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An Exploration of Non-Renewal and Disengagement of Season Ticket Holders from Professional Sport Clubs

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Background

The bulk of research exploring sport consumers focuses on the engagement, attitudes and behaviours of team fans or spectators. Equally important, but more rare, is research conducted on sectors of the market that become disengaged from the product or service (e.g. lapsed season ticket holders (STH)). Theoretically, the possibility of disengagement has been recognised, with the psychological commitment process seen as fluid and as likely to regress as progress (Crawford, 2004). In this study, we aim to measure why, and to what extent, former STH reduce their psychological commitment to teams and the behaviours that accompany this disengagement.

Like all service industries, STH are likely to lapse or churn. Usage of the service (games attended) and duration as a STH are two factors that determine such levels of churn (McDonald, In Press). In addition, research models why consumers switch or disengage from their original service providers (East, Grandcolas, Dall 'Olmo Riley, 2007; Keaveney, 1995). Common categories of reasons for switching in non-sport services include pricing, inconvenience, service failures, competition and involuntary switching. These categories give an indication of why STH may lapse and provide a base for investigation of the first research question:

- *What are the reasons why STH lapse from a professional sport club?*

The research also investigates to what extent lapsed consumers disengage with the club and other aspects of the sport offering. Given engagement or connection is often depicted as a staged process or continuum (Funk, 2008) we posit that stages of disengagement might also exist, and seek to determine how non-renewal and related attitudes and behaviours can play a part in the measurement of this process. Therefore, we seek to explore two further research questions:

- *To what extent do lapsed STH disengage from the club, team and sport?*

- *What are the outcomes of lapsed and disengaged supporters?*

Methods

The research used two stages of longitudinal survey data collected from STH and lapsed STH of an professional Australian football club. In stage 1, STH (n=2595) were questioned on satisfaction with the service offering, and other behaviours (e.g. game and media consumption) and attitudes (e.g. points of attachment, psychological connection and loyalty) associated with the club. All respondents were asked if they were likely to renew in the following year. If they did not answer 'Yes' they were asked to give the most likely reason why they might not renew in line with the categories determined in past studies (East et al., 2007; Keaveney, 1995). Survey data was later combined with data obtained from the club about actual renewal for the following season. This retrospectively produced two groups - renewing and lapsed STH - who were then compared on levels of satisfaction, attitudes and behaviours based on their responses in Stage 1. Stage 2 (to be completed in 2010) will seek to further compare the same groups of renewers and lapsed STH, paying particular attention to the attitudes and behaviours of STH who exited and their level of disengagement. Measures for attitudes and behaviours replicate those in Study 1. Additionally, we seek to explore any dysfunctional behaviours lapsed members have undertaken (e.g. word of mouth or active discouragement of joining the club among friends).

Results

Findings presented here are from Study 1 comparing renewing and lapsed STH and exploring reasons why members were considering not renewing. Results showed that lapsed STH had significantly lower levels of overall satisfaction and lower usage of the product, indicated by attendance at fewer games. Attitudinal measures such as continued and adapted loyalty, strength of motivation to attend and team identification were all significantly lower for lapsed members.

Overall, 18.7% of respondents indicated they were not convinced they would renew (i.e. answered no or unsure to the renewal question). Reasons for likely churn included price (30.2%) and inconvenience (20.4%) both at a higher ratio than in the Keaveney (1995) and East et al., (2007) studies. Service failure/s and dissatisfaction with core aspects of the STH offering (including on-field performance, home ground and club administration) accounted for 39.9%, comparable with the average of prior studies, while competition (2.5%) and involuntary switching (4.3%) were much lower than previously found. Comparisons to the actual reasons for lapsed STH will form part of the analysis in Study 2.

Conclusion

Initial findings indicate lapsed members are lower on key intention measures than renewing STH, suggesting they begin to disengage prior to leaving the service. This presents opportunities to identify characteristics of STH who are likely to lapse and determine strategies that may assist in maintaining them as customers. Additionally, the majority of STH who were likely to lapse indicated reasons for which the club can exhibit some control. Finally, given these findings, levels of disengagement tested in Study 2 might be expected to differ based on STH key reasons for lapsing. Such differing levels of disengagement would advance the view that a continuum or stages of disengagement may be present for sport consumers.

