

VALUE CO-CREATION IN SPORT ENTERTAINMENT BETWEEN INTERNAL AND EXTERNAL STAKEHOLDERS

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Purpose: Co-creation as a collaborative process between organizations and customers generates unique value for both internal and external stakeholders for the company. Research generally examines and portrays customer-company co-creation as a balanced and harmonious relationship. However, a successful co-creation strategy involves understanding the shared interests of the parties and resolving tensions between internal and external stakeholders in order to avoid co-destruction. In this study, we draw on the intersection of organizational behavior and marketing literature and examine shared interests and conflicting tensions involved in co-creation in the context of sports entertainment. This context allows the researchers to unpack and present a more complex process of co-creation that fosters co-creativity and innovation.

Design/methodology/approach: Based on qualitative case-based approach of a major university in the USA, we draw on interviews and observations from their athletic administration and fans engaged in a men's Division I team through an entire season.

Findings: Our qualitative study illustrates an alternative, more complex dilemma of co-creating emotional and symbolic value based on shared interests while reconciling conflicting internal and external stakeholder interests. Our findings suggest a tug of war based on tensions, where management adopted contrasting managerial strategies ranging from attempting to reconcile tension through organic co-creation to controlled manufactured creation.

Practical implications: Emotional and symbolic game experience value is an interdependent process, which cannot be created without consumer engagement. Both emotional and symbolic values are enhanced during games to the extent consumers perceive participation in the creative pre-game stages.

Originality: This study draws on sports entertainment to identify sources of tension in co-creation and discuss type of solutions among internal and external stakeholders.

Keywords: Sports management; tourism management; co-creation, tension, experiential value, internal and external stakeholders

INTRODUCTION

In the current sport industry, spectators and supporters are of central importance (Horbel et al., 2016; Kennelly, 2017) partly because they have collectively contributed to billions of dollars in revenue to the global sports tourism sector (UNWTO, 2016) and partly because of their increasing involvement individually and jointly as communities — they are considered as co-producers of new services and co-creators of value (Vargo and Lusch, 2008). While the majority of research in sports tourism focuses on elite and professional events such as the Olympics and World Cup (Djaballah et al., 2015), scattered evidence has shown that niche markets such as youth sports (i.e., school and collegiate sports) and participative sports events (i.e., amateurs and fundraising sporting events) (Kennelly, 2017) have grown exponentially and, therefore, become increasingly profitable in the sports tourism sector. The idea of viewing supporters or fans of sports teams as tourists is not new but it has mostly been neglected in extant literature (c.f., Gibson et al., 2003). In light of the significant organizational and economic impacts they generate, more research is needed to better understand sports tourists' (i.e., spectators and fans of a specific sport or sport team who travel, near and far, to attend events and games) experience and behavior.

Past literature has mostly examined how the actual sporting events (e.g., event organization, service quality, etc.) would impact perceived value (e.g., economic, social, etc.) and re-visit intentions (Kaplanidou et al., 2013). The interaction between companies and consumers in the value creation (consumption) process is defined as a joint process by which two or more parties create some form of commercial value and termed value co-creation (Vargo and Lusch, 2004). There is a general consensus about the positive added value of involving consumers in the value creation process (Grönroos, 2011) such as generating new perspectives and in turn offering sources of innovation for businesses to differentiate their value from those offered by their competitors (Chathoth et al., 2016). What has been underexplored is the notion of more complex mechanisms

through which value is created along with tension amongst the different stakeholders that exert influence upon each other and co-create value (i.e., Hillebrand et al., 2015; Hult et al., 2011). For instance, co-creation can potentially introduce unexpected tension (i.e., a naturally occurring phenomenon in collaborative processes that stems from competing interests; Erhardt and Gibbs, 2014) between management and consumers due to their disparate interests, which may, in turn, undermine its potential benefits. Until recently, the discussion about value co-destruction, which has emerged out of the service-dominant-logic literature, has hinted at tension between customers and companies as a potential source of value destruction (Farquhar and Robson, 2017). Yet, most existing research has focused on the exchanges (positive and negative) between customer-frontline employee (e.g., Echeverri and Skalen, 2011) and customer-customer (e.g., Nicholls, 2011). The co-creation/destruction literature is incomplete due to our lack of understanding regarding the customer-management dyad and how the value creation/destruction process unfolds in this dyad.

