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A Conceptual Analysis of Performance Attributes' Influence on NBA Attendance

Why Do Consumers Choose to Attend Games?

Mark Andrew Davis
John Miller

Abstract

Fans want to capitalize on their choices when deciding whether to attend NBA games. The purpose of this study is to provide a conceptual analysis regarding how overall team performances as well as offensive and defensive factors may relate to consumers choosing to attend NBA games during the 2007-2008 to 2016-2017 seasons. Analyzing the results through the lens of the theory of choice, the results revealed significant relationships existed primarily between attendance at NBA games and offensive capabilities of the teams. As a practical matter, consumers choose to attend games that are most likely to be offensively oriented.

Keywords: *Hedonic consumption, NBA attendance*

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Introduction

From the swish of the net to the roar of fans after a victory, what provokes fans to fill basketball arenas? The National Basketball Association (NBA) experienced a sharp increase in interested fans from 18.3 million in spring 2008 to 23.65 million in spring 2017 (Statista, 2018). While the NBA experienced a decline in overall attendance over the 2006 to 2013 seasons, it underwent a resurgence beginning with the 2014–2015 season (Grenier-Hemphill, 2015). In fact, for the third consecutive year the NBA set an all-time regular season attendance mark as nearly 20 million spectators attended games during the 2016–2017 season (NBA, 2017). Moreover, during the 2016–2017 season, a record number of sellouts of 723 was tied (NBA, 2017). Finally, the NBA set all-time highs in average attendance, which also established the thirteenth consecutive year in which attendance reached at least 90% or more of arena capacity (NBA, 2017). Despite the recent increases in fan attendance, it is critical for NBA teams to understand what facets of the game attracts consumers.

Previous research addressing consumer motives for attending sports contests have focused on several theories including superstar externality (Berri & Schmidt, 2006; Berri, Schmidt, & Brook, 2004), constraint information theory (Kim & Trail, 2010), and uncertainty of outcomes theory (Rascher & Solmes, 2007). Superstar externality suggests that fans will be attracted to games that feature star athletes (Berri & Schmidt, 2006; Berri et al., 2004). Settimi (2016) described the NBA as a star-driven sport when it comes to fan engagement. This engagement could be experienced with players such as James Harden (NESN, 2012) and Stephen Curry (Block, 2016). Kim and Trail's (2010) study utilizing constraint information theory evaluated how various factors limit (constrain) an individual's ability or desire to attend a sporting event. The results indicated that fans were primarily inhibited from attending contests due such internal factors as lack of team identification or team success. The uncertainty-of-outcome hypothesis (UOH) specifies that fan involvement is linked to outcome uncertainty (Lee & Fort, 2008). Rascher and Solmes (2007) supported this contention by reporting that fans are more likely to attend sporting events where the outcome of the game or match is not guaranteed.

While the aforementioned studies reported interesting information regarding fan attendance, researchers should examine other theoretical applications when determining factors that contribute to sport fan attendance. By advancing a comprehension of fan non-attendance, this research offers sports teams a conceptualization of what facets of professional basketball fans deem important enough to choose to attend a contest. From a practical standpoint, to accurately assess and understand consumer choices will afford sport managers the ability to attend to existing and potentially new fans in a more comprehensive fashion. Therefore, the purpose of this study is to analyze how team performances may relate to NBA attendance during the 2007–2008 to 2016–2017 seasons through the lens of the theory of consumer choice.

Literature Review

Theory of Consumer Choice

Sports consumers look to “satisfy internal needs and receive benefits” by attending (consuming) sporting events (Funk, 2008, p. 4). In particular, an understanding of why fans choose to attend games will be significant for teams that labor to draw fans to games. Therefore, the team will need to recognize reasons why fans choose to attend professional basketball games, specifically. The theory of consumer choice is such an application that is not often used in studying sport consumer motivation.

According to Thaler (1980), the theory of the consumer choice is “based on a rational maximizing model that describes how consumers should choose, but it is alleged to also describe how they do choose” (p. 39). Mankiw (2012) explained that the theory of consumer choice evaluates how a consumer determines which good and/or service is purchased given the limitations of choices. Within the theory of consumer choice, two categories have been highlighted by academics and practitioners by which individuals make choices: hedonism and utilitarianism (Babin, Darden, & Griffin, 1994; Bazerman, Tenbrunsel, & Wade-Benzoni, 1998; Senn & Lerman, 2007). Bazerman et al. (1998) depicted individuals who adhere to hedonism as those who “want” something as opposed to utilitarianism as those who “should” have something. To further delineate, hedonic consumption addresses affective gratification from the experience (Kempf, 1999), whereas utilitarian consumption does not (Babin et al., 1994).

