

THE ROLES OF BRAND LEADERSHIP AND PERCEIVED RISK IN PREDICTING  
WORD OF MOUTH BEHAVIOR FOR LUXURY BRAND: A CASE OF PRIVATE GOLF  
COURSES

By

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To my wife (Il Rang) and daughter (Chloe)

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Abstract of Thesis Presented to the Graduate School  
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In this study, brand leadership is defined as consumers' perception about the relatively distinctive ability of a brand to serve as a role model for other brands by achieving continuous excellence. Ultimately, brand leadership helps develop consumer loyalty toward the brand in highly competitive market environments. The purposes of this study are to: (1) examine the role of brand leadership in predicting a consumer's word of mouth behavior for luxury golf club brand, (2) examine the moderating role of perceived risk and product type in the relationship between brand leadership and word of mouth recommendation intention, (3) examine consumers' perceived risk based on their socio-demographic variables (i.e., gender, age, income, education, and ethnic background) and consumption level, and (4) revalidate scales of perceived brand leadership and luxury brand risk. The hypothesized relationships were tested using simultaneous equations analyses and the validity and reliability of scale were established through a series of confirmatory factor analyses. Theoretical and practical implications were discussed.

## CHAPTER 1 INTRODUCTION

### **Significance of Luxury Brand Marketing**

Luxury fever, the social phenomenon of a luxury-spending boom, refers to a significant increase in luxury consumption (Frank, 2001; Lee & Hwang, 2011). Frank (2001) suggested this boom occurs as a result of an increase in high-income groups, as well as an increase in middle and lower-income earners. The speed of consumers' luxury spending in the United States is four times faster than that of their overall spending (Twitchell, 2002). In addition to the material abundance, there are remarkable psychological rationales for the luxury fever. Specifically, a consumer has an inherent nature to desire luxury value in social (e.g., prestige) and individual (e.g., self-identity) as well as in functional (e.g., quality value) and financial (e.g., price value) facets. The sport industry is no exception. For example, private golf clubs offer customized memberships based on price and benefits. Well-designed product packages and promotional strategies enable them to cultivate loyal customers who pursue luxury values. Even low-income people may be able to meet their needs for luxury brand when a customized product (e.g., seasonal membership and special offer) is offered.

Brand marketing has been posited in the center of luxury fever because consumers satisfy their needs associated with self-enhancement by consuming luxury brands. More specifically, luxury brand consumption is occurred not only when consumers use brands to create self-image, but also for presenting these images to others (i.e., self-brand connection; Escalas & Bettman, 2005). In this process, brand choice can send meaningful social signal (e.g., wealth) to others about the type or character of a person who use a particular brand (Kressmann, Sirgy, Herrmann, Huber,

Huber, & Lee, 2006; Han, Nunes, & Drèze, 2010). For example, female golfers in a PGA village private club purchased a premium membership (\$209,900) signals something much different about her social standing when compared to a woman enjoying nine-hole golf in a public recreation park that charge reasonable rounding fees.

As such, signaling theory (Kirmani & Rao, 2000) provides theoretical insights into understanding the nature of the brand consumption mechanism through which a brand influences consumer purchase decision. Another insight of brand signaling highlights the importance of developing brand leadership in which specific product attributes (e.g., innovativeness) signal a leadership of a product brand in a particular industry segment. Aaker and Joachimsthaler (2000) noted that marketers could develop brand leadership of a product by aligning their brands with visionary and strategic perspectives within their organization. For example in the sports video game industry, when Nintendo® introduced a new game genre (e.g., exer-gaming) with an innovative game console brand (e.g., WII FIT), competitors like XBOX or PLAYSTATION experienced their market shares decline. Even though the product quality of Nintendo's competitors was not changed, their brand equity was damaged. As such, the concept of brand leadership was proposed as a measure of a firm's relative competitive advantage in the market (Chang & Ko, 2011; Chang, Ko, Lee, Cho, & Arai, 2012).

### **Statement of Problem**

In the fields of sport management and marketing, scholars attempt to apply a number of brand related concepts to sport business contexts. Based on the concept of brand equity, the Team Association Model (TAM; Gladden & Funk, 2002) and the Team Brand Association Scale (TBAS; Ross, James, & Vargas, 2006) were developed to enhance conceptual understanding and provide a measurement scale based on the

brand equity concept in the professional sport context. Even if the TAM and the TBAS offered rich insight about understanding and managing a professional team brand, the frameworks are conceptually limited to team owners' or consumers' possession value, not relational process among competing brands (e.g., other teams in the league - leadership brand vs. trailing brand). In terms of leadership research, scholars focused on the individual person's leadership within an organization or group (c.f., Branch, 1990; Chelladurai & Carron, 1983; Olafson & Hastings, 1988; Reimer & Chelladurai, 1995; Weese, 1995), sport organizations (c.f., Powell, 2003), and sport events (c.f., Parent, Olver, & Seguin, 2009). Among many, traditional leadership theories such as charismatic and path-goal leadership were applied to these settings. The concept of brand leadership is not clearly defined yet. Additionally, a concept of luxury brand and perceived risks associated with luxury brand consumption has not been systematically investigated to date.

### **Purposes of the Study**

Accordingly, the current study seeks to: (1) examine the role of brand leadership in predicting a consumer's word of mouth behavior for luxury golf club brand, (2) examine the moderating role of perceived risk and product type in the relationship between brand leadership and word of mouth recommendation intention, (3) examine consumers' perceived risk based on their socio-demographic variables (i.e., gender, age, income, education, and ethnic background) and consumption level, and (4) revalidate scales of perceived brand leadership and luxury brand risk. For these purposes, the author developed research models (Figure 2-1, 2-2, 2-3, 2-4, 2-5, and 2-6). The current study will contribute to the body of knowledge in the sport and brand management fields by examining applicability of leadership theories to brand management and extending our

understanding of the role of brand leadership in the consumer decision-making process in the luxury sports brand consumption context. This research also enhances our understanding of consumers' perceived risk associated luxury sport brand consumption. The results of this study enable marketers to anticipate the relational outcomes of brand marketing (e.g., increased brand loyalty and market share). To achieve this goal, the researchers conducted review of the theoretical background of brand leadership and perceived risk and examined how these constructs are related to a key consumer variable as WoM intention in a luxury sports brand context. The comprehensive review of the literature in the fields of organizational psychology, applied management, and information economics help develop research models and hypotheses.

## CHAPTER 2 LITERATURE REVIEW

### **The Concept of Brand Leadership**

The concept of brand leadership was first introduced by Aaker (1996) and defined as supportive brand processes and the ability of a brand to continually achieve excellence (Aaker & Joachimsthaler, 2000; Yakimova & Beverland, 2005). More specifically, Aaker and Joachimsthaler (2000) suggested a strategic brand management system through the brand leadership model to clearly understand a market dynamics and to occupy and maintain a competitive position in a highly competitive market environment. For example, in the case of the Virgin, an airline brand, Aaker and Joachimsthaler (2000) suggested four cores and external attributes of the brand (i.e., service quality, innovation, fun and entertainment, and value for money) as a means for developing brand leadership.

The concept of brand leadership helps understand market dynamics and develop strategic perspectives by offering perceived competitive relationships (i.e., market dynamics) among leading and trailing brands in a specific industry segment. Specifically, brand leaders may play a significant role as an exemplar and positively influence other brands in visible (e.g., imitation product) and invisible forms (e.g., firms' vision or objective). They also help procure and cultivate loyal customers. In sum, the concept of brand leadership reflects a firm's tangible competitive advantage over other brands within a specific industry and relies much upon specific actions of a company (Aaker, 1996). Ultimately, the development of the brand leadership perceptions among key consumers has direct and positive influences on their consumption behavior. Based on the understanding, Chang and Ko (2011) define brand leadership as "consumers'

perception about the relatively distinctive ability of a brand to serve as a role model for other brands by achieving continuous excellence” (p. 3).

### **Understanding Brand Leadership from Information Economics Perspectives**

The information economics perspective on brand research explicitly considers the imperfect and asymmetrical informational structure of the market (Kirmani & Rao, 2000; Srivastava & Lurie, 2004). It postulates that the different level of product information flows between consumers and firms causes an information asymmetry problem (Healy & Palepu, 2001). It also stresses the role of the credible aspects of brand as the main determinant of consumer-brand relationships (Baek & King, 2011). Accordingly, signaling theory from the information economics perspective provides theoretical insights into understanding the nature of the consumer decision mechanism through which a brand influences consumer purchase behavior when consumers are uncertain about product attributes and/or benefits. For example, previous studies (Rao, Qu, & Ruekert, 1999) on signaling theory focus on product quality as the unobservable attribute because uncertainty with respect to quality may not be resolved fully prior to purchase.

However, due to a rapid growth of information technologies (e.g., Internet and mobile phone), consumers can easily obtain desired information (e.g., quality and innovativeness) about the brand. The technology advancement helps reduce information asymmetry between firms and consumers. Additionally, a variety of communication medium (e.g., word-of-mouth or search engine) helps increase credibility and leadership of a brand as a meaningful signal through the rich information about a brand and product quality. Based on this understanding, the author assumes that specific aspects of product attributes and benefits (e.g., product quality, value for

money, innovativeness, and popularity) as observable signals can convey brand leadership as unobservable trait of a brand.

Moreover, the signaling theory from the information economics perspective provides systematic understanding of the relationship among brand leadership, perceived risk and loyalty. The signaling framework from the information economics perspective proposes that the reductions in perceived risk are a direct consequence of brand leadership and these reductions drive brand loyalty. It occurs because obtained information about the brand such as product quality or brand popularity can signal the brand's position in the market place. When the information is positive and strong enough, then the signal can decrease perceived risk, ultimately motivates consumers to buy the same subset of brands repeatedly (Erdem & Swait, 1998).

### **The Concept of Luxury Brand and Consumption Motivation**

The concept of luxury brand stems from the Theory of Demand Elasticity in the context of economics (Wolak, 2003). Demand elasticity refers to the demand for some brands (e.g., necessities) may be quite stable against price or income changes, while that for other brands (i.e., luxuries) is relatively more influenced by price or income changes (Kemp, 1998). In contrast, in the field of psychology, the Theory of a Hierarchy of Needs proposed by Maslow (1970) provides another rationale for the concept of luxury brand. According to the theory, low level needs (e.g., necessities like physiological, safety, and belonging needs) must be satisfied before pursuing high level needs (e.g., luxuries like self-esteem and self-actualization), which become important sources of motivation. For instance, starving people would not be interested in pursuing enjoyment or accomplishment through various sports activities because they would fill their hungry stomachs before purchasing sports equipment or services. Someone may

argue that starving artists pursue self-actualization even though physiological needs may be imperfectly satisfied. However, because the argument may be specialized to a particular segment of people, the present research assumes that the theory of a hierarchy of needs may fit general segments of people. As such, the two theories have provided a justification for the concept of a luxury brand. Along with the theoretical origins, in the business literature, necessity is generally defined as a product that is necessary for ordinary day-to-day living, while luxury is a product that is not needed for ordinary day-to-day living (Bearden & Etzel, 1982).

Based on this notion, the author understands that sports products are more closed to luxury than necessity because sports itself may be a luxury. In other words, people who enjoy sports would meet their minimum needs (i.e., physiological and safety needs) and therefore they may not be as interested in the necessities. Moreover, demand for sport products, in general, are significantly more influenced by price or income changes. In the business literature, several scholars empirically examined and concluded that sports products can be classified by both necessity (e.g., running shoes; Chaudhuri, 1998) and luxury brands (private golf clubs; Bearden & Etzel, 1982). Additionally, sports products and brands are extremely diverse. Even within the same brand, there are various product lines with different technology features and customer segments. As such, the concept of luxury and luxury brand are still controversial.

Due to the fuzzy concept of the luxury, there is a lack of consensus among scholars regarding the definition of luxury brand (Vigneron & Johnson, 2004). The concept also varies depending on cultural background (e.g., Spillman, 2002; Turner, 2006) and personal identity (e.g., Matsuyama, 2002). Despite such controversies, the

most commonly accepted typologies suggest that luxury products involve satisfying consumer needs, which critically depend on socio-economic status (Dubois & Duquesne, 1993). Specifically, according to consumers' socio-economic class, luxury is constructed as a hierarchy consisting of accessible luxury for middle class, intermediate luxury for professional class, and inaccessible luxury for elite and the levels are mostly determined by product price (Vickers & Renand, 2003). Based on the belief, the author concludes that the higher the sports brand is priced and limited availability/accessibility, the closer the brand is to a luxury.

Why do consumers pursue luxury? Consumer's psychological motivation is an important construct for answering the question. The "Veblen effect" theory (e.g., Arrow & Dasgupta, 2009) suggests that people consume luxury products to flaunt. According to the theory, it is simply caused by the belief that higher price means higher quality. At the same time, luxury purchases also enhance one's status or social prestige, and can therefore be categorized as "status consumption" (Eastman & Goldsmith, 1999). Vickers and Renand (2003) differentiated luxury products from non-luxury ones by using "symbolic interactionism" and "experientialism". They also pointed out that consumption of luxury products is not only dependent on social cues such as conspicuous and status consumption but is also dependent on personal and individual cues such as hedonic motives and the need for sensory pleasure.

Recently, in business literature (e.g., Wiedmann, Hennigs, & Siebels, 2007), consumers' value-based motivation has been applied to provide comprehensive understanding of luxury consumption motivation. Values, in general, are considered as beliefs that guide the selection or evaluation of desirable behavior or end states (Schultz

& Zelenzy, 1999). A customer's luxury value perception and the motives for luxury brand consumption are not simply tied to a set of social aspects of displaying status, success, distinction and the human desire to impress other people. They also depend on the nature of the financial, functional and individual utilities of the particular luxury brand (Vickers & Renand, 2003). It is suggested that luxury value lies in social (e.g., prestige) and individual (e.g., self-identity) aspects as well as in functional (e.g., quality value) and financial (e.g., price value) aspects.

### **Perceived Risk and Brand Leadership**

When consumers have to choose one of alternatives (e.g., purchase decision) especially it is a high-priced luxury, they usually experience a certain level of risk for various reasons (e.g., lack of knowledge or excessively high price). In these uncertain situations, brand leadership may serve as a key solution for the risk reduction because they offer belief or confidence about a brand's expertise and trustworthiness (Kim, 1995). In other words, for marketers, developing brand leadership can be an effective strategy in dealing with an uncertain and uncontrollable consumption behavior because from a consumer's perspective it may be the easiest way to obtain necessary information and gain confidence about the brand. Otherwise, consumers may have to make bets about the uncertain outcomes of the purchase decision. As such, brand leadership operates as a key strategy for risk handling behavior for consumers (Kim, 1995).

The concept of perceived risk comprises two components: the uncertainty of an outcome and the importance of negative consequences associated with the outcome of a choice (Stone & Gronhaug, 1993). Individuals may vary with respect to both components. However, the distinctions between uncertainty and the importance of

negative consequences in consumption decision have become blurred in consumer research, and quite often the two terms are used interchangeably (Stone & Gronhaug, 1993). As such, most risk research within consumer psychology show that risk is thought to arise only from potentially negative outcomes, in contrast to other disciplines such as behavioral decision theory where both positive and negative aspects are considered when evaluating risk (Dholakia, 2001). This study incorporates both perspectives and focuses on risk perceptions by using types of products (i.e., luxury and non-luxury golf courses) and consumers' recommendation of the golf courses. In this context, each product type has risks inherently associated with it, which may become significant to the consumer when he or she interacts with the products in some manner, such as considering and deciding whether to purchase the golf membership or recommend the golf courses to significant others.

