Enhancing the benefits of professional sport philanthropy: The roles of corporate ability and communication strategies

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ABSTRACT

Building upon scholarly work on corporate associations, social identity, and corporate philanthropy, this study aimed to: (1) identify the effect of perceived corporate ability (CA) associations of professional sport organizations (PSO) on consumer support of their nonprofit partners and (2) understand communication strategies that enable PSOs to gain greater business benefits from their philanthropic activities. The results of an experiment supported the role of perceived CA in influencing consumer intentions to donate to a PSO’s nonprofit partner, and further showed that this perception had a greater effect when respondents’ identification with the PSO was low. The finding also indicated that a message describing a PSO’s donation of a large amount of money for a cause could create positive attitudes toward the PSO. These findings extend recent work on professional sport philanthropy by demonstrating that—under certain conditions—such an activity can enhance benefits for both PSOs and their nonprofit partners.

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1. Introduction

Professional sport organizations (PSOs) have increasingly engaged in philanthropic activities designed to support social causes through their partnership with non-profit organizations (Babiak & Wolfe, 2009; Breitharth & Harris, 2008; Smith & Westerbeek, 2007). The social importance of these activities lies in the notion that PSOs might effectively facilitate the achievement of the social objectives of their non-profit partners (Diehl, 2007). In addition, the philanthropic activities of PSOs (hereafter called “professional sport philanthropy”) have cultural significance because the celebrity status of these organizations in society could allow them to act as an icon that promotes the importance of philanthropy (Kott, 2005). Furthermore, professional sport philanthropy is consistent with the principles of corporate social responsibility indicating that corporations, including PSOs, have moral and discretionary responsibilities for contributing their resources to the community (Carroll, 1999). Consequently, a growing literature has investigated whether such activities would create benefits for supported causes (e.g., Inoue & Kent, 2012; Irwin, Irwin, Miller, Somes, & Richey, 2010) as well as business returns for PSOs (e.g., Walker & Kent, 2009, 2012). While findings from this body of research generally demonstrate that professional sport philanthropy can generate both social and business benefits, the following two research questions remain unanswered: (1) Do the perceived corporate ability (CA) associations of the PSO affect consumers’ levels of support for a

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social cause advocated by its philanthropic program? (2) What communication strategies can the PSO use to increase business benefits from professional sport philanthropy?

With respect to the first question, one underlying assumption of the extant literature is that any PSO can equally be an effective partner for social causes (Babiak & Wolfe, 2009; Diehl, 2007; Smith & Westerbeek, 2007). According to the research on corporate associations (Berens & van Riel, 2004; Berens, Van Riel, & Van Bruggen, 2005; Brown, 1998; Brown & Dacin, 1997), however, consumers may respond to a PSO’s support of a social cause differently depending on their perceptions of its overall success and capability, known as CA associations. Indeed, the effect of CA associations is commonly observed in sport consumer behavior, such that people tend to support the team when it is successful but disassociate themselves with it once its performance decreases (Cialdini et al., 1976; Sutton, McDonald, Miline, & Cimperman, 1997; Wann & Branscombe, 1990). Extending this to the context of professional sport philanthropy, partnerships with an unsuccessful PSO (i.e., low in CA associations) could degrade the image and status of nonprofit organizations and prevent them from achieving their social goals whereas partnerships with a successful PSO (i.e., high in CA associations) might benefit them.

Regarding the second question, while past research focused on identifying whether philanthropic activities per se would create business benefits for PSOs (Inoue, Kent, & Lee, 2011; Walker & Kent, 2009, 2012), little investigation has been undertaken as to how organizations can enhance business benefits through such activities. In particular, based on empirical evidence and conceptual development in recent marketing literature (e.g., Du, Bhattacharya, & Sen, 2010; Grau & Fosse, 2007; Simmons & Becker-Olsen, 2006), it is expected that consumers’ evaluations of a PSO may vary by how its philanthropic activities are described in a particular message as well as how said message is disseminated. Scholarly efforts to understand messages about philanthropic activities within sport include Walker, Kent, and Vincent (2010), who conducted a content analysis of professional team newsletters in an attempt to categorize the types of philanthropic activities being highlighted by teams, and the degree to which communication about such activities was emphasized alongside other team-oriented information. While this and other work show the variety of initiatives that PSOs chose to highlight, no work has been published that assesses the efficacy of such a communication on consumer attitudes.

Addressing the first question can make a contribution to a growing body of research that aims to understand the social impacts of philanthropic activities of sport organizations (Forester, 2009; Inoue & Kent, 2012; Irwin et al., 2010). Moreover, answering the second question can provide significant insight into the strategic management of professional sport philanthropy (Inoue et al., 2011; Walker & Kent, 2009, 2012), and address the lack of research on how PSOs can effectively communicate their philanthropic activities (Walker et al., 2010). As such, this study aims to: (1) identify the effect of perceived CA associations of the PSO on consumer support of its supporting social cause, and (2) understand communication strategies that enable the PSO to gain greater business benefits from its philanthropic activities.

