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DETERMINANTS OF LAGOS STATE COLLEGIATE ATHLETES LOYALTY TO SIX BIG SPORT SPONSORS BRANDS IN NIGERIA

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Abstract:

Sports remains a viable means of promoting corporate product brands globally. This explains why corporate bodies in the country shifted attention to sports as an effective promotion platform in a competitive Nigerian market. This study investigated the determinants of collegiate athletes' loyalty to six big sports sponsors' brands in Nigeria. The descriptive research design was adopted in conducting the study. Two hundred athletes selected by a stratified random sampling technique across two Universities in Lagos-Nigeria served as respondents. Brand Loyalty Questionnaire (BLQ) developed by the researchers and face validated by three experts in sports marketing for content validity (r=0.86) was used for data collection. Two hundred copies of BLQ were administered on selected respondents using the spot technique. The findings of the study revealed that MTN Nigeria was rated as the brand mostly associated with sports (Rating Score=90), while brand awareness was perceived to be the most significant determinant of brand loyalty (score=474; x² value=74.1; P<0.05). Furthermore, brand loyalty of collegiate athletes was highest for MTN Nigeria (Mean=2.93; F=18.89; P<0.05). The study concluded by enjoining sponsors to adopt sports as a means for improving brand loyalty of consumers to ensure sustained patronage towards improving revenue base of corporate organizations.

Keywords: collegiate; athletes; brand; loyalty; sports; sponsors

1. Introduction

Sports in the last three decades have metamorphosed to become a significant global dictator of socio-political and economic development. This assertion can be buttressed

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by the increasing rivalry in sports and the economic implication of staging national and international sports events. The 2016 Rio Olympic Games witnessed a total of 10,444 athletes (Male = 5,744; Female = 4,700) from 206 countries including Nigeria in attendance (<u>www.reuters.com</u>, 2016). A whooping 43.3 billion dollars was used in staging the 2016 Rio Olympic Games (<u>www.vox.com</u>, 2016). This clearly shows the economic strength of sports in present global polity, as it significantly ranked amongst the five highest income generating sectors in the world.

The ever-enlarging financial implication of organizing modern sports programmes, particularly as the global economic recession lingers, has made individuals, groups, clubs and governments in many nations of the world struggle to meet up with the demands of funding sports as it may, hence, the need for the intervention of corporate bodies in sports in the form of sponsorship. The alarming cost of organizing competitive sports at any level especially in the light of purchase and maintenance of sports facilities and equipment, attending games and events, payment of overhead costs to mention but a few, have made regular intervention of corporate bodies through sponsorship inevitable. Moronfolu, Ogunsemore and Ndaks (2017) noted that it has become extremely difficult for government to provide adequate funds for sports in the face of global economic recession. Since a sports organizer or administrator cannot bear the required huge amount of money for sports alone, there is need for sponsors to come to their aid through sponsorship of sport programmes.

Sport sponsorships remain a fundamental marketing effort through sports. This effort makes the sponsoring companies gain publicity and recognition by identifying with a sport event or sport organization (Speed & Thompson, 2000). It is arguably one of the most important perks for the sponsors as they rely on their beneficiaries to act as a channel to educate the public regarding the capability of the company, or increase awareness to the company brand (Mullin, Hardy, & Sutton, 2007). Sponsors also strive to improve their company's image via associating themselves with the sport property. Basically, sponsors hope that their sponsorship can transfer the positive image fans have of the sport property onto themselves, indirectly strengthening the company's brand and credibility. Through endorsement, the process of image transfer is rather prominent. People tend to associate a positive "meaning" to sports celebrities based on their respect and idolization for the athlete and through endorsement, these "meaning" are being transferred to the product (McCracken, 1989).

