

## AN INTER-SPORT COMPARISON OF FAN REACTIONS TO CSR INITIATIVES

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### ABSTRACT

This article details the effects that consumer beliefs in corporate social responsibility (CSR) can have on various strategic outcomes. This inquiry was performed in a cross-context manner using consumers of three different sport organizations. Data were collected to evaluate the relationships between CSR beliefs, patronage intentions, financial sacrifice, and consumers' reputational assessments of the organizations. Regression analyses suggested that CSR belief is an important predictor of willingness to make financial sacrifices, patronage intentions, and reputation. MANOVA analyses suggested that sample differences existed as well, which lead to less generalized recommendations on how to leverage CSR strategically.

**Keywords:** social responsibility, reputation, financial sacrifice, patronage.

Over the past decade, heightened attention has been given to the integration of business practice and socially responsible activities, pragmatically referred to as the *business-society* relationship (Swanson, 1999). At the forefront of this relationship is corporate social responsibility (CSR), which (as of late) has seen its use as a strategic marketing tool increase dramatically. Businesses have historically used philanthropy as their primary method of social outreach where traditional marketing principles have not applied (Carroll, 1999). However, as corporations begin to view philanthropy as more strategic in nature, and also expand the array of CSR activities in which they engage, it is apparent that some of the embedded objectives of philanthropy are tied to marketing strategy (Ricks, 2005). As such, an issue that challenges companies in this area is striking the appropriate balance between altruistic activities and strategic goal attainment. Porter and Kramer (2002) noted that executives are increasingly caught between critics demanding higher levels of CSR and outside stakeholders applying pressure to maximize profits.

While organizations within the sport industry have traditionally worked to establish their reputations by being involved within their local communities, they have also more recently adopted the corporate approach to large scale giving. For example, Nike has several working charitable foundations, as well as many widely

publicized CSR initiatives (both domestically and globally), and FIFA continually provides more than 40 percent its income towards development work, partnerships with relief organizations, and growing the game of soccer (FIFA Activity Report, 2002-2004). Extejt (2004) maintained that virtually all major league teams engage in some form of charitable activity, ranging from employee (player) volunteerism to cash, ticket and merchandise donations. Additionally, over 400 public and private charities/foundations connected to professional athletes and teams currently exist, distributing more than \$150 million dollars annually to not-for-profit groups and other social initiatives (Babiak et al., 2007). This proliferation of CSR has pushed scholars to better understand how typical sport consumers perceive the social efforts of various sport organizations, and to what extent these perceptions influence their attitudinal reactions.

While segmentation has traditionally been used to provide insight on why consumers are attracted to specific activities (e.g., motivation, involvement, loyalty, etc.), little is known regarding the merits of segmenting consumer reactions to social policy initiatives (e.g., CSR) – particularly within the same industry segment (i.e., the professional sport industry). Of particular concern for the current study was how the CSR efforts of three different sport organizations (i.e., National Hockey League (NHL), PGA TOUR, and NASCAR) are viewed by their respective consumer groups. As such, the delineated market sub-segments herein represent one of the primary areas of interest for the current study. Based on this idea, the purpose of this study was twofold. First, we sought to understand the relationship between consumer's beliefs in CSR relative to three specific outcome variables (i.e., patronage, willingness to pay, and reputation) which have been shown in the literature to be influenced by perceptions of CSR. Second, we were interested if differences existed between consumers of three different sport organizations in their reactions to CSR.

### **DO FANS CARE ABOUT CSR?**

While social responsibility has traditionally been mandated by regulatory bodies (as the term implies – something that *ought* to be done) as a means of ensuring organizational ethics (Carroll, 1999), current practices are focused on strategic directions for managers seeking to enhance their organization's competitiveness (Porter & Kramer, 2006). The current preoccupation with CSR challenges organizations to explicitly clarify their business objectives to synergistically align with the organization's thrust of ethical conduct. As Wood and Logsdon (2002) and Matten and Moon (2008) noted, the adherence to organizational requirements (e.g., financial) and societal obligations (e.g., responsiveness) may generate increased knowledge of responsibility among an organizations consumers.

