

A Brand Loyalty Model Utilizing Team Identification and Customer Satisfaction in the Licensed Sports Product Industry

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Abstract

The purpose of this study was to investigate the relationship among the attitudinal brand loyalty variables (i.e., cognitive, affective, and conative components), team identification, and customer satisfaction by developing a structural equation model, based on Oliver's (1997) attitudinal brand loyalty model. The results of this study confirmed the study of brand loyalty stages by Oliver (1997) involving development of a brand loyalty process. Results supported the finding that consumers' strong beliefs about brand quality have increased the degree of "liking". In turn, results indicate a positive intention or commitment to repurchase a particular item. Therefore, this study emphasizes the importance of measuring attitudinal brand loyalty to identify attitudinal brand loyal customers and better understand their repurchasing intentions in the sports licensed product industry. Furthermore, this study showed the significant mediating effect of cognitive and affective brand loyalty in the relationship between customer satisfaction and conative brand loyalty.

Key words: Conative Behavior, Purchase Intention

The sales of licensed sports merchandise have become an increasingly important source of revenue for professional sport franchises (Mullin, Hardy, & Sutton, 2007). However, the popularity and demand for sport licensed products decreased during the 1990's and into the new millennium. Several reasons cited for the decline included poor variety, relatively lower quality products compared to branded sport products, the Major League Baseball (MLB) strike in 1994, and the National Basketball Association (NBA) lockout in 1998 (Howard & Crompton, 2004; Mullin, Hardy, & Sutton, 2007). However, the Sporting Goods Manufacturers Association (2008) reported a recent trend demonstrating an increase in the sales of sports licensed products. For example, retail sales of the licensed sports merchandise in the U.S. and Canada rose 5.8% in 2006 from 2005 to reach \$15.1 billion (SGMA, 2008).

Improved business models, new marketable rookies (e.g., LeBron James in NBA, etc.), the popularity of retro fashion trends, new video games, and more sophisticated marketing techniques have fueled this growth (Gladden & Funk, 2002; Kwon & Armstrong, 2004; Matsuoka, Chelladurai, & Harada, 2003; Trail, Fink, & Anderson, 2003). Previous studies have examined the objectives and advantages of utilizing licensed products which include sustaining a consumer franchise, maximizing existing lines' profitability, penetrating new markets, stimulating positive attributes of the player, team, or league, and increasing the level of brand awareness (Quelch, 1985; Shank, 2004).

Investigating the relationship between fans and their consumption behavior by systematically considering attitudinal approaches to team identification and fans' purchasing decisions about licensed sports products is important. The conceptual theory between sport consumer behavior and team identification has become well established and now extends to brand loyalty (Gladden & Funk, 2002). Brand loyalty by sport consumers is a cornerstone of marketing theories as it provides mutual benefits for sports fans and the licensed product marketers (Gladden & Funk, 2002; McDonald & Milne, 1997; Kwon & Armstrong, 2004).

Although much of the research in sport marketing has investigated brand loyalty, little attention has yet been given to the purchasing of licensed sports products in terms of measurements and antecedents. In addition, sport marketers should be able to identify a distinct target market and potentially better address their wants and needs through measuring attitudinal brand loyalty. The findings of this study also would be able to identify several marketing and general management implications. For example, team identification and attitudinal brand loyalty can be the tools to measure brand loyalty among sport licensed product customers. Moreover, sport marketers should be able to assess the attitudes of their customers toward the sport licensed products and to identify any needs that should be fulfilled. As a result, the sport licensed product customer loyalty measurement should be used as an assessment tool in evaluating customer satisfaction. Therefore, this study investigates the relationship among team identification, customer satisfaction, and fans' purchasing behavior by considering attitudinal approaches. Moreover, it examines the antecedents of purchasing behavior relating to licensed sports products by developing a structural equation model based on Oliver's (1997) attitudinal brand loyalty model. Finally, this study suggests implications for future research as well as marketing strategies for licensed sport products.

Research Questions

This research was originated to test the following research questions:

- What is the way to measure brand loyalty to licensed products?
- Is there any relationship between team identification and attitudinal purchasing behavior relating to licensed sport products?

