Local residents' perceptions of an arena football team: Effects of moving up to the premier league, or down to the minor league.

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Professional sport teams must develop players, and often have the challenge of maintaining a pool of potential players. Consequently, nearly all professional leagues in the United States have developed minor league systems. Although some systems (e.g., Minor League Baseball) are well established, others are relatively new (e.g., the D-League). Sports with a shorter history may be challenged to determine which teams might best serve to develop or maintain a pool of players, and which should compete at the league's top level.

This has been a continuing challenge for the Arena Football League (AFL), which began in 1987. In 2000, the AFL split into two separate leagues: AFL and AF2, with AFL serving as the premier level of competition, and AF2 serving as the sport’s minor league. In the ensuing years, some teams moved between the two levels, and some have left to play in rival leagues (e.g., United Indoor Football) where they would not have to compete in the lower level of competition. Although it is reasonable to assume that a sport’s premier level of competition will be most attractive to fans, the ongoing successes of minor league baseball show that minor leagues can be marketed successfully (Jubenville, Goss, & Ledford, 2004). There is conflicting evidence regarding how shifts in level will affect consumers’ views. Relegation in British soccer has been shown to enhance aggregate fan interest (Noll, 2002). However, in the relegation system, a team has the opportunity to be promoted back to the premier level through its on-field success, so fans have a stake in the team’s performance even at a lower level of competition. In the United States, college teams that have shifted from lower divisions to I-AA competition have not shown any gain in fan support (Tomasini, 2005), although one college did find that its fans perceive a shift from I-AA to I-A to be a prestigious move (Roy, Graeff, & Harmon, 2008). The effect of a shift could also depend on its direction. An initial judgment can serve as an anchor such that revised judgments are closer to the original assessment than might otherwise be expected, even when conditions or evidence change (Pennington & Hastie, 1992; Tversky & Kahneman, 1980). In other words, a team that moves up might not be rated by fans as highly as would be normal for its new level because the consumer’s earlier (lower) evaluation reduces the degree of positive shift. Similarly, a team that moves down might not be as negatively evaluated as might otherwise be expected because their evaluations associated with the previous (higher) level reduces the degree of negative shift. This phenomenon is known as “anchor and adjust.”

The experiment reported here examined the effects of a team’s shift in level on local residents’ perceptions. An intercept technique was used to query 198 persons (136 men; 60 women) with a mean age of 29 years (SD=10) who were not familiar with the local arena football team. Half the respondents were told that the local team was playing in the AFL, and half were told that the local team was playing in AF2. They then completed measures of their interest in seeing a game, likelihood of going to a game, quality of play they would expect, expectations regarding team success, how enjoyable they expected a game to be, and how much they would expect to spend. All items were rated on seven-point Likert-type scales. Respondents were then told that the team had moved to the other league (i.e., AFL to AF2; AF2 to AFL). Thus, for half the respondents, the team had moved up, and for half it had moved down. They were then asked to rate the team and its games on the same six dimensions as before. Responses for each of the six dimensions were analyzed using a two way repeated measures analysis of variance to determine how a move up or down affected respondents’ views regarding the team and its games.

All six interactions were statistically significant. For interest, F(1,196)=48.79, p<.001; for likelihood of attending, F(1,196)=36.15, p<.001; for quality of play, F(1,196)=68.42, p<.001; for expected team success, F(1,196)=11.25, p=.001; for enjoyment, F(1,196)=39.66, p<.001; for cost, F(1,196)=47.32, p<.001. Examination of the interactions showed that in every case, a shift upward was associated with improved perceptions, while a shift downward was associated with worsened perceptions.

Tests for simple effects were used to determine whether there was evidence of anchor and adjust. There was no evidence of anchor and adjust for interest, likelihood of going to a game, or quality of play. In other words, the ratings for each of these variables depended only on league level, and did not depend on the direction of the team’s shift. However, there was mixed evidence for anchor and adjust for the other three measures. Respondents’ expected success for the team rose only marginally if it moved from AF2 to AFL, and the level of expected success was lower than for a team that had not shifted from AFL. On the other hand, when a team shifted from AFL to AF2, expectations for success dropped to a level comparable to that which would have been expected had it begun in AF2. Thus, moving down lowered expectations far more than moving up raised them.

Anchor and adjust was unequivocally evident for enjoyment. A team that moved down to AF2 from AFL was rated significantly
higher for enjoyment than a team that had not moved, but a team that moved up to AFL from AF2 was rated significantly lower on enjoyment than a team that had been in AFL all along. Respondents rated their expected spend significantly higher for a team which had shifted from AFL to AF2 than for a team which was in AF2 all along: a finding consistent with anchor and adjust expectations. However, they rated their expected spend for a team that had shifted from AF2 to AFL significantly higher than for a team that had been in the AFL all along. These findings demonstrate that moving up a league does raise consumers’ expectations, and moving down lowers them. However, the findings also demonstrate that for some expectations the effect may not bring the consumer to the expected level for the new league. Rather, there can be an anchoring effect of evaluations derived from the old league affiliation. The surprising exception is expected spend, where a move upward is expected to cost the fan more than would otherwise be expected. The reasons for this outcome are unclear, although it might be speculated that fans expect to have to pay extra for the improvement. From a practical point of view, these findings suggest that when a team moves upward, marketing tactics should seek to treat the team in its new context as a sufficiently new product that fans’ old perceptions will not become an anchor on the new position the team seeks to establish. On the other hand, during a move downward, the team should do what it can to transfer its brand equity from its previous league affiliation to its new (downgraded) status.