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Loyalty programs in a collegial sports
context: *promoting student fan behavior*
through rewards strategies.

Lojalitetsprogram inom collegeidrotten

Max Lundmark

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Examinator: Lars Lagergren

Handlers: Bo Carlsson och Gun
Normark.

1 Foreword

This paper was written by sports management student Max Lundmark for the benefit of Malmö University. Since the study mainly focused on American concepts it is written in English. However, a Swedish abstract is also included.

Thank you to all participants and to everyone who has assisted in the process of completing this study.

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2 Abstract

Author: Max Lundmark

Handlers: Bo Carlsson, Gun Normark.

Keywords/main concepts: Loyalty/rewards programs, reinforcement, consumer behavior.

Purpose: The study aimed to examine how American universities use sports loyalty programs. This will be done by studying the purpose of why schools use a program, and how this affects what rewards strategies they apply to reinforce a certain student behavior at their sports events.

Methodology: The study is based on a qualitative research method. Interviews were conducted with representatives at four American universities. Analysis was done using grounded theory.

Theoretical framework: The study's theoretical framework is based on concepts from psychology and marketing research.

Empirical presentation: Presents data from the conducted interviews.

Results and conclusion:

The findings indicated that a university's purpose of running a program strongly affects what rewards strategies they use. However, the schools included in this study tended to promote similar kind of behavior and use the same types of rewards. This was explained by their similar characteristics. The study also added knowledge to why an American university use a loyalty program. Findings showed that the benefits of using a program was strongly related to attracting new students, which is fundamental for any university. Lastly, the study also contributed to research on loyalty programs by identifying certain issues with connecting findings to established theories.

3 Sammanfattning (Swedish abstract)

Författare: Max Lundmark

Handledare: Bo Carlsson, Gun Normark.

Nyckelord: Loyalty/rewards programs, reinforcement, consumer behavior.

Syfte: Syftet med studien är att undersöka hur amerikanska universitet använder lojalitetsprogram. Detta görs genom att studera universitetens syfte med att använda lojalitetsprogram, och hur det påverkar vilka strategier de använder för att uppmuntra ett visst beteende i samband med sportevenemang.

Metod: Studien tillämpar en kvalitativ forskningsmetod. Representanter från fyra amerikanska universitet intervjuades i samband med studien. Analysen utfördes utifrån teorin grounded theory.

Teori: Studiens teoretiska ramverk utgår ifrån begrepp från psykologi- och marknadsföringsforskning.

Empirisk presentation: Presenterar datainsamlingen.

Resultat och slutsats:

Studiens resultat indikerade att ett universitets syfte med att använda ett lojalitetsprogram starkt påverkar vilka belöningsstrategier som används. Däremot så tenderade skolorna i studien att uppmuntra liknande beteende och använda samma typ av belöningar inom deras program. Detta berodde universitetens liknande karaktärsdrag. Studien utvecklade också förståelsen kring varför ett amerikanskt universitet använder sig utav lojalitetsprogram. Resultatet visade att fördelarna av att använda ett program kunde bidra till att locka nya studenter, vilket är fundamentalt för ett universitet. Slutligen så går det att argumentera för att studien också bidrog med ökad kunskap inom det vetenskapliga undersökningsområdet genom att identifiera vissa svårigheter med att relatera empirin till etablerade teorier.

4 Introduction

The first type of loyalty or rewards programs were introduced in the 19th century. Initially retailers rewarded their customers with gifts to give them incentive to return and not shop elsewhere. As the commercial society developed in the 20th century loyalty programs grew more sophisticated. The airline industry were pioneers in developing the modern loyalty program, which especially took off in the 1980's. Several airlines launched programs designed to increase customer loyalty by rewarding passengers when they reached a certain amount of flyers miles. This new strategy introduced a new method for using rewards to promote a preferred consumer behavior and is the foundation of the loyalty programs used today. ¹

Increased media attention in the latter half of the 20th century catalyzed the commercialization of sports. As more commercial actors entered the sports market, new strategies and products were introduced. For example, sponsors, agents, brokers and eventually loyalty programs. Commercializing sports meant that many teams and organizations were turned into companies, focused on turning a profit. Sports institutions realized that their operations were no longer limited to the game itself, which lead to the introduction of commercial approaches such as loyalty programs.²

This study aims to look at the issue why an American university use a loyalty program. More specifically, what needs does a university have that could be addressed through a loyalty program? The commercialization of sports have introduced a lot of new actors on the market and the industry is still adapting to the new order. This could arguably mean that an American university has developed new needs. Furthermore, implementing a product such as fan rewards program comes with a lot questions for sports organizations. Are fans customers? Is it possible to promote a certain customer behavior among sports fans? It could be argued that commercial approaches will only keep dominating the sports market, which is why discussing a product such as fan rewards programs is highly relevant within the field of sports sciences.

¹ Schneider, History of loyalty programs

² Boyle & Haynes. Power Play.

5 Purpose and research questions

This study aimed to examine how American universities' use sports loyalty programs. This will be done by studying the purpose of why schools use a program, and how this affects what rewards strategies they apply to reinforce a certain student behavior at their sports events.

Research questions

- How does a university's reasons for using a loyalty program affect what type of rewards they use to reinforce a certain student behavior at sports event?
- How does a university's reasons for using a loyalty program affect what student behavior they're promoting at sports events?

5.1 The issue of this study

This study looked at the issue of why American universities need to implement a loyalty program in connection to their sports events. More specifically, what needs does a university have that could be addressed through a loyalty program? This means looking at the benefits of using rewards strategies and how these are related to needs at different schools. Similar strategies are used in many commercial markets all over the world but there are few examples in a sports contexts. How can this type of commercial approach benefit an American university?

5.2 Main concepts of this study

This study generally included concepts from psychology and marketing research. Previous research has emphasized the relationship between psychology theories and loyalty programs. The main concepts of this study are introduced below.

Loyalty/rewards programs

A marketing method using rewards to promote a certain consumer behavior. This study mainly refers to loyalty programs in a sports context where fans represent the consumers.³

Reinforcement

A stimulus that strengthens the behavior that followed it. In this study reinforcing mostly refers to using rewards as a stimulus for promoting consumers to repeat a certain behavior.

³ Holt et al. Psychology: Science of mind and behavior.

Consumer behavior

Reflects consumers – in this case sports fans – decision making. This study mainly discuss what behavior American universities are promoting using reinforcing methods such as loyalty programs.⁴

⁴ Hoyer & MacInnis. Consumer behavior

6 Background

6.1 Review of literature and previous research

A review of previous research shows a lack of studies focusing on loyalty programs in a sports context. This is probably due to the fact that fan rewards is a rather new tool within athletic marketing. Instead, this study reviewed literature and previous research about loyalty programs in commercial markets and connected these frameworks to the included universities. The following section of the study presents a two part review of literature and previous research. Firstly, material on the psychology research will be reviewed and later followed by a segment regarding loyalty programs in general.

6.2 The psychology of loyalty programs

There are several examples of literature and research papers that emphasize the relationship between how psychology theories and loyalty programs. David Fellman discussed this in an article named *The psychology of loyalty programs* and argued that BF Skinner's research in behaviorism was the key to understanding the basics of any rewards program.⁵ Focusing on theories of psychology naturally meant including research on behaviorism, and most relevant to rewards programs were the concepts of *operant conditioning* and *the five schedules of reinforcement*.

The concept of operant conditioning is included in most literature on general psychology. Swedish authors Permer and Permer provided a basic account of Skinner's theory in their psychology handbook.⁶ In the quest of more detail, this study turned to the works of Nigel Holt and his companions who gave a more in depth description of operant conditioning in the book *Psychology – the science of mind and behavior*.⁷ Holt and his co-authors also provided an account of the so called five schedules of reinforcement, which is another one of Skinner's concepts. Furthermore, this study also included C.B. Ferster's article *Schedules of reinforcement with Skinner* where he gives a detailed account of how the five schedules were developed to measure effective ways to reinforce behavior.⁸ Lastly, Saul McLeod's article *Skinner – Operant conditioning* was used to include additional perspectives to the discussion of Skinner's theories.⁹ All of the collected psychology literature and research papers

⁵ Fellman. The psychology of loyalty programs.

⁶ Permer & Permer. Psykologi – en grundbok.

⁷ Holt et al. Psychology: Science of mind and behavior.

⁸ Ferster. Schedules of Reinforcement with Skinner 1970.

⁹ McLeod. Skinner – operant conditioning.

mentioned above outlined one half of this study's theoretical framework. The other half mostly consisted of concepts from marketing research and is further discussed below.

6.3 Loyalty programs in marketing research.

Before introducing the second part of this review it should be noted that the lack of previous research on fan rewards programs forced this study to build part of its theoretical framework on research from other industries. However, the issue of implementing a commercial approach in a sport context was a major part of this study. Thus, it could be argued that using established concepts from marketing research was the only way to answer the study's research questions.

In his article *The psychology of loyalty programs* David Fellman emphasized three rewards strategies that were common within airline and hotel industries. Fellman argued that increase frequency, increase spend and increase affinity have all been identified as common reasons for running a loyalty program. These three strategies played a major part in analyzing why American universities used rewards strategies as a marketing tool.¹⁰

Marketing research on loyalty programs generally emphasized making rewards achievable and valuable. This strategy can be directly related to psychologist Julian B. Rotter's formula for *behavior potential*. Rotter's model obviously comes from the field of psychology but was so relatable to strategies in marketing research that it was categorized into this part of the literature review. Rotter's formula was based on a person's expectancy and the specific situation's reinforcement value. Specifically, a customer that considers a reward to be within reach were more likely to engage in a certain behavior. Furthermore, reinforcement value refers to how valuable a reward is. Rotter's formula was the main tool for analyzing different rewards strategies in this study. Additionally, several other concepts from marketing research were also relatable to making rewards available and valuable for consumers. Combining the behavior potential model with more modern marketing concepts built a solid analyzing framework and played a major part in connecting the collected data to established theories.¹¹

One of the concepts that could be related to making rewards achievable is the *Goal gradient effect*. Authors Kivetz, Urminsky and Zheng wrote the article *The goal gradient effect resurrected* that built on several past studies dating back to the 1930's. Simplified the

¹⁰ Fellman. *The psychology of loyalty programs*.

¹¹ Strickland. Julian B. Rotter (1916-2014),

Goal gradient effect refers to customers' tendencies to engage in a behavior if they are close to being rewarded.¹²

Given the importance of a reward's value it's also fitting to include a discussion on different types of rewards. Authors Keh and Lee discussed this in their article *Do reward programs build loyalty for services?* They created two categories separating direct and indirect rewards. The article also included a discussion of when to reward consumers which can be related to achievability.¹³

¹² Kivetz, Urminsky & Zheng. The goal gradient effect resurrected.

