Concerning the Effect of Athlete Endorsements on Brand and Team-Related Intentions

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Abstract

The researchers utilize social identity theory to investigate the effect that athlete endorsers have on both brand and team-related attitudes and intentions. As fans identify more strongly with an athlete, the more they intend to purchase the endorsed products. Additionally, a fan's level of identification with an athlete is positively transferred to their attitude toward the team. The influence of athlete ID on team abandonment was fully mediated through attitude toward the team. However, fans who identified less with the athlete endorser were more likely to abandon the team's market offerings than those fans who identified more with the athlete endorser.

Athletes endorse products more often than any other celebrity category (i.e., musicians, actors, comedians, etc.). While 20 percent of all ads feature a celebrity, approximately 60 percent of celebrity endorsed advertisements feature an athlete, thus demonstrating the dominance of athletes as endorsers (Dyson & Turco, 1998). Furthermore, nearly 10 percent of advertising costs is spent on fees to these endorsers. Companies are willing to invest millions of dollars to associate their brand names with easily recognizable athletes. For example, more than $12 billion is spent on multi-year athlete endorsements by corporations with more than $1.6 billion committed by Nike alone (Horrow, 2007, 2005). Some professional athletes make more money annually from endorsement deals than from salaries. The top ten sport endorsers of 2006 were paid a combined $223 million (Freedman, 2007). Tiger Woods, alone, earned $87 million from endorsement deals in 2006 and has multi-year endorsement contracts of $105 million and $40 million with Nike and Buick, respectively (DiCarlo, 2004). Since Tiger Woods signed with Nike, annual sales for Nike Golf have grown to nearly $500 million with an estimated 24 percent per year growth in the first five years of the agreement (Pike, 2006). While endorsements from celebrities such as Tiger Woods have a positive impact on product evaluations, the impact of such endorsements on the athlete's sport affiliation (e.g., the PGA for Tiger Woods; the Indianapolis Colts for Peyton Manning) has been unexplored. This study contributes to research on athlete endorsers by implementing a social identity theory framework and empirically evaluating the impact of fans' identification with athlete endorsers on both brand and team-related outcomes.

In a field study with 494 subjects, we tested a model that indicates that athlete identification influences brand purchase intentions and attitude toward the team, which thereafter influences team abandonment. We discuss our findings and provide suggestions for team and brand managers to improve endorsement-related decision making.

Background

Athletes are commonly chosen by firms as endorsers to associate the firm's brands with the athlete's celebrity image. Previous research has revealed positive relationships between celebrity endorsers and increased favorable attitudes toward the brand (Till & Busler, 2000), purchase behaviors (Friedman & Friedman, 1979; Kahle & Homer, 1985), and stock price evaluations (Agrawal & Kamakura, 1995). Brands benefit from the endorser-brand association when fans feel a connec-
Identification

The theoretical basis for identification research is social identity theory (Tajfel & Turner, 1985). According to social identity theory, individuals satisfy a self-definitional role and make sense of the world by categorizing themselves and others into groups (e.g., I am a Dallas Cowboys fan) (Hogg, Terry, & White, 1995). Thus, identification is a cognitive state in which the individual evaluates the degree of overlap between their own self-schema and the athlete’s schema. In the endorsement literature, identification has received considerable attention in the sport marketing literature, it has not been formally investigated in an athlete endorsement context.

“Purchasing an athlete-endorsed product is one means of symbolically and publicly demonstrating aspirations to be a part of the group and such behaviors are directly influenced by the extent to which a fan identifies with an athlete endorser.”

Sport Affiliations

The social meanings associated with a celebrity that make him or her appealing as an endorser are heavily influenced by the source of their celebrity status. For instance, using the example of Tiger Woods, his celebrity status comes from his public persona as a golfer on the PGA Tour. For an athlete such as LeBron James, his celebrity status comes from his public persona as a basketball player for the Cleveland Cavaliers. Thus, the role in which an athlete derives his or her public meanings is synonymous with the source of the athlete’s endorsement power. We refer to this source of endorsement power as the athlete’s sport affiliation. The sport affiliation is the public vehicle (e.g., a sports team or league) that allows consumers to become familiar with the athlete as a celebrity. Specifically, we investigate the athlete’s team as the sport affiliation.

