# Sport fans' roles in value co-creation

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#### Abstract

Research Question: The sports industry has witnessed sustained growth. The cultural, symbolic and stakeholder-embedded nature of sport provides a dynamic setting for developing service research. In this context, an evolution in the logic of value creation can be observed; fans are no longer sport passive receivers of value but, instead, can be active value co-creators. The sport fan exhibits distinctive characteristics and an ability and willingness to integrate resources and co-produce value propositions, which necessitates an understanding of fan value co-creation. We answer one key research question: what is the role of fans in value co-creation in sports? We do so by conceptually exploring the processes through which sport fans co-create and provide value propositions.

**Research Methods:** We use case exemplars to provide a base for the theoretical consideration of the role of sport fans in value co-creation. We verify and consolidate the service-dominant logic (SDL) in the sport context. However, due to the high level of abstraction of the SDL as a general theory, we utilize consumer culture theory (CCT) as a middle range theory (MRT) to bridge the gap between contextual descriptions of the role of fans and the SDL.

**Results and Findings:** Fans evaluate, redefine and reposition value propositions in different sport settings. The three roles of assimilators, adaptors and authenticators in value co-creation are identified through five case exemplars. We extend the theoretical understanding of the processes through which sport fans co-create value.

**Implications:** Knowledge of the distinctive characteristics of sport fans and their roles in value co-creation will assist managers in developing effective marketing

propositions. Our theoretical contribution will generate new lines of research in the field.

**Key Words:** Service-dominant logic, goods-dominant logic, consumer culture theory, fan value co-creation, sport

## Introduction

The sports industry has witnessed sustained and significant growth. It has been valued as being worth between 600 and 700 US billion dollars per year (KPMG, 2016), and its dramatic expansion has involved the development of super brands (e.g., Nike, Barcelona FC, the Olympic Games and Lebron James) (Holt, 2004; Uhrich, 2014), television and new (social) media rights (Boyle & Haynes, 2002), retail merchandise and memorabilia (Lear, Runyan, & Whitaker, 2009), sponsorship and sport tourism marketing (Hallmann, Dallmeyer, & Breuer, 2014), live and fantasy events (Davis & Duncan, 2006), and even cemeteries for a club's 'die-hard' fans (e.g., FC Schalke 04 in Germany and Corinthians in Brazil).

Due to its unique nature, sport provides a distinctive context. Varied actors interact, co-exist, and co-create value; these actors include sport brands, sport stars, the media, the state, commercial partners and sponsors, charitable institutions, and, of course, fan communities. Value co-creation currently takes many different forms and shapes (e.g., from the Dallas Cowboys cheerleader reality show to the Homeless World Cup), and it is observed in the development and growth of fan-ruled clubs (e.g., Green Bay Packers in American football), fan-designed trusts (e.g., Supporters Direct in Scotland), fan-based (on-line) communities (e.g., MyFC in the UK and Fujieda MyFC

in Japan), fan-shaped events (e.g., the NBA All-Star Weekend) and fan-facilitated exchange channels (social media).

However, research has lagged behind practice. Only recently have scholars turned their attention to the ways in which value is co-created (Tsiotsou, 2016; Uhrich, 2014; Woratschek, Horbel, & Popp, 2014; Yoshida, James & Cronin, 2013) or co-destroyed across various sport service contexts (Stieler, Weismann, & Germelmann, 2014). Although there is a wealth of research on sport customers (e.g., fan typologies and motivations [Fillis & Mackay, 2014; Stewart, Smith, & Nicholson, 2003; Wann, 1995]), these approaches fall short of capturing the unique nature, processes and role of sport fans in value co-creation (Horbel, Popp, Woratschek, & Wilson, 2016; Woratschek et al., 2014).

We focus on fans as a key (f)actor in sport ecosystems, i.e., service settings that consist of (a) entities acting in domain-specific roles (e.g., as providers and customers of specific services), (b) services available for enabling collaboration and co-creation in the ecosystem, and (c) infrastructure for realizing service engineering, delivery and governance (Vargo & Lusch, 2011; 2016).

Sport services have shifted away from value delivery to value co-creation (Kozinets & Handelman, 2004). Thus, fan value co-creation activities cannot be fully supported by the goods-dominant logic (GDL<sup>1</sup>); a service-dominant logic (SDL<sup>2</sup>)

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<sup>&</sup>lt;sup>1</sup> In the GDL view, the objective of economic exchange is to create and deliver offerings to be sold. Consumer value is created by and through products (e.g., football shirts and memorabilia), whilst value is defined by sport brands and delivered by them to consumers. Therefore, value is embedded into a good or service during the company's production process and signified by providers within their immediate sphere of operation (manufacturing). From a GDL perspective, services are add-ons to goods characterized by intangibility, heterogeneity, inseparability and perishability.

<sup>&</sup>lt;sup>2</sup> The SDL objects to the passive role of consumers as inert receivers of value, and instead, it details how consumers and providers interact to co-create value (Vargo & Lusch, 2006; 2016). It emphasizes service, rather than goods, as being the fundamental basis of economic and social exchange. Such an exchange is coordinated through actor-generated institutions and institutional arrangements and involves multiple service ecosystems of resources integrating actors who interact to co-create or co-destroy value.

approach is needed instead. However, the higher level of abstraction of the SDL (Brodie, Saren & Pels, 2011) cannot adequately explain the link between fans' actions and value creation in the highly symbolic and experiential context of sports. We thus use consumer culture theory (CCT³) as an intermediary body of theory [i.e., middle range theory (MRT)] to bridge the gap between the SDL and the theoretical descriptions of the role of fans. CCT can provide rich explanations of phenomena that are relevant to a specific context (Geertz, 1983). Thus, our contribution is an enhanced theoretical understanding of the processes through which sport fans co-create value.

