Do Scandals Affect YOU as an Athletic Sportswear Consumer?

A consumer perspective on how endorsed celebrity-athlete scandals affect consumer purchasing behaviour and whether specific scandals influence a brand to terminate the athlete’s contract

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May 2015

Master’s Programme in Management
Abstract

Athletic sportswear brands endorse celebrity-athletes to promote the brand’s image and gain credibility by having these ‘experts’ associated with their brand. This marketing technique is often advantageous for sportswear companies. However, there may be liabilities and complications for the brand if the endorsed athlete becomes involved in a scandal. The two main purposes of this thesis are to assess how and if consumer-purchasing behaviour is affected by endorsed celebrity-athletes involved in a scandal, and at what point should these athletes’ contracts be terminated by the brand, from a consumer’s perspective. This may offer companies with insightful information to make informed decisions in such circumstances. A mix-method approach is used to examine consumers’ purchasing behaviour and opinion. The main method of data collection was an online questionnaire. The questionnaire was supplemented by interviews.

The general findings of the overall study regarding consumer-purchasing behaviour after a scandal show that consumers perceived the criminal, non-sports related scandals to have the most effect on their purchasing behaviour. The sports related scandals are the next set of scandals seen to have a significant effect on consumers. Lastly, the less criminal, non-sports related scandals are considered to have the lowest effect on consumer purchasing behaviour. In terms of the termination of the athlete’s contract, the general findings correlate with the opinions on the severity of the scandal. When the sample consumers believe they would continue to purchase, they also believe the brand should not terminate the contract, and vice versa. Therefore, these findings may hopefully guide sportswear companies to make informed decisions and avoid unwanted repercussions.

KEYWORDS: athletic sportswear brands, scandals, celebrity-athlete endorsers, sports marketing, purchasing behaviour
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1 Introduction

“I’ll spend the rest of my life trying to earn back trust and apologize to people for the rest of my life.” – Lance Armstrong, BBC Sport Cycling (2013)

Athletic sportswear brands frequently implement a common marketing and advertising technique by which they endorse a celebrity-athlete in order to promote their brand and products. These athletes may be chosen based on their public image, popularity, and athletic prowess in their respective sports. However, if the athlete becomes involved in a scandal, the brand must decide on the best course of action, and how the scandal and subsequent brand decisions will affect consumer-purchasing behaviour.

In this thesis, we focus on athletic sportswear brands and how scandals involving endorsed athletes affect purchasing behaviour, from a consumer perspective. Furthermore, we analyze at what point an athletic sportswear brand should terminate the endorsed athlete’s contract, from a consumer perspective. From a theoretical standpoint, our research puts emphasis on several pertinent literature and theories revolving around brand loyalty, brand personality, negative information transference, the Source Credibility Model, the Match-up Hypothesis, and the Meaning Transfer Model. Thus, this thesis presents an analytical perspective using both practical and theoretical frameworks on how scandals affect consumer purchasing decisions and behaviour.

First, a few key terms and concepts must be clearly identified and explained.

Athletic sportswear brands cater to professional athletes, amateur athletes, and any other consumers interested in sports or fitness-related activities. To clarify, athletic sportswear refers to sports footwear, sports apparel – such as shirts, shorts, and socks – and sports accessories. As defined by Merriam-Webster Dictionaries Online (n.d.), sportswear is “clothes that people wear for playing sports [as well as] comfortable clothes that people wear for informal activities”. Our research focuses on all types of consumers who purchase or are interested in athletic sportswear, and whether scandals involving celebrity-athlete endorsers alter their perceptions and behaviour towards athletic sportswear brands. According to Grant McCracken (1989), a celebrity-athlete endorser is “any individual who enjoys public recognition and who uses this recognition on behalf of a consumer good by appearing with it in an advertisement” (p.310). With regards to this thesis, a celebrity-athlete endorser refers to a respected and top-performing professional athlete in his or her sport who is a spokesperson and promotes the brand through print and television advertisements, promotional events, and social media. Celebrity-athletes are powerful promoters because they are effective as differentiators for the brand and are a valuable asset when establishing brand image and perceptions in the consumer’s mind (Singh & Pattanayak, 2014).
A concept related to celebrity-athlete endorsers is the influence of role models. A role model refers to any person who comes in contact with an individual and has the ability to influence that individual’s attitudes, behaviours, or aspirations (Bandura, 1977). With regards to celebrity-athletes, these role models have character traits that are desirable. Therefore, role models become an ideal example for people to admire and embody these characteristics in order to achieve similar success (Buford May, 2009).

Although celebrity-athletes are used to generate positive publicity for a brand, sometimes they can cause negative publicity for a brand when surrounded by a scandal. A scandal is defined as “an occurrence in which people are shocked and upset because of behaviour that is morally or legally wrong” (Merriam-Webster, n.d.). For scandals involving celebrity-athletes, the degree of scandals ranges from legal but morally wrong offences to severe, criminal offences. In order to avoid or lessen the backlash of a scandal and ensure mutual trust, a company develops a contract with the endorsed celebrity-athlete. For this thesis, a contract refers to a formal, mutually binding, written agreement between an athletic sportswear company and the endorsed celebrity-athlete. Thus, the specifics and clarity of a contract may help a company determine what to do in a scandal situation.

Apart from the legal matters, companies usually want to gain trust and loyalty from their consumers in order to foster a long-lasting relationship. Brand loyalty refers to “the intention or behavior to repurchase a particular brand continually” (Singh & Pattanayak, 2014, p.40). Athletic sportswear brands foster loyalty through the advertisement of celebrity-athletes to reinforce brand identity. This thesis investigates whether specific scandals have different results regarding brand loyalty and purchase intention or whether these results will remain unchanged. A concept that helps build and maintain brand loyalty is brand personality. Brand personality is defined as “the set of human characteristics associated with a brand,” such as honest, imaginative, reliable, charming, and outdoorsy (Aaker, 1997, p.347). Furthermore, brand personality is the image a brand wants to portray to its consumers. In terms of athletic sportswear brands, the majority of them strive to provide three of Jennifer Aaker’s (1997) core dimensions of brand personality: sincerity, excitement, and competence.

1.1 Research Purpose

This thesis originated as an exploratory study to understand consumer-purchasing behaviour in the sportswear industry. As our research developed, the main purposes became clear. Hence, this research (1) evaluates how and if consumers’ purchasing behaviour for athletic sportswear brands changes when an endorsed celebrity-athlete is involved in a scandal. Moreover, this thesis (2) examines the consumer’s perspective and values on whether a company should terminate the contract of the endorsed athlete, which are analyzed through nine different scenarios. These two main purposes are analyzed from a consumer perspective, which provide greater insight into consumer behaviour and core values for sport companies. Therefore, through an analysis and
discussion of consumers’ opinions, our research (3) helps inform athletic sportswear companies’ management of these perspectives and hopefully help these companies make educated decisions when determining whether to continue or terminate an athlete’s contract.

1.2 Aims and Objectives

The aim of this thesis is to present an in-depth analysis of consumer purchasing behaviour after an endorsed athlete scandal has occurred, and to discover consumers’ opinions on when the brand should terminate the contract.

Previous research has focused on the effects of scandals on brands, mainly from a company perspective. Therefore, there is a gap in the research field for a critical reflection on the effect of scandals from a consumer perspective. According to Stephanie Hughes and Matt Shank (2005), previous research discovered that there is a correlation between fans’ negative attitudes towards sports personalities and the brands associated with these personalities. Thus, our research will delve into the topic of brand loyalty and brand associations regarding athlete scandals, and how these scandals are actually perceived by consumers.

Our research consists of both quantitative and qualitative data through an online questionnaire and interviews with consumers, respectively. The online questionnaire serves as our main data source, while the interviews with consumers provide explanatory material that will help elucidate the data collected from the questionnaire. Thus, this thesis offers a triangulation of evidence by means of the two surveys, previous research, and our own personal experience and knowledge of the athletic sportswear industry.

1.3 Research Limitations

In general, this research has both spatial and temporal limitations, such as resources and time. There may not be too many specific limitations to our research topic itself because it is an exploratory study. However, a spatial limitation of this thesis refers to the topic of sportswear brand management in general. This topic has a global reach, since it involves many multinational corporations and consumers all around the world. The results from this thesis mainly represent North American and European consumers. Therefore, this is a limitation and cannot be used to generalize consumer-purchasing behaviour across the globe. A temporal limitation of this thesis is that the topics of sportswear brand management and athlete endorsements are modern phenomena, which have become popularized over the last few decades. Within each chapter, further limitations are mentioned in more detail.
2 Literature Review

Previous literature primarily focuses on the effect of scandals and how to deal with these scandals, from a company perspective. Furthermore, previous research analyzes how consumer-purchasing behaviour is affected by scandals from a company perspective. However, previous research does not analyze the effects of specific scandals, such as adultery or the use of performance-enhancing drugs (PEDs), from a consumer perspective, which leaves a gap in present research to explore the consumer’s point of view on this topic. Furthermore, there is a break in the literature to examine at what point a brand should terminate the contract with the endorsed athlete from a consumer perspective. The managerial point of view of consumers’ perspectives may be prejudice towards the actual purchasing intentions of the consumers because the company may be focused on their own intentions for brand awareness and image.

2.1 Sportswear Brand Management

Most previous research on sportswear brand management relates to sportswear brand loyalty and personality, such as how the brand can create a relationship with the consumer through humanizing its brand characteristics. In general, a brand is a recognizable name, word, sign, symbol, or a combination of these. A brand is a continued promise from the company to the consumer that the company will provide top quality service and experience (Balmer, Stuart & Greyser, 2009). Alan Dick and Kunal Basu (1994) created a conceptual framework for consumer loyalty, in which consumers are deemed truly loyal to a brand if they have a relatively positive attitude towards the brand or if the brand is differentiated from the other competitors. Moreover, since Dick and Basu (1994) focus on attitudinal loyalty, Abdelmajid Amine (1998) enriches the conversation by distinguishing between attitudinal loyalty and behavioural loyalty. Attitudinal loyalty refers to a positive attitude being maintained, while behavioural loyalty relies on repetitive purchases of that brand over a long period (Amine, 1998). From Pankaj Singh and J.K. Pattanayak’s (2014) findings, a loyal consumer of an athletic sportswear brand purchases that particular brand mainly because of product quality, price, and store environment. In terms of the purchase intention of loyal consumers, price will not easily affect them if there is already a foundation of brand loyalty (Singh & Pattanayak, 2014). However, it is argued that brand equity – the brand’s value – impacts consumers’ purchasing behaviour, the amount consumers are willing to pay, and the loyalty they hold towards the brand (Spry, Pappu & Cornwell, 2011).

Many studies revolving around brand personality have been analyzed with Aaker’s (1997) Brand Personality Framework. Brand personality is a common and successful marketing tool for sportswear companies because consumers often associate a certain brand to human personality traits (Aaker, 1997), such as cool and innovative. For example, Nike sports shoes’ most dominant brand personality is “dignified”, in addition to “imaginative, cheerful, down to earth, real, charming, trendy, good-looking and friendly” (Mustamil, Chung & Ariff, 2014, p.134). These
brand personality traits are directly influenced by the people involved in the company, such as the CEO and endorsers, and the main consumers of the brand who portray a certain type of image for the brand, such as young and active (Aaker, 1997).

Another prevalent topic in sportswear brand management is brand experience and how it impacts consumers’ loyalty towards that brand. There are three types of experiences for a consumer: product experience, shopping and service experience, and consumption experience (Brakus, Schmitt, & Zarantonello, 2009). Therefore, celebrity-athlete endorsers, who are part of the product experience, are only a fraction of the brand experience for a consumer. Moreover, brand experience is conceptualized as subjective and affects the consumer internally. Each response or behaviour is individual to the person and is instigated by brand-related stimuli, ranging from the brand’s design to the environment in which the product is sold (Brakus, Schmitt, & Zarantonello, 2009). Lastly, Brakus et al. (2009) explain that “brand experience has a behavioral impact; it affects consumer satisfaction and loyalty directly and indirectly through brand personality” (p.65).

Brand loyalty, brand personality, and brand experience each express the company’s perspective of how companies want their brand to be perceived based on what they believe consumers want. Therefore, there is motivation for this research to examine these aspects from the perspective of the consumers themselves, which is a current gap in sportswear management literature. A consumer perspective provides honest, personal opinions on consumer purchasing behaviour and how scandals affect them as consumers.

### 2.2 Effectiveness of Endorsers

Athletic sportswear brands frequently promote their products through the image of celebrity-athlete endorsers. These endorsers embody specific ‘meanings’ for the brand and the brand’s image. In this context, ‘meaning’ refers to the “symbolic properties of the celebrity endorser” (McCracken, 1989, p.310). These symbolic properties, such as honest and confident, represent both the athlete as a person and the perceived image of the brand. When marketing a product or brand, Felicia Miller & Gene Lacznjak (2011) describe that meaning is transferred from one person or entity to another, and that “it is the celebrity’s cultural meaning and the transfer of that meaning that influence effectiveness as an endorser” (p.500). As an athletic sportswear brand, the company chooses an endorser who will be able to emulate and transfer the overall meaning and core values of the brand to its consumers. Although a company is not completely able to prevent a future scandal, it should choose an endorser who it believes would foster a reputable image for its brand. Nevertheless, when a scandal or transgression occurs, the company must be prepared and reassess its endorsement relationship with the celebrity-athlete.

There are positives and negatives of continuing to endorse the athlete after a scandal has occurred. Hence, an athletic sportswear brand must weigh the costs and benefits of its decision. For example, Nike decided to keep its endorsement deals with both Tiger Woods and Kobe Bryant after both athletes admitted to adultery. Thus, Nike believed that adultery did not violate
its corporate values and that the celebrity’s meaning was more valuable to the brand than complying with its espoused ethical values (Miller & Laczniak, 2011). Moreover, Miller & Laczniak (2011) assume that sports-related companies continue their endorsements with athletes because of the athlete’s sports-related associations, which influence them to keep the athletes after a scandal, compared to non-sports-related companies, whose corporate values are often more important.