Team Identification

Team identification is one of the basic psychological orientations influencing the behavior of sport fans (Kwon & Armstrong, 2002). The concept of team identification with a particular favorite sport team has been a critical element in the study of the psychology of sport fans over the last decade (Kwon & Armstrong, 2002; Wann, 1994; Wann, 1996; Wann, Peterson, Cothran, & Dykes, 1999). Team identification considers the valence of the unit relationship

between the fan and the team (Madrigal, 1995). For instance, team identification has a strong relationship with self-esteem and positive outlook on life, and has been negatively related to depression and negative affective experiences (Branscombe & Wann, 1991).

Numerous studies on the concept of team identification have been linked to various behaviors and phenomena that can be observed in sport settings. For instance, one such variable has been called basking in reflected glory (BIRGing) in which sport consumers seek to enhance their self-esteem by displaying a relationship between their favorite team performance and themselves (Cialdini, Borden, Thorne, Walker, Freeman, & Sloan, 1976; Kolbe & James, 2003; Kwon & Armstrong, 2002; Quick, 2000; Wann & Branscombe, 1990). BIRGing is one's inclination to "share in the glory of a successful other with whom they are in some way associated" (Cialdini et al., 1976, p. 366). It allows people to build self-esteem through the association of successful others. For example, individuals would experience greater enjoyment if they were able to BIRG. Logically, those individuals who experienced positive confirmation had higher levels of BIRGing behavior and higher levels of enjoyment (Trail, Fink, & Anderson, 2003).

Customer Satisfaction

Achieving customer satisfaction is a major goal of marketing efforts. These efforts lead to purchase and/or consumption and in turn result in post-purchase phenomena such as attitude change, repeat purchase, and brand loyalty. Customer satisfaction is defined as a positive outcome from a complex evaluation of a purchasing and consuming experience of a product and/or service (Churchill & Surprenant, 1982). The literature on customer satisfaction theory suggests that consumers use opinions about a product's anticipated performance to determine whether to make a purchase (Miller, 1977). The product evaluation process appears to involve a comparison of expectations about product performance with perceptions of product performance (Barber & Venkatraman, 1986; Cardozo, 1965; Swan & Trawick, 1979). When performance exceeds expectation, positive disconfirmation occurs, leading to satisfaction. When performance falls short, negative disconfirmation occurs and leads to dissatisfaction (Olson & Dover, 1977; Richins & Bloch, 1991). This indicates that customer satisfaction is based largely on how customers perceive service and/or product performance relative to their expectations. This causal sequence has also been supported in the sport context. Satisfaction with the experience of attending sporting events would be a significant predictor of the likelihood of attending future events (Madrigal, 1995). For example, successful team performance and game outcomes lead to customer satisfaction and stimulate further consumption, whereas poor team performance and game outcomes lead to dissatisfaction, which in turn results in less consumption (Greestain & Marcum, 1981; Hansen & Gauthier, 1989; Matsuoka et al., 2003).

Attitudinal Brand Loyalty

Numerous researchers have examined the attitudinal aspect of brand loyalty (Bowen & Shoemaker, 1998; Iwasaki & Havitz, 1998; Kwon & Armstrong, 2004; McCleary & Weaver, 1992; Vallerand & Reid, 1984). According to Oliver (1997), there is a learning process in consumers' attitudinal purchasing behavior.

Attitudinal brand loyalty is developed in three phases — cognitive, affective, and conative components. Cognition refers to people's logical thoughts about the object, including beliefs about facts such as price and necessity. Affect refers to irrational approaches to an object such as feelings or emotional responses (Back & Parks, 2003). Quick (2000) found a relationship between the irrational feeling of team identification and consumption of sport products. For example, sport fans who identify with a certain team may buy a championship t-shirt without thinking about price and quality, when the team wins the championship game. Conative components include behavioral intentions or willingness to act (Back & Parks, 2003). Bagozzi (1978) stated that the conation dimension is the active decision to either approach or avoid an object or formulate some responses.

Attitudinal brand loyalty focuses not only on transactional strategies, such as frequent-user programs and gifts for repeated customers, but also on attitudinal variables, such as commitment and trust. Attitudinal studies have described brand loyalty not only as the outcome of repeated purchase behavior, but also the consequence of multidimensional attitudes toward a specific brand (Back & Parks, 2003; Backman & Crompton, 1991).

