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Steve Shih-Chia Chen Morehead State University, s.chen@moreheadstate.edu

Jennifer Mark Marshall University

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Collegiate Basketball Season-Ticket Holders' Purchasing Motivation and Interests

Steve Chen Morehead State University Jennifer Mak Marshall University

ABSTRACT

This study examined the ticket purchasing motivation and interests of 334 season-ticket holders (199 males, 135 females) from two NCAA Division-I regional state institutions. The participants' purchasing motivation and interests were surveyed onsite in the 2008-9 season by utilizing a12-item self-created instrument with a high level of internal reliability. The results indicated that the participants' ticket purchasing motivation was mainly influenced by the competition and psycho-social related factor (CPR) and price and promotion (P&P) factor. The researchers further addressed the unique aspects in promoting regional Division-I basketball programs, and limitations and directions for future studies.

INTRODUCTION

Season-ticket spectators' behavior has always been a major concern of sports marketers. By understanding their purchase intention, sports marketers can promote the programs and sell the season tickets more effectively. Many collegiate athletic programs are exerting their effort to make themselves financially self-sufficient under the current difficult economic situation. Thus, boosting season-ticket sales has become a common marketing practice for generating revenues and expanding core fan base. Regional state institutions generally would encounter many challenges such as maintaining a competitive athletic program and competing for the fans with the flagship universities within the same state while attempting to maximize the season-ticket sales. Many studies have examined the factors influencing season-ticket consumption in professional football, soccer, baseball and basketball (Beccarini, & Ferrand, 2006; Chen, Teng, Chen, 2003; Dick & Sack, 2003; Laverie & Arnett, 2000; McDonald, & Shaw, 2005; Pan, & Baker, 2005; Pan, Gabert, McGaugh, & Branvold, 1997; Pan, Zhen, Gabert, & Brown, 1999; Zhang, Pease, Hui, & Michaud, 1995; Zhang, Pease, Smith, Wall, Saffici, Pennington-Gray, & Connaughton, 2003). Some studies have also explored the season-ticket holders' interest for collegiate football and both men's and women's basketball (Kahle et al., 1996; Pan, Gabert, McGaugh, & Branvold, 1997; Swanson et al., 2003; Wells, Southall, & Peng, 2000).

Beccarini and Ferrand (2006) concluded that 55% of the French Premier League gate receipts were generated from the season-ticket holders. This figure clearly demonstrates the importance of maximizing the season-ticket sales. In general, the typical collegiate football season-ticket holders can be depicted by the following demographic characteristics: (1) Caucasian males, (2)

40-60-year-old, (3) living in a household with less than four people, and (4) with an annual income exceeding \$40,000 (Pan & Baker, 2005). For factors affecting various season-ticket holders' purchasing interests, the aforementioned studies provided the following five significant factors: (1) team performance, (2) economic views, (3) game competitiveness, (4) athletic event, and (5) social affinities. These factors were considered as the general motivational measurements for sport event attendance, and could also be summarized by an acronym called SPEED, which stood for socialization, performance, excitement, esteem, and diversion (Funk, Filo, Beaton, & Pritchard, 2009). Pan and Baker (2005) stated that performance-related variables such as "winning team" and "star players" were important reasons to purchase season tickets. In addition, Pen et al. (1997) further concluded "economic factors" was the most important reason for collegiate basketball fans to purchase season-tickets.

Since understanding sport fans' demographic profile and their ticket purchasing motivation can be a vital element for sport administrators in maximizing ticket sales, this study examined the ticket purchasing motivation and interests of 334 season-ticket holders from two National Collegiate Athletic Association Division-I regional state institutions. The researchers attempt to identify what are the primary reasons that season-ticket holders continuously attend the collegiate basketball games. The results would likely help researchers to establish: (a) the demographic profile of season-ticket holders of the surveyed institutions; and (b) the key factors affecting the season-ticket holders' purchasing interests at mid-major, less revenue-generated National Collegiate Athletic Association (NCAA) institutions.