The goal of the current study is to fill this literature gap by examining value creation/destruction via sports entertainment, where the extended relationship between fans and their team as well as their intensive emotional investment provides the grounds for customer-management collaboration and inevitably, tension. We adopt the process model (Pera et al., 2016) and draw on the stakeholder marketing framework (e.g., Hillebrand et al., 2015) in examining the value co-creation phenomenon. Our unique contribution is to unpack the dynamics of shared and competing interests in the process of co-creating value. In particular, we examine how sports organizations reconcile tensions with their customers—i.e., fans. Moreover, by adopting a case-based approach using interview and observational data methods within the context of collegiate sports, we contribute to the growing field of sports tourism research across disciplines (Brent Ritchie et al., 2011; Gibson et al., 2003). Finally, we offer insights as to how deploying strategies to balance tensions in value co-creation can help foster stronger links between customers and

sports organizations, which is essential in deriving value from co-creation dynamics (referred to as ‘co-creativity’ in the current paper).

CONCEPTUAL BACKGROUND

Value co-creation in sports

In the sports tourism literature, the action of fans is categorized into *active sports tourism* (i.e., actively participating in sports tourism), *event sports tourism* (i.e., travelling to watch sports tourism), and *nostalgia sports tourism* (i.e., visiting attractions such as sports stadiums, arenas and other venues) (Gibson, 1998). To illustrate, it is typical to find, in collegiate sports, sports tourism as 1) ‘active sports tourism’ such as fans travelling to watch in-season games, 2) ‘event sports tourism’ such as fans travelling to watch off-season events such as the Senior Bowl or travelling to watch your own team play another conference team in a mini-tournament format in a different city or country, and 3) ‘nostalgia sports tourism’ such as alumni travelling to watch homecoming or home games.

In the marketing and tourism literature, there is converging evidence on the development and experience of communities and sense of belonging among sports tourists across various sports (Rickly-Boyd, 2012; Wichmann and Jarvis, 2014), which suggests that supporters’ motivations and actions are no longer confined to the actual game experience. Some even suggest that there exists sub-communities within each sport (e.g., Humphreys, 2011). For example, building on the theory of symbolic capital, researchers identify golfing capital (Humphrey, 2014) which is defined as ‘the transferable value attained through participation in golf and specifically the value gained by travelling [to actually playing golf]’. Golfing capital refers to benefits including status within the golfing social network, skill and knowledge enhancement, and official recognition of participation. In addition, high status within a certain sports-related social network is shown to have an impact on sports event participation, sports vacation destination, and spending. This

suggests that sports tourists' motivation is not purely driven by their love and support for a sport, a player, or a team, but it also consists of a self-serving notion emerged out of a process of emotional and/or symbolic value (i.e., experiential value).

The fact that sports fans come together to form communities and that groups of individuals can attain status and exert influence within those sub-communities has significant implications for value co-creation in sports tourism. Influential groups of individuals can serve as ambassadors for the sport, players, or teams. This has been studied extensively and well established in marketing literature such as value co-creation, word-of-mouth, and branding (Rihova et al., 2013). On the flip side, these powerful groups of individuals can also serve as a force against management decisions and practices which would result in tension — a topic which has largely been unexplored. Since co-creation is a social and interdependent collaborative process (e.g., Drazin et al., 1999; Vargo and Lusch, 2008), tension may arise as a result of the different interests from the relevant entities, namely, internal stakeholders (i.e., company and its management) and external stakeholders (i.e., sports spectators and fans).