¹³ Keh & Lee Do reward programs build loyalty for services

7 Theoretical framework

The study's theoretical framework is mostly based on theories from psychology and marketing research. Although, it also includes an account of college sports in America which was essential in analyzing the study's findings.

7.1 Operant conditioning

Researchers often relates the core of loyalty programs to BF Skinner's theories on operant conditioning.¹⁴ Skinner's theory builds on the works of psychologist Ivan Pavlov who pioneered research on behaviorism in the 19th century. Pavlov is most famous for his studies on classical conditioning, which refers to learning by association. During his research, Pavlov tried to teach dogs to associate the ringing of a bell with being fed. Dogs generally salivate before they eat and Pavlov's team measured this to prove that the dog actually learned to associate the bell with food. Skinner later built on these concepts to create a more sophisticated method of learning a specific behavior, which is now known as operant conditioning.¹⁵

Unlike Pavlov's theory, operant conditioning is influenced by consequences. Skinner's theory is based on actions being either punished (weakened) or reinforced (strengthened). During his research, he placed rats in boxes and tried to make them press a lever. If they completed the task they were rewarded with cheese. Awarding rats with cheese was used as reinforcement to encourage them to repeat the behavior. Punishment on the other hand was used to discourage subjects from doing the same thing again. For example, giving the rats an electric shock if they pressed the lever. This could also be related to kids who touch a hot stove. In both cases, the painful consequence makes it less likely for the behavior to be repeated.¹⁶

Skinner also separated positive and negative reinforcement. A positive reinforcement method refers to when a response is strengthened by a applying a stimuli, thus making it more likely for the behavior to be repeated. This is described in figure 1. The rats in the Skinner box learns that pressing the lever leads to cheese. In this case, pressing the lever is considered the response and giving out cheese is the reinforcement method. Together they tend result in an increased level of response.

¹⁴ Fellman. The psychology of loyalty programs.

¹⁵ Holt et al. Psychology: Science of mind and behavior

¹⁶ Ibid

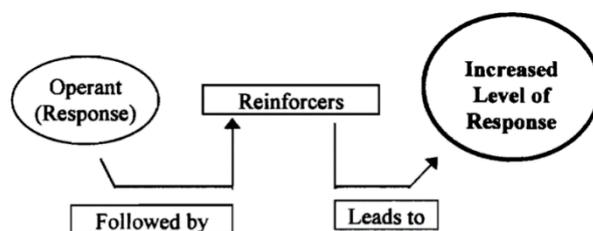


FIGURE 1. OPERANT CONDITIONING

On the other hand, Skinner described negative reinforcement as a response that strengthens a behavior by removing an aversive stimulus. For example, taking an aspirin to get rid of a headache. Here, taking a pill is the response while feeling better is regarded as the consequential reinforcement. According to operant conditioning a person would now also be more likely to treat future headaches with aspirins, i.e. an increased level of response.¹⁷

Explaining the core of a loyalty program is much related to the concept of operant conditioning.¹⁸ Usually an organization aims to promote a certain consumer behavior among their customers. For example, a person always flying with the same airline. The airline would encourage customers to be loyal by rewarding them with privileges when they reach a certain amount of flyers miles. In this case, flying several times with the same airline is considered to be the response while rewarding the customer with privileges is regarded as the reinforcement. Airlines would hope that this would lead to an increased level of response e.g. the customer continuing to travel with them.¹⁹ Previous research also tend to mostly relate loyalty programs to positive reinforcement. This could be explained by the fact that programs are usually based on giving out rewards that add something to a customer's experience. For example, merchandise or other hard prizes related to the organization. However, it could be argued that some rewards removes costs and therefore should be considered as negative reinforcement. This will be reviewed further in the study's discussion section.

¹⁷ Holt et al. Psychology: Science of mind and behavior

¹⁸ Fellman. The psychology of loyalty programs.

¹⁹ Dreeze. Love those loyalty programs but who reaps the real rewards?

7.2 The five schedules of reinforcement

Basic concepts of operant conditioning can be used to explain the core of any loyalty program. However, analyzing rewards strategies required a model on different reinforcement methods and is why the study also included another one of Skinner's concepts called The five schedules of reinforcement.²⁰

Experimenting on operant conditioning wasn't limited to only testing if behavior could be promoted through reinforcement. Skinner's team also identified different reinforcement methods and measured how effective they were in getting rats to press the lever. Most relevant to these experiments were the rat's response and extinction rate. More specifically, how fast rats learned to press the lever and how long it took for them to quit the behavior when the reinforcement was removed. An ideal method would have fast response rate and slow extinction rate. Meaning that rats would quickly learn to press the lever but still keep on pressing it when Skinner's team stopped rewarding the behavior with cheese. Of the five identified schedules, two are based on applying the reinforcement on a certain ratio i.e. when the behavior occurs a certain amount of times. For example, rewarding rats after every fifth press of the lever. On the other hand, there are also two interval based schedules where the reinforcement is applied after a specific amount of time has passed, provided that the behavior has occurred at least once. For example, rewarding rats every five minutes. Lastly, the fifth schedule refers to a continuous method where subjects are reinforced every time a task is completed. These different schedules were used to analyze how universities in this study rewarded their students.²¹

Previous research has especially mentioned *fixed ratio reinforcement* in relation to loyalty programs.²² In the Skinner Box, this schedule represented a method of rewarding rats when they pressed the lever a certain number of times. This can be related to rewards programs where a certain number of purchases leads to a free gift or reaching a new customer status, such as gold member. Skinner's team described fixed ratio of reinforcement as a method with fast response rate, but rats also tended to have a medium long extinction rate. Meaning that they usually engaged in the behavior rather quickly but then quit after Skinner's team stopped rewarding them with cheese.²³

²⁰ Ferster. Schedules of reinforcement with Skinner.

²¹ McLeod. Skinner – Operant conditioning.

²² Fellman. The psychology of loyalty programs.

²³ McLeod. Skinner – Operant conditioning.

The other ratio-based schedule in Skinner's theory was named the *variable ratio reinforcement*. This method refers to reinforcing subjects after a random number of times and is mainly related to gambling, where people tend to keep playing even if they haven't won anything in a long time. Skinner's team found that the variable ratio method had fast response time and slow extinction rate, making it the most effective one of the five schedules. However, unpredictability is a big reason for why this method tends to be more effective than others and also makes it harder to control.²⁴

Furthermore, Skinner's team also identified a method called *fixed interval reinforcement*, which was based on a time interval. Instead of reinforcing a behavior after a fixed number of times, Skinner's team rewarded their rats when a specific amount of time had passed. However, at least one correct response had to occur for applying the reinforcement. According to Skinner's theory the fixed interval method resulted in medium response time as well as medium extinction rate.²⁵

The second schedule based on a time interval was called *variable interval reinforcement* and referred to reinforcing a behavior after a random amount of time had passed. Once again, Skinner's team required that at least one correct behavior had occurred for the reinforcement to be carried out. This could be related to self-employed people who are collecting their pay checks at unpredictable times. Some years they might get paid every month, and other times they are forced to live without a pay check for a long time. A variable ratio strategy is associated with fast response rate and slow extinction time.²⁶

Finally, the fifth schedule of reinforcement is the one Skinner categorized as having the fastest extinction rate. It's called *continuous reinforcement* and is a strategy based on rewarding a certain behavior every time it occurs. Obviously, being constantly rewarded quickly made the rats in the Skinner Box aware of what behavior lead to more cheese. However, when Skinner's team removed the reward it didn't take long until the rats stopped pressing the lever, leading to the method being categorized as having both fast response and extinction rate. Constant reinforcement made the rats expect cheese with every press of the lever. When the cheese stopped coming they didn't have the patience to keep up the behavior.

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²⁴ McLeod. Skinner – Operant conditioning.

²⁵ Ibid.

²⁶ Ibid.

²⁷ Ibid.

It can be argued that comparing the five schedules of reinforcement results in a list of pros and cons. Constantly using continuous reinforcement would probably lead to a lot of people engaging in a loyalty program. However, this method creates an impatient customer base and if the rewards wouldn't come as frequently the customers might stop engaging in the promoted behavior. Instead, using fixed ratio reinforcement could be a way to create a more dependent and loyal customer base.²⁸

On the other hand, both variable ratio reinforcement and variable interval reinforcement were considered to be the most effective schedules in The Skinner Box. The problem with both of the variable reinforcement methods are their unpredictable characteristics. Skinner's team might have singled them out as dependable reinforcement methods but it can be argued that they are too unpredictable to be used in rewards strategies. All of Skinner's schedules were used to analyze the loyalty programs in this study and will be further reviewed in the discussion section.²⁹

Lastly, it should be noted that all of Skinner's concepts were developed in the beginning of the 20th century and it could be argued that they are not valid theories for studying loyalty programs. However, they do provide a useful framework that can explain the psychological aspects of different rewards strategies. Still, this study recognizes that several other aspects effects a modern loyalty program and is why additional concepts from marketing research are included below.

7.3 Concepts from marketing research

While reviewing previous marketing research a lot of different concepts were identified and applied to analyze the loyalty programs in this study. Most concepts were related to the basic idea of making rewards available and valuable. Several researchers argues that identifying a valuable reward and finding a strategy of when to carry out the reinforcement is crucial for making a program effective. One of them, psychologist J.B Rotter, used customer expectancy and reinforcement value as variables for measuring the potential of a consumer engaging in a specific behavior. According to Rotter's theory, customers had to consider the reward achievable if they were to behave in a certain way. Furthermore, Rotter argued that the reward also had to be attractive for the customers.³⁰ David Fellman explained this by suggesting that "an aspirational award such as a First Class Round-the-World trip would be highly desirable

²⁸ Fellman. The psychology of loyalty programs.

²⁹ McLeod. Skinner – Operant conditioning.

