“Selected factors as determinants in the purchase choice of sporting goods”

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Selected factors as determinants in the purchase choice of sporting goods

Abstract

In order for marketers in the growing sporting goods market to compete, they need to understand their customers’ behavior patterns. This article aims to determine the significance that a select group of factors play in influencing customer purchase choices of sporting goods. A semi-structured questionnaire was administered to a convenience-based, non-probability sample of 90 individuals at a health club in Pietermaritzburg, South Africa. Through the adoption of a five-point Likert scale, individual responses were obtained on the importance that factors such as brand name, quality, price, athlete or sport’s team, the brand sponsors, and country of manufacture play in influencing the purchase choice of sporting goods. The results indicate that quality is regarded as being the key factor that influences the purchase choice of sporting goods. Forty-six percent of the respondents placed no significant value on ‘brand name and price as influencers of their purchase choice’. However, although the study results cannot be generalized beyond the sample used, the conclusion from the results suggests that due to quality being a predominant influence on purchase choices of sporting goods, marketers need to focus more on this variable in order to take advantage of the numerous opportunities in the growing sporting goods market.

Keywords: purchase choice, sporting goods, brand name, price, quality.

JEL Classification: M31.

Introduction

Sporting goods or sport goods are defined as “Equipment and clothes that are used in sport” (Cambridge Dictionaries Online, n.d.). According to a United States-based organization, the National Sporting Goods Association (Cooper & Day, 2013, p. 12), the sales of sporting goods in 2012 increased by 7% to $59.2 billion. Likewise, the U.S sales forecast for sporting goods predicts a 100% increase between the years 2014 to 2018 (Anything Research, 2014, p. 1). In addition, according to a report by King (2012, p. 1), the sports goods market in the U.S. is forecasted to be worth $266 billion by 2017. In other countries, such as Germany, the second biggest market in Europe, sporting goods’ sales are anticipated to grow mainly as a result of over 50 year olds adopting a more active way of life (Germany Business and Investment Opportunities Yearbook, 2009, p. 171). In a communist country, such as Russia, the market is expected to increase in volume with a forecasted market value of over $7 billion (Intesco Research Group, 2012, p. 6). Although similar statistics do not exist for the South African sporting goods’ market, according to Mothilall (2012, p. 7), the sport industry has grown to the extent that it is a “player in the global marketplace of sport.” In this context, the sporting goods market is a significant, growing market for sport goods marketers. In order for them to compete effectively, one of the key areas that they need to focus on is understanding the significance that customers place on certain factors in making their purchasing decisions.

Froyk (2012) contends that in order to have a high level of customer satisfaction, marketers must understand customer needs and wants. In addition, Senft (2013, p. 39) places emphasis on “key success factors”, which describe the “most important customer needs and demands”, contending that the fulfillment of these factors plays a “decisive” role in the marketer’s success or failure in a particular market segment. In this context, by sports marketers’ understanding the key factors that their customers place prominence on when making purchasing decisions, will play a vital role in their marketing success.

Internationally, a number of studies have been undertaken to determine consumer behavior factors influencing choice and purchase decisions for various types of goods. Specifically to sporting goods, studies show several different factors. These factors are as listed in Table 1.

Table 1. Factors influencing the purchase decisions of sporting goods

<table>
<thead>
<tr>
<th>Factors</th>
<th>Authors</th>
</tr>
</thead>
<tbody>
<tr>
<td>Name of the brand and store; prices; and anticipated use.</td>
<td>d’Astous and Karim (2002, pp. 109-126)</td>
</tr>
<tr>
<td>Risk; innovativeness; gender; and involvement factors.</td>
<td>Pope, Brown and Forrest (1999, pp. 25-34)</td>
</tr>
<tr>
<td>Evolving customer preferences based on different price sensitivities and brand preferences.</td>
<td>Youn, Song and Maclachlan (2008, pp. 1-38)</td>
</tr>
<tr>
<td>Name of the brand; quality of the product; pricing; styling; shop environment; promotions; and quality of service.</td>
<td>Yee and Sidek (2008, pp. 221-236)</td>
</tr>
<tr>
<td>Psychosocial constructs such as individual values; identification with team; attitude to the product and/or brand; the product’s qualities; expectations; past purchases; and fulfillment.</td>
<td>Donghun, Trail, Lee and Schoenstedt (2013, pp. 40-48)</td>
</tr>
</tbody>
</table>
Table 1 (cont.). Factors influencing the purchase decisions of sporting goods

<table>
<thead>
<tr>
<th>Factors</th>
<th>Authors</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pricing; the appearance; the technical attributes; the brand’s title and its comparative position; and sports and fashion icons.</td>
<td>Smit and Di Maria (2008, pp. 1-17)</td>
</tr>
</tbody>
</table>

Source: authors’ own compilation

The list in Table 1 is not exhaustive. However, in a South African context, there is a dearth of literature on the key factors influencing consumer choice of sporting goods.

