Beyond Fan Identification: Hierarchical Effects of Product Meanings on the Consumption of Team Licensed Products

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Sport licensed products are widely purchased and displayed at sporting events around the world. In North America, licensing agreements are a significant source of revenue for professional and collegiate sport properties, which, in 2012, generated $16.45 billion through the sale of their merchandise (“MLB, NFL,” 2013). These products offer sport consumers a public platform on which to express their relationship with a certain team or player and, in doing so, connect with other team supporters (Mullin, Hardy, & Sutton, 2000, 2007). Furthermore, licensed products can hold special value for their owners through a variety of functional, experiential, and symbolic meanings (Apostolopoulou, Papadimitriou, Synowka, & Clark, 2012). More research is needed to fully understand why sport consumers buy these products and what these products mean to them.

The study of sport licensing has uncovered a number of factors that influence the consumption of those items, including one’s tendency to engage in impulse buying (Kwon & Armstrong, 2002, 2006), perceptions about the quality of the product and the manufacturer (Kwak & Kang, 2009; Kwon, Kim, & Mondello, 2008; Kwon & Kwak, 2014; Kwon, Trail, & James, 2007), and fan identification (Ahn, Suh, Lee, & Pedersen, 2012; Fisher & Wakefield, 1998; Kwon, Trail, & Anderson, 2006). The latter has received the most attention by researchers as it is widely believed that buying and displaying team licensed items is a common behavior of highly identified sport fans (Cialdini et al., 1976; Wann & Branscombe, 1993). Fan identification has also been examined within the context of team brand associations, specifically benefits, and has been shown to significantly influence brand loyalty (Gladden & Funk, 2001, 2002).

The purpose of the present study was to examine how the meanings of team licensed products influence sport consumer behavior when controlling for fan identification, which is a known predictor in the particular consumption context. Gaining a more holistic understanding of the role that licensed products play in the lives of sport consumers could not only extend existing sport licensing literature but also assist sport marketers in their promotional and sales efforts.

The sample for this study consisted of N=273 Business Administration students at a US-based university. Just over 65% of the participants were male while the majority (94.1%) was between 18 and 24 years of age. Eighty-six percent (86%) of the respondents had bought at least one licensed product of their favorite team within the past twelve months of data collection. Team-based benefits were measured using 16 items originally introduced by Gladden and Funk (2001, 2002). Those items captured five variables: escape, fan identification, peer group acceptance, nostalgia, and pride in place. Eighteen items were used to measure the meanings of sport licensed products representing experience, socialization, aesthetics, personal history, and locality (Papadimitriou & Apostolopoulou, 2013). Behavioral intentions, specifically one’s willingness to recommend licensed products of their favorite team to others (WOM) and their intention to buy these products in the future were measured by four items from existing literature (Lee, Shin, Park, & Kwon, 2010; Zeithaml, Berry, & Parasuraman, 1996).

Using WOM intentions and the intention to buy team licensed products in the future as the dependent variables, two regression models were performed. A two-stage hierarchical multiple regression was chosen with the five benefits entering at stage one to control for team-related effects. The five dimensions of the meanings of licensed products were entered at stage two as it seemed plausible that meanings for team products are developed once a person has a strong attachment to a selected team.
Preliminary analyses were conducted to test whether the relevant assumptions (i.e., normality, linearity, and homoscedasticity) were met. An examination of the correlations between all independent variables and WOM were weak to moderate, ranging between $r=.21, p<.001$ and $r=.49, p<.001$. The only exception was peer group acceptance that was found non-significant ($r=.12, p>.05$) and was excluded from the analysis. The correlations between the predictor variables and the second dependent variable (intention to buy licensed products in the future) were all weak to moderately strong, ranging from $r=.16, p<.01$ to $r=.39, p<.001$. This indicates that multicollinearity was not a problem in this dataset (Tabachnick & Fidell, 2007).

Regarding participants’ propensity to recommend licensed products to others, the first step of hierarchical multiple regression revealed that team benefits contributed significantly to the regression model [$F(4, 229)=20.36; p<.001$] and accounted for 24.9% of the variance of WOM, with fan identification ($\beta=.44 p=.000$) and nostalgia ($\beta=.14 p=.04$) being the main effect variables. Introducing the licensed products’ meaning variables explained an additional 11% of WOM variation after controlling for the four team benefits [$R^2$ change=.110; $F(5, 224)=7.88; p<.001$]. The most important predictor of one's WOM intentions in the final model was aesthetics ($\beta=.28 p=.000$), which uniquely explained 11% of the variance of the outcome variable.

For the dependent variable of intention to purchase licensed products in the future, the first step of hierarchical multiple regression with the team benefits contributed significantly to the model [$F(4, 229)=11.47; p<.001$] and accounted for 16.6% of the variance of the dependent variable. Fan identification was again the main control variable in this model ($\beta=.27 p=.001$). Adding the meaning dimensions explained an additional 7.7% of the outcome variable, and this change in variance explained was significant [$F(5, 225)=4.59; p<.001$]. Two of the five meaning variables were statistically significant predictors, specifically experience ($\beta=.046, p=.04$) and aesthetics ($\beta=.26, p=.000$).

The results indicate that besides fan identification, which is a known strong driver for the consumption of team-related products, meanings attached to team licensed products have a unique and significant impact on consumers’ willingness to recommend those products to others and their intention to buy them in the future. The study highlighted the unique and significant effect of the aesthetic appeal of the sport licensed products as well as their ability to enhance the experience and feelings of sport consumers, and that effect was independent from the role of fan identification.