Better Together? Examining the Impact of Official Secondary Ticketing Partnerships on Consumers' Attitudes and Behaviors

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Drayer and Martin (2010) suggested that secondary ticket market (STM) companies gain legitimacy through official partnerships (OP) with major professional leagues and teams. Though previous studies have found a positive relationship between OP and revenue of the STM company (Drayer et al., 2014), research has not focused on consumer perceptions of “OP”. The purpose of this study is to examine consumer perceptions of OP and assess their impact on purchase intentions.

To overcome a lack of legitimacy, new companies build associations with more established entities resulting in increased trust and credibility (Rao et al., 2008). Kim et al. (2008) posited that trust in sellers adversely affect perceived risk (PR) and PR in turn negatively influences purchase intentions. As STM companies engage in OP to establish trust and credibility with consumers, OP can lower consumers’ PR (Drayer & Martin, 2010; Kim et al., 2008), which ultimately lead to higher purchase intentions. Further, when consumers seek to purchase high-priced products, they tend to shop at more credible, legitimate stores (Kim, 2005). Therefore, the effect of an OP on PR will be greater when purchasing high-priced tickets. Accordingly, the following hypotheses are proposed:

H1: ‘Official partner’ status reduces consumers’ PR.
H2: PR and purchase intentions are inversely related.
H3: PR mediates the relationship between ‘official partner’ status and purchase intentions.
H4: Ticket price moderates the indirect relationship between ‘official partner’ status and purchase intentions through PR. The effect of ‘official partner’ status on purchase intentions will be stronger for high-priced tickets than low-priced tickets.

Two experimental designs were conducted on Amazon’s Mechanical Turk featuring a scenario of the Philadelphia Phillies’ home game against the San Diego Padres. Study 1 featured a 2-condition (OP: yes vs. no) single-factor between-subjects design, providing insights for H1-3. Study 2’s 2 (OP: yes vs. no) × 2 (price: high vs. low) between-subjects experimental design shed light on H4.

For Study 1 (n=228), mediation analyses were conducted using SPSS Process macro Model 4. Regression analysis indicated an OP did not significantly affect consumers’ levels of PR (H1 rejected; β=-.0659, t=-.3359, p>.05). The level of PR had a significant impact on purchase intentions (H2 supported; β=-.4694, t=-8.2910, p<.001). The indirect effect did not yield a statistically significant result (H3 rejected; indirect effect=.0309, BootLLCI= -.1473, BootULCI= .2092). For Study 2 (n=449), moderated mediation analyses were conducted using SPSS Process macro Model 7 (Hayes, 2013). Ticket price did not significantly affect the indirect relationship between an OP and purchase intentions through PR. Overall, the moderated mediation effect was not significant (H4 rejected; indirect effect= -.0899, BootLLCI= -.3609, BootULCI= .1614).

This research extends knowledge of consumers’ perceptions of OP on ticket purchase decisions and extends our understanding of the role PR plays in those decisions. Results run counter to Drayer and Martin’s (2010) assertion that organizations could acquire legitimacy through OP. Given the limited impact of OP on consumer perceptions, OP must provide additional benefits. Future research should consider other motivating factors influencing decisions to enter OP so partnership agreements can be optimized.