2. Hypotheses development

2.1. Effects of perceived corporate ability on donation intentions

CA associations represent “the degree to which the company is capable of developing, producing, and delivering products and/or services” (Brown, 1998, p. 217). CA associations are closely tied with general expectations that people have on the quality of products/services organizations deliver (Berens & van Riel, 2004). Therefore, an organization may be rated high or low in CA depending on whether or not it exceeds such expectations. Furthermore, specific antecedents of CA associations previously identified in the literature (Berens et al., 2005; Brown, 1998; Brown & Dacin, 1997) highlight the importance of this construct to the sport setting. In particular, in assessing the CA of an organization, consumers are thought to rely on their extant knowledge on the organization, such as its overall success, the quality of its products/services, and its additional images created through the media (Berens et al., 2005; Brown, 1998; Brown & Dacin, 1997). These antecedents are highly relevant to the context of a PSO, where consumers can easily gain ideas on its success and the quality of its product (i.e., a contest) based on win–loss records. In addition, the on-field performance of a PSO and other on-field and off-field issues related to the organization are often reported through the media, and can reinforce the perceived competence of the organization.

Once consumers judge the CA of an organization, this perception provides them with cues about certain characteristics of the organization and further affects their evaluations of its specific attributes, such as the perceived sophistication of its new product (Brown & Dacin, 1997; Sen & Bhattacharya, 2001). Moreover, Haley (1996) indicated that such an effect could also be observed in the consumer evaluation of an organization’s philanthropic activities: study participants tended to evaluate an organization as a trustworthy advocate of a cause if the organization offered a quality product and/or service. The general implications of CA and Haley’s finding, in particular, suggest that a PSO may be perceived to be more capable of helping a cause when consumers evaluate it as high in CA. In turn, given the expected behavioral effect of CA associations (Brown, 1998), consumers’ perceptions of this construct may influence their support of the PSO’s supporting cause, which is manifested as their willingness to donate money for the cause. The above discussion leads to the following hypothesis:

H1. The perceived CA associations of the PSO have a positive effect on consumers’ intentions to donate money to its supporting nonprofit organization.

In addition to the direct effect of CA associations, assessing the conditional effect of this construct is essential because some evidence indicates that one’s perceptions of other attributes of the organization may moderate its effect on attitudes
and behavior (e.g., Berens et al., 2005). Specifically, building on the implications of social identity research (Ashforth & Mael, 1989; Mael & Ashforth, 1992; Sutton et al., 1997; Wann & Branscombe, 1990), the next hypothesis proposes that CA associations may negatively interact with one’s identification with a PSO in affecting donation intentions. Social identity refers to “the perception of belongingness to a group classification” (Mael & Ashforth, 1992, p. 104), indicating that individuals have a tendency to classify themselves into a wide range of social categories, such as religious affiliations, employer companies, and gender (Ashforth & Mael, 1989; Mael & Ashforth, 1992). In turn, when individuals develop a high level of identification with a social group, they are likely to engage in behavior that supports the group (Ashforth & Mael, 1989; Mael & Ashforth, 1992).

The sport consumer literature has extended this implication of social identity to the fan–team relationship, suggesting that team identification—or the connection between fans and a sport team—has an influence on fans’ attitudes and behavior (e.g., Gwinner & Swanson, 2003; Sutton et al., 1997; Wann & Branscombe, 1990; Wann & Dolan, 1994). One fundamental proposition related to the current study is that team identification may have a moderating effect on the relationships between cognitive and behavioral responses (Sutton et al., 1997; Wann & Branscombe, 1990). For example, Wann and Branscombe (1990) showed that team identification may interact with the psychological processes of “basking in reflected glory” (Cialdini et al., 1976) and “cutting off reflected failure” (Snyder, Lassegard, & Ford, 1986); fans high in team identification tend to maintain a high level of association with the team in spite of its low performance, whereas fans with moderate or low levels of team identification claim their association with the team only when it is successful and are likely to distance themselves from it once its performance decreases. Similarly, Sutton et al. (1997) proposed that this moderating effect of team identification could be manifested in fans’ behavior toward the team. While attendance behavior among low- and medium-identified fans tend to be contingent upon the entertainment value of a game and other attributes of the team, most notably winning, high-identified fans are thought to attend games regardless of its performance due to “strong emotional attachment to the team” (Sutton et al., 1997, p. 17).

Based on the implications drawn from this body of work (Cialdini et al., 1976; Sutton et al., 1997; Wann & Branscombe, 1990), this study expects that the effect of CA associations on donation intentions may vary by different levels of team identification. That is, for consumers with a low level of team identification, the perceived CA of a PSO may play a critical role in their decisions to donate money for its supporting cause because they tend to support its activities only when it is perceived to be successful (i.e., high perceived CA). In contrast, CA associations may be less critical for highly identified fans as they are likely to be in support of the team irrespective of whether it is judged to be successful. As such, it is proposed:

**H2.** Team identification negatively moderates the effect of perceived CA associations on donation intentions.

### 2.2. Effects of communication strategies on attitude toward the PSO

Walker et al. (2010) highlighted the importance of the means by which socially responsible activities are communicated to stakeholders in order for PSOs to increase their business returns from such activities. In relation to this, PSOs can implement different communication strategies by changing message content in philanthropy-related messages based on how they describe the attributes of their philanthropic initiatives (Du et al., 2010). Specifically, extant literature has shown that the message regarding perceived level of organizational commitment, or the amount of input invested in the initiative by the organization, may influence consumer perceptions of the organization and its social initiatives (Du et al., 2010; Ellen, Mohr, & Webb, 2000; Reed, Aquino, & Levy, 2007). In Reed et al.’s (2007) study, consumers with high moral identity evaluated a company described to adopt an employee volunteer program as more socially responsible than a company described to merely engage in giving cash. Ellen et al. (2000) also demonstrated that a message describing an organization’s product donations led to a more positive consumer evaluation of the organization than a message describing cash donations. The findings of these two studies collectively suggest that nonmonetary donations, such as giving time as a form of employee volunteering (Reed et al., 2007) and product donations (Reed et al., 2007), result in a more favorable response than do monetary donations since consumers tend to judge that the former requires greater effort and commitment from the organization. Nevertheless, Du et al. (2010) contended that consumers could evaluate cash donations as a highly effortful activity if an organization donates the substantial amount of money to a cause. The confirmation of this contention is especially significant for PSOs since cash donations are one of

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3 While several researchers pointed out that social identity is a multidimensional construct that consists of multiple distinct elements (Ashmore, Deaux, & McLaughlin, 2004; Heere & James, 2007; Heere, James, Yoshida, & Screase, 2011), social identity theory, as originally proposed by Tajfel and Turner (1979), sees self-categorization as the most fundamental element of the construct (Ashmore et al., 2004; Bergami & Bagozzi, 2000). Therefore, this study adopts a self-categorization-based definition of social identity suggested by Mael and Ashforth (1992).

4 Some scholars suggested that the term “fans” should be explicitly used to refer to the devotees of a sport team (Poole, 1978; Sloan, 1989; Trail, Robinson, Dick, & Gillentine, 2003). However, this study, as well as the studies cited in the main text (Gwinner & Swanson, 2003; Sutton et al., 1997; Wann & Branscombe, 1990), broadly defines fans as individuals who have at least some interest in sport products. Within this broad definition, fans can range from individuals who are attracted to only the entertainment value of sport products (i.e., social or lowly identified fans; Sutton et al., 1997; Wann & Branscombe, 1990) to those who have developed the most loyal relationship with sport teams (i.e., vested or highly identified fans; Sutton et al., 1997; Wann & Branscombe, 1990). Furthermore, although individuals could be attached to not only teams, but also players, coaches, and sport (Trail et al., 2003; Wu, Tsai, & Hung, 2012), the focus of this study is on one’s psychological attachment to a specific team.
the most dominant forms of socially responsible programs adopted by these organizations (Inoue et al., 2011). Given this, the current study investigates whether communication of the amount donated by the PSO plays a role in consumers’ attitude toward that PSO by testing the hypothesis below:

**H3.** A message that describes the PSO’s donation of a large amount of money for the cause has a greater effect on consumers’ attitude toward the PSO than a message that describes a relatively small amount of money for the cause.

Along with commitment, message content regarding the attributes of the cause supported in an organization’s social initiative may influence consumer perceptions of the organization (Grau & Folse, 2007; Marin & Ruiz, 2007; Sen & Bhattacharya, 2001). One particular attribute investigated in this study is the location of a cause supported through PSOs’ social initiatives. This investigation builds on research that has demonstrated that one’s psychological involvement with an object plays a key role in predicting his or her attitudes and behavior related to that object (Iwasaki & Havitz, 2004; Zaichkowsky, 1985). More specifically, past studies of corporate philanthropy examined the concept of cause involvement, or the degree to which the company’s supporting cause is personally important for consumers, and found that the level of cause involvement could affect their responses to a company’s support of the cause (Grau & Folse, 2007; Marin & Ruiz, 2007; Sen & Bhattacharya, 2001).

While a conventional method for assessing the level of cause involvement is to directly ask how important a cause is to respondents (Grau & Folse, 2007; Marin & Ruiz, 2007; Sen & Bhattacharya, 2001), consumers are likely to place a greater importance on a local cause than a national cause based on existing studies on place identity (Lewicka, 2011; Twigger-Ross & Uzzell, 1996). These studies have demonstrated that people can develop a high level of identification with their residence place, and that this identification can lead them to engage in actions that benefit their local community, such as the preservation of the local environment (Lewicka, 2011; Twigger-Ross & Uzzell, 1996). Indeed, Grau and Folse (2007), the only identified study examining the effect of cause location, showed that respondents evaluated a fictitious campaign more favorably when it was described as supporting local skin cancer research than as supporting national skin cancer research. This finding that indicated that the support of local causes tends to receive a more favorable response may be especially applicable to PSOs whose fans mainly consist of local residents. We thus propose:

**H4.** A message that describes the PSO’s support of a local nonprofit organization has a greater effect on consumers’ attitude toward the PSO than a message that describes its support of a national nonprofit organization.

In addition to changing message content, PSOs can use various means to communicate their philanthropic activities to consumers (Du et al., 2010). Many PSOs, for example, have a community section in their official websites and provide information about their community outreach and/or donation programs. As highlighted by Walker et al. (2010), U.S. professional teams increasingly are also providing information about philanthropic activities within their fan newsletters. Additionally, along with their own channels, philanthropic activities of PSOs may be communicated through external sources, including nonprofit organizations supported by the PSOs, independent organizations that evaluate these activities and the media.