Hedonic Consumption

Hedonic consumption includes such aspects as feelings, fantasies, and fun (Hirschman & Holbrook, 1982). Hirschman and Holbrook (1982) defined hedonic consumption as “those facets of consumer behavior that relate to the multi-sensory, fantasy, and emotive aspects of one’s experience with products” (p. 92). Hedonic products which are categorized by individuals having fun, pleasure, or enjoyment are inclined to produce fiercer emotional responses (Chandron, Wansink, & Laurent, 2000). During the assessment of hedonic products, consumers often allocate the significance of hedonic attributes of consumption instead of concrete, utilitarian characteristics (Hirschman & Holbrook, 1982; Sen & Lerman, 2007). Additionally, the assessment of hedonic products evaluation of hedonic products is associated with the probable achievement of a particular value such as happiness that may include socializing with friends, building identification with the product, and experiencing excitement (Brakus, Schmitt, & Zarantonello, 2009; Holt, 1995; Celsi, Rose, & Leigh, 1993).

Individuals who make a choice based on hedonic rationale want something because it is more affectively and experientially attractive than those who are inclined to utilitarian reasons. Madrigal (1995) revealed that a sport contest may be considered “a hedonistic experience in which the event itself elicits a sense of drama” (p. 206). Further, Ko, Chang, Jang, Sagas, and Spengler (2017) reported

that “sport consumption in general creates high hedonic values” (p. 223). Thus, individuals (e.g. professional basketball fans) may be more inclined towards hedonic consumption due to a stronger expectation of being part of an exciting experience such as attending a game.

Purpose of the Study

Comprehending what influences basketball consumers to choose to attend a game is important. Because consumers are often confronted with a number of choices on a daily basis, sport marketers must understand what components of the sport most attract consumers to attend contests. Therefore, the purpose of this study is to determine if any area(s) of basketball can influence a consumer to attend games over choosing some other potential activity.

Prior research has shown that consumers may choose to attend games based on team winning percentage (Berri et al., 2004; Copenhaver, 2009; Mongeon & Winfree, 2012), offensive performances (Berri, 2006; Copenhaver, 2009), and/or defensive performances (Nourayi, 2006). As a result, the following questions were created to guide this analysis:

Question 1: Did overall team performance influence the decision choice of fans to attend NBA games over a nine-year span, including the 2007-2008 to 2016-2017 regular seasons (excluding the lockout shortened 2011-2012 season)?

Question 2: Did offensive performance influence the decision choice of fans to attend NBA games over a nine-year span, including the 2007-2008 to 2016-2017 regular seasons (excluding the lockout shortened 2011-2012 season)?

Question 3: Did defensive performance influence the decision choice of fans to attend NBA games over a nine-year span, including the 2007-2008 to 2016-2017 regular seasons (excluding the lockout shortened 2011-2012 season)?

Methods and Procedures

Quantitative content analysis (QCA) uses “statistical techniques and subjective inferences” when interpreting data derived from a theoretical or conceptual framework (Onwuegbuzie & Leech, 2005, p. 379). QCA is also a flexible research method that allows the researcher to perform various quantitative analyses including correlation analysis (Onwuegbuzie & Leech, 2005). With the difference in arena capacities throughout the league, standardizing the attendance reporting method is statistically sound. Thus, it is critical to report the dependent variable of attendance as a percentage of capacity (Borland & Macdonald, 2003). The arena capacities were retrieved from ESPN (2017).

The components used were overall team performance, overall offensive performance, and overall defensive performance. These components were then

categorized using winning percentage for overall team performance; the offensive factors (points scored, 3-pointers scored, assists, and offensive rebounds; and defensive factors (defensive rebounds, fouls, blocked shots, steals, and points allowed). A Pearson's r correlation analysis was performed to determine if any relationships existed between the dependent variable (attendance as a percentage of capacity) and independent variables (offensive and defensive factors). The confidence level used for this analysis was .05. Attendance figures, team performance, offensive statistics, and defensive statistics of the 30 NBA teams were obtained from the 2007-2008 to 2016-2017 seasons from Basketball References (2017). This study excluded the lockout shortened 2011-2012 season.

Results

The results of the Pearson's r test indicated that winning percentage ($r(268) = .554, p = .001$) had a significantly positive relationship between attendance as a percentage of capacity. Additionally, points scored ($r(268) = .289, p = .001$), 3-pointers scored ($r(268) = .273, p = .001$), assists ($r(268) = .210, p = .001$), and rebounds ($r(268) = .151, p = .013$) also had a significantly positive relationship with attendance as a percentage of capacity. Negative relationships were revealed between attendance and fouls ($r(268) = -.146, p = .017$) as well as points allowed ($r(268) = -.220, p = .001$). No significant relationship was found between attendance as a percentage of capacity and blocked shots or steals.

Discussion

Professional sports leagues make up a significant part of the more than \$480 billion of sports revenue generated each year. While sports teams do not solely rely on ticket sales to generate revenue, ticket sales can represent a large portion of team revenue (Shank & Lyberger, 2014). It is apparent that the activities such as attending professional sports league events have generated large quantities of revenue. The NBA alone has reported record setting attendance over the last three years (NBA, 2017). As mentioned previously, research has shown a variety reasons that fans attend sports contests. However, those studies did not analyze the relationship between NBA team performance factors and game attendance.