³⁰ Strickland. Julian B. Rotter (1916-2014),

for many Frequent Flyer Program members. A toaster is unlikely to provide the same reinforcement value.”³¹

Another concept regarding achievability is the Goal gradient effect, which refers to customers being more motivated to engage in the reinforced behavior if they are close to redeeming a reward. For example, studies conducted at coffee shops described how customers purchase patterns became more frequent as they got close to redeeming a free coffee. Furthermore, making the reward achievable also made the customers more likely to engage in online competitions and other behavior that didn’t have a direct connection to the coffee shop’s operations. These studies also described a so called “post-reward resetting, whereby customers who accelerated towards their first reward exhibited a slowdown when they began work (and subsequently accelerated) toward their second reward.”³² Meaning that customers tended to slow down their frequent buying behavior as soon as they realized that the next reward was less achievable than the one they just redeemed.³³

Authors Keh and Lee also added to the research on rewards strategies by discussing the interplay between timing, type of reward and customer satisfaction. To measure when a reinforcement should be carried out, they categorized different strategies into two groups depending on if a reward was considered immediate or delayed. According to the study the effectiveness of an immediate or delayed reward was related to what type of reward and customer satisfaction. For example, delayed rewards tended to create higher customer loyalty if the customers were satisfied with the service. On the other hand, immediate rewards were considered a more effective strategy if customers had bad service experiences.³⁴ The study also analyzed different types of rewards by separating direct and indirect reinforcement strategies. The direct category referred to rewards closely connected to the host organization’s operations. In a sports context these could be everything from tickets, merchandise and stadium experiences. However, the indirect category represented rewards that had a secondary relationship with the host organization. For example, gift cards or coupons. The authors argued that direct rewards were generally a better tool in promoting a certain customer behavior. It should be noted that their study was heavily based on the interplay between different factors, but the same results has been found in other studies that only researched

³¹ Fellman. The psychology of loyalty programs.

³² Kivetz, Urminsky & Zheng. The Goal-Gradient Hypothesis Ressurrected, p55.

³³ Ibid

³⁴ Keh & Lee. Do reward programs build loyalty for services?

direct and indirect rewards. Conclusively, direct rewards tends to be a more effective rewards strategy.³⁵

It should be noted that Keh's and Lee's model was based on the interplay between timing, type of rewards and service experiences. Applying their work on this study would require more thorough research that included additional universities and a strategy for measuring fan satisfaction. However, their model still provided this study with tools for identifying patterns of achievability and particularly different types of rewards. Both of these concepts played a major part in analyzing rewards strategies at the universities included in this study.

7.3.1 Fellman's three strategies for running a loyalty program

This study also attempted to learn more about what purpose the included universities had for running a loyalty program at their sports events. Reasons for using rewards strategies has been discussed in many different forums. However, this study mainly focused on rewards expert David Fellman's work where he listed three main strategies for running a loyalty program. Fellman used examples from the airline and hotel industries and argued that increasing frequency, spend and affinity were the most common rewards strategies. Increasing frequency is related to creating returning customers. For example, people flying the same airline because they're rewarded after reaching a certain amount of flyers miles. Furthermore, loyalty programs are also used to motivate customers to spend more. Hotel managers who might be promoting visitors to stay in more expensive rooms or an airline rewarding loyal passengers with first class seats. In both cases the organizations are hoping that the reward will motivate customers to spend even more during their hotel stay or flight. Lastly, Fellman also argued that rewards programs could be used to increase affinity for the organizations brand. Customers who are frequently rewarded associates the brand with something positive, thus improving the organizations image. Increasing affinity also helps creating an emotional bond between organization and customer, which is a good step in the process of creating true loyalty.³⁶

³⁵ Keh & Lee. Do reward programs build loyalty for services?

³⁶ Fellman. The psychology of loyalty programs.

7.4 College sports in America

Analyzing how universities in this study used their loyalty programs also required a more detailed understanding of the collegial sports market in America. College sports are much related to the university's community and often helps bringing people together. Thus, it's not only students who are interested school's athletic programs. The community also tends to identify with its collegial sports teams, which means that universities usually have several different sets of fans. These could be students, alumni's or just general people from the community.³⁷

Collegial sports are also considered to have major impact on a university's brand. Research argues that geography and sports are the two main reasons people know of a university. Although location is regarded as the main factor for students' choice of college, having a famous athletics program could arguably be a marketing tool. Successful collegial sports teams will get high amounts of media coverage, putting the university in the national spotlight. High school seniors around America can learn of the school through its athletics which could be the first step in recruiting a new student.³⁸

7.4.1 Fan loyalty at American universities

Making fans more loyal is arguably one of the main reasons for running a rewards program. People are generally more likely to support an institution such as a university or a company if they can identify with its brand. Although a university has many functions, sports are usually the symbol that a community gathers around. People are simply less likely to identify with research or other academic movements while a successful athletic program is very relatable. Furthermore, a community generally wants to be associated with something positive. American society tends to regard universities as positive institutions and sports helps connect communities to schools, which leads to more people being loyal to the brand.³⁹

Fans identifying with a university's sports teams often considers themselves as having the same attributes as the school. If a college football team won a national championship, loyal fans would also consider themselves and the community as champions. Thus, organizational identification leads to fans behaving in a way that is related to the image of the sports team.⁴⁰ Conclusively, it could be argued that loyal student fans are more likely to engage in certain behaviors that are promoted by their university. Using a rewards program to

³⁷ Toma. Football U.

³⁸ Toma. Football U

³⁹ Ibid

⁴⁰ Ibid

create more loyal fans could therefore be a good method for encouraging students to engage in different kinds of consumer behavior.

8 Method

8.1 Research design

This study is based on a qualitative case study, focusing on fan rewards programs at American universities. Cases are usually associated with a specific location such as a company or a city and the study is often used to examine certain aspects of that setting. For example, studying the police force in a particular community. Examining loyalty programs at American universities could arguably be characterized as a case study where collegial athletics is considered to be the setting. Furthermore, the loyalty programs at different universities represents the examined case in this study.⁴¹

However, case studies are often categorized as focusing on one specific element. This study includes four different universities that are using loyalty programs, which could be related to a cross-sectional research design that is based on comparing several different cases. Still, it's not uncommon for studies to have both case study and cross-sectional characteristics.⁴²

Acclaimed author Alan Bryman argued that a case study design is distinguished by focusing on “the unique features of a case.”⁴³ It could be argued that this study is indeed examining the uniqueness of sport loyalty programs at American universities. Additionally, cross-sectional studies usually aims to generalize its results on a larger population and includes examining many subjects, often using a quantifiable data collection method. This study lacked the resources to implement that kind of method. Instead, the four included loyalty programs were intensively analyzed to discover general patterns of different rewards strategies. A method that is common within case studies.⁴⁴

Additionally, this study used a deductive approach, meaning that established theories guided the research process. However, the study's findings were analyzed through a grounded theory perspective which refers to a research method where there is a close relationship between theory, data collection and analysis. Although this study applied several theories from both psychology and marketing research, the data was not necessarily categorized into preconceived frameworks as it usually is within quantitative methods. Instead, coding of data took place during large parts of the research process. Themes were then identified and analyzed using the established theories.⁴⁵

⁴¹ Bryman. Social research methods

⁴² Ibid..

⁴³ Ibid, p54.

⁴⁴ Ibid

⁴⁵ Ibid

This study lacked the resources for providing specific answers to its research questions. Instead, it aimed to identify themes and patterns for how a university's purpose of using a loyalty program affected their rewards strategies. Using grounded theory led to a more flexible research process which was arguably an advantage for a study with limited resources. For example, scheduling interviews from Sweden with American school representatives was challenging, leading to only four schools taking part in the study. Interviews also had to be done through phone or e-mail. These kind of obstacles made it difficult to collect detailed data. Applying a more flexible research method meant that the collected data could be interpreted into certain themes without it necessarily having to fit a predetermined theory.⁴⁶ Lastly, grounded theory was arguably a relevant research method for this study. It made it possible to change certain aspects during the research process, which was very useful considering the study's limited resources. However, this study's theoretical framework was generally applicable to the collected data, leading to very few changes of the research process.⁴⁷

8.2 Sampling

Focusing on the case of loyalty programs in a sports context meant identifying a setting where relevant organizations could be examined. In sports, an organization can be anything from a professional franchise to a university hosting more than 10 different types of athletic teams. Making the research objects comparable became an immediate priority and is why this study chose to only include American universities that have used or are using a loyalty programs connected to their athletics department. The inclusion criteria also stated that universities had to be a part of the National Collegiate Athletic Association (NCAA). The NCAA is the institution responsible for regulating and organizing the highest level of collegial sports competitions in America and hosts the majority of big athletic universities among its members. Making membership in the NCAA an inclusion criteria naturally meant that all investigated organizations were a part of a common community, thus making them more comparable.⁴⁸

However, most collegial athletic teams within the NCAA have several different set of fans, often engaging students, alumni and general fans alike. Loyalty program strategies are naturally set up in different ways depending on the target audience. This is especially obvious

⁴⁶ Bryman. Social research methods.

⁴⁷ Ibid

⁴⁸ NCAA.com.

in the case of NCAA universities that tend to have more than one set of supporters. For that reason the study was limited to investigating how NCAA universities use loyalty programs to promote a certain customer behavior among their student population.⁴⁹

Another issue facing the selection process was the lack of information concerning what universities that used or had previously used loyalty programs. Neither the NCAA nor any other collegial athletic organization could provide a register of schools using loyalty programs. However, a commercial loyalty-program-software company by the name of FanMaker was able to provide a list of NCAA universities that were currently running active programs. From this list five universities fitted the inclusion criteria and were offered to take part in the study. Four of those schools chose to participate.⁵⁰

Consequently, the study's selection method can certainly be categorized as purposively sampling and is common within qualitative research. Furthermore, purposively sampling is often used to improve the study's ability to answer its research questions. Making sure that all included universities had used loyalty programs was fundamental in completing the study. Bearing this in mind, it can be argued that purposively sampling was the only way to answer the study's research questions and should therefore be considered as an appropriate selection method.⁵¹

Sampling consisted of two layers. Firstly, universities were identified through FanMaker as described above. Secondly, relevant interviewees were chosen based on their connection to the different universities' loyalty programs. Usually a contact person at the respective athletic departments could identify who was in charge of running their rewards concept. These individuals were then contacted and asked to take part in the study. All interviewees were employees at their university's athletic marketing department and ran the different loyalty programs as part of their work duties. A two-layer sampling approach is also common within qualitative social studies and is a known method for controlling the comparisons between research objects. To answer the study's research questions all included universities had to have some experience of fan rewards programs. Making sure that schools met the inclusion criteria secured the study's comparability. The same strategy was applied at the second sampling layer, where specific individuals were identified as interviewees based on their relationship to the universities' different loyalty programs. Using a random sampling method in the second level could result in interviewing an individual who had no information about

⁴⁹ Toma. Football U.

⁵⁰ Bryman. Social research methods.