METHOD

Subjects

The participants included 199 males (60%) and 135 females (40%), from two regional state institutions located in the Appalachian Region. The school with a bigger student enrollment, located in West Virginia, had more season ticket holders for basketball (n = 240). The other school located in Kentucky had 94 basketball season-ticket holders. In terms of the participants' demographic characteristics, as the majority of the group were Caucasians (n = 242, 72.5%). The group of 35-54 years old made up the largest age group (44.6%). Participants in the largest group among the income categories earned an average annual salary of \$35,000-\$64,999 (40.5%).

Procedure and Data Analysis

Spectators aged 18 and above with season tickets were asked to complete the questionnaire before or during the half-time break of the NCAA Division I men's basketball games. Questionnaires were distributed at all the entrances and in each section of the arena. Three hundred questionnaires were distributed in the school located in West Virginia with a return rate of eighty percent (n=240). The data collection was completed in mid-February of 2009. The participants' responses were analyzed in April, 2009 by utilizing the SPSS 12.0 statistical analysis package. The descriptive analyses revealed the main demographic characteristics of the participants. Analysis of variances identified the differences in participants' responses on

purchase motives based on four major demographic categories: age, gender, race and income level.

Instrumentation

The survey instrument used in this study was created based on the questionnaire of a few past studies (Beccarini & Ferrand, 2006, Kahle et al, 1996; McDonald & Shaw, 2005; Pan & Baker, 2005; Swanson et al., 2003). This simple 12-item questionnaire was designed to collect information on season-ticket holders' demographic information and purchasing motivation and interests. It highlighted the primary reasons of one purchasing season tickets. Although it was fairly concise, it covered the most of dominant ticket purchasing factors such as price, escape/diversion, performance, social gathering, and esteem supported by the scholars (Beccarini, & Ferrand, 2006; Chen et al, 2003; McDonald, & Shaw, 2005; Pan, & Baker, 2005; Pan et al., 1997; Pan, et al., 1999; Zhang et al., 1995; Zhang et al., 2003). It was easy for a respondent to complete without spending extraneous effort. All nine 5-point Likert-scale items (with "1"-- strongly disagree and "5" – strongly agree) examining the participants' motivation and interest yielded a fairly high level of internal reliability (Cronbach Alpha Coefficient > .800).

RESULTS

According to results of descriptive analysis, a typical season-ticket holder may be generally described by the following demographic characteristics. He/she would more likely to be a Caucasian, who is more than 35 years old making more than \$35,000 annually. The completed results of the demographic descriptions were listed in Table 1. The factor analysis concluded that the participants' ticket purchasing motivation was influenced by two main factors, (1) competition and psychosocial related factor (CPR), and (2) price and promotion (P&P). Those two factors carried a loading of .523. Table 2 displayed the average ratings of the identified two factors and items under each of the factors. Participants from the two institutions did not have significant different responses regarding the influential factors for ticket purchasing. However, the participants from the Kentucky institution had a slightly lower average rating on the price and promotion (P&P) factor compared to the participants of West Virginia institution (3.25 vs. 3.45).

In general, males were more likely to emphasize on the CPR factor as compared to their female counterparts (3.77 vs. 3.42; *p* nearly equal to .05). The average rating of the CPR factor ($M \pm SD = 3.70 \pm .76$) was greater than the P&P factor ($M \pm SD = 3.40 \pm .89$). However, the "price and promotion" factor was valued significantly as more important by non-Caucasian participants than by the Caucasians (p < .05). Two specific minority groups, African-American (3.67) and Hispanic groups (3.71) had a significantly higher rating on the P&P factor than the Caucasian group (3.33). While examining the participants' purchasing interests by age differences, it was found that young age-group (under 35 years old) had a significantly higher rating on the P&P factor (3.60) than those seniors who were 55 and older (3.21). As the participants' income level increased, they considered as a more influential "CPR" factor for purchasing season-ticket.

DISCUSSION AND CONCLUSIONS

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The results of this study reaffirmed the suggestions of several past studies that the combination of team performance, social gathering, and psychological attributes, such as esteem and escape is considered as the primary force that drive people to purchase season tickets (Beccarini, & Ferrand, 2006; Chen, et al, 2003; McDonald, & Shaw, 2005; Pan & Baker, 2005; Funk et al, 2009). Surprisingly, as an individual item, winning record of the team did not stand out as important in affecting the season-ticket holders' purchase. This was exactly opposite to the conclusions of Pan et al. (1997). Since no significant difference was found in respondents' purchasing interests between different schools, this result tended to suggest that different regional season-ticket holders from state institutions may still share common interests and needs. However, because the samples of the study only included two schools, the limit on the sample size made this generalization less convincing. It would be ideal for future researchers to survey the season-ticket holders' interest from institutions across a large geographic region or conference.

