Building the Host Country’s Brand Personality and Brand Equity through the Olympic Games: The Case of 2018 PyeongChang Winter Olympics

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Countries host mega sporting events with expectations of improving the country’s brand through the games. Korea is expecting 17.7% of the economic impact of hosting the 2018 PyeongChang Winter Olympics to come from improved brand image of the host country (HRI, 2011) that will lead to increased tourism and Korean product sales (Kotler & Gertner, 2002). However, such ‘optimistic’ expectations are often criticized for being ‘unreliable’ due to measurement issues (Baade & Matheson, 2004; Gertner, 2011), ‘romanticized’ for ignoring potential negative effects (Preuss & Alfs, 2011; Kim, Kang, & Kim, 2014), and ‘unrealized’ due to mismanagement of the branding opportunity (Getz & Fairley, 2003). In this sense, rigorously assessing and strategically managing brand improvement from the Olympic games is imperative (Dinnie, 2008).

Particularly, learning the branding effects of hosting the Olympic games while considering the ‘desired’ brand of the host country is critical (Kim, 2011). In assessing outcomes with focus on the desired brand, brand personality (i.e., the set of human characteristics associated with a brand; Aaker, 1997) combined with Psychological Meaning (PM) technique (Friedman, 1986) is an effective approach to capturing the brand meaning that marketers aim to build (e.g., Heere, 2010; Walsh, Clavio, Lovell, & Blaszka, 2013). Adopting this approach, Kim, Oh, and Kang (2017) assessed the desired brand personality of Korea, employing the technique and through interviews with 27 managers of PyeongChang Organizing Committee of the 2018 Winter Olympic Games (“POCOG”); welcoming/diligent, passionate, modern, unique, attractive, peaceful-organized, successful, and outdoorsy were identified as key desired brand personalities that POCOG was aiming to build for Korea through association with and transfer of the Olympic brand (associative network memory model and co-branding theory; Anderson, 1983; Park, Jun, & Shocker, 1996). Following up on the study, an empirical assessment is conducted to test how international audiences perceive Korea’s brand and whether the brand changes as desired over the Olympics. Additionally, brand equity (Keller, 1993) is examined with brand personality to understand both qualitative meaning and quantitative value of brand Korea. By assessing the relationship between the two constructs, key dimensions of brand personality that are important for building brand equity can be identified, providing insights in developing branding strategies.

Therefore, a study is underway to examine (1) whether Korea’s brand personality changes as desired after hosting the 2018 games, (2) whether Korea’s brand equity changes as desired after hosting the 2018 games, and (3) what brand personality dimensions should be emphasized or improved to effectively enhance the brand equity of Korea.

A pre-post survey based study is designed to examine the changes of Korea’s brand personality and equity before and after the 2018 games. The target population is people living in USA (largest long-haul tourism and trade market of Korea; KTO, 2016; KITA, 2016) from ages 18 to 67 (main audience of the Olympics and decision-makers of product purchase and tourism). To assess brand personality, a 43-item scale was developed based on Kim and colleague’s study (2017) to examine the eight dimensions of brand personality POCOG desired to build for Korea. Brand equity is evaluated with three dimensions of awareness/meaning, quality, and loyalty (Yoo & Donthu, 2001), modifying Roth, Diamantopolous, and Montesinos’ (2008) and Boo, Busser, and Baloglu’s scales (2009); two versions of scale are employed, each assessing brand equity as a product manufacturer and tourism destination (majority of the 2018 games economic impact comes from Korea’s brand improvement leading to increased Korean product sales and tourist visits; HRI, 2011). Representative samples are/will be recruited based on quota sampling (gender and age) through mTurk. Data collection is in progress, with pre-event survey completed in October 2017 (before the Olympic promotional campaigns start; 791 samples collected) and post-event survey to take place in late February 2018 (after being exposed to the Olympic hype; participants of pre-event survey will be re-approached via...
With the pre-event data, CFA was conducted for data on brand personality and destination and country brand equities, with Mplus7. The model fit was reasonable ($\chi^2$/df=10139.184/2395=4.23, CFI=.90, RMSEA=.06, SRMR=.06; Hu & Bentler, 1999). Based on Cronbach’s alpha (from .85 to .96), factor loadings (from .66 to .94), and AVE values (from .67 to .77), reasonable construct validity and reliability were reported (Hair et al., 2005; Kline, 2001). Currently, data on the pre-event means of each dimension in brand personality and brand equity are obtained. Later on, the data will be compared with the post-event data, based on mean structure analysis.

To identify which dimensions of brand personality had significant effect on brand equity, path analysis was conducted. For destination brand equity, passionate ($\gamma=.29$, S.E.=.07, p<.01), attractive ($\gamma=.41$, S.E.=.07, p<.01), peaceful-organized ($\gamma=.26$, S.E.=.12, p=.03), and outdoorsy ($\gamma=.19$, S.E.=.05, p<.01) had positive impact on destination brand awareness/meaning, while unique had negative impact ($\gamma=-.15$, S.E.=.05, p<.01). Passionate ($\gamma=.25$, S.E.=.07, p<.01), attractive ($\gamma=.27$, S.E.=.07, p<.01), peaceful-organized ($\gamma=.26$, S.E.=.11, p=.03), and outdoorsy ($\gamma=.09$, S.E.=.04, p=.04) had positive impact on destination brand quality. Destination brand loyalty was positively affected by passionate ($\gamma=.21$, S.E.=.08, p<.01), attractive ($\gamma=.51$, S.E.=.08, p<.01), peaceful-organized ($\gamma=.35$, S.E.=.12, p<.01), and outdoorsy ($\gamma=.13$, S.E.=.05, p<.01), and negatively affected by unique ($\gamma=-.15$, S.E.=.05, p<.01). For country brand equity, unique ($\gamma=-.22$, S.E.=.05, p<.01) had negative influence and attractive ($\gamma=.39$, S.E.=.08, p<.01), successful ($\gamma=.14$, S.E.=.05, p<.01), and outdoorsy ($\gamma=.13$, S.E.=.05, p<.01) had positive influence on country brand awareness/meaning. Country brand quality was negatively affected by unique ($\gamma=-.18$, S.E.=.05, p<.01) and positively affected by attractive ($\gamma=.37$, S.E.=.07, p<.01) and successful ($\gamma=.46$, S.E.=.12, p<.01). Unique ($\gamma=-.15$, S.E.=.05, p<.01) had negative influence and attractive ($\gamma=.43$, S.E.=.08, p<.01) and outdoorsy ($\gamma=.19$, S.E.=.05, p<.01) had positive influences on country brand loyalty.

Assessment of whether the brand personality and equity of Korea have changed as desired over the 2018 games is unavailable at the current stage, but will be added for conference presentation. With the pre-event data, key dimensions of brand personality that is important for forming brand equity are identified. It is interesting to find the negative impact of ‘unique’ on Korea’s brand equity. A plausible explanation is that respondents may not have been knowledgeable of Korea and presumed the country to be unique, original, traditional or oriental; such lack of knowledge may have been reflected through the negative influences on brand awareness/meaning and brand loyalty (e.g., word-of-mouth). For practical implications, strategically targeting and building brand personality dimensions (that are identified as influential on brand equity) through promotional campaigns (e.g., utilizing images of avid fans to highlight ‘passionate’; showing mountainous ski slopes to emphasized ‘outdoorsy’) is suggested to effectively enhance Korea’s brand equity (e.g., Chalip, Green, & Hill, 2003; Getz & Fairley, 2003; Kim et al., 2014).