

Enhancing Football Brands' Brand Equity

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ABSTRACT

The sport entertainment industry has its most famous representative in Europe. Hundreds of professional football clubs are playing in their European football leagues. They attract supporters in front of the screen and in stadiums. The clubs in competitions are medium sized companies. They are competing and working together while they are delivering their core service, the game on the ground. The spectator can be considered as an important budget line for all clubs. Budgets are nevertheless often not balanced and stadium attendance is underdeveloped. We conducted research within two different football nations, France and Germany. Four clubs were in the sample and interviews with the management were carried out. The conceptual approach was based on brand image theories. Football clubs are specific sport brands. Brand image elements attract spectators into the stadium for those brands. These elements can explain the purchase intentions of season tickets and merchandising products. Our research revealed that common elements and differences exist between the clubs, each club having a brand identity. We identified which elements lead to purchase intentions and made best practices evident. The importance of the game is often overestimated by a club's management. The game and the attractiveness of the stadium are important, but not the only factors explaining stadium attendance. The club has also to be a "good club in the community," and corporate social responsibility (CSR) becomes a crucial issue.

Keywords: Brand Equity; Football; Brand Image; Customer Perceived Image

INTRODUCTION

There are hundreds of professional European football clubs which do not appear in top rankings. They are all medium sized companies, and, as they are all involved in competition, they are inevitably preoccupied with sporting results. Open competition in Europe allows the first clubs of a lower ranked league access to the higher ranked league at the end of the season. But the contrary is also true. The last ranked clubs can be relegated to the lower league, which is synonymous with budgets divided by three. A market orientation is a quite recent phenomenon, which professional sport clubs have started to adopt, rather than traditional performance orientated management. They developed their budgets differently. Best practices are those where the three budgets lines are equivalent. Commercial rights - such as sponsorship and the selling of merchandising products -, matchday-ticket, season ticket and other incomes during the matchday, and TV-rights are balanced. There is great potential to develop these budget lines especially for those leagues where TV-rights are considered as a real dependency, such as the first and second French professional football leagues. Filling rates are different within the Big 5, the five richest leagues of UEFA (England, France, Germany, Italy, and Spain). The attendance of sport fans in the stadium is linked to purchase intentions, ticket and season ticket purchase, as well as buying merchandising products and restaurant services. Studies try to explain stadium attendance and team loyalty within customers' perceptions (Koenigstorfer, Groeppel-Klein, & Schmitt, 2010). To the best of the authors' knowledge there is no research which explains stadium attendance and fans' purchase intentions in different football nations. This was the starting point for the present research. Two different football nations were observed. German clubs, for their best practices in terms of filling rates, and French clubs, for their dependence on TV-rights. The filling rates of French stadiums in the Ligue 1, first French professional Football League, are low with an average of 73% (19,600 spectators in 2012/2013) compared to the German 1. Bundesliga, the first German professional Football League, with an average filling rate higher than 93% (43,000 spectators for the same season). Spectators are encouraged to spend money during a football game. German spectators spend three times as much money as French fans. One explanation has been the size and attractiveness of the German stadiums, since the quality of the game perceived as

equivalent. We think that other elements contribute to, and impact on spectators' perceptions and purchase. Professional football is the sport with the most fans and viewers on the planet and the media coverage of sport entertainment assures a high degree of visibility to those companies, such as Manchester United with its 180 employees. However, even smaller clubs have now started to explore national and international markets. Over the last decade sport brand management has become a key issue. Sport clubs can be considered as specific brands and they have to meet customers' expectations (Bouchet & Hillairet, 2009). All these clubs have to know is their key traits and those which make customers' attend their matches and buy their merchandising products. Key traits are linked to brand image and a strong, positive brand image is the most powerful part of brand equity. Brand image can directly impact on spectators' purchase behavior and lead to competitive advantages (Guenzi & Nocco, 2006). Customer based brand equity derives from the compounding effect of brand knowledge on consumer response to the marketing of the brand. Brand knowledge includes brand awareness and brand image, where brand image is defined as the perceptions about a brand as reflected by the brand associations held in consumer memory. These associations have to be captured.

FOOTBALL BRANDS AND CUSTOMERS' BRAND ASSOCIATIONS

Themes of identity, image, and reputation play a predominant role in sport. The importance of brand image for European soccer teams is evident, and image in relation to soccer teams can be assessed in the French and German environment. It seems that spectators' attendance in the stadium is not only linked to team performance and the famous uncertainty of outcomes (Pawowski & Anders, 2012). Other elements have to be taken into account and we follow previously given conceptual approaches to determine those elements. Research has elucidated several factors of the sport entertainment industry in different environments.