Stakeholders and their roles in value co-creation

Co-creation has received much attention in both management and marketing disciplines (e.g., Drazin et al., 1999; Vargo and Lusch, 2008). On the one hand, organizational research generally frames co-creation within an internal stakeholder lens; indeed, factors such as leadership (Mumford et al., 2002), organizational culture (Erhardt et al., 2016), strategic management (Martin-Rios and Parga, 2016), and knowledge management efforts (Erhardt et al., 2014) are found to be conducive to organizational value creation. On the other hand, marketing research in this area shifts its focus from an intra-organizational (i.e., organizations create value for their passive customers) to an inter-organizational one (i.e., a collaborative process that involves multiple

stakeholders including customers). For instance, the stakeholder marketing framework (Hillebrand et al., 2015) suggests that value creation is a complex exchange process amongst different stakeholders with disparate interests. This conceptualization of value creation suggests that both internal and external stakeholders are significant in this process. Most businesses have accepted changes in the behavior of consumers, and views of marketing have largely shifted to being an interactive forum where consumers are integrated into the co-creation process (Pera et al., 2016). Evidently, both management and marketing research recognize that value creation is a joint effort that should involve multiple stakeholders. Yet, co-creation is not an end in and of itself – that is to say, the goal for companies in encouraging co-creativity (either from its employees or customers) is ultimately to create value for themselves (Saarijärvi, 2012).

Notably, value co-creation involving customers can occur through various means such as pricing, distribution, promotion and design of products and services (Lusch et al., 2007; Vargo and Lusch, 2004) and encompasses economic, functional, symbolic, and emotional value. But this paper argues that in temporally extended consumption, such as sports entertainment, the value derived would become more complex because prolonged experience with a service provider would foster a deeper bond (Arnould and Price, 1993). In particular, sports event consumers believe that successful events yield emotional and social value such as pride and recognition and strengthen a sense of community (Kaplanidou et al., 2013). As such, our focus is on experiential value, which is a combination of intensive emotional and symbolic value derived from the experience of watching sports and supporting sports teams. Symbolic value (other-oriented) occurs where customers' self-expression and image are the focus and utilized like when they wear particular brands to communicate a personal identity that transcends the function of the product to a self-brand identification (Escalas and Bettman, 2005). Emotional value (self-oriented) is the utility

acquired as a result of a product's ability to arouse desirable feelings or affective states, which can translate into brand attachment and brand love (Batra et al., 2012).

Tensions in co-creation

While current views on co-creation generally assume a balanced and harmonious relationship between organizations and their customers (Fisher and Smith, 2011), this paper argues that the co-creation process is likely to be more convoluted and asymmetrical, due to the fact that the interest between the internal and external stakeholders may at times be in conflict. Tension has been proposed as a phenomenon that could vary in explicitness, which is defined as 'the degree to which multiple stakeholders in the firm's stakeholder network express opposing interests' (p. 417, Hillebrand et al., 2015). Since conflict in past research is often examined within the external stakeholders and consumers dyads, it follows that many companies would prioritize consumers' needs to downplay the tension to reflect their ultimate interest in satisfying consumers (Drucker, 1954). As a result, the concept of tension explicitness has not been examined thoroughly. Yet, the dynamics brought about by co-creation in sports entertainment provides a context in which this explicitness of tension may have more impact because tension being examined in the current study emerges from the management-consumers dyad. The current research proposes that fans can become a force against sport-related decisions, which would normally be controlled solely by game authorities and management. This creates tensions that could undermine the experience, and ultimately, the business. At the same time, consumers (i.e., sports fans and spectators) are more prone to voicing their opinion through various channels, especially on social media, which increases the degree of explicitness of tension. Sporting events as entertainment are organized to create a favorable experience, build lasting memories, and strengthen self-brand (team) identification, such experiential value cannot be produced without the engagement of the fans (Vargo and Lusch, 2004). The very presence of other spectators (e.g., a large and boisterous crowd)

adds experiential value (Horbel et al., 2016). Ironically, the interdependence between fans and the organization can be illustrated by one of the biggest symbolic punishments, i.e. when sports organizers ban fans from attending the games or when fans decide to boycott a home game. Evidently, consumer involvement has become non-negligible, especially in cases where customers voluntarily participate or are expected to be involved (i.e., in experiential value creation) (Saarijärvi, 2012).