This paper is organized as follows. First, we review the relevant literature to demonstrate how sport services have shifted away from value delivery to value co-creation. Second, as the theoretical exploration of fan value co-creation activities cannot be fully supported by GDL approaches, we draw on the SDL and CCT to theoretically situate our discussion. The third section offers a detailed account of the theoretical framework utilized in our paper to further explore fans' role in value co-creation. Through five case exemplars, the fourth part presents three sport fan roles (i.e., authenticators, assimilators, and adaptors) and three processes (i.e., evaluation, redefinition, and reposition) as emerging from our findings; we theoretically link these roles and processes. We conclude by discussing key research and managerial implications, the limitations of this study, and future research avenues.

## Value co-creation in sports from an SDL and CCT perspective

<sup>&</sup>lt;sup>3</sup> CCT illuminates the cultural dimensions of consumption behaviour, taking into account the sociocultural, experiential, symbolic, and ideological aspects of consumption. As opposed to an economic or psychological perspective, CCT studies consumption choices from a social and cultural narrative to identify how consumers create a coherent self through the consumption of symbolic contextual and material resources.

The evolution of the concept of value creation in sports can be considered through both the sport- and non-sport-related literature (Table 1). The original definition of sport marketing, from Advertising Age in 1978 (Kesler, 1979), clearly reflects a focus on value delivery on the part of providers. This definition views sports as a promotional vehicle; the emphasis is on the product/services promoted *through* sport rather than the actual sport product (a game). Sport customers appear as passive objects that neither facilitate nor consume value.

#### [Table 1 near here]

During the 1990s and then especially in the 2000s, the objectification of customers as passive agents and receivers of value was challenged by the mainstream literature. This shift was then reflected in the sport-related literature (Mullin, Hardy, & Sutton, 1993). Shilbury, Quick, and Westerbeek (1998) and Beech and Chadwick (2007), for instance, stress the importance of contests with uncertain outcomes (core servicescape) as being 'inseparately linked with sport activities' (Woratschek et al., 2014, 14). Sport activities are thus the base to provide a platform for fans and other actors to co-create value, which is logically compatible with the SDL (Vargo and Lusch, 2004), where value is co-created through interactions amongst resource-integrating stakeholders.

In the sports industry, a focus on value delivery (and the GDL) cannot fully accommodate the power of fans in value co-creation processes. For instance, using the SDL, Rosca (2013) notes that fans should be encouraged to undertake part of the job of sports marketers by 'co-creating' and 'co-producing' value. It is neither the provider nor the sport product/services system that ties together the physical and non-physical elements of sport consumption. Instead, the passion, excitement and involvement expressed by fans play a crucial role in event implementation, product and service

consumption and value creation for other sport-related organizations (i.e., media, sponsors, tabloids). Bove (2013) similarly emphasizes the importance of supporters and fan communities as co-creators, noting that value is co-created differently by each type of sporting community (brand community, subculture, and neo-tribes).

Previously, Kozinets and Handelman (2004) had noted that 'the game' offers an ideal context, in that spectacular consumption possesses a do-it-yourself quality where cultural and symbolic meaning is distributed dynamically, embodied differently, and negotiated fiercely by fans in particular social situations, roles and relationships. This meaning is amplified across fan groups with common in-group identities, culture, esteem and associations (Murrell & Dietz, 1992).

By applying a service ecosystem perspective, Tsiotsou (2016) identifies five experience-based factors that influence value co-creation from a fan perspective – historical meaning, tribal logics, rituals and socialization processes, value-in-subcultural-context, and the co-construction/co-destruction of context. The context and shaping of experiences and value co-creation have been the focus of Horbel et al. (2016), who call on sport service providers to identify how fans evaluate experiences and to consider which dimensions of value are most important to them.

This section thus argues that the GDL cannot fully encapsulate the role of fans in value creation processes and that an SDL perspective is thus required (Vargo & Lusch, 2016). However, the SDL refers to the general theoretical level, is more abstract by nature and could be considered to be too far away from the observable reality (Brodie, Saren & Pels, 2011). Thus, the investigation of the role of sport fans in value co-creation from an SDL perspective requires an intermediary body of theory that facilitates the theoretical and practical analysis of the phenomenon within its context. CCT is a suitable intermediary since it can provide a better understanding of 'what

things mean' and 'how they work' in particular contexts (Arnould, 2007). We suggest that to fully capture fan value co-creation phenomena in sports, we need to employ an SDL perspective fused with CCT insights.

### Fan value integration from a CCT perspective

CCT is utilized as an MRT to bridge the gap between the more general SDL and the contextual descriptions of the role of sport fans in value co-creation; in this sense, the SDL and CCT are complementary. However, the SDL and CCT show important differences in their terminology; the terms 'consumption' and 'consumer' are widely used in CCT, whereas in the SDL, these terms are banished. This difference is the first of the three key reasons why we prefer the use of the term 'fan' instead of consumer or customer in the sports context.

