

**Antecedents and Consequences of Relationship Quality: Empirical Examination in Participant Sports**

*Hyun-Woo Lee, Florida State University*

*Younghan Lee, University of Massachusetts, Amherst*

*Yukyoun Kim (Advisor), Florida State University*

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Practice of relationship marketing is pervasive in the conduct of business and academic research (Morgan & Shelby, 1994; Palmatier, Jarvis, Bechhoff, & Kardes, 2009; Reinartz & Kumar, 2003). Managing successful relationships is, especially, important to service firms since direct contact between customers and the firm always exists (Grönroos, 1993). Supporting this notion, Palmatier, Dant, Grewal, and Evans's (2006) meta-analysis reports that effects sizes of relational mediators on outcomes of relationship marketing are higher in service exchanges compared to product-based exchanges. The nature of participant sport business is likewise established upon relationship marketing as customers are directly involved in the process and performance of the service-sport activity. Elucidating the variables that influences service experience and relationship quality can be a vital source of the systematical management process. However, despite the illumination of relationship marketing in spectator sport (e.g., Kim, Trail, & Ko, 2011), discussion of relationship marketing has not been fully addressed in participant sport. The lack of effort to examine the essential antecedents of relationship marketing in this particular aspect is largely overlooked. The purpose of this research, therefore, is to empirically examine the antecedents and consequences of relationship quality in a participant sport context. This effort is crucial as it may help managers and scholars improve their relationship marketing endeavors.

A body of research indicates that the overall construct of RQ has a strong influence on seller's performance (Palmatier et al., 2006). Accordingly, Kim and colleagues provided a conceptual framework and empirically examined the measurement of RQ and its influences in spectator sport: RQ in sports consists of facets such as trust, commitment, self-connection, intimacy and reciprocity; and had a large effect size on intentions to attend games, consume sport media, and purchase licenced merchandise (see Kim et al., 2011). The research model of this study grounds predictions by carrying on these theoretical elaborations from extant literatures; three dimensions of service and the relationships of three outcomes are conceptualized as antecedents and consequences of RQ in the participant sport context.

Grönroos (1993, 1995) identified functional quality (i.e., how the process and performance is perceived), along with technical quality, as dimensions of service quality and, further, connected these dimensions with relationship marketing. Accordingly, three antecedents of RQ are identified in our research model in a golf course management context: perception of how information is provided and shared by the firm is identified as communication (Palmatier et al., 2006; Petrick & Backman, 2002); perceived management of the golf course is identified as technical quality (Grönroos; Petrick & Backman); and perception of caddie's expertise is identified as functional quality (Grönroos; Palmatier et al.; Petrick & Backman). The overall assessment of RQ, reflected by the five facets, is identified as the mediator between these antecedents and consequences.

Customer satisfaction is germane to the outcomes of relationship marketing. Accordingly, Kang and James (2004) tested the effects of dimensions of service quality (Grönroos, 1993) on customer satisfaction while Petrick and Backman (2002) examined golf customers' satisfaction by information and attributes of experiences. By tying these together, we identified the consequences of RQ: price evaluation (service value), satisfaction, and customers' intention to positively refer the seller to another potential customer (i.e., word-of-mouth [WOM]; Palmatier et al., 2006). Further, the evaluation of price is conceptualized as a heuristic of expectation/disconfirmation (Oliver, 1980, 2009) influencing satisfaction, and satisfaction is hypothesized to influence WOM.

