



Mediating role of sports team reputation: The relationships between team brand association, satisfaction, and loyalty in professional Thai football league

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Abstract

Past research on team brand association tended to focus on specific attributes in the spectator's mind, linked to the team brand's image, without taking sports team reputation into consideration. Sports team reputation is the collective perception by individuals who store their experiences or other forms of communication with the sports team, over time. Sports team reputation has been shown to have a strong influence on spectator's experience, attitude, and behaviour. However, the relationship between brand association and reputation has not been established in sports marketing context. This study aims to examine the direct and the mediating effects of sports team reputation on the relationship between team brand association, satisfaction, and loyalty. Survey questionnaires were distributed to spectators who physically attended home games in professional Thai football league in 2017 ($N = 1,600$). The results suggest that sports team reputation can be improved by focusing on team brand association while satisfaction and loyalty can be enhanced by increasing sports team reputation. Sports team reputation plays a mediating role in the causal relationship between team brand association, satisfaction and loyalty in professional Thai football league. The highlight of this study comes from revealing sports team reputation as an outcome of a communication process by which individuals develop an emotional reaction and perception to actions associated with a sports team. These findings can be advantageous to managers who are involved in the reputation management process as they try to maintain their existing spectator base and to encourage new spectators.

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Introduction

The monetary value of Thailand's sports industry grew at an annual compounded rate of 9.9 percent from 2010 to 2014.

The industry generated approximately THB 81 billion in 2014. Growth was driven mainly by two major segments, business linked to sports and recreational activity and sporting goods manufacturing, which accounted for 70 percent of the total market value (The sixth national sports development plan, 2017). Multiple revenue streams have been created and sustained by the professional Thai football league, which generates about 87 percent of all professional sports revenue (The sixth national sports development plan, 2017). The Thai football league has made a significant contribution to the growth of the sports industry in terms of income. Hence, it is important to examine

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the factors that could enhance customer satisfaction and encourage fan loyalty in order to increase future customer support, and manage its sports services in a more effective manner.

Reputation is an intangible asset that is built on the actions of organizations over time, which is evaluated by its stakeholders' direct experiences (Gotsi & Wilson, 2001). Reputation contributes to improved financial performance and superior profit outcomes (Roberts & Dowling, 2002). Additionally, a positive reputation can influence customer-oriented outcomes, such as esteem, admiration, trust, satisfaction, loyalty, and positive publicity through word of mouth (Caruana & Ewing, 2010; Dowling, 2004; Ponzi, Fombrun, & Gardberg, 2011; Hong & Yang, 2009; Walsh & Beatty, 2007).

In the context of sports marketing, past research on team brand association tended to focus on specific team attributes such as team brand image (Gladden & Funk, 2001; Gladden & Funk, 2002; Parent & Foreman, 2007) while reputation was largely ignored. Team brand association is the set of associations linked to the brand that spectators store in their memory (Keller, 1993), while sports team reputation is determined by spectators' perceptions of how they feel about the sports team. Sports team reputation provides long term benefits by protecting the team against unsuccessful competition (Jang, Ko, & Chan-Olmsted, 2015). The first objective of this study was to examine the effect of team brand association on sports team reputation in the professional Thai football league.

In the broader marketing context, several studies have already examined the relationships between corporate reputation, satisfaction and loyalty (Anderson, Fornell, & Lehmann, 1994; Hart & Rosenberger, 2004). However, little is known about the relationship of sports team reputation on satisfaction and loyalty. This study examined the effects of sports team reputation on satisfaction and loyalty and is the first empirical study in the sports marketing context to explain how sports team reputation is an effective marketing communication tool related to satisfaction and loyalty in order to increase sales and repurchasing, and create more sports spectators.

Previous studies, in the broader marketing context, have demonstrated that brand image and company reputation have a mediating effect on each other (Cretu & Brodie, 2007; Nguyen & Leblanc, 2001). Therefore, it is likely that a sports team's reputation is also an essential mediator in the relationship between team brand association, satisfaction and loyalty. However, no research has been carried out in this area of sports marketing. Hence, this study aims to be the first to examine the mediating role of sports team reputation in the relationships between team brand association, satisfaction and loyalty in the professional Thai football league.