⁵¹ Bryman. Social research methods.

the respective rewards strategies. Conclusively, it can be argued that the two-layer sampling method improved the study's ability to make comparisons and is in accordance with common qualitative research practice.⁵²

Finally, this study is limited to the universities' perspectives, thus lacking the viewpoints of supporters, athletes and other actors that might be connected to a fan rewards program. However, this study was purposively limited to examine rewards strategies among the universities' student populations. It could be argued that the universities did include additional perspectives by describing what strategies that tended to engage the student population. Still, a more thorough study should include additional actors to provide a more detailed view of loyalty programs in a collegial sports context.⁵³

8.3 Interviewing

A semi-structural interviewing method was used to collect data from the different interviewees. More specifically a questionnaire was constructed to focus on three main subjects; general questions, reward strategies and rewarded behavior. Every interview started off with a number of general questions about the characteristics of the university's loyalty program. This was followed by specific questions about rewards strategies and ended with a discussion on what behavior the universities were promoting through their program. Using a semi-structural interview method is a common technique for getting an in-depth perspective while still making sure that the interview is connected to the research questions. Although questions within the different categories varied depending on the university, all three main subjects were covered in every interview. Naturally, qualitative interviews are flexible and follows the interviewee's answers. Adding some structure to the interview ensures that the main points are included.⁵⁴

For logistical reasons all interviews were done through phone calls or e-mail. Previous studies have indicated that there's little difference between the answers given in a real life interview and one done over the phone. However, there are some obvious disadvantages with phone interviews. The lack of facial expressions and body language means that certain answers might misguide the interviewer. Phone calls conducted in this study also tended to be rather short which is not uncommon with phone interviews. Qualitative studies are usually

⁵² Bryman. Social research methods.

⁵³ Ibid

⁵⁴ Ibid

based on a long and detailed data collection process and it can be argued that this study might lack some depth because of the chosen method.⁵⁵

Several of the interviews conducted in the study were also done using e-mail, which had both positive and negative effects on the data collection. It took some time for certain school representatives to respond via e-mail. On the other hand most of the answers received through e-mail were detailed and structured, which is also described in literature on research methods. E-mailing also made asking follow-up questions easier as the respondent tended to be more motivated after initiating the interview process.⁵⁶

It should be noted that the questionnaire was altered during several of the conducted interviews. Interviewees did not have the time to answer all questions leading to a lower number of questions being asked per interview. The original questionnaire can be find in the attachment section of this study, along with transcripts of all interviews.

8.4 Discussion on validity and reliability

Literature on social research methods argues that validity and reliability in qualitative research should be analyzed through an internal and external perspective. For example, external reliability refers to analyzing whether a study is replicable. Naturally, this calls for a discussion about this study's purposively sampling method and the decision to only examine the case through the universities' perspectives. Only studying four schools and the lack of other perspectives makes it likely for another researcher to reach different results if they aimed to replicate the study. Meaning that the chosen research method could be criticized for harming the study's level of reliability. Furthermore, qualitative studies are also encouraged to include additional researchers to ensure high levels of internal reliability. Since this study is a graduate thesis, the resources for involving a research team was not possible. However, Malmo University's handlers carefully followed the process and provided assistance when needed.⁵⁷

Examining external validity refers to what degree the study's findings are generalizable on a larger population. Qualitative studies are generally based on small sample groups and focused on performing a detailed analysis of each research object. This makes the results of qualitative research more difficult to generalize on a larger population, which could also be said for this study. However, it can be argued that a more extensive study - that includes more schools and

⁵⁵Bryman. Social research methods.

⁵⁶ Ibid

⁵⁷ Ibid

also examines other actors – has the potential to be more transferable than most qualitative research.⁵⁸

Continuing to internal validity means examining the relationship between research methods and the study's theoretical framework. Loyalty programs are arguably very relatable to BF Skinner's theory on operant conditioning, which featured heavily in all aspects of this study. However, it could be argued that Skinner's theories from the 20th century are outdated and not applicable in the modern day society. Still, Skinner's work is still highlighted in modern research where it's often used to explain the psychology of loyalty programs. The study also included several other concepts from modern marketing research, resulting in an arguably solid theoretical framework. Lastly, certain aspects of collegial athletics and consumer behavior were also included to shed further light on how a product like loyalty programs could be introduced in a sports context.⁵⁹

Conclusively, it could be argued that the dependability of this study's results is limited to the four examined schools. The thesis arguably has low levels of both internal and external reliability, which means that it would be difficult for another researcher to replicate the same study. Likewise, it could be argued that the findings should be considered specific to the four universities. Although certain discovered patterns might be applicable at other American universities, this would need to be confirmed through a more extensive study.

8.5 Ethical considerations

It could be argued that this study faced few ethical conundrums. However, all ethical guidelines included in the Helsinki Declaration were included during the research process. Firstly, all participants were informed in advance of the purposes of this study through e-mail. At the same time they were also offered to take part in the study and assured that participation was purely optional. Participants did give consent to the study using personal names and the name of their universities. Other personal information was treated confidentially. Lastly, participants were guaranteed that all collected information was used for research purposes.⁶⁰

However, to further discuss ethical considerations, this study also included of some social researcher Alan Bryman's arguments on ethical principles. According to Bryman, social research should consider if it potentially harms its participants. All school representatives that were interviewed in this study did so voluntarily. It could be argued that sharing information

⁵⁸ Bryman. Social research methods.

⁵⁹Ibid

⁶⁰ Ibid

on their rewards strategies could be considered as spilling company secrets. Still, participants themselves chose what they wanted to share and were also informed of how much information that was eventually included in the study. Bryman also argued that research had to consider whether it invaded a participant's privacy, which was not the case in this study since it only concerned people's workplace. Lastly, Bryman also discusses deception and whether researchers represents their work as something other than it is. All participants in this study were given a detailed description of this study's purpose and research questions. They were also informed of who the researcher was and that the paper was written for the benefit of Malmo University. Arguably, this study was very transparent and aimed to entail as much information as possible for its participants.⁶¹

Conclusively, the character of this study meant that very few ethical considerations had to be made. However, it could be argued that necessary steps have been taken to ensure that the research process was conducted in a correct way.

⁶¹ Bryman, Social Resarch Methods

9 Empirical presentation

The following part will present and analyze the study's findings. Firstly, all loyalty programs in this study will be accounted for based on the interviews made with university representatives. Secondly, the findings will be analyzed using the study's theoretical framework.

9.1 "Spear it rewards" - Florida State University

Spear it rewards automatically enrolled all 40 000 Florida State University (FSU) students into the program. FSU's main purpose of running a loyalty program was increasing student attendance at all sports events. Students were also entitled to free admission at all sports games except for football, which was the by far most popular athletic event on campus. FSU's main rewarded behavior was based on students who attended less attractive sports events. The high demand for football games made the athletic marketing department realize that ticket priority for these events was very attractive for students. Thus, rewarding student who attended less attractive sports with ticket priority to football games became their main rewards strategy. School representatives described how they simply used football as a carrot for getting students to attend other events.⁶²

However, Spear It Rewards did promote other types of behaviors as well, such as staying late and arriving early to events. The program also encouraged student activity on social media. Liking, commenting and sharing posts connected to FSU's accounts earned students points. Furthermore, ticket priority was the university's main type of reward but they also used an online prize store where students could redeem the points they earned through the program. Interviewees in this study described FSU's online store as a huge success and noted that members generally saved their points until spring when football tickets were made available for students.⁶³

University representatives also described several benefits with creating loyal fans. Firstly, they tended to attend more sports events which was directly related to FSU's main purpose of running the program. Also, FSU argued that creating more loyal fans generally meant that students had a better college experience. It led to more school spirit and made students more likely to staying loyal when they graduated. Loyal alumni hopefully meant that they bought season tickets after leaving FSU, making them long term fans. School representatives also

⁶² Interview, Drew Longenecker Florida State University.

⁶³ Ibid.

argued that the most loyal student fans could end up being boosters, which is a certain type of benefactor that financially supports the athletic program. Lastly, FSU argued that they hoped that their loyalty program made students more used to attending sports events and supporting their teams, which lead to them being rewarded.

9.2 “Geaux rewards” - Louisiana State University

Louisiana State University (LSU) launched Geaux rewards in 2016, which meant that they had only been running the program for one year when they took part in this study. LSU automatically enrolled all 25 000 students in the loyalty program. 2300 of these actively used the program during its first year. All LSU sports events had free student admission except for football, which was regarded as the most popular sport on campus. The program was used at all sports.⁶⁴

LSU had previously used a points system for awarding ticket priority for away and post season football games. They were already satisfied with their attendance levels at sports events but in recent years they had seen a decline in interest for the football games connected to the points system. Thus, increasing student attendance at their sports events was not LSU’s main purpose of running the program. Instead, they mainly used Geaux Rewards to identify die-hard fans and to add value to the points system. The loyalty program simply provided a more structured way for LSU to identify and encourage loyal student fans.

Ticket priority to away games was still a major reward in their program but Geaux Rewards particularly emphasized experience packages such as stadium tours, dinners with coaches and pre-game passes. School representatives also claimed that students seemed to appreciate these type of campaigns where they could win t-shirts and other items signed by athletes or coaches. These were redeemed through an online prize store that LSU connected to their loyalty program. Meaning that students collected points which could later be redeemed for rewards. School representatives argued that using a points system meant that they could identify their most loyal fans and encourage them through rewards. This emphasizes how LSU used their program and points system as a more structured way of identifying loyal fans. They argued that loyal student fans should feel appreciated, and used the points system to identify them.⁶⁵

Attempting to identify and encourage the most die-hard student fans meant rewarding loyal behavior. As at many other schools, LSU characterized arriving early and staying late at

⁶⁴ Interview Garrett J Thibodeaux. Louisiana State University.

⁶⁵ Ibid.

sports events as loyal behavior and emphasized this in their rewards structure. School representatives also reported that attempts to involve Greek life (student organizations) in the program had proven unsuccessful, which was disappointing and surprising for the athletic marketing department. Although LSU did not emphasize increased student attendance as the purpose of Geaux Rewards, one of their main rewarded behaviors was related to attending sports events. Analyzing which students that most regularly attended sports games was simply a natural method of identifying loyal fans.⁶⁶

University representatives also described several benefits with using a loyalty program. They argued that today's students are tomorrow's boosters and benefactors. Making sure that they had a great experience at college hopefully created a bond that lasted after they graduated.

9.3 “Crimson Tide Rewards” –University of Alabama.

Crimson Tide Rewards have been active for five years and included 30 000 members. This was the only loyalty program in this study that had a mix of students and general fans among its rewards members. However, one of the university's main purposes for using a program was creating loyal fans and increasing student attendance at all sports events. Football was considered the most popular sport on campus.⁶⁷

Ticket priority to football games, particularly in the post season, was used as a major reward in the program. The University of Alabama had also connected a prize store to their loyalty program where students could redeem points for hard prizes.

