

**Antecedents and Consequences of the Perceived Value
of Virtual Sport Branded Merchandise**

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**25-minute oral presentation
(including questions)**

In the context of sport, consumer purchasing decisions and brand value have been studied through the lens of television viewership (spectatorship), physical merchandise (durable and non-durable goods), sport services consumption, and how these factors influence attendance or participation (Funk, Mahony, & Havitz, 2003). A largely underutilized and under-researched form of sport merchandise is that of the sale and consumption of virtual merchandise. Virtual goods are described as a product traded in the non-physical online communities and games (Investopedia, 2012). Virtual merchandise has become an important target of online consumption (Hamari & Keronen, 2016), and no more prevalent are digital goods than in video games, which has become the fastest growing form of human recreation (Ryan, Rigby, & Przybylski, 2006). As many have discussed the inclusion of esports in the definition of sport (Wagner, 2006; Jenny, Manning, Keiper, & Olrich, 2017; Kane & Spradley, 2017), there is a need to explore the consumption pattern within this new frontier for sports.

Thus, the purpose of the study discussed herein was to develop and test a working model of the psychological motivations to play and the perceived value consumers hold toward sport branded virtual merchandise. Drawing on self-determination theory (Ryan & Deci, 2000), theory of consumption values (Sheth, Newman, & Gross, 1991), the theory of uniqueness (Snyder, & Fromkin, 1977, 1980), functional attitude theory (Katz 1960; Shavitt 1989; Smith, Bruner, & White 1956), and self-identity theory (Tajfel, 1979), the authors developed the following hypotheses:

H1: Psychological motivations to play esports related games positively influence their perceived values of team-branded virtual merchandise.

H2: Perceived values positively influence purchase intention of team-branded virtual merchandise.

H3: Team Identification moderates the impact of perceived values on purchase intention.

H4: Involvement in esports moderates the relationship between perceived value and purchase intention.

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To test these hypotheses, multiple scales, measures, and constructs were defined and measured by using existing literature from sport, virtual merchandising, and consumer behavior. Subjects' motivation to play video games was tested utilizing the Gaming Motivation Scale (GAMS) previously designed and tested by Lafrenière, Verner-Filion, and Vallerand (2012) to assess the subjects' motivational drives to play. Perceived value of the virtual branded team merchandise was measured by modifying and utilizing multiple measures of perceived value from sport, information management, and consumer behavior contexts (Asada, & Ko, 2016; Kim, Gupta, & Koh, 2011; Domina, Lee, & MacGillivray, 2012; Petrick, 2002).

To test the reliability of the scales and measure in the new context, a pilot test was conducted utilizing Amazon mTurk workers (N = 52), living in North America, who have purchased video games online, and have purchased team branded virtual items. Results indicate that scale items generally have good reliability. An assembled panel of experts in the fields of consumer behavior and sport management helped establish the content validity of the measurement items.

To test the states hypotheses, the main study will be conducted recruiting subjects through numerous esports electronic platforms and events, targeting past purchasers of virtual sport branded merchandise across multiple outlets, or video games, such as the Multiplayer Online Battle Arena (MOBA) title *League of Legends* (LoL) and Blizzard Entertainment's team based first-person shooter, *Overwatch*. Several groupings of in-game content have been designed to include the team logos, colors, or designs of professional teams participating in esports leagues such as the League of Legends Championship Series (LCS) or the Overwatch League (OWL). Titles such as LoL and Overwatch have millions of players each month (Riot Games), as such these titles provide a large potential sample pool and ample opportunity for subjects to be exposed to the sport branded items, have purchased the items, and have experience with them.

The results of the current study contribute to the existing body of knowledge by testing theoretical linkages between multiple theories, thereby adding to the general knowledge of consumer behavior and virtual merchandise consumption in sport and broader contexts. This study has multiple implications for both managers of professional sport teams (esport and traditional sport) and the producers of digital contents. With the rise of esports and digital beginning of virtual assets bearing the mark of sport teams are a new frontier for traditional sports teams. These teams should carefully monitoring monetization of their own virtual products as well as established esports teams'

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monetization of virtual products and services to generate additional revenue for their traditional sport. Likewise, producers of in-game content should be sensitive to consumers' psychological motivations to play and their perceived values of the items they are offering and how consumers make purchasing decisions of sport branded virtual items. The authors will share the results of the empirical data in the presentation.