A Conceptual Framework for Understanding Consumer-based Brand Equity in the Realm of Spectator Sports
Brian Gordon, Florida State University
Jeffrey James (Advisor), Florida State University

The realm of professional sport has grown exponentially in both size and scope in the last two decades. According to current estimates, the sport industry is a $231 billion dollar industry (Sport Business Journal, 2006). In response to an increase in consumer demand, sport organizations have embraced traditional business management principles to adapt and survive in this competitive environment. As a result, sport executives view their properties as brands to be managed (Ross, 2006). Gladden, Irwin, and Sutton (2001) noted that “2000 to 2010 will be the decade in which team management activities evolve from a focus on winning as a means of realizing short-term profits to a focus on strategic management of the team brand as a means of realizing long-term appreciation in franchise value” (p.298).

Research has consistently shown there are numerous benefits of strong brands for both consumers and firms alike. For consumers, strong brands reduce the perceived risk and search costs, enhance the likelihood of future consumption, and can strengthen social identity (Keller, 1993; Cobb-Walgren, Ruble, & Donthu, 1995; Underwood, Baer, & Bond, 2001; Kayaman & Arasli, 2007). With a strong brand organizations can charge a premium price for their products, have the ability to gain market share, can maintain customer loyalty, offer successful brand extension opportunities and can influence their consumers to spread positive word of mouth (Aaker, 1991; Simon & Sullivan, 1993; Cobb-Walgren et al., 1995; Gladden & Funk, 2001; Brady et al., 2008).

Brand equity is the value added to a product due to the brand name (Aaker, 1991). It has received a considerable amount of attention in the sport marketing literature. However, the process by which consumers become loyal to a given brand has not been clearly explicated by previous research. The lion’s share of research has focused on only one source of brand equity: brand associations (Gladden & Funk, 2001, 2002; Ross, James, & Vargas, 2006; Bauer, Sauer, & Exler, 2008). Previous research has largely ignored the potential role that consumer’s cognitive evaluations and affective responses may play in the relationship among the sources of brand equity and consumers’ behavioral intentions. Keller (2003) posited a useful conceptual framework for explaining the process consumers engage in to become loyal to a given brand. The consumer-based brand equity (CBBE) pyramid identifies six sources of brand equity that are integral in the process that leads consumers to become “actively” loyal to a specific brand.

For the purpose of this presentation, I will employ Keller’s (2003) consumer-based brand equity pyramid and illustrate how it applies to the context of sport team brands. The six sources of brand equity are (1) brand salience, (2) brand performance, (3) brand imagery, (4) affective responses, (5) cognitive evaluations, and (6) brand resonance. A particular feature of Keller’s pyramid is that one level of the pyramid must be achieved before a consumer can move up to the next level. Specifically, the pyramid illustrates the process that consumers go through from simply becoming aware of a specific brand (brand awareness) to being actively engaged or “ultimately loyal” (brand resonance) to the brand at the top of the pyramid. The consumer-based brand equity pyramid is an important contribution to the branding literature in that it provides the most thorough explanation of the process that consumers engage in to become actively loyal to a specific brand. However, since the pyramid was constructed with traditional goods in mind, there are some significant modifications that are required to apply the conceptual framework to the context of spectator sports.

The purpose of this study is to modify the consumer-based brand equity pyramid for the context of spectator sports by including significant findings from the traditional marketing and sport marketing contexts. First, the limitations of Keller’s (2003) consumer-based brand equity will be discussed; a new pyramid will be posited that incorporates some recent research that is applicable to the different levels of the pyramid. Specifically, the brand equity sources of brand performance and brand imagery will be replaced by one general dimension of brand association. Cognitive evaluations will be replaced by a concept called brand superiority. Next, each source of brand equity in the pyramid will be operationally defined and the relationship among each level will be explained. Since some of the levels of the
pyramid were modified, an explication of each construct is a necessary step. Due to the fact that each level of the pyramid shares a relationship, an examination of the theoretical relationship among each level will be examined. Finally, suggestions for measuring each level will be made by incorporating relevant literature for each source of brand equity in the pyramid.

Future research is needed to operationalize the different levels of the consumer-based brand equity pyramid. The branding literature in the realm of sport marketing has not investigated most of the concepts related to the pyramid. Beyond measurement considerations, empirical evidence is needed to validate the relationship among the different levels of the brand equity pyramid. From a practical standpoint, the pyramid could provide practitioners with a tool to track the health of a specific sport brand. Also, validation of the relationship among the different levels of the pyramid would further our understanding of how the relationship among consumers perceptions, feelings, and intentions toward a given brand.