Alabama University especially promoted student attendance at non-football events through their loyalty program. Attending other athletic events at campus earned a student more points compared to only going to football games. Like all other schools in this study, Alabama also rewarded students who arrived early and stayed late. School representatives described that students at football games tended to leave early if the game wasn't exciting and how the university now encouraged students to stay the full game through the loyalty program. Activity at social media was also rewarded through Crimson Tide Rewards.⁶⁸

⁶⁶ Interview Garrett J Thibodeaux. Louisiana State University.

⁶⁷ Interview Mike Harris. University of Alabama.

⁶⁸ Ibid

9.4 “Badger Rewards” – University of Wisconsin

The University of Wisconsin hosted 40 000 students at their campus but was the only school in this study that only used their loyalty program at one specific sport. Men’s basketball was the most attractive sport on campus and Wisconsin utilized Badger Rewards for increasing attendance and to identify die-hard fans at these events. The reason for only focusing on one sport was related to a lack of resources. School representatives described that the cost of running the program and the work level associated with the project was just too high expanding to other sports. The program included 2300 members, all students, and had been active for seven years. Men’s basketball attracted a lot of fans and the stadium’s student sections had been sold out for several seasons. However, school representatives described how a lot of students did not attend less attractive basketball games – such as regular season games against low ranked teams - despite having tickets. This led to a lot of empty seats in the student section, which harmed the atmosphere in the stadium. Badger Rewards was launched to address this issue by encouraging students to attend all games. Furthermore, the program was also used to award the most loyal fans with ticket priority. Students attending the most games climbed the program’s leaderboards and were considered as most the most loyal fans. Conclusively, the University of Wisconsin identified tickets to basketball games as an attractive reward for students and also used the loyalty program to determine what fans that most deserved being rewarded. This was their main rewards strategy. ⁶⁹

Badger Rewards also used other type of rewards to encourage more loyal student fan behavior but did not utilize a prize store. Instead, students were automatically rewarded when reaching certain thresholds. School representatives gave several examples of this, which is illustrated in fig 2. However, ticket priority was still considered their most attractive reward.

⁶⁹ Interview Adam Ahearn. Wisconsin University.

Points threshold	Reward
Top 10 in points.	Lunch with our head coach
Top 25 in points.	Earned an opportunity to attend an away game bus trip
Top 100 in points	Earned the opportunity for an away game watch party in a premium hospitality space in our arena
Top 750 in points	Earned a free power bank cell phone charger
Certain threshold (unknown amount of points)	Earned purchase priority for season tickets for next year
Certain threshold (unknown amount of points)	Earned priority seating privileges for second semester Big Ten games (i.e. the seats closest to the court)

Figure 2. Reward structure at the University of Wisconsin

Since the school experienced a massive demand for men’s basketball games, the University of Wisconsin chose to reward behavior related to attendance at these events. As mentioned above, attending less attractive basketball games was highly emphasized in their strategy. However, arriving early and staying late at games was also rewarded since it represented loyal fan behavior. Students spending more time in the stadium meant that they helped creating a better atmosphere which influenced the rest of the audience. The University of Wisconsin also rewarded social media activity through their loyalty program. Although this was mostly described as a way for students to make up points if they missed a basketball game.⁷⁰ The University of Wisconsin also saw several with Badger Rewards except for their main purpose of increasing attendance and identifying die-hard fans. For example, they saw certain financial benefits from creating more loyal student fans. Firstly, it increased revenue from season ticket sales. It also made it more likely for students to remain loyal when they graduated, which could lead to them becoming boosters or at least renew their season tickets. Selling out the student section was also regarded as a way to improve the university’s image

⁷⁰ Interview Adam Ahearn. Wisconsin University.

and made the school more attractive for high school seniors. Having a great stadium atmosphere meant that recruiting new student athletes became easier since most players want to play in front of big crowds. Thus, creating a more engaged student fan base leads to a better game day experience for both spectators and athletes.

10 Analysis

10.1 Rewards and behavior

This study's findings indicated that a university's purpose for running a loyalty program was related to what behavior they promoted and which rewards that were used as reinforcement. Strategies for increasing student attendance used specific rewards to reinforce a certain type of behavior while building loyalty for the brand meant rewarding other type of activities. To further analyze how universities' purposes affected what rewards and behavior they included in their loyalty programs, this study used David Fellman's account of three theoretical concepts: Increase frequency, increase spend and increase affinity.⁷¹ Furthermore, this part also analyze how using a loyalty program can benefit an American university.

10.1.1 Increase frequency

Increasing frequency in a commercial market is often related to customers returning to the same brand, store or company. For example, people flying the same airline several times. In this study, increase frequency is interpreted as increasing student attendance at sports events by creating loyal and returning fans.⁷²

Three of the four universities in this study claimed that increasing student attendance was one of their main purposes for using different rewards strategies. One example of these were Florida State University. Their rewards strategy used ticket priority to football games - their most popular sport - as an incentive for students to attend less attractive athletic events. FSU specifically aimed to increase attendance at less attractive events and identified ticket priority to football games as attractive for their students. Thus, attending less attractive sports events became the promoted behavior while ticket priority represented the main type of reward in Spear It Rewards. The chosen strategy is clearly relatable to FSU's purpose of increasing attendance at less attractive sports events. For example, if FSU aimed to draw higher audiences to football they'd probably reward attending a lot of those games instead of other events.

The University of Wisconsin also claimed that increasing student attendance was the main purpose of their loyalty program. However, they chose to limit their program to men's basketball. School representatives claimed that their organization lacked the resources of expanding their program to all sports on campus. Except for increased costs, it would also

⁷¹ Fellman. The psychology of loyalty programs.

⁷² Ibid

demand much resources from the athletic marketing department. Thus, Wisconsin chose to only focus on men's basketball, which was their most attractive sports event. The program rewarded students for attending less attractive basketball events with ticket priority to play offs or other big games. This strategy is arguably similar to the one used at FSU. The only difference is related to each university's purpose for running a program, where FSU aimed to increase attendance at all sports events while Wisconsin only focused on basketball. In both cases, ticket priority is the main type of reward while attending less attractive games represents the promoted behavior. The University of Wisconsin argued that they lacked the resources to expand their program to all sports. However, they had the same amount of students as FSU, which makes it possible to argue that both schools should have similar resources. Still, FSU are considered as power house in collegial sports, especially in football. This could be an indication of why Florida State seems to have a more resourceful loyalty program than the University of Wisconsin. Although, this could not be confirmed in this study.

Conclusively, these examples clearly illustrates how different purposes for using a loyalty program affects what strategies universities implement through their program. This study's findings indicate that increasing frequency, i.e. attendance, is related to rewarding attendance at less attractive games with ticket priority.

10.1.2 Increase affinity

Affinity refers to some sort of affection. In this case, for a university's athletic teams. Ultimately all brands in different markets want consumers to have affection for their brand since it tends to create a stronger bond between organization and customer. In this study, increasing affinity is interperated as making fans more loyal. Research has shown that loyal fans who identify themselves with a university's athletic teams, are more likely to engage in a preferred consumer behavior. For example, the University of Alabama promoted students to stay the entire four quarters at football games. Fans who identify themselves with a sports institution tend to generally behave in a way that strengthens their bond with the team. It could therefore be argued that loyal students in Alabama are more likely to stay the full game than a random fan.⁷³

This study particularly found that universities considered arriving early and staying late at sports events as loyal behavior. Both Louisiana State University and the University of Wisconsin emphasized identifying loyal fans as a major reason for running a rewards

⁷³ Toma. Football U.

program. Furthermore, FSU and the University of Alabama also described arriving early and staying late as one of their main rewarded behaviors, even though identifying loyal fans wasn't their purpose of running a program. University representatives described how students tended to leave before the game was over if they found it boring. Likewise, students often arrived to the arena in the last minute. In both cases, it damaged the atmosphere at the stadium since the student sections were empty during long periods of time. According to the universities, encouraging students to arrive early and stay late made the event more attractive.

According to this study's findings, schools also tended to relate creating loyal fans to their activity at social media. Universities described how they rewarded students for connecting their social media accounts to the university's loyalty program. Behavior like sharing, commenting, following and liking posts was rewarded. All activity on social media meant that students positively engaged with the school brand, which could arguably be related to building a stronger relationship between the universities and their students. Awarding social media activity was also considered as a marketing tool. Every time a student interacted on social media their friends became aware of it. Florida State University especially highlighted this as a major perk of running a loyalty program, describing it as free marketing.

Conclusively, all schools in this study aimed to create more loyal fans. The main strategy related to this was rewarding loyal behavior, most notably social media activity and arriving early plus staying late at sports events. Again, it could be argued that the university's reason for using a loyalty program – in this case creating more loyal student fans – affects how they construct their rewards strategies. LSU and Wisconsin both emphasized identifying loyal fans, which explains why they were rewarding loyal fan behavior. However, FSU and the University of Alabama were also rewarding social media activity, arriving early and staying. Therefore it could also be argued that schools generally tended to create more loyal fans.

10.1.3 Increase spend – and other benefits of loyal student fans.

Fellman's third strategy for using a loyalty program is focused on increasing spend. More specifically, making customers buy more valuable items or experiences. For example, upgrading to a better hotel room or flying first class instead of couch.⁷⁴ No strategies described at the universities in this study could be directly related to increasing spend. However, school representatives described several benefits that came with using a loyalty program to create more loyal student fans. Most of these were related to financial aspects i.e.

⁷⁴ Fellman. The psychology of loyalty programs.

increasing spend among fans. The following section will analyze these financial benefits and also other positive aspects of having a loyal student fan base.

School representatives described certain financial benefits of creating loyal student fans. Firstly, it meant selling more season tickets, both now and hopefully in the future after students graduate. A loyal fan was considered more likely to remain a faithful supporter which hopefully meant that the student bought season tickets, merchandise and more after they left school. Moreover, a loyal student fan base also paved the way for alumni to become boosters and financially supporting the athletic program. All of these factors could be considered as financial benefits from having loyal student fans and are thus related to increasing spend among consumers.

Furthermore, school representatives in this study also emphasized how a loyal student fan base improved a university's image, which could lead to several other benefits. Selling out stadiums and creating a great atmosphere at sports events could help in recruiting new students. Universities described how regular students wanted to attend college that offered great stadium experiences for fans. Similarly, sold out games and high sports interest on campus was also used to attract new student athletes who wanted to play in front of enthusiastic crowd. Being known for selling out stadiums and having engaged fans also earns a university more air time on national TV, which also improves its image and markets the school brand all over the country.