In addition, the literature on the relationship between attitudinal and behavioral aspects of brand loyalty should be addressed to describe the purchasing behavior of licensed sports products. Back and Parks (2003) mentioned that many attitudinal factors are related to consumers' involvement, psychological commitment, motivation and other cognitive and affective variables that were based not theoretically, but operationally. On the other hand, behavioral brand loyalty describes measures that are based on observation of actual behavior or self-reports of behavior, such as brand choice sequence, probability of purchase period, and the proportion of purchases concentrated on a specific brand (Backman & Crompton, 1991). In addition, numerous researchers have investigated the relationship between attitudinal and behavioral intentions of purchasing behavior (Ajzen & Fishbein, 1980; Bentler & Speckart, 1981; Peter & Olson, 1993). Specifically, Ajzen and Fishbein (1980) noted a relationship between customers' beliefs and attitudes and their behavioral intentions. Bentler and Speckart (1981) found that attitudes have causal priority over behaviors. Similarly, Peter and Olson (1993) found that a negative change in attitudes caused many customers to switch to other brands, indicating that change in attitude is a good predictor of purchasing behavior.

The Effect of Team Identification on Cognitive Brand Loyalty

Many researchers have examined the relationship between team identification and the purchasing attitude towards licensed sports products based on the theory of brand loyalty and/or brand equity (Gladden & Funk, 2002; Kwon & Armstrong, 2004; Matsuoka et al., 2003; Trail et al., 2003). As the term *team identification* has been adapted from the fields of organizational behavior and sport fan identification (Dutton, Dukerich, & Harquail, 1994; Milne & McDonald, 1999), many studies have shown that team identification is more likely a cognitive perception than affective perception. Foote (1951) and Kagan (1958) suggest that the term *identification* is portrayed only by the cognitive perception of shared experiences and characteristics, not by resultant behavior.

For example, the purchasing attitudes of sport consumers who have a psychological attachment to their favorite teams may stem from team performance and outcomes, quality of product, variety of choice, and price.

In addition, Gladden and Milne (1999) stated that professional sport teams are likely to possess brand equity by virtue of the added meaning that sport consumers attach to the names and logos of their favorite teams. They modified the framework to include the entire team sport setting and examined the hypothesized links among several antecedent variables (i.e., success, star players, coach, and competitive forces) and the realization of licensed merchandise sales. Moreover, several researchers have shown a relationship between team identification and sport consumer behavior (Mitrano, 1999; Sutton, McDonald, Milne, & Cimperman, 1997). Specifically, identification is highly correlated with basking in reflected glory (BIRGing) behavior (Madrigal, 1995; Sloan, 1989) and consumption of sport products (Wann & Branscombe, 1993).

The Effect of Customer Satisfaction on Cognitive Brand Loyalty

Numerous researchers have investigated the relationship between customer satisfaction and attitudinal brand loyalty (Fornell, Johnson, Anderson, Cha, & Bryant, 1996; Gladden & Funk, 2002; Greenstein & Marcum, 1981; Hansen & Gauthier, 1989; Kwon & Armstrong, 2002; Matsuoka et al., 2003). Many consumer behavior researchers (Fishbein & Ajzen, 1975; Fornell et al., 1996) have also found that customer satisfaction influences cognitive, affective, and conative components of attitudinal brand loyalty, including purchase intentions and post-purchase attitudes. These positive attitudes were found to revise purchasing decisions toward the product or brand. Other researchers have shown that customer satisfaction increases the level of positive belief or belief confidence (Albarracin & Wyer, 2000), reinforces the level of positive affect (Oliver, 1993), and enhances repurchase intentions (Yi, 1990).

Customer satisfaction may have a direct effect on experiential needs. Park, Jaworski, and MacInnis (1986) suggested that consumers can be satisfied based on their different types of needs: functional, symbolic, and experiential. Of these different needs, experiential needs are "desire for products that provide sensory pleasure, variety, and/or cognitive stimulation" (Park, Jaworski, & MacInnis, 1986, p. 136). For example, sport consumers may purchase their favorite team t-shirt because of its unique design, color, or logo. They may also purchase any licensed product due to the enjoyment that is provided to them and/or their family.