Sport sponsorship is prominent in today's context of sport event management. The mutual benefits that sponsors and beneficiaries can reap from a sponsorship deal are tremendous. Strictly referring to monetary assets, over \$14.35 billion was invested into sport sponsorships in North America in 2014 and the revenue returned to the sponsors was \$14.62 billion. Sponsors not only get to have their cash back; it even came back with an interest. On top of that, the sponsorship also increased the company's brand equity and public awareness. Therefore, sport sponsorship is a good avenue for investment and is projected to experience steady growth in both the amount of money

invested into sport sponsorship and the revenue generated for the sponsors, over the next few years (Statista, 2015).

One common practice in sports sponsorship widely embraced by most sports sponsors in Nigeria is the association of the sport event or celebrity with a product brand of the sponsoring company. The major objective of this strategy is to ensure that the product brand gain a competitive edge over other competing product brands in the business environment. By associating an event or a sports figure to a product brand, consumers are persuaded to accept the product as the most reliable and profiting option, thereby increasing sales and continued patronage which will invariable lead to increased profit orchestrated by improved consumption amongst consumers (Busser, Benson & Feinstein, 2002). Brand association using elite sportsmen and women helps create an elite image for the product and company. For instance, associating Nigerian elite player, Kanu Nwankwo with Peak milk, the message is that if one wants to be a successful professional footballer, he or she should always consume Peak milk. These elite athletes are models to children and some parents, who may want their children to be professional athletes. Invariably, the consumers in question will increase the consumption of the products, which the athlete is associated with.

Corporate bodies involvement in sponsoring sports in Nigeria spans over thirty years but became a key corporate strategy in the last one decade. Presently, sports sponsorship value in Nigeria has witnessed a dramatic upsurge, running into billions of naira and features more prominently in the yearly budgets of most companies operating in the country. Some companies have succeeded in associating their company products to specific sports and to a large extent have become very popular among consumers, viewing public and organizers of sports in Nigeria owing to their annual sponsorship of some sports events (Asagba, 2008). He further pointed out that corporate bodies remain a driving force in the advancement of the frontiers of sports in Nigeria by offering players, officials, organizers, and spectators the opportunity to savor their goodwill. Business organizations like Coca-cola, Nigerian Breweries, Guinness, Mobil etc have contributed to the improvement of sports preparations in major competitions. Other corporate bodies and business institutions like Globacom and MTN communications; Central Bank of Nigeria; Shell; Nestle Foods, Cardbury etc have all actively participated in sponsorship of competitive sports at different levels in Nigeria. In view of the involvement of corporate bodies in Nigeria sports, there is the need to

investigate the extent to which sponsorship of sports have influenced the loyalty of Lagos State collegiate athletes towards sports sponsors product brands in Nigeria, using six big corporate sports sponsors. Thus, the following questions guided the study:

- 1) Would there be a dominant predisposing factor to Lagos State collegiate athletes' loyalty to sponsor's product brands in Nigerian?
- 2) Will loyalty to sponsor's product brands differ among Lagos State collegiate athletes?

2. Research Method

2.1 Research Design

The descriptive research design was employed in conducting this study. To this end, data was collected through a developed and validated questionnaire, collated, analyzed, interpreted and used as basis for drawing inferences on Lagos State collegiate athletes' loyalty to six big sport sponsors brands in Nigeria.

2.2 Population/Sample

The population studied comprises of all collegiate athletes in Lagos State. A total of two hundred athletes (males=127; females=73) selected from two universities i.e. University of Lagos (UNILAG)=100 and Lagos State University (LASU)=100, served as respondents in the study. They were selected through a stratified random sampling technique based on institution.

2.3 Instrumentation

The "Brand Loyalty Questionnaire (BLQ)" developed by the researchers and face validated by two experts in sports marketing for content and criterion related validities, was the instrument used for data collection. A pilot study was carried out using the test retest method to ascertain the reliability of BLQ. In this regard, twenty copies of the BLQ were administered twice (with two weeks interval) on twenty collegiate athletes who were not included among the respondents. The r-value following the use of Pearson's Product Moment Correlation on the scores generated from the two separate administrations of BLQ stood at 0.86, hence its adoption for data collection in the study.