Tiger Woods’s and Kobe Bryant’s image can be perceived to possess positive meaning that trumps the negativity that comes with each scandal. Thus, the transfer of meanings proves that positive associations with celebrity-athlete endorsers have a positive effect on consumer purchasing behaviour when their meaning is transferred to the products (White, Goddard, & Wilbur, 2008). Yet, it is unclear whether negative associations with celebrity-athlete endorsers have a negative effect. According to Brian Till and Terence Shimp (1998), the positive meaning transferred effect should have a similar effect when negative meanings are transferred, such as there will be a negative association with the brand when a scandal occurs. However, it has not been theorized whether there will be a negative association with consumer purchasing behaviour. On the other hand, if a scandal involves the company or brand, the consumers do not associate this transgression with the athlete and only with the brand (White, Goddard, & Wilbur, 2008). This result is likely because most consumers have some sort of affiliation with the endorsed athletes, but not with the company as an entire entity.

### 2.3 Opinions on Scandals from a Company Perspective

The focus on an endorsed celebrity-athlete rather than on the brand and the product is a potential concern for the company (Erdogan, 1999). This can generate both positive and negative effects for the brand. On one hand, it can be beneficial for the brand if the athlete is involved in a scandal and the consumer does not associate the athlete with the brand (Hughes & Shank, 2005). Therefore, the consumer will continue to purchase from the brand. This is a benefit because the brand is constantly in the media and the consumer does not perceive a negative association towards the brand, only towards the athlete. On the other hand, the athlete’s image might overshadow the brand and its products, and thus an athlete involved in scandal may damage the brand’s image (Till & Shimp, 1998). Hence, there can be two different outcomes depending on the situation. Khong Kok Wei and You Li Wu (2013) found that “the fit between the endorser and the product does not have a significant impact on consumers’ behavioural intentions,” which suggests that the celebrity-athlete endorser, regardless of fame, will not significantly influence consumers’ purchasing behaviour (p.158).

Most previous literature discusses negative information in connection with the brand’s reputation, and that many companies want to distance themselves from this negative attention. Therese Louie, Robert Kulik, and Robert Jacobson (2001) believe that a brand’s reputation will incur damage once a scandal occurs, regardless if the company includes moral clauses that ensure the
termination of a celebrity-athlete endorsement in the case of a transgression. Although this is a valid statement, the amount of damage to a brand’s reputation depends on the closeness of association between the brand and the endorsed athlete. According to Steven Edwards & Carrie La Ferle (2009), there is no clear answer in previous literature to explain how negative information involving a celebrity-athlete endorser affects consumers’ reactions. There have been a few studies regarding negative effects on consumer’s reactions, yet there has not been an analysis or discussion on how these reactions would transfer to the purchasing decisions of these consumers. Therefore, this thesis helps fill that gap through a consumer perspective.

Both companies and consumers have their own value system, which is crucial to understand when forming an honest relationship with one another. Values and ethics are pertinent to how companies run their business and to how consumers perceive the messages given by the companies. Since athletic sportswear brands originally choose celebrity-athletes who foster meanings that align with the company’s core values, these endorsers are viewed to be moral exemplars in society (Miller & Lacznia, 2011). In order to protect themselves from negative consumer reactions and from potential scandals, many athletic sportswear companies veer on the safe side and include moral and legal clauses in the company-endorser contracts. Hence, when a scandal occurs, some companies distance themselves from the negative publicity by acting on these clauses and terminating their connection with the endorsed athlete (Carrillat, D’Astous, Lazure, 2013). This allows the company to terminate the contract with the endorsed athlete without society’s opinion interfering.

2.4 Consumer Purchasing Behaviour after Scandals

In previous literature, consumer-purchasing behaviour after a scandal occurs is frequently analyzed from a company’s perspective. According to Annika Lohneiss and Brad Hill (2013), findings from previous research suggest that consumer behaviour varies to different degrees, even though consumers have processed the transgression details and are aware of the negative effects. The level-of-processing theory suggests that negative information does not affect all consumers’ perceptions of a brand in the same way. Therefore, the effects of a scandal might not be as harmful to a company as one might have thought (Lohneiss & Hill, 2013).

Although the scandal may not always seem to be harmful to a company, sports media often distort the perceptions surrounding the brand and the scandal. Sports media have a great influence on both the company’s decisions and consumer’s perceptions of a particular brand. Furthermore, Tomasz Gackowski (2014) posits, “Media are not a window on the world which shows the reality accurately… [and] are a convention where they present the surrounding world” (p.117-118). Media are given a lot of political power and the consumers must consider the validity of the information they receive. Commonly, negative information is portrayed through the lens of sports media, where media outlets are often the primary source for exposing information about scandals involving celebrity-athletes (Hughes & Shank, 2005). The framing of the information the media
discloses plays a significant role for the consumer’s perception and how they view the event (Hughes & Shank, 2005). In general, bad publicity transferred from the press to the consumer is usually harmful to the brand because negative information affects the consumer’s perceptions more than if they had heard positive information about the endorser (Ahluwalia, Burnkrant, & Unnava, 2000).

When negative information about an endorser is transferred to the consumer, there is subsequent damage to the evaluation of a product because of the associative correlation between the brand and the endorser (Till & Shimp, 1998). Duncan Murray and Bianca Price (2012) discover that purchase intent decreased when celebrity-athlete endorsers are surrounded by negative information. This finding suggests that celebrity-athlete endorsers are preliminary indicators of how consumers make their purchasing decisions. Lohneiss and Hill (2013) agree with Murray and Price (2012), and conclude that consumers who process negative information have lower purchasing intent than those who have not acknowledged a transgression. However, the former argue that a celebrity-athlete endorser involved in a scandal is more effective for the brand than without the endorser (Lohneiss & Hill, 2013). Their results show that consumers’ purchasing intent is greater with the endorser than without the endorser. Although the brand image may not be significantly affected by the consumer’s acknowledgement of negative information, it is still negatively affected by the fact that the athlete is involved in a scandal (Lohneiss & Hill, 2013). Therefore, companies tend to distance themselves from endorsers involved in a scandal in order to avoid negative backlash from the celebrity to the brand.

### 2.5 Chapter Summary

Overall, the literature presents an overview of sports brand management topics with regards to scandals and how these scandals affect brand loyalty, personality, and experience. Both the brand and the celebrity-athlete transfer meaning through their actions and decisions, whether it is positive or negative information. The literature touches upon the risk of an athlete’s negative information surrounding a brand, since this type of information has a greater impact on the consumer’s decision-making process. Once the consumer has processed this negative information, the literature indicates that consumer purchasing intent decreases due to the brand’s association with the athlete. Hence, previous literature outlines consumer-purchasing behaviour from a company’s perspective with regards to scandals in a broad sense. This implies there is a gap in this field of literature that must be filled. Therefore, this thesis helps to fill that gap with an analysis and discussion of consumer purchasing behaviour from a consumer’s perspective.
3 Theoretical Framework

As previously outlined, there is no clear course of action for a brand in situations of scandals, and the consumer’s response in regard to the purchasing behaviour is widely unknown. However, different theories have been used to analyze the influence celebrity-endorsers have on consumers and how celebrity-endorsers contribute value to a company. Two of the most frequently used theories are Roobina Ohanian’s (1990, 1991) Source Effect Theory and Lynn Kahle and Pamela Homer’s (1985) Match-up Hypothesis. Additionally, Grant McCracken’s (1986) Meaning Transfer Model is also widely used.

3.1 Source Credibility Model

The Source Effect Theory and its Source Credibility Model are built on the expertise and trustworthiness of the endorser. When both are considered together, expertise and trustworthiness exemplify the source credibility concept (Ohanian, 1990). Trustworthiness refers to the perceived honesty, integrity, and believability of an endorser, and hence it depends on the target audience perception. Expertise refers to the knowledge, experience, or skills possessed by the endorser (Ohanian, 1990). However, it is not that significant whether an endorser is an expert. All that matters is how the target audience perceives the endorser (Erdogan, 1999). Hence, the Source Credibility Model is built around the perception and opinion of the consumers and could be considered as subjective. Nevertheless, studies have shown positive effects linked to endorsers, such as trustworthiness and expertise.

B. Zafer Erdogan (1999) reviews the effectiveness of celebrities as endorsers and the application of the source credibility in his literature review. He reviews, among others, the findings of Hershey Friedman and L. Friedman (1978) who aimed to discover which source attributes are correlated to trust, and discovered that likeability is the most important attribution when considering trust. Controversially, Ohanian (1991) argues that trustworthiness is not greatly linked to the consumer’s intentions to buy an endorsed brand. However, Gerald Miller and John Baseheart (1969) find that a strongly prejudiced message from an extremely trustworthy communicator produces an effective attitude change in the consumer, while the non-trusted communicators’ impact proves to be rather irrelevant. Thus, trustworthiness may likely influence the consumer’s intention to purchase, in contrast to Ohanian (1991) findings. Furthermore, Raymond Smith (1973) argues, when consumers perceive celebrity-endorsers as untrustworthy, the endorsers are seen as questionable message sources and not credible. Perceived trustworthiness of the endorser has been shown to produce a greater attitude change in the consumer than perceived expertise (McGinnies & Ward, 1980). Hence, most findings argue against Ohanian’s (1991) findings that trustworthiness has no great linkage to consumer’s purchasing intentions. However, when considering expertise, the endorser with the higher
expertise is found to be more persuasive (Aaker & Myers, 1987). Thus, endorsers with greater expertise are likely to have a larger impact on the consumer’s purchasing intention.

Overall, information received from a credible source, such as a celebrity-endorser, has been shown to influence the opinions, beliefs, attitudes, and behaviour of the consumer. However, different literature and studies are somewhat unclear on the exact implications of the Source Credibility Model and its effectiveness due to differentiation in the findings.

This theory is relevant to our research because scandals can affect the trustworthiness and overall credibility of the athlete. Therefore, scandals influence the impact a celebrity-athlete endorser has on the consumer’s purchasing decision and overall perception of the endorsed brand. The expertise characteristic of this theory is a given, since celebrity-athlete endorsers are generally known for their expertise and skills in their respective sports. However, this expertise feature, and especially the skills aspect of the expertise, could be perceived differently once consumers discover that the athlete was performing well due to performance alterations with performance-enhancing supplements, or doping. Hence, these endorsed athletes might not be perceived as ‘experts’ in their sport anymore, which may impact the purchasing decision of the consumer and the perception that the brand should terminate the contract.

The changes in the consumers’ perception that occur when consumers accept a source influence, in terms of their personal values and attitude is also referred to as Internalisation (Erdogan, 1999). This implies that the Source Credibility Model, and its aspect of perceiving a celebrity as credible, based on trustworthiness and expertise, is closely linked to the theory of Internalisation. The theory of Internalisation by Hershey Friedman and Linda Friedman (1979) specifically examines that consumers influenced by endorsements are more likely to buy expensive and/or complex products compared to consumers who have not been influenced by an endorser (Wei & Wu, 2013). This theory links to one of our online survey questions, which examines how much the overall purchasing intention is influenced by the consumer. Furthermore, the theory of Internalisation could be applied to examine the likelihood to purchase a more expensive product.

3.2 Match-up Hypothesis

The other most frequently used theory, besides the Source Effect Theory, is the Match-up Hypothesis (Kamins, 1990), also referred to as celebrity/product fit (Till & Busler, 2000), which suggests that endorsers are more effective when there is a fit between the endorser and the endorsed product or brand. It has been used as a general guide for choosing celebrity endorsers and can be seen as a key factor of endorsement effectiveness (Kamins & Gupta, 1994; Carrillat, D’Astous, & Lazure, 2013; Till & Busler, 2000, as cited in Erdogan 1999).

It has been shown in some studies that advertising a product with a celebrity, who has a high product matching image, leads to greater advertiser and celebrity believability, relative to an advertisement with a less congruent product/spokesperson image (Levy, 1959; Kamins & Gupta,
1994, as cited in Erdogan, 1999). However, as examined in Erdogan (1999), most of the previous empirical work regarding this theory puts emphasis on the physical attractiveness of the endorser (Kahle & Homer, 1985; Kamins, 1990 & 1999, Friedman & Friedman, 1979; Lynch & Schuler, 1994). This creates an opening within current literature to explore alternative reasons for the effectiveness of a Match-up Hypothesis. Hence, this thesis will consider the athlete’s athletic performance and their personal character as a way to promote a product through the athlete.

The Match-up Hypothesis theory should not be limited to the aspect of attractiveness, and to some extent, is understudied regarding other fits between the endorser and the brand. For example, there are positive findings regarding the expertise dimension of the celebrity (Till & Busler, 2000). Yet, it is very important that there needs to be a strong relationship between the product and the endorser. According to Robin Evans (1988), if this relationship does not exist then a ‘vampire effect’ is very likely to happen, which refers to the consumer remembering the celebrity, but not the product or service which they endorse. Supporting Evans’ (1988) perspective, both Ohanian (1991) and Till and Busler (1998) examine that a direct connection between the endorsed product and the perceived expert, the endorser, is crucial. Shekhar Misra and Sharon Beatty (1990) study that the higher the level of perceived fit between the brand and the endorser, the higher the increase of the brand’s recall and effect on the consumer.

The Match-up Hypothesis is linked to the overall aspect of using celebrity-athletes as endorsers for athletic sportswear brands and on how well the athlete fits to the brand he or she endorses. This should not only be linked to the aspect of athleticism, but also to the overall characteristics the athlete and the company represented. The characteristics of the brand should match with the celebrity-athlete endorser, and vice versa. Once there is a difference and this relationship is inharmonious, the effect of the endorser is likely to decrease based on the theory, and this could influence the purchasing intention of the consumer. Furthermore, it might be likely that the consumer notices the mismatch and decides that the brand should terminate the contract with the endorsed athlete.

3.3 Meaning Transfer Model

Another important theory is the Transference Theory and its Meaning Transfer Model, which was initially introduced by Grant McCracken (1986, 1989) and has been widely used in literature (Bush, A., Martin, & Bush, V., 2004; Carrillat, D’Astous, & Lazure, 2013; Amos, Holmes, & Strutton, 2008), as reviewed by Erdogan (1999). This model theorizes that celebrities develop an identity and role through their position in society and based on how they are portrayed by the media. This ‘meaning’ is then transferred to the product or brand they endorse (Erdogan & Baker, 2000). Hence, it is important to recognize the overall meaning a celebrity endorser represents to determine whether these values are desirable for the brand. The effectiveness of an endorser depends on the meanings he or she brings to the endorsement process.
The values held by the sponsor and its celebrity athlete endorser should be harmonious. Hence, the selected athlete endorser should represent the qualities the brand aspires to represent (Miller & Laczniak, 2011). The meaning the endorsed celebrity develops is expected to transfer to the product or company he or she endorses (Amos, Holmes, & Strutton, 2008). Therefore, when a consumer identifies with an endorsed celebrity and purchases a product from the endorsed brand, the consumer hopes to attain some of the transferred meanings from the endorsed celebrity for his or her own life (McCracken, 1989).