The Effect of Cognitive Purchasing Behavior on Affective Brand Loyalty

The current study examines the influence of cognitive antecedents thought to be theoretically related to the affective reactions of BIRGing. Among the studies that explicitly tested cognition's possible influence on affective purchasing behavior, Madrigal (1995) explained cognition's effect on affect using the theory of expectancy disconfirmation. The expectancy disconfirmation paradigm refers to two processes consisting of the formation of pre-consumption normative standards (i.e., expectations) and the subsequent confirmation or disconfirmation of those expectations through performance outcomes. The extent

to which outcomes match expectations determines to a large extent how information is processed and evaluated. For example, a greater discrepancy between expectancies and outcomes should lead to greater cognitive processing and increased satisfaction/dissatisfaction with outcomes (Cohen & Basu, 1987; Hunt, Smith, & Kernan, 1989; Madrigal, 1995; Oliver, 1980). Trail et al. (2000) also indicated that disconfirmation would lead directly to an affective state. They mentioned that self-esteem responses would mediate the disconfirmation affective-state relationship. It seems much more logical to suggest that affective purchasing behavior precedes intended self-esteem behavior. Trail et al. (2000) noted that affective state predicts the intentions of future sport consumption behavior. For example, sport consumers are likely to consume licensed sport products that validate the connection between their concept of self and the source of their enhanced self-esteem (Belk, 1988).

The Effect of Affective Brand Loyalty on Conative Brand Loyalty

In using the general components of attitude, attitudinal brand loyalty should be considered as a sequential process in which customers become "loyal first in a cognitive sense, then later in an affective sense, and still later in a conative manner" (Oliver, 1997, p. 392). For instance, a customer initially becomes cognitively loyal based on beliefs about the brand attribute only. Then he or she may become affectively loyal, with pleasurable fulfillment based on brand performance. Next, he or she may become conatively loyal, exhibiting a brand-specific commitment.

Although many researchers have studied consequential relationships with customer satisfaction and attitudinal brand loyalty, no empirical study has been undertaken in the licensed sports products business. Hence, this study tested the relationships among team identification, customer satisfaction, and attitudinal purchasing behavior of licensed sport products as listed:

- H₁: Team identification has a positive effect on cognitive brand loyalty of licensed sport products.
- H₂: Customer satisfaction has a positive effect on cognitive brand loyalty of licensed sport products.
- H₃: Cognitive brand loyalty has a positive effect on affective brand loyalty of licensed sport products.
- H₄: Affective brand loyalty has a positive effect on conative brand loyalty of licensed sport products.

Conceptual Model

Figure 1 displays the conceptual model used in this study. It shows the relationships among team identification and attitudinal brand loyalty of licensed sports products, as well as the relationship between cognitive brand loyalty and customer satisfaction, as based on Oliver's (1997) brand loyalty stage theory. Team identification and customer satisfaction are treated as an exogenous variable, whereas attitudinal (cognitive, affective, and conative) brand loyalty is considered as endogenous variables.

Method

A questionnaire was developed based on a thorough review of the literature and a pilot study. Manipulation checks from the pilot study (n=75) were conducted to ensure the reliability and validity of scales (Anderson & Gerbing, 1988; Chatterji, 2003; Fornell &

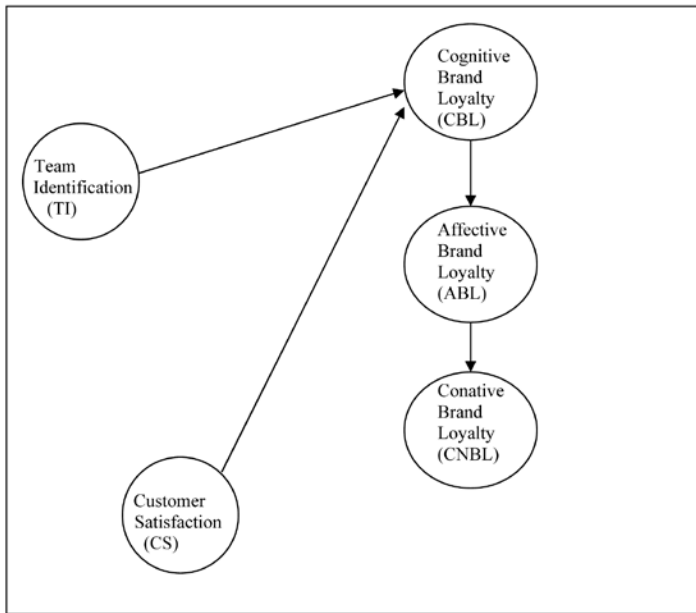


Figure 1. A conceptual model showing relationships among study variables.