Literature Review

Team Brand Association, Satisfaction, and Loyalty

Team brand association is one of the most important factors in building brand image (Ross, James, & Vargas, 2006). Previous studies have established the relationships between brand image and satisfaction (Beccarini & Ferrand,

2006), and between team brand association and brand loyalty (Gladden & Funk, 2001). Hence, it is likely that team brand association affects satisfaction and loyalty. However, empirical research on the effect of team brand association on satisfaction and loyalty is lacking, especially on how team brand association is related to satisfaction and loyalty, in the professional Thai football league. Therefore, the following hypotheses were formulated:

H1: Team brand association has a positive effect on satisfaction.

H2: Team brand association has a positive effect on loyalty.

Team Brand Association and Sports Team Reputation

The existing literature for branding in sports marketing focuses on team brand association (Gladden & Funk, 2001). Brand association is referred to as consumers recalled brand images from experiences with a product (Keller, 1993). Team brand association is the set of associations that spectators store in their memory, linked to the brand image (Ross, James, & Vargas, 2006) whereas sports team reputation is the evaluation by spectators' perceptions of what they feel about the sports team.

In the broader marketing context, studies examining the effect of brand image on reputation have revealed that there is a relationship between brand image and company reputation (Cretu & Brodie, 2007; Nguyen & Leblanc, 2001). Even though team brand association has been well studied, little attention has been given to sports team reputation (Jang et al., 2015).

Team brand association affecting sports team reputation may be explained by an emotional construct. Spectators may recall images from advertising campaigns or experiences with a team, which leads to the development of an emotional reaction in response to actions associated with the sports team. However, to date, no empirical research has been undertaken to examine the effect of brand association on reputation, in the sports marketing context. There is a gap in the understanding of how team brand association is related to sports team reputation, in professional sports. Therefore, the following hypothesis was formulated:

H3: Team brand association has a positive effect on sports team reputation.

Sports Team Reputation, Satisfaction, and Loyalty

In the broader marketing context, a positive reputation is associated with consumers who are satisfied and loyal to a brand (Anderson, Fornell, & Lehmann, 1994). In the sports marketing context, two studies have focused on the impact of brand association, which is a part of reputation, on spectator loyalty to a professional sports team (Bauer, Stokburger-Sauer, & Exler, 2008; Gladden & Funk, 2001). Gladden and Funk (2001) suggested that positive team brand association contributes to greater spectator loyalty leading to increased consumption of team merchandise, and increased game attendance and media rights. However, there has been no study on the impact of sports team reputation on satisfaction

and loyalty. To fill this gap in literature, the present study will introduce the first empirical investigation of the impact of sports team reputation on satisfaction and loyalty. Thus, the following hypotheses have been formulated:

H4: Sports team reputation has a positive effect on satisfaction.

H5: Sports team reputation has a positive effect on loyalty. Furthermore, the links between customer satisfaction and customer loyalty have been studied extensively. Although the impact of customer satisfaction on customer loyalty has been reported (Anderson, Fornell, & Lehmann, 1994), understanding of the influence of satisfaction on loyalty, in the sports management context, is limited because of a lack of empirical evidence. Therefore, the following hypothesis was developed:

H6: Satisfaction has a positive effect on loyalty.

Mediating Effect of Sports Team Reputation on the Relationships between Team Brand Association and Satisfaction, and between Team Brand Association and Loyalty

Empirical studies have revealed that corporate brand image influences satisfaction and loyalty (Hart & Rosenberger, 2004). Moreover, brand image may also have a mediating effect on corporate reputation and *vice versa* (Cretu & Brodie, 2007). It is likely that there is an impact of brand association, which is a part of brand image, on satisfaction and loyalty. Additionally, corporate reputation may be a critical mediator between brand association, satisfaction and loyalty. Sports team reputation has attracted particular attention since no empirical study has examined the role of reputation in mediating the relationship between team brand association, satisfaction and loyalty. The present study hypothesized that sports team reputation plays a mediating role in the relationships between team brand association, satisfaction, and loyalty. The hypotheses are described as follows:

H7: Sports team reputation mediates the effect of team brand association on satisfaction.

H8: Sports team reputation mediates the effect of team brand association on loyalty.

Methodology

The objectives of this study were to examine the direct and the mediating effects of sports team reputation on the relationships between team brand association, satisfaction and loyalty in professional Thai football league. Hypotheses in this study were tested using a cross-sectional survey questionnaire, which was conducted during the 2017 season of the Thai League (T1).

Participants

The sampling frame was drawn from a population of Thai-based professional football teams in the Thai League (T1). Eight professional Thai football teams with an average attendance record exceeding 5,000, in order to fulfill the club license criteria according to the Asian Football Confederation (AFC), were selected. Two hundred participants from each team were selected in this study.

