

The NBA after Jordan

Basketball legend Michael Jordan is credited with revitalizing the NBA league. Then in 2004 he retired for the third and final time. The NBA was undoubtedly concerned about this as after each previous retirement their ratings declined dramatically. While the NBA is not about to turn off the lights and close down at any point soon a number of poor decisions have compounded the impact of Jordan's departure. Experts have been critical of decisions made in a variety of areas.

The first area of poor judgment has been marketing. Historically the NBA's strategy has always relied on discovering a replacement for Jordan. This has been at the expense of promoting the game in general. When Jordan first retired the NBA tried to mold Grant Hill and Penny Hardaway in the role. After the second retirement the tactic was attempted with Jerry Stackhouse and Antawn Jamison. LeBron James is the man currently trying to fill those Air Jordans.

The ratings figures speak for themselves. After Jordan's first retirement TV ratings dropped from 17.9 (each point represents one million viewers) to 12.4 in 1994. When Jordan returned from retirement the figure rose to 18.7 in 1995. After Jordan failed to make the playoffs the figure dropped again to 6.5 in 2003. Sales of merchandise tell a similar story.

Experts have also been critical of the business model of the NBA. During the basketball boom of the 1980s and 1990s the value of the average franchise jumped from \$15 million to \$300 million and revenue swelled from \$10 million to more than \$3 billion. However rather than the nation suddenly becoming basketball fanatics they were in fact Jordan fanatics. A similar phenomenon was seen in the world of golf where Tiger Woods has attracted many more fans than the sport had previously.

Jordan brought so many people to the sport because of the great exposure he had in the media. His endorsement of Nike took his likeness and the product to previously unexplored areas. At the time the deal was seen as risky by some but now it is clear it was a trailblazing sports union. The current stars of the NBA also get plenty of exposure, however they are following Jordan and not reaching new fans.

Around the time Jordan was considering retirement for the final time the NBA took the decision to move to cable TV. This also had an impact on ratings and the popularity of the sport and also deprived it of the high visibility in TV spots and advertising. In summary the NBA has not fared well without Jordan and this is clearly an example of placing all your eggs in one basket.

However in 2010 Jordan proved once again he was unable to stay away from the NBA and he became the first ex-player to take control of franchise. He bought the Charlotte Bobcats.