

Event Marketing and Brand Loyalty in Chinese Professional Baseball League: Brand Identification as a Mediator

Chih-I Chien / Department of Leisure and Sport Management, National Taipei University

Jin-Long Chen / Department of Leisure and Sport Management, National Taipei University

Abstract

Purpose: Professional sport franchises have long been focusing on how to generate more revenue by increasing brand loyalty of fans through various means. Given the unique nature of professional sports, event marketing is an important attribute within this product category. While past research has indicated brand positioning has a strong effect on consumer loyalty, it is worth studying how event marketing influences consumer brand loyalty on a professional sport basis. The purpose of the study was to assess the effects of brand identification on the relationship between event marketing and brand loyalty. **Methods:** Three scales measuring event marketing, brand identification, attitudinal loyalty and behavioral loyalty were employed in this study. A random sampling technique was used and 240 usable surveys were collected. Structural equation modeling technique was employed to examine the mediating effect of brand identification on the relationship between event marketing and brand loyalty. **Results:** Event marketing has both direct and indirect effects on brand loyalty. Brand identification served as a partial mediator in the relationship between event marketing and brand loyalty. **Conclusion:** Based on the results, the mediating role of brand identification indicated event marketing strategies should focus more on how to attract consumers and have them engaged with the brand. To be more specific, events should be created for those who are yet to be highly identified with the brand to enhance their loyalty towards the brand.

Keywords: event marketing, brand identification, brand loyalty, professional sport, mediating effect



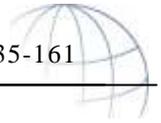
中華職棒活動行銷與品牌忠誠度之研究—以品牌認同為中介變數

簡志宜 / 國立臺北大學休閒運動管理學系
陳建榮 / 國立臺北大學休閒運動管理學系

摘要

目的：一直以來，職業球隊不斷的透過各種方式以提高球迷的品牌忠誠度來增加收入。而因為產品特性的不同，活動行銷一直是此產品類別中的重要元素之一。過去研究指出，品牌定位對於消費者忠誠度具有相當的影響力。然而就職業運動而言，活動行銷對於消費者品牌忠誠度的影響是個值得探究的問題。本研究旨在檢視中華職棒消費者的品牌認同度對於活動行銷及品牌忠誠度關係所產生的效應。**方法：**本研究採用三種量表分別測量活動行銷、品牌認同度及品牌忠誠度。本研究採隨機抽樣，共收回有效問卷共 240 份並透過結構方程式來分析品牌認同度的在活動行銷及品牌忠誠度的中介效果。**結果：**活動行銷與品牌忠誠度之間同時具有直接與間接關係，品牌認同在此關係上具有部份中介效果。**結論：**根據本研究結果，活動行銷策略應著重於吸引消費者並使其與品牌產生共鳴。而活動行銷策略的發展更應針對尚未對品牌產生高度認同的消費者以增加其品牌忠誠度。

關鍵詞：活動行銷、品牌認同、品牌忠誠、職業運動、中介效應



Introduction

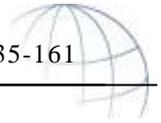
Spectator sports, for example professional sports, are considered as a rewarding business with many opportunities for marketing professionals to prosper (Kaynak, Salman, & Tatoglu, 2008). Many well-known companies and organizations like Siemens, Coca-Cola, Toyota, and Red Bull have heavily invested in sponsoring sporting events or athletes. Rather than being independent companies, as are most professional teams in the US, professional teams in Asian countries (e.g., Japan, Korea, and Taiwan) are part of large corporations that use the teams to market and sell their products. For example, the Nippon Ham Fighters is owned by the Nippon Ham meat processing company in Japan. The Uni-President Lions is owned by the Uni-President Enterprise in Taiwan. Asian companies take this approach because it seems to be more economical to operate a team and gain media exposure everyday through game coverage than it is to advertise on prime-time television. The connection between a sponsored team and a corporate brand provides considerable opportunities to create or redefine its corporate identity (Alexander, 2009). The trend in spectator sports, especially in professional sports, is to operate teams as brands to be managed (Ross, 2006). If corporations want to strengthen their brand image via sports, it is of vital importance that they pay more attention to creating teams that sports fans can identify with and for which they have positive feelings. In recent years this issue has been assumed greater importance as more and more companies have come to the realization that well-run sports teams can increase corporate image in the eyes of consumers.

It has been established that brand owners develop branding strategies to create various goals (Alamro & Rowley, 2010). These goals include familiarizing the public with a company's unique services and products (Keller, 1998). One of the most important features of effective branding is to develop an effective communications strategy (Alamro & Rowley, 2010). To better communicate with consumers, marketers often implement product sampling or event marketing strategies (Johnson, 2008). Event marketing strategies, which can be used to develop themed events and in turn help create brand loyalty (Wohlfeil & Whelan, 2006), are the most appropriate for brands that product trials are not available to consumers (Johnson, 2008).



Professional sport teams widely apply this marketing technique to attract new customers and hope for a strong fan base with loyalty. Event marketing activities however, do not directly transform into brand loyalty. Other influential factors might exist during the transition from event marketing to brand loyalty. Kelman (1958) suggested branding results in three kinds of changes on the part of consumers: compliance, identification, and internalization. The present work specifically focuses on identification. The term “identification” relates to the notion that people are inclined to identify themselves with an object whose values, preferences and characteristics are similar to their own (Jacobson, 2003). In a marketing sense, identification means that consumers express themselves by aligning with those brands that best capture their sense of identity (Kuenzel & Halliday, 2010). While the goal of event marketing is to create consumer loyalty (Wohlfeil & Whelan, 2006), brand identification could be influential in the relationship between event marketing and brand loyalty, which can be explained by the theory of social capital (Coleman, 1988). Social capital can be defined as the actual and future resource a group of individuals could acquire based on the belonging of a group (Bourdieu, 1983). While event marketing activities offer the opportunity of interpersonal relationship for individuals through shared experience by participating in events, individuals maximize their social capital and brand identification. Past research showed customer-brand identification is positively correlated with brand loyalty (Stokburger-Sauer, 2010). Event marketers could strengthen brand identification by facilitating shared experience through event marketing programs to ultimately increase consumer brand loyalty. It has been noted that brand loyalty can occur in two different forms: attitudinal loyalty and behavioral loyalty (Aaker, 1991; Chaudhuri & Holbrook, 2001). Attitudinal loyalty refers to the degree of commitment that consumers have toward any particular brand (Anisimova, 2007; Chaudhuri & Holbrook, 2001). Behavioral loyalty is defined as consumer willingness to repurchase a brand’s products based on their satisfaction deriving from their accumulated experiences with products made by the brand (Chaudhuri & Holbrook, 2001; Huber & Hermann, 2001).