Theoretical Development

Athletes are effective endorsers when fans aspire to be like them or hope to be associated with their image, and thereafter identify with them (Kamins & Gupta, 1994). Identification leads to many positive outcomes such as increased event attendance (Bhattacharya et al., 1995) and positive word of mouth (Brown et al., 2005). We anticipate that athlete ID will have a positive impact on both brand and team-related outcomes. While it is possible that an individual’s affiliation with or attachment to a particular sport or sports team
may influence his or her level of identification with a particular athlete, many sports fans develop an attachment to a team as a result of their identification with an athlete. For instance, many fans of Shaquille O’Neal have followed his professional career as a fan of whichever team he played for beginning with the NBA’s Orlando Magic, then the Los Angeles Lakers, then the Miami Heat, and now the Phoenix Suns. While our investigation focuses on the influence of athlete ID on attitude toward the team rather than vice versa, we do not dismiss the possibility of team and sport affiliations influencing endorser ID. Thus, our study is designed to control for the influence of such relationships. Fans identify with an athlete when the athlete is perceived to be symbolic of an aspirational reference group.

Consistent with the image congruence hypothesis, consumption behavior is geared toward enhancing the self-concept through the consumption of products that provide symbolic meanings (Grubbs & Grathwol, 1967). Adopting positive attitudes and intentions toward teams and brands that are closely linked to a celebrity’s image provides an opportunity for fans to demonstrate similarity to and further assume the desirable meanings associated with the celebrity. Similarly, fans who strongly identify with an athlete should be less likely to abandon the market offerings (e.g., purchasing team merchandise, attending games) of the team than those fans who are less identified with the athlete.

H1: Athlete ID has a positive effect on Attitude toward the Team.

H2: Athlete ID has a negative effect on Team Abandonment.

H3: Athlete ID has a positive effect on Brand Purchase Intentions.

Previous investigations into athlete endorsements have primarily focused on positive ad-related and brand-related outcomes. However, consideration should also be given to the sport affiliation, or team, that provides a public stage for endorsement power to develop. In the movie industry, many American movie stars endorse products in other countries, yet remain hesitant to endorse products in the US for fear of abandonment, or decreased consumption, from movie audiences. However, in recent years, certain movie stars have begun to endorse American products (e.g., Robert DeNiro and American Express) without detriment to their movie careers. Although this concern has not been as widely expressed in the sports industry, it is an important consideration for both athletes and their teams. Sport affiliations such as sports teams are characterized by multiple components (e.g., other team members and coaches) that jointly influence fan assessments of and purchase intentions toward market offerings. We anticipate that a positive attitude toward the team will decrease the likelihood of abandoning the market offerings of the team as a result of an endorsement.

H4: Attitude toward Team will negatively influence Team Abandonment.

Thus, the effect of identification on team abandonment is both direct and indirect. Identification should influence team abandonment, but part of its effects will be distributed through attitude toward the team. Consequently, we are suggesting that the relationship between athlete ID and team abandonment is partially mediated through attitude toward team.

Attitudes that are based on and related to personal experience, such as attitudes to existing brands, tend to be useful predictors of behavior. In low-involvement situations such as normal everyday purchases, experience with the brand precedes the formation of attitudes toward the brand (De Bruicker, 1979). Thus, positive attitudes result from satisfactory experiences with the brand. Consequently, attitude toward the brand should directly influence future intentions to purchase the brand as a result of the endorsement. Attitude toward the brand is included as a control variable in the model to account for this relationship.

“Sport affiliations such as sports teams are characterized by multiple components (e.g., other team members and coaches) that jointly influence fan assessments of and purchase intentions toward market offerings.”