Many CSR activities are prevalent within the sport industry (e.g., Philadelphia Eagles "Go-Green" program, the NBA's "Basketball without Borders" program, Nike's world labor practices, etc.) however, scant empirical attention has been paid to whether or not these activities have reciprocal benefits for the organization. Conceptual arguments have implied that CSR may influence consumer perceptions in sport (Breitbarth & Harris, 2008; Smith & Westerbeek, 2007), however little empirical work has validated such claims (exceptions include: Extejt, 2004; Walker & Kent, 2009a, 2009b). More specifically, Breitbarth and Harris (2008) posited that CSR is an opportunity-driven concept, which can assist in achieving strategic directions for managers, while Smith and Westerbeek (2007) proposed a model linking stakeholder theory to the CSR related outcomes of financial leveraging and social prosperity.

Empirically, Extejt (2004) found that when combined with identification, the

association between avid fans and a team's philanthropic donation activity produced a strong and positive correlation. This finding suggests that team-level CSR has the ability to influence consumer perceptions of the sport organization. Building on this idea, Walker and Kent (2009a) investigated whether NFL fans would increase patronage and reputational assessments based on teams' CSR activities. The authors reported a significant effect on reputational assessments (roughly 16% variance explained) and significant (albeit small) effects on media consumption and word of mouth patronage. A similar pattern emerged in a study of PGA TOUR consumers (Walker & Kent, 2009b). Using mixed-methods, the authors concluded that the qualitatively reported increase in reputation perceptions should be seen as a strategic opportunity for the TOUR, since such non-core product dimensions are often overwhelmed by the focus of fans on athlete performance.

### **THE CSR "MARKET"**

There is strong evidence that consumers value certain CSR attributes (Sen, Bhattacharya, & Korshun, 2006) and as a result, companies have rapidly begun incorporating CSR into their existing marketing strategies. This undertaking is partially due to organizations wanting to exploit the appeal of CSR to key market segments and meet consumer expectations (Dawkins & Lewis, 2003; Mohr, Webb, & Harris, 2001; Moir, 2001). Attention to the demands of consumers with respect to CSR affords organizations the opportunity to gauge the effectiveness of specific social programs (Murray & Vogel, 1997). While it may not be possible to calculate the impact of CSR in terms of resources allocated, careful market analysis and segmentation approaches could assist in refining CSR strategies to address the needs and interests of salient consumer groups (Murray & Vogel, 1997).

Sport consumer research has suggested that segmentation practices can help researchers and practitioners gain a better understanding of their consumers and (of course) the psychological reasons driving their motivations (Funk, Mahoney, & Havitz, 2003; Rohm, Milne, & McDonald, 2006). An important question however, is how to analyze and efficiently use this information – especially in the social marketing arena. Thus, the critical analysis of key consumer groups among sport entities is important for two reasons: (1) to reveal expectancies and opportunities that exist in the institutional (social) environment that may benefit the firm (Murray & Vogel, 1997); and (2) to provide evaluations of CSR program effectiveness and communication strategies for sport organizations, which Porter and Kramer (2006) suggested is an aspect of social policy development that is too often ignored.

Market segments can be gleaned from any number of variables, but the researchers normally talk about of four main groupings: socio-demographic, geographic, behavioral, and attitudinal (Beane & Ennis, 1987). These groupings are used to widen the understanding of consumer motives and facilitate the design of marketing plans which differ based on buying responses (Kotler & Armstrong, 1994). Socioeconomic (or demographic; e.g., age, educational level, race, and gender) and psychographic (or lifestyles; e.g., activities, interests, and opinions) variables are commonly used in market segmentation because usage rates often vary closely with these variables (Kotler & Armstrong, 1994). However, true market segmentation is very rarely derived from these variables and separate marketing strategies may never be created and/or implemented as a result (Tapp & Clowes, 2002). Socio-demographic and geographic information is among the most widely used because such data are generally easier and cheaper for agencies to access than behavioral or attitudinal information. Although more difficult to access, attitudinal and behavioral variables have been championed as being more important when trying to understand the needs and motives of market participants (Holbrook &

Schindler, 1996; Kyle, Kerstetter, & Guadagnolo, 2002). Thus, we can surmise that by gauging sport consumers beliefs about CSR (i.e., CSR is helping make a difference) and then comparing these beliefs across industry sub-segments could provide marketers with information difficult to glean from basic descriptive research.