Second, fan value co-creation better encapsulates the relational status between those facilitating and those using sports as a vehicle for their business and leisure activities. Fans exhibit loyalty patterns, irrational tolerance, fanaticism and partisanship (Tapp, 2004). A great deal of emotional significance and value derive from fans' social identification and group membership (Ahn, Suh, Lee, & Pedersen, 2012; Wiid & Cant, 2015). In contrast to spectators (who need luring), fans invest their heart and soul, rave about the brand (i.e., club, team) to friends, and defend it from criticism (take it personally). Therefore, they are often quality (performance) insensitive and reluctant to switch to a different value proposition (i.e., team, way of spectating).

Third, the term fan more accurately accommodates the experience where individuals not only contemporaneously receive and contribute resources to value co-creation (e.g., in an event) but also actively and continually rework and transform symbolic meaning (e.g., encoded in media, advertisements, brands, cultural settings,

current circumstances and material goods, including through social media) to further their personal and social status and their identity and lifestyle goals (Holt, 2003; Kozinets, 2001; 2002). As Spinrad (1981) notes, 'a fan is the person who thinks, talks about and is oriented towards sports even when [the fan] is not actually observing, or reading, or listening to an account of a specific sports event' (p. 354).

CCT focuses on the hedonic, aesthetic and ritualistic dimensions of consumption patterns and phenomena. Sport is a particular socio-cultural, experiential, symbolic and ideological context for consumption, meaning and action (Geertz, 1983); thus, a CCT perspective provides fertile ground to position fan value creation beyond the conceptual boundaries of the GDL and within the wider SDL in sports.

CCT posits that value creation is forged in an interconnected system of commercially produced images, texts, and objects that individuals and groups use to make collective sense of their environments and to orient their members' experiences and lives (Kozinets, 2001). Such interconnected sport systems often encompass product symbolism (Wright, Claiborne, & Sirgy, 1992), ritual practices (e.g., the Haka), fan stories in product and brand meaning (e.g., the GoPro camera and its 'extreme sports' character marketing through a mix of fan story-telling and brand fanfiction word of mouth [WOM]) and the symbolic boundaries that structure personal and communal fan identities (Arnould & Thompson, 2005) (e.g., the development of Barcelona FC from an exclusively Catalan football team to a club with global membership).

For instance, whilst a football shirt was traditionally viewed as a pure product for playing the game, it is currently a fashion statement with symbolic weight, associations and meaning for fans. Therefore, shirts are marketed for their intangible feel-good factors (e.g., association, belonging, heritage), not their functional tangible characteristics (e.g., to enable you to play). They are often mass-customized and co-

created (servitized), in that fans can add their own authentic value through customization (name, number and colour). However, there are instances where value creation through a football shirt is constructed independently from providers (manufacturers, retailers, sponsors, clubs) and by-fans-for-fans (e.g., fan club shirts and scarfs). In these cases, fan value is created separately from brands and develops different meanings, distribution and semantics. Thus, fan value can only be fully explained by CCT insights.

As a further illustration, a sporting event has been traditionally viewed as a pure service. The Wimbledon tennis tournament, however, is now increasingly promoted by the quality of its physicality or 'sportscape' (standardization). Just as retail store layouts can direct customers' physical movement through retail space, Wimbledon has a narrative design that also directs the course of fans' mental attention, experiences and the related practice of self-narration. Unsurprisingly, Wimbledon exerts tight control over its brand, logo, stadia, sponsors, merchandising, and even the dress code of its participants (athletes, fans, officials) to exert systematic effects on consuming experiences (McAlexander, Schouten, & Koenig, 2002; Price & Arnould, 1999; Sherry, 1990; 1998; Sherry & McGrath, 1989) and to enhance its servicescape management and design (built, perceptual, and 'natural' parts). In other words, Wimbledon offers a thematic and conceptual space in which cultural narratives, tales of athletic achievement or romantic/nostalgic mythologies can be reworked to serve commercial purposes and to channel fan experiences along certain trajectories (cf. Arnould & Price, 1993; Sherry, 1998). This thematic space, though brand generated, is very much fan enacted, and as a result, it can be 'sliced and diced' and 're-packaged' into new hybrid value propositions (i.e., DVD collections, on-line downloads, Twitter highlights, books,

Panini cards, fantasy leagues, magazines) where value continues to be present. Services are no longer uncontrollable, perishable, intangible and time dependent.

Fan value co-creation is now a recognized phenomenon that requires further analysis. At this point in the academic investigation of the subject, theorizing and conceptualizing the relationships and constructs seem to be appropriate.

### Theoretical framework

In line with calls for more theoretical insights into the SDL (Brodie et al., 2011), we need to further the theoretical development of the role of fans in value co-creation. CCT functions as the MRT that bridges the gap between the SDL as a general theory and the contextual descriptions of the role of fans, and we demonstrate this function by following the 'scientific circle of enquiry' (Hunt, 1991; Yadav, 2010) (see Figure 1).

#### [Figure 1 near here]

The theorizing process based on the 'scientific circle of enquiry' requires a distinction between the context of discovery and the context of justification (Brodie et al., 2011). In the context of discovery, the SDL is used as a general theory to formulate general propositions that are then associated with CCT. In our study, the SDL posits that fans are the key actor integrating resources to co-create value in the context of sports. The CCT perspective can then explain in more detail the distinctive role of fans in value co-creation by linking relevant empirical evidence with the socio-cultural, experiential, symbolic and ideological context of sports.