Within the above context, this study seeks to answer the following research question:

What are the factors that influence the purchasing choice of sporting goods?

In order to answer the research question, five factors that influence the purchase decisions of sporting goods were chosen:

- brand name;
- product quality;
- price;
- athlete or team sponsored by the brand;
- country of manufacture of the brand.

The main objective was to determine whether these factors are essential in the purchase choice of sporting goods.

This article is structured as follows: firstly, an evaluation of the applicable literature relating to the factors under study is explored, followed by an explanation of the research methodology employed. Then the analysis of the findings and discussion is provided. Finally, findings are arrived at, that include a number of recommendations with view on further research. A conclusion is provided at the end of the article.

1. Literature review

1.1. Brand name. A brand uses a name to distinguish an organization’s product and differentiate it above those of other organizations (Jain, 2009, p. 231). The brand name of a sports brand is a factor that influences consumer buying behavior. Well-known brand names, and their associated images as claimed by Cadogan and Foster (2000), entice customers to purchase, result in recurrent purchases and reduce switching based on price by the customer. In a similar context, Yee and Sidek (2008) showed that well-known brand names positively influence purchases and also bring about repeat purchases. There is evidence that the brand name can subconsciously affect purchases (Charttrand et al., 2008). Consumers may exhibit trust for a famous brand name and ignore unfamiliar brands (Kinuthia et al., 2012). Therefore, the brand name is seen as a vital factor in influencing purchasing choice, which could also apply to sporting goods.

Fasandoz (2001, p. 20) undertook a study which found that six out of ten American customers of the tested sample look for a specific brand of sports products when shopping. However, whilst some customers place emphasis on the brand name, others do not. For some, emphasis is placed on the message that is being sent out through the brands they use while others place little importance on this, and it has no significant effect on their purchasing decision. Therefore, the brand name has varying influence on a customer and his or her purchasing habits.

1.2. Product quality. It is noteworthy that different people view quality differently (Lal, 2008; Latif, 2007), as each individual has different needs. With sporting goods, for example, due to the numerous different types of varieties, there is a likelihood of the existence of several varying types of needs and, resultantly different perspectives of product quality.

In a marketing context, quality is concerned with the product satisfying customer needs or performing at a level that meets customer expectations (Barrow, 2011). On a more specific level, product quality pertains to the features and characteristics of a product, which allow the product to satisfy needs (Yee & Sidek, 2008).

The perceived quality of a brand has also been known to contribute positively towards influencing consumer choice. For example, Yee and Sidek (2008) contend that the positive tangible quality of products associated with a brand may result in repeat purchases. Erdem and Swait (2004), use the terminology “credibility” or “believability” of the brand, wherein the brand has an ability to constantly provide what has been promised. This “credibility” positively influences a customer’s intention to purchase the brand through higher perceptions of quality and better perceived value for money (Kazemi & Mahyari, 2013, p. 1203). Similarly, Pappu et al. (2005) assert that positive perceived quality will give customers reason to purchase the brand as it can be differentiated based on quality.

1.3. Price. Price is the amount of money that customers must pay and should, in that context, offer good value (Kemmer & Boden, 2012). It has been known to play an essential role in influencing customer purchases. For example, according to Yee and Sidek (2008), customers often make comparisons between alternate brands based on price by comparing price with perceived value and
costs; consequently, the higher the perceived worth of a brand in relation to its cost, the higher the chance of a customer selecting it. However, although price is a key factor taken into consideration by an average customer (Bucklin et al., 1998, p. 189-198; Cadogan & Foster, 2000), highly loyal customers to a brand will pay a premium price for the brand and are subsequently not influenced by price only (Yee & Sidek, 2008). It is noteworthy that in a survey of 800 people, although the brand name was found to be more significant with younger people (i.e. under 25 years), the emphasis on price was slightly more substantial than the brand name with older people (i.e. 25 to 44 years) (Mullin et al., 2007).