2.4 Data Collection

A total of two hundred (200) copies of the validated BLQ were administered on selected respondents, with hundred copies (100) each being administered in the two universities used in the study. In all, one hundred (100) copies each of BLQ were administered respectively on both male and female respondents. Four trained research assistants were used for questionnaire administration on respondents, with on the spot administration technique being adopted over two weeks for hundred percent returns.

3. Results

Iable 1: Demographic data of respondents											
Gender			Age			Sport Involved			Level		
Options	Freq	%	Options	Freq	%	Options	Freq	%	Options	Freq	%
Male	127	64%	18-25 years	130	65%	Individual	75	37.5%	100L	12	6%
Female	73	36%	26-30 years	60	30%	Team	125	62.5%	200L	56	28%
Total	200	100%	30+ years	10	5%	Total	200	100%	300L	90	45%
			Total	200	100%				400L	42	21%
									Total	200	100%

Table 1. Domographic data of rooman dants

Table 1 above shows the demographic distribution of respondents that participated in the study. As show on the table, 64% of the total respondents were males, while the remaining 36% were females. In addition, 65% of the respondents were ages 18-25 years, 30% of them were aged 26-30 years, while the others were 30 years and above, representing 5% of the total respondents. Furthermore, the distribution of respondents by sports involved showed that 37.5% of them were involved in individual sports, while 62.5% being the majority were involved in team sports. In view of the distribution by level, it could be observed that 6% of the total respondents were in 100 level of study, 28% were in 200 level, 45% were in 300 level, while the remaining 21% were in 400 level of study.

SN	Predisposing factors	Score	Rank	DF	x ² value	Sig.
1	Uniqueness of product brand	100	4^{th}			
2	Availability of product brand	455	2^{nd}			
3	Affordability of product brand	275	3^{rd}			
4	Satisfaction derived from product brand	99	5^{th}	5	74.1*	0.009
5	Quality of product brand	45	6^{th}			
6	Brand awareness	474	1^{st}			

From table 2 above, it could be observed that a significant chi-square value was obtained (x^2 value =74.1, P<0.05) at 0.05 level of significance. This implies that a dominant predisposing factor to Lagos State collegiate athletes' loyalty to sponsor's product brands in Nigerian exists. The ranking of the predisposing factors indicates that brand awareness was the most dominant predisposing factor to Lagos State collegiate athletes' loyalty to sponsor's product brands in Nigeria. This was closely followed by availability of product brand in second position on the ranking list. In distant 3rd, 4th and 5th positions respectively on the ranking list were affordability of product brand, uniqueness of product brand and satisfaction derived from product brand. The least factor on the ranking list was quality of product brand.

Table 3: Brand loyalty of collegiate athletes to sports sponsors in Nigeria

SN	Product Brand	Mean	SD	Source	SS	DF	MS	F-value	P-Value	
1	Coca-Cola	2.90	1.00	Total	1493.56	1199				
2	Pepsi	2.59	1.02	Treatment	109.50	5	21.90	18.89	0.000	
3	MTN	2.93	1.15	Error	1384.07	1194	1.16			
4	GLO	2.10	1.16							
5	Bournvita	2.43	1.09							
6	Milo	2.88	1.04							

From table 3 above, it could be observed that a significant F-value (F=18.89, P<0.05) was obtained at 0.05 level of significance. It thus implies that loyalty to sponsor's product brands differ among Lagos State collegiate athletes. The distribution of the mean values shows that Lagos State collegiate athletes expressed higher loyalty to MTN (mean=2.93) as compared with other five product brands. Coca-Cola (mean=2.90), Milo (mean=2.88)

and Pepsi (mean=2.59) placed 2nd, 3rd and 4th respectively. Bournvita and GLO placed 5th and 6th respectively with mean values of 2.43 and 2.10, indicating that these two product brands enjoy lower loyalty among Lagos State collegiate athletes when compared with other brand products studied.

