

Fans' identification with a team and brand loyalty toward its sponsor: The impact of negative team news

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Abstract 161**

Facing the shocking game fixing scandal in the Italian soccer league in 2006, the Italian teams' sponsors (e.g., Nike, Siemens) showed different reactions regarding whether they would maintain sponsorship or breach it. Intrigued by such this phenomenon, we will investigate how study participants will change their team identification toward a team and/or their brand loyalty toward the team's sponsor when they face negative news such as the Italy scandal, based on social identity theory (Tajfel and Turner, 1986) and balance theory (Heider, 1958). For this study, an NFL team (i.e., Cleveland Browns) and one of the team's sponsors (i.e., Verizon) were used. We expect that the participants will change their team identification and/or brand loyalty toward the sponsor when facing negative news about the team and the sponsor's reactions to the news, but the change patterns or directions will be affected by the participants' pre-existing team identification and brand loyalty levels before the participants are given information.

The growth rate in sponsorship has overtaken that of investment in any other type of marketing promotion tool (Crompton, 2004). In fact, sport sponsorship has increased from \$1.35 billion in 1987 to \$10.5 billion in 2003 (IEG, 2002). As the importance of sponsorship in sport has been increasingly highlighted, research on sponsorship in sport has also grown. For instance, Parker (2007) showed that a highly identified fan with a team feels more favorable toward a team sponsor than a low identified fan, and that a team's reaction toward a sponsor contaminated by negative incidents is critical in how consumers see the sponsor, whether the reaction is to terminate the sponsorship relationship or to continue it. Parker used a fictitious sponsor with no specific company information in order to control brand name influences on the experiment participants. However, this study uses a real company name (i.e., Verizon) to investigate consumers' brand loyalty toward a sponsor, when a team (i.e., the Browns) is tainted with a negative incident as the Italian soccer league was.

According to social identity theory, people determine their identity in terms of the groups they feel friendly to, and eventually develop the distinction of "us" and "them." Team identification derived from social identity theory is one of the most important aspects for sports teams to develop (Fink, Trail, & Anderson, 2002). Highly identified fans show a stronger level of attachment and belongingness to the team than lowly identified fans (Sutton et al., 1997). Therefore, sports teams can attract potential sponsors by using the fans' strong identification with their teams to allow sponsors to be seen as part of the ingroup (Parker, 2007). According to balance theory, people generally want to maintain balance, order, and harmony in their lives. In other words, whenever there is imbalance, people try to adjust their attitudes, emotions, and behaviors to recover balance. In that sense, the stronger favoritism fans have toward their team, the more positive they should feel about their teams sponsor (Dalakas & Levin, 2005). Based on these previous studies, as stated earlier, this paper will investigate how the relationship between fans' team identification and brand loyalty toward the team's sponsor varies when they face negative news about the team.

Two hundred fifty students enrolled in physical activity classes at a large, Midwestern university will be asked to answer three team identification survey items developed by Trail and James (2001) and eight brand loyalty survey items developed by Lau and Lee (1999) in order to determine their pre-existing level of team identification and brand loyalty. Immediately after the initial survey, the 250 participants will be randomly assigned to four different hypothetical scenarios about the Browns and Verizon: a) the Browns are involved in a game fixing scandal and Verizon terminates a sponsorship contract with the team; b) the Browns are involved in a game fixing scandal but Verizon maintains a sponsorship contract; c) nothing negative happens to the Browns and Verizon maintains a sponsorship contract; d) nothing negative happens to the Browns but Verizon terminates a sponsorship contract. The participants assigned to the third and fourth scenarios are control groups. Upon completion of assignment, each group of participants will be asked to read the assigned scenarios and answer the same team identification items and brand loyalty items once again. Once the data has been collected, 2 (team's game fixing scandal, involved and not involved) X 2 (sponsor's reaction, terminate and not terminate) multivariate analysis of covariance (MANCOVA) will be used to examine the effects of the four scenarios (i.e., independent variable levels) on participants' team identification and brand loyalty (i.e., dependent variables) while using initially measured team identification and brand loyalty as covariates.

We hypothesized that there will be a significant main effect for each of the treatments (i.e., whether the Browns are involved in the game fixing scandal or not, and whether Verizon terminates the sponsorship contract or not) on the dependent variables, and that there will be a significant interaction between the treatments. We anticipate that the prospective results will contribute

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to sport sponsorship by presenting a guideline about how business sectors manage their sponsorships with an individual athlete or sport organizations. While Parker's (2007) study mentioned above has practical implications for sport organizations, the current study focuses on practical implications for sponsoring business sectors.

Future studies need to investigate the longitudinal effects of such negative news of a team. It is plausible that sport fans experience an instant reaction that subsides over time. In fact, this study has a limitation that the post-test measures of team identification and brand loyalty were collected immediately after participants read the hypothesized scenarios. Future studies also need to assess fans' reactions in different sports. For example, a steroid issue has prevailed in baseball for quite a long time, so fans might be immune to such negative news. It would be interesting to conduct research on baseball sponsorship in relation to such news and fans' reactions.