A one-stage cluster sampling was employed as all members of a selected golf club were included in the sample. Total of 2,339 samples were deemed valid after data screening. Scales for the five dimensions of RQ were adopted from Kim, Trail and Ko's (2011) study. Scales of communication, service value, satisfaction, and word-of-mouth were

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adopted from Morgan and Hunt (1994), Babin and Darden (1994), Taylor and Baker (1994), and Maxham and Netemeyer (2002), respectively. Measurement model of all scales was examined, and structural equation modeling (SEM) was performed to test the hypothesized model of the antecedents and consequences of RQ. Higher-order factor was assessed for SEM to capture the factor underlying the first-order factors (facets) of RQ as the overall strength of the relationship (Palmatier et al., 2006). The second-order factor of RQ was specified as the mediator between the antecedents and consequences. Satorra-Bentler's (2001) scaling method (S-B  $\chi^2$ ) was used to adjust multivariate non-normality as Mardia's coefficient was 672.37 (Finney & DiStefano, 2006) and scaling correction factors (c) were above 1. Mplus 6.0 (Muthén & Muthén, 2010) was utilized for statistical analyses.

The measurement model demonstrated good fit to the data (S-B  $\chi^2$  (505) = 2104.42, c = 1.43, CFI = .97, SRMR = .04, RMSEA = .04). Construct-related validities were supported according to the analysis results. Composite reliability ranged from .88 for reciprocity to .97 for WOM; and average variance extracted values were greater than .50 (from .67 for communication to .90 for WOM) and, also, greater than constructs' squared correlations with other factors (Fornell & Larcker, 1981). The hypothesized SEM indicated a good fit (S-B  $\chi^2$  (534) = 2813.89, c = 1.43, CFI = .96, SRMR = .05, RMSEA = .04). Communication ( $\gamma$  = .68) and technical quality ( $\gamma$  = .20) significantly influenced the higher-order factor of overall RQ. Price evaluation was most strongly influenced by RQ ( $\gamma$  = .61) followed by functional quality ( $\gamma$  = .14). Satisfaction was mostly influenced by RQ ( $\gamma$  = .48) followed by price evaluation ( $\gamma$  = .38), technical quality ( $\gamma$  = .09), and functional quality ( $\gamma$  = .06). WOM was mostly influenced by satisfaction ( $\gamma$  = .47) followed by RQ ( $\gamma$  = .30), communication ( $\gamma$  = .17), price evaluation ( $\gamma$  = -.14), and functional quality ( $\gamma$  = .05). All indirect effects from antecedents to consequences were significant ( $p < .01$ ) except the indirect effect from functional quality to price evaluation ( $\gamma$  = .01;  $p$  = .56).

Our findings indicate that customer's perception of communication and technical quality influence the outcome attitudes and intentions (price evaluation; satisfaction; WOM) in a causal chain involving RQ as a mediator. Significant role of RQ is supported as RQ explained largest amounts of variances in price evaluation and satisfaction. In addition, direct effects of RQ constituted 55.03% of the total effects on WOM. Mediation effects of RQ between the paths of communication and technical quality on consequences were supported by the indirect effects (Zhao, Lynch, & Chen, 2010): Paths of technical quality on WOM, communication on satisfaction, and communication on price evaluation were fully mediated, while others were partially mediated. One exception among the antecedents was the caddie's expertise: Direct effects constituted 50.82% to 94.44% of each total effect. In addition, price evaluation had a negative direct effect on WOM while controlling for all other variables, whereas the indirect effect had a significant influence on WOM. This could be referred to as a competitive mediation with a likelihood of omitted mediators in the direct path (Zhao et al.).

Our model of the antecedents and consequences of relationship quality was supported. The dominant role of RQ was exemplified in the context of a participant sport firm where all total effects via RQ from antecedents of communication and technical quality to consequences were explained mostly by indirect effects. Significant mediation effects indicate that service dimensions of communication and technical quality do not enhance customers' evaluation, satisfaction, and behavioral intention by themselves. Instead, the effects were present through the process via RQ. Thus, marketers need to strategically deliver quality service to enhance the dimensions of RQ for positive outcomes. Nonetheless, for the improvement of theory and practice, several parts of the model needs further clarification of omitted variables, operationalization of functional quality, and their explanatory power in the context of service—participant sports—firms. Detailed implications of the findings, limitations, and directions for future research will be discussed in the presentation.