In the field of business marketing, several different types of risk have been identified. They include risks associated with performance, financial, social, psychological, source, physical, and time consumption (Campbell & Goodstein, 2001; Garbarino & Strahilevitz, 2004; Jacoby & Kaplan, 1972; Lim, 2003; Stone & Gronhaug, 1993). In the case of luxury sports brands, four types would be prominent: functional, financial, hedonic, and self-image risks. More theoretical and practical rationale is provided in the Study III.

### **Study 1: Revalidation of Brand Leadership Scale**

The purpose of Study 1 is to revalidate the brand leadership scale to provide a comprehensive and specific measurement tool that enables measuring consumers' psychometric properties in terms of the leadership of service brands in the field of sports service marketing.

Aaker (1996) suggested three dimensions of brand leadership including market size, popularity, and innovation. Popularity and innovation are acceptable; however, market size is questionable because consumers generally find it hard to recognize the size of the market for the brand. Market size is a financial concept and is generally measured by the number of users times their marginal willingness to pay. Therefore it can increase both because the number of users increases and because their marginal willingness to pay changes (Acemoglu & Linn, 2004; Melitz & Ottaviano, 2008). Accordingly, market size is a measure from the supply-side perspective instead of the demand-side-perspective. Perceived popularity therefore may substitute and embrace the market size measure (Mishra, Umesh, & Stem, 1993).

A few scholars directly (Chaudhuri & Holbrook, 2001; Ulrich & Smallwood, 2007) and indirectly (Conger & Kanungo, 1987; Martin & Siehl, 1983) suggest that to serve as a role model for other brands, have a powerful influence in the same or similar industry segments, and ultimately maximize devoted customers, a brand should be qualified for competitive-related (e.g., innovative technology) and credible-related requirements (e.g., developed popularity) which can also be a competitive advantage over the trailing brands. For example, in the contexts of strategic and operations management, Sirikrai and Tang (2006) noted that firms' credible competitiveness not only benefit the firms themselves (e.g., dominating the market segment), but also have a direct influence on the industry segment since their competitiveness can reflect the competitiveness of an industry as a whole.

In addition, as elements of the competitiveness, the RBV (resource-based view of a firm; Barney, Wright, & Ketchen, 2001) and OM (operations management; Gordon &

Sohal, 2001) theories assert that internal factors of firms (e.g., quality, advanced technology, and price) are the most fundamental and important factors affecting profitability, ultimately governing the market and industry segment. Similarly, in the context of brand management, Brown and Dacin (1997) and Mayer and Davis (1999) noted that competitive and credible brand could remind consumers of qualifications, skills, expertise, capability and knowledge of a brand. In the context of service marketing, Johnsona and Graysonb (2005) also concluded that competitive and reliable sources such as expertise or performance of a service provider significantly affect the relational outcomes (e.g., the positive relationship between provider and partner).

Moreover, Chaudhuri and Holbrook (2001) concluded that a brand evoking positive feeling and belief could generate higher customer loyalty, market share, and a price premium. There are two imperative underlying assumptions of such research in terms of leading brands' influence. First, leading brands (e.g., a reliable brand; Chaudhuri & Holbrook, 2001) may be able to considerably influence trailing competitors by dominating the market segment. Second, because leading brands' price competitiveness is relatively higher than following competitors (Chaudhuri & Holbrook, 2001), price strategies (e.g., price breaks) of a leader in the market as a whole can have a big impact. This generally occurs because consumers are willing to pay premium prices for leading brands, and show less sensitivity toward price premiums.

Business literature has suggested that the constructs of competitiveness and credibility embrace expertise, performance, and trustworthiness derived from resources and capabilities of firms (e.g., Dholakia & Sternthal, 1997; Malshe, 2010; Newell & Goldsmith, 2001). Since the resources and capabilities refer to tangible and intangible

assets of a firm (Barney, Wright, & Ketchen, 2001; Gordon & Sohal, 2001), the concept of brand leadership herein therefore can be defined by several unique attributes of a product brand. However, not only there is no consensus about dimensionality of the brand leadership, but also existing measures were developed without rigorous psychometric tests, and they were not parsimonious enough to manage. Accordingly, after extensive literature review of brand studies and brand leadership and on the basis of the definition and the conceptual sequence previously discussed, the authors developed a conceptual framework of brand leadership that is defined by four salient dimensions: (a) product quality, (b) innovativeness, (c) perceived value, and (d) brand popularity (Figure 2-1).

### **Product Quality**

Product quality is generally defined as the consumer's judgment about a product's overall excellence or superiority (Zeithaml, 1988). From a marketing perspective, the quality of a product depends on how well it fits patterns of consumer preferences. Johnson and Grayson (2005) argued that technical aspect of product quality (i.e., product performance) should be a direct antecedent of a provider's competence and reliability, ultimately influencing on customer's trust toward the provider and intention to purchase the product. Similarly, in the context of economics, Kranton (2003) demonstrated that producing high-quality goods could be interchangeably perceived with a credible firm because product quality is an extrinsic signal of credibility. Harvey (1998) also argued that superior service quality (e.g., fancy interior design) is recognized as an important competitive advantage because high quality of the product or service can maximize customer satisfaction. Correspondingly, a considerable amount of literature (e.g., Kroll, Wright, & Heiens, 1999; Srivastava, Fahey, & Christensen,

2001) has examined product quality as a key source for credibility and competitiveness. Based on this notion, the author assumes consumers' perceived product and service quality as one of dimensions of perceived brand leadership.

### **Innovativeness**

In marketing and management research, the concept of innovativeness is interchangeably used with innovation and generally defined as the capability of a company's innovation influenced by existing marketing resources, technological resources, skills, knowledge, capabilities, or strategy (Im & Workman, 2004). However, innovativeness highlights the capability of a firm to be open to new ideas and work on new solutions while innovation focuses on the outcome of firm activity. Accordingly, innovativeness has more enduring characteristics rather than a success at one point in time (Kunz, Schmitt, & Meyer, 2011; Trott, 2008). Namely, innovativeness is more conceptually congruent with brand leadership in terms of sustainable success. Martin and Siehl (1983) suggest that innovativeness or novelty is the most important virtues to be a leader in an organization. Moreover, the authors argued that the exemplary acts of a leader (e.g., unconventional or innovative behavior), when successful, evoke surprise, admiration, and imitation in followers.

Product innovativeness is most frequently used as a measure of the degree of newness of a new product. Numerous business researches show that more innovative products are associated with sustaining firm competitiveness (e.g., Roberts, 1999; Williams, 1997) or higher firm performance (e.g., John & Snelson, 1988; Langerak & Hultink, 2006). To be innovative, and ultimately to be a brand leader, firms should be proactive in acquiring new technologies, and use sophisticated technologies in the development of their new products (Gatignon & Xuereb, 1997). Based on the belief, the

current research defined innovativeness as consumers' perception about the relative capability of a brand to be open to innovative ideas and work on new solutions.

### **Perceived Value**

More and more business managers caution that excellent product quality and technological innovativeness are required, but are not enough to compete in today's industry (Butz & Goodstein, 1996). As a next source of competitive advantage, they suggest to improve on superior customer value delivery (Woodruff, 1997). Perceived value is consumers' evaluation of a product's value according to their perceptions about what they give and, in return, receive (Zeithaml, 1988). There has been considerable research to examine and identify what customer value really is (e.g., Sweeney & Soutar, 2001). Among that, the most common definition of customer value is the ratio between quality and price (e.g., Grewal, Monroe, & Krishnan, 1998). Moreover, as a basic component of product attributes, there is a positive and significant relationship between perceived product quality and value for money (Rao & Monroe, 1989). Based on these understandings, the current research adopts the perceived value as monetary exchange.

According to Kamins, Alpert, and Perner (2003), distinguishing brand leadership requires examining the comparative size of the market shares among all brands within the same or similar category. A greater number of larger market shares equates to an extrinsic signal of consumers' increased value perception. In other words, a positive result in the value equation serves as a key indicator of higher market shares, which can enable firms to maintain their leading positions resulting from the give-and-take component of perceived value (Holbrook & Corfman, 1985). For example, Rolex, a leader in the watch industry, is known for its expensive price. However, consumers who

purchase the brand are willing to pay the premium price because they perceive that they are getting (e.g., prestige and confidence) something of higher value than what they are giving (e.g., set amount of money). Based on this notion, the author assumes perceived value as one of dimensions of perceived brand leadership.

### **Brand Popularity**

Brand leadership can also stem from the bandwagon effect of using (or being seen using) a popular brand (Hollofs & Jacobson, 1999). Customers follow well-known brands or products to boost their self-esteem without carefully examine the specific features of a product, or cost and benefits of consuming the products. Buyers can also assure their purchase decision by enhanced confidence generated from popularity, especially when consumers evaluate products among alternatives. This is consistent with previous research. For example, Kim (1995) examined the specific benefits of leading brands (or popular brands) in global competition and concluded that buyers give significantly high respect to the leaders even if the leaders may not be proven best in terms of their product quality. Based on this notion, brand popularity can be viewed as increased levels of brand recognition and awareness. Many firms allocate much effort to increasing market share of their product brands and enhancing the positive image of the brands, which ultimately helps in creating and maintaining brand popularity of the products in the market (Aaker, 1991; Raj, 1985). When a brand becomes popular in a market, it helps a brand in maintaining its leadership position for a longer period of time (Kim, 1995). In general, this may put consumers under "social pressure" to conform to a market trend (Dean, 1999). Based on the understanding, the authors defined brand popularity as consumers' perception about the relative popularity of a brand reflected by brand awareness and consumption.

Overall, prior studies suggest that brand leadership can be determined by the competitiveness and credible sources of a brand and the relative size of the market share among brands in the same or similar category. Specifically, increased market share is interpreted as an extrinsic signal of superior product quality (Caminal & Vives, 1996; Hellofs & Jacobson, 1999), innovativeness (Gehlhar, Regmi, Stefanou, & Zoumas, 2009; Ulrich & Smallwood, 2007), consumers' higher value perception (Kamins et al., 2003), and increased popularity (Dean, 1999; Kim, 1995; Raj, 1985). Using these dimensions, firms develop and maintain brand leadership and distinguish their product brands from competitors' brands (Gehlhar et al., 2009).

**H1.** Consumers' brand leadership perception consists of product quality, Innovativeness, value, and popularity.

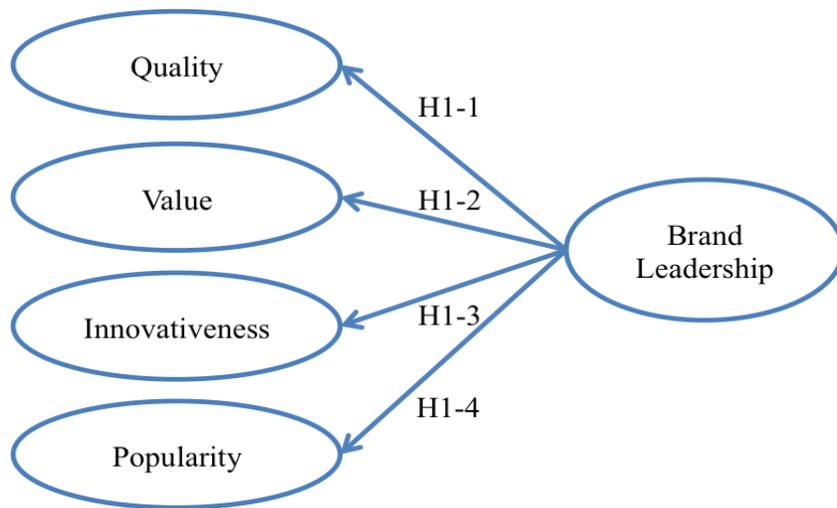


Figure 2-1. A proposed model for HYPOTHESIS H1

**Study 2: Moderating Role of Product Type on the Relationship between Brand Leadership and Word-of-Mouth Recommendation**

Once the relationship between perceived brand leadership and word-of-mouth recommendation is examined, the author also examines that how the direction and

association of the relationship changes depending on various situations. This is postulated because within a correlational analysis framework, the various situations as a moderator significantly functions as a third variable that affect the level and even the direction of the relationship between a predictor and an outcome (Baron & Kenny, 1986). Specifically, the author posits product type in Study 2 (i.e., luxury private and non-luxury public golf courses) and perceived risk in Study 4 as potential moderators that may alter the degree of the effect of perceived brand leadership to word-of-mouth recommendation.

In the fields of sports marketing and management, the moderating role of product type has not been investigated in depth when investigating the effect of perceived brand leadership to their word-of-mouth recommendation. The proposed research models (Figure 2-2 and 2-3) will contribute to the brand management body of knowledge by extending our understanding of brand leadership and its role in the sports product consumption context. Results from this study should inform marketers of the interactions of perceived brand leadership, product type, and behavioral intention. Furthermore, the results should provide justification for further investments into their sport product brands to better meet the needs of their consumers. This study also aids future research by providing a foundation for further investigation regarding sports luxury brands consumption behavior.

**A Research Model and Hypothesis Development.** The current study conceptualizes brand leadership as a higher-order latent construct underlying four related but distinct leadership constructs—namely, product quality, Innovativeness, perceived value, and brand popularity. Researchers (Ulrich & Smallwood, 2007;

Zeithaml, 1988) have suggested that consumers' perceived brand leadership is an important predictor of firms' long-term success based on market shares in the industry. For example, Kamins, Alpert, and Perner (2003) explored consumers' willingness to purchase, hypothesizing that it was higher when consumers believed the brand to be a leader in the market. In addition, brand leaders benefit from "double jeopardy" as brand leaders are purchased more frequently; furthermore, more of them are purchased at a single time (Ehrenberg, Goodhardt, & Barwise, 1990). Kato and Honjo (2009) demonstrated a brand leader with the largest market share as determined by dollar sales of all brands in the category. As market share serves as a quality indicator across brands, products, and categories, brand leadership signals market confirmation of quality as well as purchase intentions (Caminal & Vives, 1996; Hellofs & Jacobson, 1999; Zeithaml, 1988).

The current study postulates that product type as a potential moderator may alter the degree of the effect of perceived brand leadership to word-of-mouth recommendation (Figure 2-2 and 2-3). Product type including luxury and non-luxury has been examined as a critical factor influencing consumers' decision-making process. For example, in the hospitality industry, Kim and Kim (2005) examined the underlying dimensions of brand equity that affect firms' performance in luxury hotels and chain restaurants. The stepwise regression analysis of the study showed that the influence level of each dimension of brand equity on firms' performance varied depending on a product's degree of luxury. Specifically, while perceived quality is significant for performance in chain restaurants rather than in luxury hotels, brand awareness is found

to have significantly positive effects on performance in luxury hotels rather than chain restaurants.

Also, the more the product is considered to be a luxury (e.g., private golf course), the more the effect of innovativeness and the less the effect of popularity of a product brand in terms of word-of-mouth recommendation. It is hypothesized because generally luxury consumption is motivated through uniqueness, conspicuousness, and prestige of a brand (Amaldoss & Jain, 2005; Atwal & Williams, 2009; Fionda & Moore, 2009). It is consistent with prior research. For example, Vigneron and Johnson (2004) proposed non-personal and personal perception of luxury brands. As non-personal perceptions, uniqueness (i.e., scarcity and exclusivity) and quality were included which are equivalent to physical value/function of a product. As personal perceptions, they also identified the extended-self, which encouraged luxury brand purchase because consumers use luxury brands as a means of classifying or distinguishing from others. Therefore, the underlying assumption of the study is that perceived innovativeness and quality of a brand may be significant aspects in consumers' decision-making processes, particularly in luxury consumption rather than other aspects of brand leadership (e.g., popularity). Accordingly, the first two sets of hypotheses were developed as follows:

**H2.** Consumers' brand leadership perceptions defined by quality, Innovativeness, value, and popularity are positively related to their word-of-mouth recommendation.

