

Implications of Athlete Scandals: Effects on Athlete, Team, and League

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Abstract

This study explores the impact of an athlete's personal scandal on consumer perceptions of the player, team, and league. A self-administered online survey was created based on past literature. A random sample of 263 respondents was obtained. Results indicate that an athlete's actions that are viewed as inappropriate by consumers drive a negative view of that athlete as an individual, as well as the team they are associated with. However, consumer perceptions of the league remain unaffected. Consumers who find transgressors' behavior inappropriate and develop a negative view of an athlete post-scandal are less likely to watch an athletic event starring the athlete and purchase a product endorsed by the athlete. However, if a consumer is a fan of an athlete or the team on which the athlete is playing, transgressions do not have as significant of an impact on the consumer. Our findings lead to managerial recommendations that managers should carefully consider as they consider how brand relationships with transgressing athlete subsequently impact team and brand image.

Keywords

athlete scandals, consumer perception, team loyalty, brand loyalty, endorsement

1. Introduction

Advertisements featuring athletes are the most common segment of celebrity endorsements, making up 60 percent of total celebrity endorsed advertisements. Large corporations spend over \$12 billion a year on celebrity endorsements, and it usually pays off (Carlson). By matching an athlete's image with a brand image, companies can strike good endorsement deals that will target consumers with similar values. Athlete endorsements can also show the power of a brand, by providing the idea that the athlete's performance is a result of using a certain product. These attributes can make more money for a brand, making the investment worthwhile for the company. However, it is relatively often that one can find a scandal where an athlete endorser is involved. Therefore, there is an obvious risk that comes along with spending massive amounts of money on seemingly volatile athletes.

The reason for conducting this study is to understand to what extent athlete scandals have an impact consumer perception of that player, their team, their league, as well as any brand they may endorse. Is an athlete who has been subject to a scandal worth the risk? Our research will be beneficial to brands that use athletes as endorsers to promote their products. Teams and leagues can also use this research to assess the damage done to their marketability after a supported athlete is engaged in a scandal. We address

research questions related to the degree an athlete scandal affects their self-marketability, as well as the marketability of their team, their league and any products that they may endorse.

Some research questions we analyzed include:

- How does an athlete scandal affect how a fan perceives that athlete?
- How does an athlete scandal affect how a non-fan perceives that athlete?
- How does an athlete scandal affect the marketability of the team he/she plays on?
- How does an athlete scandal affect the perception and marketability of the league?
- Does the type of scandal have an impact on consumer perceptions?

We start with a review of past research and then move on to explain the methodology used to gather our data. This includes our scales and its validation, as well as our survey design and implementation. A description of our sample profile is included followed by an analysis of the data collected. Conclusions and marketing recommendations are then provided.

Athletes today are customarily used as endorsers of brands in order to promote a product. As endorsers of brands, if an athlete engages in a negative activity, not only is the brand that the athlete promotes affected, but so are competing brands in the same industry (Carrillat, 2014). If an athlete commits a wrongdoing consumers may consequently gain a negative perception of the athlete and their affiliates, as natural ties can be drawn between a brand that an ill-acting athlete represents and the team and league they represent. However, even though a consumer may feel negatively about a professional athlete's transgression, it does not necessarily mean the consumer feels negatively about the athlete. Consumers support for a brand endorsed by a transgressor is a direct function of moral reasoning choice as the type of transgression often affects this reasoning (Lee, 2016). This means that perception is often tied to consumer morals. Researcher, A. Sassenberg built a conceptual model to fully analyze the degree of consumer emotional response to an endorsed brand in relation to the type of transgression that occurred. By comparing brand benefits with athlete actions, the model concluded that the type of transgression did indeed affect consumer's perceptions, if the athlete was an endorser of a brand (Sassenberg, 2015).

Athletes comprise over half of all celebrity endorsers (Lake, 2010). Evidence has shown that negative publicity about an athlete may be discounted because of fans' commitment to a player, team, or sport. Less committed fans tend to recall more negative facts about an athlete whereas committed fans tend to counter-argue with more favorable thoughts (Funk & Pritchard, 2006). Consequently, marketing funds spent on athlete endorsers rather than those spent on other celebrities may be less risky due to sports fans' commitment to their favorite athlete and teams. Studies have shown that stock returns and sales do increase with an athlete endorser especially with each major achievement of the athlete (Elberse, 2012). However, negative information is often given greater weight than equally strong positive information (Einwiller et al., 2006). This means that negative information surrounding an athlete endorser can largely threaten a brand image, sales, and consumers' trust.