This is where the current study extends existing value co-creation literature and argues that customer involvement can turn into tension that can undermine its potential benefits. Tensions can also escalate due to the underlying motivations of the various stakeholders to engage in co-creativity. We posit that experiential value (i.e., a complex value derived from emotional and symbolic experiences with the company) is a double-edged sword – it can add to the overall experience and it can play a key role in driving tensions, as consumers are deeply connected to the company's brand, products or services – making co-creativity a personal issue that is imbued with internalized value. When competing interests exist between the company and the customer, customer involvement may destroy value (i.e., value co-destruction; Echeverri and Skalen. 2011). Consequently, for experiential value to emerge within a co-creation context, both shared and conflicting interests among internal and external stakeholders must be identified and in turn be reconciled. The conflict that arises when management and fans pursue new game experiences for their own interest is what this study attempts to identify and unpack.

While co-creation in sports is generally examined within a functional value framework focusing on utilitarian product development and design (e.g., Chathoth et al., 2016), we focus on the role of sports as a context for co-creation of experiential value. Sports entertainment as a form of experiential value offers important insight as to how sports organizations and their fans must negotiate both shared and competing interests to enable the most synergistic co-creativity. This

study posits that the presence of tensions is contingent on the following: whether the consumers or the organization dominates or controls the process (Fisher and Smith 2011); whether the process is framed as a competition or collaboration (Grant and Dacin 2014); and whether the process is perceived as exploitation or mutually beneficial (Vargo and Lusch, 2004). Thus, our general research questions focus on identifying the shared and conflicting interests between the organization (i.e., sport franchise) and their fans (i.e., customers), and in unpacking the organizational strategies to manage these interests to maximize the athletic game experience.

METHODS

Collegiate sports in the United States is an appropriate context in which to examine the phenomenon at hand for several reasons: 1) collegiate sports represent a significant portion of sports tourism and their importance is growing (e.g., reportedly USD 800 million was generated for the North American economy in 2016, SDM); 2) fans of college sports teams are highly mobile and therefore fit our focus on sports tourists (NASC, 2014); 3) fans of college have genuine interest in the well-being of the team's brand and are therefore psychologically invested; 4) compared to professional sports, supporters and fans and management of college sports teams are likely to be on a more level playing field, with greater access to athletes and athletic staff. As such, it provides a fruitful setting for examining the co-creation process.

We collected data from athletic administrators and fans from a major state university located in the northeastern U.S. While the university had many National Collegiate Athletic Association (NCAA) Division I teams on campus, we focused on the most prominent sport on campus, which was men's ice hockey. The team had a long tradition of a winning record and had won several national championships over the years. The ice rink, with a capacity of over 5,000 seats, had been chosen as the best college ice hockey rink atmosphere. Locals often referred going to a home game

as “an experience you won’t forget,” and visiting teams commonly expressed great excitement playing in this atmosphere.

Interviews. The data collection involved a range of sources to triangulate the data (Mathison, 1988). A total of 40 semi-structured interviews were recorded and transcribed. We interviewed ten administrators which included the athletic director, three associate directors from marketing, tickets sales and external relations and one staff person from media marketing (four were follow-up interviews). A total of 26 fans were interviewed: 14 were junior and senior students that had attended most of the home games during their college experience; four seasoned local community members who had held season tickets since the mid-90s. Two were student alumni living four hours south who religiously drove up to the games. Finally, to obtain the perspective from the student athletes themselves, we interviewed four juniors and seniors on the team. Moreover, we collected observational data by attending 17 home games and four away games to further understand and validate game experience, fan involvement and administrative initiatives. We also relied on roughly forty informal interactions with administrators during games over the course of an entire athletic season (six months). Detailed field notes were taken after these encounters with various administrative staff (including development officers, coaches from another team on campus, facility managers, games hostesses, athletic photographers) and fans (including students, local professionals, boosters and faculty and alumni living out of the state). These additional insights added a more complete understanding and validation of the relationship under investigation from a spectator's view and a researcher’s understanding of the phenomenon under investigation, which allowed us to reach a stage of theoretical saturation (Glaser and Strauss, 1967). Sample questions from the semi-structured interview template included: Why/Why don’t you want to be involved with the athletic team? (Fans); Why do you attend games? (Fans); How can you be part of creating a favorable experience at games? (Fans); What creative ways do you