**H3.** Product type (luxury vs. non-luxury) plays an important moderating role in the relationship between brand leadership and word-of-mouth recommendation. Particularly, the more the brand is perceived as a luxury, the more influence quality and innovativeness have on a consumers' word-of-mouth recommendation.

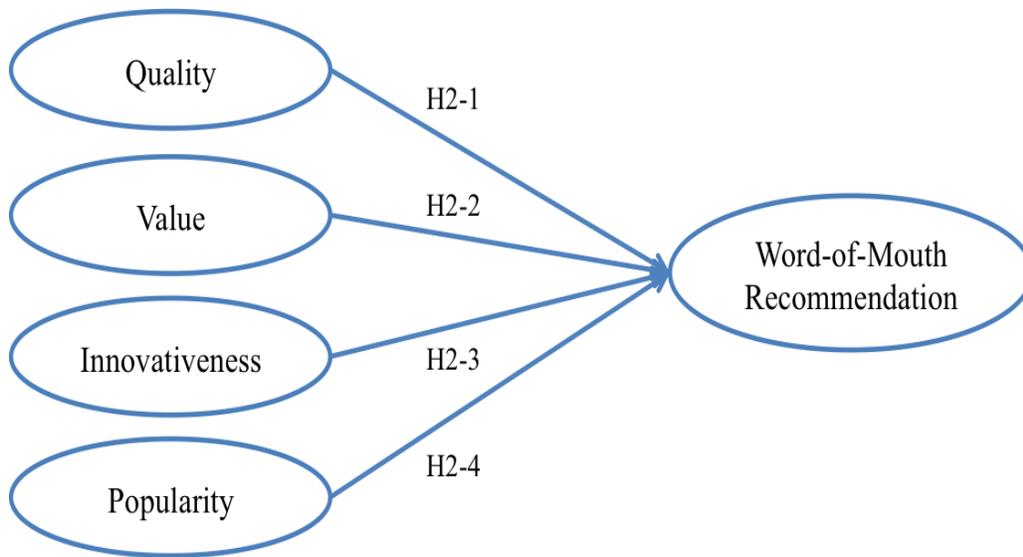


Figure 2-2. A proposed model for HYPOTHESIS H2

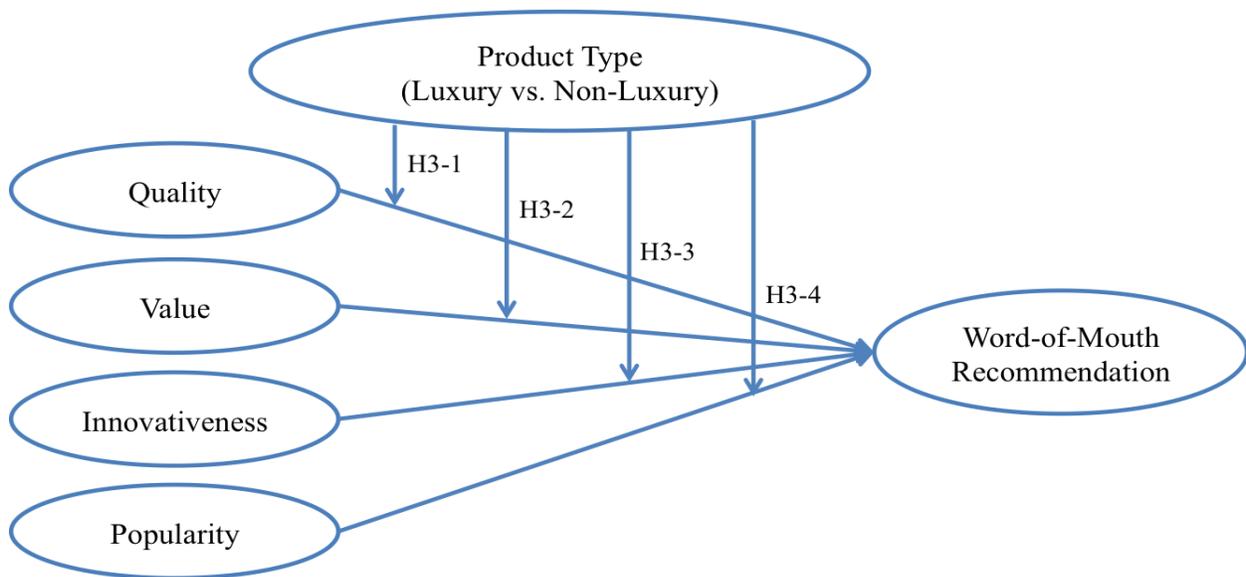


Figure 2-3. A proposed model for HYPOTHESIS H3

### Study 3: Development and Validation of Luxury Risk

The purpose of Study 3 is to revalidate scales of luxury risk developed within the consumer psychology field. As noted above, the notion of risk comprises two components: the uncertainty of an outcome and the importance of negative

consequences associated with the outcome of a choice (Stone & Gronhaug, 1993). Individuals may vary with respect to both components. However, over time, the distinctions between uncertainty and the importance of negative consequences have become blurred in consumer research, and quite often the two terms are used interchangeably (Stone & Gronhaug, 1993). As such, most risk research within consumer psychology show that risk is thought to arise only from potentially negative outcomes, in contrast to other disciplines such as behavioral decision theory where both positive and negative aspects are considered when evaluating risk (Dholakia, 2001). In this study, incorporating both perspectives, the focus is on risk perceptions at the level of the product types, especially luxury products. According to this view, each product type (i.e., luxury and non-luxury) has risks inherently associated with it, which may become significant to the consumer when he or she interacts with the products in some manner, such as considering and deciding whether to recommend the luxury product.

In the marketing literature, various types of perceived risk have been identified such as performance, financial, social, psychological, source, physical, and time risks (Campbell & Goodstein, 2001; Garbarino & Strahilevitz, 2004; Jacoby & Kaplan, 1972; Lim, 2003; Stone & Gronhaug, 1993). However, because there have not been systematically examined a comprehensive risk perceptions toward luxury products, the author dimensionalized luxury risk based on the concept luxury value. The assumption stems from cost-benefit or benefit-cost analysis (Mishan & Quah, 2007) from economics, which refers to a systematic process for comparing benefits (i.e., value) and costs (i.e., risk) of a decision. It occurs because in consumers' decision-making process, when some values (benefits) are satisfied, automatically the risk corresponding

the benefit is decreasing and vice versa. For example, when a consumer who perceives monetary value toward a luxury brand, at the same time, financial investment risk may be reduced. As such value and risk or benefit and cost would be two sided faces. The consumers' analysis of the expected balance of benefits and costs can be understood from traditional decision making theory, Subjective Expected Utility (SEU; Savage, 1954) from economics. The theory has been widely adopted as the guide for rational decision making in the face of uncertainty. In the SEU theory both the probabilities of an outcome and the utilities are derived from individual preferences (Starmer, 2000). Most importantly, based on SEU, individual consumers maximize their expected value contingent on their risk perceptions (Riddel & Shaw, 2006). Based on the understanding, the author concludes that luxury risk is closely related with luxury value.

In business literature, luxury value has been addressed as the consumers' beliefs toward luxury brand that guide the selection or evaluation of desirable behavior or end states (Tsai, 2005; Wiedmann, Hennigs, & Siebels, 2007; Wilcox, Kim, & Sen, 2009). A few scholars (e.g., Husic, & Cicic, 2009; Tynan, McKechnie, & Chhuon, 2010; Wiedmann, Hennigs, & Siebels, 2009) have proposed multi-dimensional frameworks of luxury value to provide comprehensive understanding of consumer motives and value perception in relation to luxury consumption. The most consensus are four latent luxury value dimensions: functional, financial, individual, and social dimension of luxury value perception. Functional dimension refers to the core benefit and basic utilities that drive the consumer based luxury value including quality, durability, and reliability. Financial dimension refers to the financial dimension addresses direct monetary

aspects including price and investment. Individual dimension refers to consumers' personal orientation on luxury consumption including hedonistic value. Social dimension refers to the perceived utility individuals acquire by consuming products recognized within their own social groups including prestige value.

Based on the extensive literature review, the authors re-conceptualized the perceived risk by selecting and defining most salient risks factors commonly agreed in the literature. They include functional, financial, hedonic, and self-image risks (Figure 2-4). In this study, Functional risk refers to consumers' perceived risk about the functional performance of a brand relative to their expectation. For example, some golf course may have poor landscape or provide roughly grown grass due to sluggish course management. Financial risk refers to consumers' perceived risk associated with the cost of consuming a brand and uncertainty about whether the brand is worth that amount of money. For example, if a consumer fails to obtain expected satisfaction after using the course, consumers may consider it is not worthwhile for the money paid. Hedonic risk refers to consumers' perceived risk about the uncertainty of a brand not performing in a way to offer excitement and aesthetic beauty. For example, when consumers fail to achieve expected level of excitement or enjoyment, they may perceive hedonic risk. Self-image risk refers to consumers' perceived risk about their self-image tarnished by consuming a brand. For example, when a consumer purchases an excessively priced golf membership, the consumer may worry about appearing too sumptuous.

As such, in this study, four risk perceptions are specified for luxury golf course brands in consumer decision-making process, and especially in recommendation situations.

**H4.** Consumers' perceived luxury risk consists of functional, financial, hedonic, and self-image risks.

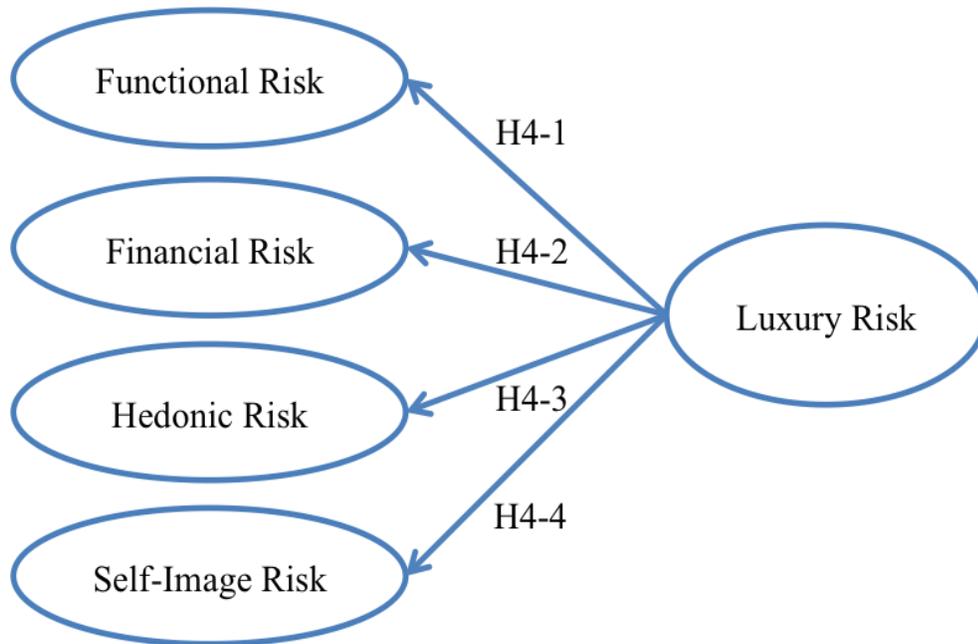


Figure 2-4. A proposed model for HYPOTHESIS H4

**Study 4: Moderating Role of Perceived Luxury Risk on the Relationship between Brand Leadership and Word-of-Mouth Recommendation**

As noted above, the author posits perceived luxury risk as a potential moderator that may alter the degree of the effect of perceived brand leadership on revisit intention. Therefore, the purpose of Study 4 is to examine the moderating role of perceived luxury risk in the relationship between brand leadership and word-of-mouth recommendation. In the fields of sports marketing and management, the moderating role of consumer luxury risk perceptions has not been investigated in depth when investigating the effect of brand leadership on their recommendation intentions. This study looks at the role of brand leadership as a key source for consumers' risk-handling behavior. The proposed research model (Figure 2-5) will contribute to the brand management body of knowledge by extending our understanding of brand leadership and its role in the

consumer risk handling behavior in the sports product consumption context. Results from this study should inform marketers of the interaction of perceived brand leadership, risk, and behavioral intention. Furthermore, the results should provide justification for further investments into their sports product brands to better meet the needs of their consumers. This study also aids future research by providing a foundation for further investigation regarding sports luxury brands consumption behavior.

**A Research Model and Hypothesis Development.** As previously discussed, when consumers have to choose one alternative, they will always experience some level of risk because of various reasons (e.g., seeking personal uniqueness and socially oriented prestige). In these uncertain situations, brand leadership may serve as a key solution for the risks because it offers belief or confidence about a brand's expertise and trustworthiness. In other words, brand leadership becomes the crucial strategy for dealing with an uncertain and uncontrollable future because they may be the fastest way to obtain information and confidence about the brand. Otherwise, consumers may have to make bets about the uncertain outcomes of the purchase decision. For example, Kim (1995) argued that everything else being equal, consumers reduce risk by purchasing a popular brand rather than others because perceived brand popularity can provide value to customers by enhancing their confidence in forming purchasing decisions. However, when consumers already have some knowledge about the brand or positive experience with the products, they may not rely much on the information (e.g., brand popularity). Moreover, this study assumes that the degree of perceived uncertain outcomes and the types of perceived risk may adjust the effect of perceived brand leadership to their intention to recommend. For example, a consumer who has a

limited budget and perceives a relatively higher financial risk toward a product brand may be strongly influenced by the product's value for money. As such, the effect of perceived brand leadership on their recommendation intention would vary, depending on the level and sorts of risks. Accordingly, this study hypothesized that:

**H5.** Perceived luxury risks play an important moderating role in the relationship between brand leadership and word-of-mouth recommendation.

Word of mouth recommendation has been included as the dependent variable, which is generally considered as a low cost and reliable way of transmitting information about products and services (Lim & Chung, 2011). In business literature, WoMr has been numerously examined as one of the critical aspects of consumers' behavioral intentions because it plays an important role in information diffusion in consumer markets and shaping consumers' attitude (Trusov, Bucklin, & Pauwels, 2009; Tuk, Verlegh, Smidts, & Wigboldus, 2009). Numerous studies seeking to predict human behavior have used the theory of reasoned action (Ajzen, 2005; Ajzen & Fishbein, 1980) and the theory of planned behavior (Ajzen, 1991). According to Ajzen (1991, 2001), people act according to their intentions and perceptions of control over their behavior. These intentions are affected by attitudes toward the behavior, perceptions of behavioral control, and subjective norms. In the fields of sports marketing and management, a number of studies have included results supporting the assertion that intentions play an important role in guiding actual behavior (Fink, Trail, & Anderson, 2002).

