

DRIVING NFL FAN SATISFACTION AND RETURN INTENTIONS WITH CONCESSION SERVICE QUALITY

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ABSTRACT

Sport organizations have begun to focus on assessing quality. Rising ticket prices, skyrocketing team costs for owners, and increasing competition from other entertainment entities make service quality central. SERVQUAL, as applied to an NFL gameday concession experience is discussed in this paper. Studies were conducted at two separate NFL games where total of 558 respondents reported assessments of service quality and important dependent variables. The results help to clarify the impact of key service quality drivers on fan satisfaction and return intentions. Results are reported and conclusions and recommendations are drawn dealing with how fans respond to the key dimensions of service.

I. Introduction

Every year millions of fans flock to their favorite sporting event. The way that they determine the quality of their game day experience is becoming increasingly important to venue managers, fans, and concession vendors. As ticket prices continue to increase, so do fan expectations. In addition to the event itself, which is out of the marketer's control, many elements affect the fan's experience: parking, variety of merchandise, stadium atmospherics. The concession experience is one of the most influential and controllable though. First class service and selection is expected from customers to match the premium ticket prices.

For instance, while food vending is just one event element it is an enormous complementary component that helps teams maximize total revenue (Coates and Humphreys, 2007). The average fan in regular seats will spend nearly \$20 at each NFL event on standard concessions (Team Marketing Report 2005). It is estimated that \$9 billion is spent on foodservices at sporting events annually (King, 2004); \$2 billion is from the NFL's suite/club seating alone (Cameron, 2004), a relatively new revenue stream. Suite holders are typically charged between \$145 and \$250 per person. In short, it has become apparent that a regular hotdog was not going to do the trick (Buzalka, 2000).

Moreover, the team, venue, and concession service providers have only limited opportunities to establish

a relationship of high quality exchanges because of relatively brief sport seasons. For example, with the NFL, "You only have 10 games to make an impression on your guests" says Hans Williamson, president of the sports and entertainment group for Levy Restaurants (Cameron, 2004). Give the rising costs and limited number of contacts, each point of customer contact becomes more critical.

Professional sporting events are also becoming increasingly costly for owners as the expenses of the game (e.g., player salaries, equipment, maintenance, and new venues) continue to escalate. For sport managers increasing the game day experience's value is a primary concern and critical for the organization's survival. For team marketing professionals, understanding the variables that affect the service quality perception is a key input into their resource allocation and strategic marketing decisions.

For the providers, who have been outsourced to create the service, it is vital to continually improve the service because their business customer (the team or venue) demands it and has the luxury of seeking contracts with other providers if service quality isn't good enough. The number of qualified vendors capable of serving at major venues has intensified the competition for stadium and arena contracts. If a vendor fails to satisfy the team's fans, then the team can readily choose another food service provider. Good suppliers must provide outstanding service like ARA's innovative hand-held ordering devices for club level seat holders at the Alamodome.

In this sense then, service quality is important to the fan as a valued part of the game day experience, to the team as an important attribute of the total sport product sold to the fan, and to the outsourced supplier as a business-to-business differentiation tool.

This paper will measure service quality perception as it applies to an NFL team's concession experienced by fans. This will be done by using the RATER model of service quality. These factors will then be used as predictors of key outcomes in a regression model. We begin with a literature review of sport service quality assessment and then discuss the outcome variables to establish hypotheses. We report the execution of an empirical study where the dimensions of service are explored and assessed. The paper concludes with a presentation of the results and discussion. Implications are suggested.

II. Service Quality Assessment in Sport

As with other service industries, in the sport industry it is not enough produce adequate service encounters but crucial for a company to hire, train and motivate employees to consistently provide quality service. To do that, it is important for a company to listen to what exceptional service means to customers and incorporate feedback into the company's vision and training programs. Because a sport venue's income comes primarily from fans, their assessment should be considered as the main evaluation index of service quality. The accepted way to measure customer perceptions is to use the SERVQUAL model to identify and understand customer expectations. The SERVQUAL model is increasingly seen in sport (Crilley et al., 2002).

SERVQUAL, the service quality assessment tool Parasuraman, Zeithaml and Berry (1988) first used to measure how customers perceive the quality of service being provided, has proven to be robust across services. The original SERVQUAL model contains 22 questions that measure the expectations consumers have about service quality and the perceptions of what is actually delivered during their experience. These 22 questions are broken down into five dimensions. Easily remembered with the acronym RATER, it includes the dimensions on

which service quality are assessed: Reliability, Assurance, Tangibles, Empathy, and Responsiveness. By using a Likert scale ranging from "Strongly Disagree" to "Strongly Agree," service perceptions can be gauged by asking the customers questions related to the five dimensions (Hudson, 2004). Each of these dimensions is discussed as they apply to sport.

