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Collegiate Basketball Season-Ticket Holders' Purchasing Motivation and Interests

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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 2008-09 season by utilizing a 12-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 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 the core fan base. Many studies have examined the factors influencing season-ticket consumption in professional football, soccer, baseball and basketball (Beccarini and Ferrand, 2006; Chen, Teng, and Chen, 2003; Dick and Sack, 2003; Laverie and Arnett, 2000; McDonald and Shaw, 2005; Pan and Baker, 2005; Pan, Gabert, McGaugh, and Branvold, 1997; Pan, Zhen, Gabert, and Brown, 1999; Zhang, Pease, Hui, and Michaud, 1995; Zhang, Pease, Smith, Wall, Saffici, Pennington-Gray, and Connaughton, 2003). Some studies have also explored the season-ticket holders' interest for collegiate football and both men's and women's basketball (Kahle, Kambra and Rose, 1996; Pan, Gabert, McGaugh, and Branvold, 1997; Swanson, Gwinner, Larson, and Janda, 2003; Wells, Southall, and Peng, 2000).

Beccarini and Ferrand (2006) concluded that 55% of the French Premier League gate receipts were generated from season-ticket holders. This figure clearly demonstrates the importance of maximizing season-ticket sales. In general, the typical collegiate football season-ticket holder 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 and

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 be summarized by an acronym called SPEED, which stood for socialization, performance, excitement, esteem, and diversion (Funk, Filo, Beaton, and Pritchard, 2009). Studies also indicated that performance-related variables such as "winning team" and "star players" were important reasons to purchase season tickets (Pan and Baker, 2005; Wann, Royalty, and Rochelle, 2002). In addition, Pan et al. (1997) further concluded "economic factors" was the most important reason for collegiate basketball fans to purchase season-tickets.

Regional state institutions often 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 season-ticket sales. Unlike traditional basketball powerhouses such as University of Connecticut, Duke University, University of Arizona and University of Kentucky that need a donation point system to control the number of season-ticket holders (Lohman and O'Neil, 2000), many regional schools like ones in this study often struggle to maintain a high volume of season-ticket sales.

For that reason, understanding sport fans' demographic profile and their ticket purchasing motivation can be a vital element for sport administrators of regional state institutions 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.

METHODS

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%).

Instrumentation

The survey instrument used in this study was created based on the questionnaire of a few past studies (Beccarini and Ferrand, 2006, Kahle et al., 1996; McDonald and Shaw, 2005; Pan and 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 dominant ticket purchasing factors such as price, escape/diversion, performance, social gathering, and esteem supported by the scholars (Beccarini, and Ferrand, 2006; Chen et al., 2003; McDonald, and Shaw, 2005; Pan and 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).

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. The factor analysis was conducted to identify the primary factors influencing the participants' ticket purchasing motivation. Analysis of variances identified the differences in participants' responses on purchase motives based on four major demographic categories: age, gender, racial background and income level.

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 be a Caucasian, who is more than 35 years old making more than \$35,000 annually. The completed results of the demographic descriptions are listed in Table 1.

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%)
	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%)

The Principal Components method was chosen in the process of extraction of the factor analysis. The eigenvalues were set at 1 and the Varimax was selected as the rotation method. The factor analysis yielded a high number of Kaiser-Meyer-Olkin measure (.829), which indicated a solid factor structure. It also 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 displays the average ratings of the identified two factors and items under each of the factors.

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

Factor and Item Description (Factor Loading: .523)	Rotation Component	Mean Score (M±SD)
1. Competition & Psychosocial Related Factor (35.6% of Variance)		3.70±0.76
Intensity of rivalry	.812	3.89±1.03
Victory on the game night	.603	3.76±1.10
Spending time with friends	.680	3.75±1.04
Excitement after victories	.711	3.72±1.16
Schedule of opponents	.579	3.68±1.10
Escaping from pressure	.711	3.68±1.12
Winning records of the team	.563	3.50±1.14
2. Price and Promotion (16.7% of Variance)		3.40±0.89
Price of ticket	.716	3.58±1.03
Promotional activities	.811	3.23±1.19

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. 3.60; $t = 1.94$, 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 [$f(3, 303) = 3.094$, $p < .05$]. 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) [$f(2, 313) = 4.039$, $p < .05$]. As the participants’ income level increased, they considered “CPR” as a more influential factor for purchasing season-ticket.

DISCUSSION AND CONCLUSIONS

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, and Ferrand, 2006; Chen, et al, 2003; McDonald and Shaw, 2005; Pan and 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) and Wann et al. (2002). However, the participants seemed to value the victory on the game night heavily as it was rated as the second most important item in the CPR factor ($M = 3.76$). There seemed to be a conflicting result based on the participants’ rating on “winning record of the team” and “victory on the game night”. It sounds like that the participants have contradicted their own thoughts. One may wonder how these two items are different from each other based on the description. Perhaps, this phenomenon can be interpreted as the fans probably focus more on the instant victory rather than the overall winning records or past winning tradition. 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.

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.

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.

IMPLICATIONS FOR MARKETING PRACTITIONERS

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 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.

In this study, certain non-Caucasian ethnic groups expressed their emphasis on the importance of price discount and other promotional activities. This finding was also illustrated in Armstrong's study (2002). The marketing division of both institutions may attempt to introduce more mini discount packages or variation pricing strategy to target the non-Caucasian groups. On the other hand, those with a higher income level clearly showed less interest in promotional activities. This may also suggest that there is a room to push the high-end seating plan. Additional incentives and services (i.e., foods, athletic club membership or parking privilege) can be accommodated to these premium seating plans with a reasonable increase of price.

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 surveyed institutions, it may be more logical to schedule the rivalry games on weeknights to ensure a large student crowd. Under the current difficult economic situation, it is logical to assume the season-ticket sales should be implemented for the next year to secure more revenues. 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.

The researchers sincerely believe that the findings and managerial implications of this study could be utilized by many other mid-sized athletic departments for retaining basketball season-ticket holders. Based on the aforementioned conclusions, following practical strategies were suggested to the institutions' athletic administrators.

- (1) Providing a variety of levels of season-ticket packages -- different levels of season-ticket price can be the result of offered incentives (i.e., accommodation of free souvenirs, food and beverage, and parking access) and seating locations. By providing different packages of season-ticket, both potential new ticket purchasers and renewal ticket holders will have more options to choose their deal based on their affordability and interests.
- (2) Considering the adoption of variable pricing method—this practice can be done by raising the price of certain rivalry or conference games. By increasing the price of certain single games but not the season-ticket package, this may attract more regular attendees to purchase the season-ticket.
- (3) Promoting the rivalry games and star players vigorously -- apparently, this is a marketing area that both surveyed institutions seem to need to improve. If the institution's athletic

department is really understaffed, the department may partner with the institution's sport management/administration program by utilizing students' creativity and manpower to generate promotional activities and materials. And,

(4) Creating various theme nights and special events to encourage fans bringing more friends -- rewards and discounts can be given to those who bring certain number of new friends to attend the games or to become new season-ticket holders.

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