Lacker, 1981). In addition, the pilot study was administered to obtain reliability estimates and to establish the construct validity of the instrument. An additional goal of the pilot study was to reduce the number of items to be included in the final instrument so that data collection would be less time consuming and improve the consent rate from the survey respondents.

The 5-item, 7-point Likert-type scale, for team identification (e.g., "It would be difficult to change my belief about my favorite team.") was modified from Wann & Branscombe (1990). The 3-item, 7-point Likert-type scale, for customer satisfaction (e.g., "Overall, I am satisfied with the decision to purchase the licensed product of my favorite team.") was adapted from Oliver (1980). Attitudinal brand loyalty was measured by using scales that were developed by Loken and John (1993), Oliver (1997), and Beatty, Kahle, and Homer (1988) and included nine items that were 7-point Likert-type measures (e.g., "The licensed product of my favorite team provides me superior quality as compared to any other similar products"; "I intend to continue purchasing my favorite team's licensed product").

The sample population in this study was composed of baseball spectators who visited the Triple-A Minor League Baseball stadium in the northeastern United States. An on-site convenience sampling method was applied and complimentary tickets were raffled as an incentive. The questionnaire was distributed to 325 individuals when they entered into the stadium. Of the 325 distributed questionnaires, 268 questionnaires were returned. Some of these responses were eliminated before data coding because they were returned blank or only partially completed. In addition, the respondents who did not have any experience in purchasing the licensed products were excluded. After eliminating the unusable responses, 201 responses were coded for data analysis, resulting in a response rate of 62%. Among the respondents, the majority were male (56%), aged 30 or younger (48%) and Caucasian (87%). The household income level was normally distributed with a mean of \$37,000.

Results

A reliability test was used to assess the internal homogeneity among items in this study. As Nunnally (1978) suggested, the coefficient alpha is the most popular measure of reliability for a multi-item scale. The coefficient alpha estimates for the variables were as follows: team identification (TI) = .93; customer satisfaction (CS) = .95; cognitive brand loyalty (CBL) = .86; affective brand loyalty (ABL) = .82; and conative brand loyalty (CNBL) = .82. The alpha for all coefficients for the data exceeded the minimum standard for reliability of 0.7 as recommended by Nunnally (1978) for basic research. Thus, the results indicated that these measurements are highly reliable for the measurement of each construct.

Construct Validity Test

Construct validity assesses the degree to which a measurement represents and logically connects, via the underlying theory, the observed phenomenon to the construct (Fornell & Lacker, 1981). Following Anderson and Gerbing's (1988) two-step approach, a measurement model was estimated prior to the structural model. The results for the measurements of latent variables were very good ($\chi^2=228.95$, $df=114$, $RMSEA=0.07$, $CFI=0.98$, $NNFI=0.98$). All indicator loadings for constructs were significant ($p<.01$).

Discriminant validity is present when the proportion of variance extracted in each construct (average variance extracted [AVE]; $\rho_{vc}[\eta]$) exceeds the square of the coefficient representing its correlation with other constructs (Fornell & Lacker, 1981), as shown in Table 1.

Table 1. Measure Correlations, the Squared Correlations, and AVE

| Correlations between Constructs (squared) ^a | | | | | | |
|--|-----------|-----------|-----------|-----------|------|------------------|
| Measure | TI | CS | CPB | APB | CNPB | AVE ^b |
| Team Identification (TI) | 1.00 | | | | | .82 |
| Customer Satisfaction (CS) | .70 (.49) | 1.00 | | | | .76 |
| Cognitive Purchasing Behavior (CPB) | .71 (.50) | .66 (.44) | 1.00 | | | .71 |
| Affective Purchasing Behavior (APB) | .64 (.38) | .59 (.35) | .77 (.59) | 1.00 | | .70 |
| Conative Purchasing Behavior (CNPB) | .59 (.35) | .55 (.30) | .68 (.46) | .88 (.77) | 1.00 | .85 |
| Mean | 5.75 | 5.10 | 4.63 | 5.52 | 5.93 | |
| SD | .89 | 1.11 | 1.20 | 1.23 | .76 | |

Note: AVE: average variance extracted.

a. All correlation coefficients were significant at the .01 level.

b. All AVE exceed .50, showing construct validity.