In the context of justification, empirical findings are used to shape and verify the MRT and to verify and consolidate the general theory (Brodie et al., 2011). We utilize exemplars to shape and verify CCT as an MRT. Our theoretical approach moves beyond the GDL and the SDL alone and borrows from CCT insights to help us define the fan roles, which shape, verify and consolidate the SDL and previous frameworks of value co-creation in sports. We do not argue that fan value co-creation should be conceived at only a singular level (i.e., how one individual co-creates value); rather, we maintain that value co-creation gains momentum in a collective (i.e., how value changes, acquires different meanings and intensifies within a group of individuals sharing a common 'fan' culture). Nor do we argue that fan value co-creation should be understood as separate from other service ecosystems; rather, we theorize and focus on the importance of fans as a particular service ecosystem of resource-integrating actors in sports.

#### Case exemplar approach

Following similar conceptual papers (Tsiotsou, 2016; Woratschek et al., 2014), we examine value creation under the lens of the context in which it takes place (Vargo, Maglio, & Akaka, 2008). We use five case exemplars (appropriate models or examples) that are utilized here for clarification rather than for verification of fan value co-creation; they are used to illustrate the fan roles in these processes. Cases are often used to distinguish and analyse social phenomena in their context of occurrence. They provide rich contextual descriptions that enhance understanding (Welch, Piekkari, Plakoyannaki, & Paavilainen-Mäntymäk, 2011), and thus, they are a suitable research approach for our study. Here, these cases are deliberately selected exemplars.

Welch et al. (2011) consider four types of theorizing through the use of case studies: 1) as inductive tools to test hypotheses (Eisenhardt 1989; Eisenhardt & Graebner, 2007); 2) as natural experiments to explain complex human and organizational relations in business settings (Yin, 2009); 3) as part of a wider contextual

epistemology allowing for a culturally grounded understanding of causal correlations in business relations (Welch et al., 2011); and 4) as tools of interpretive sense-making (Stake, 2005). Here, we adopt the latter interpretive sense-making ability of case exemplars, which allows us to understand how the context imbues human action with meaning (Welch et al., 2011), given the contextual nature of value creation.

The five case exemplars selected allow us to obtain insights into the role of fans as value co-creators. Individual descriptions for each case exemplar (Table 2), based on secondary data (via archive records, annual reports, official newsletters, and media clips) as well as the relevant academic and industry literature, were used to construct and present our exemplars (Beverland & Lindgreen, 2010). The exemplars were initially developed by one of the authors and then validated by the other authors independently cross-relating the written exemplar with their own knowledge and research. They were face validated using other colleagues interested in sport marketing. The exemplars were designed to be brief and not exhaustive, and selection from an initial larger set of exemplars was performed collectively by all the authors. To ensure that the fan-dominant activities in the exemplars are of genuine relevance to our theoretical journey, we ensured the inclusion of examples where a substantial marketing concept would be needed to explain and understand the action outcomes and the underlying motivations. For example, the concept of brand narratives and fan-generated content were necessary to explain how fans use sport brands as narrative material to construct and express self-identity.

[Table 2 near here]

## Fan value co-creation in sport services

This section provides an analysis of the five case exemplars. We identify fan activities that are consistent with the wider SDL in sports, which is highlighted through a comparative analysis contrasting our theoretical findings against the GDL and SDL and CCT propositions. We use CCT insights to argue that certain value co-creation processes identified in our research may lead to the creation of distinctive intersubjective fan value. Our argument is twofold.

First, we demonstrate that fan value co-creation is a heterogeneous intersubjective process where value lies in the way in which fans evaluate, re-create, and reposition brand meanings and value propositions. This dynamic process is depicted in Figure 2. Second, we argue that value co-creation may also occur in autonomous brand-independent environments and communities where the cultural and symbolic meaning of the value proposition may be criticized heavily, dismantled thoroughly, and eventually repositioned contrarily by fans.

#### [Figure 2 near here]

#### Evaluating value proposition: Fans as assimilators

Sports fans expect that sport products and services will fulfil a bundle of needs, both momentarily and over time. This expectation concerns the value meaning, structure, and distribution of products and services. According to the GDL, this value is delivered by brands through more standardized and servitized products, which means that fans expect a homogenous distribution of the promised value properties, in that products should reproduce the same qualities to all fans in relevantly identical and replicated situations. For example, a tennis fan who purchases an x-type of tennis ball that promises more accurate shot-making through an integrated mix of aerodynamics and product (material) sophistication will expect all balls in the packet to be able to provide

precisely this quality. One would expect all other fans purchasing the same type of tennis balls to receive exactly the same level of quality. This expectation reflects an underlying value creation where fans' expectations are homogenous across relevantly identical situations and against the promised product features. If these conditions are not met, then the product does not deliver on its promises.

In the SDL, value is co-created; thus, the meaning, structure and distribution of value cannot be homogeneous. Such a distributed view of meanings is activated through the service, and the fan is aware of the co-created nature of the value proposition. Fans thus expect to obtain different types of value from the same service proposition, relative to some personal level of engagement (e.g., team identification [Wann & Branscombe, 1993]) and investment of time and effort into the service co-creation. For example, a fan recognizes that the value that he/she obtains from his/her attendance at games is significantly conditional on the time and effort put into the event (e.g., a thirty-year fan vs. a casual spectator). The same fan also expects the sportscape experience to vary according to the opponent and other service factors (weather conditions, injuries, etc), Whereas a casual spectator would have different expectations and experiences. This difference reflects service-generated heterogeneity, where value is dependent on the ability to co-create and control the co-creation processes. Consequently, a large body of the sports literature on fan categorization, e.g., in mega and smaller-scale sporting events, has emerged (Hunt, Bristol, & Bashaw, 1999).

