Positive Psychology of Spectator Sport: Implications to Strategic Management of Fan Equity

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Organizational theory/culture
Friday, May 30, 2014
20-minute oral presentation (including questions)
(Carnegie III)

Abstract 2014-141
1:40 PM

While happiness and well-being has long been recognized as natural desires of human beings, in a similar fashion, fans attend sporting events for their own sake—in pursuant to a better quality of life. These are well renowned in the academia, specifically, Aristotle (384–322 BCE) and Epicurus' (342–270 BCE) notion of eudemonia and hedonism has led to ‘flourishing’ the studies of hedonic and positive psychology (see Kahneman, Diener, & Schwarz, 2003; Seligman, 2011). In a parallel fashion, enjoyment of spectatorship and various motives of sport fans has been frequently studied in sport management (e.g., Madrigal & Dalakas, 2008; Sloan, 1989; Wann, Melnick, Russell, & Pease, 2001; Zillmann, Bryant, & Sapolksy, 1989). For example, evidence support that psychological constructs of general spectator motives such as achievement, escape, social interaction, drama, and aesthetics can capture most variances in sport consumer behavior measures (James, Trail, Funk, Wann, & Zhang, 2006).

More than often in these studies, information of such constructs and its ‘managerial implications’ are provided to benefit sport practitioners in the field. We, however, highlight the implications to the fans. Based on the tenets of positive psychology, perceiving and realizing (i.e., cognitive process) of such information (i.e., relevant to spectator experience) can also benefit the spectators themselves (Jayawickreme, Forgeard, & Seligman, 2012). Therefore, we argue that such mutual benefit between the service provider and consumer is the key aspect to understanding spectator sport. Furthermore, we claim that such (re)conceptualization can lead to enhancing the strategic management of spectator sport. In specific, we assert that enhancing the positive experience during sport spectatorship and its cognitive process can lead to fostering the core value of the sporting event and its customer base—i.e., the fan equity.

Mullin, Hardy, and Sutton (2007) illuminated health, entertainment, sociability, and achievement as core benefits of a sport product. We find that these benefits are closely related to well-being and its elements. In particular, the benefits of a sport product can be reached by and connected with the functions of each element of positive psychology (i.e., positive emotion, engagement, meaning, positive relationship, and achievement; see Seligman, 2011). In this presentation, a conceptual framework of the positive psychology and strategic management of spectator sport is proposed.

In a spectator sport context, the ‘positive emotion’ aroused at a game (e.g., a buzzer beater) can serve as an entertainment to the spectator. In this, an experience of ‘flow’ (i.e., being absorbed to an enjoyable activity that even results in losing sense of time and self-consciousness) can be a catalyst to this experience (Csikszentmihalyi, 1990; Madrigal, 2006). Also, possessing a salient ‘meaning’ to his or her belonging to a team—team identity—can be a part of one’s life and lifestyle which can facilitate the person’s social psychological health (well-being; Wann, 2006). Moreover, both, a sense of belonging and positive emotion are known by their sociability function (see Ashmore, Deaux, & McLaughlin-Volpe, 2004; Niedenthal & Brauer, 2012). The sociability function is known to have direct and indirect effects on ‘positive relationships’ by seeking quasi-intimate relationships in a community (Anderson & Stone, 1981; Melnick, 1993) and via temporary and enduring practices of maintaining social connections (Wann, 2006). Lastly, semantic properties of ‘achievement’ are shared among spectators as the value of winning and or watching a skilled performance is desirable in sports by its own sake (Madrigal, 2006). This is also supported by examinations of the imperative role of vicarious achievement on sport consumer behavior (Kwon, Trail, & Lee, 2008; Trail & James, 2001; Trail et al., 2012).

Mechanism of the elements of positive psychology, however, is not sufficiently illuminated in the field of sport. Considering these positive psychology elements as the input mechanisms of the beneficial experience of spectator sport, cognitive evaluation during or after experiencing those elements can serve as a process augmenting such
mechanism, accelerating one’s well-being (Jayawickreme et al., 2012). Accordingly, sport scientists have maintained that sport fandom, social nature of the activity, is closely related to psychological well-being (Eastman & Land, 1997; Zillmann et al., 1989). Also, fans’ state and trait social psychological health are formed by having team identification, enduring social connections, and coping with threat to identity (Wann, 2006). Nevertheless, even though there are sequential processes on improving fans’ perceived positive experience, managerial practices of team sport have only focused on psychological outcomes (e.g., team identification) or behavior outcomes (e.g., loyalty) to maximize their profit, regardless of their mission.

Corresponding to the input mechanism and process of positive psychology, we consider sport fan equity (SFE) as the formative outcome of spectator sport. SFE is defined as the combined lifetime value of financial profitability and relational contributions of a sport organization’s entire fan base. To date, one of the greatest limitation in sport consumer behavior literature is behavioral intentions, which measures customer’s psychological commitment to rebuy or patronize a preferred product/service (Oliver, 1999), which do not accurately reflect a direct financial commitment of the fans (i.e., profitability) because “most good intentions remain just that – good intentions” (Kumar, Petersen, & Leone, 2007, p. 140). In order to better measure fans’ engagement and meaning towards the sport; accomplishment and contribution to the sport culture; and function of actualizing the goals of the service provider (Jayawickreme et al., 2012), SFE is an alternative proxy for the overall value of a sport organization from the consumer’s side. SFE, an integral component of the overall value of a company’s customer base, plays an imperative role into the formative outcome which is influenced by the elements of positive psychology and cognitive evaluation.

In the field of positive psychology, spectator sport was often used as a metaphor to counter-emphasize that actively practicing the elements of well-being is important (e.g., Peterson, 2006). However, this may only remain as a misconception (even though it was only used as a metaphor) because there are many elements in spectator sport that contributes to one’s well-being and the sporting community. Fans’ are stakeholders of sporting events as they actively engage to the provided service. Therefore, we integrated positive experience, cognitive evaluation, and fan equity to build an overarching framework of spectator-based approach to management in this study. We further elucidate the frameworks’ implications on establishing the foundational basis for strategic management.

Considering strategic management as “the societal role of the organization and environmental, technological, and human resource factors” (Ring & Perry, 1985, p.276), organizations (i.e., sport team) should actively monitor consumer attributes to meet their desires. In the industry, focus on strategies that shift towards the benefits for fans (e.g., Manchester United; Chicago Bulls) establishing organization identities, instead of taking a winning approach on building mission statements (e.g., New York Yankees). Possessing hope through agencies of such vision and mission can be a powerful thrust of the engine of well-being. Implications of our ‘positive psychology and strategic management’ framework connect to this ground level of management and further interrelate with corporate social responsibility and creating shared values.

We also emphasize that studying the spectator sport phenomena can deliver explanatory power to go beyond the internal mechanism of positive psychology by connecting the dots of intra- and inter-group functions that boost the collective and social well-being. Particularly, spectator sport experience can exemplify how positive emotion, engagement, meaning, and achievement can be amalgamated in interpersonal and intergroup situations of positive relationships. For instance, a three-generation family engaged in watching the Boston Red Sox winning the World Series is something beyond personal satisfaction (i.e., subjective well-being). The intensive flow of emotion is amplified by sharing that emotion with a family tradition, amid crowd of (in-group) fans and community.