Literature on college sports emphasizes several different ways in a how a strong athletic program and loyal fans can be positive a university. All of the benefits mentioned above are related to each other. Loyal fans means higher attendance, which leads to increased revenue from game days and to a great school image that attracts new students. Since Americans don't receive governmental benefits for attending university, the collegial world is very commercial. Universities are funded by students paying tuition fees, meaning that attracting students is a very competitive business. Therefore, one of the major advantages of having a successful athletic program is its ability to attract prospective students. Thus, it can be argued that creating loyal fans through a loyalty program is very useful and relevant for American universities, competing to attract high school seniors all of the country.⁷⁵

⁷⁵ Toma, Football U.

10.2 Specific rewards strategies

Previously, this study has analyzed how universities' purposes for running a loyalty program affected what behaviors they promoted and what rewards they used as reinforcement. The following part will analyze how these strategies can be related to established theoretical concepts. Furthermore, this part will include a more detailed analysis of how and when universities reward their students. Initially, the different rewards mentioned in the previous section will be categorized. Secondly, the school's strategies for how and when to reward a student will be related to theoretical concepts.

10.2.1 Type of rewards

Although the universities in this study had different purposes for running their loyalty programs, their reward types were very similar. All schools used a reward structure that can be categorized into three different groups; ticket priority, hard prizes and experience packages. To analyze the universities' types of rewards, the study applied researchers Keh's and Lee's model regarding loyalty programs.⁷⁶

Ticket priority at attractive sports events was a main rewards strategy for all programs in this study. Students who gathered enough points were given priority to tickets for games with high demand such as, football bowl games or basketball play offs. Florida State University described how they "use football as a carrot" to make students attend other less attractive sports events. On the other hand, the University of Wisconsin used their program to identify die-hard fans. Although these two schools had a different strategy, they both used ticket priority as their main type of reward. Additionally all universities in this study, claimed that the most effective type of rewards among students were those related to ticket priority.

Another type of reward that several universities in this study used frequently was hard prizes, which could be anything from a t-shirt to a yeti cooler. Hard prizes were usually redeemed through an online prize store, where students themselves unlocked rewards of different value after earning a certain amount of points. The University of Alabama, Louisiana State University and Florida State University all connected a prize store to their loyalty program. However, the prize stores were much different and tended to be more sophisticated if the loyalty program was supported by a sponsor.

Experience packages were also a common reward type at universities in this study. Usually, these were connected to the sports team and offered everything from an away bus

⁷⁶ Keh & Leh. Do reward programs build loyalty for services?

trip with the players to a stadium tour. Most schools used these type of rewards but Wisconsin especially emphasized giving their loyal fans unique experiences.

To further analyze different types of rewards, this study used researchers Keh's and Lee's theories. According to their research, reward types can be categorized into two groups, separating direct and indirect rewards. A direct method refers to rewards that are closely related to the organization's operations. In the case of fan rewards, these could be ticket priority and experience packages. Both arguably have an obvious relationship with a university's athletic department. On the other hand, an indirect strategy is described as rewards that have a secondary relationship with the organization. Coupons and discounts are common examples of indirect rewards but for this study it's possible to include hard prizes into this category. Merchandise such as, coffee mugs and t-shirts does not have a direct connection to a university's athletic operations. However, it could be argued that these have a stronger relationship to its host organization than for example coupons. Also, hard prizes can be many different things and are therefore difficult to categorize as direct or indirect rewards.⁷⁷

Although most loyalty programs include both direct and indirect rewards, research has proven that a direct strategy is the most effective way of reinforcing a certain customer behavior. This was been confirmed by university representatives included in this study, who emphasized that ticket priority (a direct reward) usually represented the most attractive reward among students.⁷⁸

10.2.2 Using a points system

At the center of most loyalty programs is a points system. All four schools in this study used similar point structures and three of the programs had also connected a prize store that had a big impact on their strategies for rewarding fans. Even though points were valued differently, all universities used the same basic rewards procedure. Students that engaged in a preferred behavior were instantly rewarded with points. However, this study did identify two separate themes that outlined different strategies for how universities reward student fans.

The University of Alabama, Florida State University and Louisiana State University all used a strategy where their students themselves redeemed rewards in a prize store. Reaching a certain point threshold unlocked different rewards such as, hard prizes, experience packages and ticket priority. On the other hand, the University of Wisconsin described a different

⁷⁷ Keh & Leh. Do reward programs build loyalty for services?

⁷⁸ Ibid

strategy that didn't include a prize store. Instead their students were rewarded automatically when they reached a specific point threshold. It should be noted that the universities with prize stores also reported that they occasionally used rewards strategies where students were automatically rewarded. For example, all schools described different systems for rewarding students with ticket priority. Some did use their prize store but others described specific strategies, unique for their school.

Using a points system could be analyzed through researchers Keh's and Lee's model on immediate and delayed rewards. Immediate approaches meant rewarding consumers as soon as they engaged in a preferred behavior. Delayed rewards were however awarded at a later stage. It could be argued that rewarding students with points represents an immediate reward, since it happens as soon as they engage in a certain behavior. On the other hand, students redeeming their points for tickets, hard prizes or experience packages at a later stage could be interpreted as delayed rewards. That would mean that schools in this study mainly used a delayed rewards strategy.⁷⁹

Analyzing why schools in this study chose to use a point system approach proved difficult since they all seemed convinced that this was the only way of running a program. It could be argued that a point structure is so common within loyalty programs that it is presumed to be the only possible method. Although, school representatives at LSU did describe how a points system offered a structured way for them to identify and encourage their most loyal fans. The university of Wisconsin had similar reasons for running a loyalty program and also used a point structure. However, FSU and the University of Alabama had other purposes for using a loyalty program. Thus, they arguably had other reasons for using a points system and although they both described the method as successful, it was difficult to identify their reasons for using it. Conclusively, it could be argued that the schools' reasons for implementing a point system was related to them all using the same platform (FanMaker) to run their programs. It is therefore possible that all universities automatically used a points system since it was the only platform available to them. Ultimately, the points systems made it more difficult to analyze different rewards strategies through the study's chosen theoretical framework. This will be further discussed in the following sections of this analysis.

⁷⁹ Keh & Leh. Do reward programs build loyalty for services?

10.2.3 Making rewards available

This study have previously identified making rewards valuable and available for consumers.⁸⁰ Different type of rewards have already been separately analyzed. Now, strategies for making rewards more available will be examined. Commonly occurring in a discussion on these kind of rewards strategies is the Goal gradient effect. According to the theory, consumers are more likely to engage in a behavior if a reward is considered to be within their reach. Since all universities in this study used points systems, students had to reach certain thresholds to be rewarded. Thus, it could be argued that the amount of points a student had to collect to reach the next threshold reflected how available their rewards were. Relating this to the goal gradient effect means arguing for shorter distances between thresholds. Programs requiring less points to reach the next level of the system would arguably make rewards more available.

Previous research on the goal gradient examined coffee shops and illustrated how customer consuming patterns intensified as they approached the next reward. On the other hand, redeeming a reward made the customers realize that they now had a long way to go before reaching the next threshold. This realization seemed to discourage customers, leading to a less frequent consuming pattern. Considering these examples, it could argued that program managers should aim to frequently reward customers and to not minimize distances between point thresholds.

A further analysis of when universities should reward their students would require a more thorough study that included a detailed account of schools' points systems. However, using rewards strategies that made it easier for students to earn points was very common at universities in this study. Both FSU and the University of Alabama described certain sports events where points were worth more. All promoted behaviors at these events were awarded with double points and made it easier for students to reach the next threshold. Universities generally argued that students seemed more likely to engage in a preferred behavior during these type of campaigns. This could be explained by the fact that it was easier to earn points, thus shortening the road to redeem a reward.

Conclusively, universities identified that special events, where it was easier to earn points, was an effective way of getting students to engage in a certain behavior. Since this was mainly used at FSU and the University of Alabama, it could be argued that the strategy is related to programs focused on increasing student attendance. FSU particularly used this strategy to draw more students to less attractive events. However, it could be argued that

⁸⁰ Strickland. Julian B. Rotter (1916-2014).

making rewards more available is a major part of any loyalty program, making the strategy difficult to connect to the universities' reasons for using fan rewards.

10.2.4 Reinforcement strategies

Previous articles on loyalty programs have identified the connection between rewards strategies and BF Skinner's five schedules of reinforcement. Using a research lens based on Skinner's theories meant that this study could identify different reinforcement methods at the universities included in this study.⁸¹

As previously mentioned, all schools described a points system at the core of their respective loyalty programs and how students were rewarded after reaching a certain threshold. Specifically, every participating student learned that they would be rewarded when they summed up a specific amount of points. This can be characterized as a fixed ratio reinforcement method. As Skinner's lab rats learned that pressing a lever five times led to food, students knew that they were rewarded if they for example attended enough sports events. It should be noted that the universities all used separate point structures and rewarded students based on different thresholds. Still, repeatedly reinforcing subjects after reaching a specific level is arguably relatable to Skinner's account of the fixed ratio method.⁸²

Psychology research described how subjects tended to have a fast response rate to fixed ratio reinforcement. However, fixed ratio reinforcement is also characterized as having a medium fast extinction rate, which means that the promoted behavior is likely to stop fairly quickly if the reward is removed. Schools had no experience of this happening but did emphasize the importance of keeping the program updated and active.

Although all programs in this study had fixed ratio characteristics it could also be argued that some aspects of their rewards strategies showed signs of continuous reinforcement. This method refers to handing out rewards every time a certain behavior occurs. Continuous reinforcement is described as having a slow response rate, meaning that it takes time for subjects to learn the promoted behavior. Furthermore, subjects also tend to stop the behavior quickly after the reinforcement is removed, making the method the least effective of Skinner's five schedules.⁸³ Florida State University described a strategy that combined fixed ratio approaches with a continuous method. Students at FSU mainly gained points every time they attended non-football games, which could be interpreted as continuous reinforcement.

⁸¹ Fellman. The psychology of loyalty programs.

⁸² Ferster. Schedules of reinforcement with Skinner.

⁸³ Ibid

However, students had to collect a certain amount of points to redeem a reward at an online prize store. A strategy that is arguably based on a fixed ratio method.⁸⁴

This study has not been able to find any discussion on using several different reinforcement methods at the same time. It could be argued that loyalty programs based on points systems naturally includes both continuous and fixed ratio reinforcement.

Conclusively, the findings suggests that loyalty programs could have several reinforcement characteristics.