This theory is a crucial part of our study since we examine if the athlete’s involvement in scandals transfers the meaning to the brand, and hence if the consumers believe that the brand should terminate the contract. Moreover, if the meaning is transferred, our study observes whether consumers would continue or discontinue purchasing from that brand. If the values of the athlete are different than the brand’s values, then based on this theory, the brand should terminate the contract. Furthermore, based on this theory, the meaning of the endorsed product or brand will be transferred to the consumer, which may affect his or her purchasing behaviour if a scandal occurs. Since a company wants to display a positive image for its consumers, it is important that the meaning transferred is positive and represents the ideal virtues and norms of the company.

### 3.4 Chapter Summary

Overall, the effectiveness of the endorser, based on the above theories, depends on many different factors, such as celebrity credibility, including trustworthiness and expertise, the product-celebrity match, the message and meanings the brand wants to portray, the different perceptions of the audience, and the overall meaning attached to the celebrity, such as the personality, values, and norms. Based on these theories, we aim to examine and reason how and why the consumers perceive certain scandals as more severe when it comes to the effect on the purchasing decision and their opinion on when a company should terminate a contract with a celebrity-athlete endorser. The theoretical framework is summarized in Figure 3.1 below.

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**Figure 3.1 Theoretical Framework Model**
4 Methodology

4.1 Research Philosophy

The philosophical approach chosen is post-positivism, because even though there is a true reality to the perception of scandals, it is very difficult to fully understand it. It is difficult to have perfect objectivity, especially based on our research question, yet it can be possible to gain knowledge, which could be applied in the field (Hall, Griffiths, & Mckenna, 2013). Post-positivism also realizes that there is a social reality, but it depends on the observer and there is more than just “one truth” and the “agreed upon knowledge in one culture may not be valid in another culture” (McGregor & Murnane, 2010, p.425). Since the perception of scandals is closely linked to what is viewed as a scandal in the first place, this is an ethical matter and perceived differently from one culture to another and cannot be generalized. Overall, this philosophical approach best complements the present study.

4.2 Research Approach

A mixed-method approach was used; an online questionnaire and semi-structured interviews. Mixed method research is a combination of at least one quantitative and one qualitative component to conduct a research project (Bergman, 2008). In order to receive a high-quality mixed method research study, it is important to mix the methods throughout the entire study, from creating the research question to analyzing the findings and interpreting them (Yin, 2006). The main emphasis was on the quantitative component and the qualitative findings were used to support the quantitative results.

A questionnaire, the quantitative approach, was chosen as our main method, since the aim was to reach as many consumers as possible in the short period of time we were given to conduct this research project. A questionnaire could be described as a “conversation medium between two parties” (Brace, 2008, p.4). In our case the researchers and the respondents never communicated directly with each other. The questionnaire was a self-completion web-based survey, which removes a major source of potential bias in the responses and makes it easier for respondents to be honest about sensitive subjects, and hence increases validity and reliability. However, a limitation is that self-completion surveys can lead to misinterpretations of the questions and participants are unable to ask further questions for clarification (Brace, 2008, p.29). Based on Ian Brace’s (2008) methodology book, “a poorly written questionnaire will not provide the data that are required or, worse, will provide data that are incorrect” (p.7). Therefore, the process of creating a well-constructed questionnaire is crucial in order to receive the desired results and to increase validity and reliability.
The semi-structured interviews, the qualitative part of the mixed-method approach, were conducted to gain further insight on the topic and to relate them to the questionnaire results. This is the most common form of an interview used to collect data. The benefit is that the interview can be flexible, with open-ended questions and with the chance to explore issues that arise spontaneously. However, one problem with this type of interview is that we, as untrained researchers, are perhaps not always able to identify when to ask a prompt question that might be relevant at a given time during the interview. (Doody & Noona, 2013)

4.3 Research Design

Only primary data were collected for this study and all participants were volunteers. Carefully designed, evaluated, and tested questions were important to ensure valid responses (Boeije & Hox, 2005). No ethical sensitive subject questions were asked (Brace, 2008, p.174). The overall aim was to investigate consumer’s purchasing behaviour after scandals and receive opinions on when a company should terminate a contract with an endorser in those cases. First, we developed questions for the questionnaire, related to our research purpose and our theoretical framework. These questions were created from scratch and discussed over several days. It was important to only ask the questions that were applicable to our purposes and not be tempted to ask questions of areas that might be of our interest, but not significant to the purposes of our research (Brace, 2008, p.35). The instrument was pilot tested by a number of academics and students, including native and non-native speakers, to remove unclear and confusing questions or statements and to increase the reliability (Brace, 2008, p.164). The questionnaire was then published online using Facebook. Facebook was used as a recruitment tool because we wanted to reach the largest amount of people, in a short time, with no cost. According to the Pew Report (Pew Research Center, n.d.) 71 percent of online adults use Facebook. The expectation was that internet-based recruiting over Facebook would yield the most participants for the questionnaire and the interviews because it is easy and quick to access the survey, as well as to contact the researchers when interested in participating in the interview. Both researchers posted the questionnaire in their status update and the instrument was also posted in several groups linked to sports and athletic activity on Facebook. It was first published on April 12, 2015 and closed on April 26, 2015. A reminder was posted on Facebook on April 19, 2015. Hence, the total time the survey was online was 14 days.

Once we had completed the creation of the questionnaire, we created the semi-structured interview questions guideline. The interviews had the same aim as the questionnaire; to discover the interviewees’ opinions, preferences, and demographics. However, more specific questions were asked to gain a deeper insight of the topic. The questions asked in the interview were also related to the theories from our literature review and theoretical framework sections and were carefully selected over several days. The interview was also pilot tested by a non-native speaking academic, in order to adjust unclear, leading, and confusing questions or statements and to increase the reliability (Brace, 2008, p.164). The search of interview participants was over
Facebook as well. Both researchers posted a short introduction and quest to find interviewees in their status update and this information was also posted in several groups linked to sports and athletic activity on Facebook. It was first published on April 9, 2015. No reminder was posted on Facebook because the desirable number of participants was reached after two days. Appointments with the interviewees were then set up and the interviews were performed in the week from April 13, 2015 to April 19, 2015. Interviewees were informed that all information will be handled anonymously and confidentially and were asked whether it was okay to record the interview. All interviewees agreed, and hence they were all recorded by using an iPhone 4s and iPhone 5s as the medium. After the interviews, transcription took place. Once data collection from the questionnaire and interviews was concluded, data analysis was conducted. The collected data was related to the Literature and Theory Chapters. Since only the Lund University Library and the Ashford University Library database were used to research for the Literature and Theory section, there is a limitation to the access of potential literature and theories that may have added to the discussion.

4.4 Questionnaire

The first part of the data collection was conducted via an online questionnaire (Refer to Appendix A, Box A for questions).

4.4.1 Questionnaire: Sampling

No exclusion question was asked since it was not considered necessary. The exclusion question is mainly to exclude “by industry or profession […] to protect the confidentiality of the content of the survey” and “to avoid the over-representation of unusual behaviour and attitudes” (Brace, 2008 p.44). For example, people who work in the athletic sportswear industry are likely to have different opinions and attitudes towards this issue, compared to the public in general. However, since we wanted to examine the opinion of the consumer in general, all consumers regardless of profession or industry were considered. A screening question, the first question in the survey, was used to sample the target audience. This question allows the researchers to “screen the respondents for eligibility” (Brace, 2008, p.47). Respondents fell outside the required quota group when they did not consider themselves as consumers and were redirected to the final part of the survey, which only included demographics. Hence, this group of people will not be taken into account in our data analysis. This was important to get reliable data from a consumer’s perspective, since the aim of this study is to gain general insight on the average consumer’s standpoint. Nonprobability sampling was performed and all consumers of athletic sportswear who participated in the survey were considered for data collection (Doherty, 1994).

A total of 182 people participated, with a total of 150 seeing themselves as consumers of athletic sportswear; hence 150 respondents was our sample. Of the 150 respondents who completed the questionnaire and considered themselves as consumers, 37 percent were men, 62 percent women, and 1 percent other. The average age was 27.6 years with a range from 17 to 80 years old, while
most consumers were in their twenties as seen in Figure 4.1. The standard deviation is 11, which is not very high when considering that everybody who has access to Facebook (minimum age requirement is 13 years) could have completed the survey. Therefore, we could have had consumers starting from the age of 13. However, the fairly low standard deviation displays that most consumers were between the ages of 17 to 39 and based on the percentiles, 75 percent were under the age of 28 (See Appendix B, Table A). Therefore, our consumer sample is moderately young. From this sample, 1 percent was from Africa, 5 percent from Asia, 5 percent from Australia, 44 percent from Europe, 42 percent from North America, and 3 percent from South America.

Figure 4.1 Sample Age Spread

4.4.2 Questionnaire: Instrument Detail and Design

The instrument (questionnaire), created on Google Forms by the researchers, was used to record respondents’ opinions, preferences, and demographics. Google Forms was chosen over other electronic Internet survey creation services, since it allowed us an unlimited number of questions, an unlimited amount of responses, and it was free of charge. One of the major benefits of this Internet service is the user-friendliness, which did not require any knowledge of programming language and we only had to focus on building the questions needed for our questionnaire (Zdonek & Zdonek, 2014).

Before filling in the questionnaire, participants were informed that all information collected will be anonymous and confidential and a short introduction about the overall aim for the study was
stated. No identifying information was recorded; therefore, all participants remained anonymous and they consented to the terms of the study by filling out the questionnaire. The self-administered questionnaire consisted of questions related to the opinions of respondents concerning how different scandals affect their purchasing behaviour and at what category of scandal an athletic sportswear brand should terminate its contract with the endorsed athlete. Among others, the participants were asked about their most frequently purchased athletic sportswear brand, favourite celebrity-athlete endorser, and some demographic questions (See Appendix A, Box A). We aimed to work from the most general topics through to the most specific, as advised in Brace (2008), and “with starting with general questions allows the respondents to think about their behaviour in the market before getting into the detail” (p.41). The behavioural questions were also asked before the attitudinal and opinionated questions. The questions we considered that might be perceived as sensitive, such as the age (and in that regard all demographic questions), were asked towards the end in the questionnaire. Furthermore, these classifications were positioned at the end because they were rather disconnected with the subject matter of the interview. (Brace, 2008, p.44)

Items in the questionnaire were measured with multiple-choice, dichotomous, importance, and open-end questions. Most questions were dichotomous, as well as two importance questions, where two issues were rated on a rating scale of 1 to 10, and some multiple choice questions. Twelve questions were asked in total, while two questions had nine sub-questions each. Not all of the questions were used for analysis. A wide span of questions was asked to ensure that enough information was provided from the respondents. However, it turned out that not all of the information was useful for our research purpose, and therefore a few questions were not used for analysis, since they were not strongly related to our research purpose. Furthermore, the questionnaire did not cover every aspect of the Literature and Theory section, but the parts that were not included in the questionnaire, were incorporated into the interviews. This was to ensure that the Literature and Theory Chapters could be analyzed in as much depth as possible, while continuing to focus on our main research purpose.

4.5 Interviews

The second part of the data collection was conducting interviews.

4.5.1 Interviews: Sampling

As mentioned above, the target audience was people who considered themselves as consumers of athletic sportswear. This was important to get reliable data from a consumer’s perspective, since the aim of this study is to gain general insight on the average consumer’s standpoint. It has been observed that the more interested people are in a topic, the more eager they are to participate (Solberg, Hanstad, & Thoring, 2010). Eighteen people showed interest in taking part of our interviews, within the first two days of publication, and after we reached the desired number of
10, no more interviews were conducted. Sampling was performed in order of interest shown to participate in our interviews; people were interviewed based on their eagerness to participate.

A total of 11 people were interviewed, the first one serving as a pilot interview (See Data References for a list and details of interviewees). Hence, there were a total of 10 people used for analysis purposes; 50 percent of them were men and 50 percent were women. The average age was 24.5 with a range from 21 to 29 years old. From this sample, 0 percent was from Africa, 10 percent from Asia, 0 percent from Australia, 30 percent from Europe, 50 percent from North America, and 10 percent from South America. The interviews lasted 13 minutes and 40 seconds on average, with the shortest being 10 minutes and 1 second and the longest being 24 minutes and 8 seconds.

4.5.2 Interviews: Instrument Detail and Design

The semi-structured interview consisted of twelve questions, including three demographic questions (See Appendix A, Box B). Preferences of athletic sportswear brand, favourite celebrity-athlete endorser, purchasing behaviour, and opinions on termination of contracts were examined. All questions were open-ended questions. Questions that were relatively easy to answer were asked at the beginning of the interview. We then moved onto more difficult questions or sensitive topics (Doody & Noona, 2013). The interviews were mainly used to gain a deeper insight into the topic. Several questions were closely linked to the Literature and Theory section to ensure a competent analysis in the Discussion Chapter later on.

Eight out of eleven interviews were conducted in person, while three were conducted over Skype. All interviews were recorded with prior consent, using an iPhone 4s, iPhone 5s, and the Voice Memos App. Interviewees were also informed that all information collected will remain anonymous and confidential. Interviews were conducted at a time of the participant’s convenience. A comfortable setting that was safe and free from interruptions was selected, which was a room belonging to Lund University.