### **SEGMENTATION BY SPORT**

There is a significant body of sport marketing literature that discusses the marketing strategies of several sports, teams, and leagues (e.g., Lyberger & McCarthy, 2001; Mason, 1999; Meenaghan, 1998; Mullin, Hardy, & Sutton, 2007). The primary takeaway from these works is that marketers are continually searching for ways in which to describe the uniqueness of the sport consumer. While previous sport marketing studies have attempted to analyze supporters with a number of variables (see Wann, Grieve, Zapalac, & Pease, 2008), none have begun from such a broad (organization-specific) approach. Furthermore, little work comparing consumers across multiple contexts in terms of how they react to CSR has been conducted (exceptions include; Donaldson & Preston, 1995; McWilliams & Siegel, 2001; Mitchell, Agle, & Wood, 1997). We sought to fill this void by examining a number of variables in the organization-specific contexts of the PGA TOUR, NASCAR, and the NHL. Supporters of these organizations have been characterized as loyal, devoted and overly supportive. For example, Amato, Peters, and Shoa (2005, p. 82) noted that the intense loyalty of NASCAR's fan culture "... translates into unequalled financial support". Robinson, Trail, and Kwon (2004) found PGA TOUR supporters to be highly identified and attached to the TOUR and TOUR-related charities. Winfree and Fort (2008) found during the 2004-2005 NHL lockout that fans substituted minor organization and junior hockey for the NHL, not because of the reduced price of a substitute good, but rather due to pure substitution effects from the desire for hockey.

Through a detailed comparison of these consumer groups we should be able to move toward a more actionable rationale for marketers wishing to implement context-specific CSR strategies to garner "secondary value" for sport organizations. A key distinction here however, is between core product differentiation (i.e., hockey, racing, and golf) and market segmentation (i.e., interested consumer groups). Dickson and Ginter (1987) noted that while differentiation can be pursued with or without market segmentation, market segmentation can be pursued only when product differentiation exists. This point is fundamental as each sport organization's unique product tends to the needs of a specific consumer group which links the ideas of both market segmentation and also product differentiation. Examining CSR as a strategy (based on consumer needs) could imply that organizations either create opportunities where consumer's needs and wants can be realized, or define what those should be, and actively push them into the marketplace.

### **RESEARCH FRAMEWORK**

In light of the limited research detailing the reactions of consumers to organization-specific, socially-directed marketing activities, this research had two objectives: (1) extend and compare findings from other sport contexts and previous literature in this area; and (2) assess any existing differences for CSR effects across sports. The conceptual framework is shown in Figure 1 which suggests that the CSR beliefs will impact the attitudinal evaluations and behavioral intentions of consumers.

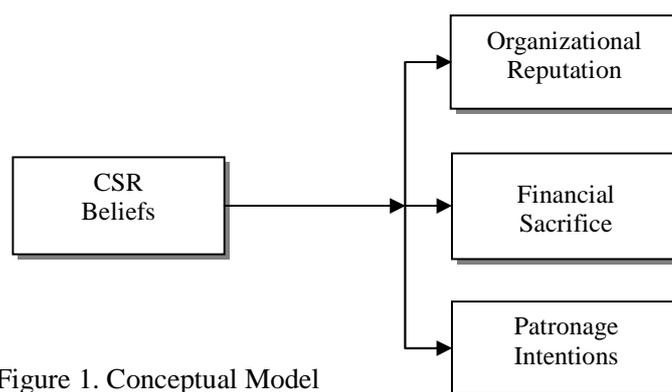


Figure 1. Conceptual Model

### CSR BELIEFS

Since the early consumer association work of Brown and Dacin (1997), research has underscored the role of consumers' beliefs and reactions to CSR (Du, Bhattacharya, & Sen, 2007). Programs aimed at the community betterment, child and women's labor issues, health-related activities, and educational initiatives (to name a few) have all been posited as residing under the CSR umbrella. However, an important caveat offered by Mohr et al. (2001) is that in order for consumers to form opinions about an organization's social agenda, they first must be cognizant of their efforts and second, believe in those efforts. Equivocal results from the CSR literature (Du et al., 2007; Sen, Bhattacharya, & Korshun, 2006; Mohr et al., 2001) suggest that relatively little is known about how consumers' beliefs about an organization's social programs influence their firm-level evaluations. Since much research has attested to the idea that consumers (and consumer groups) can significantly alter the viability of the firm (Murray & Vogel, 1997), knowledge of how salient stakeholders view various social programs is of considerable interest to managers and public relations officers.