1.4. Athlete or team sponsored by the brand. Individual athletes have been shown to have an influence on customer perceptions differently. For example, according to Pikas et al. (2012), more relevant to males are the non-physical features of athlete endorsers, whilst with females, a greater emphasis is placed on physical ability. In addition, with adolescents, celebrity sport endorsers have had a marked influence on brand loyalty and word of mouth (Carlson et al., 2009). As an illustration, Simmers et al. (2009, p. 54) contend that a tennis star may be famous for physical attractiveness, whilst a golfing star may be famous for expertise.

Often, attributes associated with the athletes endorsing sport brands are transferred to the endorsed brands, thus, influencing consumer perceptions. For example, according to Simmers et al. (2009), athletes who are revered and admired by fans, and who embody the essence of the sports they represent, transfer these positive attributes onto the brands they represent.

Popular sports teams, for example Manchester United and Real Madrid, have been known to positively influence retail transactions of brands associated with such teams (Carlson et al., 2009). Such sports teams are believed to transfer their positive attributes to the brands they endorse (Bergami & Bergozzi, 2000), and the increased identification, based on reputation (Davies et al., 2004).

1.5. Country of manufacture. Studies indicate that the country of manufacture (for example, country in which the brand is manufactured), has an impact on customer views on quality and brand favorability (Shahin et al., 2013). In addition, the country of manufacture has a role in inducing customers’ appraisal for the product/brand due to customers having certain images and ideas of certain countries that impact on their perceptions of products originating from those countries (Shahin et al., 2013). For example, Yasin et al. (2007) found that the image of a country significantly affects customer brand awareness. Countries that have positive images are perceived to produce quality products, which are technologically advanced and reliable, thus differentiating brands from such countries more positively. To the contrary, Elliott and Cameron (1994) argue that whilst the majority of studies show that country of manufacture effects do exist, the magnitude of their influence remains unresolved. In fact, a number of studies have reported that the country of manufacture effect does not exist and if it does, its effects on influencing purchasing decisions are minimal.

Alden et al. (1999) remark that customers have a greater preference for global brands as they can associate status, wealth, and prestige with a customer’s self-identity and increase a customer’s social standing. In a study by Holt et al. (2004), it was found that a positive association existed amongst apparent quality and customer preferences for global brands. In contrast, Cayla and Eckhardt (2007) have shown that customers may prefer a local brand if they can identify with other members of the local community as local brands are often positioned with a view to local needs and culture.

In summary, based on the discussion of the literature above, consumer purchases of sporting goods are influenced by the brand name, product quality, price, athlete or team sponsored by the brand, and country of manufacture. However, little is known in a South African context about the influence of these factors in the purchase choice of sporting goods, which this study undertakes to show.

2. Research methodology

The research methodology for this study is explained in the paragraphs below.

2.1. Target population. The targeted population of this study are members of a health club in Pietermaritzburg. Being a health club, the population was deemed to be appropriate for a study of this nature, involving sports goods, because they were expected to be more acquainted with sporting goods.

2.2. Sampling. The sampling method utilized in this study was non-probability, convenience sampling. This method of sampling was deemed to be the most economical method and appropriate for a study (Leroy, 2011; and Salkind, 2010) of this nature. The sample comprised of 100 respondents comprising of both male and female participants. However, the final response rate was 90 as there were 10 incomplete questionnaires omitted from the final analysis.

2.3. Data collection. After obtaining permission to conduct the research from the health club, a semi-structured questionnaire was personally administered by a research assistant to the selected respondents.
making up the sample. This approach was considered advantageous as the questionnaire was restricted to a local area, and allowed for any clarification to be extended immediately so as to increase the reliability of the results. Moreover, this method of data collection allowed respondents to think about the questions, thus contributing to more reliable results.

2.4. Validity. Content validity can be claimed for this study. According to Cooper and Schindler (2006, p. 318), “content validity of a measuring instrument is the extent to which it provides adequate coverage of the investigative questions and shows that the instrument adequately represents a sample of the subject matter investigated” and it is based on the researcher’s judgement (Krishnaswamy, Sivakumar & Mathirajan, 2009). For this study, in ensuring content validity, the topic definition and the scaling of items was carefully determined. Cross-referencing of each questionnaire item to the research objective was performed in order to ensure that the subject matter was being covered. Face validity is also claimed for this study as in the judgement of the researchers, the questions measure the concepts that they are supposed to measure (Bailey, 2008, p. 69).