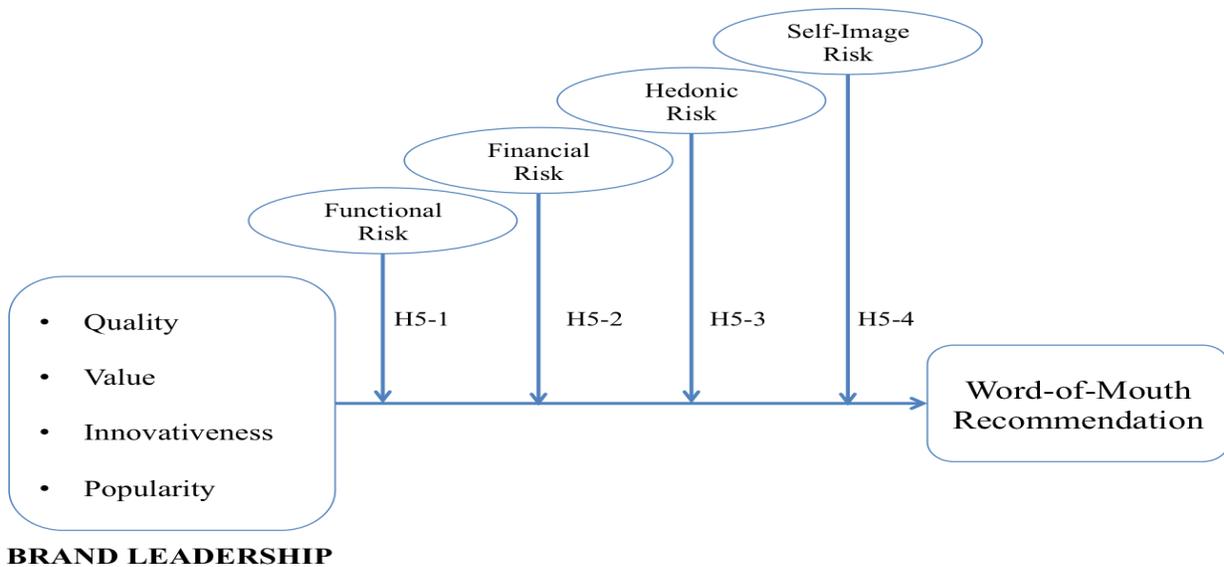


Figure 2-5. A proposed model for HYPOTHESIS H5

### **Study 5: Examination of Perceived Luxury Risk based on Socio-Demographic Variables and Consumption Level**

The purposes of Study 5 are to examine consumers' perceived luxury risks based on their socio-demographic variables (e.g., personality traits, gender, age, income, education, and ethnic background) and consumption level (Figure 2-6). In business literature, a considerable amount of scholars have examined the level of perceived luxury risks in various contexts as being a crucial factor in consumer decision-making processes (e.g., Erdem, Zhao, & Valenzuela, 2004; Richardson, Jain, & Dick, 1996). But, little research has examined in depth the determinants of the level of perceived luxury risks (i.e., functional, financial, hedonic, and self-image risks) on the private and public or luxury and non-luxury continuum.

#### **Product type and perceived risk**

Generally, the more the product is considered to be a luxury (e.g., private golf courses), the greater the perception of risk in terms of choosing brands and uncertain negative outcomes in the product class. It is because non-luxury products possess

fewer differences among brands and accordingly, less risk is perceived than with luxuries (Wisner, 2004). An experiential approach to consumption (e.g., Holbrook & Hirschman, 1982) provides another rationale for the product type being associated with perceived risk. The experiential approach postulates that consumers go through different paths to meet risks depending on product type, where consumer behavior is regarded as pursuit of subjective, emotional and symbolic consumption experiences. In other words, when a product is close to premium, prestige, luxury, and high-priced, it has more non-tangible and symbolic benefits than tangible and functional benefits (Chaudhuri & Holbrook, 2001). Thus, the more the product is considered to be a luxury (e.g., private golf course), it is more likely to be related to a greater potential for non-functional risks (e.g., social and psychological) in addition to overall risks. Accordingly, the first hypothesis in this section is:

**H6-1.** Consumers in private golf courses perceive a higher level of social and psychological risks than those in public ones.

### **Consumption level and perceived risk**

The author also postulates that consumers' risk perceptions toward golf course brands may vary depending on their enthusiasm for golf. The National Golf Foundation categorizes golfers based on the number of rounds played per year including avid players (i.e., golfers who play more than 24 rounds per year) and casual golfers (i.e., golfers who play less than eight rounds per year). To elucidate the relationship between types of golfers and perceived risk, the author applied the concept of product involvement level (Bauer, Sauer, & Becker, 2006). Specifically, avid players in general may have more ongoing concerns for golf course brands (i.e., enduring involvement), and may meet more recommendation situations (i.e., situational involvement) rather

than casual golfers as a result of more frequent playing. Therefore, avid golfers are likely to perceive risks rather than casual players. It is consistent with prior research. For example, Dholakia (2001) empirically examined and concluded that psychological anxiety results from increased stable involvement, and heightened situational involvement significantly contributes to social and functional concerns. Accordingly, this study hypothesizes that:

**H6-2.** Avid golfers perceive a higher level of risks than casual golfers.

### **Gender and perceived risk**

In the field of social and behavioral science, some scholars argue that men and women do not only perceive the same risks somewhat differently, but also perceive different risks (Gustafson, 1998). However, most psychometric studies documenting gender difference in risk perceptions (e.g., online and retail shopping) reveal a consistent pattern, which is that women have been found to perceive greater risks (Garbarino & Strahilevitz, 2004; Olofsson & Rashid, 2011; Verhagen, Meents, & Tan, 2006). This suggests that females will also perceive consequences of a negative outcome as more severe. More formally:

**H6-3.** Female golfers perceive a higher level of risks than male counterpart.

### **Age, income, ethnic background and education variables and perceived risk**

Who are the luxury clients? In general, luxury consumers are in fact very rich and highly educated. Chevalier & Mazzalovo (2008) noted four segments of luxury consumers who have net assets exceeding USD \$1 million including millennium (e.g., sport stars), old (e.g., inherited wealth), new (e.g., those who have made a fortune themselves), and middle money (e.g., professionals). They also highlights that all the clients of the segments expect the products they consume to be of outstanding quality,

expensive, scarce and difficult to obtain. Moreover, Chevalier and Mazzalovo (2008) and Schroeder, Salzer-Mörling, and Askegaard, (2006) suggest that the luxury consumers are affective because they consider their own pleasure (e.g., need for beauty) to be more important than any other rational criteria (e.g., perceived value for money). Therefore, they may perceive higher performance and social risks rather than financial risk. Based on this understanding, the author argues that they may perceive risks differently compared to general consumers. Accordingly, this study hypothesizes that:

**H6-4, 5, 6, & 7.** There are significant differences in perceived risks between customers with different socio-demographic characteristics.

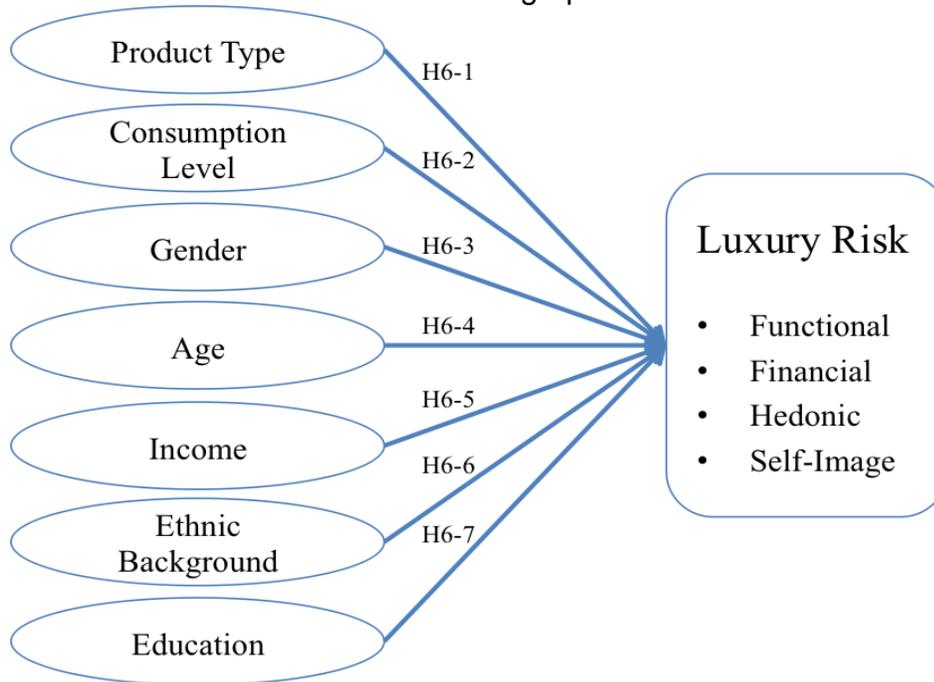


Figure 2-6. A proposed model for HYPOTHESIS H6

## CHAPTER 3 METHODOLOGY

### **Selected Luxury Product and Procedures**

#### **Private Golf Course as a Luxury Brand**

Golf courses are usually classified into private and public based on exclusivity of benefits. A private golf course is used in private at some location. Except for selected members, people would be unaware that one uses the product brand (Grewal, Mehta, & Kardes, 2004). Accordingly, their marketing strategy is high-priced service that offers additional benefits or values in service and quality to cultivate a specific market segment (e.g., high-class). In contrast to private clubs in a public golf course, if others want to, they can identify the golf course brand with little or no difficulty (Grewal, Mehta, & Kardes, 2004). Accordingly, the public golf course's selling point is low-priced products that offer additional value (i.e., value for money) to customers in service and quality. In sum, in the field of sports service marketing, private golf courses in terms of premium and luxury highlight conspicuousness of a brand and exclusivity of benefits in contrast to inclusivity of the same (i.e., public golf courses).

In addition, the author used existence of exclusive membership package to identify luxury golf course. Social identity theory (Tajfel & Turner, 1979) and social categorization theory (Turner, 1985) provide a rationale for such identification. The individual has a motivation to categorize the self in terms of one group membership through consuming luxury. Moreover, the individual may see the self in terms of one of several possible social memberships (e.g., high-class) that generate various symbolic benefits (e.g., self-enhancement or symbolic interaction; Vickers & Renand, 2003). This means that a golf course as a brand can be a meaningful signal and be closely linked to

the self (Escalas & Bettman, 2005; Vigneron & Johnson, 2004). Based on this understanding, the author concludes a private golf course that provides an exclusive membership package as a luxury brand.

### **Participants and Data Collection Procedures**

The research is based on data gathered from five golf courses (i.e., two private and three public courses; Table 3-1) located in North Florida. The author selected the state of Florida as a sampling frame because there are over 1,300 public and private golf courses in this state, more than any other states (Haydu & Hodges, 2002). Before collecting data, the author obtained an approval regarding data collection from the club owners and head managers. The questionnaire was administered to actual customers of the selected golf courses between January 25 and February 12, 2012. Data were collected at multiple areas (i.e., club house and main entrance) of the selected courses. Questionnaires were distributed to an intercept sample of 400 customers, who were intercepted individually as they entered the courses through the main entrances. In particular, the author excluded people who mostly participate in sports activities as professional athletes or medical care (e.g., intensive care unit). This is because their sport participation motivation may be closely related to fulfilling lower level needs (e.g., physiological need), or they may have inevitably higher demands for sports products regardless of income. The author and research assistants were stationed at the booth assigned by the clubs staffs.

The research assistants explained the participants that involvement in the study was voluntary and thereafter distributed the informed consent form. All participants in compliance with the Institutional Review Board's protocol completed this form. After the initial contact, the participants were given a brief explanation of the purpose of the

research and instructions about how to properly fill out the survey. On average, it took approximately 10 minutes for the participants to complete the questionnaire. No compensation was provided to the survey participants.

A total of 370 completed questionnaires were returned (92.5% response rate), of which 333 useful cases were included in data analysis. Overall, it is believed that the results contained in this thesis are reflective of the perceptions and intention of those customers at the selected golf courses.

Table 3-1. Descriptions of selected golf courses

Features	Club A	Club B	Club C	Club D	Club E
Type	Private	Private	Public	Public	Public
Location	Florida	Florida	Florida	Florida	Florida
Holes	18	18	18	18	18
Par	71	72	72	60	72
Yardage (yd.)	7,000	7,100	6,500	3,900	6,500
Year built	1921	1964	1964	1969	1987
The number of members	500	600	N/A	N/A	N/A
Annual membership fee (\$)	8,000	9,500	N/A	N/A	N/A
Green fee (\$, weekend /w cart)	N/A	N/A	35	25	30

### Instrumentation

The selection of the measures utilized in the study was a three-step process. First, extant scales of focal constructs were collected from the relevant literature. Second, a panel of scholars assessed the scales with expertise in brand marketing and management and service quality content. Various items in the scales were dropped or revised based on the feedback from the panel of scholars. After the expert review, 39 items were retained to measure the 13 constructs. Each construct was measured using multiple items and a 7-point Likert type scale format with response categories anchored by 1 (strongly disagree) and 7 (strongly agree).

### **Degree of Luxury (Screening Question)**

Are consumers' conceptions of luxury golf course brands similar to this study's conceptualization? Does the author selected correct golf course brands in terms of luxury and non-luxury? To address these questions, the author asked screening questions in terms of degree of luxury. To measure perceived degree of luxury, the author revised and adapted three luxury items from existing research (Bearden & Etzel, 1982; Grewal, Mehta, & Kardes, 2004). The private golf courses were categorized as luxury and public courses were categorized as non-luxury.

### **The Scale of Perceived Brand Leadership (SPBL)**

Based on the conceptual framework discussed in the previous section, a Scale of Perceived Brand Leadership (SPBL) was revalidated. The first element of product quality examined by this scale is consumers' overall subjective judgment about a brand's general superiority (Boulding & Kirmani, 1993; Cronin, Brady, & Hult, 2000; Zeithaml, 1988). Three items (i.e., multiple semantic-type scales) were adapted from existing scales (Cronin, Brady, & Hult, 2000). Three perceived value (i.e., consumers' assessment of the product's utility based on perceptions of what is received and what is given; Zeithaml, 1988) scale items were adopted from previous research (Sheth, Newman, & Gross, 1991; Sweeney & Soutar, 2001). To measure product innovativeness, the author revised and adapted seven innovativeness items that capture the brand's capacity for new innovation to affect a firm's existing marketing resources, technological resources, skills, knowledge, capabilities, or strategy (Capon, Farley, Hulbert, & Lehmann, 1992; Kunz, Schmitt, & Meyer, 2011; Sen & Bhattacharya, 2001). Finally, to measure brand popularity, the author adapted and modified three

brand popularity items from existing scales (Alba & Hutchinson, 1987; Rossiter & Percy, 1987; Yoo & Donthu, 2001).

### **The Scale of Perceived Luxury Risk (SPLR)**

Based on the conceptual framework discussed in the previous section, a Scale of Perceived Luxury Risk (SPLR) was developed to measure functional, financial, hedonic, and self-image risks. The author adapted and modified 12 items (i.e., three for each risk) from previous research (e.g., Biswas, Biswas, & Das, 2006; Stone & Grønhaug, 1993; Weber, Blais, & Betz, 2002).

### **Behavioural Intention**

To measure consumer word of mouth recommendation, the author modified and applied three WOM items from existing research (Hartline, M. D., & Jones K. C, 1996).

### **Data Analysis**

Data analysis was performed in four stages. First, descriptive statistics for the variables were obtained. Second, data from the survey was screened. Third, measurement models for the constructs were analyzed followed by structural models being tested. Finally, interaction effects of potential moderators were examined. Collected data was entered into and analyzed using SPSS 17.0 and AMOS 17.0.

### **Descriptive Statistics**

Descriptive analyses were performed on golf course visitors' socioeconomic-demographic characteristics (i.e., gender, income, education, age, and ethnic background) and consumption level (i.e., avid and casual golfers) to describe the basic characteristics of the data in this thesis. Various descriptive statistics of the variables used in this study such as measures of central tendency (e. g., mean, mode, and

median) and measures of variability (e. g., range, variance, and standard deviation) were obtained.

