Sport Brand Double Jeopardy: Fact, Fiction or Paradox?

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The added value attributed to a product or service from a brand name or logo is commonly referred to as brand equity (Aaker, 1991; 1993). Brand equity is believed to impact market share, influence consumer attitudes and lead to brand loyalty amongst consumers (Aaker, 1996). The current research examines the antecedents of brand equity and brand loyalty in the context of double jeopardy. A key area of brand equity research examines brand associations.

Sport team brand associations represent the attributes, benefits and attitudes a consumer perceives as being linked to a given team (Gladden & Funk, 2002). Collectively, certain brand associations can be used as significant predictors of brand loyalty for highly committed fans (Gladden & Funk, 2001). Sport-based research investigating team brand associations and brand equity has been informative, but remains largely conceptual with limited empirical work (see Gladden & Funk, 2002; Ross, 2006; Ross et al., 2006; 2008). The concept of Double Jeopardy (DJ) disputes brand equity’s usefulness as an indicator of brand value, and advances market size as an alternate indicator (Ehrenberg, Goodhardt & Barwise, 1990). The term DJ was coined by McPhee (1963) based upon the belief that small market share brands (SMSB) suffer two disadvantages against high market share brands (HMSB). First, HMSB possess greater distribution support, increased market awareness, larger customer bases and more repeat purchasers (Chaudhuri, 1995). Second, HMSB are said to elicit stronger loyalty amongst consumers than SMSB, with the reverse “seldom if ever” being reported (Ehrenberg, et al., 1990, p.82). The two are related, in that customers of SMSB are more likely to be unable to find their preferred brand. Gladden and Funk (2001) have acknowledged DJ as a useful framework to examine market share differences among sport brands.

Opportunity exists to further sport team brand association knowledge, and to assess the applicability of DJ to sport team brands. This research examines differences in brand association strengths held by fans of HMSB and SMSB sport teams. In addition, this research investigates DJ’s assertion that SMSB attract less loyal consumers than HMSB. To address these research objectives, the following research question and hypotheses are advanced:

**Research Question 1**: In sport, do HMSB teams attract stronger brand associations and more loyal consumers than SMSB teams?  
**Hypothesis 1a**: In comparing HMSB and SMSB sport teams, fans of HMSB sport teams will score significantly higher brand association scores towards their favorite team.  
**Hypothesis 1b**: Fans of HMSB sport teams will report stronger loyalty scores and report more frequent behavior relevant to supporting their favorite teams.

To address this research question and hypotheses, quantitative data were collected from sport fans in Sydney, Australia. Sydney serves as the research context as the city supports teams from two Australian sport competitions: In this context, National Rugby League (NRL) teams represent HMSB due to the sport’s history, participation rates, and strong attendance figures (ABS, 2009). Consequently, Australian Football League (AFL) teams represent SMSB due to lower overall attendance ratings (ABS, 2009). Sydney also boasts nine NRL clubs as opposed to one AFL team – the Sydney Swans, reflecting market dominance for the NRL.

An online questionnaire was sent to a representative sample of Sydney residents managed by a national online panel provider. The online questionnaire included items assessing: 13 identified team brand associations (Gladden & Funk, 2002), and loyalty (Chaudhuri & Holbrook, 2001; Pritchard, Havitz, & Howard, 1999). As part of the survey, respondents were asked to indicate their favorite sport code and team. Responses (N = 2551) indicated dominant NRL fanship (44%). In comparison, 24% of respondents indicated a preference for AFL. Of these completed surveys, 31% indicated a favorite Sydney-based team in either the NRL or AFL. To test the hypotheses, these respondents (NRL N = 627; AFL N = 167) were used for a comparison of mean scores across the 13 brand associations, as well as loyalty and behavioral measures.

Results of the ANOVA indicated eight of the 13 team brand associations were significantly different (p < .01). Mean scores for seven associations: Success (NRL = 6.08; AFL = 5.63), Star Players (NRL = 5.64; AFL = 5.25), Logo (NRL = 5.89; AFL = 5.45), Tradition (NRL = 5.99; AFL = 5.28), Nostalgia (NRL = 5.88; AFL = 5.18), Pride in Place (NRL = 4.74; AFL = 3.76) and Fan Identification (NRL = 4.97; AFL = 4.46) were significantly higher amongst Sydney-based NRL team fans than Sydney-based AFL fans.
Swans’ fans. In contrast; Peer Group Pressure was significantly higher for Sydney Swans’ fans (AFL = 3.25; NRL = 2.58). Results further revealed loyalty reported by fans of Sydney-based NRL teams (M = 5.86) was significantly higher than loyalty amongst Swans’ fans (M = 5.33). In terms of behavior, no significant difference was observed between NRL team fans and Sydney Swans fans. However, NRL team fans did report to watching significantly more of their team’s matches on television in the last 12 months (NRL = 10.25; AFL = 8.79).

The findings suggest that HMSB teams elicit stronger brand associations and increased loyalty among consumers. This indicates that SMSB teams are faced with multiple disadvantages (McPhee, 1963), and sport brand double jeopardy warrants future investigation. Seven of 13 brand associations were significantly higher for HMSB sport teams than the SMSB team, supporting Hypothesis 1a. Higher tradition, pride in place and nostalgia scores may be explained by the NRL’s rich history and popularity in the Sydney market. The higher scores for success, star player, logo and fan identification may be attributed to extra socializing agents such as friends, family, institutions, sponsors and the media facilitating awareness and stronger connections (Funk & James, 2001).

Findings indicate market share is positively related to loyalty strength, providing support for Hypothesis 1b. This finding suggests that high market share sport team brands not only have more die-hard fans but potentially fans that exhibit stronger loyalty than small market share teams. For leagues, new franchises should only be introduced to regions with sufficient market share potential. Established teams should investigate ways to maximize market share. Emphasis can be placed on media relations to bolster exposure.

This research represents preliminary investigation of team brand associations based upon market share, as well as examination of DJ’s applicability to the professional sport context. To confirm this study’s findings, future research can explore single-sport single-market settings (i.e., London’s Arsenal FC and Fulham FC) to control for possible code specific outliers not addressed in this study.