Among these different sources of information, PSOs are likely to have great control over the content of a message if they use their own channels; the extent of control could, however, decreases when an external organization reports their philanthropic activities. In this regard, Du et al. (2010) contend that consumers may perceive a description of a company’s to be more trustworthy and less self-interested if it is reported by external sources since the company has less control over the disseminated information. This contention is consistent with the implications of research indicating that a company’s self-reports of its socially responsible activities have low credibility among consumers (Simmons & Becker-Olsen, 2006; Szykman, Bloom, & Blazing, 2004; Yoon, Gurhan-Canli, & Schwarz, 2006). In particular, studies have shown that consumers tend to infer self-serving motives (e.g., impression management) from a company’s social involvement when it is announced by the company (Szykman et al., 2004; Yoon et al., 2006). Furthermore, Simmons and Becker-Olsen (2006) provided empirical evidence identifying that a company tended to be evaluated more favorably when its sponsorship of a cause was communicated through a nonprofit organization’s press release than its own press release. However, a close look at Simmons and Becker-Olsen’s (2006) finding reveals that the effect of the nonprofit source is significant but practically small, requiring further assessment of this effect in another setting. Such an assessment can provide insight into the literature on corporate communication, and has important implications for communication practices of PSOs. Therefore, the final hypothesis is:

**H5.** Reporting of the PSO’s philanthropic activities by a nonprofit organization has a greater effect on consumers’ attitude toward the PSO than self-reporting of these activities.

3. Method

Table 1 summarizes the interrelationships among the two research questions asked in this study, the five hypotheses developed, and the operationalization of the key independent variables and the dependent variables for the testing of these hypotheses. The specific methodology used for this study is described below.

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Table 1
Interrelationships among research questions, hypotheses developed, and operationalization of independent and dependent variables.

<table>
<thead>
<tr>
<th>Research questions</th>
<th>Related hypotheses</th>
<th>Operationalization of key independent variables</th>
<th>Operationalization of dependent variables</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1) Do the perceived CA associations of the PSO affect consumers' levels of support for a social cause advocated by its philanthropic program?</td>
<td><strong>H1</strong>: The perceived CA associations of the PSO have a positive effect on consumers’ intentions to donate money to its supporting nonprofit organization.</td>
<td>Perceived CA Scores</td>
<td>Donation Intentions Scores</td>
</tr>
<tr>
<td></td>
<td><strong>H2</strong>: Team identification negatively moderates the effect of perceived CA associations on donation intentions.</td>
<td>Product of Perceived CA and Team Identification Scores</td>
<td>Donation Intentions Scores</td>
</tr>
<tr>
<td>(2) What communication strategies can the PSO use to increase business benefits from professional sport philanthropy?</td>
<td><strong>H3</strong>: A message that describes the PSO’s donation of a large amount of money for the cause has a greater effect on consumers’ attitude toward the PSO than a message that describes a relatively small amount of money for the cause.</td>
<td>The Donation Size Factor (Large or Small)</td>
<td>Attitude toward the PSO Scores</td>
</tr>
<tr>
<td></td>
<td><strong>H4</strong>: A message that describes the PSO’s support of a local nonprofit organization has a greater effect on consumers’ attitude toward the PSO than a message that describes its support of a national nonprofit organization.</td>
<td>The Nonprofit Location Factor (Local or National)</td>
<td>Attitude toward the PSO Scores</td>
</tr>
<tr>
<td></td>
<td><strong>H5</strong>: Reporting of the PSO’s philanthropic activities by a nonprofit organization has a greater effect on consumers’ attitude toward the PSO than self-reporting of these activities.</td>
<td>The Press Release Source Factor (Nonprofit or Team)</td>
<td>Attitude toward the PSO Scores</td>
</tr>
</tbody>
</table>

3.1. Participants and procedures

This study included a convenience sample of 2809 individuals derived from a population of subscribers to a daily electronic sports newsletter distributed by the online section of a local newspaper in a large northeastern U.S. city. These participants were randomly divided into two groups; the first group was asked to answer a survey that aimed to assess a local Major League Baseball (MLB) team and its fictitious charity campaign, while the second group was asked to complete another survey containing the exactly same questions but asking about a local National Basketball Association (NBA) team and its fictitious charity campaign.

The specific teams were selected based on a series of surveys of the same population of newsletter subscribers. Results consistently revealed the relative brand strength of four local professional sport organizations [e.g., one each from MLB, National Football League (NFL), National Hockey League (NHL), and NBA]. Specifically, the MLB team (hereafter called Team A) was perceived as the strongest brand whereas the NBA team (hereafter called Team B) was reported to be the weakest in this particular U.S. city. In the current study, the researchers utilized these two teams in the treatment conditions in order to increase the variation in respondents’ evaluations for the perceived CA associations and team identification scales included to test Hypotheses 1 and 2.