come up with to add experience at games? (Staff); What role do fans have at games? (Staff); Why/Why don't you collaborate with fans to create a game experience? (Staff); What, if any, tensions exist between staff and fans? Please elaborate. (Staff); Please comment on any advantages or risks with collaborating with fans. (Staff).

Data Coding and Nomological Network. To further identify, unpack and understand shared interests, tensions and managerial strategies among internal and external stakeholders, our research team applied Miles and Huberman's (1994) three stage coding process to our transcribed data (see Erhardt and Martin-Rios, 2016 for a similar approach). We transcribed both individual statements and notes from observations, and coded them through an open coding process; a process used to identify initial shared interests and sources of tensions in our data. Table 1 outlines our coding process with sample coding of open, categories (axial) and final shared interests and tensions (selective coding) that serve as a basis for our analysis.

Insert Table 1 about here

This first stage generated an initial list of 49 codes linked with shared interests, tensions and strategies. We then reduced and disaggregated our initial codes into broader categories, adding more analytical meaning (axial coding). Codes were sorted based on their similarities and potential relationships through both inductive and deductive reasoning, creating broader categories. Confusing or inconsistent categories were reanalyzed to ensure there was no common meaning among them before discarding them. In our final coding stage (selective coding), we further integrated and refined our initial categories into a final grounded theoretical nomological network depicted in Figure 1. A nomological network is a theoretical framework that represents the basic features of a construct, their observable manifestations, and the interrelationships among them (Cronbach and Meehl, 1955). In Figure 1, we present our nomological network of the experiential

value of co-creation and the tensions taking place during the joint collaborative process between sports organizations and customers. The network draws attention to a significant and reframed model of the value of involving consumers in the innovative and creativity process.

Insert Figure 1 about here

FINDINGS

Based on our data collection with both athletic administrators and staff (referred to as management), and club fans, and analysis, we outline our findings that emerged in Figure 2 below.

Insert Figure 2 about here

Shared Interests

We identify three emerging themes of shared emotional values between the organization and fans: 1) to co-create an intensive experience at the game; 2) to co-create an identification with the team and the university; and 3) to co-create a close-knit community – personal connection with players and coaches.

Experience. The notion of shared experience is exemplified by mutual understanding of participation based on an interdependent relationship between the athletic unit and their fans. One manager explained, “We are all in this together, that we want the games to be a great experience for all our fans, and I think if you ask our fans, they would say that as well.” Similarly, a fan commented, “Fans are there to have fun. Hockey is fun, and the more the crowd gets into it, the more we all get to experience it; the noise from our student section, the silly games on the ice between the periods, we are all there to have fun.”

Identity. The game itself seemed to promote belonging to the university, which materialized during the event as one fan explained, “Our identity is really what the team stands for. Our identity is really played on the ice, and it gets stronger the more people attend and feel part of it.” Along the same lines, a staff member explained, “Our team is like the front porch of our university, it connects all of us and going to games is a way to strengthen our university spirit, and the game is where it all comes together.”