Confirmatory Factor Analysis

Using LISREL 8.54, a maximum likelihood confirmatory factor analysis was undertaken to assess the overall fit of the four-factor model. The five-factor model was TI, CS, CBL, ABL, and CNBL. In assessing the goodness-of-fit, Chi-square analysis, Browne and Cudeck's (1993) root mean square of approximation error (RMSEA), Bentler's (1990) comparative fit index (CFI), and

Bentler and Bonett's (1980) non-normed fit index (NNFI) were performed. The results showed a better fit for the five-factor model, $\chi^2(114)=228.95$, $\chi^2/df = 2.10$, RMSEA = .07, CFI = .98, NNFI = .98 than the three-factor model, $\chi^2(119)=359.69$, $\chi^2/df = 3.10$, RMSEA = .10, CFI = .95, NNFI = .95 with a significant $\Delta\chi^2(5) = 149.74$, $p < .01$; and the two-factor model, $\chi^2(120)=714.95$, χ^2/df

=6.06, RMSEA = .18, CFI = .92, NNFI = .93 with a significant $\Delta\chi^2(6) = 486$, $p < .01$. In addition, the five-factor model showed that the χ^2/df value of 2.10 falls within a range of acceptable values (two to five as suggested by Marsh and Hocevar, 1988), but does not reach the less-than-two level proposed by Byrne (1998). Thus, the five-factor model was the most appropriate measurement model. Table 2 presents the standardized factor loadings for each construct.

Table 2. Standardized Factor Loadings (Lambda Y)

| Constructs | Items | Standardized Factor Loadings (Lambda Y) | T-value |
|-------------------------|--|---|---------|
| Team Identification | I consider myself to be a loyal fan of my favorite team. | 0.87 | 20.24 |
| | I could never switch my loyalty from my favorite team, even if my close friends or family members were fans of another team. | 0.89 ^a | |
| | Nothing could change my loyalty to my favorite team. | 0.85 | 19.05 |
| | Being a fan of my favorite team is important to me. | 0.84 | 18.12 |
| | It would be difficult to change my belief about my favorite team. | 0.88 | 20.50 |
| Customer Satisfaction | I am happy about my decision to purchase the licensed product of my favorite team. | 0.96 ^a | |
| | I believe I did the right thing when I purchased the licensed product of my favorite team. | 0.91 | 25.35 |
| | Overall, I am satisfied with the decision to purchase the licensed product of my favorite team. | 0.93 | 28.37 |
| Cognitive Brand Loyalty | The licensed product of my favorite team provides me superior quality as compared to any other similar products. | 0.82 | 16.13 |
| | No other licensed product has better quality than my favorite team's licensed product. | 0.86 ^a | |
| | Purchasing the licensed product of my favorite team provides more benefits than purchasing others in its category. | 0.84 | 16.73 |
| Affective Brand Loyalty | I love buying the licensed product of my favorite team. | 0.89 ^a | |
| | I feel better when I purchase the licensed product of my favorite team. | 0.84 | 18.81 |
| | I like my favorite team's licensed product more than other teams' licensed products. | 0.78 | 15.57 |
| Conative Brand Loyalty | Even if another team's licensed product is cheaper, I would still buy my favorite team's licensed product. | 0.76 | 14.69 |
| | I intend to continue purchasing my favorite team's licensed product. | 0.89 ^a | |
| | I consider the licensed product of my favorite teams to be my first purchasing choice. | 0.88 | 21.54 |

^a Parameter fixed at 1.0 during maximum-likelihood estimation. Thus no t-value is obtained.

Structural Model Results

The proposed model produced the following statistics: $\chi^2(114)=263.62$, $p=.00$, RMSEA =.08, CFI = .98, NNFI = .98, as shown in Table 3. Two competing models were tested in this study. Since there was some argument of a possible direct effect of cognitive brand loyalty on conative brand loyalty, the first competing model specified direct paths from cognitive brand loyalty to conative brand loyalty. For the competing model, goodness of fit and practical indices were as follows: $\chi^2(113)=261.88$, $p=.00$, RMSEA =.08, CFI = .97, NNFI = .97. The difference in fit between this model and the previous model was not significant ($\Delta\chi^2= 1.74$, $\Delta df=1$, $p>.01$), which indicates that the proposed model was more parsimonious than the first competing model.