For each group, an introductory message providing the link to an online survey was sent to email addresses of the subscribers. The front page of the survey explained that the purpose of this project was to understand consumer opinions about recent philanthropic activities of a local professional sport organization (either Team A or Team B). Individuals who chose to participate in the survey were subsequently asked to answer demographic questions as well as attitudinal questions on their perceptions of the CA of the team, levels of identification with the team, and personal importance of homelessness, the cause that the teams were described to support. After answering these questions, participants were randomly assigned into one of the eight fictitious press releases described below using a randomization function in the Qualtrics survey software. The press releases were followed by a series of manipulation check questions and attitudinal questions relating to the major variables examined in this study. At the end of the survey, a message explaining the actual intent of the study and use of fictitious press releases was included to debrief the participants.

3.2. Stimuli

This study used a 2 (Donation Size: Large or Small) × 2 (Nonprofit Location: Local or National) × 2 (Press Release Source: Nonprofit or Team) between-subjects design to test the hypotheses. The three treatment factors led to a total of eight fictitious press releases describing a charity campaign designed to raise awareness and funds for a nonprofit organization
addressing homelessness by either Team A or Team B, both of which were located in the city where the data was collected (see Appendix A). The Donation Size factor was manipulated by describing each campaign as raising US$100,000 (Large) or US$1000 (Small) for donations. For the manipulation of Nonprofit Location, the campaign was described as either supporting a nonprofit organization in the local city (Local) or a national nonprofit organization (National). Finally, to manipulate the Press Release Source factor, participants were informed that the press release was published by one of the two nonprofit organizations (nonprofit) or by one of the two teams (team).

### 3.3. Measures

This study used multi-item scales (either a seven-point Likert or semantic differential scale) to measure the variables examined. All the scales included have demonstrated adequate reliability and validity in the past studies (Becker-Olsen, Cudmore, & Hill, 2006; Lafferty, Goldsmith, & Newell, 2002; Lichtenstein, Drumwright, & Braig, 2004; MacKenzie, Lutz, & Belch, 1986; Mael & Ashforth, 1992) and further provided high reliability coefficients in the current analysis (see Table 2 for the descriptions of the scales and their reliability coefficients). The following describes the scales used for the variables.

#### 3.3.1. Dependent variables

The first dependent variable, donation intentions, was measured with MacKenzie et al.'s (1986) three-item scale. This scale provided a Cronbach's alpha (α) of .94 for the analysis of the current data. The second dependent variable, attitude toward the team, was measured using Lafferty et al.'s (2002) three-item scale (α = .98 for the current analysis).

#### 3.3.2. Covariates

Along with respondents' demographics (i.e., gender, race, and age) and socio-demographics (i.e., education, income, and place of residence), the study measured the following three variables before the implementation of the treatment: perceived CA associations, team identification, and nonprofit domain importance. First, respondents' perceived CA of the team was measured with Becker-Olsen et al.'s (2006) scale (α = .94). Second, we used a modified version of a six-item scale developed by Mael and Ashforth (1992) to measure the respondents' levels of identification with the team (α = .92). These two scales were included to test Hypotheses 1 and 2. Finally, as a control variable that could affect the outcomes, nonprofit domain importance, or the extent to which supporting nonprofits that address the issue of homelessness is personally important to the respondents, was measured with Lichtenstein et al.'s (2004) four-item scale (α = .85).

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Table 2
Descriptive statistics of the measures/items.