4.6 Analytical Tool

4.6.1 Descriptive Statistics

The data collected on Google Forms was exported to Microsoft Excel, and was then used for descriptive statistical calculations. Descriptive statistical analyses were performed on the sample group to obtain a clear understanding of the population. Measures of central tendency (means, medians, and other percentiles) and dispersion (standard deviations, ranges) were computed. The descriptive statistics were then complemented with the information gathered from the interviews, with the use of specific quotations to gain a deeper insight. Furthermore, a confidence interval was calculated.
4.6.2 Inferential Statistics

Inferential statistics were used to gain a deeper understanding of the relationship between some questions. Naresh Malhotra’s (2010) *Marketing Research: An Applied Orientation* book was used to identify the best statistical tests, and especially Figure 14.6 in the book was used as a first guideline (p.467). For the nonmetric data from one sample, which most of our questions were and constituted the main part of our research question, we used the frequency (and contingency tables) and the Phi-coefficient. The latter corrected Pearson’s chi-square for the usage of 2x2 tables and for cells which have values less than 5, which was the case for some of our question results. It ranges from -1 to +1, where the value of 0 shows no association, and -/+1 is a perfect negative/positive association (Malhotra, 2010, p.500). Furthermore, IBM SPSS software was used for calculations and the resulting output tables were used throughout the thesis for illustration purposes.

4.7 Chapter Summary

The purpose of this chapter was to describe the research methodology of this study, the sample selection, the procedure used in designing the instrument and collecting the data, and provide a short explanation of the analytical tool for statistical procedures. A mixed-method approach was chosen as the appropriate method. Primary data was collected through an online questionnaire and interviews. IBM SPSS was used to analyze the collected data with tests such as frequencies with contingency tables, Pearson’s chi square correction of Phi-coefficient, as well as simple, descriptive statistics.
5 Results and Findings

This chapter presents and analyzes the results of the online questionnaire survey and the semi-structured interviews. Two fundamental goals drove the collection of the data and the subsequent data analysis. As stated previously, those goals are to evaluate consumer-purchasing behaviour after an endorsed athlete scandal has occurred, and to discover consumers’ opinions on when the brand should terminate the contract. These objectives were accomplished.

5.1 Degrees of Scandals

In the online questionnaire, the degrees of scandals are divided into nine categories: adultery/infidelity, bad sportsmanship, recreational drugs, PEDs used once, PEDs used repeatedly, motor vehicle offence, state/government offence, sexual offence, and violent offence against a person. These nine categories are asked as binary questions of yes or no. The answers of yes or no are relevant to the research questions because they provide straightforward results that can help interpret consumer-purchasing behaviour. The structure of the sub-questions is based on the severity of the crime. For example, adultery is not illegal in most countries, but often frowned upon in most societies, while a severe violent offence to a person is illegal and punishable by law.

5.1.1 Comparison of the Severity of the Scandals

The most severe scandals affecting consumer purchasing behaviour of this sample are non-sports-related criminal offences, and then long-term sports-related scandals. According to our sample, the online questionnaire results show that 81.3 percent of consumers would not continue to purchase from a brand if an athlete was involved in a violent offence against a person, 80.7 percent for a sexual offence, 70.7 percent for using PEDs repeatedly, 67.3 percent for bad sportsmanship, 52.0 percent for a motor vehicle offence, 49.3 percent for using PEDs once, 40.0 percent for recreational drug use, 38.0 percent for a state/government offence, and 30.7 percent for adultery/infidelity. The interviews express a similar view with regards to ‘on-field’ offences, such as using PEDs, versus ‘off-field’ offences, such as adultery. As one interviewee states,

   Definitely ‘on-field’ is more severe because it’s connected to what they do. I mean you cannot blame a person if they are cheating on their wife, that’s their business, but when you get paid to do something it’s definitely connected to your job to do it right. (Interviewee 2, 2015)

A violent offence against a person is not discussed in each interview, but there is a general consensus among the selected interviewees that it is the worst offence of the category choices.
The results from consumer purchasing behaviour and the results from the termination decision have a similar order of severity, but not entirely the same. When the consumers were asked whether the brand should terminate the contract of the athlete involved in a scandal, 90.7 percent say the company should terminate the contract if the athlete was involved in a violent offence scandal, 90.7 percent for using PEDs repeatedly, 89.3 percent for a sexual offence, 82.7 percent for bad sportsmanship, 70.7 percent for using PEDs once, 69.3 percent for a state/government offence, 66.7 percent for a motor vehicle offence, 57.3 percent for recreational drug use, and 34.0 percent for adultery/infidelity.

Based on the responses, a scandal involving a violent offence against a person is the most severe scandal that affects consumer purchasing behaviour, as well as their opinion on endorser contract termination. Similarly, adultery/infidelity is the least severe scandal that affects consumer-purchasing behaviour, and is also the least influential scandal in terms of the termination decision. Interestingly, the use of PEDs repeatedly is not perceived by this sample to be as severe as a sexual offence when it came to purchasing behaviour, yet the repeated use of PEDs is perceived to be more terminable than a sexual offence.

5.1.2 Consumer Purchasing Behaviour in Relation to Scandals

One of the two main research questions revolves around how consumers make purchasing decisions after an endorsed athlete is involved in a scandal.

In general, the results show that the sample consumers would still continue to purchase products from a brand if there was an adultery/infidelity, a recreational drug, or a state/government offence situation, while consumers are conflicted when deciding whether an endorsed athlete who took PEDs once or was involved in a motor vehicle offence would influence their decisions. With regards to bad sportsmanship and athletes who repeatedly took PEDs, the sample consumers are in favour of not continuing to purchase from the brand. The remaining scandal results display a strong agreement among the sample consumers that a sexual offence and a violent offence against a person would affect their purchasing intention and most of them would not continue to buy from a brand that continues to endorse the athlete.

In the interviews, consumer-purchasing behaviour is inquired through more general comparisons between “on-field” and “off-field” rather than the specific categories. When the interviewees were asked whether an “on-field” scandal, such as doping, would affect their purchasing behaviour, five of them say no, three say yes, and two say they would stop purchasing from the brand until the endorser’s contract was terminated. A couple of the interviewees mention that they “would buy a brand based on quality rather than the person who’s behind it” (Interviewee 3, 2015) and that if an “athlete continues to behave [inappropriately], [...] the only bad thing that they can do is to themselves, but not to the brand because the brand is going to find another really good person to [endorse]” (Interviewee 6, 2015).
When they were asked about “off-field” scandals, eight people say that it would not affect their purchasing behaviour. Of the remaining two respondents, one person says it would affect them and another says it would depend, but that an “off-field” scandal is not as severe as an “on-field” one. Most of the interviewees say they would continue to purchase from a brand in the case of an “off-field” scandal, such as adultery or infidelity, because the athlete has a personal life and that it should be separate from his or her professional life. However, a few of the interviewees mention that if a brand was involved in a scandal involving prejudice, racism, or sweatshop issues then they would be more likely to stop purchasing from that brand.

To summarize the overall consensus of the interviews, Interviewee 8 (2015) states that athlete endorsers are “endorsing a product because of [their] skills and not because of [their] nature as a person”. Thus, an “on-field” scandal is perceived to have more of an impact on people’s perception of a brand than an “off-field” scandal. This can be inferred that an athlete’s athletic performance and decisions on the field are directly correlated to the image of the sportswear brand and products. Whereas, the non-sports-related incidents do not have as much effect on the brand’s image, since consumers do not believe the personal life of the athlete should have a connection with the brand (Till & Busler, 2000). Furthermore, professional athletes are held to a higher standard than amateur athletes due to the fact that they are considered experts in their sport.

5.1.3 Consumers’ Opinions on Termination of Endorsed Athletes’ Contracts

The other main research question involves the termination of the endorsed athlete’s contract after a scandal occurs and whether the athlete’s contract should be terminated from a consumer perspective. Similar to the questions about consumer purchasing behaviour in the online questionnaire, the exact same sub-questions regarding the degrees of scandals are used.

In general, the results show that all the degrees of scandals, except adultery, are serious enough that the sportswear company should terminate the athlete’s contract. Bad sportsmanship, the use of PEDs repeatedly, sexual offence, and violence offence against a person are above 80 percent agreement among the sample consumers that the company should terminate the contract. The sample consumers are also in favour of terminating the contract with regards to an athlete involved in recreational drugs, taking PEDs once, a motor vehicle offence, and a state/government offence, but there is less certainty than the aforementioned scandals. Adultery is the lone scandal that consumers believe not justifiable for a company to terminate the contract of the endorsed athlete.

In the interviews, 80 percent of the participants believe the contract should be terminated if an athlete had used PEDs. This result presents an inverse relationship between consumer purchasing behaviour and the decision to terminate a contract, since half of the interviewees say that they would continue to purchase from a brand even though they believe the brand should terminate the athlete’s contract. To explain this contradiction, Interviewee 6 (2015) discusses that doping is not
good “sporting behaviour”; thus he believes the company should terminate the contract. However, as a consumer and an athlete, the brand has earned his trust and “once you make an affection towards a brand it’s not that easy to break or make it disappear” (Interviewee 6, 2015).

On the other hand, if an athlete was involved in an adultery scandal then the majority of the interviewees believe the contract should not be terminated. This result shows a direct correlation for adultery scandals between consumer purchasing behaviour and the decision to terminate a contract, since the majority of interviewees agree that they would continue to purchase from a brand and that they believe the brand should not terminate the contract of the athlete.

5.2 Importance of Honesty, Trustworthiness, and Good Role Model Characteristics

5.2.1 Honesty and Trustworthiness of Athlete Endorser

From the 150 sample consumers, the mean is 5.76, the median is 6, and the mode is 7. The standard deviation is 2.953. The standard deviation displays that most answers range from 2.8 to 8.7. Therefore, the spread of answers is rather large. This demonstrates that the sample consumers have different opinions regarding this topic. While some consider honesty and trustworthiness as very important, others consider it as not important. An answer of 5.5 can be considered as neither very important nor unimportant, but since the mean of 5.76 is slightly higher than 5.5, the trend leans towards an importance of honesty and trust. Furthermore, the mode of 7 is the number with the highest frequency, and once again shows a trend to importance of honesty and trustworthiness.

The interviews show the same results, where the participants’ perspectives are divided between honesty and trustworthiness being important and not important, but slightly on the important side. Interviewee 3 (2015) mentions that he is “never really interested in [an athlete’s] trustworthiness and honesty, [he] was basically a fan of how [Kobe Bryant] played basketball”. On the other hand, Interviewee 8 (2015) believes honesty and trustworthiness is important because “they are public figures, they are trusted by the public, and they hold a certain place in society”. Yet, she also points out that “it is the consumer’s responsibility to know that [the athletes] are endorsements and that they [do these endorsements] for money” (Interviewee 8, 2015).

5.2.2 Athlete Endorser as a Role Model

From the 150 sample consumers, the mean is 6.29, the median is 7, and the mode is 8. The standard deviation is 2.909. When considering the standard deviation, most answers ranged from 3.4 to 9.2, and therefore, the spread was large again. The sample has different opinions on the importance of good role model characteristics. However, the mean is 6.29, and therefore, the tendency of the overall sample is, again, towards high importance of good role model
characteristics. The mode of 8 shows this was the most frequent answer chosen and also displays that role model characteristics are important.

In the interviews, the participants’ perspectives are fairly even with five believing it is important, four believing it is not important, and one who believes it is important on the field, but not off the field. Both Interviewee 2 (2015) and Interviewee 8 (2015) say that they do not pay much attention to athlete endorsers when making purchasing decisions and that these people do it for the money, therefore, they do not view these athletes as role models. Furthermore, Interviewee 8 (2015) proposes, “in terms of being an endorser, what is important would be if they’re attractive to the public and I think that’s the biggest selling for the companies who endorse the people”. On the other hand, Interviewee 1 (2015) believes that athletes as role models is very important and that a good role model is “someone who’s honest and humble, and hasn’t let the celebrity status that comes with paying at a professional level go to his head”.

5.2.3 Correlation between Honesty/Trustworthiness and Role Model

Descriptive statistics is used for the analysis for the two interval scale questions. When comparing the median and the percentiles, fifty percent of the sample answer 1 to 6 ‘On a scale of 1-10, how important is it to you as a consumer that an endorsed celebrity-athlete is honest and trustworthy?’ while fifty percent answer 1 to 7 ‘On a scale of 1-10, how important is it to you as a consumer that an endorsed celebrity-athlete exemplifies characteristics of a good role model?’.

Hence, the perception that the celebrity-athlete should be a good role model is slightly more important than his or her trustworthiness and honesty as seen in Figure 5.1. The figure displays the answers in a normal distribution curve and the ‘good role model curve’ is shifted slightly further to the right. Therefore, this curve displays the higher importance of role model characteristics over honesty and trustworthiness.

![Figure 5.1 Mean Comparison on Normal Distribution Curve](image)
The mean is higher than 5.5 for both of the question (5.76 for honesty and trustworthiness and 6.29 for good role model characteristics). Therefore, it can be said that honesty, trustworthiness, and good role model characteristics are somewhat important.

The 95 percent confidence interval states that one can be 95 percent certain that when considering the true population, the mean of the honesty and trustworthiness related question would fall between 5.28 and 5.82 and the mean of the role model question would fall between 6.24 and 6.76 as seen in Table 5.1.

Table 5.1 Confidence Interval: Honesty/Trustworthiness and Role Model

<table>
<thead>
<tr>
<th>Confidence Interval</th>
<th>Mean Difference</th>
<th>95% Confidence Interval of the Difference</th>
</tr>
</thead>
<tbody>
<tr>
<td>On a scale of 1-10, how important is it to you as a consumer that an endorsed celebrity-athlete is honest and trustworthy?</td>
<td>5.760</td>
<td>5.28</td>
</tr>
<tr>
<td>On a scale of 1-10, how important is it to you as a consumer that an endorsed celebrity-athlete exemplifies characteristics of a good role model?</td>
<td>6.293</td>
<td>5.82</td>
</tr>
</tbody>
</table>

5.3 Effect on Purchasing Behaviour of Over-Priced Products

![Figure 5.2 Purchasing of Over-Priced Items](image)
Only 19.3 percent are more likely to purchase a product that is considered over-priced if their favourite celebrity-athlete endorses it (Figure 5.2). The theory of Internalisation states that consumers who are influenced by endorsement are more likely to buy expensive and/or complex products compared to consumers who have not been influenced by an endorser.

### 5.4 Correlation between Purchasing Behaviour and Termination of Contract

In this section the relationship between the purchasing behaviour and the opinion of termination is examined based on the different scandals (Refer to Appendix B, Table B for comparison chart).

