Event Operation Service Quality in Korean Professional Sports: Development of a Scale

Minhong Kim, University of Georgia
Sophia D. Min, University of Georgia
Chong Kim, Hanyang University
Kevin Byon (Advisor), University of Georgia
Thomas Baker III (Advisor), University of Georgia

Abstract 2012-015 Thursday, May 24, 2012 10:25 AM

The professional sports in Korea have similar event operations to the professional sports in the United States. The professional sport leagues are directly governed by their respective sport organizations (e.g., KBO, KBL, KFA, and KOVA). Generally, fan attendance (i.e., ticket sales) and concession sales are considered as the major revenue sources for professional sport leagues and the Korean professional sport league is not an exception (Kim, LaVetter, & Lee, 2006). However, event operations in Korean professional sports differ from their U.S. counterparts in that Korean professional teams are owned by large parent corporations (e.g., Samsung, LG, SK, etc.). Thus, professional sport teams in Korea are directly dependent on their parent companies and serve as promotional extensions for those companies (Yoo, 2004). Consequently, to some extent, Korean professional sport leagues and teams have overlooked the importance of event operation and quality of their service in attracting spectators and maintaining fan loyalty (Cho & Kim, 2006). Korean professional sport leagues have always placed tremendous dedication to increasing consumer awareness, interest, and attendance. As a result, the size of the Korean sport market was increased from approximately $14.75 million in 2002 to approximately $25 million in 2008. In terms of gross domestic product (GDP), the Korean sport industry accounted for 2.04% in 2002, which increased to 2.57% in 2008 (Korean Sports White Paper, 2009). Since the growth of Korean professional sports demonstrates that the Korean sport market has great potential, understanding the characteristics of the professional sport industry in Korea is a critical issue for sport marketers in order to expand their markets internationally. Although Korean professional sport attendance has been steadily increased, they faced great challenges due to lack of financial support, merchandise sales, ticket sales, and keeping their fans’ attendance (Cho & Kim, 2006). Significant consideration should be made to better understand how Korean professional sport consumers perceive operation quality of the game events so that teams can satisfy consumers, retain fans, and increase financial support from parent companies and other sources.

Despite a consistent history of research on professional sports in Korea (e.g., Kim et al, 2006; Won & Kitamura, 2007; Kim, Yoo, & Pedersen, 2007), little attention has been paid to event operation service quality of the Korean professional sport industry. Service quality is characterized as the degree of congruence between one’s expectations of service and the actual service received by the customer (Zeithaml, Parasuraman, & Berry, 1990). Efforts to systematically understand the structure of service quality have led to the development of several key instrumentations, including, but not limited to the SERVQUAL (Parasuraman, Zeithaml, & Berry, 1988). Building on Parasuraman et al.’s work, numerous scales were developed to measure the importance of service quality for consumers of sports events. These scales have focused on professional basketball (TEAMQUAL; McDonald, Sutton, & Milne, 1995), professional team sports (SPORTSERV; Theodorakis & Kanbiris, 1998), and an organization and the performances of specific service dimensions (QUESC; Kim & Kim, 1995). Most recently, Lee, Kim, Ko, and Sagas (2011) tested the influence of consumers’ service quality perceptions on satisfaction, intention, and gender differences in the South Korean golf club industry by modifying a previous service quality scale. However, there exists a dearth of research that assesses spectators’ perceptions toward service quality in Korean professional sport. Since a majority of previous scales have been developed focusing on U.S. professional sport setting, further examination of measurement properties of event operation service quality appears essential in order to generate effective promotion guidelines for Korean professional sport industry. The purpose of this study was to fill that void by developing a scale that reflects the dimensions of event operation service quality of Korean professional sport.

Since Korean professional sport leagues possess their own unique event operation characteristics that are distinct from other markets, the dimensions of service quality could be categorized into several common aspects such as game-related, facility-related, product-related, and concession-related factors (e.g., Howat, Absher, Crilley, & Milne, 1996; Howat, Murray, & Crilley, 1999; Papadimitriou & Karteroliotis, 2000). A questionnaire was constructed by...
modifying the items in service quality literature. A 5-point Likert-type scale was generated that consisted of 25 items. The questionnaires were distributed to and gathered from spectators in a Korean professional soccer league (N = 1,641). The data were then randomly divided into two halves; one for exploratory factor analysis (EFA) and the other for confirmatory factor analysis (CFA). For the EFA a maximum likelihood of extractions with direct oblimin rotation was used. Four factors were identified from the EFA. After examining the correlation matrix among the 25 items, we found that four items were highly correlated. As a result, one item related to facility operation service quality and one item related to concession operation service quality were deleted. However, three items related to concession operations cross-loaded with merchandise related items. Concessions and merchandise stores in stadiums or arenas in Korea have similar operating systems. Some convenient stores are located in the stadium and they sell foods and beverages as well as licensed products related to the home team or for cheering. Similarly, these stores also sell food (e.g., snacks, soft drinks, or beers) in addition to team-related merchandise. Considering these characteristics of the Korean professional soccer league, a 3-factor model with 23 items was deemed appropriate. The factors derived from the study were: Game Operation (8 items), Facility Operation (9 items), and Store Operation (6 items). A CFA was conducted using the second half of the data set to determine whether the 3-factor model matches the factor structures for a given data set. The initial results of the CFA showed that the model didn’t fit the data. Following the modification indexes, two items were found to be candidates for deletion. After deleting those two items, the fit of the model to the data was acceptable; ($\chi^2 = 1627.7$; RMSEA = .098, & CFI = .87) The values for Cronbach’s alpha and average variance extracted (AVE) were greater than the recommended cut-off value of .80 (Nunnally, 1978) and .50 (Fornell & Larker, 1981) respectively; Game Operation $\alpha = .91$ and AVE = .56, Facility operation $\alpha = .90$ and AVE = .52, and Store operation $\alpha = .89$ and AVE = .63.

The results indicate that there are three factors in event operation service quality for Korean professional sports (i.e., Game Operation, Facility Operation, and Store Operation). By placing emphasis on these three factors, sport marketers in Korea can better increase attendance and retain loyal consumers. It is advised that marketers turn for advice from experts in academia and pay attention to the literature on service quality related to event operations in effective strategies for emerging, international sport markets.