Many studies regarding event marketing have been conducted. However, few studies have used sports teams as subjects to examine the relationship between event



marketing and brand loyalty. More specifically, no research was conducted in regards of examining the mediating effect of brand identification on event marketing activities and brand loyalty. The current study proposed a model and developed the relationship among event marketing, brand identification and brand loyalty. As such, the purpose of this study was to assess the mediating effect of brand identification on event marketing and loyalty in Taiwanese professional baseball. Event marketing, brand identification, and brand loyalty are discussed in detail in the following section. It is hoped the findings of the study would add the depth to the body of literature in regards of the relationship among event marketing, brand identification and brand loyalty and further provide marketing insights for event marketers in Taiwanese professional baseball. The proposed model is shown in Figure 1.

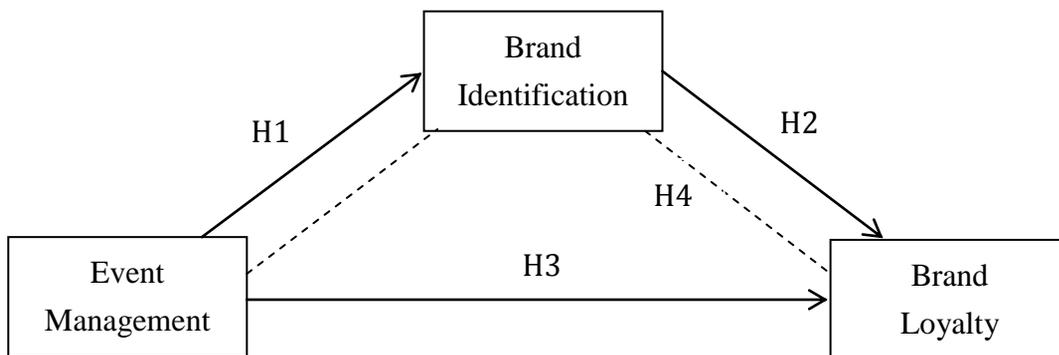
Literature Review and Hypotheses Development

Event marketing and brand identification

Kotler defined event marketing as “occurrences designed to communicate particular messages to a target audience” (2002, p. 576). Wohlfeil and Whelan (2006) argued that the central theme of event marketing is the interactive communication of brand values by developing brand-related themed events which actively involve consumers on a behavioral level and which create emotional attachment to a brand. The concept of brand identification is built on social identity theory, which has been widely used in other disciplines. Social identity theory emphasizes the importance of social group membership to a person’s self-image and social behavior (Tajfel, 1982; Tajfel & Turner, 1979, 1986). Tajfel defined social identity as “that part of an individual’s self-concept which derives from his or her knowledge of their membership in a social group or group together with the value and emotional significance attached to that membership” (1981, p. 255). Social identity theory can be used to frame consumer-brand identification concepts, where consumers identify with an organization without formally interacting with the organization (Kuenzel & Halliday, 2010). Therefore, brand identification can be defined as a personal commitment to, and emotional involvement with a brand which incorporates psychological and behavioral aspects.

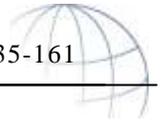


Figure 1
Conceptual Framework



Event marketing aims to harness theme events to enhance emotional bonds through shared consumer experiences by providing brand experiences, entertainment, and education which consumers perceive as fun, exciting, challenging, self-fulfilling, and contributing to their enjoyment and quality of life (Wohlfeil & Whelan, 2006). By communicating brand value using ‘real-lived’ experiences, event marketing requires active participation in leisure and entertainment and experiential brand communications to draw consumer attention. Therefore, consumers can create brand identification by participating in brand-related theme events where consumers identify event subjects which imply brand value.

Marketing events can be designed to create extraordinary experiences for consumers which are congruent with their life experiences. By engaging in brand-related events, consumers establish positive attitudes and preferences toward brands. Consumers use brands to satisfy their needs and build connections between their self-image and a brand image. Because psychological benefits are associated with brands, consumers can construct and define their self-image and present themselves to others in various social contexts (Escalas & Bettman, 2003). Sports teams can also use event marketing strategies to improve consumer brand identification associated with that team. These effects may extend to team parent



companies.

Hypothesis 1: Event marketing has a positive relationship with brand identification.

Brand identification and brand loyalty

The literature has acknowledged the importance of brand loyalty for decades. For example, Aaker (1991) proposed that brand loyalty results in certain marketing advantages such as reduced marketing costs, more new customers, and greater trade leverage. Anisimova (2007) suggested other brand loyalty related advantages, such as lower consumer price sensitivity, decreased cost of serving loyal consumers, and favorable word of mouth. Brand attitudinal loyalty aims to capture the affective and cognitive components of brand loyalty (Anisimova, 2007; Kumar & Shah, 2004). Attitudinal loyalty reflects a more long-term consumer commitment to a unique value associated with a brand and encourages favorable word of mouth (Anisimova, 2007; Chaudhuri & Holbrook, 2001). Brand behavioral loyalty is usually defined as repeat brand purchases (Chaudhuri & Holbrook, 2001; Huber & Hermann, 2001). Consumer value theory (Schwartz & Sagiv, 1995) suggests that “values are trans-situational goals that serve the interest of individuals or groups and that act as guiding principles in consumers’ lives” (Hansen, 2008, p. 129). The reason an individual identifies with a brand is because he/she identifies with the attributes associated with the brand. When brand-related attributes have functional or emotional value which conform to consumer acquisition values, consumers have positive attitudes toward brands and are more likely to purchase brand products because the brand values satisfy their expectations. Therefore, brand identification leads to consumer brand attitude loyalty.