### **Data Screening**

Prior to the main analyses, all the variables were examined employing various SPSS programs for accuracy of data entry, outliers, and fit between the characteristics of the data. Outliers in the variables were evaluated using extreme values output from the Explore analysis. Elimination of case or variable, transformation, and score alteration were considered to reduce the influence of outliers based on the nature of the outlier. Normality of the observed variables was assessed through examination of histogram and summary descriptive statistics employing SPSS Descriptive.

### **Measurement Model Test**

The data was first subjected to further scale purification using confirmatory factor analysis (CFA). Psychometric properties, theoretical relevance of the items, and scale parsimony were assessed. After the scale purification process, the CFA was conducted using the AMOS 17.0 software to evaluate the measurement models on 10 latent constructs (i.e., perceived quality, value, innovativeness, popularity, functional risk, financial risk, hedonic risk, self-image risk, word of mouth recommendation, and degree of luxury).

The results of CFA were examined with the overall fit index scores, including comparative fit index (CFI), standard root mean squared residual (SRMR), and root-mean-square error of approximation (RMSEA). The CFI value close to .95 or higher and the SRMR value less than .08 imply good-fitting models (Hu & Bentler, 1999). The RMSEA value less than .06 suggests a good fit, between .06 and .08 indicates an acceptable fit, and higher than .10 implies an unacceptable fit (Brown & Cudeck, 1992;

Hu & Bentler, 1999). Internal consistency values (Cronbach's alpha coefficients) were also employed to examine how well the subscale items were correlated with each other. When the values are greater than .70, the reliability is indicated as acceptable (Nunnally & Bernstein, 1994). Additionally, Average Variance Explained (AVE) values were utilized to evaluate how well the items measuring a specific subscale collectively explain the underlying construct's variance. When AVE value is greater than .50, the composite reliability of the construct is indicated as acceptable (Fornell & Larcker, 1981).

To establish convergent and discriminant validity, as Fornell and Larcker (1981) suggested, the author examined item loadings, factor correlation, and comparison of the squared correlations of any two latent constructs with AVE values. The author also asserts established convergent validity when item loading is equal to or greater than .70 (Hair, Black, Babin, & Anderson, 2009). Moreover, as Kline (2010) and Fornell and Larcker (1981) suggested, the author also considered convergent validity is established when correlations among constructs are less than .85 and a squared correlation between constructs are lower than the AVE value for each construct.

### **Structural Model Test**

The proposed models were tested through Structural Equation Modelling (SEM) through AMOS. The author employed SEM analysis because it enables incorporating two structures (i.e., a measurement and structural models) in a single structure, in which multiple equations can be estimated simultaneously (Kline, 2010). Using the covariance matrix resulting from the CFA of the measurement model, the hypothesized associations were simultaneously tested through SEM analysis.

## Testing Moderating Effects

The author examined five moderator variables and 40 hypotheses employing the multiple-group SEM to determine any significant differences across groups. Specifically, the author assessed the moderating effects of product type (i.e., luxury and non-luxury) and four perceived risks (i.e., low and high level of functional, financial, hedonic, and self-image risks) on the relationship between perceived brand leadership and word of mouth recommendation.

Before comparing groups, it is necessary to assess factor invariance of the measurements because the structure of the compared constructs (i.e., dimensions of perceived brand leadership and word of mouth recommendation) may be not equal across groups (Schmitt & Kuljanin, 2008). The author tested factor structure equivalence across the two groups (i.e., private vs. public, high level of risks vs. low level of risks) by equal lambdas ( $\lambda$ ), factor covariances, and factor variances in which the item loadings, the factors covariance, and the factor variances were constrained to be equal for both groups (Byrne, Shavelson, & Muthén, 1989).

After the measurement invariance test, the author conducted multiple-group SEM analysis within Amos to assess the moderator variable effects of product type and level of risks on the structural models. The examinations of the moderating effect were conducted in a three-step process. First, two structural models were created for a comparison of statistics. The first model was an unconstrained model in which path coefficients were allowed to vary across two subgroups. The second model was a constrained model in which path coefficients were constrained to be equal across the two subgroups.

The next step was to test the difference between the unconstrained and constrained models. The chi-square value difference was used to compare the chi-square values of the unconstrained structural model and the constrained structural model. The unconstrained model has less degree of freedom than the constrained model, so the chi-square value would always be lower for the unconstrained model than for the constrained model. If chi-square values improved significantly when moving from the unconstrained model to the constrained model, the testing moderator variable would have had a differential effect on the tested causal path, and could be confirmed as a moderator. The last step was to compare the path coefficient between the two groups. The independent t-value was employed to compare two path coefficients within the Amos program.

CHAPTER 4  
RESULTS

**Demographics**

Demographic characteristics of participants ( $N = 333$ ) are depicted in Table 4-1. The majority of the participants were male (79%). The average age of the participants was 50 years old ( $M = 49.92$ ,  $SD = 16.6$ ) and 90% of participants were white/Caucasian. The averages of golf playing rounds per month are 8 ( $M = 7.9$ ,  $SD = 6.8$ ), playing periods is 9 years ( $M = 9.3$ ,  $SD = 10.27$ ), driving miles to play golf is 20 ( $M = 20.2$ ,  $SD = 40.46$ ).

Table 4-1. Demographic characteristics of participants

Variable		Club A	Club B	Club C	Club D	Club E	Total
Gender	Male	85(86%)	29(46.8%)	65(89%)	63(85.1%)	21(84%)	263(79%)
	Female	14(14%)	33(53.2%)	8(11%)	11(14.9%)	4(16%)	70(21%)
Total		99(30%)	62(19%)	73(22%)	74(22%)	25(7%)	333(100%)
Age	18-30	4(4%)	7(11%)	22(30%)	16(22%)	11(44%)	60(18%)
	31-50	21(21.2%)	35(57%)	20(28%)	29(39%)	5(20%)	110(33%)
	51-70	57(57.6%)	17(27%)	28(38%)	21(28%)	7(28%)	130(39%)
	71+	17(17.2%)	3(5%)	3(4%)	8(10%)	2(8%)	33(10%)
Average play rounds per month		10	7	6	7	6	-
Average play period (year)		17	5	2	9	2	-
Average driving miles to play golf		16	5	19	26	19	-
House hold income	\$9,999 or less	1(1%)	-	1(1.4%)	3(4.1%)	2(8%)	7(2%)
	\$10,000-\$39,999	3(3%)	8(12.7%)	19(26%)	12(16.2%)	7(28%)	49(18%)
	\$40,000-\$69,999	16(16%)	19(30.6%)	17(23.3%)	27(36.5%)	8(32%)	87(33%)
	\$70,000-\$119,999	32(32%)	16(25.8%)	21(28.8%)	21(28.4%)	6(24%)	96(29%)
	\$120,000-\$199,999	30(30%)	11(17.7%)	9(12.3%)	9(12.2%)	2(8%)	61(18%)
	\$200,000 or higher	20(20%)	5(8.1%)	6(8.2%)	2(2.7%)	-	33(12%)
	Some high school	-	-	7(9.6%)	1(1.4%)	-	8(2%)
Education level	High school graduate	3(3%)	5(8.1%)	2(2.7%)	1(1.4%)	-	11(3%)
	Some college	9(10%)	6(9.7%)	63(86.3%)	21(28.4%)	12(48%)	111(33%)

Table 4-1. Continued

Variable		Club A	Club B	Club C	Club D	Club E	Total
Education level	College graduate	44(44%)	38(61.3%)	1(1.4%)	23(31.1%)	6(24%)	112(34%)
	Graduate degree	43(43%)	11(17.7%)	-	28(37.8%)	7(28%)	89(27%)
	Other	-	2(3.2%)	-	-	-	2(1%)
Ethnicity	African-American	-	3(4.8%)	7(9.6%)	2(2.7%)	1(4%)	13(3%)
	Asian-American	1(1%)	3(4.8%)	2(2.7%)	1(1.4%)	-	7(2%)
	Caucasian/White	97(98%)	47(75.8%)	63(86.3)	63(85.1%)	23(92%)	295(90%)
	Native American	-	3(4.8%)	-	1(1.4%)	-	4(1%)
	Hispanic	-	2(3.2%)	-	1(1.4%)	1(4%)	4(1%)
	Other	1(1%)	4(6.5%)	1(1.4)	6(8.1%)	-	10(3%)

## Brand Leadership

### Descriptive Statistics

Descriptive statistics for brand leadership variables are presented in Tables 4-2. The means of the brand leadership items for the public and private golf clubs ranged from 3.7 to 5.3. Standard deviations ranged from .9 to 1.6. The item “Offers more value for money” for Perceived Value factor had the highest mean (for private  $M = 5.3$ ,  $SD = 1.2$ ; for public  $M = 5.0$ ,  $SD = 1.3$ ) on the 7-point Likert type scale. The item “Is more used by golfers” for Popularity had the lowest mean (for private  $M = 3.7$ ,  $SD = .9$ ; for public  $M = 4.4$ ,  $SD = 1.0$ ).

Table 4-2. Descriptive statistics for brand leadership

Factors and items		Private		Public	
		<i>M</i>	<i>SD</i>	<i>M</i>	<i>SD</i>
When compared to other competing PUBLIC/PRIVATE golf courses, this golf course:					
Quality	Is higher in quality standards	4.4	1.6	4.1	1.0
	Is superior in quality standards	4.5	1.1	4.2	1.0
	Offers higher quality golf course features	4.5	1.1	4.2	1.0

Table 4-2. Continued

Factors and items		Private		Public	
		<i>M</i>	<i>SD</i>	<i>M</i>	<i>SD</i>
Value	Is reasonably priced	5.2	1.2	5.0	1.2
	Has better course features for the price	5.2	1.3	4.9	1.3
	Offers more benefits for the price	5.1	1.3	4.9	1.4
Innovativeness	Is more dynamic in improvements	4.8	1.2	4.2	1.5
	Is more creative in products and services	4.7	1.2	4.1	1.5
	Is more of a trendsetter	4.7	1.3	3.9	1.4
Popularity	Is more preferred by golfers	4.9	1.4	4.8	1.5
	Is more recognized by golfers	4.7	1.4	4.8	1.5
	Is better known among golfers	4.8	1.4	4.9	1.4

### Measurement Models

The measurement model (Figure 4-1), which specified four latent factors to be correlated with each other, was tested. Four items were dropped based on the results from the initial CFA, leaving 12 observed variables for 4 latent factors. Factor loadings, theoretical relevance and parsimoniousness of the model were considered collectively in reaching a final decision regarding which items to retain and which to eliminate. Table 4-3 shows factor loadings, Cronbach's alpha coefficients, and AVE values for the initial CFA. After the modification, the model showed good fit ( $\chi^2/df = 146.388/48 = 3.050$ , RMSEA = .080, CFI = .961, SRMR = .043). For second-order measurement model also showed good fit ( $\chi^2/df = 146.802/50 = 2.936$ , RMSEA = .076, CFI = .961, SRMR = .043; Table 4-5). Convergent validity was established by high factor loadings in the present study. Each retained measurement scale item's loading was greater than the suggested value of .70 except one item (Hair, Black, Babin, & Anderson, 2009)

To examine discriminant validity, an analysis of correlation between measured constructs was conducted. Correlations between constructs ranged from .39 (Perceived Value and Popularity) to .55 (Perceived Value and Innovativeness) and were not excessively high (e.g., < .85; Kline, 2005; Table 4-4). Cronbach's alpha estimates

ranged from .80 (Quality) to .92 (Innovativeness), indicating appropriate internal consistency. The AVE values ranged from .67 (Perceived Value) to .86 (Quality; Table 4-3), indicating good construct reliability. In addition, each squared correlation should be smaller than AVE (Fornell & Larcker, 1981). All AVE estimates were found to be greater than the squared correlations (Table 4-3 and 4-4).

Table 4-3. Summary results for measurement model of brand leadership

Factors and items		$\lambda$	$\alpha$	AVE
When compared to other competing PUBLIC/PRIVATE golf courses, this golf course:				
Quality	Is higher in quality standards	.70	.80	.86
	Is superior in quality standards	.74		
	Offers higher quality golf course features	.72		
Value	Is reasonably priced	.68	.90	.67
	Has better course features for the price	.90		
	Offers more benefits for the price	.85		
Innovativeness	Is more dynamic in improvements	.85	.92	.76
	Is more creative in products and services	.90		
	Is more of a trendsetter	.86		
Popularity	Is more preferred by golfers	.80	.82	.78
	Is more recognized by golfers	.95		
	Is better known among golfers	.85		

Table 4-4. Correlations among brand leadership constructs

	1	2	3	4
1. Quality	1.00			
2. Value	.41	1.00		
3. Innovativeness	.46	.55	1.00	
4. Popularity	.28	.39	.40	1.00

Table 4-5. Summary of Goodness of Fit indices for the Measurement Model (Brand leadership)

Model	X <sup>2</sup>	df	X <sup>2</sup> /df	CFI	RMSEA	SRMR
First-order measurement model	146.388	48	3.050	.961	.079	.043
Second-order measurement model	146.802	50	2.936	.961	.076	.043

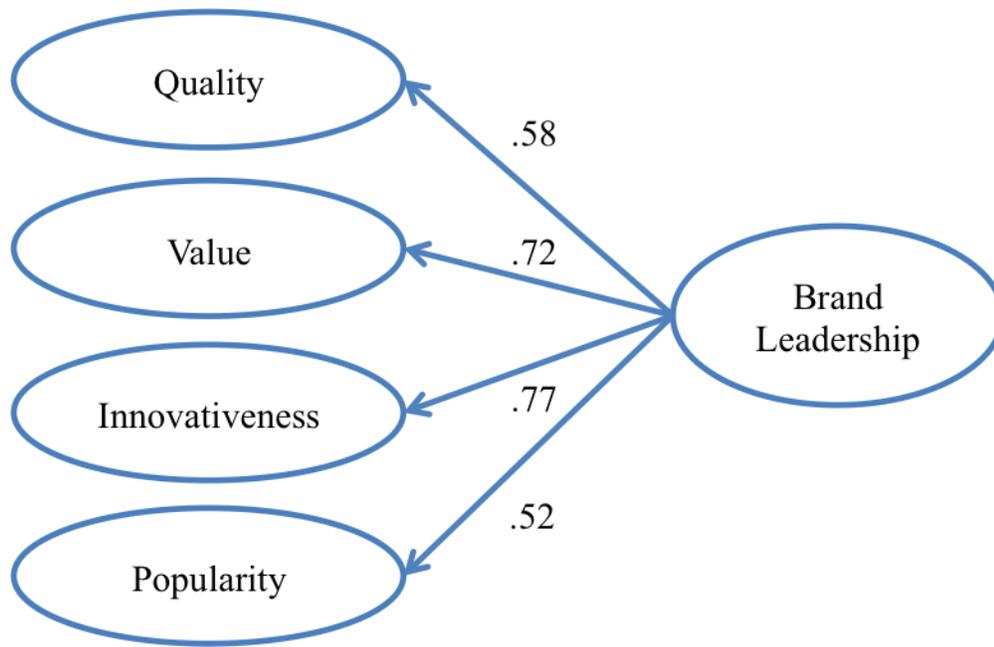


Figure 4-1. Brand leadership scale – the second order factor model

### Structural Model

**Brand leadership and word-of-mouth recommendation (WoM).** The proposed structural model presented earlier in Figure 2-2 was analyzed here using the refined constructs and variables that resulted from the processes of the measurement analysis. The overall goodness-of-fit statistics for the structural model showed a good fit of the data to the model with ( $\chi^2 = 235.865$ ,  $df = 80$ ,  $\chi^2/df = 2.948$ , SRMR = 0.0426, RMSEA = 0.077, CFI = 0.951; Table 4-6). Table 4-7 and Figure 4-2 summarize overall results.