Examining the GoPro, fantasy league and MyFC exemplars from a CCT perspective shows how fans evaluate and redevelop brand meanings from the bottom-up and not vice versa, redefining and repositioning the value proposition of sport organizations. The exemplars of St. Pauli and United We Stand indicate how fans may disagree with the managerially intended value proposition. These cases depict a degree

of fan-generated heterogeneity where the meaning, structure and distribution of value are no longer controlled by brands. This heterogeneity also highlights the power of fans in value co-creation in sports and is consistent with the SDL. Such fan value co-creation processes entail aspects of 'consuming' as play, integration, classification and experience (in line with Holt, 1995).

Our theoretical and exemplar insights show that due to the experiential, time-independent and fandom-distilled (symbolic, cultural) nature of sport, the 'consumption styles' that fans adopt can emerge individually and collectively at the same time. A fan can opt in and out between personal and interpersonal co-creation practices (i.e., a fan tweeting on his/her phone whilst watching a game in the stadium). The role of fans as assimilators thus points to how fans acquire and manipulate the cultural and personal meaning of sport propositions, often to classify and entertain themselves and to enhance their integration, fandom and experience outcomes.

### Redefining value proposition: Fans as adaptors

CCT has some explanatory power with respect to how fans deconstruct and redevelop value propositions in sports. CCT explains the meaning of consumption expressions in terms of their socio-cultural, idealistic, conditional and symbolic context. All of our selected exemplars indicate that fans have the power and ability to retract and reorganize product properties and to deconstruct, dismantle and redefine brand meanings according to their own ideas. This activity occurs often independently from brand interaction.

The exemplar of fantasy leagues, for instance, reveals the presence of autonomous product property relations and fan-generated content, where fans deconstruct existing commercial brands (i.e., NBA teams) and products (i.e., NBA

players) and creatively turn them into new products. The exemplar of GoPro specifies how fans redevelop brand attributes and act as marketers helping the brand tap into new consumer markets not previously addressed (e.g., from extreme generation Y skydivers to professional videographers and generation X dog walkers). United We Stand establishes an autonomous brand structure and distribution where fans deconstruct the semantics of a core brand to create brand narratives whose meaning and social significance are entirely disconnected from the intended (current) brand meaning. Such independent fan value creation translated into a new product, the United for Manchester FC.

In the exemplar of St. Pauli, the brand meaning is very clearly a function of a fan manipulation of semantic brand references to left-wing politics. When the group of left-wing fans decided that the 'skull and crossbones' contained a hidden reference to their culture, the semantic occurrences involved in this action were clearly explainable in terms of the reference account of meaning. For this group of fans, the meaning of the brand was not determined by the organizationally proposed meaning (the main brand logo) but solely by attaching to the brand a new referent.

The GDL fails to incorporate this CCT perspective. The GDL would have to hold that semantic referential relations between the brand and its referents (e.g., the skull and crossbones symbol or the United We Stand fan movement) occur as functions of marketing agency and are thus objective. However, as the 'skull and crossbones' symbol reveals, value co-creation is often autonomous or arises in fan/brand communities where brand meaning takes different forms and shapes (thus, it is intersubjective). Again, the GDL fails to explain where fan communities shape brand meaning and, by doing so, co-create value. Nor can the GDL explain the semantic fan activities of the referential sort that takes place in contexts where no accessibility

relation exists between the brand and its fans. For instance, when Nike and St. Pauli FC decided to team up, using a fan symbol for their commercial purposes, a countermarketing campaign erupted. In this case, the GDL would have to hold that it is the intentions of marketers that determine the meaning of brand-related expressions.

Our theoretical findings show that fans regularly redefine, manipulate, and reposition the value propositions of sport organizations, often in directions not previously intended or explored by the brand itself. This finding is in line with what Healy and McDonagh (2013) call a 'twist'. Fans often adapt and use contextual and symbolic resources to convert and distinguish themselves as a collective and to experience their fandom.

#### Repositioning value proposition: Fans as authenticators

The relational status between providers and fans significantly differs across the GDL and SDL with respect to semantic characteristics. The GDL is conceptually grounded in marketing exchanges, i.e., the exchange of goods or services for money. This exchange is transactional, and providers have the power and ability to influence fans to a certain degree. Thus, fans have limited comparable powers to influence providers and are passive receivers of the value created and delivered solely by sport organizations. Our exemplars, however, indicate that fans can play the role of authenticators, thus confirming, warranting and legitimating a value proposition according to their own experiences, idiosyncrasy, culture, situation and context (Horbel et al., 2016; Tsiotsou, 2016), which contradicts the GDL.

Our exemplars highlight how different historical meanings, tribal logics, rituals and socialization processes may lead fans to change or reposition a value proposition, i.e., in line with the SDL and CCT. As fans redefine and reposition value propositions

(or play the role of authenticators), they may choose to involve brands in their activities, but they need not do so. As fan value creation emerges, not only during direct and indirect fan-provider interactions but also in brand-independent environments and communities (social media) or in the absence of providers, fan relationships are necessarily transitive; in some cases, however, they can also be transformational.

The GoPro, St. Pauli, and MyFC exemplars provide examples of this kind of value repositioning where fans decide to engage brands in further product/service development. United We Stand demonstrates autonomous fan value repositioning dimensions. Here, fans have hostile attitudes towards the brand owners and decide to opt out of transactional relations. They embark on a brand-independent journey, eventually boycotting the main brand (by 'locking' into the valuable brand attributes and meanings of the initial green and gold colours of Manchester United).