<table>
<thead>
<tr>
<th>Measures/items</th>
<th>M</th>
<th>SD</th>
<th>α</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Donation intentions</strong></td>
<td>3.9</td>
<td>1.4</td>
<td>.94</td>
</tr>
<tr>
<td>1. How probable is it that you would make a donation to the (Team Name's) Defeating Homelessness campaign (1 = very improbable; 7 = very probable)?</td>
<td>3.9</td>
<td>1.5</td>
<td></td>
</tr>
<tr>
<td>2. How likely are you to Make a donation to the (Team Name's) Defeating Homelessness campaign (1 = very unlikely; 7 = very likely)?</td>
<td>4.1</td>
<td>1.4</td>
<td></td>
</tr>
<tr>
<td>3. How likely are you to Make a donation to the (Team Name's) Defeating Homelessness campaign (1 = very unlikely; 7 = very likely)?</td>
<td>3.9</td>
<td>1.6</td>
<td></td>
</tr>
<tr>
<td><strong>Attitude toward the Team</strong></td>
<td>5.0</td>
<td>1.7</td>
<td>.98</td>
</tr>
<tr>
<td>1. Bad (1)–Good (7)</td>
<td>5.1</td>
<td>1.8</td>
<td></td>
</tr>
<tr>
<td>2. Unsatisfactory (1)–Satisfactory (7)</td>
<td>5.0</td>
<td>1.8</td>
<td></td>
</tr>
<tr>
<td>3. Unfavorable (1)–Favorable (7)</td>
<td>5.1</td>
<td>1.7</td>
<td></td>
</tr>
<tr>
<td><strong>Nonprofit domain importance</strong></td>
<td>5.1</td>
<td>1.0</td>
<td>.85</td>
</tr>
<tr>
<td>1. Supporting nonprofits that help solve homelessness is important to me.</td>
<td>5.3</td>
<td>1.2</td>
<td></td>
</tr>
<tr>
<td>2. I could see myself donating some of my time to supporting nonprofits that help solve homelessness.</td>
<td>4.8</td>
<td>1.3</td>
<td></td>
</tr>
<tr>
<td>3. Nonprofits that have the goal of solving homelessness this world a better place to live.</td>
<td>5.7</td>
<td>1.0</td>
<td></td>
</tr>
<tr>
<td>4. I can identify with nonprofits that have the goal of solving homelessness.</td>
<td>4.8</td>
<td>1.3</td>
<td></td>
</tr>
<tr>
<td><strong>Perceived CA</strong></td>
<td>4.6</td>
<td>1.4</td>
<td>.94</td>
</tr>
<tr>
<td>1. The (Team Name) makes good products and services.</td>
<td>4.7</td>
<td>1.5</td>
<td></td>
</tr>
<tr>
<td>2. The (Team Name) is an innovative organization.</td>
<td>4.3</td>
<td>1.6</td>
<td></td>
</tr>
<tr>
<td>3. The (Team Name) has reliable products and services.</td>
<td>4.5</td>
<td>1.5</td>
<td></td>
</tr>
<tr>
<td>4. The (Team Name) is a well-managed organization, and are financially strong.</td>
<td>4.7</td>
<td>1.6</td>
<td></td>
</tr>
<tr>
<td><strong>Team identification</strong></td>
<td>3.4</td>
<td>1.5</td>
<td>.92</td>
</tr>
<tr>
<td>1. When someone criticizes the (Team Name) it feels like a personal insult.</td>
<td>3.3</td>
<td>1.8</td>
<td></td>
</tr>
<tr>
<td>2. I am very interested in what others think about the (Team Name).</td>
<td>4.0</td>
<td>1.7</td>
<td></td>
</tr>
<tr>
<td>3. When I talk about the (Team Name), I usually say “we” rather than “they.”</td>
<td>3.4</td>
<td>2.0</td>
<td></td>
</tr>
<tr>
<td>4. The (Team Name)’s successes are my successes.</td>
<td>3.3</td>
<td>1.8</td>
<td></td>
</tr>
<tr>
<td>5. When someone praises the (Team Name), it feels like a personal compliment.</td>
<td>3.3</td>
<td>1.7</td>
<td></td>
</tr>
<tr>
<td>6. If a story in the media criticized the (Team Name), I would feel embarrassed.</td>
<td>3.1</td>
<td>1.6</td>
<td></td>
</tr>
</tbody>
</table>

Notes: N = 348; All items for nonprofit domain importance, perceived CA and team identification were measured on a 7-point Likert scale ranging from strongly disagree (1) to strongly agree (7).
3.4. Data analysis

3.4.1. Manipulation check

The survey included two manipulation check questions assessing whether participants correctly recognized the location of the nonprofit organization (i.e., local or national) and the source of the press release (i.e., nonprofit or team). Furthermore, respondents were asked to indicate how they evaluated the amount of donations raised through the campaign on a seven-point semantic differential scale (1 = very small; 7 = very large). A t-test was used to compare the mean score of the Large Donation condition with that of the Small Donation condition.

3.4.2. Main analysis

Two ANCOVA models were performed to test the hypotheses. The first model testing Hypotheses 1 and 2 included the three treatment factors (i.e., Donation Size, Nonprofit Location, and Press Release Source) as the fixed treatment factors, the composite scores of perceived CA, team identification and nonprofit domain importance and the demographic and socio-demographic variables as the covariates, the product of perceived CA and team identification as the interaction variable, and donation intentions as the dependent variable (Fig. 1). The second model testing Hypotheses 3–5 included the three treatments as the fixed factors, the composite scores of perceived CA, team identification and nonprofit domain importance and the demographic and socio-demographic variables as the covariate, and attitude toward the team as the dependent variable (Fig. 2).

4. Results

4.1. Preliminary results

Among the 2809 subscribers included in the initial sample, 611 respondents completed the survey after reading one of the 16 press releases, resulting in a response rate of 21.7%. Research has pointed to a decline in response to surveys (Sax, Gilmartin, & Bryant, 2003). In the context of the current study, speculation on this low rate of response could be made as related to invalid or unused e-mail addresses.

Of those that completed the survey, 263 incorrectly answered at least one of the two manipulation check questions regarding the Nonprofit Location and Press Release Source factors. Research on experimental methodology has suggested that some participants may engage in a satisficing manner, which can involve answering randomly as a result of putting forth only a minimum level of cognitive effort (Oppenheimer, Meyvis, & Davidenko, 2009). Following this logic, it was assumed that some of the participants in the current study neglected to pay attention to the stimuli as presented. As such, these 263 cases were removed from analyses in order to avoid potential loss of power (Oppenheimer et al., 2009).

The above process led to a final, usable sample of 348 (170 for Team A and 178 for Team B, respectively). The number of respondents assigned into each treatment condition was: Large (168) and Small (180) for Donation Size, Local (180) and National (168) for Nonprofit Location, and Nonprofit (141) and Team (207) for Press Release Source. As for the Donation Size factor, the results of a t-test indicated that the Large condition provided a significantly higher mean score ($M = 3.9$) for the respondent evaluation of the amount of donations raised through the campaign than did the Small condition ($M = 1.6$), confirming the validity of this manipulation ($t = 15.70, p < .001$).