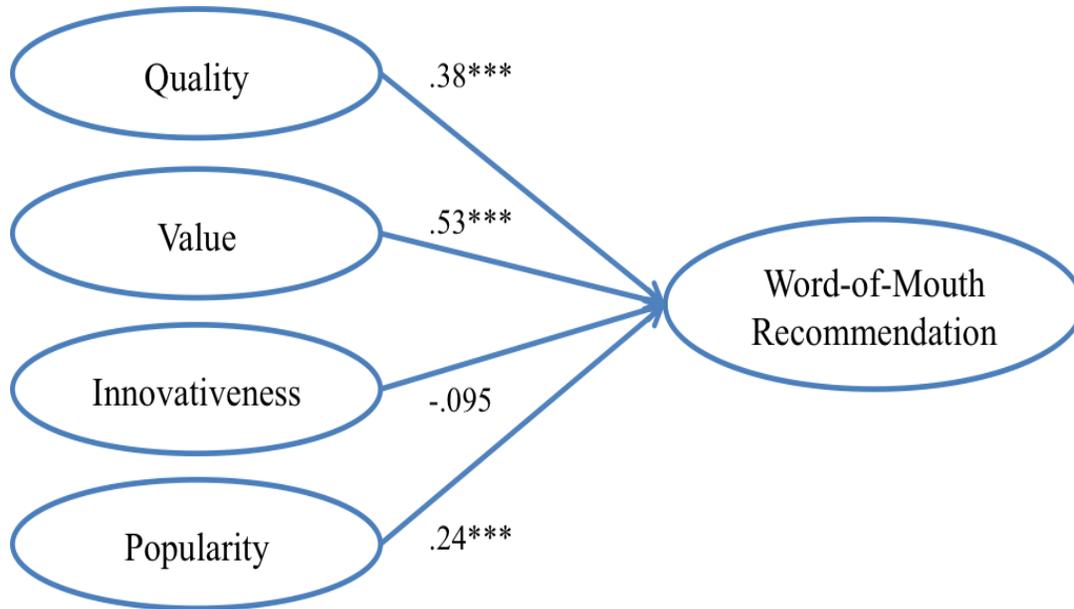
Table 4-6. Summary of Goodness of Fit indices for the Structural Model

Model	$\chi^2$	$df$	$\chi^2/df$	CFI	RMSEA	SRMR
Brand leadership →WoM	235.865	80	2.948	.951	.077	.0426

Table 4-7. Standardized total effect (Dependent variable: word of mouth recommendation)

	Quality	Value	Innovativeness	Popularity
WoM	.38***	.53***	-.095	.24***

\*\*\*p < .001



\*\*\*p < .001

Figure 4-2. The direct effect of brand leadership to word of mouth recommendation (total sample)

### Examination of Moderating Effect

#### Product type - Measurement and structure invariance analysis

It is necessary to assess factor invariance of the measurement prior to comparisons between groups because there is reason to believe that the structure of the compared construct is not equal across groups (Nuevo et al., 2008). As the first stage of measurement invariance test, the factor loadings were constrained to be equal for both groups (i.e., public and private). The difference in the chi-square statistic for the measurement weight was insignificant ( $X^2 [9] = 14.619, p = .102$ ); therefore, the factor

structure between the private group and public group sample can be assumed to be invariant.

To test for structural invariance, the author first allowed a free estimation of the structural coefficients in both the private group and public group samples. Relaxing all equality on the structural coefficients resulted in a chi-square statistic of 419.909 ( $df = 164$ ). To test whether the structural coefficients between the constructs in the private group were similar to those in the public group samples, constraints on structure weights were added. The difference in the chi-square statistic was significant ( $X^2 [13] = 24.645, p = .026$ ), showing that the causal links in the structural model differed significantly between the two samples (Table 4-8).

### **Testing individual paths**

The next step was to test the difference in the individual paths. The chi-square difference was performed again to identify which of the causal relationships caused the structural difference. Table 4-10 indicates that significant differences in the chi-square statistic were found for the four individual paths: Quality → WoM ( $p = .000$ ), Value → WoM ( $p = .000$ ), Innovativeness → WoM ( $p = .000$ ), and Popularity → WoM ( $p = .000$ ). The multiple group analysis confirmed that there were structural differences in the model, in particular in the way the private club consumer group and the public club consumer group samples perceived the links between all of the sub dimensions of brand leadership and word of mouth recommendation. Table 4-9 and Figure 4-3 summarize the results of the multiple-group SEM analysis.

Table 4-8. Comparison of the models and structural invariance for each individual structural path (Brand leadership and word of mouth recommendation by product type)

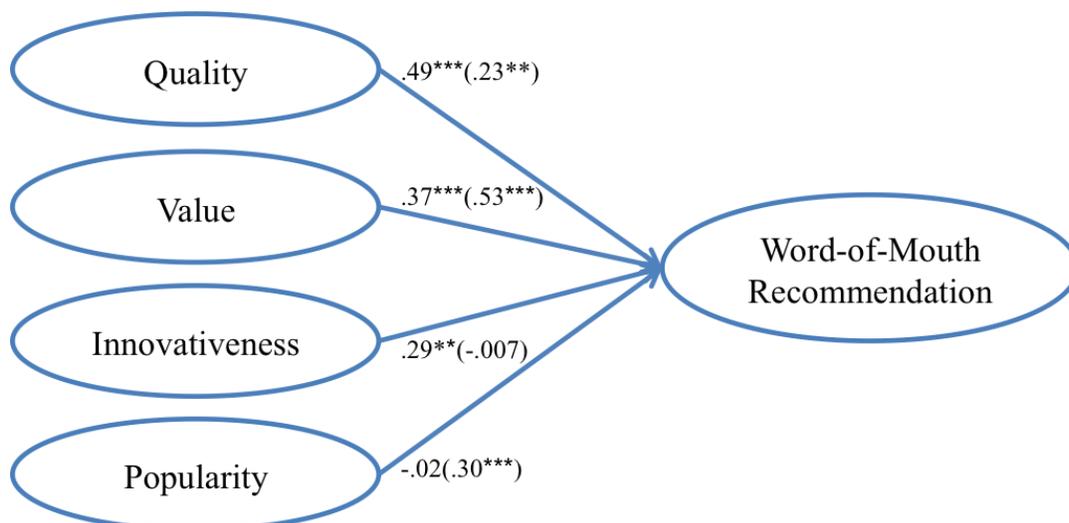
Model	Model fit indices	X2 difference	Moderating effect
Unconstrained model	X2(160) = 408.855, p = .00 RMSEA = .069, CFI = .925		
Measurement weight	X2(170) = 422.059, p = .00 RMSEA = .067, CFI = .924	13.205(10), p = .212	
Structural weight	X2(174) = 434.985, p = .00 RMSEA = .067, CFI = .922	26.130(14), p = .025*	Supported
Quality→WoM	X2(161) = 411.884, p = .00 RMSEA = .069, CFI = .925	30.290(1), p = .000	Supported
Value→WoM	X2(161) = 413.704, p = .00 RMSEA = .069, CFI = .924	48.490(1), p = .000	Supported
Innovativeness→WoM	X2(161) = 414.358, p = .00 RMSEA = .069, CFI = .924	55.030(1), p = .000	Supported
Popularity→WoM	X2(161) = 417.688, p = .00 RMSEA = .069, CFI = .923	88.330(1), p = .000	Supported

Note. X2 (df = 1) = 3.84 at  $\alpha = .05$   
\*p < .05.

Table 4-9. Standardized total effect (Dependent variable: word of mouth recommendation)

	Quality	Value	Innovativeness	Popularity
Public	.23**	.53***	-.007	.30***
Private	.49***	.37***	.29**	-.02

\*p < .05. \*\* p < .01. \*\*\*p < .001.



Note. Coefficients for private club (coefficients for public club)  
\*p < .05. \*\* p < .01. \*\*\*p < .001

Figure 4-3. The moderating effect of product type on the relationship between brand leadership and word of mouth recommendation

## Luxury Risk

### Descriptive Statistics

Descriptive statistics for luxury risk variables are presented in Table 4-10. The means of the luxury risk items for the private golf clubs ranged from 3.4 to 3.9. Standard deviations ranged from .7 to 1.6. The item “That it is not enjoyable” for Hedonic Risk factor had the highest means ( $M = 4.0$ ,  $SD = 1.6$ ) on the 7-point Likert type scale. The item “That it would not give me status” for Self-image Risk factor had the lowest means (for private  $M = 3.4$ ,  $SD = .7$ ).

Table 4-10. Descriptive statistics for luxury risk

Factors and items		Private	
		<i>M</i>	<i>SD</i>
When I play golf in this golf course, I am concerned			
Functional	About its maintenance	3.7	.7
	About its quality	3.7	.8
	About its uniqueness	3.9	.7
Financial	That I really would NOT get my money’s worth from it	3.6	1.2
	That it would be a bad way to spend my money on it	3.7	1.0
	That the membership is too expensive for the benefits it offers	3.6	1.1
Hedonic	That its aesthetic beauty may NOT be exactly as I pursued	3.6	1.2
	That it would NOT offer me excitement	3.6	1.0
	That it is NOT enjoyable	4.0	1.6
Self-image	That it would NOT fit in with my self-image	3.8	1.1
	That it would NOT be approved by some people whose opinion I value	3.9	1.0
	That it would NOT give me status	3.4	.7

### Measurement Models

The measurement model (Figure 2-3), which specified four latent factors to be correlated with each other, was tested. Four items were dropped based on the results from the initial CFA, leaving 12 observed variables for four latent factors. Factor loadings, theoretical relevance and parsimoniousness of the model were considered collectively in reaching a final decision regarding which items to retain and which to

eliminate. Table 4-11 shows factor loadings, Cronbach's alpha coefficients, and AVE values for the initial CFA. After the modification, the model showed moderate fit ( $\chi^2/df = 89.300/48 = 1.860$ , RMSEA = .073, CFI = .964, SRMR = .05). Second-order measurement model also showed moderate fit ( $\chi^2/df = 92.863/50 = 1.857$ , RMSEA = .073, CFI = .962, SRMR = .05; Table 4-13). Convergent validity was established by high factor loadings in the present study. Each measurement scale item's loading was greater than the suggested value of .70 except three items (Hair, Black, Babin, & Anderson, 2009; Table 4-11).

To examine discriminant validity, an analysis of correlation between measured constructs was conducted. Correlations between constructs ranged from .14 (Functional risk and Self-image Risk) to .76 (Financial Risk and Hedonic Risk) and were not excessively high (e.g., < .85; Kline, 2005; Table 4-12). Cronbach's alpha estimates ranged from .74 (Self-image Risk) to .95 (Financial Risk), indicating appropriate internal consistency. The AVE values ranged from .78 (Self-image Risk) to .92 (Financial Risk; Table 4-11), indicating good construct reliability. In addition, each squared correlation should be smaller than AVE (Fornell & Larcker, 1981). All AVE estimates were found to be greater than the squared correlations (Table 4-11 and 4-12).

Table 4-11. Summary results for measurement model of luxury risk

Factors and items		$\lambda$	$\alpha$	AVE
When I play golf in this golf course, I am concerned				
Functional	About its maintenance	.60	.81	.81
	About its quality	.79		
	About its uniqueness	.92		
Financial	That I really would NOT get my money's worth from it	.90	.95	.92
	That it would be a bad way to spend my money on it	.96		
	That the membership is too expensive for the benefits it offers	.93		

Table 4-11. Continued

Factors and items		$\lambda$	$\alpha$	AVE
Hedonic	That its aesthetic beauty may NOT be exactly as I pursued	.93	.83	.89
	That it would NOT offer me excitement	.61		
	That it is NOT enjoyable	.83		
Self-Image	That it would NOT fit in with my self-image	.75	.74	.78
	That it would NOT be approved by some people whose opinion I value	.78		
	That it would NOT give me status	.59		

Table 4-12. Correlations among luxury risk constructs

	1	2	3	4
1. Functional risk	1.00			
2. Financial risk	.32	1.00		
3. Hedonic risk	.40	.72	1.00	
4. Self-Image risk	.14	.36	.25	1.00

Table 4-13. Summary of Goodness of Fit indices for the Measurement Model (Luxury risk)

Model	$\chi^2$	df	$\chi^2/df$	CFI	RMSEA	SRMR
First-order measurement model	89.300	48	1.860	.964	.073	.05
Second-order measurement model	92.863	50	1.857	.962	.073	.05

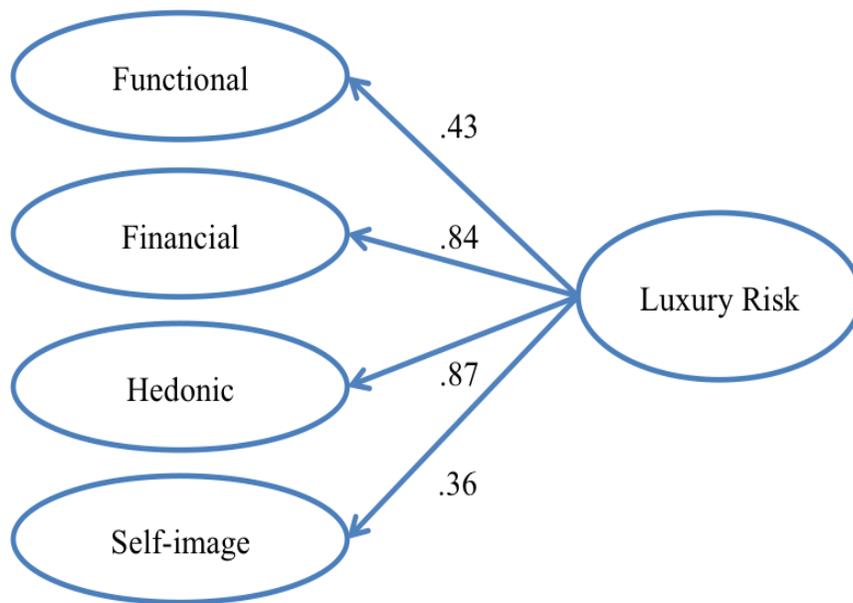


Figure 4-4. Luxury risk scale – the second order factor model

## **Examination of Luxury Risk – Multivariate Analysis of Variance (MANOVA)**

A one-way between-groups multivariate analysis of variances was performed to assess if socio-demographic variables (i.e., gender, age, income, and education) and consumption level (i.e., the numbers of years playing period, rounds of golf played, and average driving miles to play golf) influenced components of perceived luxury risks (i.e., functional, financial, hedonic, and self-image risks).

MANOVA requires categorical variables for independent variables. Several independent variables (i.e., age, the number of years playing period, rounds of golf played, and average driving miles to play golf) represented a continuous variable. Thus, each was converted into a categorical variable by recoding participant scores so that the individuals scoring in approximately the lowest 50 % were recorded to a score of 1 and participants with scores in approximately the highest 50% were recorded to a score of 2. For the two categorical variables (i.e., income and education), to separate into two groups, the author used mean scores of Income ( $M = 4.29$ ,  $SD = 1.2$ ) and Education ( $M = 4.16$ ,  $SD = .81$ ) items. Thus, each participant score was recoded so that the individuals scoring between 1 and 4 were recorded to a score of 1 and participants with scores between 5 and 6 were recorded to a score of 2. The number of selected participants in each group is shown in the Table 4-14. Descriptive statistics for the dimensions of luxury risk are also presented in Tables 4-15.

Preliminary assumption was tested to check for normality, linearity, univariate and multivariate outliers, homogeneity of variance-covariance matrices, and multicollinearity, with no serious violations noted.