Social values may have a strong influence on consumer behavior (Hansen, 2008). Hansen (2008, p. 129) defines “social values as desired behavior... for a society or group.” When consumers feel that a brand satisfies their acquisition values, social values may trigger behavioral loyalty because consumer acquisition values correspond with social values. For example, customers may initiate loyal behavior, such as repeat brand purchase, when most of their jogging club members wear the same brand of running shoes. In sum, attitudinal loyalty reflects how much people



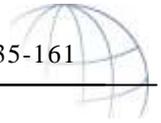
express that they like a brand, recommend a brand, are committed to a brand, and have positive beliefs toward it relative to competitor brands (Uncles, Dowling, & Hammond, 2003). The intensity of these attitudes is a predictor of behavioral loyalty, such as a brand purchase, repeat patronage, and willingness to recommend a brand. Consumers are cognitively loyal to a brand when they prefer a brand because it offers more benefits than competing brands (Oliver, 1999). When consumers wish to own a brand to satisfy their expectations and values, they experience an affective sense of loyalty. In this phase, people prefer a brand and later intend or commit to pursuing their preferred brand. Intention and motivation lead to a desire to overcome obstacles to purchase and patronize a brand. Thus, behavioral loyalty is created.

Hypothesis 2: Brand identification has a positive relationship with brand loyalty.

Event marketing and brand loyalty

Event marketing techniques have been widely applied as one of the effective marketing strategies. Some common event marketing activities include themed events and charity fundraising (Wood, 2009). The core of event marketing activities is the interaction between consumers and the brand. The goal of a successful event marketing activities is to communicate the brand value with consumers and in turn create consumer brand loyalty (Wohlfeil & Whelan, 2006). Behavioral learning theory (Skinner, 1938) posits that rewarded behavior is more likely to persist. While event marketers offer the opportunities for customers to share experiences related to the brand by participating in the activities with others, such activities can serve as such a reward, thereby enhancing subsequent purchasing behavior and brand loyalty (Rothschild & Gaidis, 1981). On the other hand, Rothschild (1987) suggested that promotional activities might provide negative feedback if the behavior being reinforced is the focus on the activity itself, rather than on the brand. As a result, the brand itself without event marketing activities would not be a powerful reward to encourage brand loyalty which reflects in subsequent brand purchasing (Blattberg & Neslin, 1990).

Hypothesis 3: Event marketing has a positive relationship with brand loyalty.



Mediating effect of brand identification on the relationship between event marketing and brand loyalty

The Psychological Continuum Model (Funk & James, 2001), based on the psychological association of an individual with a sport team, includes the four stages of awareness, attraction, attachment, and allegiance. An individual moves from the lowest end, (awareness stage), to the highest end (allegiance stage), as his/her psychological association to a sport team increases.

Funk and James (2001) suggested that when an individual is at the attraction stage, he not only acknowledges the existence of a sport team, but also has the willingness to compare the team to others. Sport consumers are more motivated by hedonic factors when they are at the attraction stage, which includes entertainment, excitement, and escape. From a sport consumer perspective, a model of fan identification also pointed out that sport fans with low identification are more attracted by the entertainment value of the game including the promotional activities hosted by the team (Milne & McDonald, 1999). Professional sport franchises constantly hold massive event marketing activities. As suggested by the Psychological Continuum Model and the model of fan identification (Funk & James, 2001; Milne & McDonald, 1999), the psychological association increases when the frequency of contacts between the consumers and the sport team increases. Moreover, Kolbe and James (2003) suggested the internalization process of a sport consumer is consisted of three stages, initial stage, identification stage and optimal internalization stage. The consumption behaviors of individuals at the initial stage tend to be motivated by outside or hedonic factors (e.g. event marketing activities). Brand identification toward a sport object has not developed until they constantly engage with the sport object (brand). When some brand attributes, such as brand values, meet the basic psychological needs of individuals at identification stage, they move to optimal internalization stage and become loyal fans. As such, it is reasonable to believe brand identification could serve as a mediator in the relationship between event marketing and brand loyalty.

Hypothesis 4: Brand identification has a mediating effect on the relationship between event marketing and brand loyalty.



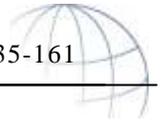
Methods

Survey method and Data collection

Although event marketing has been widely used as a mean to increase brand loyalty in the professional sport industry, little research has focused on the transition between the participation of event marketing activities and the increase of brand loyalty. The current study was the first attempt to examine the role of brand identification in the relationship between event marketing and brand loyalty, which intended to assess the mediating effect of brand identification on event marketing and loyalty in Taiwanese professional baseball. A questionnaire was employed to verify the hypotheses and research framework. Prior to data collection, a content validity test was performed to determine whether the initial survey questionnaire was valid. The content validity assessment was conducted by six experts and scholars. The panel was encouraged to provide suggestion and comments to enhance the corrections of sentences, the wording of questions, and clarity of instructions. Subsequently, 10 students in a large public university in New Taipei City were asked to fill out the questionnaire and to identify the ambiguities in terms, meanings and issues. The 10 students have been enthusiastic fans in professional sports for an average of more than four years. The results of the content validity were used to update the survey questionnaire, while a sample of data was collected to test the remaining of factor domains. Data was collected from a professional baseball game in the northern region of Taiwan. To obtain responses from professional sport consumers at the ball game, 300 questionnaires were randomly distributed to the stadium. In order to heighten the valid survey response rate, six research team members explained the objectives of the study and the questionnaire contents to the respondents prior to filling out the questionnaire. A total of 262 Questionnaires were collected before and during the games, with a response rate of 87%.

Instrumentation

A set of six-point Likert scales ranging from 1 (strongly disagree) to 6 (strongly agree) questionnaire items measuring event marketing, brand identification, and brand loyalty, was developed for current study. Respondents were required to



identify a Taiwanese professional sport brand as the most impressive for them. Each respondent was asked to regard this brand as the focal brand to complete the questionnaire. The following sections comprise the items and variable constructs.