A selected summary of demographic characteristics of the 348 respondents is: 82.5% of the respondents were male; 18.1% were aged between 35 and 44, 29.3% were between 45 and 54, and 31.0% were between 55 and 64; 94.5% were Caucasian/White; 77.3% had at least an undergraduate degree; and 46.6% had an annual income of more than $100,000. The descriptive statistics of the scales and their items and correlation coefficients among the scales are presented in Tables 2 and 3 respectively.

4.2. Main results

Table 4 presents the results of the ANCOVAs. As for the model with donation intentions, the independent variables collectively explained a substantial amount of the variance in the outcome (Adj. $R^2 = .40$). Specifically, among the control variables, age ($F = 2.43, p = .03$), team identification ($F = 13.98, p < .001$), and nonprofit domain importance ($F = 101.56, p < .001$) were found to have significant effects on donation intentions. More importantly, the results revealed that perceived CA associations ($F = 14.55, p < .001$) were the significant predictor; a further examination of its parameter estimate suggested that the variable had a significant positive effect ($B = .39$), confirming H1. Moreover, the interaction variable between perceived CA and team identification had a significant negative effect on the dependent variable ($F = 7.58, p = .006, B = — .08$), providing support for H2.

In addition, the model with attitude toward the team yielded an adj. $R$-squared value of .71, demonstrating its ability to account for a large variation in the dependent variable. In particular, along with perceived CA ($F = 370.94, p < .001$), Donation Size had a significant effect on respondent attitude toward the team ($F = 4.67, p = .03$) with a positive parameter estimate ($B = .23$). This result indicated that the teams tended to receive higher attitude scores when they were described as raising larger donations for the cause, consistent with the prediction of H3. On the contrary, the analysis failed to identify the
significant effects of Nonprofit Location \((F = .09, p = .77)\) and Press Release Source \((F = .02, p = .88)\), leading to the rejection of both H4 and H5.

5. Discussion and implications

The present study sought to achieve two objectives: (1) to investigate the role of perceived CA of a PSO in determining consumer donation intentions and (2) to identify which communication strategies may allow the PSO to maximize benefits from engaging in philanthropic activities. The results supported the role of perceived CA in influencing consumer intentions to donate to a PSO partnering nonprofit organization, and further showed that this perception had a greater effect when consumers’ identification with the PSO is low. On the contrary, support for the proposed hypotheses regarding the effects of the communication strategies was mixed, as the current study found evidence only for the effect of donation size.

Table 3
Correlation matrix of the scaled measures.

<table>
<thead>
<tr>
<th></th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Donation intentions</td>
<td>1.00</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2. Attitude toward the team</td>
<td>.41**</td>
<td>1.00</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3. Nonprofit domain importance</td>
<td>.52**</td>
<td>.18**</td>
<td>1.00</td>
<td></td>
<td></td>
</tr>
<tr>
<td>4. Perceived CA</td>
<td>.40**</td>
<td>.84**</td>
<td>.23**</td>
<td>1.00</td>
<td></td>
</tr>
<tr>
<td>5. Team identification</td>
<td>.43**</td>
<td>.62**</td>
<td>.22**</td>
<td>.69**</td>
<td>1.00</td>
</tr>
</tbody>
</table>

Notes: \(N = 348\).

** \(p < .01\).
In general, the findings of this study extended recent work on professional sport philanthropy (Babiak & Wolfe, 2009; Breitbarth & Harris, 2008; Inoue et al., 2011; Walker & Kent, 2009) by demonstrating that—under certain conditions—such activities can enhance benefits for both PSOs as well as their nonprofit partners. For example, communication of specific pieces of information (e.g., donation amount) would appear to drive consumers’ evaluation of a PSO, which aligned with recent scholarly work in marketing (e.g., Du et al., 2010; Ellen et al., 2000; Reed et al., 2007). Moreover, contrary to the assumption (e.g., Babiak & Wolfe, 2009; Smith & Westerbeek, 2007) that professional sport serves a ‘magic elixir’ for philanthropic efforts, the current work highlighted the importance of a PSO’s success (i.e., CA) in determining the extent to which consumers will support the partnering cause.

The results provided support for the notion that perceived CA can factor into consumer evaluation of an organization (Brown & Dacin, 1997; Sen & Bhattacharya, 2001). The specific finding that CA significantly influenced consumers’ intentions to donate (H1), extended this line of research and provided evidence in support of Haley’s (1996) claim that consumers’ evaluations of an organization’s CA may be reflected in philanthropic activities. This study further demonstrated that team identification appears to negatively effect the extent of perceived CA on donation intentions (H2). This finding followed the extant literature (e.g., Galdini et al., 1976; Wann & Branscombe, 1990), which has showed that success of a PSO (i.e., perceived CA) is more crucial in determining attitudes and behaviors of those exhibiting low levels of team identification. That is, low-identified fans are more likely to associate with PSOS only when they demonstrate high performance whereas high-identified fans will maintain their association regardless of performance (Sutton et al., 1997).