Tools and Data Collection

To measure all the constructs, modified scales from previous studies were used (Gladden & Funk, 2001; Greenwell, Fink, & Pastore, 2002; Jang et al., 2015). All research scales used seven-point Likert scales ranging from 1 (strongly disagree) to 7 (strongly agree). The Thai version of the questionnaire was translated from English by professional translators to ensure accuracy and fidelity.

After generating a list of items in Thai, these items had to be assessed for content validity. The Thai questionnaire was vetted by three professionals from sports management, one professional from a communications program and one practitioner from a professional football team in the Thai League (T1). The revised questionnaires were incorporated and subsequently transformed into the pilot instrument for the calculation of Cronbach's alpha. The reliability of the questionnaire was scored 0.98 according to Cronbach's alpha. This high alpha value demonstrated that the questionnaire was reliable for data collection.

At each home game, questionnaires were distributed to the home team's spectators, aged between 18–65 years, by convenience sampling. Test subjects were rewarded with a souvenir upon completion of the questionnaire.

Data Analysis

To test measurement scales, confirmatory factor analysis (CFA) of the whole model was carried out using AMOS 20.0 for evaluating convergent validity, reliability, discriminant validity and goodness of fit (Hair, Black, Babin, & Anderson, 2014). Structural equations model (SEM) was used to test both direct and mediating hypotheses. Bootstrapping was used to evaluate the significance of the path coefficients and estimate the standard error. The AMOS 20.0 software would perform 5,000 retrials on the model (Andrews & Buchinsky, 2002).

Results and Discussion

Spectators were mostly men (60.9%), outnumbering women (39.1%) by almost 22 percent. A typical spectator attending home games in the Thai league (T1) in 2017 was most likely around 31.75 years old (± 10.80), and who bought a daily match ticket (86.1%) and only liked one specific team (42.3%).

Following Hair, Black, Babin, and Anderson (2014), the results indicated a good reliability and convergent validity of all measurement scales. The square roots of the AVEs were greater than the off-diagonal correlations among the constructs. The results indicated a good discriminant validity of all measurement scales. The comparative fit indexes confirmed the suitability of the model presented ($\chi^2 = 356.641$, $df = 155$, $p = 0.000$, $CMIN/df = 2.301$, $CFI = 0.992$, $NFI = 0.986$, $GFI = 0.983$, $AGFI = 0.961$, $IFI = 0.992$, $RMSEA = 0.029$, $RMR = 0.039$).

Direct Hypotheses

Results of the proposed direct hypotheses are presented in Table 1. There was a positively significant effect of team brand association on satisfaction ($\beta = 0.471$; $p < .001$), loyalty ($\beta = 0.426$; $p < .001$) and sports team reputation ($\beta = 0.792$; $p < .001$). These data supported H1, H2, and H3. Sports team reputation also had a positively significant effect on satisfaction and loyalty, which supports H4 and H5 ($\beta = 0.532$; $p < .001$, and $\beta = 0.466$; $p < .001$, respectively). Additionally, satisfaction had a positive effect on loyalty, which supports H6 ($\beta = 0.844$; $p < .001$).

This study found evidence for the positive effect of team brand association on sports team reputation. Consistent with Money and Hillenbrand (2006), reputation is conceptualized as perceptions, attitudes and beliefs of stakeholders, which is influenced by brand association. Team brand association is either projected by the team itself through on-field performance, public relations, or by other entities e.g. media coverage, fan/spectator interactions. These sets of associations are linked to the brand and stored in the consumers' memory. Consumers may recall images from advertising campaigns or experiences with a team, which leads to the development of an emotional reaction in response to actions associated with the sports team.

The positive impact of sports team reputation on satisfaction is supported by this study. Helm, Garnefeld, and Tolsdorf (2009) suggested the relationship of causality between reputation and satisfaction. This causal relationship is additionally explained by Helm, Garnefeld, and Tolsdorf (2009), where the balance theory and theory of cognitive dissonance can be employed to explain the relationship between sports team reputation and satisfaction. The team with a good reputation would create a state of balance and cause a cognitive dissonance, leading to positive ratings for satisfaction. In other words, when spectators have positive experiences with the team over time, consumers continually perceived their satisfaction level as positive.