For us, the implication is that the relevant fan groups have the option to invite brands to reposition their value proposition, but they do not need to establish any contact with the external environment. The semantic system may hence remain closed to other social systems, as in the United We Stand and fantasy league exemplars. Insights from CCT help us explain such transformational relationships between sport fans and organizations, in that CCT considers social group networks of communication as systems that are capable of self-creating and eventually disconnecting from the external environment. Our findings run directly counter to the theoretical propositions of the GDL, which assert value creation as occurring in provider-dependent interactions and as necessarily evolving within brand-generated environments. Our findings on the role of fans in value co-creation are more in line with a more SDL in sport and its interconnected service ecosystems (Vargo & Lusch, 2016).

#### **Discussion**

Our research is centred on a key service research priority, understanding customer value co-creation; it addresses the call to understand what customers actually do when they co-create value (Woratschek et al., 2014). Our findings extend the service ecosystem perspective (Vargo & Lusch, 2016), focusing on the centrality of sport fan value co-creation. The next sections address the theoretical and managerial implications relating to our findings on fan value co-creation in sports.

#### Theoretical implications

There are three theoretical contributions emerging from our research. First, although research on the role of customers in value co-creation processes has arisen in various sectors of the economy, SDL research in sport services has been underdeveloped, despite the social importance and integral role of the industry in popular culture and the global economy (Woratschek et al., 2014). Our paper supports a very recent emerging stream of research that points to the alliance between the SDL and CCT in sport service ecosystems (Horbel et al., 2016; Tsiotsou, 2016). Our theoretical paper uses CCT as an MRT to link with the SDL in an effort to shed more light on the role of a particular ecosystem – fans – and to thus better conceptualize the processes through which fans co-create value in sports (Figure 1).

However, we disagree with the notion that ceding control to customers will always enhance satisfaction, engagement and brand equity. Fans and customers are different. If fans disagree with the intended brand meaning, then they can boycott the brand/club but still be fans. As fans do not switch, there is no avenue other than to change the meaning of the brand, which is one reason why we prefer the term fan instead of consumer in these stakeholder-embedded and multicultural service spaces.

Figure 2 depicts fan value co-creation as a dynamic feedback loop process where value is redistributed across the system. We believe that this 'virtuous' experiential cycle offers a new way to conceptualize value co-creation processes and theoretically contributes to frameworks depicting processes of collective value creation in brand communities. In our conceptualization, fandom functions as a key mechanism that holds together the evaluation, redefinition and repositioning of value propositions. The three key fan value co-creation activities we identified (evaluation, redefinition and repositioning) support the notion that value is context specific and is manifested in the collective enactments of practices and contexts (Arnould & Thompson, 2005). Within such contexts, brands are often used as a resource by customers to co-create value (Vargo & Lusch 2006). Our second theoretical contribution thus reinforces the idea that fans take different roles in value co-creation processes (Healy and McDonagh, 2013). Moreover, we highlight the importance of experiences (Tsiotsou, 2016) and contexts in such processes (Horbel et al., 2016).

However, the co-creative practices in which fans engage in sports may lead them to deconstruct the semantics of a core brand to create brand narratives whose meaning and social significance are entirely disconnected from the intended (current) brand meaning but are completely connected to their own idiosyncratic (subsymbolic) world. Fans may decide to reproduce value propositions in autonomous brand-independent environments, where the cultural and symbolic meaning of the value proposition may change significantly, which does not always have a positive effect on brand equity. This subsymbolic value co-creation on the part of fans encompasses representations and processes in which the sport objects are not discrete (Horbel et al., 2016). Furthermore, the processing is not categorical, as it occurs simultaneously in multiple parallel channels and within an essentially infinite array of rapid and complex

experiential computations and integrating resources. Being a fan often comes without explicit metrics, dimensions, or units, as in most common activities of everyday life. Fandom pertains to experiences and emotions that often take place without awareness.

Third, by conceptualizing the processes through which fans co-create value propositions in sports as a construct in its own right and within a wider conceptual framework of the SDL and CCT insights, our research has clarified key conceptual differences between the GDL and the SDL in the particular context of sport. Our analysis demonstrates that fan value co-creation in sports may be a result of a chain of events, which originate from different types of agents including sport providers, sponsors, media and fans. We contend that although it is facilitated by brands, value replication (and distribution) in sports can also be self-governing, in that it is often fan enacted and takes place beyond the immediate brand environment and independently from any prior interaction with providers. Here, the CCT perspective provides the middle ground to theoretically frame our paper's idea of fan-driven value creation beyond the conceptual borders of the GDL and within a wider SDL in sports. This aspect needs further research at the detailed case and the generalizable levels.

#### Managerial implications

If fans are able to assess, alter and reposition brand meanings, often in directions different from what brands intend, then how should or can brands react? We can suggest several managerial implications and different ways in which sport brands can utilize the value derived from fan value co-creation activities. Such managerial considerations potentially have a degree of applicability in other 'fandom'-oriented industries (e.g., music), as well.

First, sport brands can gain a degree of control by participating and becoming involved in fan value co-creation activities. This involvement happened, for example, when St. Pauli FC decided to team up with Nike as a response to fans' creative use of the 'skull and crossbones' as narrative material to construct a desired self and group image.

