contract and why he'd turn down the money of Boston and New York.)

Against the Cardinals tonight, Votto has managed to go only 1 for 4 with two strikeouts. Still, love keeps no record of wrong, and the fans begin chanting *M-V-P*—except they're either too nervous or too excited to pull it off, with only stray letters filtering through the white towels and white noise. Votto rolls his shoulders, taps home plate's far right corner, and coils. I can't tell if I'm rooting for the Reds or for their fans. I can't even tell if there's a difference.

Votto takes a couple pitches, fouls off a couple more. Then, with two strikes and a shortened swing, he slaps the ball past the Cardinals' second baseman. Heisey scores easily. Sitting there, in a room that's midwived so many cliches, I can promise you the stadium shook.