The Categories for Assessing Sport Brands

Brand image factors are summarised by Keller's (1993) three major categories: attributes, benefits, and attitudes. *Attributes* are descriptive features linked to the product. They are product related or non-product related. Attributes are necessary for performing the product or service function by consumers. Product related attributes are the core service (specified by two factors (F) - F1: "Game, team, team's success, players" and F2: "management of the club"). Different items are linked to each factor. They appear as questions in the questionnaire.

The first category comprised also non-product related attributes (determined by four factors - F3: "stadium," F4: "history and tradition of the club," F5: "entertainment in the stadium," and F6: "other services" such as the restaurant services).

The second category is a factor (F7) and the basis of customers' *benefits*. They are personal values that the consumer attaches to the product or service attributes.

The third brand category, the brand *attitudes*, is also defined as the basis of consumer behavior, and is the overall evaluation of a brand. It is the consumer perspective of corporate ethics, in other words, the consumer perceived ethicality (CPE) and commitment of the brand to the community (Brunk, 2010).

We generated and adjusted these factors with their items through different series of studies. First, a literature review highlighted several factors in different environments (e.g., US and European). Interviews with sport fans in France and Germany added new items and adjusted former ones. In a last step we completed interviews with clubs managements, three interviews per club were carried out with the Director of Marketing, the Director of Communication, and the Stadium Manager. This was interesting when comparing potential differences in perceptions between the club and the spectators.

THE REPRESENTATIVES OF EUROPEAN SOCCER TEAMS

The four clubs (French: Football Club de Lorient/FCL and the Stade Rennais Football Club/SRFC, German: 1. FC Köln/FCK and the VfB Stuttgart/VfB) of our research were chosen for different reasons. They are medium sized companies, they have the status of SASP (Société Anonyme Sportive Professionnelle for French

clubs) or GmbH (Gesellschaft mit beschränkter Haftung for German clubs), a profit making status similar to Ltd (Limited liability company). In these clubs the managements define marketing communication strategies. They are also representative of hundreds of professional clubs in Europe. They are not the Bayern Munich or the Paris Saint Germain ranked on the Deloitte TOP 20 Money League. The observed clubs played during our studies in the first leagues.

The two French clubs for this research are located in Brittany, France. The Stade Rennais Football Club (SRFC) has played in the first division for over fifty years, and the Football Club de Lorient (FCL) was promoted to the first division in 2006. Both clubs are well known in France. SRFC is a regional Brand (Couvelaere and Richelieu, 2005), with a good chance of earning national recognition, whereas FCL remains a local brand. Both play in small to medium sized, recently renovated stadiums (FCL 16,870 seats, and SRFC 29,800 seats).

As all the other teams the 1. FC Köln (club’s proper name) played in the 1. Bundesliga. The stadium capacity of the FC Köln RheinEnergieStadion is for about 50,000 spectators. The VfB Stuttgart has a stadium capacity of 60,441 places. Both stadiums are recent facilities. The city of Köln is well known for its amazing carnival. The stadium is therefore filled by the local population. The club is also called the carnival club. The VfB is a national brand with international recognition.

CLUBS’ BRAND IMAGES

Clubs’ brand images are different. Manchester United makes us think about football, the colour red, and the UK. The image is more differentiated for the spectator present in the stadium. Our deeper approach makes eight essential and independent brand image factors evident which we think directly impact on purchase behaviour. Questionnaires have been distributed (FCL: 500; SRFC: 496; FCK: 412; and for the VfB: 364) to spectators over the age of 16. We excluded fans in fan corners as well as V.I.P.s from the sampling. Those groups are different in terms of expectations and services provided, and they are in general well known by the management of the club. We are focusing on the greater public, which is not a homogenous group. Statistics back these results up. Analysis with IBM SPSS 20 started with descriptive statistics, followed by an exploratory factor analysis with rotation varimax to verify the brand image and we finished the conceptual approach with a binary regression analysis to see the impact of the factors on purchase behavior.

The public in French stadiums is older than in German stadiums. Lorient attracts an older public. Rennes has a younger public due to a specific pricing strategy for the numerous students in the city. The average age is close to those of German clubs. German stadiums are more feminized. Women are present in greater numbers (25%) compared to French stadiums (11%). Socio-professional categories are proven to be diverse for all clubs, indicating that football reaches a large population nowadays. Statistics correspond to those published by the leagues.

The four clubs perform differently when we observe the brand image, which is explained by the different categories (*cf.* Table1).