Reliability is the service quality dimension that measures the ability to perform the service dependably and accurately (Parasuraman et al., 1988). It has been called the most important dimension. When an employee is trained for a specific job, it includes making sure the customer's satisfaction is the top priority. This should include the proper way to greet a customer, provide helpful information to service the customer and how to accurately address questions the customer may have. If the employee does not know how to accurately answer the customer's question, they should be trained how to find the correct answer (Czaplewski, 2002). Questions asked of service customers in the past included: Do you receive what you ordered? Does the staff provide this service consistently under all conditions?

Assurance is the service quality dimension that measures the knowledge and courtesy of employees and their ability to convey trust and confidence (Parasuraman et al., 1988). Job training should include providing lessons that empowers employees to make the right decisions. This not only shows that the company hiring the employees has faith in them but that they are an important part of the organization. This has positive benefits for the customer. For example, corrections are made instantly when services rendered do not meet expectations. An example of a question used to measure assurance might be, "Staff appeared well trained to handle the job."

The *Tangibles* dimension takes into consideration the appearance of physical facilities, equipment, personnel, and communication materials. Proper product and service execution are important for customer satisfaction. The execution should be

appealing to the consumer and the facilities should be clean, well lit, and comfortable. Training the employee to handle the job correctly and to look the part affect this dimension. Facilities and human elements should be designed to appeal to the customer's senses. A question might be "The employees were neat in appearance."

Empathy is the service quality dimension that measures the perceived caring, the individualized attention that the employees provide to each customer. Providing service that goes above and beyond the expected service levels occurs when an employee displays empathetic qualities. Empathy is difficult to instill in an employee because of its intimate nature. It manifests itself in smiles, personal attention, and clear communications. Firms can hire individuals who possess this quality and incorporate empathy training to build upon this trait. The following statements might measure the dimension of empathy: "The staff seemed happy to provide service," or "The staff seemed thankful for my patronage."

Responsiveness is the service quality dimension that measures the willingness to help customers and to provide prompt service. Therefore, it is important to instill in employees that they need to respond readily to customers needs, but also in a manner that demonstrates their willingness to help. Customers feel a high quality service provider is able and eager to give prompt and satisfactory service. The following questions could be used to measure responsiveness: "The staff displayed willingness to help," or "The staff provided prompt service."

III. Key Sport Outcomes and Hypotheses

One potential application of SERVQUAL is to determine the relative importance of the five dimensions in influencing customers' outcomes. Two outcomes regularly collected from customers are satisfaction with the experience and future behavioral intentions.

Satisfaction with the overall experience "...the quality of the subjective product—the service

experience—is the true outcome of a service interaction," (Solomon et al. 1985, p.101).

Marketers have proposed a number of definitions for satisfaction. For the most part, satisfaction is an emotion as argued by Nyer (1998). Spreng, Mackenzie, and Olshavsky define it as "the emotional reaction to a product of service experience (p. 17). Marketing research has concentrated on associating consumer cognitions with satisfaction. "Everything has to be perfect for the fan—not just on the field or courts or ice, but on the retail side as well," (Drewes quoted in King 2004, p. 17). The ideal fan experience is based on how well the many different service dimensions compare to the fan's expectations. In their role, sport fans and customers can be thought of as having expectations. When a sport service experience element, one of the SERVQUAL dimensions, fails to meet the cognitive expectation it should affect the overall concession stand experience. This is because service quality can be viewed as a critical antecedent of customer satisfaction. The first set of hypotheses is concerned with the importance of the five dimensions (RATER) of the SERVQUAL model in influencing satisfaction with their sport service experience. The following are predicted:

H1A: High levels of Reliability predict overall concession stand experience.

H1B: High levels of Assurance predict overall concession stand experience.

H1C: High levels of Tangibles predict overall concession stand experience.

H1D: High levels of Empathy predict overall concession stand experience.

H1E: High levels of Responsiveness predict overall concession stand experience.

Behavioral intentions refer to the individual's anticipated or planned future behavior (Ajzen, 1987). Marketers are interested in intentions primarily because of its link to purchasing behavior. Although consumers' self-reported intentions do not perfectly predict future behavior most academic studies use consumers' self-reported intentions as the proxy

criterion variable. Similarly, companies often rely on consumers' intentions to forecast (Chandon, Morwitz, and Werner, 2005).

In the context of this research, if fans do not receive the sport service experience they expect, they might go elsewhere. Therefore, it is important that the NFL team understands their customers' behavioral intentions. Doing so will enable the NFL team to retain their customers; research has demonstrated that satisfied customers often become loyal customers (Hallowell, 1996). These loyal customers in turn tend to buy more products and are less price sensitive when making consumption decisions. It is also cheaper to service them because they are intimately familiar with the offerings and processes (Coyles and Gokey, 2005). Given the importance of word-of-mouth in marketing, it is likely they will share their experiences with others, thus effectively socializing new customers to the sport service experience. This is invaluable to organizations as they can now attract new customers without making a significant expenditure.