Event Marketing

Event marketing is aimed at developing consumers' emotional bonds with the brand by designing theme events to strength shared consumer experiences through providing brand experiences, entertainment, and education which consumers perceive as fun, exciting, challenging, self-fulfilling, and contributing to their enjoyment and quality of life (Wohlfeil & Whelan, 2006). Two commonly seen event marketing strategies are theme events and philanthropy. The aim of theme event marketing strategies is to connect the brand with popular issues or interests to improve the connection between the brand and consumers (Wohlfeil & Whelan, 2006). For example, Brother Elephants, one of the most popular sports teams in Taiwan, developed summer baseball camps to create awareness of children's baseball, persuade and motivate children to participate, and increase opportunities for children to involve physical activity. The summer baseball camps offered strong baseball theme as the team's experiential framework to facilitate the children and their families' attachment to the team's brand. In addition, charity fundraising is a very popular form of events in sport industry. Wood (2009) mentioned charity fundraising as another type of events. For example, a professional baseball team donates equipment to local little league baseball teams. Engaging in charity events not only give positive image to the brand, but also have positive psychological effect (e.g. happiness) on its consumers (Dunn, Akinin, & Norton, 2008). Milne and McDonald (1999) also pointed out that through philanthropic efforts within a community, a team could reinforce its position and reflects positively on the team as well as the fans. Six items measuring two constructs, theme event and charity fundraising of event marketing were developed based on the work of Wohlfeil and Whelan (2006), and Wood (2009). Examples of constructs items included "This team often promotes sport-related events", and "The team often sponsors funds or products to charity groups".

Brand Identification

The brand identification scale, adopted and modified from the works of

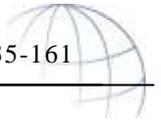


O'Reilly and Chatman (1986), Vandenberg, Self and Seo (1994) and Bosch, Venter, Han and Boshoff (2006), consisted of six items measuring two constructs, success sensitivity and active presentation. Success sensitivity was considered as that people believe a brand's fate is their personal fate. Construct items measured the extent an individual cared about the team success (e.g., "I really care about the success and fate of this team.") Active presentation was defined as people consider themselves to be part of a brand and indicate themselves as brand loyalists. Items regarding brand identification measured the extent an individual identified with the team (e.g., "I feel that I am a part of this team.")

Brand Loyalty

The brand loyalty scale consists of two subscales, attitudinal loyalty scale and behavioral loyalty scale. The six-item attitudinal scale was developed based on the work of Crosby, Evans, and Cowles (1990) to measure two attitudinal loyalty constructs, trust and commitment. Trust is defined as that customers believe they can receive an expectancy of positive outcomes based on the expected action of the trusted brand. According to Vuuren, Roberts-Lombard and Tonder (2012), commitment is viewed as that a specific brand is irreplaceable because customers believe competitive brands cannot offer the same value. Examples of trust and commitment constructs items included "I trust the team" and "I prefer the team very much", respectively.

Most studies regarding customer loyalty integrate multi-dimensional concepts into a single construct comprising "repurchase intention", "recommendation intention", or "price tolerance" (Cheng, 2011). The current study applied the conceptual works of behavioral loyalty from Zeithaml, Berry, and Parasuraman (1996), Zins (2001), Jones and Farquhar (2003), and Cheng (2011) to modify and revise the nine items for behavioral loyalty scale measuring three constructs: (1) customer repurchase intention (2) recommendation intention, and (3) price tolerance. Customer repurchase intention is future intended repurchase behavior of a specific brand. An example of the customer repurchase intention item included "I'd like to purchase team merchandise". Recommendation intention is defined as positive word-of-mouth of a specific brand. Price tolerance is considered as consumer refusal to change purchasing behaviors of a specific brand prior to the price of the brand is



increased (Herrmann, Huber, Sivakumar, & Wricke, 2004). Item examples for these two constructs were “I will recommend the team to my family and friends” and “Although there are promotional activities of other teams, I will still choose the team”. Scale items used in current study are shown in Appendix 1.

Sample

The sample was drawn from a professional baseball game in northern Taiwan. Out of the 262 collected questionnaires, 240 were valid and 22 were invalid with missing or incomplete answers. Out of the 240 survey participants, 132 (55%) were male and 108 (45%) were female. More than half of the participants (57%) were between 18 and 34 years old, 41% were between the ages of 35 to 54. Only 2% were 55 and above. In terms of educational background of the participants, 17% of them had a high school diploma, 83% with a college (70%) or a graduate degree (13%). In a SEM study, the median sample size is 200 cases if the model is not complex (Kline, 2005). As such, sample size of 240 in current study was deemed appropriate.

Data analyses

The reliability and validity analyses were conducted after data was collected. Descriptive statistics was computed to establish the sample profile. Structural equation modeling (SEM) was used to examine the mediating and moderating effects of the measurement models (Anderson & Gerbing, 1988). The collected data was statistically treated using the Statistical Package for Social Science (SPSS 14.0) and LISREL VII.

Table 1

Scale Items for Event Marketing, Brand Identification, and Brand Loyalty

Variables	Items
<i>Constructs</i>	
Event Marketing	
<i>Theme Event</i>	<ol style="list-style-type: none"> 1. This team often promotes sport-related events. 2. The team often promotes social initiatives with charity groups.



Table 1

Scale Items for Event Marketing, Brand Identification, and Brand Loyalty

Variables	Items
<i>Constructs</i>	
Event Marketing	
<i>Charity</i>	4. The team often sponsors funds or products to charity groups.
<i>Fundraising</i>	5. The team often sponsors funds or products to at-risk groups.
	6. The team organizes fundraising activities for charity groups on certain occasions.
Brand Identification	
<i>Success Sensitivity</i>	1. The team success is my success.
	2. I really care about the success and fate of this team.
	3. I am willing to put in a great deal of effort beyond that expected in order to help this team be successful.
<i>Active Presentation</i>	4. This is the best of all possible teams for me to choose.
	5. I feel a sense of “ownership” for this team rather than being just a customer.
	6. I feel that I am a part of this team.
Brand Loyalty	
<i>Attitudinal Loyalty</i>	1. I trust the team.
	2. I am very sure that every time the team does its best.
	3. When the team gives some commitments, I’m sure that they can fulfill the commitments.
	4. I prefer the team very much.
	5. I’d like to go to their game again.
	6. Although I can choose other teams, I still prefer the team.
<i>Behavioral Loyalty</i>	7. I’d like to purchase team merchandise.
	8. If I am to watch a game, I will choose the team at first.
	9. I will go to watch the games played by the team.