Close-Knit Family. Our final theme of shared interests involved co-creation of a sense of personal connections. While athletes seemed to enjoy some level of celebrity status on campus, they all seemed to share an interest for fans and staff to feel connected to them as a form of community. One student athlete articulated, “We try to build a relationship with our fans; we do all kinds of stuff like a big family. And I think it makes a difference during our games – sometimes I think they are more into the game than we are [laughing].” Throughout the season, staff and fans interacted informally with student athletes and coaches, through lunches, dinner events, open ice skating with the fans on off days, fundraising, and community involvement, which allowed for building personal connections and friendships. A member of the staff commented, “No question, we are a family here, we spend a lot of time with these guys [players] and it’s part of what makes this job fun.”

In sum, our fieldwork illustrates how shared interests among fans, staff, managers, and even players themselves enabled co-creation of enhanced game experiences. Specifically, experience was created based on a desire to participate, enhance, and support their team; identity was created through knowledge and understanding of game rituals expressed as a social cohesive unit; and a sense of a close-knit family was created and reinforced through personal relationships fostered both on and off the ice.

Tensions

While shared interests as a collective operated to co-create a memorable game experience for all stakeholders, our fieldwork also revealed several tensions specific to management/staff and fans. These tensions seemed to introduce barriers for co-creation. Our analysis suggests that the source of creativity to enhance game experience, either from management (we refer to this as manufactured creativity) being pushed onto fans, or creativity driven from fans during games (we refer to this as organic creativity) contributed to these tensions.

Managerial-Based Tensions

Expertise. During our interviews, it was clear that managers and staff, as paid professionals, perceived their own knowledge and experience for creating entertaining events superior to fans' knowledge and experience. As one manager explained, "Most of our fans don't know what's out there and how it can be improved, so our role is to keep an eye on cool new things we can tweak and adopt at home." Moreover, a staff person commented, "The fans think this is how it should be [game experience] but they don't know how cool it could be if we made some changes. But some of these old folks just don't want any change. They freaked out when we considered introducing recorded music and thought we would do away with the marching band. Our idea was to try something new, mix it up a bit and combine it to improve game experience for all generations."

Brand Consistency. Another managerial tension that emerged in our fieldwork was a concern for tarnishing the brand. The consensus was that if fans would be allowed a free range of creativity, their efforts could possibly impact the consistency of the brand. As one manager explained, "Our brand is important to maintain, we sell an experience and we need it to be consistent for all our fans. It's also built into our sponsors, so what we do must also fit with our goals and partnership with various entities. That's why we get nervous when we hear the notion of 'fan creativity'." Another staff member explained, "We have developed our brand over a long time, it has taken a

lot of time and effort to become a household name at a national level. Our brand represents quality hockey!”

Resource Allocation. Consistent across all our management and staff was a concern about lack of resources (e.g., time, personnel, and social platforms) to engage with fans to co-create. The consensus was that fans were a critical component for their product who needed to be involved. However, resource constraints limited this possibility as one manager explained, “We are a shoe-string operation compared to others and we can only do things that cost very little or nothing and don’t require more people involved. When fans tell us, ‘you should do this and that’, we say, ‘sure, that would be great, if we had the money to do it.’ So our job is to be creative within the limits and try to find the biggest bang for the buck, and a lot of times, that means we are doing [being creative] it on our own [without fans].”

Control. The last theme that emerged involved lack of trust, which was rooted in concerns for losing control that could impact the experience at the event. One manager commented on the dilemma between fan engagement and the risk, “We don’t want to stop them [fans] from being creative, stopping them from doing all the things that make it fun for them year after year and new people joining that group because they see how much fun people are having. The majority of the time the student section will get the whole crowd going by starting to chant ‘Bull Shit! Bull Shit!’ after a ref makes a bad call. A lot of our fans do realize the impact that they can have for the University, but anywhere you go you’re going to have the crazy fans that just want to be obnoxious.” People involved in the organization expressed concern that fan creativity could hurt the experience to the point that it could reduce ticket sales as well.

In sum, management perceives a challenge and reluctance to engage in co-creation as fans either have a limited understanding as to what would work, the coordination and resources needed

to execute a specific entertainment feature, or lack an understanding of what would add to or subtract from a game experience suitable for all fans.