Pearson’s chi-square tests can be used when having nonmetric one sample data. However, since two variables that each has two categories were tested (2x2 tables), the chi-square value may be overestimated and the Phi-Coefficient is the better statistical test to use. Furthermore, since some cells, out of the four cells with the possible answer options, contained values less than 5, the chi-square test was also not the most adequate test to use. Frequencies and its count were used as well as continuity correction for the chi-square test, also called the phi-coefficient. The result of the phi-coefficient can be interpreted in the following way: (1) If the value of “Approx. Sig.” calculated by SPSS is equal to or less than 0.05 (at the 95 percent level of confidence) the correlation between the data is statistically significant; (2) In cases where the value of “Approx. Sig.” is greater than 0.05 (at the 95 percent level of confidence), the correlation is not statistically significant. Once a statistical significance is determined an evaluation of the Phi Value determines how strong the association is and if it is positive or negative (Correlation Analysis SPSS). The value of Phi shows no association if the number is 0 and perfect association if it is -/+1 (Malhotra, 2010, p.501). Overall, these sets of questions and types of analysis are influenced by our theoretical framework and literature review, which is built around our research questions.

#### 5.4.1 Adultery and Infidelity

*Table 5.2 Phi Adultery and Infidelity*

<table>
<thead>
<tr>
<th>Symmetric Measures</th>
<th>Value</th>
<th>Approx. Sig</th>
</tr>
</thead>
<tbody>
<tr>
<td>Nominal by Nominal Phi</td>
<td>-.377</td>
<td>.000</td>
</tr>
<tr>
<td>Cramer's V</td>
<td>.377</td>
<td>.000</td>
</tr>
</tbody>
</table>

N of Valid Cases 150

The p-value is 0.000, and hence there is a statistical significance, since it is less than 0.05 as previously described. The Phi coefficient shows moderate negative association of -0.377 as shown in the SPSS Output, Table 5.2.
Eighteen people say they would not continue to purchase and that the brand should not terminate the contract, when adultery or infidelity is exhibited. Twenty-eight people say they would not continue to purchase and the brand should terminate the contract. Eighty-one people say they would continue to purchase and the brand should not terminate the contract, while twenty-three people say that they would continue to purchase and that the athletic-sportswear brand should terminate the contract. Hence, the majority answer that they would continue to purchase and that the brand should not terminate the contract in the case of adultery or infidelity and these results are statistically significant based on the p-value, with a weak negative association.

5.4.2 Bad Sportsmanship

Table 5.3 Phi Bad Sportsmanship

<table>
<thead>
<tr>
<th>Symmetric Measures</th>
<th>Value</th>
<th>Approx. Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Nominal by Nominal</td>
<td>Phi</td>
<td>-.132</td>
</tr>
<tr>
<td></td>
<td>.107</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Cramer's V</td>
<td>.132</td>
</tr>
<tr>
<td></td>
<td>.107</td>
<td></td>
</tr>
</tbody>
</table>

N of Valid Cases 150

Since the p-value is 0.107, as shown in Table 5.3, there is no statistical significance between the effects of bad sportsmanship on the purchasing behaviour and on the opinion that the company should terminate the contract.

Fourteen people say they would not continue to purchase and that the brand should not terminate the contract, when bad sportsmanship is exhibited. Eighty-seven people say they would not continue to purchase and the brand should terminate the contract. Twelve people say they would continue to purchase and the brand should not terminate the contract, while thirty-seven people say that they would continue to purchase and that the athletic-sportswear brand should terminate the contract. Hence, the majority answer that they would not continue to purchase and that the brand should terminate the contract in the case of bad sportsmanship.

5.4.3 Recreational Drug Use

Table 5.4 Phi Recreational Drug Use

<table>
<thead>
<tr>
<th>Symmetric Measures</th>
<th>Value</th>
<th>Approx. Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Nominal by Nominal</td>
<td>Phi</td>
<td>-.237</td>
</tr>
<tr>
<td></td>
<td>.004</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Cramer's V</td>
<td>.237</td>
</tr>
<tr>
<td></td>
<td>.004</td>
<td></td>
</tr>
</tbody>
</table>

N of Valid Cases 150
Referring to Table 5.4, the p-value is 0.004, and hence there is a statistical significance. However, the Phi coefficient only shows little association with a value of -0.237.

Seventeen people say they would not continue to purchase and that the brand should not terminate the contract, when there was recreational drug use. Forty-three people say they would not continue to purchase and the brand should terminate the contract. Forty-seven people say they would continue to purchase and that the athletic-sportswear brand should terminate the contract. Hence, the slight majority answer that they would continue to purchase and that the brand should not terminate the contract in the case of recreational drug use. However, this is only a slight majority. Forty-three consumers say that they would not continue to purchase and that the brand should terminate the contract, and hence this scandal can also be seen as severe in regards to the effect it has on the purchasing behaviour and on the opinion that the company should terminate the contract. Also, forty-three people say that they would continue to purchase the brand, but the brand should terminate the contract, which is contradictory. Overall, the results are not conclusive.

5.4.4 Performance-Enhancing Drugs Used Once

Table 5.5 Phi Performance-Enhancing Drugs Used Once

<table>
<thead>
<tr>
<th>Symmetric Measures</th>
<th>Value</th>
<th>Approx. Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Nominal by Nominal</td>
<td>Phi</td>
<td>-.226</td>
</tr>
<tr>
<td></td>
<td>Cramer's V</td>
<td>.226</td>
</tr>
</tbody>
</table>

The SPSS output table, Table 5.5, displays that the p-value is 0.006, and hence the results have a statistical significance. The Phi coefficient shows weak negative associations between the two related questions.

Fourteen people say they would not continue to purchase and that the brand should not terminate the contract, when the celebrity-athlete used PEDs once. Sixty people say they would not continue to purchase and the brand should terminate the contract. Thirty people say they would continue to purchase and the brand should not terminate the contract, while forty-six people say that they would continue to purchase and that the athletic-sportswear brand should terminate the contract.

Concluding, the majority answer that they would not continue to purchase and that the brand should terminate the contract when the celebrity-athlete used PEDs once.
5.4.5 Performance-Enhancing Drug Usage Repeatedly

Table 5.6 Phi Performance-Enhancing Drug Usage Repeatedly

<table>
<thead>
<tr>
<th>Symmetric Measures</th>
<th>Value</th>
<th>Approx. Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Nominal by Nominal</td>
<td>Phi</td>
<td>.056</td>
</tr>
<tr>
<td></td>
<td>Cramer’s V</td>
<td>.056</td>
</tr>
<tr>
<td>N of Valid Cases</td>
<td>150</td>
<td></td>
</tr>
</tbody>
</table>

Since the p-value is 0.495 (Table 5.6), there is a statistical significance between the effects of using PEDs repeatedly on the purchasing behaviour and on the opinion that the company should terminate the contract.

Eleven people say they would not continue to purchase and that the brand should not terminate the contract, when the celebrity-athlete used PEDs repeatedly. Ninety-five people say they would not continue to purchase and the brand should terminate the contract. Three people say they would continue to purchase and the brand should not terminate the contract, while forty-one people say that they would continue to purchase and that the athletic-sportswear brand should terminate the contract.

A large majority, 95 people out of 150, answer that they would not continue to purchase and that the brand should terminate the contract in when the celebrity-athlete used PEDs repeatedly. This scandal can be seen to affect the purchasing behaviour negatively and the opinion on termination of the contract in a significant way.

5.4.6 Motor Vehicle Offence

Table 5.7 Phi Motor Vehicle Offence

<table>
<thead>
<tr>
<th>Symmetric Measures</th>
<th>Value</th>
<th>Approx. Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Nominal by Nominal</td>
<td>Phi</td>
<td>-.113</td>
</tr>
<tr>
<td></td>
<td>Cramer's V</td>
<td>.113</td>
</tr>
<tr>
<td>N of Valid Cases</td>
<td>150</td>
<td></td>
</tr>
</tbody>
</table>

As Table 5.7 displays, the p-value is 0.166, and hence results are not of statistical significance for the effects of motor vehicle offences on the purchasing behaviour and on the opinion that the company should terminate the contract and we cannot consider the Pearson Correlation.

Twenty-two people say they would not continue to purchase and that the brand should not terminate the contract, when the celebrity-athlete is involved in a motor vehicle offence. Fifty-six people say they would not continue to purchase and the brand should terminate the contract.
Twenty-eight people say they would continue to purchase and the brand should not terminate the contract, while forty-four people say that they would continue to purchase and that the athletic-sportswear brand should terminate the contract.

Only 56 people out of 150, and hence the slight majority out of the four possible answer options, answer that they would not continue to purchase and that the brand should terminate the contract when the celebrity-athlete is involved in a serious motor vehicle offence. This scandal can also be seen to affect the purchasing behaviour negatively and the opinion on termination of the contract in a significant way. Forty-four people answer they would continue to purchase and that the brand should terminate the contract.

5.4.7 Offence against the State or Government

Table 5.8 Phi Offence against the State or Government

<table>
<thead>
<tr>
<th>Symmetric Measures</th>
<th>Value</th>
<th>Approx. Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Nominal by Nominal</td>
<td>Phi</td>
<td>-.163</td>
</tr>
<tr>
<td></td>
<td>Cramer's V</td>
<td>.163</td>
</tr>
<tr>
<td>N of Valid Cases</td>
<td></td>
<td>150</td>
</tr>
</tbody>
</table>

The p-value is 0.046 and smaller than 0.05, and therefore, a statistical significance is presented. The negative correlation, however, is too weak with -0.163, and hence a real correlation cannot be observed as summed up in Table 5.8.

Twelve people say they would not continue to purchase and that the brand should not terminate the contract, when the celebrity-athlete commits an offence against the state or government. Forty-five people say they would not continue to purchase and the brand should terminate the contract. Thirty-four people say they would continue to purchase and the brand should not terminate the contract, while fifty-nine people say that they would continue to purchase and that the athletic-sportswear brand should terminate the contract.

Only 59 people out of 150, compared to the groups answering the other options, which were 45, 34, and 12 people, answer that they would continue to purchase and that the brand should terminate the contract when the celebrity-athlete commits an offence against the state or government. This scandal can be seen to affect the purchasing behaviour negatively and the opinion on termination of the contract in a significant way.
5.4.8 Sexual Offence

*Table 5.9 Phi Sexual Offence*

Symmetric Measures

<table>
<thead>
<tr>
<th></th>
<th>Value</th>
<th>Approx. Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Nominal by Nominal</td>
<td>Phi</td>
<td>.060</td>
</tr>
<tr>
<td></td>
<td>Cramer's V</td>
<td>.060</td>
</tr>
<tr>
<td>N of Valid Cases</td>
<td></td>
<td>150</td>
</tr>
</tbody>
</table>

Since the p-value is 0.464 (Table 5.9), there is no statistical significance between the effects of sexual offences on the purchasing behaviour and on the opinion that the company should terminate the contract.

Fourteen people say they would not continue to purchase and that the brand should not terminate the contract, when the celebrity-athlete commits a sexual offence. One hundred and seven people say they would not continue to purchase and the brand should terminate the contract. Two people say they would continue to purchase and the brand should not terminate the contract, while twenty-seven people say that they would continue to purchase and that the athletic-sportswear brand should terminate the contract.

A large majority would not continue to purchase the brand and have the opinion that the brand should terminate the contract with the celebrity-athlete endorser if he or she committed a sexual offence such as rape, child pornography, or illegal prostitution.

5.4.9 Violent Offence against a Person

*Table 5.10 Phi Violent Offence against a Person*

Symmetric Measures

<table>
<thead>
<tr>
<th></th>
<th>Value</th>
<th>Approx. Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Nominal by Nominal</td>
<td>Phi</td>
<td>.154</td>
</tr>
<tr>
<td></td>
<td>Cramer's V</td>
<td>.154</td>
</tr>
<tr>
<td>N of Valid Cases</td>
<td></td>
<td>150</td>
</tr>
</tbody>
</table>

Referring to Table 5.10, the p-value is 0.060, which is too high, and there is no statistical significance between the effects of a violent offence against a person on the purchasing behaviour and on the opinion that the company should terminate the contract. Thus, the Phi coefficient cannot be considered.

Fourteen people answer they would not continue to purchase and that the brand should not terminate the contract, when the celebrity-athlete commits a violent offence against a person. One hundred and eight people say they would not continue to purchase and the brand should terminate
the contract. Zero people say they would continue to purchase and the brand should not terminate the contract, while twenty-eight people say that they would continue to purchase and that the athletic-sportswear brand should terminate the contract. Once again, a large majority would not continue to purchase the brand and have the opinion that the brand should terminate the contract with the celebrity-athlete endorser if he or she committed a violent offence against a person.

5.5 Chapter Summary

The findings demonstrate that consumers are unlikely to purchase a product that is considered over-priced if their favourite celebrity-athlete endorses it. Also, honesty, trustworthiness, and good role model characteristics of a celebrity-athlete endorser are somewhat important, but not significant, since both means were only slightly higher than five on a 1 to 10 importance scale.

Overall, the results of the research can be summed up in the following table, Table 5.11. For most scandals (seven out of nine when looking at the frequency statistics) the brand should terminate the contract with the celebrity-athlete. The frequency statistics display that in case of a recreational drug use scandal, the brand should not terminate the contract. However, when considering the overall opinion of the sample consumers, the brand should terminate the contract, and therefore, this is included in parentheses in Table 5.11. The purchasing decision is not as straightforward. For a Motor Vehicle Offence and Offence against the State/Government, the purchasing intention was not as clear as the other scandals. Hence, both perceptions are represented in the table, with the slighter minority decisions in the parentheses. The brand should terminate the contract in all cases, except scandals of Adultery and Infidelity and Recreational Drug Use. However, this thesis does not examine a statistical significance in five out of nine cases, which results in the conclusion that the overall data collected is rather by chance than statistically significant.