Second, brands can opt for passive involvement integrating systematic observations of fan value creation activities in their immediate market domain. This happened, for example, when GoPro administrators monitored social media conversations across a number of different topics 24/7 to observe the brand's fan behaviours and to provide a platform for fan-generated content marketing. Given that organizationally constructed internet content is not the only route to communication, attention should be paid to significant fan-dominant media (i.e., WOM, fan fora and independent websites).

Third, brands can carefully transform the way in which they deal with fan activities. Doing so implies courses of action that do not run counter to basic fan values and do not frustrate the reasons why fans have chosen to engage with the brand in the first place. In the United We Stand exemplar, the administration of Manchester United FC decided to observe rather than intervene. They were constrained to not react when such a movement was embraced by core brand-associated mega-stars including David Beckham and Sir Alex Ferguson.

Finally, brands can take a more transformative position that blends real and virtual components of consumption and role playing into an entertaining self-constructing experience. As MyFC and fantasy leagues exemplify, integrating gamification with 'virtual' reality might be a way forward in an increasingly digitized world.

Given that fan value co-creation is inherently uncontrollable, all brands need to consider a strategy characterized by a mix of integration and some control combined with respectful observation and constructive transformation. Doing so must start with a balanced involvement and discreet participation on the part of brands because brands should not try to dramatically modify fan value creation activities. We do not contend that there is one strategy that fits all situations. Rather, we argue that brands could use our conceptual framework as a navigational compass for different fan value co-creation explorations.

## Limitations and future research paths

We identified five case exemplars as being sufficient to develop our theoretical exploration and development. We recognize that these five exemplars are a small subset of overall fan value co-creation activity worldwide. Our approach is thus subject to certain limitations. For instance, we mainly focus on value co-creation through fans of sport brands, neglecting those who are not fans of a team but who might have other motivations for watching a game, as well as other actors in the value co-creation processes. Future research could focus on other value ecosystems in sports.

In addition, the three identified fan-generated processes may not be exhaustive. Future studies may enhance our conceptual framework by identifying others, and future research that verifies fan value co-creation processes is both necessary and extremely useful. Scholarly attention can then be turned towards a more holistic perspective of value co-creation and towards a more macro-level of analysis to understand the role of other resource-integrating ecosystems in sports (i.e., sponsors, athletes, and media).

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Table 1
Overview of sport value definitions

<b>Evolutionary Stage</b>	Year	Author	Definition
Value delivery in	1979	Kesler	'The activities of consumer and industrial product and service marketers who are increasingly using sport as a promotional vehicle
and through sports (GDL)	1993	Mullin, Hardy & Sutton	'All activities designed to meet the needs and wants of sport consumers through exchange processes. Sport marketing has develope two major thrusts: the marketing of sports products and services directly to consumers of sport, and the marketing of other consumer and industrial products or services through the use of sport promotion' (p. 6)
	1998	Shilbury, Quick & Westerbeek	'A social and managerial process by which the sport manager seeks to obtain what sporting organisations need and want throug creating and exchanging products and value with others' (p. 13).
	1999	Shank	'The specific application of theoretical marketing principles and processes to sport products and services; the marketing of nor sport and sport-related products and services through an association – such as a sponsorship – with sport; and the marketing of sport bodies and codes, their personalities, their events, their activities, their activities, their strategies and their image' (p. 2).
(SDL and CCT)	2007	Beech & Chadwick	'is an ongoing process through which contests with an uncertain outcome are staged creating opportunities for the simultaneout fulfilment of direct and indirect objectives amongst sport customers, sport businesses and other related individuals are organisations' (pp. 4-5).
Value co-creation in and through sports	2014	Woratschek, Horbel, & Popp	'The value creation process continues after the sport event when they celebrate victories or jointly come to terms with losses.'
	2016	Horbel, Popp, Woratschek &Wilson	'Value-in-context, where value co-creation in service ecosystems almost intuitively implies that the context of the value creation process plays a pivotal role.'

Exemplars of fan creation activities with significant marketing impact

**Exemplars** Description

# GoPro Be a Hero by fans for fans

Founded by Nick Woodman, a surfing enthusiast, in 2002, GoPro is an action camera that has become part of a vanguard of a new media reality. GoPro is currently the fifth largest brand on YouTube with more than 2 million subscribers, also including 9 million Facebook fans, 1.17 million Twitter followers, and almost 3.2 million Instagram followers. Embedded in these numbers is the multi-million-dollar marketing and advertising value of fan-generated content, a largely untapped marketing and advertising potential. The 'first-person' camera company doubled its net income from 2010 to 2011 to \$24.6 million but spent only \$50,000 more in marketing costs to do so. GoPro repeated the feat in 2013, increasing marketing costs by only \$41,000 but making \$28 million more in net income. Such success is driven by fans who had become the actual marketers in the form of videographers uploading fan narrative-based adventures onto YouTube and social networks and thus advertising the capabilities of the camera to friends, family, and complete strangers. Putting the fans in the driver's seat of a multitude of experiences, storytelling and fan-generated branding, GoPro still expands into new markets, evolving from photography fans (both hobbyist and expert) and sports fans (both extreme and armchair) to any followers of innovative online video in general. GoPro is a case of fan dominance where value creation derives from fans and their autonomous replication of product/service properties.

