Comparing the Private Consumption Benefits Derived from the College Football Game Experience by Level of Involvement

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The growth and proliferation of special events in modern societies is extraordinary (Getz, 2008). Globally, destinations vie for the opportunity to host amateur and professional sport events for a variety of reasons (Dixon, Backman, Backman, & Norman, 2012). Previous research has identified enhancement of a destination’s image, exposure of destination, and potential economic benefits as important motives (Hinch & Higham, 2004; Khodr, 2012). Gratton, Dobson, and Shibli (2000) suggest the primary motivation for destinations hosting sport events is the anticipated economic impacts generated by sport tourists' expenditures.

Typically, sport event assessment has been concerned with the economic impact these events provide to the local economy (Dixon, Oh, Backman, Norman, Backman, & Henry, 2012). Alexander, Kern, and Neill (2000) purport sport events produce other economic contributions in the form of consumption benefits. Two types of consumption benefits, public and private, can be derived by individuals. Zimmerman (1997, p. 121) suggests residents derive public consumption benefits from the satisfaction “from living in a ‘big league’ town, from having another topic of conversation that is common to most citizens, from reading about its [the team] successes and failures in the newspaper.” Public consumption benefits can be derived by all individuals in the locality whether they attend sport competitions or not. On the other hand, private consumption benefits are only derived by individuals who attend sporting events (Alexander et al., 2000). Private consumption benefits arise when the cost an individual is willing to pay to attend a sporting event is greater than the actual cost incurred by the individual. The amount of money the individual is willing to pay above actual expenditures is a benefit or welfare gain to the individual (i.e., consumer surplus or net willingness to pay [WTP]). In other words, consumer surplus is “defined as the value of the total experience minus total trip expenditures” (Oh, Ditton, Anderson, Scott, & Stoll, 2005, p. 264).

Although economic impact analysis has been widely used to value sport events, Getz (2008) indicates sport event economic valuation should move towards a more comprehensive framework, such as cost benefit analysis. Mules and Dwyer (2005) suggest the comprehensive framework utilized to value sport events should include all benefits produced by the event. Barget and Gouguet (2007) propose the total economic value of a sport event includes an estimate of both use (i.e., private consumption benefits) and non-use values (i.e., public consumption benefits). In a cost benefit framework, the monetary value of both private (i.e., use) and public (i.e., non-use) consumption benefits of sport events are necessary components (Barget & Gouguet, 2007; Alexander et al, 2000). A few published studies have estimated the value of these consumption benefits, but focused mainly on the public consumption benefits of professional sport teams. Far less attention has been given to the measurement of private consumption benefits which constitute a substantial portion of consumption benefits (Alexander et al., 2000; Irani, 1997).

In addition to the benefits produced by sport events, the investigation of the influence different variables have on the consumer surplus derived by individuals has been neglected (Oh et al, 2005). In order to fill this gap in the literature, the purpose of this research was to estimate the private consumption benefits derived by individuals from a trip to participate in the college football game experience based on level of involvement with the team. Havitz and Dimanche (1997, p. 246) defined involvement as an “unobservable state of motivation, arousal or interest towards a recreational activity or associated product.” Segmenting individuals into homogenous subgroups may provide valuable information regarding the economic valuation of sport events. More specifically, segmenting individuals based on their level of involvement with the team may offer more descriptive information regarding the economic values they place on their leisure experiences. Therefore, the research question guiding this study was: Do individuals who indicate different levels of involvement derive different values of private consumption benefits?
Data collection for the study was conducted at five home football games at a southeastern university. An on-site sampling strategy was employed using a systematic sampling procedure with a random start. The procedure consisted of a research team member systematically collecting email addresses from individuals in parking areas throughout the university campus, as well as outside the stadium. Each email address was sent a link to an online questionnaire the Monday following the game with two subsequent follow-up emails. The study’s response rate was 56.9% with a sample size of n=718. A dichotomous choice contingent valuation question was utilized to discover the amount visitors were willing to pay per trip in excess of their actual trip costs. The truncated mean willingness to pay technique was utilized to compute the value of private consumption benefits. Respondent’s level of involvement was measured utilizing a single-item composite self-classification measure from the recreational specialization literature (Scott, Ditton, Stoll, & Eubanks, 2005). Respondents were asked to classify their involvement level into three categories: Committed (n=246); Active (n=357); and Casual (n=115).

Estimated net willingness to pay (i.e., private consumption benefits) over trip expenditures for the total sample was $184.87 per game. After segmenting the sample by level of involvement, individuals who classified themselves as Committed derived $262.44 per game in private consumption benefits from the college football game experience. Active individuals were estimated to derive $139.16 per game in private consumption benefits, while Casuasl derived an estimated $109.93 per game in private consumption benefits.

In this study, the private consumption benefits derived by individuals were composed of the total experience of a trip to participate in the college football game experience. Results from the analysis suggest individuals derive a significant amount of value from their trip to participate in the college football game. Findings were consistent with previous studies in the recreational specialization literature which suggest individuals with higher levels of involvement derived higher values from their trip experiences (Oh et al., 2005). It could be argued that variances in consumer surplus between groups based on level of involvement may predict differences in each group’s respective behavioral, attitudinal and emotional levels of attachment with a team. A major contribution of the present study to the literature is the utility of the recreational specialization concept in sports to better understand within-group diversity as well as explain heterogeneity of nonmarket valuations of college football games.