For the second competing model, direct paths from customer satisfaction to affective and conative brand loyalty were added. The fit indices for the second competing model were as follows: $\chi^2(111)=249.67$, $p=.00$, RMSEA =.10, CFI = .95, NNFI = .95. Although the chi-square difference test showed significance between the proposed and the second competing model, the practical indices of the second competing model were inferior, thereby providing a good basis for hypothesis testing by the proposed model.

Table 3 presents the structural model results. Team identification and customer satisfaction explained about 64% of the variance in cognitive brand loyalty. Also, the predecessors for each construct explained a significant amount of variance in affective and conative brand loyalty, 71% and 87%, respectively.

Table 3. Standardized Maximum-Likelihood Parameter Estimates (n = 201)

| Path | Hypothesis | Coefficient | t-value |
|-----------------------------|----------------|-----------------------------------|---------|
| TI → CBL (γ_{11}) | H ₁ | 0.52 ^a | 6.00 |
| CS → CBL (γ_{12}) | H ₂ | 0.34 ^a | 4.21 |
| CBL → ABL (β_{21}) | H ₃ | 0.90 ^a | 11.67 |
| ABL → CNL (β_{32}) | H ₄ | 0.93 ^a | 12.13 |
| R ² (CBL) | | .64 | |
| R ² (ABL) | | .71 | |
| R ² (CNBL) | | .87 | |
| Goodness-of-fit statistics: | | $\chi^2(114) = 263.62$, $p=.000$ | |
| | | RMSEA = .08 | |
| | | CFI = .98 | |
| | | NNFI = .98 | |

TI: team identification; CS: customer satisfaction; CBL: cognitive brand loyalty; ABL: affective brand loyalty; and CNBL: conative brand loyalty;

^a $p < .001$

Hypotheses Testing

H₁: Team identification has a positive effect on cognitive brand loyalty of licensed sports products.

First, Hypothesis 1 was tested. The relationship between team identification and cognitive brand loyalty was found to be significant ($\Upsilon_{11}=0.52$, $t=6.00$, $p<.001$). Based on this result, team identification positively influenced cognitive brand loyalty, while the brand information held by customers was superior to what is known of competitive offerings. As Milne and McDonald (1999) suggested, the term *identification* was portrayed by the cognitive perception of shared experiences. In this case, respondents held a strong belief in membership with their favorite team. This is positively associated with the strong perceived quality of the licensed products of the team. Thus, Hypothesis 1 was supported.

H₂: Customer satisfaction has a positive effect on cognitive brand loyalty of licensed sports products.

Second, Hypothesis 2 was tested. The relationship between customer satisfaction and cognitive brand loyalty was found to be significant ($\Upsilon_{12}=0.34$, $t=4.21$, $p<.001$). Based on this result, customer satisfaction positively influenced cognitive brand loyalty, while the respondents perceived a strong attachment with their favorite teams. As Janis and King (1954) argued, individuals evaluate a specific behavior based on a biased search of memory for previously acquired knowledge that confirms the legitimacy of the behavior when the evaluation was positive. Thus, Hypothesis 2 was supported.

H₃: Cognitive brand loyalty has a positive effect on affective brand loyalty of licensed sports products.

Third, Hypothesis 3 was tested to investigate the effect of cognitive brand loyalty on affective brand loyalty. The regression path from cognitive brand loyalty to affective brand loyalty was significant ($\beta_{21}=0.90$, $t=11.67$, $p<.001$). This result was consistent with Oliver's (1997) suggestion that customers' affective brand loyalty was not directly affected by their satisfaction level. Rather, it was evident that the effect of cognitive brand loyalty took a place in the relationship between customer satisfaction and affective brand loyalty so that customers became affective brand loyal after being cognitive brand loyal. Hypothesis 3 was supported.

H₄: Affective brand loyalty has a positive effect on conative brand loyalty of licensed sports product.

Fourth, Hypothesis 4 was tested to assess the effect of affective brand loyalty on conative brand loyalty. As Table 3 indicates, the regression path from affective to conative brand loyalty was significant ($\beta_{32}=0.93$, $t=12.13$, $p<.001$). Specifically, this relationship showed the strongest positive association between the variables. Strong emotional attachments with the licensed products of their favorite team influenced respondent's commitment to the team and increased their behavioral intentions. Thus, Hypothesis 4 was supported at the 0.01 level.

