

Team researches AT&T Stadium's impact on nearby businesses

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Liliana Pérez-Nordtvedt, UT Arlington associate professor of management

When businesses synchronized their operations around major events at the then-new AT&T Stadium, they experienced success, a study by management professors at The University of Texas at Arlington shows.

The study also shows that businesses closer to the stadium that saw the stadium as a negative became paralyzed when trying to adapt to the changing economic environment.



Liliana Pérez-Nordtvedt, Susanna Khavul and Jeffrey McGee, all UT Arlington associate professors in the Department of Management, teamed with David Harrison, management professor at UT Austin, on the study, titled "Adaptation to Temporal Shocks: Influences of Strategic Interpretation and Spatial Distance" and published in *The Journal of Management Studies*.

"We found that if these businesses could synchronize their activities with events being held at the new stadium, they had a chance to thrive in business. We found that geographical distance removed the paralyzing frame of mind that business with a threat perception had," Pérez-Nordtvedt said. "To those businesses, the time-adaptation element became much more crucial than what was happening to them."

She said many of the businesses interviewed never considered changing what they offered people.

"A book store was still a book store and a restaurant was still a restaurant," Pérez-Nordtvedt said. "What did change were the hours of operation to coincide with when the <u>stadium</u> event happened. And this proved beneficial."

Rachel Croson, dean of the UT Arlington College of Business, said the study offers insight and hope for small businesses affected by large changes in their economic landscape.

"Businesses that sync activities with changes in their environment will experience more success," Croson said. "The study says that attitudes of business owners are pivotal to determining whether they will successfully adapt."

Pérez-Nordtvedt said the fact that temporal adaptation matters didn't surprise the team.



"We just never felt like the subject had received enough attention," Pérez-Nordtvedt said. "What was surprising is that many of the changes business owners employed were inexpensive moves. It wasn't like repainting your business blue and white for the Cowboys. We found that you don't have to make expensive changes to be effective. Temporal strategies can be a source of advantage."

Some businesses changed their operating hours to coincide with the end of an event since food and refreshments at the event were expensive. Other businesses offered free shuttles, then handed out specials to lure people into their establishments.

Still others had to increase staff on game days so waits would be tolerable. In a <u>business</u>, changing when something happens is often as or more important as changing what happens.

More information: *Journal of Management Studies*, onlinelibrary.wiley.com/doi/10 ... /joms.12050/abstract

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