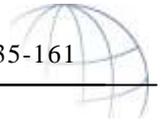


Table 1

Scale Items for Event Marketing, Brand Identification, and Brand Loyalty

Variables	Items
<i>Constructs</i>	
	10. I will recommend the team to my family and friends.
	11. If someone asks for my advice, I will recommend the team.
	12. I will recommend the games played by the team to my family and friends.
	13. Although there are promotional activities of other teams, I will still choose the team.
	14. Although the ticket price of the team is more expensive, I will still choose the team.
	15. Even the price of the team merchandise is higher than before, I will still purchase them.

Results

Reliability analysis and validity analysis

The reliability analysis was conducted through using Cronbach's α coefficient to measure the internal consistency of the constructs. Scholars have suggested that a value at least .70 of Cronbach's α is sufficient (Nunnally & Bernstein, 1994). In current study, Cronbach's α coefficient of all dimensions are larger than .70, and range from .87 to .98. Furthermore, the reliability for all items of a construct was assessed by computing the composite reliability (CR). Fornell and Larcker (1981) recommended that the values exceeding .70 of composite reliability is considered to represent acceptable level of reliability. The CR values of all dimensions in this study ranged from .86 to .95, indicating good composite reliability of the constructs.

In addition, the average variance extracted (AVE) was computed to confirm the discriminate validity (Fornell & Larcker, 1981). If AVE is larger than 0.5, it exhibits that this questionnaire possesses the high convergent validity (Batra & Sinha, 2000). The results showed that all AVE values were greater than .50 which supported the

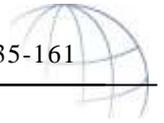


convergent validity of the hypothesized model (Fornell & Larcker, 1981). To demonstrate discriminant validity, the AVE score for each construct should be greater than the squared correlation between the construct and any other construct (Fornell & Larcker, 1981). The results indicated that the squared correlations across all possible pairs of constructs were below the respective AVE scores. The results supported the discriminant validity of the constructs in the hypothesized model. A confirmatory factor analysis (CFA) model was employed to test the convergent validity of the variables. The result showed all loading factors are larger than 0.4 which demonstrated good construct validity (Fornell & Larcker, 1981).

Measurement model

Kelloway (1998) suggested using several indices to verify the sub-scale structure of the instrument. Fit indices employed in current study included the chi-square statistics (χ^2), root mean square error of approximation (RMSEA), comparative fit index (CFI), non-normed fit index (NNFI), and standardized root mean square residual (SRMR). These fit indices were employed to examine the validity of the model and fit indices of the proposed measurement model. Browne and Cudeck (1993) suggested that an RMSEA value of .08 or less would indicate acceptable model fit. Hu and Bentler (1999) recommended that CFI values $\geq .95$ as a cut-off value for a good fit. The NNFI value of 1 indicates perfect fit, yet Hu and Bentler (1999) proposed a cut-off value of .95 or greater for a good fit. In terms of SRMR fit index, a value of 0 indicates perfect fit, with a cut-off value of $\leq .08$ indicating a good fit (Hu & Bentler, 1999). In addition, due to χ^2 statistics' sensitivity to sample size, the normed chi-square (χ^2 / df) was recommended as a measure of model fit (Kline, 2005). Bollen (1989) proposed that values of normed chi-square (NC) of 2.0 has been considered as an indicator of reasonable fit.

Confirmatory factor analyses were performed on three subscales, event marketing, brand identification and brand loyalty. In order to have a better variable to sample size ratio, an item parceling technique was used (Bandalos & Finney, 2001). The CFA results showed the proposed measurement model for event marketing had a moderate fit with the data ($\chi^2 = 19.58$, $df = 8$, $p < .05$, $\chi^2 / df = 2.45$, RMSEA = .078, CFI = .99, NNFI = .98, SRMR = .025). The proposed measurement models for brand



identification and brand loyalty has a good fit with the data ($\chi^2 = 14.18$, $df = 8$, $p > .05$, $\chi^2 / df = 1.77$, RMSEA = .057, CFI = .98, NNFI = .97, SRMR = .018; $\chi^2 = 137.50$, $df = 80$, $p < .05$, $\chi^2 / df = 1.71$, RMSEA = .055, CFI = .99, NNFI = .98, SRMR = .033, respectively). The reliability and validity test results are shown in Table 2. The CFA results also indicates the hypothesized model fits well with the data ($\chi^2 = 13.55$, $df = 6$, $p > .05$, $\chi^2 / df = 2.26$, RMSEA = .073, CFI = .99, NNFI = .98, SRMR = .011). Scores of factor loadings ranged from .82 to .95 ($t = 17.15$ to 22.05 , $ps < .05$) were all significant. Correlations between latent variables were also significant.

Discriminant validity was sustained for the proposed model with item parceling and 3-factor model as the best solution. Standardized covariances among latent variables ranged from .70 to .88 and the escalated covariance scores did not exceed 1.00 after adding an amount of two standard errors. Models with which individual covariance was constrained to 1.00 was compared with the model with free-estimated covariance. Significant increases of Chi-Square scores ($\Delta\chi^2 = 73.18$, 68.19 , & 55.34 , $\Delta df = 1$, $ps < .05$) were found for all covariance constrained models which indicates measurement scales were conceptually different from each other.

