A Conceptual Analysis of the Theory of Consumer Choice on NBA Attendance

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The sports industry generates over $480 billion in revenue each year (Shank & Lyberger, 2014). Professional sports leagues, such as the NBA, make up a large portion of this revenue. Ticket sales can generate approximately 20-50% of total revenue for an organization (Kim & Trail, 2011). It is critical for teams to understand what consumers are looking for when attending a NBA game. This study is to conceptualize how the theory of consumer choice may relate to NBA attendance during the 2007-2008 to 2016-2017 seasons.

Objectives
The theory of consumer choice evaluates how the consumer determines what goods or/and services he/she purchases given the consumer's budgetary constraints (Mankiw, 2012). Consumer preferences play a role in how he/she determines what product/service to purchase (Mankiw, 2012). Georgescu-Roegen (1950) proposed that when a consumer is faced with two different consumption bundles, the consumer will make a decision by classifying the choices based on utility. Utility refers to the happiness or satisfaction a consumer receives from a product bundle (Mankiw, 2012). Consumers will make choices on what products to purchase based on their own judgements of what will make them better off. This process involves being able to forecast the utility gained by each product choice (Kahneman & Thaler, 2006). Sports consumers commonly generate utility from either team identification or the quality of the game/match. Fan identification is generally formed through some geographical or emotion based connection with a team and becomes a part of the fan’s self-identity foundation. Whereas, the quality of the sporting event is based on the abilities of the performers and the uncertainty of the event’s outcome (Borland & Macdonald, 2003).

Competitive sporting events are very adept at generating hedonistic consumption experiences through fan interest and identification (Funk, 2008). Sports consumers, such as basketball fans, are looking to maximize the utility of their entertainment choices (Borland & Macdonald, 2003). As Okada (2005) suggested, consumers are more likely to have a positive reaction to a chance to consume a hedonic product than a chance to consume a utilitarian product. Hedonic goods are those products that generate "experiential consumption, fun, pleasure, and excitement" (Dhar & Wertenbroch, 2000, p. 60). Hirschman and Holbrook (1982) explain that "hedonic consumption designates those facets of consumer behavior that relate to the multisensory, fantasy, and emotive aspects of one's experience with products" (p. 92). When a consumer evaluates hedonic choices, he/she is using an experiential cognitive process. This process is positioned toward a hedonic response in a way that follows a consumer's inherent pursuit of immediate gratification or pleasure (Holbrook & Hirschman, 1982). Whereas, the consumption of utilitarian goods is driven by practical and functional needs (O'Curry & Strahilevitz, 2001).

Okada (2005) expounds while acquiring hedonic goods may be more attractive to the consumer, acquiring utilitarian goods is easier to rationalize. Since hedonic goods are more exciting and attractive to a consumer, he/she is more willing to put time and effort into the purchase of the item (Okada, 2005). Basketball fans that form high team identification (hedonic value) are more likely to become repeat customers (Wann & Branscombe, 1990). Consumers may choose to attend sports contests based on team winning percentage (Berri, Schmidt, & Brooks, 2004), offensive performances (Copenhaver, 2009; Berri, 2006), and/or defensive performances (Nourayi, 2006). Comprehending what influences basketball consumers to choose to attend a game is important. Therefore, the purpose of this study is to determine if any particular area(s) of basketball can influence a consumer to attend games over choosing some other leisure activity.

Methods and Procedures
This study provides a quantitative content analysis (QCA) as a way to evaluate the relationship between consumer choice and the above-mentioned areas. A QCA is "a research technique for the objective, systematic, and
quantitative description of the manifest content of communication” (Berelson, 1952, p.18). The QCA process in this study divided the content into different components. These components were assigned to a category and counts were generated for each category. For this study, the components used were winning percentage over the time period of this study for overall team performance category; the offensive categories used were points scored, 3-pointers scored, assists, and rebounds; the defensive categories used were rebounds, fouls, blocked shots, steals, and points allowed. Attendance figures, team performance, offensive statistics, and defensive statistics of the 30 NBA teams were obtained from the 2007-2008 to 2016-2017 seasons from Basketball References (2017). This study excludes the lockout shortened 2011-2012 season.

Content analysis is a flexible research method (White & Marsh, 2006) that allows researchers to draw conclusions about consumer opinions, values, and beliefs (Kassarjian, 1977). This flexibility allows the researcher to perform various quantitative analyses including correlation analysis (White & Marsh, 2006). With this in mind, a Pearson’s r correlation analysis was performed on the dependent and independent variables using SPSS. The nine independent variables of team winning percentage, points scored, 3-pointers scored, assists, rebounds, fouls, blocked shots, steals, and points allowed were divided into five ranges. The confidence level used for this analysis was .05.

Results
The results of the Pearson’s r test indicate that winning percentage ($r(268) = .546, p = .001$) had a significantly positive relationship with the dependent variable of attendance as a percentage of capacity. Points scored ($r(268) = .293, p = .001$), 3-pointers scored ($r(268) = .271, p = .001$), assists ($r(268) = .241, p = .001$), and rebounds ($r(268) = .134, p = .027$) also had a significantly positive relationship with attendance as a percentage of capacity. The independent variables of fouls ($r(268) = -.162, p = .008$) and points allowed ($r(268) = -.220, p = .001$) showed a negative relationship with attendance. No significant relationship was found between dependent variable of attendance as a percentage of capacity and the independent variables of blocked shots and steals.

Conclusion
Unlike previous research, this article attempted to conceptualize how the theory of consumer choice can be used to evaluate a fan's choice to attend NBA games. Fans, just like any consumer, are looking to maximize their utility when attending sporting events. Generally, this is done in sport through the hedonistic consumption motivation of team identification (Borland & Macdonald, 2003). The results indicated that fans choose to attend games where the teams were successful and more offensively oriented. While this may be intuitively perceived, due to the recent success of teams like the Golden State Warriors, this study encompassed a time period in which shooting 3-pointers were not as prevalent and defense was promoted. Thus, it appears that NBA fans will hedonistically identify with successful teams that are successful and high-scoring.