

“Measuring co-creation of value by other customers – evidence in sports”

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Aim of abstract – research question

Value of sporting events has traditionally been measured on characteristics such as quality of the game, catering, sanitation infrastructure etc. Based on Service-Dominant Logic (SD-logic) the value of a sporting event does not exist per se and cannot not be determined by event characteristics alone. According to SD-logic, only value propositions are offered by the sporting event. As value is fundamentally derived and determined in use, the context influences the value experience which is uniquely and phenomenologically determined by the beneficiary (customers in this case). Therefore co-creation of value is always value-in-context (Vargo & Lusch, 2004).

Sport services like sporting events are often delivered in settings where many customers are present at the same time. Thus, other customers can have an essential impact on the event experience (Woratschek et al., 2007). From our prior qualitative research we have insights about relevant customer groups of a sporting event and their behaviours within the co-creation process (Woratschek & Durchholz, 2012). Moreover our qualitative work offers the base for the development of an innovative measurement scale for the value of a sporting event from a customer's point of view.

Against this background our research objective is twofold:

1. Which indicators determine the value of a sporting event?
2. What are the main influences on the co-creation process of a sporting event?

Theoretical background

Based on a far reaching literature review we gained knowledge about the underlying context of a service setting and its potential influencing factors like other present customers during a service experience. From our qualitative studies we know that value of a sporting event (value-in-use) can be seen as fulfilled motivations. This notion forms the base for the formulation of a new measurement scale for “value” (Woratschek & Durchholz, 2012).

From our point of view, the traditional characteristic-oriented approach is not sufficient for measuring value, as SD-logic proclaims the relevance of the context and its relevant influencing factors like other present customers. Therefore, we focused on the interaction processes of customer groups as they contribute to the value creation process of a sporting event. This is why co-creation of value needs to be investigated by a combined approach of interaction- and characteristic-oriented measurements.

Moreover, we considered the potential effects of co-destruction of value since our qualitative research detected several negative contributions of other customers (see also Plé & Cáceres, 2010).

These theoretical findings support our approach to go one step further in setting up a model on co-creation of value by other customers.

Methodology, research design and data analysis

The interaction-oriented approach was implemented by drawing from the results of the repertory grid we conducted in our qualitative study. Thus, we focused on contributions of the individual customer (i.e., the fans of the own team and the fans of the opposing team). From the grid, we derived items for every customer group operationalizing the contribution to a good atmosphere (co-creation of value), as well as to conflicts (co-destruction of value).

In addition, traditional characteristics like perceived team performance and perceived stadium service quality were added to the model. The according items have been adapted from the sports marketing literature (Woratschek et al., 2007).

Measuring value of a sporting event leads us to items which have been used in motivational research in sport management: e.g. atmosphere (Uhrich, 2007), entertainment (James & Ross, 2004), excitement (Funk et al., 2004).

We hypothesize that each customer group has a positive influence as well as a negative influence on the value of a sporting event. Additionally, we assume that perceived team performance and perceived stadium service quality have a positive influence on the value of a sporting event. Finally, we conjecture that the value of a sporting event will be reflected by fulfilled motivations (second-order latent variable).

We analysed our hypotheses by using structural equation modelling. The data collection was realized with online surveys focusing on spectators and fans of first- and second league football clubs in Germany during season 2010/2011. Altogether, a data set of $n = 346$ could be generated. Prior to the analysis of the full structural equation model (SEM), exploratory and confirmatory factor analyses were applied. The so confirmed structures were finally measured in a comprehensive SEM.

Results, discussion and implications

Our results show customer groups exert a dominating effect on the value of a sporting event, and thus lend compelling support to the concepts of co-creation and co-destruction of value. Furthermore, we establish that the value of a sporting event can be validly measured via fulfilled motivations. Based on these findings our study provides support of SD-logic and their contextual influences like other customers on the value of a service experience.

Selected References

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