Sample Sources: (Biancuzzo, 2014; Mac, 2013)

St. Pauli FC More than a leftwing club The club began its existence in 1899 as a loose, informal group of football enthusiasts but became a 'kult' phenomenon in the mid-1980s as an alternative fan scene emerged, built around left-leaning politics and social activism. Supporters adopted the skull and crossbones as their own unofficial emblem, whilst St. Pauli became the first team in Germany to officially ban right-wing nationalist activities and displays in its stadium in an era when fascist-inspired football hooliganism threatened the game across Europe. In 2002, advertisements for the men's magazine Maxim were removed from the team's stadium, in response to fan protests over the adverts' allegedly sexist depictions of women. As a result, the club prides itself on having the largest number of female fans in all of German football. Whilst the club opens its matches with the sounds of AC/DC, several bands have made music directly related to St. Pauli, which has subsequently become a worldwide symbol for punk and related subcultures. In 2008, Nike commemorated the club with two exclusive Dunk shoes, both released in limited quantities. The High Dunk (featuring a black colour-way and the skull and crossbones symbol) was released to all countries throughout Europe, with only 500 pairs produced. The Low Dunk (featuring a smooth white colourway and holding the team's logo embossed on the side panel leather) was released to shops in Germany, Switzerland, and Austria exclusively, with only 150 pairs produced. Such an agreement was not welcomed by all fans, who bemoaned the new era of light-touch commercialism introduced by Cornie Littman (the first and only openly gay president of a football club in Germany). He quit the post last year, after fan pressure. Despite its left-leaning and anti-commercial spirit, St. Pauli sells £8.6 million of merchandise every year.

Sample Sources: (Daniel and Kassimeris, 2013; Griggs, 2012)

#### **MyFC**

The one and only online community-owned football club

MyFootballClub is a unique internet venture that uses the principle of crowd-sourcing and crowd-funding to help support the running of a real football club. Founded in April 2007, the society managed to lure 20,000 members from across the world in its first year. In 2008, the society became the first internet community to own an existing club (Ebbsfleet United). Each member could vote for issues ranging from sponsorship agreements (i.e., Vandanel, Nike) to the design of home and away strips and to team selection (a policy that was gradually replaced by a more casual dialogue with the coach). On 23 April 2013, it was announced that MyFC's members had voted in favour of handing two-thirds of MyFC's shares to the Fleet Trust, a supporters' trust for the club, and the final one-third of shares to one of the club's major shareholders (believed to be former club chairman Phil Sonsara). MyFC is now the away shirt sponsor of Slough Town until the end of the 2014-15 season. MyFC is a case of fan dominance where value creation derives from the autonomous replication of product/service properties by fans.

Sample Sources: (BBC, 2013)

#### **United We Stand**

The Green and Gold Revolution

The Glazer's takeover of Manchester United split the supporter community at the club. Some fans responded by setting up F.C. United in the summer of 2005. F.C. United are led by a group of fans from the Independent Manchester United Supporters" Association (I.M.U.S.A.) who had fought against Rupert Murdoch's proposed takeover of the club in 1998 and are organised as an Industrial and Provident Society. Following reports that the Glazer family were trying to restructure the club's debt in 2010, the Red Knights were formed. The group liaised with the Manchester United Supporter's Trust (M.U.S.T.), asking fans to pledge support by joining the trust. An additional fan response to this request was to show further support by wearing 'green and gold' (the original club colours) scarves to matches, visually displaying fans' disagreement. United We Stand is an example of fan dominance because the Red Knights' conscious use of the brand changed the brand associations in a wider fan group.

## **Fantasy Leagues**

Bridging the virtual and the real

Sample Sources: (Brown, 2007; 2008; Millward, 2011)

From a paper-based game originating back in 1962 in Oakland when some fans of American football started competing in their knowledge of American football (and perhaps placing a wager on the outcome), the fantasy league sports market has transformed into an enormous multibillion online industry. Its beginning originates in rotisserie baseball leagues and can be traced back to a particular individual, Bill James, a Senior Advisor on Baseball Operations for the Red Sox who became widely known for his new wave ideas on how baseball should be viewed by statisticians. Looking to find a new way to use his statistical experience as a means to more efficiently run his teams in rotisserie baseball leagues, James developed with sabermetrics, a mixture of empirical and statistical analysis that later not only revolutionized the way sport performance was to be measured but also provided impetus for what later became known as fantasy leagues. The case of fantasy leagues and the pioneering use of sabermetrics underlie fan dominance phenomena in which fans generate additional value often blending real and virtual components and roles to self-construct their own reality and competition. Fantasy leagues are an example of fan dominance in that fan-generated narratives bond individuals together into groups or systems of similar likes and dislikes, systems that are autonomous and often disconnected from the external environment.

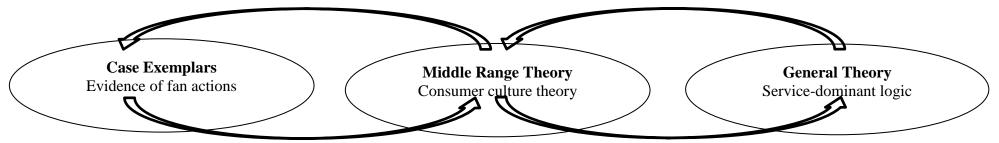
Sample Sources: (Shipman, 2001; Lewis, 2004)

## **Context of Discovery**

Investigation of the proposition
Using CCT to explain fans' roles in value
co-creation within the sports context

General theoretical proposition

Fans integrate resources to co-create value



Adopted and Adjusted from Brodie, Saren, & Pels, 2011

#### **Context of Justification**

Shaping and verifying MRT
Using the CCT conceptualisation to make
sense of fan actions related to value cocreation within the sports context

Verifying and consolidating SDL Identification and definition of fans' roles in value co-creation

Figure 2
The processes of fan value co-creation in sport services