Table 2

Reliability and validity analyses of variables

	CR	AVE	χ^2	df	χ^2 / df	RMSEA	CFI	NNFI	SRMR
EM	.86	.76	19.58	8	2.45	.078	.99	.98	.025
BID	.94	.89	14.18	8	1.77	.057	.98	.97	.018
BL	.91	.84	137.50	80	1.71	.055	.99	.98	.033

Note. EM: Event Marketing, BID: Brand Identification, BL: Brand Loyalty

The structural model

Structural equation modeling analyses were performed to examine the mediating effects on brand identification among event marketing, brand identification, and brand loyalty. Competing modeling technique was employed to compare the complete mediation model and partial mediation model. The result indicates the partial mediation model is significantly better than complete mediation



model ($\Delta\chi^2 = 4.22$, $\Delta df = 1$, $p < .05$). The goodness of fits test results suggested a very good fit of the structural model to the data ($\chi^2 = 12.15$, $df = 6$, $p > .05$, $\chi^2 / df = 2.03$, RMSEA = .066, CFI = .99, NNFI = .99, SRMR = .012). Overall, the model explained 78% of the variance of brand loyalty. Both event marketing and brand identification have significant effects on brand loyalty ($t = 3.31$; $t = 10.33$, $p < .05$, respectively) indicating a direct relationship between these two factors and brand loyalty. Brand loyalty was directly influenced primarily by brand identification followed by event marketing ($\beta = .71$; $\beta = .23$, respectively). In addition, a significant indirect effect of event marketing was found on brand loyalty going through brand identification ($\beta = .50$, $t = 8.71$, $p < .05$). It is concluded brand identification partially mediated the relationship between event marketing and brand loyalty. The result is shown in Table 3.

Table 3

Direct and indirect effects of the hypothesized model

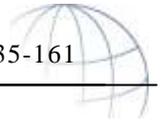
	β	t	Standardized	
			Total effect	t
Direct Effect				
H1: EM→BID	.70	10.33*	.70	10.33*
H2: BID→BL	.71	11.14*	.71	11.14*
H3: EM→ BL	.23	3.31*	.72	10.15*
Indirect Effect				
H4: EM→BID→ BL	.50	8.71*	--	--

Note. EM: Event Marketing, BID: Brand Identification, BL: Brand Loyalty

Conclusion and Implication

Conclusion

This study aimed to assess the mediating effects of brand identification on the relationship between event marketing and brand loyalty in Taiwanese professional baseball. Positive relationships were found between event marketing and brand identification, brand identification and brand loyalty, as well as event marketing and



brand loyalty. The finding indicated event marketing has both direct and indirect effect on brand loyalty. The relationship among these three variables was also found positive. In terms of the mediating effect, brand identification partially mediated the relationship between event marketing and brand loyalty. Based on the research finding, brand identification was more influential than event marketing to brand loyalty. This finding is consistent with past research stating sport consumers with low or no brand identification, comparing to those with brand loyalty, are more likely to be motivated by hedonic factors (Funk & James, 2001; Kolbe & James, 2003; Milne & McDonald, 1999). Loyal consumers on the other hand, are more influenced by psychological factors (e.g. values and attitudes) (Funk & James, 2001). Thus, event marketing was less influential to brand loyalty than brand management.

The current study provides empirical evidence for a brand loyalty operating mechanism. As suggested by behavioral learning theory (Skinner, 1938), event marketing activities could serve as an effective starting point for consumers to develop brand identification. More specifically, given the ultimately goal for event marketing is to increase brand loyalty, the first step for event marketers should focus on how to attract consumers and induce their identification with the brand. After consumers have developed identification to the brand, various means, such as emphasis on brand history and brand personality, can be applied to further develop brand loyalty (Milne & McDonald, 1999).

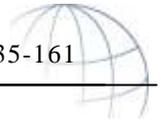
Implications

In the current competitive marketing environment, sports teams' managers must consider their competitors in a broader perspective. A wide array of options competes for sport consumers' attention, such as other types of sports, sport-themed restaurants and movies, interactive websites, and TV programs. Sport marketers should consider an effective and efficient strategy to establish a unique position within consumers' mind leading to long-term consumer loyalty. In a professional sport context, the connection between corporations and their teams provides considerable opportunities to redefine corporation brands and core brand meanings (Alexander, 2009). Thus, the findings of current study suggested that corporations could invest in event marketing for consumers to be more identified with the brand and ultimately increase their



brand loyalty. Event marketing involves using various activities (e.g., promotional events, charity fundraisers, and incentive events) to communicate with attendees and add value to their experiences. Events are opportunities to engage consumers with a corporation brand (Sneath, Finny, & Close, 2005). More importantly, event marketing activities create shared experience for consumers to form a brand community and further develop their brand identification (Stokburger-Sauer, 2010). Loyal consumers are those with high level of brand identification. Loyalty towards a brand significantly affects the chances of intention being translated into actual purchases (Anisimova, 2007; Teng, Laroche, & Zhu, 2007). Researchers have suggested the level of identification towards a team can be increased by frequent participation of team-related activities (Funk & James, 2001; Kolbe & James, 2003). To effectively increase consumer brand loyalty, event marketers should focus more on consumers with lower levels of brand identification than those with higher levels. In other words, events should be created for those who are not highly identified with the brand to enhance their loyalty towards the brand.

One successful example would be the recruitment of the former MLB star play Manny Ramirez to E-Da Rhinos. Ramirez is a well-known baseball player among the die-hard fans in Taiwan. E-Da Rhinos offered him a one-year contract with the highest salary in Taiwanese professional baseball history in the season of 2013. For those who were not so familiar with Ramirez, a series of events related to his Taiwanese professional baseball debut were hosted which really raised a burst of upsurge in Taiwan given he was the first major league star player in Taiwan. This event marketing strategy enabled E-Da Rhinos to successfully attract more audience and reach the rate of attendance growth at 328% in 2013. It is concluded that in order to communicate with consumers and deliver brand values, event marketers should target consumers with lower levels of brand identification and encourage them to involve in brand-related events. In a professional baseball context, consumers with a low levels of identification are more motivated by hedonic factors (e.g., family and social interaction), while highly identified fans are more likely to be motivated by psychological factors (e.g., team affiliation and empathy) (Milne & McDonald, 1999). Family days or community-related events could be an effective way to attract consumers with lower levels of identification, and therefore, increase their loyalty to



the brand.

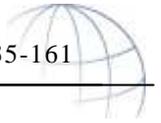
Limitations and Future Research

The issues of brand have been discussed in various researches related topics of sport fans' behavior such as brand equity (Ross, 2006), brand cohesiveness (Gwinner & Bennett, 2008), brand extensions (Walsh, Chien, & Ross, 2012). However, the current study made the first attempt to discuss event marketing as a brand strategy and established a conceptual framework for sports teams' brand strategy, brand identification, and brand loyalty in Taiwan. Consequently, the results of the study verified the predicted mediating relationship among these variables to highlight their corresponding relationship attributes.