Methods

Procedures. We conducted a field study with Dallas Cowboy fans in the midwestern United States. Students enrolled in undergraduate marketing classes at a major midwestern university were given an extra credit opportunity for recruiting study participants. Students were carefully trained on how to recruit respondents and given strict guidelines on a number of required respondent characteristics (c.f., Mick, 1996), such as all respondents must be over 18, no respondents could be students from the university, and all respondents must consider themselves to be a Dallas Cowboy fan. The sample was made up of 251 males (50.8%) and 243 females (49.2%). The age distribution varied as follows: 32% between the ages of 18 and 24; 27% between the ages of 25 and 45; and 41% were over 45 years of age. All respondents indicated that they consider themselves to be a Dallas Cowboys fan and they reported various levels of following the team during the previous season: 53% spent up to $100 on team merchandise and 13% spent more than $100 on team merchandise; 20% attended at least one game; 90% watched more than 3 games on television and 30%
watched every game on television; 88% percent sought out information about the team in various media (e.g., newspapers, online) at least once per week and 14% sought out information about the team everyday.

Survey Measures. Participants completed a computer-based survey instrument. Eight different fictitious endorsement scenarios were created based on matching one of two athletes with one of four low-involvement brands. Each scenario included an evaluation of one athlete (Terrell Owens or Tony Romo) from the Dallas Cowboys. Two of the endorsement brands were well-known restaurants, one being a family-oriented establishment (Applebee's) and the other being an adult male-oriented chain (Hooter's). The second pair of endorsement brands was two well-known drinks. One was a popular canned iced tea (Arizona Iced Tea) and the other a popular energy drink (Red Bull). Pretests revealed that pairing one of the two athletes with one of the four brands created variance within the data. Participants were exposed to only one of the eight different scenarios.

Prior to beginning the survey, respondents read an introductory page on the computer screen with a link to take the survey. Upon clicking the "take survey" button on the screen, respondents were randomly assigned to a survey containing one of the eight endorsement scenarios. Randomly assigning respondents to each scenario serves as a means to control for various individual differences among respondents (e.g., attachment to the team or the sport) that may influence the relationships in our model. Subjects began the survey by indicating their familiarity with the team, their team-related consumption habits, and their familiarity with the athlete they would eventually be exposed to as an endorser. Next, subjects were asked to assess the athlete's attractiveness and trustworthiness and then indicate the degree to which they identify with the athlete. After evaluating the athlete on Athlete Identification (2 items, Bergami & Bagozzi, 2000) and indicating their Attitude toward the Brand (3 items, Mackenzie & Lutz, 1989), subjects were exposed to only one of four fictitious endorsement announcements created for the study (see Appendix for items).

Following their exposure to the endorsement announcement, subjects then completed items pertaining to their Attitude toward the Team (3 items, Mackenzie & Lutz, 1989), likelihood to abandon the team as a direct result of the athlete endorsement (i.e., Team Abandonment; 3 items, created for the study), and Brand Purchase Intentions as a direct result of the athlete endorsement (3 items, created for the study). (See Table 1 for cell means.) Thus, in an attempt to control for potential reciprocal relationships between attitude toward the team and athlete ID, we have designed our study such that athlete ID and attitude toward the brand were measured prior to respondents viewing the endorsement announcement and all other constructs of interest were measured after exposure to the endorsement announcement (see Figure 1). Therefore, the design of the study allowed an assessment of the causal impact of athlete ID on all outcome variables while controlling for individual differences via random assignment.

**Table 1.**
Mean Results by Endorser-Product Pairing

<table>
<thead>
<tr>
<th>Variable</th>
<th>Tony Romo</th>
<th>Endorsement Pairing</th>
<th>Terrell Owens</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Applebee's</td>
<td>Hooters</td>
<td>Red Bull</td>
</tr>
<tr>
<td></td>
<td>n = 66</td>
<td>n = 69</td>
<td>n = 80</td>
</tr>
<tr>
<td>Attitude toward Brand</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Athlete Identification</td>
<td>5.01</td>
<td>4.61</td>
<td>4.60</td>
</tr>
<tr>
<td>Attitude toward Team</td>
<td>2.71</td>
<td>2.99</td>
<td>3.15</td>
</tr>
<tr>
<td>Team Abandonment</td>
<td>5.19</td>
<td>5.27</td>
<td>5.21</td>
</tr>
<tr>
<td>Purchase Intentions</td>
<td>2.84</td>
<td>2.85</td>
<td>2.97</td>
</tr>
</tbody>
</table>
Table 2. Descriptive Statistics and Correlations