Table 1: European Football Clubs’ Brand Image Factors

Categories	FCL		SRFC		FCK		VfB	
	\bar{x}	AVE %	\bar{x}	AVE %	\bar{x}	AVE %	\bar{x}	AVE %
Cat 1: Product-related attributes	4.4	37.2	4.0	29.4	5.1	27.7	4.9	24
Cat 1.2: Non-product-related attributes	3.9	35.9	4.4	42.8	5.0	43.8	5.2	45.5
Cat 2: Brand benefits	4.6	11.4	4.9	11	5	14.6	5.1	13.5
Cat 3: Attitude	4.7	15.5	4.8	16.8	5.26	13.9	5	17

Notes: Average of all items in the category (\bar{x}); AVE, average variance extracted from categories and their part in the brand image (AVE %: recalculated on 100%). Source: Based on fieldwork.

It is not surprising that all clubs get overall positive scores. The spectators are mostly regular visitors. German clubs have clearly more balance and better quality on all items. The French spectator remains more critical regarding the quality of categories. German football is not necessarily better. Male supporters, overrepresented in French stadiums, consider the game more critically. This factor of this service is subject to gendered distension when compared to the image of the German game.

Non product related attributes are also better perceived by the German spectators. French fans stay critical. One explanation for this phenomenon is related to the infrastructure. German stadiums are multifunctional, including shops, conference rooms, club museums, and restaurants. They are larger and newer than the French stadiums. Other services are not up to expectations, such as the restaurant services in the stadium.

The FCL is characterized by its “sporting performance and user-friendly services.” The club is by its history rather a League 2 club. The club has a small budget, a coach, Christian Gourcuff, who has held this position for a long time. Athletic performance is crucial for the image of the club (37.2%). The FCL is the last club to engage volunteers for various services. Restaurant services are a part of this and spectators appreciate it. The animation in the stadium does not meet customers’ expectations, therefore non-product-related-attributes remain weak.

Its counterpart, Breton SRFC is: “The region and training of young players” which are respectively part of the brand benefits and brand attitude. The newly renovated stadium is positively evaluated. The club must review the entertainment in the stadium and other services such as restaurant services. Those factors have an important place in the brand image. They received a low rating from fans. Non product related attributes accounted for most of the club's image.

FCK has its roots in the city of Cologne, in a region known for its huge carnival. It is part of the “Community of Cologne,” so the fan is demonstrating with his/her presence in the stadium their attachment to the region and commitment to the community of Cologne. All categories get excellent scores. The brand benefit category is the largest factor. The team, though important, does not play the central role. It is the festive side and the escapism which count, and they are at least as important.

The image of VfB is complex. Its involvement in the community, its team and restaurant services are key elements. Along with other non-product-related-attributes, they are considered as more important than product related attributes. The predominant factor is the CSR engagement. We can summarize the brand identity with: “Corporate social engagement, youth training, and other services.”

Two major tendencies have to be mentioned when the average variance extracted (AVE) is observed, a summary of measurements of convergence among a set of items representing a construct, such as, for example, the categories. It is the average percentage of variation explained among the items and reflects the spectators’ association linked to the brand, in other words the clubs’ brand images:

- The AVE for non-product-related-attributes has the highest score among categories except for the club FCL;
- The customer perceived ethicality (attitude) has a high AVE score for all clubs.

These two brand image elements impact on purchase intentions.

COMPARING THE FRENCH AND GERMAN SPECTATORS’ PURCHASE INTENTIONS

Regression analysis can assess the predictability of purchase behavior. Purchase behavior of merchandising products and season tickets was included within the scope of research (Blumrodt et al., 2012). The category in assumption is identified by a tick for each of the three (four) categories for the four clubs (cf. Tables 2 and 3).

Table 2: Purchase of Merchandising Products

	Predictability of Categories Within the Scope			
	<i>FCL</i>	<i>SRFC</i>	<i>FCK</i>	<i>VfB</i>
Cat 1: Product-related attributes	✓	✓	✓	✓
Cat 1.2: Non-product-related attributes		✓	✓	✓
Cat 2: Brand benefits				
Cat 3: Attitude		✓		✓

Source: Based on fieldwork.

Table 3: Purchase of Season Tickets

	Predictability of Categories Within the Scope			
	<i>FCL</i>	<i>SRFC</i>	<i>FCK</i>	<i>VfB</i>
Cat 1: Product-related attributes				
Cat 1.2: Non-product-related attributes		✓		✓
Cat 2: Brand benefits	✓	✓	✓	✓
Cat 3: Attitude		✓	✓	✓

Source: Based on fieldwork.

It can be recognized that:

- Product-related-attributes impact on purchase of merchandising products;
- Product-related-attributes have no impact on purchase of season tickets;
- Purchase of season tickets is linked to other categories;
- The more the brand becomes international, the more categories influence purchase intentions;
- CPE impacts on purchase intentions.

Buying a season ticket is not the same purchase as buying merchandising products. The wearing of merchandising products makes fans attachment to the team visible. Therefore it can be observed that the higher the items of product-related-attributes are, the higher the purchase of merchandising products is. In other words, the more the team and the team play on the ground become important, the more spectators would like to feel associated with the team in the stadium during a match, and the more they will buy merchandising products.

