Comparing Spectators’ Perception of Service Quality and Their Socio-demographic Variables across Four Major Korean Professional Sports

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There are four major professional sports in South Korea: The Korean Baseball Organization (KBO), the Korean League Soccer (K-League), the Korean Basketball League (KBL), and the Korean Volleyball Federation (KOVO). In the 2009, the KBO had the largest attendance at live events (6,347,538) when compared to the K-League (2,811,648), the KBL (1,228,992), and the KOVO (278,019) (Ministry of Culture, Sports & Tourism, Republic of Korea, 2009). The KBO's leading role also reflects in its economic impacts figure, where baseball's economic impact was estimated at $800 million followed by soccer at $550 million, basketball at $140 million, and volleyball at $56.6 million (Korean Sports Promotion Foundation, 2011).

The uniqueness of Korean professional sports is that teams rely heavily on the financial support from parent companies. Many teams are merely utilized as a promotion tool by parent companies in order to reach their consumers (Kim, Yoo, Pederson, 2007; Song, 2003). Accordingly, the financial scale of parent companies is a decisive factor for determining each team's annual budget; yet, there is a massive variety in companies' size and business types across sports. For instance, mother companies for the KBO teams are usually larger companies or finance groups (e.g. Samsung, Hyundai, SK, etc.), whereas volleyball's mother companies are all financial firms (e.g., finance companies and banks). The budget gap between rich and poor teams is large, and this affects the quality of services provided to fans (personal observation of the difference among facilities). Considering the various business types of these franchises, it is reasonable to assume that they have different targets among their market segments. Further, being a pioneer in Korean professional sports gives the KBO teams the advantage to be located in major cities and have a more established regional connection with local fans. Because the KBL is a relative newcomer in the professional sport industry, most of their teams are located in relative smaller cities where the population does not reach 1 million. In order to thrive, these teams should make an effort to formulate marketing strategies that take into consideration the uniqueness associated with the sport product, services, and environment (Ministry of Culture, Sports & Tourism, 2010).

Conclusively, differences exist among the four major professional sports in terms of service quality provided and the socio-demographic variables of their consumers. Kim et al. (2007) revealed that there are four distinct demographic groups of spectators in the K-League, including promotion-concerned, place-concerned, price-concerned and indifferent. Lough and Kim (2004) also found that there are socio-demographic differences among the spectators of women's professional basketball in Korea among cities, age groups, occupations, types of social groups attending games together, and between genders. It is primary to the marketing process that marketers first acknowledge the differences in consumers' backgrounds and perceptions and then group consumers according to market segments. Previous studies revealed that, to a varying extent, socio-demographic backgrounds of spectators were related to their game consumption levels (Zhang, et al., 2003; Zapalac, Zhang, & Pease, 2010). It is necessary to examine how different socio-demographic groups perceive service quality differently, and further affect their game consumption (Zhang et al., 1995; Greenwell, Fink, & Pastore, 2002). This is especially true in Korean professional sports, since there are large gaps across sports in terms of differences among consumers and service quality provided to them. James and Ross (2004) suggested that in order to plan the successful marketing strategy, cross sports studies are necessary. However, only a few cross sports studies have been conducted. Mehus (2005) examined the sport spectators’ motivation differences between Norwegian soccer and ski jump. Wann, Grieve, Zapalac, and Pease (2008) investigated sport fan motives by grouping 13 target sports into three categories and found that motivation differs among the categories. Yet, no study has yet to compare the socio-demographic and service quality variables across the four professional sports in Korea. To fill the void, this study was designed to examine the differences of spectators’ perception of service quality and their socio-demographics variables across the four major Korean
professional sports. The finding of this study would greatly benefit parent franchises in the development of effective marketing strategies targeting a plausible marketing segment.

The data for this study were collected at games from four major professional sports in South Korea during the season of 2009 and 2010. Research participants (N = 7,428) were drawn from spectators attending each team’s home games (N = 2,582 for baseball; N = 1,622 for basketball; N = 2,491 for soccer; N = 733 for volleyball). A questionnaire was comprised of socio-demographic variables and a 25-item Likert scale measuring three service evaluation dimensions (i.e., Game Operation, Facility Operation, and Concession Operation) related to Korean Professional Sports. The scale was modified from Kim and Kim’s (1995). Based on the result of a factor analysis, four items were eliminated. Factor scores from the remaining 21-item scale were used for further analysis. A MANOVA revealed that service quality factors were significantly related to sports (λ = .809, p = .000). Post hoc analysis results indicated that, the KBO and the KBL were significantly better in terms of Game Operation (p < .05). The KBL and the K-League were significantly better in terms of Facility Operation (p < .05), whereas the KBL was significantly better in terms of Concession Operation (p < .05). A chi-squared test further revealed a significant difference existed in fans’ compositions for the four professional sports (p < .05) in the areas of age, gender, marital status, occupation, education level, and number of people in group.

These research findings confirm that there are differences across the four major professional sports in Korea. The KBO has the largest fan base and longest history, enabling them to provide better game operation to meet spectators’ expectations. However, consumers perceived that older facilities provide poor service quality in facility operation measures. Although the KBL is relatively young league, their marketing effort has made them the best league in terms of service quality in consumers’ minds. Parent companies can use the results of this study to customize their marketing strategies, to segment consumers by their socio-demographic backgrounds, and to better accommodate their target population’s wants and needs.