Table 5.11 Concluding Findings

<table>
<thead>
<tr>
<th>Scandal Category</th>
<th>Would You Continue to Purchase the Brand?</th>
<th>Should the Brand Terminate the Contract with the Celebrity-Athlete Endorser?</th>
</tr>
</thead>
<tbody>
<tr>
<td>Adultery and Infidelity</td>
<td>Yes</td>
<td>No</td>
</tr>
<tr>
<td>Bad Sportsmanship</td>
<td>No</td>
<td>Yes</td>
</tr>
<tr>
<td>Recreational Drug Use</td>
<td>Yes</td>
<td>No (Yes)</td>
</tr>
<tr>
<td>Performance-Enhancing Drugs Used Once</td>
<td>No</td>
<td>Yes</td>
</tr>
<tr>
<td>Performance-Enhancing Drugs Used Repeatedly</td>
<td>No</td>
<td></td>
</tr>
<tr>
<td>Motor Vehicle Offence</td>
<td>No (Yes)</td>
<td>Yes</td>
</tr>
<tr>
<td>Offence against the State or Government</td>
<td>Yes (No)</td>
<td>Yes</td>
</tr>
<tr>
<td>Sexual Offence</td>
<td>No</td>
<td>Yes</td>
</tr>
<tr>
<td>Violent Offence against a Person</td>
<td>No</td>
<td>Yes</td>
</tr>
</tbody>
</table>
6 Analysis and Discussion

This chapter is a discussion about the relationship between our findings and analysis, previous literature, and previous theories. The two main purposes of this study, consumer purchasing behaviour and termination of the contract, will be addressed throughout the discussion.

6.1 Comparison between Literature and Findings

6.1.1 Sportswear Brand Management

Brand loyalty, personality, value, and experience encompass the qualities sportswear brand companies want to produce in order to foster a long-lasting relationship with their consumers. Most universally known athletic sportswear brands, such as Nike and Adidas, have achieved these goals through specific marketing techniques, such as athlete endorsers. From a company perspective, behavioural loyalty expresses the sentiment of constantly repurchasing a product over a long period, but attitudinal loyalty shows that the image of the brand must be positive in order for the consumers to repeatedly purchase the same brand over a long period (Amine, 1998).

In our interviews, Interviewee 6 (2015) mentions that the value a brand offers him is a main reason why he stays loyal to that brand. Thus, since he already trusts a certain brand and that brand has earned his trust, the brand “will continue to earn [his] trust for many years” (Interviewee 6, 2015) regardless if an endorsed athlete is involved in a scandal. His explanation complements the descriptive statistics from the questionnaire because the survey participants generally believe that honesty and trustworthiness of an endorser is not a huge influence on their perception of a brand. The results show a mean of 5.76, which represents a slight tendency towards honesty and trustworthiness as important. Furthermore, Singh and Pattanyak (2014) claim that consumers mainly purchase a brand because of the quality of the product. This argument aligns with our interview findings, since most of the participants state that quality and design are the main reasons for purchasing a particular brand. For example, Interviewee 9 (2015) says that he purchases his shoes from Adidas and his shirts from Nike. When he was asked why he did not purchase both items from the same brand he responds, “Adidas, their style is always the same, it’s always just three strips, and Nike has a lot more variability” (Interviewee 9, 2015). Therefore, consumers are aware of what is fashionable at the time and this influences their purchasing decisions (Singh & Pattanyak, 2014). Thus, the general consensus from the sample consumers from the interviews is that product quality attracts them to a brand, and not the athlete-endorsers.

Brand personality and brand experience through the endorsement of an athlete generates a certain meaning for the consumer. From a company perspective, the brand personality and experience attempts to be a global positive meaning for the brand. However, from a consumer perspective,
these attributes are perceived subjectively, based on each individual consumers values and attitudes. From the questionnaire, the descriptive statistics show that the top two ranked brands are Nike and Adidas, with 115 and 91 votes, respectively. This shows a correlation with previous studies, in which Nike and Adidas are the top global leaders in the athletic sportswear industry (Forbes, 2013). Furthermore, Forbes (2013) states that “Adidas is slightly ahead of Nike with $8.2 billion in apparel sales in fiscal 2012 against Nike’s $6.3 billion,” but that Nike’s “market share in the global sports apparel market has historically increased from 3.9% in 2007 to 4.9% in 2012 as its apparel sales grew at a pace above industry average during the period”. Therefore, there is strong competition between Nike and Adidas to become the top sportswear brand globally. To highlight this point, the interview participants all answer that their favourite brands are either Nike or Adidas or both, which emphasizes the impact of these two brands. Nevertheless, there are a few other sportswear brands that garnered recognition from consumers in the questionnaire, such as Asics and Under Armour. Since the main purpose of this thesis does not focus on the personalities and characteristics of a brand, our research is not a comprehensive study of consumer’s sportswear brand preferences, nor can it identify which brand personalities attract consumers.

6.1.2 Effectiveness of Endorsers

The general impression of the literature is that sportswear brands endorse celebrity-athletes because they believe consumers are more intrigued to purchase their products if their brand has honest and trustworthy sports experts endorsing their product (Aaker & Myers, 1987; Miller & Baseheart, 1969). The honesty and expertise of an athlete provides credibility for the brand through the image and perception of the athlete. However, our findings of honesty, trustworthiness, and characteristics of a good role model do not align with previous literature. In the comparison between honesty and trustworthiness with the characteristics of a good role model, the results show that there is no decisive conclusion whether these factors demonstrate the effectiveness of the athlete endorsers. Thus, the endorsers’ effect seems to be subjective to an individual, based on the sample questionnaire and interviews. The questionnaire results show a mean of 5.76 for honesty and trustworthiness and a mean of 6.29 for good characteristics of a role model, which suggests there is not a convincing consensus from the sample consumers on the importance of these attributes. From the interviews, Interviewee 1 (2015) states that she is “not easily swayed by others when making decisions”. Thus, an endorser would not have much influence on her decisions. On the other hand, Interviewee 10 (2015) mentions that he is influenced by commercials. He could not find a specific factor to explain why he is influenced, but he mentions that it is not because the product or brand is popular and everyone else owns it. Nevertheless, throughout his self-deliberation he came to a realization that the popularity of a brand might influence him subconsciously (Interviewee 10, 2015). Thus, this example conveys that some consumers may not realize the impact of endorsers and may think that they are not affected by advertising, but subconsciously it has an affect whether it is positive or negative.
Miller and Lacznia (2011) state that a celebrity’s cultural meaning should be harmonious with the company’s virtues and ethics, but if that meaning changes due to an ethical transgression, then the company must reassess their relationship with the athlete. This rationalization aligns with the questionnaire respondents who answer that a scandal would affect their purchasing behaviour, since all the scandals, except recreational drug use and adultery, have a majority of those respondents agreeing that the endorsed athlete’s contract should be terminated. However, out of all the questionnaire respondents who answer that a scandal would not affect their purchasing behaviour, each scandal has a majority answer that the brand should terminate the contract. This presents a contradiction to rationality and suggests that not all consumers absorb the effects and respond to negative information in the same way. Furthermore, this suggests that consumers’ virtues are similarly conflicted between what they want or need (products from the brand) and what they believe is morally correct (not endorsing a convicted athlete). Nevertheless, this conflict is further explored in the interviews, and the majority of interviewees who would continue to purchase after a scandal reply that the company is not responsible for the athlete’s actions and they purchase for the quality of the products. Yet, the interviewees believe many other consumers would be affected by the scandal, and therefore, the company should terminate the contract with the athlete.

6.1.3 Opinions on Scandals from a Consumer Perspective

Scandal encompasses several perceptions, thus this research divides the scandals into nine categories. In general, the questionnaire results show that highly criminal, non-sports-related scandals (violent offence, sexual offence) are the most severe scandals, followed by sports-related scandals (using PEDs, bad sportsmanship), and finally the less criminal, non-sports-related scandals (motor vehicle, recreational drug, state/government, adultery). Hence, the descriptive statistics show that criminal “off-field” scandals are the most severe scandals involving a celebrity-athlete endorser. Both violent offence against a person (72 percent) and sexual offence (71.3 percent) have the highest percentage of consumers who would not continue to purchase from a brand and that the brand should terminate the contract compared to the other scandals. However, the interview participants are not directly questioned about the highly criminal non-sports related scandals. This means the violent offence against a person and sexual offence scandals are not compared or specifically discussed in the interviews. The interviewees are asked to compare “on-field” scandals in general, such as using PEDs, versus “off-field” scandals, such as adultery. Therefore, the questionnaire and interview results agree that the use of PEDs is more severe than adultery, in terms of both their purchasing behaviour and opinion on termination of an athlete’s contract.

The results from both the questionnaire and the interviews suggest that consumers hold certain values and rank the severity of scandals based on their personal values. Thus, when informed of a scandal, consumers are guided by their virtues and values, which are influenced by their culture and experiences. From the questionnaire, consumers are generally consistent with their
purchasing behaviour and termination decision after a scandal occurs. However, the results out of the consumers who answer that they would continue to purchase and that the brand should terminate the contract show contradictory answers. For example, forty-one out of the forty-four consumers who say they would continue to purchase from the brand, also believe the brand should terminate the contract if the endorsed athlete was repeatedly using PEDs (Refer to Appendix B, Table B for further contradiction details). Thus, consumers seem to be conflicted between their personal values and society’s values. When the interviewees are questioned whether they, as consumers, would terminate the athlete’s contract or not, many express hesitation when deciding what was perceived as morally acceptable by society or what they personally believed. Furthermore, consumers are confused between what is best for them as a consumer and what is best for the company’s outcome.

Similar to consumer’s upholding virtues and values, companies also want to maintain their core values. Over time, certain virtues develop in the corporate DNA and can include, but are not limited to, honesty, responsibility, fairness, respect, transparency, and citizenship (Miller & Laczniak, 2011). These virtues become important when choosing an appropriate marketing strategy and deciding on a matching endorser to influence the consumers opinion. However, when the interview participants are asked whether company’s values or society’s values have more influence on a company’s decision whether or not to terminate a contract in a scandal situation, 80 percent of them think that society’s values are more significant. For example, Interviewee 1 (2015) expresses,

I think it should be the company’s values, but I think generally it’s society’s values because that’s who their consumer is and that’s who they want to purchase their product, so they’re trying to please that population. (Interviewee 1, 2015)

Moreover, Interviewee 3 (2015) concurs and says “companies are in it for the profit. If they are profiting and society has no problem with it, then they’ll try to push [the ethical boundaries] as much as possible”. Thus, these sample consumers’ outlook on scandals is heavily influenced by the morals and values of society, which may suggest that people’s subjective opinion is shaped and swayed by public opinion.

6.1.4 Consumer Purchasing Behaviour after Scandals

As previous studies discover, consumer-purchasing behaviour after a scandal is specific to each individual person and his or her behaviour varies to different degrees (Lohneiss & Hill, 2013). This is also observed in our online questionnaire. For example, two out of 150 consumers say they would not continue to purchase if an athlete was involved in an adultery scandal, but would continue to purchase if an athlete committed a sexual offence. Although this is a minority, it shows that consumers have different purchasing behaviours. Nevertheless, although the behaviour differs, Murray and Price (2012) and Lohneiss and Hill (2013) discover that purchase intent decreased overall. This research explores specific scandals and how each scandal affects
consumer-purchasing behaviour. Hence, our questionnaire findings show that eight out of the nine scandal categories considerably affected consumer-purchasing behaviour. The only scandal that does not affect the sample consumers significantly is adultery and infidelity. Our findings match with Lohneiss and Hill’s (2014) proposition that “organisations might be premature in assuming that large quantities of harmful effects are likely [aimed] towards their brand,” (p.172) since negative information does not necessarily affect consumers in a way that they would have a negative outlook on the brand. Interestingly, Interviewee 2 (2015) indicates that neither an “on-field” scandal nor an “off-field” scandal would affect her purchasing decision, but it would affect her impression of the brand. Thus, an assumption could be that she would currently continue to purchase products from the brand, but may be disinclined to purchase from that brand in the future if her impression of the brand declined further.

As mentioned in the literature review, media thrive on celebrity information, especially if there is a scandal. Negative information can harm both the brand and the athlete, and media have a large role in the perception of the situation. As Gackowski (2014) points out, “the perception of media as resources exchangers [give] journalists real power” (p.115) when influencing society. Hence, media have a great influence on people’s virtues and values, since they can formulate stories that may or may not be true. The descriptive statistics from the questionnaire are not specifically focused on discovering how media generally influences consumer-purchasing behaviour. However, the interviews show the connection with previous literature. Interviewee 1 (2015) states that “there’s rumours all the time, especially in the media,” so it would be difficult to completely blame the athlete if he or she was only accused of a scandal. Moreover, Interviewee 4 (2015) agrees that mainly large companies are displayed in the media, and “the awareness of a smaller company’s scandal isn’t as present […] so people don’t really hear about it”. These two examples demonstrate that media have the authority to decide which information is circulated to the public, which creates certain meanings in consumers’ minds that may not be the complete reality. Therefore, media have an influence on consumer purchasing behaviour by affecting consumers’ perceptions.

Both negative and positive information depicted by media can be misleading and may not provide an objective outlook. The questionnaire sample results find that the average belief that an athlete should represent a good role model is 6.29 (on a scale of 1 to 10), which suggests there is a slight tendency to the importance of an athlete exemplifying characteristics of a good role model. Although the questionnaire results are slightly in favour of the importance of an athlete as a role model, some of the participants from the interviews believe media have an influence on the perception of a role model. When this study’s interview sample is questioned about whether a celebrity-athlete endorser should exemplify characteristics of a good role model, Interviewee 9 (2015) comments that a celebrity-athlete “role model is perhaps more how the media portrays [him or her] and how people have come to believe” characteristics about the athlete. Reuben Buford May (2009) presents evidence on “professional black male basketball players” as role models for “young black males”, in which the young men aspired to the media language and
characterization of what a good role model should be rather than the success of the athlete. Since this study’s sample consumer group is between the ages of 17 to 80, it focuses on an adult’s perception of endorsed athletes as role models. However, this study did not gather information from the youth perspective, thus it cannot be confirmed.

Overall, consumers purchasing intent tends to decrease after a scandal, but this result may occur due to media’s influence on consumer perception and how media often distorts the truth. Hence, sportswear brands should be aware that not all scandals affect all consumers in the same way. Some scandals, such as “on-field” scandals, are generally perceived to affect consumer’s purchasing decisions more than other scandals, such as “off-field” scandals. This perception may result from the endorsed athlete disrespecting his or her own profession and the athlete may not be perceived as an ‘expert’ in his or her sport anymore.