One would expect that at a sporting event, where customers are in a sense "captive," reaching, attracting, and, importantly, retaining customers would not be a costly endeavor. Although there are a limited number of concession stand options at sporting events, customers still have the ability to exercise and express their intent to return to the concession stand. For example, season ticket holders might choose to reduce the amount they purchase from the concession stand. A more extreme example is that these individuals refrain from making concession stand purchases. Instead, they decide to consume food and/or beverages before or after the event. Therefore, it is of interest to determine the importance of the five dimensions (RATER) of the SERVQUAL model in influencing behavioral intentions. The following are predicted:

H2A: High levels of Reliability predict intent to return to concession stand.

H2B: High levels of Assurance predict intent to return to concession stand.

H2C: High levels of Tangibles predict intent to return to concession stand.

H2D: High levels of Empathy predict intent to return to concession stand.

H2E: High levels of Responsiveness predict intent to return to concession stand.

IV. Methodology

The study utilized a mall-intercept technique at an NFL team's stadium during two 2005 regular season afternoon games (both beginning at 1:00 EST). Twenty field researchers were divided into five teams to cover the stadium systematically and approached attending fans at random who had recently exited a concession stand within a research team's assigned area. Respondents from all areas of the stadium—upper concourse, club level, and main concourse—were solicited. Data were collected beginning three hours before kickoff, when concession areas opened, until just after halftime when the flow of fans visiting the concession stands slowed. Respondents were approached by field researchers, invited to participate in the survey, and offered a food coupon to promote participation. A total of 558 usable surveys were collected.

Measures - The survey used to measure customer service includes all 5 dimensions of the RATER model with approximately 3 to 5 questions per dimension (totaling 17 items). Five-point Likert scales ranging from "Strongly Agrees" to "Strongly Disagrees" were used which allowed for the measurement of the difference between customers' expectations and perceptions of the actual service rendered (Brown, Churchill, and Peter 1993). The single page survey finished with multiple standard demographic questions.

Questions were developed based on the original RATER model (Parasuraman et al., 1988) and in partnered cooperation with the host management team to capture pertinent issues crucial to their specific business environment. It is not uncommon to adapt service quality assessment items to accommodate specific industry needs, and may even

be necessary to collect more pertinent information (Eastwood, 2005).

To test for the effect the service quality factors had on each key dependent variable, we performed a regression analysis using the five dimensions of the SERVQUAL instrument as independent variables to predict overall quality perceptions and return intentions. Two items from the questionnaire were used as dependent variable measures: 1) “My overall concession stand experience was positive.” and 2) “I will return to this concession again.”

V. Results

Participants – A total sample of 558 respondents reported their assessment of service quality at two separate NFL games. There were fewer females (23.7%) than males (76.3%). The respondents ranged in age from 11 to 81 years; however, the majority of respondents (90.0%) were between 18-69 years of age ($M = 36.22$; $SD = 14.18$). Most of the respondents were Caucasian (82.3%). The next largest race represented was African-American (8.6%). The average annual household income reported by the solicited fans was \$126,906. However, approximately 75% of the respondents reported making less than this amount. The median annual household income was \$85,500. Most respondents reported higher education levels; less than 24% reported having less than “some college” as the highest education level completed.

The behaviors of the fans were also collected. On average, fans reported to have visited the concession area 4.4 times during the game. Slightly more than one-quarter (26.6%) of those visits occur before the game begins. Furthermore, the respondents either attended or expected to attend about five to six games ($M = 5.49$) over the course of the season. Approximately 44.6% of the respondents planned to attend at least five games.

Service Quality Assessment – The 17 items used to assess quality perceptions held by fans were first organized into the five dimensions and then tested for Cronbach reliability (see Table 1). Examination of the values indicates that the reliability for four out of

the five dimensions is well above .80. The reliability of the Assurance dimension was lower than the other dimensions but met accepted reliability standards.

TABLE 1: Reliabilities and Descriptive Statistics of the RATER Dimensions

Dimension	M e a n		
	Cronbach α	Quality Rating	Standard Deviation
Reliability	.81	4.17	.87
Assurance	.60	3.66	.87
Tangibles	.88	3.98	.77
Empathy	.89	3.92	.97
Responsiveness	.84	4.03	.95

For each of the dimensions, the averages and standard deviations were computed. As the results above indicate, the Reliability dimension was rated the most positively by the NFL team’s fans with a 4.17 on a scale of 1 to 5. This finding—that Reliability is the most important dimension—is consistent with Berry et al. (2003). In order of mean quality rating, the remaining SERVQUAL dimensions were Responsiveness, Tangibles, Empathy, and Assurance respectively.