11 Discussion

The following discussion of the study's findings consists of three main themes. Firstly, the included universities' rewards strategies will be discussed. Secondly, different benefits of running a loyalty program will be related to why an American university choose to use a program. Lastly, the study will discuss concerns with connecting its findings to established theories.

11.1 Similarities

The study's findings outlines a pattern of similarities among the universities' rewards strategies. Schools generally promoted similar behaviors and reinforced this using the same kind of rewards. However, this study did find that universities tended to promote two main types of behavior related to increasing frequency (attendance) and affinity (loyalty). The promoted behavior in each program was dependent on a school's purpose for using rewards strategies. For example, Louisiana State University wanted to identify and encourage more loyal student fans, which meant that they rewarded behavior such as arriving early and staying late at sports games. On the other hand, universities that wanted to increase student attendance tended to reward behavior related to attending less attractive sports games. Here, the study found two different types of methods. Firstly, Florida State University's strategy that aimed to increase student attendance at all of their sports events. Secondly, the University of Wisconsin's method that mainly wanted to increase attendance at basketball games. Interestingly, both of these schools used the same strategy of rewarding students who attended less attractive sports games. Therefore, it could be argued that schools with the same purpose, in this case increasing student attendance, tend to reward the same kind of behavior.

⁸⁴ Ferster. Schedules of reinforcement with Skinner.

Furthermore, the universities' main purpose of running a program tended to be related to either increasing frequency or affinity. Still, all schools described how they also rewarded other types of behavior. For example, LSU that mainly focused on creating loyal fans – i.e. increasing affinity - did also reward students for attending sports games. Likewise, FSU students earned points when they arrived early and stayed late at games, which is mostly related to creating loyal fans. Thus, it could be argued that a university's purpose for running a loyalty program affects their main rewards strategy. However, schools still tend to reward behavior that is related to both increasing frequency and affinity.

The findings also indicate that all universities in this study tended to use ticket priority, hard prizes and experience packages as their main types of rewards. Although ticket priority seemed to be each school's main reward, they all reported using these three categories. This theme of similar strategies could arguably be explained by the study's purposively selection method. To identify themes of how American universities ran their loyalty programs, this study purposively included similar schools, all of which used FanMaker's platform.

Therefore, it could be argued that the fact that all schools tended promote similar behavior and applied the same types of rewards, was related to them using FanMaker. The schools were also rather similar in size and were all a part of NCAA Division 1, which makes them even more alike.

Conclusively, this study identified several similarities in the universities' rewards strategies. Even if the schools' purposes for running a program heavily affected their strategies, it could be argued that they all promoted two main behaviors using the three same types of rewards. It could also be argued that the reason for this is the universities' similar characteristics.

However, further studies that included more schools is required to confirm this argument.

11.2 Why use a loyalty program?

Although universities in this study all had a specific purpose for running their loyalty program, which was usually related to increasing attendance or affinity, they also described other reasons for using rewards strategies. The issue of this study was to examine why an American university needed to use a loyalty program at their sports events. School representatives described several benefits that came with their rewards strategies. Most of these were related to financial benefits or improving the university's image. Generally, the behavior that schools promoted through their programs came with several advantages.

Increasing attendance meant higher game day revenue as well as giving student fans or athletes a great experience. It could therefore be argued that all of these benefits makes a

university more attractive, which is essential for American colleges that are competing to attract new students. This competitiveness is not too different from any other commercial market, where companies are competing over customers. In those markets, organizations use any means necessary to make their business attractive. Using a loyalty program could simply be considered as a method for attracting new students, which makes it very relevant for universities. Thus, loyalty programs arguably do fill a need at American universities since the benefits of using rewards strategies are very relatable to a school's core business of attracting new students.

11.3 Concerns with the theoretical framework

Finally, this study had certain issues with connecting the theoretical framework to the findings. The fact that all universities based their entire program on different point systems made it especially complicated to pair rewards strategies with established theories. For example, rewarding students with points every time they engage in a certain behavior could be related to Skinner's continuous reinforcement schedule. On the other hand, students could usually not redeem a reward until they reached a certain point threshold. This strategy could be related to the fixed ratio reinforcement schedule and leads to questions of when students actually are rewarded. It could be argued that the reward happens when students are awarded with points. According to the universities in this study, students did engage in certain behavior if it was associated with earning points and it didn't seem to matter that the actual reward was redeemed later. However, if earning points represents the reinforcement, how does schools categorize the redeeming process? Receiving the reward could arguably also be considered as reinforcement and separating the redeeming process from earning points was a major issue of analyzing the study's findings.⁸⁵

Furthermore, it could be argued that the problem of connecting rewards strategies to established concepts is a reflection of the study's rather old theoretical framework. Skinner's theories are to this day still considered as fundamental to any loyalty program. However, the concepts of operant conditioning and the five schedules of reinforcement are based on experiments conducted in the 20th century. Although they can still be used to understand the basics of a loyalty program, it could be argued that modern rewards strategies have become too complex for Skinner's theories. For example, using a fixed ratio reinforcement method is very relatable to using a certain point threshold for rewarding customers. Yet, establishing

⁸⁵ McLeod. Skinner – Operant conditioning.

that connection only explains one aspect of a points based loyalty program. A more detailed account also has to include the effects of using a point system and what strategies that are most effective in this kind of program.⁸⁶

It should be noted that this study also struggled to relate modern theoretical concepts to certain aspects of the included loyalty programs. For example, the issue of when the reward actually takes place made it difficult to analyze universities through the goal gradient effect. The goal gradient is generally used to measure if consumers considered rewards available. However, analyzing the availability of a reward requires knowledge of when the reward actually happens. Were students rewarded when they earned points or when they redeemed a reward? These obstacles complicated the analyzing process and should be examined further in future studies.

12 Conclusions

This study aimed to analyze American university's purpose for running a loyalty program and how this affects what rewards strategies they apply to reinforce a certain student behavior at their sports events. Universities in the study described two main purposes for using a program and were related to increasing student attendance at sports events or creating a loyal student fan base. Although schools seemed to emphasize one of these purposes, all also reported including some aspect of both strategies in their program. Increasing student attendance was mainly related to rewarding attending less attractive sports games. On the other hand, rewarding students for social media activity or arriving early and staying late at games were categorized as the main promoted behavior for creating a loyal student fan base. Furthermore, the rewards types used by universities in this study was categorized into three groups; ticket priority, hard prizes and experience packages. Ticket priority tended to be most attractive for students and was especially used for increasing student attendance at sports events.

Conclusively, this study found that a school's purpose for running a loyalty program did affect what main behavior they promoted and which rewards they used as reinforcement. However, all universities aimed to both increase student attendance and to create loyal fans even if one of these were their main purpose. They also reported using all three types of rewards, although ticket priority seemed to be the most attractive one. Therefore, it could be argued that the universities in this study used similar rewards strategies. This could be

⁸⁶ Ferster. Schedules of reinforcement with Skinner.

explained by them using the FanMaker platform as well as having arguably similar characteristics.

Considering the issue of this study, it could be argued that the findings do add knowledge to the field of sports loyalty programs in a collegial sports context. Universities in this study described several benefits of running a loyalty program, which could all be connected to a school's core business of attracting new students. The issue of the study was based on why American universities needed to run a rewards program at their sports events. These benefits clearly fill a school's need to appeal to high school seniors all over the country. Therefore, it could be argued that this study does add knowledge to the question of why American universities need to use loyalty programs.

Lastly, this study also identified problems with analyzing data through the chosen theoretical framework. Certain characteristics of the universities' loyalty programs were simply not relatable to the included concepts from psychology and marketing research. For example, all schools in the study used a points system as part of their loyalty program, where students redeemed points after reaching certain thresholds. This type of strategy could be related to several different established reinforcement methods within acclaimed psychologist BF Skinner's research. However, using Skinner's theory showed that universities used more than one specific reinforcement method. This led to a discussion on when a reward actually takes place. Is it when consumers earn points or when they redeem the reward? Some would probably explain the study's problem of relating findings to theory by arguing that Skinner's psychological theories are outdated. Reinforcement methods identified during the beginning of the 20th century could arguably have trouble explaining all characteristics of a modern loyalty program. However, this study had similar problems connecting modern concepts from marketing research to the universities' rewards strategies. Again, the schools' points systems made it difficult to relate their strategies to established theoretical concepts.

Conclusively, it could be argued that the challenges this study had with connecting its findings to established theories means that it adds knowledge to research on loyalty programs. The question of when a reward actually takes place should be discussed in future research and some of the points made in this study could be used to shed further light on the issue.

12.1 Future research design

This study has provided certain patterns of how American universities use loyalty programs to reinforce student behavior at their sports events. However, future studies should aim to include a higher number of schools. Universities in this study were purposively selected based on their similarities. To make the findings more generalizable, coming research projects could expand the selection criteria and include different types of schools. Furthermore, future studies should focus more on different benefits of creating loyal fans. For example, does more loyal student fans lead to increased game day profits?

Lastly, one of the main themes of this study was the issue of relating established theories to loyalty programs that used points systems. Getting a better understanding of how points systems effect different rewards strategies should therefore be emphasized in future studies. Moreover, coming research projects should focus on defining when a reward actually takes place. Is it when consumers earn points or when they redeem rewards?

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14 Attachements

14.1 Interview Adam Ahearn, the University of Wisconsin

Date: 2017-03-28.

Conducted using e-mail.

ML = Max Lundmark

AH = Adam Ahearn

(ML) When did you launch your rewards program?

(AH) We just completed our seventh year of utilizing the rewards program.

(ML) How many members are currently signed up to your rewards program and how many of those are students at your university?

(AH) We currently have about 2900 active members signed up. 100% of the membership are UW students. The program is specific to men's basketball and is only open to the student population.

(ML) Is increasing student attendance at your sports events the main purpose of your rewards program?

(AH) The student rewards program was designed to tackle two main issues.... 1) increase actual attendance and 2) assist in identifying "die hard" fans for the purposes of seating them in the arena.

We've been in a good situation that over the last number of years, we've sold out of our student season tickets. In fact, this year, we sold out of 2100 student tickets in 3 minutes. What we've found however is that students, despite having tickets to games, were not attending games at the rate we would have liked...which left many seats open in the student section and did not look very good. Plus, with less than ideal numbers in the student

section, the environment in the arena lacked at some point. The reward program was put in place to help encourage students to go to the least desirable games to help with actual attendance at those games.

Additionally, it was a way for us to identify our most rabid fans for the purposes of assigning tickets at games. For many years we struggled with how to identify diehard fans and who got the best seats in the arena. We determined that those that attend all our games (thus racking up a lot of points in our rewards program) would be deemed our best fans and would be allocated in the best seats in the arena closest to the court. The rewards program helps us keep track of points for the purposes of allocating seats.