Regarding CSR information, Klein and Dawar (2003, p. 204) noted that a "halo effect" may be present which could spill over to other organizational characteristics. In sport for example, strong consumer beliefs about the NHL's "green" or "hockey fights cancer" initiatives may spill over onto beliefs about the reputation of the organization. This idea is particularly important because we were interested in how the beliefs consumers carry about the organization's position on CSR, spills over onto patronage and willingness to pay behaviors, in addition to their perceived reputation of the organization. Because much of the existing CSR research has manipulated beliefs in an experimental context (Brown & Dacin, 1997; Klein & Dawar, 2004; Sen & Bhattacharya, 2001), little "real world" information is available regarding the outcomes that consumer's CSR beliefs can have for the organization. Thus, we argue that the beliefs sport consumers hold about how CSR programs have benefitted society should be a critical focus in how overall assessments of the sport organization are formed.

### FINANCIAL SACRIFICE AND PATRONAGE INTENTIONS

While various forms of ethical consumption have existed for decades, the phenomenon has only recently risen to prominence (Crane & Matten, 2004); however, the term "ethical consumer" still carries subjective meanings and vague interpretations (Carrigan, Szmigin, & Wright, 2004, p. 401). Roberts (1996, p. 82)

stated that, "... large segments of socially responsible consumers do exist"; and Smith (1995) opined that in the modern ethics era societal expectations have changed many of the most basic marketing assumptions. Thus, evidence is amassing that a firm's ethical behavior may influence product sales and consumers' attitude toward the organization (Carrigan & Attalla, 2001; Cowe & Williams, 2001; Nicholls, 2002).

Despite the attention given to the integration of marketing practice and CSR (Maignan, Ferrell, & Hult, 1999; Maignan & Ferrell, 2004; Singhapakdi, Vitell, & Kraft, 1996), the buyer side of the CSR information exchange process remains somewhat under-researched (see Carrigan & Attalla, 2001; Folkes & Kamins, 1999). What has been done however illustrates a consistent pattern indicating that some consumers express their concern about socially desirable behavior through ethical buying behaviors (De Pelsmacker, Driessen, & Rayp, 2005; Doane, 2001). Auger, Burke, Devinney, and Louviere (2003) found that products made ethically were more attractive and as a result, consumers were willing to pay premium prices for the products. Strahilevitz and Myers (1998) compared consumers' willingness to support a cause for hedonic and utilitarian products and found that subjects were more likely to spend their money on a product associated with a charity. Given that sport entertainment is a hedonic purchase, findings from this study might help explain if consumers of varying sport leagues base their purchases partly on the charitable efforts of the leagues they patronize.

However, there are differences between stated willingness to pay and actual behavior in the marketplace. While consumer perceptions and attitudes can strongly influence behavior (Bhattacharya & Sen, 2003; Ross, Patterson, & Stutts, 1992), it also is true that attitudes toward corporations alone are generally poor predictors of actual purchasing behavior, especially in the context of pro-social marketing (Shaw & Clarke, 1999). Purchase intentions are one important way in which consumers signal their approval or disapproval of corporate activities (Creyer, Ross, & Kozup, 2004). Some marketing research has shown that CSR information can materialize into purchase intentions and consumer perceptions of socially conscious businesses (Brown & Dacin, 1997; Maignan & Ferrell, 2001; Mohr & Webb, 2005). Initial work by Creyer and Ross (1997) bolsters this assertion by finding that consumers were willing to pay more for products associated with an ethical firm. In the sport industry, Walker & Kent (2009a) found that NFL fans reported higher patronage intentions when beliefs in team-CSR initiatives were high, especially in highly identified fans. In a separate mixed-method study of PGA TOUR fans, Walker and Kent (2009b) found a similar pattern of patronage outcomes, with the additional benefit of fan willingness to pay more for TOUR-related items in support of their CSR initiatives. Given these findings from the marketing literature and the recent findings in sport, we propose the following:

*H1: Consumer's belief in CSR will positively affect the financial sacrifice they are willing to make to support the organizations.*

*H2: Consumer's belief in CSR will positively affect their patronage behaviors toward sport organizations.*