Furthermore, results of this study presented that sports team reputation played a significant role in determining

attitudinal loyalty. This is consistent with Da Silva and Syed Alwi (2008), who suggested that corporate brand image is related to loyalty. The present study's results provide new insight on the emotional construct in which sports team reputation provides long term benefits through emotional connections associated with the team (Money & Hillenbrand, 2006). When an emotional construct (sports team reputation) was used, it positively influenced attitudinal loyalty. Spectators may be loyal to a team not only because of functional ability of the reputation but also the emotional values that were attached to the reputation (Da Silva & Syed Alwi, 2008).

Moreover, the present study not only found that sports team reputation impacts loyalty, but that satisfaction also impacts loyalty. Consistent with other previous studies (Anderson, Fornell, & Lehmann, 1994; Da Silva & Syed Alwi, 2008), the results showed that there was a relationship between satisfaction and loyalty. The effect of satisfaction on loyalty may be due to spectators' expectations matching their perceptions of the team. Positive spectators' perceptions could enhance satisfaction, leading to an increase in loyalty.

Mediating Hypotheses

The results of the proposed mediating hypotheses (H7–H8), including standardized total effect, standardized indirect effect, standardized direct effect and the variance accounted for (VAF = indirect effect/total effect) are shown in Table 2. The results supported H6, that there was a positively significant mediating effect of sports team reputation on the relationships between team brand association and satisfaction ($\beta = 0.488$; $p < .001$). There was also a positively mediating effect of sports team reputation on the relationship between team brand association and loyalty ($\beta = 0.427$; $p < .001$), which supports H7. The value of VAF was 0.641 for H7, and 1.101 for H8 (see Table 2). All findings suggested that sports team reputation plays a partially mediating role in the relationship between team brand association and satisfaction, and plays a fully mediating role in the relationship between team brand association and loyalty.

Table 1 Results of the structural equation model (direct hypotheses)

Direct Hypotheses	Coefficient	t	Result
H1: Team Brand Association -> Satisfaction	0.471*	10.601	Support
H2: Team Brand Association -> Loyalty	0.426*	12.497	Support
H3: Team Brand Association -> Reputation	0.792*	23.091	Support
H4: Reputation -> Satisfaction	0.532*	14.049	Support
H5: Reputation -> Loyalty	0.466*	8.386	Support
H6: Satisfaction -> Loyalty	0.844*	21.996	Support

Note: $p < .001$.

Table 2 Results of the structural equation model (mediating hypotheses)

Mediating Hypotheses	Total	Indirect	Direct	VAF
H7: Team Brand Association -> Reputation -> Satisfaction	0.488*	0.313*	0.175*	0.641
H8: Team Brand Association -> Reputation -> Loyalty	0.427*	0.470*	-0.043	1.101

Note: VAF = indirect effect/total effect

* $p < .001$.

Other previous studies have not examined how spectators' emotional feelings are impacted through experiences with the team over time. This study found that sports team reputation mediates the relationships between team brand association, satisfaction, and loyalty. It extends knowledge in this area of sports marketing, that sports team reputation, as perceived by spectators' experience with the team, plays a mediating role in the relationships between team brand association and satisfaction, and between team brand association and loyalty.

Looking at the dimensions of sports team reputation in detail, the two additional dimensions of the sports team reputation construct, i.e. team social responsibility and spectator-orientation, may add to the spectators' perceived value to induce greater emotional connections associated with the team (Jang et al., 2015). Consistent with Walker and Kent (2009), their results have shown that sports team activities can build and enhance relationships with their fans and community, which influences spectators' perception of reputation. Furthermore, the spectator, being of central value in the sports team organization, can create the spectators' perceived value to enhance emotional connections associated with the team (Walsh & Beatty, 2007). In Asia, team social responsibility and spectator-orientation may play important roles in enhancing spectators' perception of the professional sports team. Spectators may recall images from experiences with a team, which leads to the development of an emotional reaction in response to actions associated with the sports team. Subsequently, spectators continually perceive their satisfaction level as positive and this in turn leads to spectator loyalty towards a team.

Conclusion and Recommendation

The present study was the first to explore the theoretical causal relationships in the sports marketing context. Team brand association was found to directly influence sports team reputation and reputation was found to directly influence satisfaction and loyalty. Interestingly, this study has shown that sports team reputation plays a mediating role in the causal relationships between team brand association, satisfaction and loyalty. Furthermore, the study addressed the limitations of previous studies by examining the mediating effect of sports team reputation in relationships among influencing factors (team brand association) and consequences (satisfaction and loyalty). Possible future studies could compare the relationships among team brand association, sports team reputation, satisfaction and loyalty with considerations for the cultural differences between eastern and western cultures.

Conflict of Interest

There is no conflict of interest.

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