Fans who choose to attend NBA games may be influenced by the success of a particular team. Dhar and Wertenbroch (2000) theorized that when hedonic goods become unique and irreplaceable, individuals develop emotional attachments to them over time. The results of this study indicated that there was a significantly positive relationship between winning percentage and attendance over the nine NBA seasons studied. These results strengthen the findings of Berri et al., (2004), Mongeon and Winfree (2012) and Copenhaver (2009). Winning teams influence both die-hard and bandwagon fans to attend games due to the enjoyment of attending a quality performance (Wann & Branscombe, 1990). Such affirmative emotions stemming from a hedonic experience which results in a positive outcome (i.e., the team winning, they perceive to have received more than given),

people are innately more likely to choose attending a game. Therefore, the results of this study regarding attendance over the tested timeframe should not be surprising.

To improve attendance, sport marketers must promote the peripheral facets of their sport to those fans who are less informed about event itself, yet are interested in the sport (Hightower, Brady, & Baker, 2002). Berri (2006) determined that points scored per game affected attendance in the 1992-1993 to 1995-1996 NBA seasons. Copenhaver's (2009) analysis on the 2007-2008 NBA season revealed that home team's and away team's points per game both had a significantly positive effect on attendance. Also, Jane's (2016) analysis on the 2010-2011 and 2011-2012 NBA seasons revealed that team scoring ability had a positive effect on attendance. Furthermore, Aldridge (2016) pointed out, offense in the NBA has evolved due to multiple factors. These factors include athlete abilities, offensive-centric rules, and the style of play utilized that highlights small-ball and 3-point shooting (Aldridge, 2016). Such contentions are supported by this study as significantly positive relationships between attendance and all four offensive components (points scored, 3-pointers scored, assists, and rebounds) were discovered. This relationship indicates that had offensive factors influence on a fan's desire to attend NBA games. Since, the evolution of the game into a more fast break tempo could be a factor, the results of this study could help solidify the NBA's use of offense-centric rules in order to maintain or boost ticket sales and attendance.

Only two of the four defensive factors showed a significant relationship to attendance. Both the fouls and points allowed factors showed a significantly negative relationship to attendance. These negative relationships are logical in that fouls and points allowed could potentially cause a team to lose games, thus negating any motivational choice. Blocked shots and steals did not show a significant relationship to attendance. Previous research has not evaluated defensive performance against attendance. However, Nourayi (2006) found that defensive ability does have a significant relationship to overall team performance. Aldridge (2016) further elucidated that the current NBA rules handcuffs defenders. This limitation combined with fan expectations previously highlighted could explain why fans may choose not to attend games when a team is defense-centric. The defensive factors of fouls and points allowed should be evaluated further to understand why fans choose offensive rather than defensive aspects of professional basketball.

Conclusion

Sports fans choose to attend contest for a variety of reasons. The theory of consumer choice appears to be notably applicable to hedonic consumption opportunities such as sports. Therefore, an understanding the factors that sports consumers prize is essential to successful team revenue management (Levin & McDonald, 2009). Unlike previous research, this article attempted to conceptualize how a comprehensive analysis of NBA performance factors can be used to evaluate NBA attendance influencers. Fans, like any consumer, are looking to maximize their choices when deciding to attend sporting events, in this case NBA games.

While it is not surprising that winning was a major consideration for fans to attend games, it is not always practical for sport organizations to solely rely on having a winning record. For example, if a major player, especially in the NBA, becomes injured the team win-loss record may suffer and with it the attendance may diminish. However, this study evaluated different team production factors, which may be of practical application, to determine if they influence these consumption motives through attendance. Consumers choose to attend their games because they may have appealed to the hedonistic consumption by “having fun.” Tifferet and Herstein (2012) stated, “People are more likely to spend time doing something, however important, if they enjoy it” (p. 175). Consequently, an inference can be made based on the results of this study offensive performance, more than any defensive factors, have a positive influence on consumer choice and attendance motivation. The Golden State Warriors may be considered prime example. For instance, prior to winning three out of the last four NBA championships, attendance at their games increased as they scored more points, made more 3-point shots, and increased assists. While many practitioners may be aware of these factors as driving attendance, this study is one of the first to statistically support such a contention. Thus, in a practical sense, an NBA team may strongly consider promoting the team’s offensive prowess regardless of their defensive stature in the league to attract fans to their games.

Future Studies

The limitation of this study does not consider ticket prices, fan income, and/or outcome uncertainty. With this in mind, future research could include a qualitative analysis to determine how NBA fans make choices on attending games to gain in-depth knowledge in exploring hedonic motives or any constraints limiting the fan’s ability to attend games. Finally, a survey based quantitative study can be performed on based on the findings of this study as well as integrating ticket price, and fan income to determine a fan’s motivations for choosing to attend an NBA game.

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