## **REPUTATION**

Reputations are considered the most important intangible competitive advantage for a company because they provide information about expected future behavior (Fombrun, 1996). Research has shown that reputation provides several of these intangible benefits. Especially when stakeholders suffer from imperfect

information (Roberts & Dowling, 2002) a reputation serves as a signal of a firm's past interactions with stakeholders (Barney, 2001; Fombrun, 2002). Additionally, a positive reputation may create economic value by improving a firm's ability to recruit and retain its primary stakeholders (Black et al., 2000; Fombrun & Shanley, 1990; Turban & Greening, 1997). As such, reputational information combines outsiders' assessments about how well the organization meets its commitments, and conforms to stakeholders' expectations (Brown & Logsdon, 1997; Lewis, 2001). And according to Black, Carnes, and Richardson (2000), reputations are perhaps foremost in the consumer's mind either when speaking about a firm or considering product/service consumption.

Fombrun, Gardberg, and Sever (2000) noted that reputation is collectively based on the interpretation of various organizational attributes which organizational stakeholders rely on. In their research on reputation building, Fombrun and Shanley (1990) and Rindova and Fombrun (1998) posited that a favorable reputation enables firms to charge premium prices for their products in addition to capitalizing on their record for CSR. More recently, academics have become increasingly interested in how reputation relates to CSR (Brammer & Pavelin, 2006; Fombrun, 2005) because elements of social responsibility have been viewed as key drivers of reputation (Schnietz & Epstein, 2005; Tucker & Melewar, 2005). From a *Theory of the Firm* perspective, McWilliams, Siegel, and Wright (2006) argued that CSR carries with it several strategic implications the foremost of which is reputation building or maintenance; and when substantive, a favorable reputation may not only attract consumers but also shareholders and investors. In their study of NFL fans, Walker and Kent (2009a) reported explaining approximately 16% of organizational reputation based on CSR attributes. Based on the theoretical underpinnings and the preceding empirical work on sport team reputation we proposed the following:

*H3: Consumer's belief in CSR will positively affect their reputational assessments of the sport organizations.*

## **METHOD**

### **SAMPLE**

We tested our hypotheses using three separate samples of event attendees (i.e., NASCAR, PGA TOUR, and NHL). Permission and cooperation was obtained from officials respective leagues to conduct the data collections on the grounds of the various events. Potential participants were approach outside the gates of the respective venues and asked if they would be willing to participate in the research using the following procedures: (1) the purpose of the study was explained; (2) voluntary participation was encouraged and was deemed anonymous; (3) the consent form was presented; (4) the questionnaire was distributed; and (5) the completed questionnaires were collected. On average, it took approximately 7 minutes for a participant to complete the questionnaire. NASCAR data were collected prior to the Daytona 500 in Daytona Beach, FL; PGA TOUR data were collected prior to the Player's Championship in Ponte Vedra Beach, FL; and NHL data were collected prior to the NHL All-Star game in Atlanta, GA.

The sample (on-site, intercept, convenience sampling) was appropriate because event attendees are considered to be one of the primary targets socially responsible information. Given the relative ease of this data collection method it is not surprising that differences in responses have been found (Bush & Hair, 1985). For example, a face-to-face survey technique involves the physical presence of the researcher, which can lead to socially desirable answers from the respondent

(Baggozi & Yi, 1991). This is a particularly important issue when conducting CSR research that relies heavily on values-laden responses. To attenuate this concern, we adopted the suggestions of Randall and Fernandes (1991) who demonstrated that levels of socially desirable responding vary with the level of anonymity. Meaning, the more anonymity seems assured, the less socially desirability responding was detected (Randall & Fernandes, 1991). Thus, the researchers continuously reminded the on-site respondents of the anonymous nature of the research to assist in curtailing this (potentially) problematic occurrence.

We also acknowledge that the respondents may be fans of other organizations besides the focal organization to which they were coded – which could potentially introduce some bias into our results. However, given their attendance at the respective events, it was felt their active engagement would yield useful (organization-directed) responses. On average, there were 16.5 rejections per site visited by the researchers. In total, 356 event attendees were surveyed, which yielded 324 complete and useable questionnaires. The respondent profiles were very similar across the three sports, with the notable exception of the absence of African American and/or Hispanic respondents in the NHL data set.