<table>
<thead>
<tr>
<th>Variable</th>
<th>Mean</th>
<th>s.d.</th>
<th>C.R.</th>
<th>A.V.E.</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 Athlete ID</td>
<td>2.56</td>
<td>1.61</td>
<td>0.81</td>
<td>0.68</td>
<td>1.00</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2 Attitude toward Team</td>
<td>5.83</td>
<td>1.18</td>
<td>0.97</td>
<td>0.92</td>
<td>.16</td>
<td>1.00</td>
<td></td>
<td></td>
</tr>
<tr>
<td>3 Team Abandonment</td>
<td>2.78</td>
<td>1.90</td>
<td>0.93</td>
<td>0.82</td>
<td>-.08</td>
<td>-.20</td>
<td>1.00</td>
<td></td>
</tr>
<tr>
<td>4 Brand Purchase Intentions</td>
<td>2.61</td>
<td>1.60</td>
<td>0.94</td>
<td>0.85</td>
<td>.43</td>
<td>.11</td>
<td>-.04</td>
<td>1.00</td>
</tr>
</tbody>
</table>

Figure 1. Theoretical Model

Analysis and Results
The analysis was conducted using AMOS 7.0 (Arbuckle, 1997). We began with the two-step approach suggested by Anderson and Gerbing (1988). A confirmatory factor analysis (CFA) was conducted on the five scales: A_{Team} (3 items), Athlete ID (2 items), Team Abandonment (3 items), A_{Brand} (3 items), and Brand Purchase Intentions (3 items). The CFA gave us acceptable model fit indices: ($\chi^2 = 101.0$, df = 67; $p = .01$); comparative fit index (CFI) = .99; Tucker-Lewis Index (TLI) = .99; root mean square error of approximation (RMSEA) = .03.

The measurement model provided evidence of reliability, convergent validity, and discriminant validity. Composite reliabilities, the analog of Cronbach's alpha for structural equation modeling, were strong for all the multi-item measures, ranging from .81 to .97. All the measurement items were significant and their loading values related to the appropriate construct, which provided evidence of convergent validity. All constructs met the discriminant validity criteria suggested by Fornell and Larcker (1981) of the average variance extracted (AVE) value exceeding the correlation squared value (See Table 2 for composite reliability, AVE, and factor correlations).
Table 3.
Results of Structural Equations Analysis

<table>
<thead>
<tr>
<th>Structural Model Statistics</th>
<th>Conceptual Model Results</th>
</tr>
</thead>
<tbody>
<tr>
<td>$\chi^2$</td>
<td>121.99</td>
</tr>
<tr>
<td>df</td>
<td>71</td>
</tr>
<tr>
<td>CFI</td>
<td>.99</td>
</tr>
<tr>
<td>TLI</td>
<td>.99</td>
</tr>
<tr>
<td>RMSEA</td>
<td>.04</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Path</th>
<th>Path Estimate</th>
<th>t-value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Athlete ID $\rightarrow$ Attitude toward Team</td>
<td>H1</td>
<td>.21</td>
</tr>
<tr>
<td>Athlete ID $\rightarrow$ Team Abandonment</td>
<td>H2</td>
<td>-.05</td>
</tr>
<tr>
<td>Athlete ID $\rightarrow$ Brand Purchase Intentions</td>
<td>H3</td>
<td>.47</td>
</tr>
<tr>
<td>Attitude toward Team $\rightarrow$ Team Abandonment</td>
<td>H4</td>
<td>-.19</td>
</tr>
</tbody>
</table>

Note: $n = 494$ \(^a\) $p < .01$; (two-tail tests)
Standardized path estimates shown.

“Overall, our findings confirmed that identifying with an athlete endorser is an important determinant of both team and brand-related outcomes.”