Aspects of athlete scandals have been studied in order to anticipate the negative repercussions regarding consumer attitudes. Results have found that scandals such as drug abuse have had a long-term negative impact as opposed to scandals involving an athlete's home life (Hughes, 2016). Many form a negative relationship between athletes and the use of performance enhancing drugs. Nonetheless, results have revealed that athlete's brand image mediates the relationship between drug abuse and purchase intentions of sports consumers (Butt, 2016). The Endorser Expertise Continuum supports this notion as they developed a scale to validate athlete's marketability using anchor points such as "likeability" and "acquirable expertise". It has verified the theory that athletes are actually considered brands themselves (Simmers, 2009). This research will play an integral role when analyzing how a scandal affects fans' and

non-fans' perceptions of athletes engaging in negative behaviors. Based on these secondary sources we plan to further these findings and explore new implications in the sports industry and athletes as brands.

2. Method

2.1 Methodology

To obtain data the study was conducted using descriptive research. We collected a convenience-based random sample using the snowball method. This allowed for a like-minded group of individuals to participate in the questionnaire, as well as encouraged participants to share with more people.

The scale used for this survey was a seven-point Likert Scale, with negative descriptors on the left, starting with "Strongly Disagree", and positive descriptors on the right, ending with "Strongly Agree". There were no labeled middle descriptors, but each question had an identifiable midpoint. The question format and layout made it easy for respondents to read and follow the instructions. Our survey began with a cover letter to obtain the respondent's cooperation and to inform respondents of the purpose of the study. Our survey was designed to be split into 5 sections. First, psychographics, followed by a section for each of our three athletes and their respective transgression, and lastly demographics.

Our survey asked how a respondent felt about each athlete transgressor prior to their scandal as well as after. The first scandal introduced was Colin Kaepernick, of the San Francisco 49ers, and his kneeling during the National Anthem before games. The second is Hope Solo, U.S Women's National Soccer, and her vicious words towards Sweden's National Team post-game. The third scandal was Maria Sharapova, of the International Tennis Federation, and her being accused of drug use. To check the validity of the scales, we ran a Chronbach's Alpha test and found all our scales to be internally reliable. For questions regarding respondents' negative view of an athlete post scandal, the Chronbach's Alpha is 0.764. For questions regarding whether respondents are a fan of an athlete transgressor the Chronbach's Alpha is 0.708. For questions regarding respondents decreased likelihood to act, the Chronbach's Alpha is 0.817.

2.2 Sample Profile

Almost two-thirds of our sample was comprised of respondents between the age range of 18 and 24. The second most representative age range within our sample were respondents between the ages of 45 and 54 as they comprised roughly one-sixth of our sample. More than half of respondents identified themselves as students, with the second greatest occupation identifier being employed for a combine total of 97 percent of respondents identifying with one of the two. The majority of respondents identified as white with only 8 percent of the sample classifying as other races. Respondents with a household income equal to \$100,000 or more were four times more present within our sample than the next greatest represented income range, less than \$19,999. These two income ranges made up about 50 percent of the total sample and 16 percent of respondents preferred not to answer.

Table 1. Sample Profile (n = 263)

	Frequency	Percent
Gender		
Male	91	38.2
Female	144	60.5
Age		

18-24	155	65.1
25-34	14	5.9
35-44	13	5.5
45-54	40	16.8
55-64	10	4.2
65 or older	4	1.7
Occupation		
Student	134	56.3
Employed	98	41.2
Unemployed	1	0.4
Ethnicity		
White	219	92
Non-White	19	8
Income		
Less than \$19,999	24	10.1
\$20,000 to \$39,999	12	5
\$40,000 to \$59,999	21	8.8
\$60,000 to \$79,999	21	8.8
\$80,000 to \$99,999	23	9.7
\$100,000 or more	98	41.2
Prefer not to answer	39	16.4

3. Results

When exploring each hypothesis, we split our conceptual relationships into three sections relating to consumers' perception of: the individual athlete, their team, and the league they play in. We conducted data using three different athlete scandals. We were not only interested in the significance levels ($p \leq 0.10$), but also the direction of the relationship. The results are presented below in Table 2 and Table 3. Results indicated that an athlete's actions, which are viewed as inappropriate by the consumer, inspire a negative view of that athlete, as well as the team they play on, but does not significantly affect the view of the league. It can also be drawn that if the consumer is a fan of the athlete that performed the transgression, the transgression did not affect their view of the athlete. Similarly, if the consumer is a fan

of the team the athlete plays on, the scandal did not diminish their view of the team. Again, fandom did not have a critical effect on the league of the player.