#### MEASURES AND ANALYTIC TECHNIQUE

Our survey process followed prescriptions by Fowler (2002), and as such the questionnaire was developed by identifying construct items used in previous research. CSR belief was measured using items (e.g., “I believe that the [league name] should regularly make donations to charity”) adopted from Walker and Kent (2009b). In earlier administrations, this scale demonstrated an adequate internal consistency score ( $\alpha=.83$ ) according to Lance, Butts, and Michels (2006) who stated that .80 provides an adequate cut-off for social research. Intentions were measured using items (e.g., “I will buy [league name] merchandise in the future”) adopted from those used by Walker and Kent (2009b;  $\alpha$  scores ranging from .83 to .93 for the previous investigations). Financial sacrifice was measured using items measuring the respondents’ *willingness to pay* (e.g., “all else being equal, I am more likely to make purchases from organizations that give to charity rather than not”) extracted from the *Socially Responsible Purchase and Disposal* scale (SRPD; Roberts, 1993, 1995; see Creyer & Ross, 1997; Webb, Mohr, & Harris, 2007). In earlier administrations, the *willingness to pay* sub-scale demonstrated an adequate internal consistency score ( $\alpha=.73$ ). Reputation was measured with items (e.g., “I have admiration and respect for the [league name]”) adopted from the scale developed by Gaines-Ross (1998;  $\alpha=.88$  in a previous study).

To empirically validate the paths in our model, we performed multivariate regression analysis in the first phase of testing. Based on the outcomes of the regressions we sought (in the second phase of the analysis) to compare the parameter values (see Paternoster et al., 1998) from CSR belief to the three outcomes for the individual samples. Finally, to explore differences among the three samples and to provide an omnibus test for any multivariate effects witnessed from the first phases of testing, MANOVA was performed. While not implicitly hypothesized, the group comparison tests are important in answering our overall “... can we segment reactions to CSR in sport” research question.

## RESULTS

### ASSESSMENT OF MEASURES

Normality of the data was determined by examining the skewness and kurtosis values which were in an acceptable (+1, -1) range. Descriptive and scale statistics were calculated and all Cronbach alpha coefficients for all factors indicated these constructs were internally consistent (see Table 3).

**Table 3. Descriptive Statistics, Correlations, and Reliability Coefficients of Study Measures**

Construct <sup>a</sup>	M	SD	$\alpha$	Correlation Matrix			
				1	2	3	4
1. CSR Belief	4.40	.77	.83	<i>.87</i>			
2. Patronage Intentions	4.16	.88	.84	.34***	<i>.90</i>		
3. Financial Sacrifice	3.53	.81	.75	.40***	.33***	<i>.87</i>	
4. Reputation	4.06	.87	.81	.35***	.55***	.41***	<i>.93</i>

*Note.* <sup>a</sup> 1=Strongly Disagree, 7=Strongly Agree; \*\*\* $p$ <.001; The diagonal (and italicized) values are the square roots of the AVE. This value must be larger than the variable's zero-order correlations in the same row and column for discriminant validity to be present (Fornell & Larcker, 1981).

Confirmatory factor analysis (CFA) revealed an adequate fit to the data ( $\chi^2/df$  =3.12; RMSEA=.081; SRMR=.055; CFI=.93; GFI=.93; NNFI=.90). Both the RMSEA and  $\chi^2$  values were somewhat inflated according to the criteria suggested by Hair et al. (2005) for a good fitting model (i.e., RMSEA < .80 and the  $\chi^2$  approaching 2.00). However given the other fit indices, we felt confident that the fit was adequate enough for the subsequent analyses. Factor loadings of the measures onto their corresponding constructs were all in the acceptable range (<.50) and all composite reliability values exceeded the threshold of .80 (Fornell & Larcker, 1981). These findings are indicative of a high degree of individual item reliability. We conducted two tests to ensure that our constructs were acting independently. First, following the suggestions of Fornell and Larcker (1981), we calculated the average variance explained (AVE) by the constructs in the model. Should the value of a scale's average variance exceed its correlation with other variables, evidence of discriminant validity is present (see Table 3). Second, we required that the construct share more variance with its items than it shared with other constructs (which was confirmed; Hulland, 1999).

### HYPOTHESIS TESTING

Table 4 displays the results of the multivariate regression analyses for the three settings. All three research hypotheses were supported, as CSR belief had statistically significant effects on the three outcome variables. The ability of the hypothesized model to explain variation in the three outcomes was assessed by  $R^2$  values. For the NHL sample, CSR belief explained 12% of the variance on patronage intentions, 22% on financial sacrifice, and 13% on reputation. For the PGA Tour and NASCAR samples, CSR belief also accounted for significant amount of explained variance (see Table 3).