In the current context, the above findings of main CA (H1) as well as CA × Team ID interaction (H2) effects on donation intentions have potential implications for both PSOs as well as nonprofit organizations. First, successful PSOs which align with (and donate to) nonprofit organizations would appear to have the ability to elicit donation behavior from a broader spectrum of fans. The creation of alliances with nonprofit organizations may provide an additional route for consumers—particularly those with lower levels of identification—to reinforce their connection with the PSO. Moreover, this could serve to inform nonprofits by reinforcing the importance of being strategic in the selection of partners. As demonstrated here, the success of a PSO seems to directly translate to increased donations. This implies that aligning with strong and successful sport brands could be vital to the prosperity of nonprofit organizations. Additional research in this context is necessary to further explore this premise.

The results of analyses related to communication strategies demonstrated limited support for the hypotheses. The finding that higher amounts donated by a PSO led to more positive consumer attitudes (H3) appeared to follow existing research (Du et al., 2010) and indicated that consumers will respond favorably if they feel a PSO is committed to philanthropic efforts. An implication of this could be that there is a particular threshold for donation amounts to be considered important by consumers. Thus, PSOs may only want to include specific donation amounts in messages once they have committed to higher donation levels. In relation to this finding, while the manipulation check for donation amount suggested that the conditions were perceived as distinct by study participants, the mean score in the “high donation” (US$100,000) category was below the midpoint (3.9 on a seven-point scale). This could perhaps indicate that fans place higher expectations on PSOs to donate larger amounts to social causes. Future studies should utilize more distinct ‘high donation’ category in order to confirm this premise.
A PSO’s partnership with a local cause did not induce a more positive attitude toward the PSO than pairing with a national cause, which failed to provide support for H4. This finding opposes earlier work that suggests that support of a local cause leads consumers to form a more favorable perception of the organization (e.g., Grau & Folse, 2007). One explanation for this divergence could be due to the fact that, unlike earlier research in this area, this study used continuous scores of personal importance of the cause as a covariate. By controlling for the level of cause importance, the lack of a significant location effect could be a sign that consumers are more likely to respond favorably to a partnership with a cause that ‘matters’ to them, regardless of geographical location. Yet, as the interplay between personal importance and Nonprofit Location were not directly examined in this study, further investigation is needed to determine the exact role of this construct within this relationship.

Similarly, as tested here, message source did not play a role in influencing consumer attitude toward the PSO (H5). This appears to counter the widespread contention among communication scholars (e.g., Szykman et al., 2004; Yoon et al., 2006) that consumers may perceive organizations as disingenuous when they self-report messages about philanthropic activities. Indeed, this could perhaps imply that—in the context of PSOs—source may not matter. This contention might be reinforced by the negligible practical importance of source effects as offered by Simmons and Becker-Olsen (2006). That is, there does not seem to be an impact on consumer attitudes regardless of whether the PSO or nonprofit organization is the source. In this manner, the current study follows the suggestion made by Walker et al. (2010) that professional sport teams should make efforts to communicate information about their philanthropic efforts in all manners possible, such that awareness is maximized. However, given that there is not clear support, additional examination would be necessary to confirm this premise and make specific recommendations on the efficacy of particular communication strategies.

6. Limitations and future research

While the theoretical foundation and methodology of the current study followed the extant research on philanthropic efforts by organizations, there were some limitations that should be noted. Though Qualtrics technology is advanced, and allowed for randomization into treatment conditions, it was impossible to control for all extraneous variables. For example, while all participants were exposed to the press release for a pre-determined length of time (i.e., 60 s) in the current research, it was not possible to determine if they actually viewed it for the entire time period. Thus, future research might utilize a laboratory setting to account for such issues.

The a priori selection of the PSOs utilized in the treatments also could have represented a limitation. The choices—one MLB team and one NBA team—were supported based on the results of previous research, along with anecdotal evidence. Future replications of this study with representations of different brands, geographical areas, or leagues could help confirm the present findings. Similarly, while the fictitious pairing of actual organizations in the stimuli was deemed necessary to isolate the desired treatment effects, the strength of the manipulations could have been limited given that the sample consisted of consumers (i.e., fans) of the PSOs used. As such, the lack of support shown for H4 and H5 could have been the result of the participants recognizing one (or both) of the pair but not the match itself. Perhaps future examination of this phenomenon could employ actual PSO-nonprofit pairings to further investigate this premise. In sum, the present study represented an initial endeavor in the context of consumer response to the philanthropic efforts of PSOs that contributed to the body of scholarly literature, provides information for practitioners and presents avenues for future research.

Appendix A. The treatments used in the fictitious press releases

Please read the following press release published by the [“Nonprofit Organization Name” or “Team Name”].

The (Team Name)’s Defeating Homelessness campaign is designed to raise awareness and funds for the issue of homelessness in [“the (Local City Name) area” or “the nation”]. Since the initiative began, the (Team Name)’s Defeating Homelessness campaign has raised close to [“$100,000” or “$1000”]. The [“Local Nonprofit Organization A, a (Local City Name)-based nonprofit organization that promotes the self-sufficiency of those experiencing homelessness in the (Local City Name) area” or “National Nonprofit Organization B, a national nonprofit organization that promotes the self-sufficiency of those experiencing homelessness throughout the nation”] is the primary recipient of the funds raised for the Defeating Homelessness campaign.

References


5 The treatment used for the press release source.
6 The treatment used for nonprofit location.
7 The treatment used for donation size.


