

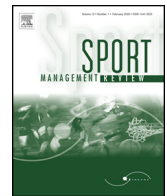


ELSEVIER

Contents lists available at ScienceDirect

## Sport Management Review

journal homepage: [www.elsevier.com/locate/smr](http://www.elsevier.com/locate/smr)



# The uniqueness of sport: Testing against marketing's empirical laws

Bradley J. Baker<sup>b,1</sup>, Heath McDonald<sup>a,\*</sup>, Daniel C. Funk<sup>b,1</sup>

<sup>a</sup> Faculty of Business & Law, Swinburne University, John St, Hawthorn, Victoria 3125, Australia

<sup>b</sup> Sport & Recreation Management, School of Tourism & Hospitality Management, Temple University, United States

### ARTICLE INFO

#### Article history:

Received 29 September 2014

Received in revised form 29 February 2016

Accepted 29 February 2016

Available online xxx

#### Keywords:

Loyalty

Sport fans

Dirichlet

Double jeopardy

Duplication of purchase

Empirical generalisations

### ABSTRACT

Two key law-like patterns – the *double jeopardy* and *duplication of purchase* laws – have consistently been found to explain and predict consumer behavior across a wide range of industries. There has been speculation that these empirical generalisations may not hold in the case of professional team sport brands. The reasons given include the passionate loyalty of sport fans, the fact that two sport teams must be consumed at once in any contest, and the strong geographic dominance of sport brands. In this study, we examine the applicability of these two law-like generalisations to professional team sport. With a few caveats, these law-like patterns hold, suggesting that sport team brands operate in line with what is known about other consumer markets. Results suggest the unique aspects of the sport market do not meaningfully impact consumer behavior and therefore sport brands should be managed in fundamentally the same way as most consumer markets.

© 2016 Sport Management Association of Australia and New Zealand. Published by Elsevier Ltd. All rights reserved.

## 1. Introduction

Robinson (2008) succinctly noted that sport has moved from being “a pastime, organized and run by amateurs” to “a business that competes for scarce consumer resources, requiring a ‘business’ approach to its management, utilizing professional management techniques” (p. 308). Modern professional sport teams, in many ways, exemplify what most businesses strive for: global reach, high brand recognition, loyal fans, and sustained profitability. By 2018, the North American sport market is projected to grow to \$70.7 billion (PwC, 2014), while globally the sport market was projected to exceed \$145 billion in 2015 (PwC, 2011). Brands such as Manchester United, the New England Patriots, and the New York Yankees have fan bases in the millions, and are valued amongst the most powerful brands in the world.

Despite increasingly business-like management of sport organizations, questions remain around the extent to which management of this sector requires specialized treatment at either the academic or practitioner levels. The question of whether sport, as a distinctive field, is worth exceptional investigation comes back to the often-made claim in both practitioner and academic circles that a number of unique attributes of the sport product mean sport requires distinct management practices (e.g., Hoyer, Nicholson, & Smith, 2008; Tapp & Clowes, 2002). Widely used introductory sport management (e.g., Pedersen & Thibault, 2014) and sport marketing (e.g., Mullin, Hardy, & Sutton, 2014) textbooks commonly

\* Corresponding author. Tel.: +61 3 9214 5885.

E-mail addresses: [bbaker@temple.edu](mailto:bbaker@temple.edu) (B.J. Baker), [heathmcdonald@swin.edu.au](mailto:heathmcdonald@swin.edu.au) (H. McDonald), [dfunk@temple.edu](mailto:dfunk@temple.edu) (D.C. Funk).

<sup>1</sup> Tel.: +1 215 204 1972.

<http://dx.doi.org/10.1016/j.smr.2016.02.002>

1441-3523/© 2016 Sport Management Association of Australia and New Zealand. Published by Elsevier Ltd. All rights reserved.

include a section or chapter on the uniqueness of sport (“unique aspects of sport management” and “the uniqueness of sport marketing” in Pedersen & Thibault and Mullin et al., respectively). Smith and Stewart (2010) attempted to summarize these unique aspects, identifying (a) provision of an intense emotional experience, (b) the high degree of social interaction between customers of the same brand, (c) the uncertainty of outcome of sport contests, and (d) the high degree of loyalty and engagement of sport consumers, as key differences. Smith and Stewart noted, however, that these unique elements are often over-stated, and can be found in other products and markets.