**Table 4. Hypothesis Testing Results**

Path	PGA TOUR		NHL		NASCAR	
	$\beta$	R <sup>2</sup>	$\beta$	R <sup>2</sup>	$\beta$	R <sup>2</sup>
H <sub>1</sub> ( $\beta_1$ )	.246**	.06	.470***	.22	.212*	.06
H <sub>2</sub> ( $\beta_2$ )	.265**	.07	.372***	.12	.277**	.05
H <sub>3</sub> ( $\beta_3$ )	.223**	.07	.357***	.13	.205*	.08

Note. \* $p < .05$ ; \*\* $p < .01$ ; \*\*\* $p < .001$

### PARAMETER COMPARISON ANALYSIS

When the same regression model is fitted to several subsamples the question may arise of whether the effects of some of the explanatory variables are the same for all the subsamples (Cohen, 1983). To the influence of such effects is to test for differences between regression coefficients (for example does  $\beta_1 = \beta_2$ , etc.); considerable consensus exists regarding the appropriateness of this strategy (see Brame, Paternoster, Mazerolle, & Piquero, 1998; Clogg, Petkova, & Haritou, 1995; Paternoster et al., 1998). The technique prescribed by Paternoster and colleagues (1998) allowed us to examine the differences between the regression coefficients of the three samples. That is, we needed to determine whether or not CSR belief influenced the outcomes differently, beyond simply “eye-balling” the results.

Using this method, the *z-score* for the comparisons was obtained by dividing the difference in the unstandardized regression coefficients ( $b_2 - b_2 - b_3$ ) by the square root of the summation of squared standard errors ( $SE_1^2 + SE_2^2 + SE_3^2$ ). The resulting *z-score* for each model must be greater than (+/-) 1.96 to be significant at the .05 level (Cohen, 1983). The calculations revealed that the influence of CSR belief on financial sacrifice ( $z = -2.97$ ;  $p < .001$ ) and reputation ( $z = -2.16$ ;  $p < .01$ ) were significantly greater in the NHL sample, however the effects on patronage intentions were statistically similar ( $z = -1.27$ ) for all three samples.

### MULTIVARIATE ANALYSES

A MANOVA was performed to evaluate the effect of the three samples on the research outcomes. Since there were no significant differences in the group sizes greater than a ration of 1:1.5, no attenuation measures were needed to achieve multivariate normality. Further the degrees of freedom in the error terms for each of the univariate effects was greater than 20 helping to achieve normality. A significant multivariate effect was found for organization type. Compared to the PGA TOUR and NASCAR, the NHL respondents exhibited higher scores for all outcomes. PGA TOUR respondents differed from NASCAR respondents in that they had higher scores for reputation and financial sacrifice, yet lower scores for patronage. Univariate tests demonstrated significant effects across the outcomes.

### DISCUSSION AND FUTURE DIRECTIONS

Previous sport consumer research has demonstrated the important role of firms acting in socially responsible ways (Walker & Kent, 2009a). The present study sought to extend those findings by examining the effect of consumer beliefs in CSR

on three strategic outcomes with three separate consumer samples. The three outcomes (i.e., patronage intentions, financial sacrifice, and reputation) all have the potential to contribute to a firm's financial productivity and growth potential and thus are significant organizational considerations. In this study, CSR belief explained significant variance for all three outcomes across all three sport segments. This finding is noteworthy as it underscores the importance of leveraging CSR activities to increase market share with different demographic groups. Firm's should engage in CSR activities and develop related marketing messages as a means to increase consumer patronage, willingness to make financial sacrifice, and likelihood of developing positive assessment of corporate reputation. Conducting CSR activities with these outcomes in mind will likely allow firms to increase their consumer base while also retaining existing customers.