There was a statistically significant difference between males and females on the combined dependent variables,  $F(4, 156) = 4.03$ ,  $p = .004$ ; Wilks' Lambda = .91. When

the results for the dependent variables were considered separately, the only difference to reach statistical significance, using a Bonferroni adjusted alpha level of .0125, was Financial Risk,  $F(1, 159) = 10.51, p = .001$ . An inspection of the mean scores indicated that males reported significantly higher levels of perceived Financial Risk ( $M = 4.09, SD = 1.79$ ) than females ( $M = 3.25, SD = 1.35$ ).

There was no statistically significant difference between age groups on the combined dependent variables,  $F(4, 156) = 2.02, p = .095$ ; Wilks' Lambda = .95.

There was a statistically significant difference between low number of rounding group ( $M = 4.15, SD = 1.69$ ) and high number of rounding group ( $M = 12.80, SD = 5.86$ ) on the combined dependent variables,  $F(4, 156) = 14.268, p = .000$ ; Wilks' Lambda = .73. When the results for the dependent variables were separately examined, the differences to reach statistical significance, using a Bonferroni adjusted alpha level of .0125, were Functional Risk,  $F(1, 159) = 39.511, p = .000$ , Financial Risk,  $F(1, 159) = 26.271, p = .000$ , Hedonic Risk,  $F(1, 159) = 39.742, p = .000$ , and Self-image Risk,  $F(1, 159) = 21.547, p = .000$ . An inspection of the mean scores indicated that in general high number of rounding group reported higher levels of Functional ( $M = 4.52, SD = 1.15$ ), Financial ( $M = 3.74, SD = 1.56$ ), Hedonic ( $M = 3.26, SD = 1.39$ ), and Self-image risks ( $M = 3.19, SD = 1.27$ ) than low number of rounding group (Functional Risk:  $M = 4.18, SD = 1.09$ ; Financial Risk:  $M = 3.20, SD = 1.47$ ; Hedonic Risk:  $M = 2.74, SD = 1.78$ ; Self-image Risk:  $M = 2.27, SD = .99$ ).

There was a statistically significant difference between two experience groups (short playing period group ( $M = 3.71$  yr.,  $SD = 2.25$  yr.) and longer playing period group ( $M = 19.73$  yr.,  $SD = 11.02$  yr.) on the combined dependent variables,  $F(4, 156) =$

5.312,  $p = .000$ ; Wilks' Lambda = .88. When the results for the dependent variables were considered separately, the differences to reach statistical significance, using a Bonferroni adjusted alpha level of .0125, were Functional Risk,  $F(1, 159) = 9.433$ ,  $p = .003$ , Financial Risk,  $F(1, 159) = 10.025$ ,  $p = .002$ , and Hedonic Risk,  $F(1, 159) = 17.924$ ,  $p = .000$ . Again, an inspection of the mean scores indicated that high number of playing period group reported slightly higher levels of Functional ( $M = 4.44$ ,  $SD = 1.22$ ), Financial ( $M = 3.70$ ,  $SD = 1.66$ ), and Hedonic risks ( $M = 3.23$ ,  $SD = 1.36$ ) than low number of playing period group (Functional Risk:  $M = 4.26$ ,  $SD = 1.01$ ; Financial Risk:  $M = 3.23$ ,  $SD = 1.33$ ; Hedonic Risk:  $M = 2.76$ ,  $SD = 1.22$ ).

There was a statistically significant difference between long distance travelers ( $M = 24.64$  miles,  $SD = 13.08$  miles) and short distance traveling group ( $M = 7.76$  miles,  $SD = 3.08$  miles) on the combined dependent variables,  $F(4, 156) = 5.25$ ,  $p = .001$ ; Wilks' Lambda = .88. However, when the results for the dependent variables were considered separately, there were no pairs to reach statistically significant difference, using a Bonferroni adjusted alpha level of .0125.

There was no statistically significant difference between high-income group and medium level income group on the combined dependent variables,  $F(4, 156) = 2.05$ ,  $p = .090$ ; Wilks' Lambda = .95. There was no statistically significant difference between highly educated group and group with low and medium education level on the combined dependent variables,  $F(4, 156) = 1.33$ ,  $p = .263$ ; Wilks' Lambda = .97.

Table 4-14. Numbers of participants in each group

Label	Gender	Age	Rounding	Period	Driving	Income	Education
Group 1	47	83	74	71	87	88	105
Group 2	114	78	87	90	74	73	56

Table 4-15. Overall means and standard deviations for luxury risk factors

Variable	<i>M</i>	<i>SD</i>	# of Items
Functional risk	4.3623	1.13431	3
Financial risk	3.4907	1.53752	3
Hedonic risk	3.0207	1.31956	3
Self-image risk	2.9979	1.16458	3

Table 4-16. MANOVA results for hypothesis testing (H6-4, 5, 6, 7)

	Wilke's Lambda	F	<i>df</i>	<i>Error df</i>	<i>p</i> -Value
Gender	.906	4.027	4.000	156.000	.004**
Age	.951	2.018	4.000	156.000	.095
Rounding	.732	14.268	4.000	156.000	.000***
Period	.880	5.342	4.000	156.000	.000***
Driving	.881	5.249	4.000	156.000	.001**
Income	.950	2.050	4.000	156.000	.090
Education	.967	1.326	4.000	156.000	.263

Note. Rounding = the average number of playing rounds per month; Period = the playing period (yr.); Driving = the average driving miles to play golf.

\* $p < .05$ . \*\* $p < .01$ . \*\*\* $p < .001$ .

### Independent Samples T-Test

To evaluate if the consumption level is different depending on gender, the number of playing round, playing period, and the average driving miles to play golf were compared using t-test. The results of independent-samples t-tests indicate that there were no significant differences between male and female consumers in terms of their the number of playing round,  $t(159) = 1.191$ ,  $p = .413$  and driving miles to play golf,  $t(159) = .097$ ,  $p = .608$  (Table 4-17). However, there was a significant difference

between male and female consumers in terms of their playing period,  $t(159) = 3.824$ ,  $p < .05$ .

Table 4-17. Results of independent-samples t-tests for Rounding, Playing Period, and Driving Miles

		<i>N</i>	<i>M</i>	<i>SD</i>	<i>t</i>
Rounding	Male	114	9.0984	5.45820	1.191
	Female	47	7.7436	8.07112	
Playing period (yr.)	Male	114	14.4508	12.39642	3.824*
	Female	47	6.6667	4.81409	
Driving miles	Male	114	15.3421	12.77361	.097
	Female	47	15.5532	11.91238	

\* $p < .05$ .

### Examination of Moderating Effects

**Luxury risk - Measurement and structure invariance analysis.** To test if there was a significant structural difference between the highly perceived risk group and low perceived risk group, the author separated the overall samples into two groups using mean scores of luxury risk items. However, the numbers of respondents in each subgroup were not reached a minimum of 101 to adequately access fit analysis (Ding et al., 1996) except functional risk. The highly perceived risk group's mean scores of Functional Risk items were between 4.5 and 7 in 7-point Likert type scale ( $n = 131$ ). The low perceived risk group's mean scores of Functional risk items were between 1 and 3.5 ( $n = 127$ ). The author discarded 75 samples the cases with 3.5 – 4.5 mean scores in order to differentiate the two groups. Next, the factor loadings were constrained to be equal for both groups (i.e., high risk and low risk). The difference in the chi-square statistic for the measurement weight was significant ( $X^2 [9] = 21.189$ ,  $p = .012$ ); therefore, the factor structure between the high-risk group and low risk group sample be assumed to be variant (Table 4-18).

Table 4-18. Comparison of the models and structural invariance for each individual structural path (Brand leadership and word of mouth recommendation by functional risk)

Model	Model fit indices	X2 difference	Moderating effect
Unconstrained model	X2(164) = 339.919, p = .00 RMSEA = .060, CFI = .94		
Measurement weight	X2(173) = 361.108, p = .00 RMSEA = .060, CFI = .94	21.189(9), p = .012	
Structural weight	X2(177) = 364.806, p = .00 RMSEA = .060, CFI = .94	24.887(13), p = .024	Not Supported

### Degree of Luxury

#### Descriptive Statistics

Descriptive statistics for degree of luxury variable are presented in Table 4-19. The means of the degree of luxury items for the public and private golf clubs ranged from 2.5 to 5.3. Standard deviations ranged from 1.1 to 1.4. The item “Considered luxuries for many people” had the highest mean (for private  $M = 5.3$ ,  $SD = 1.2$ ; for public  $M = 2.5$ ,  $SD = 1.1$ ) on the 7-point Likert type scale. The item “Considered luxurious for golfers” had the lowest mean (for private  $M = 5.1$ ,  $SD = 1.3$ ; for public  $M = 2.5$ ,  $SD = 1.1$ ).

Table 4-19. Descriptive statistics for degree of luxury

Factors and items	Private		Public	
	<i>M</i>	<i>SD</i>	<i>M</i>	<i>SD</i>
Considered luxurious for golfers	5.1	1.3	2.5	1.1
Considered luxurious for many people	5.3	1.2	2.7	1.1
Luxurious to me	5.2	1.4	2.7	1.3

#### Measurement Model

The measurement was tested employing Confirmatory Factor Analysis (CFA). Table 4-20 shows factor loadings, Cronbach’s alpha coefficients, and AVE values. Each measurement scale item’s loading was greater than the suggested value of .70 (Hair,

Black, Babin, & Anderson, 2009). Cronbach's alpha estimates .96 indicating appropriate internal consistency. The AVE value was .91 indicating good construct reliability.

Table 4-20. Summary results for the measurement of degree of luxury

Factors and items	$\lambda$	$\alpha$	AVE
Considered luxurious for golfers	.96		
Considered luxurious for many people	.93	.96	.91
Luxurious to me	.93		

### Outcome Variable (Word-of-Mouth Recommendation)

#### Descriptive Statistics

Descriptive statistics for brand leadership outcomes are presented in Tables 4-21.

The means of the word-of-mouth recommendation items for the participants ranged from 4.5 to 4.9. Standard deviations ranged from 1.1 to 1.5.

Table 4-21. Descriptive statistics for outcome variables

Factors and items		Private		Public	
		<i>M</i>	<i>SD</i>	<i>M</i>	<i>SD</i>
	My future intention to recommend this golf course to friends and family is				
Word-of-mouth recommendation	Impossible/Possible	4.6	1.2	4.5	1.2
	Very unlikely/Very likely	4.8	1.1	4.9	1.5
	Improbable/Probable	4.6	1.3	4.9	1.5

#### Measurement Model

The measurement was tested employing Confirmatory Factor Analysis (CFA).

Table 4-22 shows factor loadings, Cronbach's alpha coefficients, and AVE values. Each measurement scale item's loading was greater than the suggested value of .70 (Hair, Black, Babin, & Anderson, 2009). Cronbach's alpha estimate .76 indicates adequate level of internal consistency. The AVE value was .81 indicating good construct reliability.

Table 4-22. Summary results for the measurement of outcome variables

Factors and items		$\lambda$	$\alpha$	AVE
My future intention to recommend this golf course to friends and family is				
Word-of-mouth recommendation	Impossible/Possible	.84	.76	.81
	Very unlikely/Very likely	.90		
	Improbable/Probable	.88		

## CHAPTER 5 DISCUSSION

The purposes of this thesis were to: (1) examine the role of brand leadership in predicting luxury golf club brand consumption, (2) examine the moderating role of perceived risks and product type in the relationship between brand leadership and consumption, (3) examine consumers' perceived risks based on their socio-demographic variables (e.g., gender, age, income, and education) and consumption level, and (4) revalidate scale of perceived brand leadership and risks.

The purpose of study 1 was to revalidate scale of perceived brand leadership. The results showed that the hypothesized four-factor model fitted the data well for the sports service brand (i.e., private and public golf courses). The 12-items brand leadership scale captures perceived quality, value, innovativeness, and popularity in a reliable and stable way. All factor loadings were high and statistically significant. The overall model goodness-of-fit results and the measurement model supported the proposed four-factor model. The three steps of a confirmatory factor analysis provided consistent and comparable results. These studies have several important theoretical implications that benefit scholars in the brand management field, and, more specifically, brand leadership research. First of all, this study extends previous leadership studies in human resource management and organizational behavior and extended those previous studies to the product and organization-branding context. However, the author found a gap between the theoretical backgrounds of previous leadership studies in the field of human resource management (e.g., trait, situational, and contingency theory) and brand management literature. This is due, in part, to a lack of theoretical and systematic understanding of leadership concept in brand research. To fill this conceptual void, the

current research attempted to define the concept of brand leadership. Second, despite considerable interest in the concept of brand leadership, there have been few attempts at its measurement and scale development. The results of this study contribute not only to improve our understanding of brand leadership, but also provide a reliable and valid measurement tool based on a multi-dimensional conceptual model. The model test suggests that the dimensions of brand leadership are essential to predict consumers' leadership perception toward a brand, culminating in a positive word of mouth recommendation toward the product brand. It is expected that the parsimonious measurement tool developed in this study enable brand researchers to effectively investigate potential consequences of brand leadership (e.g., cognitive, affective, and behavioral brand loyalty).

The findings of the current research have numerous implications for managers in the product branding. The 12 items-measurement scale is parsimonious and easy to administer. The author believes that the measurement scale helps practitioners effectively evaluate various aspects of target products' brand leadership on a regular basis. The application of this scale can provide brand managers with critical benchmarking strategies by providing information about the strength and weakness of a product brand compared to other competing brands, which enable them to make an efficient allocation of resources to maintain a balance among the brand leadership dimensions. Such understanding will also facilitate managers to set reasonable goals for building brand leadership in the competitive market environment. Ultimately, this tool can be useful in sponsorship and endorsement practice by effectively measuring and comparing sponsors' product brands to athlete endorsers or sport teams.

Study 2 proposed that product type as a moderator alters the degree of the effect of perceived brand leadership on word-of-mouth recommendation (WoM). Product type defined by luxury and non-luxury has been selected and examined as a critical factor influencing consumers' behavioral intention. The results suggested that the all paths (from Perceived Quality, Value, Innovativeness, and Popularity to WoM) of brand leadership showed significant differences between the two groups. Specifically, for the private club group, the three paths including Quality, Value, and Innovativeness were found to be significant. Meanwhile, for the public club group, the three paths including Quality, Value, and Popularity were found to be significant. Namely, although Quality and Value are important and significant factors for both groups, Innovativeness was significant only for private group and Popularity was significant only for public group.

The results are consistent with existing psychological theories such as social identity or categorization theories (Hornsey, 2008) and research in the field of luxury marketing. Specifically, consumers in private golf courses tend to seek conspicuousness of a brand and exclusivity of benefits in contrast to inclusivity of that (i.e., public golf courses). It occurs because consumers in a private course have a motivation to categorize themselves in a special group membership through consuming exclusive brand (i.e., highlighting innovativeness or uniqueness of a brand) that generate various symbolic benefits (e.g., self-enhancement or symbolic interaction; Vickers & Renand, 2003; Wilcox, Kim, & Sen, 2009). In addition to the psychological theories, in the field of luxury marketing, numerous scholars identified consumer's psychological motivation for consuming luxury. For example, Eastman and Goldsmith (1999) argued that luxury purchases are not only closely related to one's social status or

prestige, but also are dependent on personal and individual preferences such as hedonic motives and the need for sensory pleasure. Moreover, based on consumers' value-based motivation, luxury consumers choose to buy particular products to satisfy their higher level of needs (e.g., excitement or sensory pleasure). Moreover, Li, Bailey, Kenrick, and Linsenmeier (2002) concluded that luxury consumption behavior and seeking higher level of needs are more frequently observed for the consumers who have higher income level. The current study also showed that members in private golf club generally have higher income level than customers in public golf courses.

