

**Fan Loyalty: Predicting True, Latent, Spurious, and Low Loyalty Based on Spectator Motives**

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The concept of consumer loyalty has been studied extensively not only in general business but also in the context of sport (e.g., Chaudhuri & Holbrook; Mahony, Madrigal, & Howard, 2000). Brands and companies enjoying desirable loyalty have been suggested to gain competitive edge such as generating favorable word-of-mouth and lowering expenditures on marketing activities (Aaker, 1991; Dick & Basu, 1994). According to Jacoby and Chestnut (1978), loyalty can be defined by six characteristics: "(a) biased, (b) behavioral response, (c) expressed over time, (d) by some decision-making unit, (e) with respect to one or more alternative brands out of a set of such brands, and (f) is a function of psychological (decision-making, evaluation) processes" (p, 165). Based on Jacoby and Chestnut's (1978) definition, loyalty should consider not only a consumer's purchase behavior but also his/her psychological commitment. Hence, the level of loyalty should be determined by a two-dimensional structure with behavioral loyalty and attitudinal loyalty serving as the two independent dimensions (Backman & Crompton, 1991a; 1991b; Dick & Basu, 1994). Based on these two axes, consumer loyalty can be divided into four quadrants. First and the most preferred is the true loyalty, which is characterized as a consumer's continuous repatronage behaviors and strong psychological commitment. In contrast, the low loyalty quadrant is represented by the lack of both behavioral and attitudinal elements. In addition, a low level of attitudinal loyalty along with a high level of behavioral loyalty refers to spurious loyalty, whereas a high degree of attitudinal loyalty accompanied by a low degree of behavioral loyalty represents latent loyalty (Dick & Basu, 1994). According to previous studies, behavioral loyalty alone can be used by companies to gain larger market share, whereas attitudinal loyalty can allow brands to charge a price premium (Chaudhuri & Holbrook, 2001). Nevertheless, it is important to understand the distribution of the four spectators' loyalty types so that sport organizations can tailor their marketing strategies for each consumer segment accordingly (Mahony et al., 2000).

In light of various benefits associated with consumer loyalty, a significant amount of research effort has been paid by sport management scholars to identify antecedents of fan loyalty (e.g., Bodet, 2012; Wu, Tsai, & Hung, 2012). For instance, based on 18 spectator motives, Funk and his associates (Funk, Mahony, Ridinger, 2002; Funk, Ridinger, & Moorman, 2003) developed the Sport Interest Inventory (SII) to predict sport consumer supports regarding behavioral loyalty (i.e., game attendance frequency and television viewership) and attitudinal loyalty (i.e., commitment to the team). In general, the SII was able to predict approximately 61-72% of variance in attitudinal loyalty and 19-82% of variance in behavioral loyalty (Neale & Funk, 2006; Wang, Zhang, & Tsuji, 2011).

Although many existing studies have successfully explain or predict consumer loyalty based on spectators' motives, these studies do not give researchers and practitioners the ability to segment consumers into one of the four loyalty groups (true, latent, spurious, & low) and customize marketing strategies accordingly to satisfy each type of loyal consumers. For instance, in their studies, Funk et al. (2003) operationalized consumer support simply as a weighted-average value over items related to behavioral and attitudinal loyalty. This approach of measuring consumer support could be weighted unequally in favor of the behavioral aspect of loyalty. In addition, although more recent studies (e.g., Neale & Funk, 2006; Wang et al., 2011) adopted the two-dimensional view of loyalty, these studies focused on examining the contributions spectators motives can make to increase behavioral and attitudinal separately while failing to directly consider the effect a spectators motive has to move a sport consumer upward from the lower level to the higher one on the loyalty hierarchy (e.g., from spurious to true loyalty). In other words, existing body of sport management literature related to predicting consumers' loyalty has not developed a method that can be used to classify consumers into the four loyalty segments based on the heavily-utilized concept of spectator motives.

The purpose of this study was to develop a new way to utilize spectator motives to predict consumers' loyalty types. Four hundred and two (N = 402) spectators of professional baseball teams responded to the questionnaires measuring research constructs, including 13 spectator motives and two loyalty components (AL & BL), either in

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person or online. All items were measured by 7-point Likert scales. A confirmatory factor analysis indicated that the measurement model fit the data well ( $\chi^2 = 2623.556$ ,  $df = 840$ ,  $p < .01$ ,  $CFI = .926$ ,  $SRMR = .062$ ,  $RMSEA = .073$ ,  $90\%$   $CI = .070 - .079$ ). A cluster analysis with a four-cluster solution was then conducted to classify respondents into true ( $AL = 6.50$ ,  $BL = 6.59$ ), latent ( $AL = 4.59$ ,  $BL = 4.71$ ), spurious ( $AL = 4.77$ ,  $BL = 6.11$ ), and low ( $AL = 1.52$ ,  $BL = 1.64$ ) loyalty groups. To predict participants' loyalty memberships, a polytomous logit model using the 13 motives as predictors was carried out with maximum likelihood estimation. The results suggested a significant increase in model fit resulting from the inclusion of the 13 motives ( $\chi^2 = 590.13$ ,  $df = 43$ ,  $p < .001$ ,  $Pseudo R^2 = .546$ ,  $Nagelkerke R^2 = .826$ ). Comparing with the true loyalty group, spectators' identification in their teams can significantly improve the odds to transform a spuriously or a latently loyal fan into a truly loyal fan. To be more precise, a 1-point increase in spectators' identification in teams can increase the probability of a spuriously loyal fan becoming a truly loyal fan from 62.4% to 79% and increase the probability of a latently loyal fan becoming a truly loyalty fan from 62.7% to 84.5%. Other motives, including aesthetics, knowledge in sport, and interests in sport, could also increase the likelihood of being a truly loyal fan compared with being a spurious and latent fan. The current results can be used by sport organizations to estimate the distribution of their fans' loyalty types. More importantly, the method developed here can easily be used to increase the likelihood of being a truly loyal fan based on spectator motives. Sport marketers can feel confident to develop marketing strategies to promote a fan that is characterized as either low in attitudinal or behavioral loyalty to a truly loyalty fan.