6.2 Comparison between Theories and Findings

6.2.1 Source Credibility Model

As previously described, the Source Credibility Model is built around the perception and opinion of the consumers and could be considered as subjective, which is reflected in our data. Most of the collected data from the questionnaire have variations when analyzing the descriptive statistics of frequencies in regards of correlation between purchase intention and termination of contract. For example, some consumers perceive the repeated use of PEDs (which is cheating and linked to altering the perceived trustworthiness and perceived expertise) as severe enough to discontinue purchasing from that brand and that the brand should terminate the contract with the endorser, while others disagree and answer the opposite. This tendency was also observed for other scandals, and especially the scandal of recreational drug use had a large variation of answers. Therefore, overall it is concluded that the subject of trustworthiness and expertise is subjective and cannot be evaluated with strong confidence in the findings. This is because the Source Credibility Model will always depend on the consumer’s perception.

Ohanian (1991) argues that trustworthiness of the celebrity-athlete endorser is not greatly linked to the consumer’s intentions to buy an endorsed brand. However, based on the questionnaire the purchasing intention decreases when a celebrity-athlete endorser is involved in a scandal. The scandal might harm the trust relationship between the consumer and the celebrity-athlete endorser, and therefore, the brand. Trustworthiness of the endorser is seen as relatively important based on some interviews, which is also reflected in our findings of the questionnaire with a mean of 5.76 (on the scale of 1 to 10). In Interviewee 5’s (2015) case, trustworthiness is important enough to influence his purchasing behaviour; “I guess if I had to choose between two people, one person I know to be relatively stand up and one person not so much, I’d rather purchase the product by the more stand up individual”.

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Therefore, our findings mainly disagree with Ohanian (1991), and trustworthiness is seen as important and can influence the purchasing intention in some cases. However, Ohanian (1991) states that trustworthiness is not ‘greatly’ linked to the consumer’s intentions to buy an endorsed brand. The term ‘greatly’ could be interpreted and used differently, and hence it is difficult to make a clear statement.

When consumers recognize celebrity-endorsers as untrustworthy, they are seen as questionable and non-credible message sources (Smith, 1973). The questionnaire results display that the consumers perceive most scandals (7 out of 9) as severe enough that the brand should terminate the contract. These results could be linked to the perception that the celebrity-athlete endorser is perceived as a questionable message source. This is observed in some of the interviews as well. Once a scandal occurred, some of the interviewees note that the athlete could be seen as a questionable messenger. Our questionnaire does not add any insight on the topic, and therefore, a conclusion to Smith’s argument cannot be made.

Related to the theory of Internalisation (Erdogan, 1999), the data do not support the findings that consumers who are influenced by endorsement are more likely to buy expensive and/or complex products compared to consumers who have not been influenced by an endorser (Wei & Wu, 2013). The majority of our sample (80 percent) would not purchase an overpriced product because of it being endorsed, which is observed in the online questionnaire. This may be a result because our sample is not strongly influenced by endorsers overall or because our sample data simply does not align with the theory. Our sample therefore does not agree with the theory of Internalisation. Overall, more precise questions could have been asked in order to give a more definite answer on the relationship of the Internalisation theory and our findings. However, one can certainly assess that the Source Credibility Model is a very subjective theory and strongly based on consumer’s perception which is also displayed in our data.

### 6.2.2 Match-up Hypothesis

The Match-up Hypothesis proposes that endorsers are more effective when there is a fit between the endorser and the endorsed product or brand. Several studies have shown that a celebrity with a high product-matching image leads to a greater advertiser and celebrity believability, compared to an advertisement with fewer similarities between the product and spokesperson (Levy, 1959; Kamins & Gupta, 1994; Kotler, 1997). This is also observed in the study interviews that the match is important to the sample consumers.

The match is especially important between the ‘professional life’ of the athlete and the brand compared to the ‘personal life’ of the athlete and the brand. Interviewee 2 (2015) says that a doping scandal would “affect [her] impression” of the brand and “it’s very bad for the company itself”. She also notes that “it’s irrelevant to what these people do [in their personal life], it’s personal versus professional” when asked if a brand should terminate the contract with the athlete if the athlete was cheating on his or her spouse, but the professional life should match the brand.
The same results were displayed in the questionnaire results and descriptive statistics. Mild ‘professional life’ scandals, such as doping once or bad sportsmanship, are more severe than mild ‘personal life’ scandals, such as cheating on a spouse or recreational drug abuse, when considering the influence on the purchasing behaviour and the belief of termination of contract. Therefore, a match between the professional life of the athlete to the product/brand seems to be especially important.

When Interviewee 6 (2015) is asked how a mismatch between the athlete and the brand would affect his purchasing behaviour and if the brand should terminate the contract in the case of continuous doping as an example, he answers that he is used to the value that these brands deliver and it probably, for sure won’t affect [my purchasing behaviour] if they sponsor some sportsman that is not behaving [according to these values] because I already trust that brand and that brand earned my trust. (Interviewee 6, 2015)

The brand should terminate the contract in his opinion due to the mismatch and “the brand is going to find another really good person to support” (Interviewee 6, 2015). Based on the data, there seems to be an importance between the fit of the celebrity-athlete endorser’s professional life and the endorsed brand. Therefore, the company should terminate the contract when the values do not align. However, the private life of the celebrity-athlete does not need to fit with the brand as much as the professional career. This was also observed in the questionnaire: 104 people of the 150 answered that they would continue to purchase from a brand if the celebrity-athlete committed adultery, while 90 out of 150 would continue to purchase if the celebrity-athlete used recreational drugs. Both scandals are linked to the athlete’s ‘personal life’, and in both cases a match between the brand and the endorser does not seem as important. For example, Nike company’s core values are “honesty,” “loyalty,” “trustworthiness,” “fairness,” “concern for others,” and “accountability” (Miller & Laczniak, 2011). Based on the questionnaire and interview results, Nike’s values of “honesty” and “loyalty”, for example, need to match the athlete’s professional life, but not so much the personal life.

Concluding, the overall match appears to be important to our sample because the majority of respondents believe the contract between the endorsed athlete and the brand should be terminated for seven out of nine scandals. The result of our study could widely be linked to the perception that the match between the endorser and brand is not as strong as it should be from the perception of the consumer. The match between the athlete’s professional life and the brand is important to the sample consumer, while the personal life of the celebrity-athlete endorser does not need to match with the brand to a great extent. The results of the questionnaire and interview, therefore, agree to the Match-up Hypothesis. However, the results might also be linked to the general perception that the athlete is misbehaving and the company should not tolerate this behaviour.
6.2.3 Meaning Transfer Model

Referring back to the Theory section, the Meaning Transfer Model hypothesizes that celebrities develop a ‘meaning’ based on how they are portrayed by media and perceived by society. This ‘meaning’ can then be transferred to the product or brand, which the celebrity endorses (Erdogan & Baker, 2000). Therefore, the celebrity-athletes and the brands they represent should both understand and embody the same values and qualities (Miller & Laczniak, 2011), especially because consumers hope to obtain some of the meaning that the celebrity-athlete transfers on a brand, when purchasing a product from a brand (McCracken, 1989). It is observed in our data that consumers generally have the opinion that a brand should terminate the celebrity-athletes contract when the celebrity-athlete was involved in activities that did not represent the brand’s values and qualities, which is closely linked to the Match-up Hypothesis discussion.

As mentioned before, a majority (more than 60 percent) of consumers believe that seven of the nine scandals (violent offence, repeated PED usage, sexual offence, bad sportsmanship, PED usage once, state/government offence, motor vehicle offence), are severe enough to terminate the contract. However, less than 60 percent believe that recreational drug use and adultery/infidelity are severe enough to terminate it. This could imply that the ‘meanings’ of most scandals are perceived to transfer to the brand, while a minority of the scandals and their ‘meanings’ would not transfer. Interviewee 2 (2015) agrees that the brand should terminate the contract in most cases because the consumers “connect this fraud stuff [scandals] or whatever with the company’s name, so I think it’s very bad for the company itself”. Interviewee 3 (2015) also thinks that the brand should terminate the contract in most cases, especially in the case of taking PEDs: “Doping […] would affect my perception of the brand if they kept the athlete”. Therefore it is, again, observed that the meaning of the athlete, who is cheating in the sport, would be transferred to the brand and changes the consumers’ perception of the brand. Interviewee 5 (2015) agrees as well, and says that he does not “think that you’d want to have your brand associated with somebody who is constantly caught cheating”. This interviewee implies that the ‘meaning’ could even transfer to the consumer. Therefore, he agrees with the theory that the meaning would transfer not only to the brand, but also to the consumer. Overall, it is observed that consumers notice a mismatch and would perceive the meaning of the athlete transfers to the brand.

It is unclear if the Meaning Transfer Model has a great impact on the purchasing decisions, because the questionnaire and interview results do not always correspond. Most interviewees would still continue to purchase in case a scandal occurred because “it would affect [the interviewee’s] impression, but still not [her] purchasing decision” (Interviewee 2, 2015). Interviewee 3 (2015) adds that he “would buy a brand based on quality rather than the person who’s behind it” and that he would therefore not discontinue purchasing because of a scandal. This trend is observed with the other interviews as well. A brand’s product quality and what they stand for is more important than the athlete who endorses it. The questionnaire supports the interviews’ findings to some extent. Four scandals would affect the majority (60 percent) of the
sample’s purchasing behaviour negatively, while five scandals would not affect the majority of the sample. It was also observed that some consumers would continue to purchase the brand after some scandals, but the brand should terminate the contract with the celebrity-athlete (See Appendix B, Table B for further details). This could imply that the consumers do not believe that the ‘meaning’ would transfer directly to them as a consumer, but the ‘meaning’ would transfer to the brand.

Concluding, the data display that the ‘meaning’ of the celebrity-athlete transfers to the brand, but the majority of the consumers do not believe that the ‘meaning’ transfers to them as a consumer. Only one interviewee made implications that a scandal and its implied ‘meaning’ could transfer to him as a consumer, but based on the questionnaire, for most scandals, the consumers would continue purchasing. Therefore, it seems that consumers are not afraid that the meaning transfers to them personally. From only looking at the questionnaire results, a conclusion would have been difficult to make, but the interviews add significant insight to the topic. This aspect, that the consumer is directly affected by scandals of endorsed athletes and that the meaning transfers to the consumer, cannot be supported by this study, but the meaning appears to transfer to the brand.

6.3 Limitations

Although this study provides new insight into consumer purchasing behaviour from a consumer’s perspective, there are a few limitations that should be addressed. The temporal aspect of this thesis is one limitation, since we were only allotted 68 days to research and write the thesis. Nevertheless, we used the time and resources available to the best of our ability. Ideally, the sample could have a more evenly distributed range of ages and nationalities. The participants mostly represented North America and Europe, and the average age was 28 years old for the questionnaire and 24 years old for the interviews. Therefore, global consumer generalizations cannot be made. The study would also have benefited from more specific questions related to more literature and theories. However, the main emphasis was put on answering the research purpose, which was achieved.

6.4 Chapter Summary

While the findings support most of the literature and theories, a few aspects are not supported. There are clear correlations between the literature and findings with regards to quality and design of the brand and that these are more important than the meaning of an athlete when making purchasing decisions. The literature also mentions that the meaning of an athlete transfers to the consumer. Hence, there is an agreement among the participants that the brand should terminate the athlete’s contract if that athlete no longer represents the company’s core values. Both the literature and findings suggest that consumers should be aware of media’s power to create perceptions of athletes, brands, and scandals. In terms of consumer purchasing behaviour, the literature and findings agree that purchase intent would decrease, but that scandals may not affect
all consumers. The athlete’s professional life is identified more important than personal life when
considering the severity of scandals. Thus, companies might be rash in determining the athlete’s
contract termination. On the other hand, not all findings are supported by the literature or theories,
since there is no conclusive decision whether honesty, trustworthiness, and characteristics of a
good role model are important to consumers.
7 Conclusion

7.1 Research Purpose

The research purposes of this thesis are to examine, analyze, and discuss how and when consumer purchasing behaviour would be affected if an endorsed athlete was involved in a scandal, and whether these consumers believe the contract should be terminated or not. In general, the results reveal that consumer purchasing behaviour is significantly affected. The sample consumers would most likely stop purchasing from the brand if the brand continued to endorse the athlete in situations of a violent offence against a person, a sexual offence, the use of PEDs repeatedly, and bad sportsmanship. It is unclear whether the sample would generally continue to purchase from the brand if the athlete was involved in a motor vehicle offence, using PEDs once, and a state or government offence. However, it is quite significant that the sample consumers would continue to purchase from the brand if an adultery or infidelity scandal had occurred. The results regarding termination of the contract are similar to the purchasing behaviour results, such as not continue to purchase from the brand and deciding to terminate the contract. Thus, the general conclusion of the results shows a correlation between the two main purposes of this thesis.

7.2 Practical Implications

As mentioned in the Introduction, the third purpose of this thesis is to help inform athletic sportswear companies of the consumer’s perspective on consumer purchasing behaviour after a scandal and at what point the brand should terminate the contract with the endorsed athlete. Thus, sportswear companies may use these findings and implement management strategies to avoid or lessen the consequences of a scandalous situation. As Amine (1998) discusses, attitudinal loyalty is when consumers have a consistent positive outlook towards a brand, but consumers who exhibit spurious loyalty pose a threat to a brand if a scandal occurs. The results of this thesis show that consumers generally have behavioural and attitudinal loyalty to a brand, regardless of the celebrity-athlete endorser’s involvement in a scandal. From this information, sportswear brands’ management should consider these aspects in advance of a scandal. The sample consumers also believe not all scandals, such as adultery, are perceived to be terminable. Therefore, sportswear brands may review these results and discuss whether it would be more beneficial for the company to continue endorsing the athlete or to terminate the contract. The company’s management should aim to understand the target group’s desires because this study observes that the consumer’s perspective and behaviour is a strongly subjective decision making process. A flowchart has been designed, using the results of this research, to help athletic sportswear company managers make educated decisions if a scandal occurs. This chart could be used by management, with careful consideration, whenever applicable (See Appendix C, Chart A).
7.3 Future Research

As detected through our research and our findings, further research should be done in the field of virtue ethics and how they influence the consumer’s decision making. It is observed that the perception of scandals is subjective. As Miller and Lacznik (2011) explain “virtue ethics is a comprehensive theory of ethics based on the notion that persons (and organizations) have an obligation to aspire to noble ideals so that, when encountering a difficult situation with moral implications, they will be disposed ‘out of habit’ to do the right thing” (p.501). Virtue Ethics could be seen the overarching principle of why consumers perceive scandals as scandals and can greatly differ from one individual to another, and hence this may be a crucial part of further research related to scandals. Therefore, a more in-depth study of how virtue ethics influence different consumer groups and cultures would be helpful to apply to the overall concept of the perception of scandals and on when a brand should terminate the contract from a consumer’s perspective.