To assess the importance of the five dimensions in influencing customers’ overall quality perceptions, regression analyses were performed. The individual dimensions of the SERVQUAL instrument (RATER) were entered to predict overall quality perceptions. The following item from the questionnaire was used to assess customers’ satisfaction: “My overall concession stand experience was positive.” Results are noted in Table 2.

**TABLE 2:
“My overall concession stand experience was positive.”**

Dimension	Standardized Coefficient	Significance Level	Adj. R^2
Reliability	.10	.02	

Assurance	.05	.16	.71
Tangibles	.42	.00	($p < .01$)
Empathy	-.02	.68	
Respon- siveness	.39	.00	

The Tangibles, Responsiveness, and Reliability dimensions were statistically significant predictors of customer satisfaction (“My overall concession stand experience was positive.”). In terms of the relative importance of the five dimensions in predicting overall quality, Tangibles was the most critical dimension. Responsiveness and Reliability were the second and third most important dimensions respectively. The fourth most important dimension was Assurance; Empathy was the least important dimension. The Assurance and Empathy dimensions were not statistically significant predictors. Overall, the adjusted R^2 was statistically significant suggesting that the RATER dimensions predicted customer satisfaction at the concession stand. Thus, there is support for hypotheses 1A, 1C, and 1E, whereas hypotheses 1B and 1D are not supported.

TABLE 3:

“I will return to this concession again.”

Dimension	Standardized Coefficient	Significance Level	Adjusted R^2
Reliability	.20	.00	
Assurance	.04	.36	
Tangibles	.35	.00	.56
Empathy	.01	.92	($p < .01$)
Respon- siveness	.25	.00	

A similar pattern of results emerged for the regression analysis performed on the behavioral intentions outcome variable (“I will return to this concession again.”). Results are shown in Table 3. The Tangibles, Responsiveness, and Reliability dimensions were again statistically significant predictors, and Tangibles was the most critical dimension. The Responsiveness, Reliability, and Assurance dimensions were the second, third, and

fourth most important dimensions, respectively. Empathy remained the least important dimension. The Assurance and Empathy dimensions were not statistically significant predictors. There is support for hypotheses 2A, 2C, and 2E, while hypotheses 2B and 2D are not supported.

Overall, the similar pattern in results suggests that the Tangibles, Responsiveness, and Reliability dimensions are crucial elements in ensuring fan customer satisfaction and behavioral intention. However, the relatively small magnitudes of the regression coefficients for Assurance and Empathy and their lack of statistical significance in predicting these outcome variables should be interpreted with caution. Both Assurance and Empathy did have strong, positive correlations with the dimensions of Tangibles, Responsiveness, and Reliability. It is plausible that their relative importance in the regression analyses may have been masked somewhat by possible multicollinearity (see Appendix). Therefore, while Assurance and Empathy are the least important of the SERVQUAL dimensions, their lack of statistical significance does not mean that they are unimportant.

VI. Conclusion

Gauging customers’ perceptions of the service quality undoubtedly is important to companies to help retain customers. Sport firms are no different. Returning fans and customers will lead to additional sales to help an organization grow. Recently, sport organizations have begun to focus on hearing customers’ service quality concerns in order to change and modify employee training. To ensure quality service, organizations must have the tools to assess and control service quality. Every employee who comes in contact with a fan/customer must possess the right skills to respond quickly and effectively to all needs. Though this might be considerably harder for sport organizations which rely on volunteer help so often, teams must train each employee how to provide great service and how that service plays an important role in customer retention (Keele, 1994).

Our study is an early effort to apply the RATER model to a professional sport service setting. In doing so, we adapted a scale to work within a sport service environment and tested it. The results establish a link between key predictor variables, the five dimensions of SERVQUAL, and vital organizational outcomes. To some extent, the results are consistent with the literature examining the relative importance of the five dimensions in predicting service experience outcome variables. Previous research has demonstrated the relative importance of the Reliability, Assurance, and Tangibles dimensions in predicting the service experience (Parasuraman et al., 1988). In this research effort, the Reliability, Tangibles, and Responsiveness dimensions were significant predictors of satisfaction with the sport service experience; Reliability, Tangibles, and Responsiveness were also significant predictors of behavioral intentions. The finding that Responsiveness—instead of Assurance—is a significant predictor of satisfaction and future behavioral intentions seems to indicate that prompt service at a sporting event is essential, perhaps more than the professional sport firm realizes.

Benchmarking sport service quality and key predictors is a possible next step. Replicating the survey and methodology across sport organizations could allow for valid and reliable comparisons previously not witnessed.

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