As with other studies, some limitations in current study should be noted. While the results of the study indicated that sports franchises in this specific culture may consider event marketing as an effective brand strategy in an attempt to positively influence fans' brand loyalty, this study was conducted with only one particular league. As such, the results may not be generalized to other sport contexts. Due to the complexities of consumer behavior, it is recommended that future research should be undertaken with more diverse samples comprised of populations of sport consumers. People often invest resources in participating in sports (e.g., time and money) which require a significant level of physical involvement. For example, to regularly engage in golf sport, participants must invest in golf equipment (e.g., clubs, trolleys, apparel, and shoes) and dedicate time and energy to practicing and playing. Participating in a sport requires more personal involvement than spectator sports. People who are more personally involved are more motivated to devote cognitive efforts to evaluating product merits (Petty, Cacioppo, & Schumann, 1983), thus their transition from attitude to behavior is less likely. Future research should replicate this study with participation sports events to examine whether corporations should use different brand operation strategies for participation and spectator events. The process of transitions from attitudinal to behavioral loyalty should also be examined. The current study did not take controlled variables into consideration within the structural model. Controlled variables (e.g., brand personality, brand image) should be included in future research to avoid parameter overestimates. A common method variance



(CMV) assessment was not conducted in this study which might bias the estimates of the true relationship among the variables. As such, statistical techniques for controlling CMV should be included in future studies.

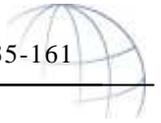


References

- Aaker, D. A. (1991). *Managing brand equity: Capitalizing on the value of a brand name*. New York, NY: The Free Press.
- Alamro, A., & Rowley, J. (2010). Brand strategies of Jordanian telecommunications service providers. *Brand Management, 18* (4/5), 329-348.
- Alexander, N. (2009). Defining brand values through sponsorship. *International journal of retail & distribution management, 37*(4), 346-357.
- Anderson, J. C., & Gerbing, D. W. (1988). Structural equation modeling in practice: a review and recommended two-step approach. *Psychological Bulletin, 103*, 411-423.
- Anisimova, T. A. (2007). The effects of corporate brand attributes on attitudinal and behavioural consumer loyalty. *Journal of Consumer Marketing, 24*(7), 395-405.
- Bandalos, D. L., & Finney, S. J. (2001). Item parceling issues in structural equation modeling. *New developments and techniques in structural equation modeling, 269-296*.
- Batra, R., & Sinha, I. (2000). Consumer-level factors moderating the success of private label brands. *Journal of Retailing, 76*(2), 175-191.
- Blattberg, R. C., & Neslin, S. A. (1990). *Sales Promotion. concepts, methods, and strategies*. Englewood Cliffs, NJ: Prentice Hall.
- Bollen, K. A. (1989). *Structural equations with latent variables*. New York: Wiley.
- Bosch, J., Venter, E., Han, Y., & Boshoff, C. (2006). The impact of brand identity on the perceived brand image of a merged higher education institution: Part two. *Management Dynamics, 15*, 36-54.
- Bourdieu, P. (1983). Forms of capital. In G. Richardson (Ed.), *Handbook of theory and research for the sociology of education* (pp. 241-260). New York: Greenwood Press.
- Browne, M. W., & Cudeck, R. (1993). Alternative ways of assessing model fit. In K. A. Bollen & J. S. Long (Eds.), *Testing structural equation models* (pp. 136-162). Newbury Park, CA: Sage.



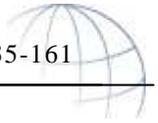
- Chaudhuri, A. & Holbrook, M. B. (2001). The chain of effects from brand trust and brand affect to brand performance: the role of brand loyalty. *Journal of Marketing*, 65(2), 81-93.
- Cheng, S. I. (2011). Comparisons of competing models between attitudinal loyalty and behavioral loyalty. *International Journal of Business and Social Science*, 2, 10, 149-166.
- Coleman, J. S. (1988). Social capital in the creation of human capital. *American Journal of Sociology*, 94, 95–120.
- Crosby, L. A., Evans, K. R. & Cowles, D. (1990). Relationship quality in services selling: an interpersonal influence perspective. *Journal of Marketing*, 54, 68-81.
- Dunn, E. W., Aknin, L. B., & Norton, M. I. (2008). Spending money on others promotes happiness. *Science*, 319, 1687-1688.
- Escalas, J. E., & Bettman, J. R. (2003). You are what they eat: the influence of reference groups on consumers' connections to brands. *Journal of Consumer Psychology*, 13(3), 339-348.
- Fornell, C., & Larcker, D.F. (1981). Evaluating structural equation models with unobservable variables and measurement error. *Journal of Marketing Research*, 18(1), 39-50.
- Funk, D. C., & James, J. (2001). The psychological continuum model: A conceptual framework for understanding an individual's psychological connection to sport. *Sport Management Review*, 4(2), 119-150.
- Gwinner, K. & Bennett, G. (2008). The impact of brand cohesiveness and sport identification on brand fit in a sponsorship context. *Journal of Sport Management*, 22, 410-426.
- Hansen, T. (2008). Consumer values, the theory of planned behaviour and online grocery shopping. *International Journal of Consumer studies*, 32(2), 128-137.
- Herrmann, A., Huber, F., Sivakumar, K. & Wricke, M. (2004). An empirical analysis of the determinants of price tolerance. *psychology and Marketing*, 21(7), 533-551.