2.5. Reliability. In testing reliability for this study, Cronbach’s coefficient Alpha was used. Alpha, a “coefficient of reliability or consistency” (www.ats.ucla.edu/stat/spss/faq/alpha.html) measures internal consistency by showing whether a set of variables correlate positively with each other. As Cronbach’s Alpha scores get closer to 1, reliability will increase (Sekaran, 2009, p. 324). For this study, an Alpha score of 0.8 was attained, signifying that the data collection instrument i.e. the questionnaire was reliable as “values at or over 0.7 are desirable” (Andrew, Pedersen & McEvoy, 2011, p. 202).

2.6. Questionnaire design. The questions used in the questionnaire were aligned with the study’s objectives. Questions were mainly of a structured nature, and respondents were given a set list of choices. A Likert-scale format was employed and coded based on the following: 1: Strongly agree, 2: Agree, 3: Neutral, 4: Disagree, and 5: Strongly Disagree. All questions conformed to a simple and, believed to be, commonly understood vocabulary in order to enable easy comprehension.

2.7. Profile of respondents. The profile of respondents who participated in this study is depicted in the table below:

Table 2. Demographic profile of respondents

<table>
<thead>
<tr>
<th>Variable</th>
<th>Category</th>
<th>N %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gender</td>
<td>Female</td>
<td>44%</td>
</tr>
<tr>
<td></td>
<td>Male</td>
<td>56%</td>
</tr>
<tr>
<td>Age</td>
<td>Under 20</td>
<td>9%</td>
</tr>
<tr>
<td></td>
<td>20-25</td>
<td>28%</td>
</tr>
<tr>
<td></td>
<td>26-30</td>
<td>12%</td>
</tr>
<tr>
<td></td>
<td>31-35</td>
<td>14%</td>
</tr>
<tr>
<td></td>
<td>36-40</td>
<td>7%</td>
</tr>
<tr>
<td></td>
<td>41-50</td>
<td>16%</td>
</tr>
<tr>
<td></td>
<td>51+</td>
<td>14%</td>
</tr>
<tr>
<td>Ethnicity</td>
<td>Black</td>
<td>18%</td>
</tr>
<tr>
<td></td>
<td>White</td>
<td>42%</td>
</tr>
<tr>
<td></td>
<td>Asian</td>
<td>34%</td>
</tr>
<tr>
<td></td>
<td>Coloured</td>
<td>6%</td>
</tr>
</tbody>
</table>

Source: Pillai (2015, p. 60).

Based on the demographic profile, as depicted in Table 2, the majority of respondents were male (56%), who were mainly from the White (42%) and Asian (34%) ethnic groups.

2.8. Data analysis. Data were analyzed based on descriptive statistics and a binomial test as presented hereunder.

Figure 1 presents the descriptive results pertaining to the most important factors in selecting a sports brand.

Source: based on data analysis compiled by the authors
As evidenced from Figure 1, the key factors influencing customers’ purchase choice of sporting goods, in descending order, are quality (48%), price (19%), brand name (15%), athlete or team the brand sponsors (9%), and country of manufacture (9%). To confirm the descriptive analysis above, the following hypotheses were tested using a binomial test.

$H_0$: For each of the following factors: brand name, price, quality, athlete endorsement/sport team, and country of manufacture, regarding their importance in purchase choice, the number of respondents ranking these factors as significant is the same as those ranking these factors as not significant.

$H_1$: For each of the following factors: brand name, price, quality, athlete endorsement/sport team, and country of manufacture, regarding their significance in purchase choice, the number of respondents ranking these factors as significant is different from those ranking these factors as not significant.

Based on the binomial test results, the decisions pertaining to the hypotheses for each variable are summarized in Table 1.

Table 3. Decisions pertaining to each hypothesis based on the results of a binomial test

<table>
<thead>
<tr>
<th>Variable name</th>
<th>Important</th>
<th>Not important</th>
<th>Significance value (p-value)</th>
<th>Decision</th>
</tr>
</thead>
<tbody>
<tr>
<td>Brand name (N = 89)</td>
<td>48</td>
<td>41</td>
<td>0.525</td>
<td>Accept null hypothesis</td>
</tr>
<tr>
<td>Quality rank (N = 90)</td>
<td>87</td>
<td>3</td>
<td>0.000</td>
<td>Reject null hypothesis</td>
</tr>
<tr>
<td>Price (N = 90)</td>
<td>54</td>
<td>36</td>
<td>0.730</td>
<td>Accept null hypothesis</td>
</tr>
<tr>
<td>Athlete or sport’s team the brand sponsors (N = 90)</td>
<td>27</td>
<td>63</td>
<td>0.000</td>
<td>Reject null hypothesis</td>
</tr>
<tr>
<td>Country of manufacture (N = 89)</td>
<td>27</td>
<td>62</td>
<td>0.000</td>
<td>Reject null hypothesis</td>
</tr>
</tbody>
</table>

For the purposes of conducting the binomial test, the 5-point Likert scale employed in the questionnaire was collapsed into two groups. Those who strongly agreed and agreed that the variables under study were important were classified as important and put into group 1; in contrast, those who provided neutral responses, disagreed and strongly disagree that the variables under study were important were classified as not important and put into group 2.