The structural model was estimated based on the proposed hypotheses. (see Figure 1 for theoretical model). The fit indices for the structural model appeared satisfactory: ($\chi^2 = 121.99$, df = 71; $p < .00$); CFI = .99; TLI = .99; RMSEA = .04. See Table 3 for complete results.

We proposed in hypotheses 1 – 3 that athlete ID would have a positive influence on $A_{Team}$ (H1) and Brand Purchase Intentions (H3), and a negative influence on Team Abandonment (H2). While these relationships were confirmed for Athlete ID $\rightarrow$ A_{Team} (H1) (SPC = .21, t-value = 4.24), and Athlete ID $\rightarrow$ Brand Purchase Intentions (H3) (SPC = .47, t-value = 9.33) the relationship between Athlete ID and Team Abandonment (H2) failed to reach significance (SPC = -.05, t-value = -.93).

Hypothesis 4 proposed that $A_{Team}$ would have a negative influence on Team Abandonment. This relationship was supported (SPC = -.19, t-value = -3.96). Although we anticipated that $A_{Team}$ would partially mediate the relationship between Athlete ID and Team Abandonment, the initial structural model results confirmed the positive influence of $A_{Team}$ on Team Abandonment but did not support the positive influence of Athlete ID on Team Abandonment. However, to test if the effect of Athlete ID on Team Abandonment is fully mediated through $A_{Team}$ we used a nested model approach (James & Brett, 1984). In the nested model we removed the path from Athlete ID to Team Abandonment. The fit indices for the model were as follows: ($\chi^2 = 122.84$, df = 72; $p < .00$); CFI = .99; TLI = .99; RMSEA = .04. The non-significant chi-squared difference test ($\Delta \chi^2 = 0.85$, $\Delta$df = 1) reveals that the fully mediated model is superior to the partially mediated model in explaining the relationships between constructs. Together, these results reveal that the influence of Athlete ID on Team Abandonment is fully mediated through $A_{Team}$ (Baron & Kenny, 1986).

Discussion

This study applied a social identity theory framework to investigate consumer responses to athlete endorsements. While previous endorsement research largely focuses on brand and advertising outcomes, we offer the first empirical investigation into the effects of an athlete endorsement upon consumer response to his sport affiliation (i.e., team). Overall, our findings confirmed that identifying with an athlete endorser is an important determinant of both team and brand related outcomes. Understandably, previous studies on endorsement have primarily focused on brand-related outcomes. However, athletes are representatives of the sport affiliations (i.e., teams or leagues) for which they work. As more and more athletes are being utilized as endorsers for various products, it is important to investigate the impact of these endorsements on outcomes that relate to their teams as well as the endorsed brands. We found that athlete ID had a positive influence on attitude toward the team. Additionally, attitude toward the team had a negative influence on team abandonment as a result of the endorsement. In other words, fans who held a favorable versus unfavorable attitude toward the team (i.e., Dallas Cowboys) were less versus
Our findings supported three of our four hypotheses. We did not find support for the hypothesis that athlete ID would directly impact abandoning the market offerings of a team. It seems the effects of athlete ID on team abandonment are fully mediated through attitude toward the team. This finding suggests that respondents' intentions to abandon team offerings in our study appear to be more influenced by their attitudes toward the team as a whole than their evaluations of a single athlete. Part of this may be due to the nature of the NFL and its fans. Many fans of the NFL tend to follow and remain loyal to a team as individual players come and go. The same is true for many collegiate sport fans, as well as some other team sports. However, our findings may have been different if our respondents were NBA fans of whom some are more prone to follow an individual player and cheer for any team of which the player is a member. While our results suggest that athlete ID does have significant effects on team-related outcomes, additional clarification of its impact is warranted.

To further investigate the influence of athlete ID on team abandonment, we conducted mean comparisons for each outcome variable between those individuals rated high on athlete ID (n = 248) and those who rated low on athlete ID (n = 246) as determined by a median split. As expected, the mean for each outcome variable was significantly higher for those rating high in athlete ID than for those rating low on athlete ID. Specifically, attitude toward the team was higher for the high ID group (X = 5.47) than the lower ID group (X = 5.13; F = 4.00, p = .05) providing additional insight into Hypothesis 1. Team abandonment was lower for the high ID group (X = 2.77) than for the low group (X = 3.26; F = 24.23, p = .00) providing additional insight into Hypothesis 2 and revealing a potential negative consequence of athlete endorsements.