Researchers examining sport consumer behavior frequently note the intense and persistent loyalty of sport fans. Parker and Stuart (1997) asserted that football is totally different from other product sectors, likening the category to religion. Yet, other researchers have highlighted the heterogeneous nature of sport consumers. Hunt, Bristol, and Bashaw (1999) conceptually developed a typology segmenting sport fans into five categories with substantial variation in magnitude of attachment to their team. Similarly, Stewart, Smith, and Nicholson (2003) noted the bewildering diversity among and between sport consumers in terms of loyalty, attitudes, and behaviors. Tapp and Clowes (2002) found some fans define loyalty attitudinally, seeing themselves as loyal supporters despite promiscuous consumption behavior, who regularly attend matches featuring a variety of teams. Overall, while much sport management research centers around the uniqueness of sport there is considerable evidence of diverse sport consumer behavior, which may mirror that found in non-sport contexts.

Looking specifically at how marketing generalisations might apply to sport, McDonald (2010) noted the low level of customers switching between competing brands (teams). Considering the context of professional team sport in particular, there are two further factors that could represent additional distinguishing features. These are the simultaneous consumption of two teams when attending or viewing team sport events and the geographic divisions of teams in most national leagues. Geographic divisions build team identity through connection with locations and communities important to the fan (Heere & James, 2007). What is unclear is how multiple teams from the same region, especially those that compete against each other, might impact on fan behavior like viewing and attendance. While unusual in sport, this situation is common in other industries, with one example being beer markets where many local beers compete (e.g., Milwaukee). The simultaneous consumption of sport teams or players is something quite unique to sport. Although recognized as a key feature, the impact of consuming two brands at once (one favored, one possibly disliked strongly) on consumer behavior has not been examined in detail. Related studies, such as that of Bee and Madrigal (2012), have found that less engaged fans prefer closer contests between opponents.

One way to examine whether these unique aspects of sport impact upon the way it should be managed is to test how well the patterns typically seen in consumer markets operate in a similar way in sport markets. Two key law-like patterns – the *double jeopardy law* and the *duplication of purchase law* – have consistently been found to explain and predict consumer behavior across a wide range of industries. Previous researchers have speculated that these empirical generalisations may not hold in the case of professional team sport brands (Gladden & Funk, 2001). At the same time, other researchers have suggested sport team supporters exhibit behavioral and attitudinal loyalty patterns similar to those observed in non-sport contexts, such as supermarket goods (e.g., Tapp, 2004). This paper reports on two studies undertaken to directly test the applicability of these marketing generalisations to the sport context. The first study looks at actual attendance behavior as a primary form of sport consumption, while the second looks at favored brands (teams) and whether the common practice of having a second team follows the established laws.

The current research represents the first to explore sport brand double jeopardy effects on consumer purchase behavior. As such, the findings provide a novel perspective on how sport operates and similarities between sport management and mainstream business approaches. Recent work identified that double jeopardy effects were present in the attitudinal loyalty of fans across sports of varying popularity (Ewing, Wagstaff, & Powell, 2013). This has led to calls for additional research on behavioral outcomes, the role of rivalries and geography (Doyle, Filo, McDonald, & Funk, 2013), and further investigation of how sport consumers allocate consumption across competing teams. Examination of double jeopardy effects in sport consumer behavior offers evidence that sport management shares common patterns established through empirical generalisations found in non-sport contexts.

### 1.1. Empirical generalisations in marketing

Although they are not well known, and many believe consumer behavior to be impossible to predict, there are a number of empirical generalisations that have been identified in the marketing field. For example, a substantial amount of panel data, analyzed longitudinally and across multiple product categories, has shown that consumers are rarely 100% loyal to one brand. Instead, they purchase across repertoires of similar brands to satisfy their category requirements (Ehrenberg, Uncles, & Goodhardt, 2004). Just as sport consumers represent many diverse types, from casual viewers to diehard fans (Hunt et al., 1999), non-sport consumers range from light to heavy buyers (Uncles, Ehrenberg, & Hammond, 1995). While it is generally assumed that sport has a higher proportion of consumer fanatics than other products, many products have devotees (e.g., Starbucks, Hello Kitty, Harry Potter, Apple computers). The combined effects of purchases made by consumers along the full spectrum from casual or one-time buyers through brand devotees create recognizable and predictable patterns. Specifically, McPhee's (1963) double jeopardy pattern suggests that smaller market-share brands receive not only fewer customers, but also slightly lower levels of loyalty from their customers than larger brands (Ehrenberg, Goodhardt, & Barwise, 1990). Thus, small market-share brands suffer in two ways: (1) fewer customers and (2) lower loyalty amongst those customers they have.

Download English Version:

<https://daneshyari.com/en/article/4762074>

Download Persian Version:

<https://daneshyari.com/article/4762074>

[Daneshyari.com](https://daneshyari.com)