While it is important to note that CSR activities had a significant effect on the outcomes measured in this study, of more interest was the analysis of potential differences amongst sub-samples. Examination of the scores for CSR beliefs for each of the sub-samples revealed no significant difference between groups. However, when examining the influence of CSR belief on the outcomes, significant differences emerged. For each of the strategic measures a higher percentage of variance was explained with NHL consumers than with NASCAR or PGA TOUR consumers. Comparison of NASCAR and PGA TOUR consumers revealed that PGA TOUR consumers scored higher on reputational assessment and financial sacrifice, while NASCAR consumers scored higher on patronage intentions. A possible explanation for the strong relationships between CSR beliefs and financial sacrifice as well as CSR beliefs and patronage is that these "segments" may possess varying levels of loyal to the respective leagues. Thus, they might potentially engage in the desired behaviors regardless of whether the league participated in CSR initiatives (i.e., if they are at the higher end of the loyalty continuum). Therefore, our conclusions have been tempered until a more comprehensive examination of league loyalty and identification has been carried out.

Collectively however, the findings suggest that sport organizations should not consider all consumers of sport as being the same in terms of their reactions to CSR activities. Attention should be paid to segmenting consumers based not only on the sporting event but the type of CSR activities engaged in by the organization. Put another way, sport organizations should not expect their consumers to react to CSR activities in a uniform manner. Organizations that adopt a "one size fits all" approach to CSR (and subsequent communication of these activities) are likely to not see maximum return from resources allocated to CSR initiatives. This underscores the importance of developing CSR activities that closely align with the beliefs, values, and expectations of the consumer base. Also, it is not enough to simply engage in these activities, sport organizations must also develop CSR messages appropriate for a particular segment of sport consumers. In addition to recommending that CSR initiatives be widely communicated and undertaken with recognition of different sports as different market segments, it may also be good to think of segmentation in broader terms (e.g., highly involved fans, casual fans, and non-fans in the community). Different social initiatives could be developed to appeal to fans with different levels of attachment to the focal organization.

Comparison of regression coefficients for each sample revealed that CSR beliefs were a much stronger catalyst to action for NHL fans compared to the other groups. No such difference was found for the relationship between CSR beliefs and patronage intention. This finding suggests that consumers of each sport event were less likely to attend future events based on their reactions to CSR activities. However, the finding that NHL consumers demonstrated a more positive assessment of the organization's reputation and were more willing to accept a financial burden

as part of their patronage is noteworthy. The ability of a firm to promote positive reputational assessments among its consumer base is an important factor when attempting to maintain or increase market presence. It is likely that consumers who have a positive perception of a sport organization will share these beliefs with other consumers, thus creating positive word of mouth marketing for the agency. Therefore, sport organizations should engage in CSR activities that are likely to spur positive reputational assessments by consumers and craft messages which deliver this information in an impactful manner. Likewise, it is also beneficial to a firm if CSR activities cause consumers to be more willing to assume financial burden related to the consumption of the organization's sport product/service. This could provide the organization with more flexibility in terms of pricing because consumers will be willing to pay a higher price (in part) to support organizational CSR efforts. In terms of this study, these positive outcomes were much more likely to occur with NHL consumers than those of the NASCAR and PGA TOUR.

While beyond the scope of this inquiry, future research should attempt to discover the source of differing reactions to CSR messages across contexts/fan bases, or assess whether this finding was idiosyncratic. This study represents a first attempt at measuring the differing reactions to CSR activities exhibited by sport consumers, however only speculation can exist as to the source at this time. For example, it might be that the All-Star game presentation by the NHL was a more effectively branded and/or communicated CSR campaign than one might find at a "regular" event. Or perhaps "leagues" (like the NHL) do a better job of communicating CSR messages than do "tours" (i.e., the PGA TOUR and NASCAR) due to homesteading advantages. As a final thought, it could be that the CSR activities themselves are the source of difference, in that it is possible that the NHL simply might engage in activities that have more resonance with fans.

### CONCLUSION

As we have noted, the appropriate balance of strategy, management, and CSR may lead to a competitive advantage for the firm and can act as a form of brand insurance. From a marketing perspective an enhanced understanding of the interrelation of CSR and brand management can be of considerable benefit to the sport marketer. The current findings, obtained in a natural field setting, support the external validity of benefits that sport organizations can realize if consumers believe in the organizations social agenda. Given the convergence of the results from previous investigations, there is mounting support for the direct effects that CSR beliefs can have on various organizational outcomes in the sport industry. From a marketing perspective, the results underscore the importance of CSR in organization-level communication strategies. While not likely to be a primary motive for consumers to attend games or support the organization, CSR reciprocation benefits are nonetheless important for program maintenance and commitment, especially in difficult economic times.

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