4. Discussion

In view of the results presented above, the finding of this study shows that a dominant predisposing factor to Lagos State collegiate athletes' loyalty to sponsor's product brands in Nigeria exists. Brand awareness, however, was observed to be the most dominant predisposing factor to Lagos State collegiate athletes' loyalty to sponsor's product brands in Nigeria. This was closely followed by availability of product brand, affordability of product brand, uniqueness of product brand and satisfaction derived from product brand in that order. Quality of product brand was observed as the least predisposing factor to collegiate athletes' loyalty to sponsor's product brands. It was also discovered that Lagos State collegiate athletes expressed higher loyalty to MTN as compared to other five product brands. Coca-Cola, Milo and Pepsi followed respectively. Bournvita and GLO, however, were the two product brands that enjoys lower loyalty among Lagos State collegiate athletes when compared with other brand products studied.

The above findings can be supported with that of Vishwas, George and Siril (2014) who discovered following a study on determinants of brand loyalty using experience-commitment-loyalty constructs as a case study that loyal consumers are emotional beings who have their loyalty to specific product brands rooted in numerous factors such as product price, product quality, satisfactory experience and other alternatives. Soltanhoseini and Azimi (2015) on their own part found out from their study on evaluating the effective factors in loyalty of athletes to sports brands in the archery league teams, that price is probably the most important factor for most of consumers. Price is the most important stimulator. More loyal customers have less sensitivity to price. Price cannot dissuade loyal customers easily from purchasing. These customers are willing to pay high prices for their brands. Costumers` satisfaction is achieved by comparison between perceived price and actual price. So that if the perceived price is higher than the paid price, they will buy the product (Lau, Chang, Moon and Liu, 2006).

The findings of this study further attest to the importance of brand loyalty construct in the modern marketing. Most researchers agree that brand loyalty can create firm benefits such as reduced marketing costs (Chaudhuri and Holbrook, 2001), positive word of mouth (Sutikno, 2011), business profitability (Kabiraj and Shanmugan, 2011), increased market share (Gounaris and Stathakopoulos, 2004) and a competitive advantage in the market (Iglesias et al, 2011). These benefits clearly reveal the positive impact brand loyalty can have on a firm, and as such, Khan and Mahmood (2012) suggested *"brand loyalty ensures customer's unconditional commitment and a strong*

relationship with the brand, which is not likely to be affected under normal circumstances".

However, literature still reveals that most researchers agrees that brand loyalty can be either true or spurious (Lin, 2010; Iglesias et al, 2011; Kumar and Advani, 2005). While spurious loyalty is driven by situational circumstances such as price and convenience (Iglesias et al, 2011), true brand loyalty holds some indicator of previous psychological and affective attachment to the brand (Lin, 2010).

In modern media culture, star athletes are more than just sports men/women', but are "a social sign, carrying cultural meanings and ideological values, which express the intimacies of individual personality, inviting desire and identification; an emblem of national celebrity, founded on the body, fashion and personal style". In marketing research, athletes are not only as a vehicle for advertisement or product endorsement, but also as cultural products that can be sold as "brands" (Arai and Chang, 2015). In the context of collegiate athletes in Nigeria, brand loyalty on their part holds great implication for the product brands and the companies involved. This is because, collegiate athletes are celebrities in their own domain. They are widely celebrated personalities within their respective university communities and hold a measure of influence among the sporting family and the several departments and faculties to which they belong. Thus, the identification of a star collegiate athlete with a product brand will not only give the product the much-needed visibility required, but will also attract numerous friends, fans and families of such athlete to embrace the product brand.

It is important therefore, for corporate organizations to leverage on the opportunity that this group provides for the mileage of their product brands. Collegiate athletes belong to the young population group in Nigeria which represents about 45% of the total population in the country (www.bloomberg.com, 2016). Corporate organizations in the business of products and services for this group of Nigerian population can redirect their focused attention on star University athletes for greater profitability in business. This can be an innovative business strategy for vision-oriented leaders in corporate Nigeria, since most corporate organizations in the country direct their marketing and promotional effort at successful national athletes. Star collegiate athletes could be sign up for endorsement at a cheaper cost as compared with established national sport celebrity and offer corporate brands more visibility and mileage in the community of base.

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