It was clear that CPR was identified as a strong factor in determining the season-ticket purchasing intention. This does not minimize the importance of price discount and other promotional activities. Price promotion seems to be more important to the season-ticket holders of certain minority groups (i.e., African-American and Hispanic), because they gave a higher rating on P&P factor over the CPR factor. While considering the current economic recession and the survey institutions' geographic location, the sensitivity and concerns toward less economic-privileged spectators are something that marketing administrators should not neglect. The marketing division of both institutions may attempt to introduce more mini discount packages or variation pricing strategy to target the non-Caucasian groups.

Practice

The intensity of the rivalry was identified as the most attractive reason for the season-ticket holders to purchase the tickets. On the other hand, the winning record of the current season did not seem to impact the participants' purchasing interest as much as the other items did. This finding is good news to the marketers because winning and performance are often something that they have absolutely no control of. Marketing staff can spend their effort to create a better rivalry atmosphere and exciting entertainment to satisfy their season-ticket holders without worrying about the outcome of the ball games. However, there seemed to be a conflicting result based on the participants' rating on "winning record of the team" and "success of the team". As a single item, the success of team was identified as a top factor affecting season-ticket purchasing interest. One may wonder how these two items are different from each other based on the description. Perhaps the success of the team was referring to the past tradition and glorious performance. In order to examine the accurate effect of the winning on season-ticket sales, it would be a good idea for the marketing staff to analyze the correlation between the winning percentage and number of season-ticket sales on an annual basis.

Many of the major Division-I institutions schedule their rivalry games on the weekend to lure more crowds or to accommodate the broadcasting schedule. However, for commuting schools like the survey institutions, it may be more logical to schedule the rivalry games on weeknights to ensure a large student crowd. In the current difficult economic situation, it is logical to assume the season-ticket sales may be down for the next year. However, marketing staff of both institutions may need to be willing to spend some costs on giveaway items or reward programs to satisfy their loyal fans.

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ABOUT THE AUTHORS

Steve Chen, D.S.M., is an Assistant Professor in the Department of Management and Marketing at Morehead State University, Morehead KY. He received his doctorate in Sport Management from United States Sports Academy in Daphne, AL.

Jennifer Mak is a Full Professor and Director of the Sport Management. She received her Ph.D. from Indiana University.



Tables and Figures

Table 1 Demographic Profile of the Season-Ticket Holders

Category	Classification	Number and Percentage
Gender	Male	199 (59.6%)
	Female	135 (40.4%)
Age	Under 35	89 (26.6%)
-	35-54	149 (44.6%)
	55 and above	96 (28.7%)
Race	Caucasian	241(72.2%)
	African American	58(17.4%)
2	Hispanic	12(3.6%)
	Native American	1(0.3%)
	Other	22 (6.6%)
Income	\$34,999 or less	99 (29.6%)
	\$35,000-64,999	135(40.4%)
	\$65,000 and above	99 (29.6%)

Table 2 Results of Factor Analysis on Interests for Purchasing Season-Ticket

Factor and Item Description	Mean Score
(Factor Loading: .523)	(M <u>+</u> SD)
1. Competition & Psychosocial Related Factor (35.6% of Variance	<mark>ce) 3.70<u>+</u>0.76</mark>
Intensity of rivalry	3.89 <u>+</u> 1.03
Success of the team	3.76 <u>+</u> 1.10
Spending time with friends	3.75 <u>+</u> 1.04
Excitement after victories	3.72 <u>+</u> 1.16
Schedule of opponents	3.68 <u>+</u> 1.10
Escaping from pressure	3.68 <u>+</u> 1.12
Winning records of the team	3.50 <u>+</u> 1.14
2. Price and Promotion (16.7% of Variance)	3.40 <u>+</u> 0.89
Price of ticket	3.58 <u>+</u> 1.03
Promotional activities	3.23 <u>+</u> 1.19