Discussion

Like Oliver's (1997) study, this study suggested that customers build attitudinal brand loyalty by following these three stages in sequence, (1) cognitive brand loyal stage; (2) affective brand loyal

stage; and (3) conative brand loyal stage. According to the results of this study, the respondent's positive experience about a brand did not directly increase the repurchase intention. The respondents exert a positive effect on and commitment to the brand, when they have a strong attachment to the team. In addition, the results indicated a positive relationship between customer satisfaction and attitudinal brand loyalty. Also, the findings indicate that the association between customer satisfaction and conative brand loyalty was positively significant by the two stages of attitudinal brand loyalty, along with cognitive and affective brand loyalty. Thus, the results of this study confirmed the study of brand loyalty stages by Oliver (1997) involving development of a brand loyalty process. Results supported the finding that consumers' strong beliefs about brand quality have increased the degree of "liking". In turn, results indicate a positive intention or commitment to repurchasing a particular item. Therefore, this study emphasizes the importance of measuring attitudinal brand loyalty to identify attitudinal brand loyal customers and better understand their repurchasing intentions in the sport licensed product industry.

This study also answers the question about the relationship between team identification and brand loyalty which was raised by Madrigal (1995). Team identification showed a strong relationship with self-esteem and positive outlook on life. Respondents sought to enhance their self-esteem by displaying a relationship between their favorite team performance and themselves by showing a high level of attitudinal brand loyalty. A strong effect of team identification on cognitive brand loyalty was further developed by increasing the level of conative brand loyalty among the respondents.

The findings also identify several marketing and general management implications. They suggest that team identification and attitudinal brand loyalty can be used to measure true brand loyalty among sport licensed product customers. Previous brand loyalty studies focused significantly on attitudinal traits. The authors believe that the use of a combined measure with team identification and customer satisfaction variables can increase validity and reliability. Moreover, sport marketers should be able to assess the attitudes of their customers toward the sport licensed products and to identify any needs that should be fulfilled. As a result, the sport licensed product customer loyalty measurement should be used as an assessment tool in evaluating customer satisfaction.

In addition, marketing approaches that target sport licensed product customers whose attitudinal loyalty comes from their team identification with certain teams, should differ from approaches focused on impulsive buyers or other types of consumers. In other words, the sport licensed product customers who have strong levels of team identification with their favorite teams appear to be more interested in purchasing the licensed products of their teams. The effectiveness of marketing costs will be improved by identifying the loyal customers and specifically targeting them.

Limitations and Suggestions for Future Study

Several limitations are associated with the present study. First, the results may not be generalized to entire segments of the sports licensed products industry. Data from this study were collected from customers at a single minor league baseball stadium. The

other types of sports or geographic locations may have different strengths of effect on the variables. In addition, the sample population of this study was not selected randomly. As noted, pure random sampling is almost impossible in the industry, so including many different types of sports spectators and geographic segments would increase external validity. Thus, future studies should develop a systematic design that better represents the population.

Measuring brand loyalty should be extended to include actual purchasing behaviors for the future. As Heskett et al. (1997) stated, only 100% of satisfied customers become truly brand loyal by having relatively high repurchase rates and strong emotional attachments with the brand. Including the actual purchasing rates of the licensed products of the favorite teams would enhance the quality of the study. In order to develop a more beneficial study, a longitudinal approach should be considered. By monitoring the consumers' actual purchasing behaviors and their pre-stated attitudes over time, the practitioner should be able to identify the enhancers or barriers between the attitudinal and behavioral brand loyalties.

Moreover, future studies can include additional variables in the model to further develop brand loyalty strategies. For instance, by considering the effect of customers' perceptions of brand image for their favorite team on their satisfaction and brand loyalty, marketers should be able to develop selective target market strategies and enhance the effectiveness of their advertising strategies.

Conclusions

In summary, this study suggests that team identification enhances the level of customers' experiences of superiority, positive feelings, and strong commitment toward the brand, and subsequently greater purchasing frequencies over other brands. The results of this study also indicate that customer satisfaction does not guarantee conative brand loyalty. In other words, customer satisfaction will not automatically increase the repeated purchasing intention unless customers first build positive beliefs and emotional attachments with the brand. By using this attitudinal brand loyalty measurement, sport marketers should be able to identify a distinct target market and potentially better address their wants and needs.

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