(ML) What are your strategies for getting students to join the rewards program?

(AH) We used a number of different methods to get students to join the program:

- reminder emails throughout the year
- social media messaging
- invenue message (video board and PA messages)
- flyers on the student section seats the first couple of games
- messages on our TV's in the concourse

(ML) What kind of rewards are you using? What kind of rewards have been most attractive for students?

(AH) This past season, we offered a combination of experiential and hard prizes. Our program benefit/reward roster included the following:

- Top 10 in points at the end of the season will get lunch with our head coach
- Top 25 in points earned an opportunity to attend an away game bus trip
- Top 100 in points earned the opportunity for an away game watch party in a premium hospitality space in our arena
- Top 750 in points earned a free power bank cell phone charger
- those that reached a certain threshold earned purchase priority for season tickets for next year
- those that reached a certain threshold earned priority seating privileges for second semester Big Ten games (i.e. the seats closest to the court)

By far and away the most attractive incentives are those related to ticketing (priority seating and purchase priority)

(ML) What kind of behaviour are you rewarding? For example getting to stadium early, frequent visits etc?

(AH) We are rewarding three basic behaviors.....1) attendance at games 2) arriving to the arena early and 3) activity on social media. Most of the points are weighted toward actual attendance. Social media activity is a component, but is only there if a student misses a game...they would be able to potential make up those missed- game points with lots of activity on social media.

14.1.1 Follow up interview Adam Ahearn, the University of Wisconsin (e-mail)

Date: 2017-03-29

ML: Max Lundmark

AH: Adam Ahearn

(ML) Why are you not using the rewards program for other sports?

(AH) At this point, while the platform is capable of supporting more than one sport, we are only utilizing it for men's basketball. We aren't in a position from a resources perspective to roll it out to more than just basketball. There is a cost associated with not only the platform, but also the rewards. Additionally, there is some staff time required to maintain the program and answer questions that do come up.

(ML) About getting students to join the program. Did you use any kind of rewards to attract the students to join? For example were they instantly rewarded with points or hard prizes when they joined?

(AH) Student do get points for various actions (like connecting their social media accounts, downloading the app, etc.). These are all instant rewards and actions we want them to take to further assist in the program during the year.

14.1.2 Follow up interview, Adam Ahearn, the University of Wisconsin (e-mail)

Date: 2017-05-09

ML: Max Lundmark

AH: Adam Ahearn

(ML) Do you have a prize store connected to the program where students can redeem prizes or are they automatically rewarded when they reach a certain threshold?

(AH) We did not activate the “prize store” component of the Fan Maker site. We used the system to tabulate points and then we awarded a variety of benefits (mostly ticket-related benefits) to qualifying students.

(ML) Do you ever use any other rewards strategy than the points system? For example, handing out gifts to all rewards program members at a certain game?

(AH) Most of our benefits are tied to the rewards programs especially ticketing and special event invitations. Occasionally, we’ll have giveaways, but those would be available to all members of the student section (i.e. season ticket holders), not just program participants.

(ML) Have any specific rewards strategy that you’ve launched failed?

(AH) Actually no.

14.1.3 Follow up interview, Adam Ahearn, the University of Wisconsin (e-mail)

Date: 2017-05-29

ML: Max Lundmark

AH: Adam Ahearn

(ML) Why is it important for your university to create a loyal student fan base?

(AH) I think there are many reasons to have a loyal and connected student fan base. Some of them are (in no particular order)....

-Financial...both in terms of season ticket sales and future opportunities once the student graduates (ticket purchaser, donor, etc.)

-Image...it looks good for the university to have a full and engaged student section (especially for TV)

-Recruiting...to go along with the above "image" it's also important to have a loyal fan base to assist in maintaining the best athletes consider Wisconsin (they want to play in front of a big crowd)

-Gameday Atmosphere...a loyal/engaged/connected student fan base has a greater likelihood to be loud and cheer (others in the stands feed off this student support)

-Student Athlete Experience....in collegiate athletics, one of the things we like to do is ensure our athletes have a good experience; playing in front of big/engaged crowds is part of that

-Fan Experience...being a student season ticket holder is part of the experience of going to college. We want to make sure they have a good time at our events; as such we look to build loyalty with them

14.2 Interview Drew Longenecker, Florida State University (e-mail)

Date: 2017-04-12

ML: Max Lundmark

DL: Drew Longenecker

(ML) When did you launch your program?

(DL) Launched the program in 2012

(ML) How many members are currently signed up to your rewards program?

(DL) We automatically place all active students in our program (40,000)

(ML) Is increasing student attendance at your sports events the main purpose of your rewards program?

(DL) Students are a huge focus for us. If we can get them to support our other 19 sports, we have success.

(ML) What are your main types of rewards?

(DL) We have a point structure for attending events and engaging on social media- www.fsuspearitrewards.com has more info on how to earn points.

(ML) What kind of behavior are you rewarding?

(DL) A lot of the questions are answered in the FAQ on the site. I created this program and turned it into students only 5 years ago. It continues to grow and the most important part for us is focusing on the other 19 sports other than football. We use football as the carrot. We incentivize heavily through our partners and prizes. We are essentially bribing the students to come to games. The best part in my opinion is the social aspect. We reward them for engaging in our social platforms. Like, Retweet, Share, etc. It spreads our message (advertising) at no cost.

14.2.1 Follow up interview, Drew Longenecker, Florida State University (e-mail)

Date: 2017-05-10

ML: Max Lundmark

DL: Drew Longenecker

(ML) How would you describe the activity in your prize store? Are a lot of students redeeming prizes? How would you compare the prize store strategy to rewarding students with ticket priority to football games?

(DL) We Sold Out of over 1,000 items this year. Huge success. They save their points until the Spring and then buy all the prizes. They want to keep their points for higher football priority.

(ML) Do you ever use any other rewards strategy than the points system? For example, handing out gifts to all rewards program members at a certain game?

We do promotional giveaways that coincide with Spear It Reward games. These have the tendency to be the highest attended events.

(ML) Have any strategy you used been unsuccessful?

(DL) There isn't actually. I had the goal in mind of not having to do that. I didn't want to have to reach out to anyone to be quite honest. We enroll every student and then it's up to them to get the points and ultimately the tickets. We have removed any of the 'hoping and wishing' from the program.

14.2.2 Follow up interview, Drew Longenecker, Florida State University (e-mail)

Date: 2017-05-29

ML: Max Lundmark

DL: Drew Longenecker

(ML) Why is it important for your university to create a loyal student fan base?

(DL) The hope is for the students to enjoy their time at Florida State and then become season ticket holders and boosters after they graduate.

We are hoping they get in the habit of attending sporting events and supporting our teams and get rewarded in return.

14.3 Interview with Mike Harris, University of Alabama (phone).

Date: 2017-03-30

ML: Max Lundmark

MH: Mike Harris

(ML) When did you launch your rewards program?

(MH) 5 years ago.

(ML) How many members are currently signed up to your rewards program?

(MH) 30 000. Mix of students and other fans.

(ML) Is increasing student attendance at your sports events the main purpose of your rewards program?

(MH) One of the big reasons is to create student loyalty and increase student attending at all of our sports events but it's also includes non-student fans.

(ML) What are your strategies for getting students to join the rewards program?

(MH) We're marketing the exclusiveness of the program. For example how members get exclusive access at games or prizes like signed basketballs when they arrive.

(ML) Is the student/customer instantly rewarded for joining the program and if not, what does it take for the student/customer to reach the first reward?

(MH) As soon as a person signs up they're given a certain amount of points. If they download our app, they're given a certain amount of points.

(ML)What kind of rewards are you using?

(MH) We're doing double points nights, were the points a member earns at the event are doubled. Uploading content at social media is also rewarded.

14.4 Interview Garrett J Thibodeaux, Louisiana State University (phone).

Date: 2017-05-04

ML: Max Lundmark

GT: Garret J Thibodeaux

(ML) When did you launch your program?

(GT) We did a soft launch in 15/16. Going to launch it full scale 16/17.

(ML) How many members are currently signed up to your rewards program?

(GT) All students are automatically signed up. We currently have 25 000 members and of those 2300 are active. We also do have some plans to open up the program to general fans.

(ML) Does students have to pay admission fees for sports events?

(GT) They have to pay for football games. All others are free.

(ML) Is increasing student attendance at your sports events the main purpose of your rewards program?

(GT) We've always had points system for tickets to away games and post season games. In recent years we've seen a decline in interest for going to away games even if you have points. Sometimes it's just too expensive for students. Our away game at Alabama is the only one that's still attractive.

The purpose of the loyalty program was to add value to the points system again. Not only using ticket priority as rewards and adding prizes and other type of rewards. We're not mainly focused on increasing student attendance since it's already good. Another purpose with the program was to add value to die-hard fans.

(ML) What are your strategies for getting students to join the rewards program?

(GT) They are automatically signed up but have to download the program app.

We're doing a lot of sweep stakes. For example, students who download and check in at Basketball can get free books for a semester.

(ML)What are your main types of rewards?

(GT) We're focusing on experiences. Like, stadium tours, dinner with coaches pre-game passes, free tickets. We also have a prize store where students can redeem rewards with their points. Also looking to sign up with a partner to fund more prizes.

(ML)What types of rewards have been most attractive for students?

(GT) Prize packages. T-shirts, Jacuzzi, baseball jerseys, signed baseballs from coaches. Mostly, free student tickets.

(ML) Have any strategy you used been unsuccessful?

(GT) Involving greek life.

(ML) What kind of behavior are you rewarding?

(GT) Attendance at all events.
Staying late, arriving early.

14.4.1 Follow up interview, Garrett J Thibodeaux, Louisiana State University (email)

Date: 2017-05-30

ML: Max Lundmark

GT: Garreth J Thibodeaux

(ML) Why is it important for you to create a loyal student fan base?

(GT) Today's students are tomorrow's donors and season ticket holders. We want to make sure they have an experience as a student fan that makes them want to come back once they graduate and have the income to donate and purchase season tickets.

(ML) You're using a points system where rewards are redeemed after earning a specific amount of pints. Why are you using this strategy? Was it recommended to you? Would you say it's successful?

(GT) We use points because it is a way to reward students who have shown consistent support. The students who come to everything are the ones that are getting the best prizes and experiences.

(ML) Have you used some other strategy for rewarding students?

(GT) We do run some sweepstakes for students to enter for prizes. It was moderately successful whenever we did it. We just want to make the students who attend everything feel like they are appreciated, rather than awarding everybody who shows up to one specific event, even if it's someone's first time.