The Mediating Role of Resistance to Change: Golf Club Membership Renewal

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Introduction and Significance
In part due to increasing competition, organizations are increasingly interested in retaining existing customers. In particular, sport organizations operating within a membership framework such as fitness and golf clubs are significantly impacted by renewal decisions. Retaining existing customers is more cost effective than recruiting new members, so having a satisfied and loyal membership base can directly impact the financial success of an organization (Hallowell, 1996). It is important for sport managers to understand what factors may be related to a renewal decision so that membership decline may be reversed.

In New Zealand, membership decline in golf clubs has been particularly noteworthy (Golf NZ). The industry as a whole, as well as club managers specifically, must learn more about the underlying psychology of membership renewal. We used Bodet’s (2012) study of membership renewal as the backdrop for the current research in which this significant issue is explored further. The purpose of the research was therefore to explore the underlying psychology of golf club membership renewal by building on the work of Bodet and employing rigorous statistical techniques to do so.

Literature Review
This study examines the impact of Satisfaction, Perceived Value and Sense of Community (SOC) on golf club membership renewal. The mediating construct - Resistance to Change - is also included in the research model because of empirical support found in previous studies (Garbarino & Johnson, 1999). While the importance of customer loyalty in sport settings is widely recognized, the variables that foster it vary (Bee & Havitz, 2010). The inclusion of a Sense of Community antecedent in the current model reflects our belief in that variability and the need to explore membership renewal broadly and in ways suggested by the results of recent sport management research. Membership renewal may equally be characterized as behavioral loyalty (as per Bodet) or behavioral intention as that was the way in which the construct was operationalized in the current research.

The relationship between customer satisfaction and behavioral loyalty has received attention in the extant literature. The prevailing wisdom is that a satisfied customer is more likely to be loyal, and those customers that are dissatisfied are less likely to be loyal (Bodet, 2012). In fact, understanding the link between consumer satisfaction and the duration and strength of the consumer’s loyalty with a service provider has become increasingly important for organizations that are attempting to predict future customer behavioral intentions, such as membership renewal. From a consumer perspective, perceiving value is fundamental to repurchasing behavior. Value is highly personal, idiosyncratic concept that varies between individuals, which is why the consumer’s perception of value is most often measured (McDougall & Levesque, 2000).

A gradual shift in how individuals interact with one another in society has occurred, resulting in fewer meaningful social connections and less overall community engagement based on geography. As a result, individuals are seeking communities centered on common interests. Sport organizations are often seen as an environment where individuals can join to feel a sense of belonging within a community. It is likely that the more a customer feels socially connected, and apart of a community with others in their sport club, the more likely they are to be loyal customers, and renew their membership. A sense of community construct was therefore added to the model, based on an emerging body of research which highlighted its potential role in group membership research (Hedlund, 2014; Madrigal, 2000).
Methodology and Data Analysis
The current research explores the aforementioned research model using data derived from members of a golf club based in Auckland, New Zealand (n = 403). Our data analysis techniques are an important contribution to the body of research in this area. In Bodet’s (2012) research, the hypothesized model was tested using structural equation modelling (SEM) procedures but only indirect relationships were estimated. The direct and total effects were not calculated despite the potential to shed more light on construct relationships (see Baron & Kenney, 1986). Bootstrapping methods (a more appropriate data analysis technique) were employed in the current research to test the direct, indirect and total relationships among constructs. Bootstrapping involves resampling up to 5000 times (Cheung, 2007) in a process during which cases are randomly selected from the original data set and used to create new data sets (Hayes, 2009; Kline, 2005). The structural model is then repeatedly tested with the new data sets, and confidence intervals for all direct, indirect and total effects are produced.

Various indices suggested good fit of the model to the data (chi-square = 228.94, df = 94, p < .001, CFI = 0.97, TLI = 0.96, RMSEA = 0.06, SRMR = 0.04). Except for the direct effect between satisfaction and behavioral loyalty (0.61, p < 0.05) and the total effect of the same antecedent alongside Resistance to Change as a mediator (0.63, p < 0.01), all of the remaining eleven relationships were not significant. In Bodet’s research, all of the indirect effects were positive and significant, while in this research, all of the indirect effects were not significant (p < .05).

Discussion
Disparate results as compared to those reported by Bodet may be related to significant differences between the two settings and the more rigorous statistical approach used in the current research. In short, more analysis of the antecedents are required to develop a well-grounded understanding of the underlying psychology of membership renewal. Our results build on a wide base of research in terms of support found for the role of Satisfaction in one’s decision to renew membership, but are in contrast to empirical support for the roles of Perceived Value and SOC in loyalty frameworks. Although some support was found for the potential mediating relationship of Resistance to Change in conjunction with Satisfaction, similar evidence was not found alongside the two other antecedents, which casts doubt on the importance of the construct in the context of a membership renewal decision. One implication of the current research is that golf club managers may be better served understanding and working towards a satisfied membership base rather than trying to create a perception of value in one’s membership or creating a sense of community among members in the hopes of fostering loyalty.