Based on the binomial test, the results indicate the following for each variable under study:

For the variable Brand name, the null hypothesis was accepted (p-value = 0.525) concluding that there is no significant difference between those respondents who perceived the variable to be important (N = 48) and those who perceived the variable to be unimportant (N = 41). Hence, the results suggest that the brand name is neither important nor unimportant in influencing customer purchase choice of sporting goods.

For the variable Quality, the null hypothesis was rejected (p-value = 0.000) concluding that there is a significant difference between those respondents who perceived the variable to be important (N = 87) and those who perceived the variable to be unimportant (N = 3), with a much greater emphasis on quality being important. Hence, the results suggest that quality is an important variable influencing customer purchase choice of sporting goods.

For the variable Price, the null hypothesis was accepted (p-value = 0.730) concluding that there is no significant difference between those respondents who perceived the variable to be important (N = 54) and those who perceived the variable to be not important (N = 36). Hence, the results suggest that price is neither an important nor unimportant variable influencing customer purchase choice of sporting goods.

For the variable Athlete or sport’s team the brand sponsors, the null hypothesis was rejected (p-value = 0.000) concluding that there is a significant difference between those respondents who perceived the variable to be important (N = 27) and those who perceived the variable to be not important (N = 63), with substantially more respondents ranking this variable as unimportant. Hence, the results suggest that the variable Athlete or sport’s team the brand sponsors is not an important variable influencing customer purchase choice of sporting goods.

For the variable Country of manufacture, the null hypothesis was rejected (p-value = 0.000) concluding that there is a significant difference between those respondents who perceived the variable to be important (N = 27) and those who perceived the variable to be not important (N = 62), with a substantially higher number of respondents ranking this variable as unimportant. Hence, the results suggest that the variable Country of manufacture is not an important variable influencing customer purchase choice of sporting goods.

3. Explanation of results

According to the results of this study, quality was the key factor prompting the purchasing choice of sporting goods. This finding corroborates with the study by Pappu et al. (2005), who contend that perceived quality differentiates a brand from other brands, and creates a motivation for customers to purchase the brand over competing brands.

In contrast, though, the findings of this study pertaining to the athlete or sport’s team the brand sponsors, and the country of manufacture, were
found to be unimportant in influencing the purchase choice of sport brands. This finding is in contradiction to the findings of Kamins (1990), regarding athlete or sport’s team the brand sponsors, and Shahin et al. (2013), regarding the importance of the country of manufacture being important in influencing purchase choice of sporting goods.

Regarding the factors of brand name and price as essential factors in the purchase choice of sporting goods, the results of this study revealed that there is no significant difference regarding these factors amongst those who ranked them as important and unimportant. Consequently, it is inferred that the brand name and price are neither important nor unimportant factors in the purchase choice of sporting goods. In contrast though, these findings differ from other studies that found that the brand name is essential in purchase choice (Yee & Sidek, 2008), and price is a vital factor in purchase choice Bucklin et al. (1998, pp. 189-198).

Conclusions and recommendations

In order to compete in the growing sporting goods market, marketers need to understand their customers’ behavior patterns. Having set out to investigate the significance of five variables influencing the purchase choice of sporting goods, the results reveal that quality is the most important factor that influences purchase choice. Therefore, in trying to influence the purchase choice of sporting goods, sports marketers should provide greater focus on quality, which as alluded to earlier, involves the satisfaction of customer needs. With the variety of sporting goods on the market and the corresponding wide prevalence of possible customer needs, sport’s marketers need to perform marketing research so as to have a better understanding of their customers’ needs, and hence having a better chance of providing good quality products and services.

In spite of the above, the results of the study cannot be generalized beyond the convenience sample taken from a select health club in Pietermaritzburg. Hence, the study provides noteworthy exploratory insight on an under-researched topic with reference to South Africa.

In addition, whilst this study focused on five factors by studying their importance in purchase choice of sporting goods, there may be many other possible factors that have an influence on purchase choice; a discussion of which is beyond the scope of this study.

It is suggested that future studies could be undertaken to include more than one health club in other parts of South Africa, using random samples in order to make better inferences.

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