The high score of AVE for non-product-related-attributes impacts on purchase intentions, especially on those of season tickets. Non-product-related-attributes evolve with the brand, from the local (FCL) level, to regional level (FCK), regional level with national recognition (SRFC), and national level with international recognition (VfB). The broader the recognition of the brand, the larger the number of categories involved in purchase.

The CPE category contributes to brand image and impacts on purchase of merchandising products as well as season tickets. Clubs “good and responsible behavior” is recognized by the spectators.

EXPLANATIONS AND IMPROVEMENT OF BRAND IMAGE

The selected brands have their own particular brand image. They also have characteristics in common. We applied the same research protocols to two different nations and the outcomes demonstrated that a large part of brand image can be measured.

- Similar to former research (Bauer et al., 2008), the present research proves that the impact on purchase of non-product-related attributes and other brand categories increases with the brand image. Higher brand image recognition leaves more differentiated categories (cf. Figure 1).

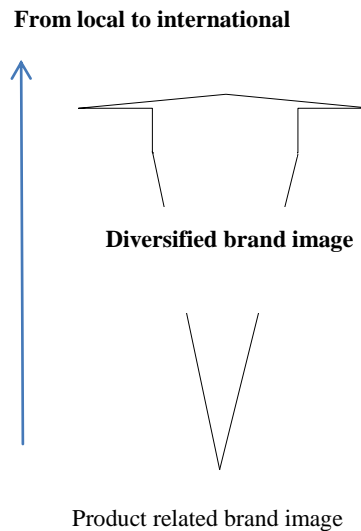


Figure 1: Brand Image, From Local to Global Football Brands

This can be demonstrated using the example of an international well-known top brand such as Coca Cola. Coca Cola is rather more than a soft drink. An impressive global presence through outstanding ad campaigns, bold design, digital savvy and a simple, universally relevant theme interlaced throughout the brand's communications: happiness. VfB is rather more than football; it is also entertainment, snack bars, and commitment to the community.

Descriptive statistics have shown that women are underrepresented during the match, especially in French stadiums. If it is not due to the game and sporting performance on the field, marketing communication can influence the attractiveness of the club. On the other hand, the non-product-related-attributes, the categories of brand benefits and CPE have to satisfy women's expectations. It is the story of chicken and egg. The more women attend in the stadium, the better the brand image perceptions are. Or is it the enhanced brand image which attracts women?

- We found that women have to become a precise target group for all clubs. Women in the stadium influence the spectators overall perceptions of the brand. They are more indulgent with the team and the club.

Other recommendations can be made for French clubs.

- Non-product related attributes are an opportunity for improvement. Underdeveloped services, such as the lack of pleasant snack bars for spectators, are a real limitation of the customer experience. This comes as a surprise, because the quality of such services is directly manageable by the club.
- FCL still focuses primarily on the core product. Communication should become more customer orientated.
- The football industry is part of the sport entertainment industry. There is nevertheless a lack of entertainment off the field. The large screens recently installed at SRFC are only used for advertisements, and there is no interesting visual content to supplement game play.

For the football industry we investigate perceptions of CSR, such as the club's commitment to their region, the importance of the club to its city and region, the contribution of the club to the good reputation of the region, responsibility and social commitment, commitment to ethical partners and sponsors, respect towards the ecological environment, and the honesty and transparency of the club. Spectators are aware of this commitment. They know all about their club and follow all actions undertaken by the brand.

- Community engagement (CPE) needs to become a formalised strategic brand management strategy.

Are these managerial issues a dilemma? We think not. Management is capable of action. First, clubs have to become owners of their facilities. Up to now, only 5% of the French professional clubs have their own stadium compared to the 22% average of all European football nations. Ownership should encourage the clubs to develop more customer friendly stadiums.

Second, we identified that CPE is important for clubs. Medium sized French clubs could learn from their German neighbours. Most German professional teams publicise their mission statement and state clear business objectives on their websites. One of the clubs' objectives linked to their mission is their CSR commitment. Yet, only the biggest French professional clubs, such as Paris Saint-Germain and Marseille, have their own foundation for humanitarian work. No French clubs mention the brand's mission, objectives, and CSR commitment as part of their strategy.

The importance of symbolic and cognitive factors in the sporting area can be stressed, and conflicting expectations of different stakeholders integrated. Leaders implement strategies which take into consideration both the message of the strategy and the business benefits of the strategy. Inherent to sport's nature and sporting values, ethical behavior should be the underlying concept of the sport entertainment industry. Sporting values and ethical considerations should become guidelines for these businesses.

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NOTES