- Hu, L. T., & Bentler, P. M. (1999). Cutoff criteria for fit indices in covariance structure analysis: Conventional criteria versus new alternatives. *Structural Equation Modeling*, 6(1), 1-55.
- Huber, F. & Hermann, A. (2001). Achieving brand and dealer loyalty: The case of the automotive industry. *The International Review of Retail, Distribution and Consumer Research*, 11(2), 97-122.
- Jacobson, B. (2003). The social psychology of the creation of a sports fan identity: A theoretical review of the literature. *Athletic Insight*, 5(2), 1-12.
- Johnson, C. (2008). Decision '08: Event marketing or product sampling? *Journal of Consumer Marketing*, 25(5), 269-271.
- Jones, H. & Farquhar, J. D. (2003). Contact management and customer loyalty. *Journal of Financial Services Marketing*, 8(1), 71-78.
- Kaynak, E., Salman, G. G., & Tatoglu, E. (2008). An integrative framework linking brand associations and brand loyalty in professional sport. *Journal of Brand Management*, 15(5), 336-357.
- Keller, K. L. (1998). *Strategic brand management building, measuring and managing brand equity* (1st ed.). Prentice Hall, New Jersey.
- Kelloway, E. K. (1998). *Using LISREL for structural equation modeling: A researcher's guide*. Thousand Oaks, CA: Sage.
- Kelman, H. C. (1958). Compliance, identification, and internalization three processes of attitude change. *Conflict Resolution*, 2(1), 51-54.
- Kline, R. B. (2005). *Principles and practice of structural equation modeling* (2nd ed.). The Guilford Press, New York.
- Kolbe, R. H., & James, J. D. (2003). The internalization process among team followers: Implications for team loyalty. *International Journal of Sport Management*, 4(1), 25-43.
- Kotler, P. (2002). *Marketing management*, (11th ed.). London: Person Education.
- Kuenzel, S., & Halliday, S. V. (2010). The chain of effects from reputation and brand personality congruence to brand loyalty: The role of brand identification. *Journal of Targeting, Measurement and Analysis for Marketing*, 18(3), 167-176.



- Kumar, V. & Shah, D. (2004). Building and sustaining profitable customer loyalty for 21st century. *Journal of Retailing*, 80, 317-330.
- Milne, G. R., & McDonald, M. A. (1999). Motivations of the sport consumer. In *Sports marketing: Managing the exchange process* (pp. 22-26). Sudbury, MA: Jones and Bartlett Publishers.
- Nunnally, J. C., & Bernstein, I. H. (1994). *Psychometric theory* (3rd Ed.). New York: McGraw-Hill.
- Oliver, R. L. (1999). Whence consumer loyalty? *Journal of Marketing*, 63, 33-44.
- O'Reilly III, C. & Chatman, J. (1986). Organizational commitment and psychological attachment: the effect of compliance, identification, and internalization on prosocial behavior. *Journal of Applied Psychology*, 71(3), 492-499.
- Petty, R. E., Cacioppo, J. T., & Schumann, D. (1983). Central and peripheral routes to advertising effectiveness: the moderating role of involvement. *Journal of Consumer Research*, 10(2), 135-146.
- Ross, S. D. (2006). A conceptual framework for understanding spectator-based brand equity. *Journal of Sport Management*, 20(1), 22-38.
- Rothschild, M. L. (1987). A behavioral view of promotions effects on brand loyalty. In *Advances in Consumer Research*, XIV, (pp. 110-120). M. Wallendorf and P. Anderson (Eds.), Provo, UT: Association for Consumer Research.
- Rothschild, M. L., & Gaidis, W. C. (1981). Behavioral Learning Theory: Its relevance to marketing and promotions. *Journal of Marketing*, 45(2), 70-78.
- Schwartz, S. H. & Sagiv, L. (1995). Identifying culture-specifics in the content and structure of values. *Journal of Cross-Cultural Psychology*, 26(1), 92-116.
- Skinner, B. F. (1938). *The behavior of organisms: An experimental analysis*. New York: Appleton-Century Crofts.
- Sneath, J. Z., Finny, R. Z., & Close, A. G. (2005). An IMC approach to event marketing: the effects of sponsorship and experience on consumer attitudes. *Journal of Advertising Research*, 45(4), 373-381.
- Stokburger-Sauer, N. (2010). Brand community: Drivers and outcomes. *Psychology & Marketing*, 27(4), 347-368.



- Tajfel H. (1981). *Social identity and intergroup relations*. London: Cambridge University Press, UK.
- Tajfel, H. (1982). Social psychology of intergroup relations. *Annual Review of Psychology*, 33(1), 1-39.
- Tajfel, H., & Turner, J. C. (1979). An integrative theory of intergroup conflict. In W. Austin & S. Worchel (Eds.), *The social psychology of intergroup relations* (pp. 33-48). Pacific Grove, CA: Brooks/Cole.
- Tajfel, H., & Turner, J. C. (1986). The social identity theory of intergroup behavior. In S. Worchel & W. Austin (Eds.), *Psychology of intergroup relations* (2nd ed., pp. 7-24). Chicago: Nelson-Hall.
- Teng, L. L., Laroche, M., & Zhu, H. (2007). The effects of multiple-ads and multiple-brands on consumer attitude and purchase behavior. *Journal of Consumer Marketing*, 24(1), 27-35.
- Uncles, M. D., Dowling, G. R. & Hammond, K. (2003). Customer loyalty and customer loyalty programs. *Journal of Consumer Marketing*, 20(4), 294-316.
- Vandenberg, R. J., Self, R. M., & Seo, J. H. (1994). A critical examination of the internalization, identification and compliance commitment measures. *Journal of Management*, 20(1), 123- 140.
- Vuuren, T. V., Roberts-Lombard, M., & Tonder, E. V. (2012). Customer satisfaction, trust and commitment as predictors of customer loyalty within an optometric practice environment. *Southern African Business Review*, 16(3), 81-96.
- Walsh, P., Chien, C., & Ross, S. (2012). Sport teams as brand extensions: a case of Taiwanese baseball. *Sport Marketing Quarterly*, 21, 138-146.
- Wohlfeil, M., & Whelan, S. (2006). Consumer motivations to participate in marketing –events: The role of predispositional involvement. *European Advances in Consumer Research*, 7, 125-132.
- Wood, E. H. (2009). Evaluating event marketing: Experience or outcome. *Journal of Promotion Management*, 15(1), 247-268.
- Zeithaml, V.A., Berry, L.L., & Parasuraman, A. (1996). The behavioral consequences of service quality. *Journal of Marketing*, 60(4), 31-46.
- Zins, A. H. (2001). Relative attitudes and commitment in customer loyalty models. *International Journal of Service Industry Management*, 12, 3, 269-294.