Sproles and Sproles' (1990) Consumer Style Inventory (CSI) categorized consumer decision-making styles, which can be used to explain luxury consumption behavior. Briefly, of the eight decision making styles, Quality Consciousness, Price and Value consciousness, confusion due to over-choice, and impulsiveness are proposed to reflect utilitarian aspects of shopping behavior, while brand consciousness, novelty and fashion consciousness, recreational and hedonistic shopping, and brand loyalty are proposed to reflect nonessential hedonic shopping behavior (Bakewell & Mitchell, 2003). Based on the CSI, the results of Study 1 and 2 suggest that customers in public golf courses tend to be both utilitarian and hedonic shopping styles in their decision-making process, putting more weight on quality, value, and innovativeness aspects of brand leadership. Meanwhile, quality, value, and popularity (utilitarian aspects of shopping behavior) were found to be significant predictors of golf consumption behavior in the public golf clubs.

The consideration of each brand leadership dimension enables managers to develop effective business strategies to differentiate themselves from other competing

brand and promote status-oriented consumption (Han et al. 2010). As noted above, upper class consumers with high level of income and social status tend to be more conspicuous when making a purchase decision (Dubois & Duquesne, 1993; Goldsmith, Flynn, & Kim 2010). Moreover, they are willing to pay premium prices and prefer to dissociate from other class segments through their product choice. They perceive the product brand as an indicator of the consumer's personality or the affinity between certain social groups and the consumer (Eastman et al. 1999; O'Casey and Frost 2002). For this group of consumers, managers may need to highlight unique aspects of product brand in terms of innovativeness and quality rather than popularity of the product. On the other hand, the results of current study suggested that for mass-market, popularity- and price-related facets might be more sensitive aspects than innovativeness of the product brand in the decision-making process. They may not be able to purchase high end product brands, or their risk perceptions are likely to be higher in functional or financial risks as opposed to personal (e.g., hedonic and self-image) risks. In sum, the results of the current study conclude that brand leadership provides essential information for consumers in making their purchase decisions (Aaker 1996; Supphellen & Gronhaug 2003). By adapting conceptual framework and measurement tool of the brand leadership outlined herein, firms will be able to distinguish their brand from their competitors' brands and stay competitive within a saturated market environment.

Study 3 attempted to revalidate scale of perceived luxury risk. The results showed that the hypothesized four-factor model fitted the data well for the golf course brands (i.e., private golf courses). The 15-items luxury brand risk scale captures functional, financial, hedonic, and self-image risks in a reliable and stable way. All factor loadings

were high and statistically significant. The overall model goodness-of-fit results and the measurement model supported the proposed four-factor model.

Incorporating the brand leadership and luxury risk scales, these studies have several important theoretical implications that benefit scholars in the brand management field, and, more specifically, luxury branding research. The relationship between brand leadership and luxury risk stems from cost-benefit or benefit-cost analysis (Mishan & Quah, 2007) in the field of economics. The cost-benefit analysis refers to a systematic process for comparing the outcome including benefits (i.e., brand leadership) and costs (i.e., luxury risk), consequences of a consumers' purchase decision. When a consumers' perceived values (benefits) for a product brand increase, automatically their perceived risks corresponding to the benefit decreased and vice versa. For example, when a consumer perceives monetary value toward a luxury brand, at the same time, their perceived financial risk may be reduced. As such, value (benefits) and risk (cost) would be two sided faces. Therefore, taken together, the Scale of Perceived Brand Leadership (SPBL) and the Scale of Perceived Luxury Risk (SPLR) developed in this study may allow academicians and practitioners effectively investigating potential consequences of luxury brand marketing efforts (e.g., consumer attitude and loyalty).

Study 4 examined luxury risk as a moderator, which alters the degree of the effect of perceived brand leadership on word-of-mouth recommendation. Except for Functional risk, three luxury risk dimensions (i.e., financial, hedonic, and self-image) could not be examined due to a small sample size. As noted earlier, to test a significant structural difference between the highly perceived risk group and low perceived risk group, the numbers of respondents in each subgroup should reach a minimum of 101 to

adequately access fit analysis (Ding et al., 1996). Only for functional risk, the numbers of respondents in each subgroup reached the minimum sample size and was analyzed. As a moderator, however, structural invariance test using functional risk could not be analyzed because the measurement of brand leadership for low and high functional risk was unequal. Nonetheless, there are several important theoretical and managerial implications.

As previously discussed, the author assumes that when consumers have to decide to recommend a golf course to others, they will always experience a certain level of risk for several reasons (e.g., seeking personal uniqueness and socially oriented prestige). In these uncertain situations, brand leadership may serve as a key solution for the risks because it offers belief or confidence about a brand's expertise and trustworthiness. In other words, brand leadership becomes the crucial strategy for dealing with an uncertain and uncontrollable future because they may be the fastest way to obtain information and confidence about the brand. Otherwise, consumers may have to make bets about the uncertain outcomes of the purchase decision. Current study defined functional risk as consumers' perceived risk about the functional performance of a brand relative to their expectation, which may include product quality relevant aspect of a brand. Therefore, it is postulated that functional risk may alter the degree of the effect of quality to word of mouth recommendation rather than other factors including perceived value, innovativeness, and popularity. However, the unconstrained models (i.e., brand leadership and word of mouth recommendation) suggest that the effect of quality on word of mouth recommendation was significant regardless of the moderating effect of functional risk. Accordingly, even if consumers perceive low level of functional risk,

perceived product quality of a brand is very important in predicting their behavioral intention. Future studies using a large enough sample size need to be done to systematically examine the moderating effect of luxury risks on the proposed link between brand leadership and behavioral intention.

Study 5 examined consumers' perceived luxury risks based on their socio-demographic variables (i.e., gender, age, income, education, and ethnic background) and consumption level (e.g., the numbers of years playing period, rounds of golf played, and average driving miles to play golf). There was a positive relationship between the three consumption variables (i.e., rounds of golf played, prior experience, and average driving miles to play golf) and perceived luxury risk. The results indicated that avid players have more ongoing concerns for luxury golf course brands (i.e., enduring involvement), and meet more purchasing situations (i.e., situational involvement) rather than casual golfers as a result of more frequent playing (Li, Bailey, Kenrick, & Linsenmeier, 2002). It occurs because psychological anxiety results from increased stable involvement and heightened situational involvement significantly contributes to social and functional concerns (Dholakia, 2001). As such, avid players are more sensitive in quality of product and perceive higher level of luxury risk in choosing golf brand.

In terms of the socio-demographic variables, only Gender was found to be significant. Specifically, males ( $M = 4.09$ ,  $SD = 1.79$ ) perceive a higher level of luxury risk than females ( $M = 3.25$ ,  $SD = 1.35$ ) for Financial Risk.

The results are not consistent to the main consensus of existing research. In the field of social and behavioral science, most psychometric studies documenting gender

difference in risk perceptions suggest that female consumers were found to perceive greater risks (Garbarino & Strahilevitz, 2004; Olofsson & Rashid, 2011; Verhagen, Meents, & Tan, 2006). However, the results of the current study may reflect that the effect of golf experience itself was stronger than gender in influencing their perceived luxury risk. The consumption level was compared based on gender through independent samples t-test. The results indicated that there was a significant difference between male and female consumers in their golf experience (playing period;  $t(159) = 3.824, p < .05$ ). Specifically, male golfers tend to have more experiences ( $M = 14$  years,  $SD = 12.3$ ) than female golfers ( $M = 6$  years,  $SD = 4.8$ ). Accordingly, the author concludes that even if consumer literature suggest that female generally perceive greater risk than male, this pattern can vary depending on their prior experiences as found in the result of the current study.

This thesis has several limitations that must be addressed for future research. First, this study focused solely on a specific sport service product category (i.e., private and public golf clubs), which limits the researchers' ability to generalize the results. Therefore, replicating this study with a broader and wider sampling frame in various luxury product contexts (e.g., mobile phone, computer, or automobile product brands) could help provide fluent analytical environments and ultimately, improve the generalizability of the results. Second, the use of a simple random sampling limits our ability to fully generalize the findings to other samples. Because a primary disadvantage of the sampling method is that it may not in fact be a random sample, sampling distribution would be highly skewed (e.g., even non-luxury course consumers' income level were high). Hence, we encourage use of alternative sampling methods such as

stratified random and cluster sampling method to ensure that the collected samples are from various consumer groups in any further study of luxury brand marketing. Lastly, this thesis considered only word of mouth recommendation as an ultimate outcome and a dependent variable. There are numerous consumer variables that could provide meaningful implications (e.g., satisfaction, trust, and loyalty). Therefore, future research needs to take into account other outcome factors to better understand of the hypothesized relationships.

APPENDIX  
SURVEY QUESTIONNAIRES

Dear Participants;

The collected information in this survey will be primarily used to evaluate leadership and perceived risks of selected private and public golf courses in the state of Florida. This research is very important for the further growth of the golf industry.

It would be greatly appreciated if you would simply complete the following questionnaires. There are no known risks to you if you decide to participate in this survey and we guarantee that your responses will not be identified with you personally. We promise not to share any information that identifies you with anyone outside my research group.

There are no direct benefits or compensation to you for participating in the study. Your participation is voluntary and there is no penalty if you do not participate. Regardless of whether you choose to participate, please let me know if you would like a summary of my findings. If you have any questions or concerns about completing the questionnaire or about being in this study, please contact the addresses below. If you have any questions about your rights as a research participant, please contact the IRB. Thank you again for your cooperation and the valuable information you are providing in this survey.

Sincerely,

I. The questions below are about your perceptions about the <b>GOLF COURSE</b> . Please read each question carefully and rate the extent to which you <b>STRONGLY DISAGREE (1)</b> or <b>STRONGLY AGREE (7)</b> with each item by circling or checking the appropriate number in the scale beside each statement.							
<b><i>When compared to other competing PRIVATE golf courses, this golf course:</i></b>	<b>Strongly Disagree</b>			<b>Strongly Agree</b>			
<b><i>(Example): Is a lot better</i></b>	1	2	3	4	5	6	7
Is higher in quality standards	1	2	3	4	5	6	7
Is reasonably priced	1	2	3	4	5	6	7
Is more dynamic in improvements	1	2	3	4	5	6	7
Is more preferred by golfers	1	2	3	4	5	6	7
Is superior in quality standards	1	2	3	4	5	6	7
Offers more value for money	1	2	3	4	5	6	7
Is more creative in products and services	1	2	3	4	5	6	7
Is more used by golfers	1	2	3	4	5	6	7
Offers higher quality golf course features	1	2	3	4	5	6	7
Has better course features for the price	1	2	3	4	5	6	7
Is more of a trendsetter	1	2	3	4	5	6	7
Is more recognized by golfers	1	2	3	4	5	6	7
Offers higher quality services	1	2	3	4	5	6	7
Offers more benefits for the price	1	2	3	4	5	6	7
Is more adaptive to new ideas	1	2	3	4	5	6	7
Is better known among golfers	1	2	3	4	5	6	7
<b><i>When I play golf in this golf course, I am concerned</i></b>	<b>Strongly Disagree</b>			<b>Strongly Agree</b>			
About its maintenance	1	2	3	4	5	6	7
That the financial investment in it would <b>NOT</b> be wise	1	2	3	4	5	6	7
That it would <b>NOT</b> meet my expected level of enjoyment	1	2	3	4	5	6	7
That it would <b>NOT</b> fit in with my self-image	1	2	3	4	5	6	7
About its quality	1	2	3	4	5	6	7
That I really would <b>NOT</b> get my money's worth from it	1	2	3	4	5	6	7
That its aesthetic beauty may <b>NOT</b> be exactly as I pursued	1	2	3	4	5	6	7
That it would <b>NOT</b> be approved by some people whose opinion I value	1	2	3	4	5	6	7
About its superiority to others	1	2	3	4	5	6	7
That it would be a bad way to spend my money on it	1	2	3	4	5	6	7
That it would <b>NOT</b> offer me excitement	1	2	3	4	5	6	7
That it would <b>NOT</b> give me status	1	2	3	4	5	6	7
About its uniqueness	1	2	3	4	5	6	7
That the membership is too expensive for the benefits it offers	1	2	3	4	5	6	7
That it is <b>NOT</b> enjoyable	1	2	3	4	5	6	7

<b><i>This golf course is:</i></b>	<b>Strongly Disagree</b>				<b>Strongly Agree</b>		
Considered luxurious for golfers	1	2	3	4	5	6	7
Considered luxurious for many people	1	2	3	4	5	6	7
Luxurious to me	1	2	3	4	5	6	7
<b><i>I typically,</i></b>							
Spend more money than I have	1	2	3	4	5	6	7
Worry about what people think of me	1	2	3	4	5	6	7
Overuse my credit	1	2	3	4	5	6	7
Conform to others' opinions	1	2	3	4	5	6	7
Spend more than I can afford	1	2	3	4	5	6	7
Need the approval of others	1	2	3	4	5	6	7
Abuse my credit	1	2	3	4	5	6	7
Do what others do	1	2	3	4	5	6	7
<b><i>My future intention to recommend this golf course to friends and family is</i></b>							
Impossible/Possible	1	2	3	4	5	6	7
Very unlikely/Very likely	1	2	3	4	5	6	7
Improbable/Probable	1	2	3	4	5	6	7

**II. Please either check the appropriate box or fill in the blank for the items below**

I am:  Male       Female

I am: \_\_\_\_\_ years old

How many rounds do you play a month? \_\_\_\_\_ Rounds

How long have you been playing in this golf course? \_\_\_\_\_ Year; \_\_\_\_\_ Month

How many miles do you drive to play golf in general? \_\_\_\_\_ Miles

My annual house hold income is: \_\_\_\_\_

\$9,999 or less       \$10,000 ~ \$39,999       \$40,000 ~ \$69,999

\$70,000 ~ \$119,999       \$120,000 ~ \$199,999       \$200,000 or higher

My highest level of education is:

Some high school       High school graduate       Some college

College graduate       Graduate degree       Other \_\_\_\_\_

I am:

African-American       Asian-American       Caucasian/White

Native American       Hispanic

Other \_\_\_\_\_ please specify: \_\_\_\_\_

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## BIOGRAPHICAL SKETCH

Yonghwan Chang earned his Master of Science degree (sport management) in health and human performance from the University of Florida in May 2012. He received his Bachelor of Science in physical education from Seoul National University in February 2008.

Brand marketing is a significant component of his academic life. Yonghwan Chang has been working hard to help branding his team, organization, and himself. Particularly, during the master's program period at UF, he has done his best to exceed the expectations of the Department (TRSM) and College (HHP) and to become an exemplary student at UF. Eventually, as an excellent student brand, he believes he can represent the program, department, and college very well.

He is extremely passionate about sports-branding research. Currently, including his master's thesis research, he has been working on several brand related projects focused on athlete and product branding (i.e., endorsement and sponsorship and service marketing). For his exceptional research productivity, he received an award (first prize winner) in the 2010 graduate student poster presentation competition sponsored by the College (HHP). He also received the Outstanding International Student Award (Outstanding Academic Achievement) from the UF International Center. Most honorably, he received a Graduate School Fellowship Award from the College (HHP) at the UF pursuing doctoral degree. These awards are indications of his passion and expertise in sport brand research.

His ultimate career goal is to become a notable scholar in the fields of sport marketing and management, and, eventually, he pursues to (1) bridge academia and

practice in these fields and (2) foster and teach students who have interest in this area and the potential for contributing to it.