Future research should further investigate the relationship between athlete ID and team abandonment. If supported in future studies, the results of the mean comparisons could have important implications for team managers. All fans do not highly identify with every member of a given sports team. Product endorsements from athletes who are not identified with by a large number of fans may increase the likelihood of fans abandoning the team. From a social identity theory perspective, this may be due to the fact that most product endorsements tend to increase the visibility of not only the individual athlete, but also the athlete's team. As a result, fans who do not strongly identify with the athlete may adopt intentions and behaviors to actively distance themselves from the image of the athlete (e.g., abandoning the team's market offerings).

"General managers of sport teams may need to start considering the implications for their quasi-brands (e.g., Dallas Cowboys) when their featured athletes endorse outside products."

General managers of sport teams may need to start considering the implications for their quasi-brands (e.g., Dallas Cowboys) when their featured athletes endorse outside products. This may be particularly important when those products are unrelated to the sport or team. We did not investigate endorsement pairings between celebrities and controversial brands or advertisements, but these issues should be explored in the future. Managers of professional sport teams may wish to include clear expectations regarding endorsement deals in contracts with these celebrities. Further, while many professional sport teams actively promote the individual performances of important athletes, it may be beneficial to promote the overall experience of the sports team while merely highlighting the role of the individual athlete.

Together, the findings of this study contribute to athlete endorsement research in multiple ways. Athlete identification was empirically investigated as a unique construct and found to be an important predictor of brand and team-related outcomes. We found that positive attitudes toward a team reduce the likelihood of abandoning the corresponding market offerings in response to athlete endorsements. However, fans with lower levels of identification with an athlete may be more likely to abandon the team's market offerings than fans with higher levels of identification with an athlete. This study is limited to the NFL context and should be investigated in other contexts such as the NBA, MLB, and other professional and collegiate sports. Future research should further explore the impact of athlete endorsers on their sport affiliations.

References


Appendix

Measures Used in the Analysis

Athlete ID (1-7 Not at All to Very Much).

(Item #1)

<table>
<thead>
<tr>
<th>My Identity</th>
<th>Athlete’s Identity</th>
</tr>
</thead>
<tbody>
<tr>
<td>A: Far Apart</td>
<td>B: Close Together but Separate</td>
</tr>
<tr>
<td>C: Very Small Overlap</td>
<td>D: Small Overlap</td>
</tr>
<tr>
<td>E: Moderate Overlap</td>
<td>F: Large Overlap</td>
</tr>
<tr>
<td>G: Very Large Overlap</td>
<td>H: Complete Overlap</td>
</tr>
</tbody>
</table>

(Item #2) Please indicate to what degree your self-image overlaps with the image of (athlete’s name).

Attitude toward Team (1 - 7 bipolar scale)
Please indicate your opinions of (athlete’s or team’s name) using the following scales.
Unpleasant | Pleasant
Unfavorable | Favorable
Dislike | Like

Attitude toward the Brand (1 - 7 bipolar scale)
Please indicate your opinions of (e.g., Applebee’s, Hooters, Red Bull, or Arizona Tea) using the following scales. (Respondents were only shown one brand).
Unpleasant | Pleasant
Unfavorable | Favorable
Dislike | Like

Team Abandonment (1 - 7 Strongly Disagree to Strongly Agree)
If (athlete’s name) agreed to endorse xyz brand...
I would be less likely to attend a (Team’s) game this season.
I would be less likely to purchase (Team) merchandise.
I would be less likely to watch the (Team) on TV this season.

Brand Purchase Intentions (1 - 7 Strongly Disagree to Strongly Agree)
I would be more likely to (go to xyz’s/purchase xyz) as a result of this endorsement.
This endorsement would make me feel more favorable toward the (restaurant / drink).
This endorsement would improve my perceptions of the (restaurant / drink).
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