Another field of virtue ethics studies, which would add complexity, could be how these ethics influence the business values of a company and its decisions. Organizations list values as part of their formal mission statement and code of ethics, which are the ‘corporate values’ and can also be seen as ‘virtues’ (Miller & Lacznik, 2011). The questions, if the corporate virtues and the celebrity-athlete endorser’s virtues are always matching and if the brand always terminates the contract once there is a mismatch, have not been clearly answered in previous research. This would be linked to the match-up hypothesis and would test the theory specifically on the match between stated business values and the endorser’s values. Therefore, a study of whether companies act on these core values when terminating celebrity-athlete endorser’s contracts could give additional insight to the field of contract termination after a scandal.

7.4 Concluding Remarks

This research provides valuable information to the field of sports marketing, since it is the first study, to our knowledge, that focuses exclusively on the consumers’ perspectives. The sample consumers generally believe a brand should terminate a contract if an athlete was involved in a violent offence against a person or sexual offence, while they believe adultery is not severe enough to be terminable. Nonetheless, it is observed that each consumer has different morals and abides to different values, which suggests an endorsed athlete involved in a scandal would not affect all consumers. Hence, sportswear brands’ management should not be impulsive in their decision to terminate the contract of an athlete, since our findings show consumers’ purchasing behaviour is not instantly affected significantly. Concluding, the results of this thesis can be used to further close the existing gap of consumer’s opinions on celebrity-athlete endorser scandals for athletic sportswear brands, and consequently this study is respectable help for further research in this field.
References

Literature Sources


# Data Sources

## Data Collection of Interviews

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*Interview did not get recorded properly, and thus was not transcribed. However, written notes and interviewee’s opinions were usable.
Appendix A

Box A: Questionnaire Questions

1. Do you consider yourself a consumer of athletic sportswear? (e.g. sports footwear, sports apparel, sports accessories)
   - a. Yes
   - b. No

2. On average, how much money do you spend annually on athletic apparel (US dollars)?
   - a. < $149
   - b. $150 - $299
   - c. $300 - $599
   - d. > $600

3. Which athletic apparel brands do you purchase most frequently? (Select 1-3 brands)
   - a. Adidas
   - b. Asics
   - c. Nike
   - d. Puma
   - e. Reebok
   - f. Under Armour
   - g. Other:

4. Who is your favourite celebrity-athlete endorser?
   - a. Tiger Woods
   - b. Roger Federer
   - c. Phil Mickelson
   - d. LeBron James
   - e. Kobe Bryant
   - f. Usain Bolt
   - g. Maria Sharapova
   - h. Cristiano Ronaldo
   - i. Sidney Crosby
   - j. Payton Manning
   - k. Other

5. Are you more likely to purchase a product that you consider over-priced if it’s endorsed by one of your favourite celebrity-athletes?
   - a. Yes
   - b. No

6. On a scale of 1-10, how important is it to you as a consumer that an endorsed celebrity-athlete is honest and trustworthy?
   A score of 1 means very low importance and 10 means very high importance.
   Low 1 2 3 4 5 6 7 8 9 10 High

7. On a scale of 1-10, how important is it to you as a consumer that an endorsed celebrity-athlete exemplifies characteristics of a good role model? A score of 1 means very low importance and 10 means very high importance.
   Low 1 2 3 4 5 6 7 8 9 10 High
8. Would you continue to purchase an athletic wear brand’s product if the endorsing celebrity-athlete had behaved in one the following ways:
   a. Committed adultery or infidelity (e.g. cheating on spouse)?
      i. Yes
      ii. No
   b. Repeatedly exhibited “bad” sportsmanship (e.g. frequent on-field offences, racism)?
      i. Yes
      ii. No
   c. Used recreational drugs (e.g. marijuana, cocaine)?
      i. Yes
      ii. No
   d. Cheated only once by doping or using performance-enhancing drugs (e.g. steroids, blood transfusion)?
      i. Yes
      ii. No
   e. Cheated repeatedly by doping or using performance-enhancing drugs?
      i. Yes
      ii. No
   f. Convicted of a serious motor vehicle offence (e.g. dangerous driving, drunk driving)?
      i. Yes
      ii. No
   g. Committed an offence against the State or government (e.g. tax fraud, vandalism)?
      i. Yes
      ii. No
   h. Committed a sexual offence (e.g. rape, child pornography, illegal prostitution)?
      i. Yes
      ii. No
   i. Committed a violent offence against a person (e.g. child abuse, assault, murder)?
      i. Yes
      ii. No

9. Should an athletic wear brand terminate a celebrity-athlete’s contract if he/she had behaved in one the following ways:
   a. Committed adultery or infidelity (e.g. cheating on spouse)?
      i. Yes
      ii. No
   b. Repeatedly exhibited “bad” sportsmanship (e.g. frequent on-field offences, racism)?
      i. Yes
      ii. No
   c. Used recreational drugs (e.g. marijuana, cocaine)?
      i. Yes
      ii. No
   d. Cheated only once by doping or using performance-enhancing drugs (e.g. steroids, blood transfusion)?
      i. Yes
      ii. No
   e. Cheated repeatedly by doping or using performance-enhancing drugs?
      i. Yes
      ii. No
f. Convicted of a serious motor vehicle offence (e.g. dangerous driving, drunk driving)?
   i. Yes
   ii. No

g. Committed an offence against the State or government (e.g. tax fraud, vandalism)?
   i. Yes
   ii. No

h. Committed a sexual offence (e.g. rape, child pornography, illegal prostitution)?
   i. Yes
   ii. No

i. Committed a violent offence against a person (e.g. child abuse, assault, murder)?
   i. Yes
   ii. No

These last three questions are for demographic interest.

10. What is your gender?
   a. Female
   b. Male
   c. Other

11. What is your age?

12. Over the past five years, on which continent did you live in the longest?
   a. Africa
   b. Asia
   c. Australia
   d. Europe
   e. North America
   f. South America

Box B: Interview Questions

Brand and athlete related questions:
1. Which athletic sportswear brands do you purchase most frequently? Why?
2. Who is your favourite celebrity-athlete endorser and why?
3. How important is it to you as a consumer that an endorsed celebrity-athlete is honest and trustworthy? Why do you consider that important/not important?
4. How important is it to you as a consumer that an endorsed celebrity-athlete exemplifies characteristics of a good role model?

Scandal and value related questions:
5. Do you consider an “off-field” scandal, such as cheating on the spouse, tax fraud, drunk driving, more severe than an “on-field” scandal, such as doping, bad sportsmanship? Why?
6. If an athlete doped continuously during competition and the brand continued endorsing him/her, how would that affect your purchasing decision?
   a) Should the brand terminate the contract in case of the first scenario of doping?
7. What if the athlete cheated on his/her spouse and the brand continued endorsing him/her, how would that affect your purchasing decision?
   b) What about the scenario of cheating on his/her spouse? Should the brand terminate the contract with the athlete?
8. In your opinion, does a brand’s value decrease once you’ve heard that an endorsed athlete is accused of a scandal? Why?
   c) Does the value decrease if the endorsed athlete is actually convicted of a crime? Why?
   d) Is your purchasing behaviour affected differently when a scandal occurs in a small company compared to a large company? Why?

9. Which values do you think influence a company’s decision more to stop or continue endorsing an athlete; the company’s values or society’s values?

Demography questions:
10. How old are you?
11. Where do you currently live?
12. Where have you lived most of your life?
Appendix B

Table A: Sample Age Statistics

<table>
<thead>
<tr>
<th></th>
<th>Valid</th>
<th>Missing</th>
</tr>
</thead>
<tbody>
<tr>
<td>N</td>
<td>150</td>
<td>0</td>
</tr>
<tr>
<td>Mean</td>
<td>27.57</td>
<td></td>
</tr>
<tr>
<td>Std. Error of Mean</td>
<td>.903</td>
<td></td>
</tr>
<tr>
<td>Median</td>
<td>24.00</td>
<td></td>
</tr>
<tr>
<td>Mode</td>
<td>23</td>
<td></td>
</tr>
<tr>
<td>Std. Deviation</td>
<td>11.055</td>
<td></td>
</tr>
<tr>
<td>Variance</td>
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<td></td>
</tr>
<tr>
<td>Range</td>
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<td></td>
</tr>
<tr>
<td>Minimum</td>
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<td>Maximum</td>
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<tr>
<td>Sum</td>
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<tr>
<td>25</td>
<td>22.00</td>
<td></td>
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<tr>
<td>Percentiles</td>
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<td>24.00</td>
</tr>
<tr>
<td>75</td>
<td>28.00</td>
<td></td>
</tr>
</tbody>
</table>

Table B: Frequency Table: Purchasing Intent vs. Termination of Contract

<table>
<thead>
<tr>
<th>Would you continue to purchase an athletic wear brand’s product if the endorsing celebrity-athlete…</th>
<th>Should an athletic wear brand terminate a celebrity-athlete’s contract if he/she…</th>
</tr>
</thead>
<tbody>
<tr>
<td>a) committed adultery or infidelity (e.g. cheating on spouse)?</td>
<td></td>
</tr>
<tr>
<td>No</td>
<td>18</td>
</tr>
<tr>
<td>Yes</td>
<td>81</td>
</tr>
<tr>
<td>b) repeatedly exhibited “bad” sportsmanship (e.g. frequent on-field offences, racism)?</td>
<td></td>
</tr>
<tr>
<td>No</td>
<td>14</td>
</tr>
<tr>
<td>Yes</td>
<td>87</td>
</tr>
<tr>
<td>c) used recreational drugs (e.g. cannabis, cocaine)?</td>
<td></td>
</tr>
<tr>
<td>No</td>
<td>17</td>
</tr>
<tr>
<td>Yes</td>
<td>47</td>
</tr>
<tr>
<td>d) cheated only once by doping or using performance-enhancing drugs?</td>
<td></td>
</tr>
<tr>
<td>No</td>
<td>14</td>
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<tr>
<td>Yes</td>
<td>60</td>
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<tr>
<td>Question</td>
<td>No</td>
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<tr>
<td>-------------------------------------------------------------------------</td>
<td>----</td>
</tr>
<tr>
<td>e) cheated repeatedly by doping or using performance-enhancing drugs?</td>
<td></td>
</tr>
<tr>
<td>No</td>
<td>11</td>
</tr>
<tr>
<td>Yes</td>
<td>3</td>
</tr>
<tr>
<td>f) is convicted of a serious motor vehicle offence (e.g. dangerous driving, drunk driving)?</td>
<td></td>
</tr>
<tr>
<td>No</td>
<td>22</td>
</tr>
<tr>
<td>Yes</td>
<td>28</td>
</tr>
<tr>
<td>g) committed an offence against the State or government (e.g. tax fraud, vandalism)?</td>
<td></td>
</tr>
<tr>
<td>No</td>
<td>12</td>
</tr>
<tr>
<td>Yes</td>
<td>34</td>
</tr>
<tr>
<td>h) committed a sexual offence (e.g. rape, child pornography, illegal prostitution)?</td>
<td></td>
</tr>
<tr>
<td>No</td>
<td>14</td>
</tr>
<tr>
<td>Yes</td>
<td>2</td>
</tr>
<tr>
<td>i) committed a violent offence against a person (e.g. child abuse, assault, murder)?</td>
<td></td>
</tr>
<tr>
<td>No</td>
<td>14</td>
</tr>
<tr>
<td>Yes</td>
<td>0</td>
</tr>
</tbody>
</table>
Appendix C

Chart A: Managerial Implications

1. Scandal of Adultery & Infidelity
   - Does this Scandal strongly go against the Company’s Values?
     - Yes: Consider termination
     - No: Scandal of Recreational Drug Use

2. Scandal of Recreational Drug Use
   - Does this Scandal strongly go against the Company’s Values?
     - Yes: Consider termination
     - No: Scandal of Continuous Bad Sportsmanship

3. Scandal of Continuous Bad Sportsmanship
   - Consider termination
   - Do not terminate

4. Scandal of a Serious Motor Vehicle Offence
   - Consider termination
   - Do not terminate

5. Scandal of Performance-Enhancing Drugs Used Once
   - Consider termination
   - Do not terminate

6. Scandal of Sexual Offence
   - Consider termination

7. Scandal of Violent Offence against a Person
   - Consider termination

8. Other Scandal
   - Does this Scandal strongly go against the Company’s Values?
     - Yes: Consider termination
     - No: Do not terminate

9. Scandal of Performance-Enhancing Drugs Used Repeatedly
   - Consider termination
   - Do not terminate

10. Scandal of Performance-Enhancing Drugs Used Repeatedly
    - Consider termination
    - Do not terminate

11. Scandal of Adultery & Infidelity
    - Has the Athlete confessed to the Scandal or has he/she been Officially Convicted of it?
      - Yes: Is the Evidence against the Athlete Very Strong?
        - Yes: Consider termination
        - No: Do not terminate
      - No: Scandal of Recreational Drug Use

12. Scandal of Recreational Drug Use
    - Consider termination
    - Do not terminate

13. Scandal of Continuous Bad Sportsmanship
    - Consider termination
    - Do not terminate

14. Scandal of a Serious Motor Vehicle Offence
    - Consider termination
    - Do not terminate

15. Scandal of Performance-Enhancing Drugs Used Once
    - Consider termination
    - Do not terminate

16. Scandal of Sexual Offence
    - Consider termination

17. Scandal of Violent Offence against a Person
    - Consider termination

18. Other Scandal
    - Does this Scandal strongly go against the Company’s Values?
      - Yes: Consider termination
      - No: Do not terminate