We then conducted analysis based on consumers' intention to watch a game, and buy a product, subsequent to the scandal. It can be concluded that both, having a negative view of the athlete post-scandal (F = 69.035; p. 0001; R square = 22.6%), and viewing it as inappropriate (F = 59.933; p. 0001; R square = 20.3%), discourages individuals from watching a game that the athlete was participating in. Likewise, having a negative view of the athlete post-scandal (F = 161.297; p: .0001; R square = 40.6%), and viewing it as inappropriate (F = 114.713; p: .0001; R square = 32.7%) would discourage them from buying a product endorsed by that athlete.

Table 2. Fanhood Effects on Individual and Team

Construct:	Being a fan of X	Drives a negative view of X:	
		F	R-Square%
	X		
Individual	Overall	27.664***	10.5%
	Colin Kaepernick	72.133***	23.4%
	Hope Solo	33.670***	12.5%
	Maria Sharapova	16.647***	6.6%
Team	Overall	18.686***	7.3%
	The San Francisco 49ers	4.44***	5.4%
	US Women's National Soccer Team	11.633***	5.7%

***Significance level at 1% level.

Table 3. Consumers' Views of Athlete Actions

Actions viewed as inappropriate by consumer:	Drives a negative view of:		
	The individual	His/Her team	His/Her league**
Hope Solo	P-value: .001; F = 176.450; R-square: 42.8%	P-value: .001; F = 14.234; R-Square = 5.7%	P-value: .051; F = 3.845; R-square = 1.6%
Colin Kaepernick	P-value: .001; F = 166.740; R-square = 41.4%	P-value : .001; F = 87.391; R-square = 27.0%	P-value; .000; F = 40.835; R-square = 14.8%
Maria Sharapova	P-value: .001; F = *		P-value: .801; F = .064;

161.533; R-square = R-Square = 0%
40.6%

* Tennis is an individual sport; therefore, team perception is not applicable to Sharapova.

** Data is not significant.

4. Discussion

After conducting our survey and analyzing our data, we have come to the conclusion that scandals have a negative effect on both the individual athlete and the teams that they play for. In the case of the league, there is no information that suggests a negative effect. We also noticed the data correlating between being a fan of a certain athlete and viewing their scandal as negative. It showed that if the person is a fan of the athlete then they are less likely to view the scandal as negative as someone else who is not a fan of the athlete or has no bias towards them.

Based on our conclusions, this data can be a valuable decision making element for professional sport organizations, as well as for brands that use athlete endorsers. Athlete scandals have an effect on the actual individual, the team in which they are affiliated, but not the league in which they belong. Going forward we can confidently suggest that brands who use athlete endorsers should carefully evaluate whether or not they want to continue strategic marketing relationships with transgressors, as consumers are likely to develop a negative perception of the brand. Brands need to decide whether their image will be damaged if they are associated with an ill-acting athlete, and if their brand's message and or ethics will be compromised if they continue relations with a particular athlete. As for marketability in the sport, it is recommended that the team take on a majority of the burden when handling a negative transgression. By issuing a press release, or a degree of damage control in a timely manner the team may be able to neutralize some of the negativity that arises by showing their fans that they do not support the athlete's actions, as that is not what they stand for. The fans need to see that the team has taken action against the player in order to give the perception that the team and the fan are of the same mindset and as a result the fans perception of the team will not be as negatively impacted. By gathering a general consensus of how consumers and fans feel about the transgression, teams can decide to take action that most closely aligns with the majority view of consumers. In regard to the league, individual athlete's transgressions are not a major concern, as shown by our data.

We believe future research can build on our work. Due to our survey containing polarizing arguments such as Colin Kaepernick's civil rights protest, we were hoping to receive responses from an ethnically diverse sampling pool. Ninety percent of our respondents were Caucasian. This limitation prevents us from receiving the opinions of respondents who have strong emotional ties to the protest through their ethnicity. As an extension of our research, we would like to take a more comprehensive look at how the type of scandal may affect consumers' perceptions. Additionally, we would like to obtain a more diverse sample. This would give us the appropriate data to make more concrete conclusions as to whether or not certain demographics drive consumers' perceptions.

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