An Exploration of Non-Renewal and Disengagement of Season Ticket Holders from Professional Sport Clubs

A. Karg*, H. McDonald†, D. Lock*†
Deakin University, School of Management and Marketing, Melbourne, Australia
University of Technology Sydney, School of Leisure Sport and Tourism, Sydney, Australia

Background
The bulk of research exploring sport consumers focuses on the engagement, attitudes and behaviours of team fans or spectators. Equally important, but more rare, is research conducted on sectors of the market that become disengaged from the product or service (e.g., season ticket holders [STH]). Theoretically, the possibility of disengagement has been recognised, with the psychological commitment process seen as fluid and as likely to regress as progress (Crawford, 2004). In this study, we aim to measure why, and to what extent, former STHs reduce their psychological commitment to teams and the behaviours that accompany this disengagement.

Like all service industries, STHs are likely to lapse or churn. Usage of the service (games attended) and duration as a STH are two factors that determine such levels of churn (McDonald, In Press). In addition, research models why consumers switch or disengage from their original service providers (East, Grandolfo, Dall Olmo Riley, 2007; Keaveney, 1993). Common categories of reasons for switching in non-profit services include pricing, inconvenience, service failures, competition and involuntary switching. These categories give an indication of why STHs may lapse and provide a base for investigation of the first research question:

* What are the reasons why STH lapse from a professional sport club?

The research also investigates to what extent lapsed consumers disengage with the club and other aspects of the sport offering. Given engagement or connection is often depicted as a staged process or continuum (Funck, 2008) we posit that stages of disengagement might also exist, and seek to determine how non-renewal and related attitudes and behaviours can play a part in the measurement of this process. Therefore, we seek to explore two further research questions:

* To what extent disengage from the club, team and sport?

* What are the outcomes of lapsed and disengaged supporters?

Methods
The research used two stages of longitudinal survey data collected from STH and lapsed STHs of an professional Australian football club. In stage 1, STHs (n = 2595) were questioned on satisfaction with the service offering, and other behaviour (e.g. game and media consumption) and attitudes (e.g. points of attachment, psychological connection and loyalty) associated with the club. All respondents were asked if they were likely to renew in the following year. If they did not answer ‘yes’ they were asked to give the most likely reason why they might not renew in line with the categories determined in past studies (East et al., 2007; Keaveney, 1995). Survey data was later combined with data obtained from the club about actual renewal for the following season. This retrospectively reproduced two groups – renewing and lapsed STH – who were then compared on levels of satisfaction, attitudes and behaviours based on their responses in Stage 1. Stage 2 (to be completed in 2010) will seek to further compare the same groups of renewers and lapsed STH, paying particular attention to the attitudes and behaviours of STH who exited and their level of disengagement. Measures for attitudes and behaviours replicate those in Study 1. Additionally, we seek to explore any dysfunctional behaviours lapsed members have undertaken (e.g. ward of mouth or active discouragement of joining the club among friends).

Results
Findings presented here are from Study 1 comparing renewing and lapsed STH and exploring reasons why members were considering not renewing. Results showed that lapsed STH had significantly lower levels of overall satisfaction and lower usage of the product, indicated by attendance at fewer games. Attitudinal measures such as continued and adapted loyalty, strength of motivation to attend and team identification were all significantly lower for lapsed members. Overall, 18.7% of respondents indicated they were not convinced they would renew (i.e. answered no or unsure to the renewal question). Reasons for likely churn included price (30.2%) and inconvenience (20.4%) both at a higher ratio than in the Keaveney (1995) and East et al., (2007) studies. Service failure/s and dissatisfaction with core aspects of the service offering (on-field performance, home ground and club administration) accounted for 39.9%, comparable with the average of prior studies, while competition (2.5%) and involuntary switching (4.3%) were much lower than previously found. Comparisons to the actual reasons for lapsed STH will form part of the analysis in Study 2.

Conclusion
Initial findings indicate lapsed members are lower on key intention measures than renewing STH, suggesting they begin to disengage prior to leaving the service. This presents opportunities to identify characteristics of STH who are likely to lapse and determine strategies that may assist in maintaining them as customers. Additionally, the majority of STH who were likely to lapse indicated reasons for which the club can exhibit some control. Finally, given these findings, levels of disengagement tested in Study 2 might be expected to differ based on STH key reasons for lapsing. Such differing levels of disengagement would advance the view that a continuum or stages of disengagement may be present for sport consumers.