Customer-Based Tensions

Ownership. In contrast, one central tension for co-creation among fans involves a perception of ownership of the brand. Participants express a strong sentiment that the team as an entity belongs to the community, as one fan explained, “We have a long history of this sport, coaches, staff and players come and go, most of them are not from this state, but the fans are still here, we are the core of this team, it’s our team, our money pays for their ice” Another fan explained, “We fans is what makes this organization, some people drive literally thousands of miles each season to watch all games. That uniform a player puts on for a game doesn’t belong to him, he can borrow it, but it’s ours, it’s our team, our sport.” This sense of ownership, much of it emotionally linked, operates as a form of entitlement to have decision-making power to shape the game experience, which adds friction and challenges for the staff to implement new ideas.

Emotional Value. A second theme that emerged involves emotional connection to the team and community. All participants in our study expressed a strong passion for the game and the team, which was deeply rooted in a genuine hope and desire for the team to do well. The fans felt a strong responsibility to attend and that engaging in game rituals during the games was believed to help impact the outcome of the game, as one fan commented, “We all want our team to win, we do our part cheering them on through our game activities, we know our support matters, that’s why it is difficult to play up here as a visiting team. It wouldn't work if the staff told us we are too loud and we can’t do our chants anymore.”

Tradition. Another fan-related tension discovered in our fieldwork involves historic precedents to participate in events such as game rituals and intermission games during the main event. This past history with long-term fans has established traditions of game experience execution, rituals used

during the game, and the fans expect it. One fan explained the importance of traditions at the game, “A lot of things [crowd engagement] that happen at the games have been repeated for years. I don't think most people know when or how they started. It's just part of what we do, no one tells us when to do it [...] Doing something different would be impossible.” Another long-term fan explained, “We have a [marching] band with real instruments, I think we are the only one in our hockey league still doing it. Some new AD [athletic director] tried to change it and start playing recorded modern music, and we [fans] thought it was awful and not part of what we do here.”

Involvement. The final theme we noted related to a desire to be part of the athletic and university community. There was a consensus that attending games and participating in game rituals to enhance the experiential value was driven in part by a desire to feel connected to the team and to the larger university as a whole. As one alumnus-fan explained, “Going to the games here and doing all the silly things we do in the stands is a way for me to feel connected and proud of this place. I want to be part of that, and if we change it, well, then I hope I'll have a say as to how it will change.”

In sum, our fieldwork and analysis suggest that fans held a sense of entitlement and desire to be part owners of the game. By perpetuating tradition, they felt they were guardians of past in-game activities that identified the game and atmosphere. This strong emotional tie to the brand led them to believe they had an influence over changes. Taken together, fans were reluctant to engage in co-creation with management.

Managerial Coping Strategies

During our interviews with management, there was an evident struggle to create new and enhanced game experience while at the same time involving and pleasing the fan base. A conflicting interest seemed to trigger three different managerial coping tactics: organic co-creation involvement from allowing fans to be creative within boundaries of an organization's brand, to

working closely with targeted fans, seeking feedback on experimental game experiences, to a top-down, internally-driven and manufactured idea with no fan collaboration.

Organic co-creativity. By appealing to selective fan groups, management elicits fans' collaboration. As a University, students play a key role in producing an exciting and engaging game experience – the hope is that students would be easier to engage and influence the rest of the crowd. Although students only made up about 20 percent of the seats, their apparent energy and willingness to participate in game-experiential activities made them a powerful ally for managers and staff to manage tensions, as one staff member explained, “We need them onboard because they really get the entire building going.” One student further elaborated, “The old fans don't do much during games. They sit there and just watch. We have to hold the team up by singing and chanting. We can get the rest of the crowd going but it takes a lot of work.” Students were a powerful stakeholder generating organic co-creation. One example of an important organic ritual that had become institutionalized over time was the “running fans” (name concealed for confidentiality). The ritual involves five shirtless people, with matching body paint with the school's colors, students sprinting a lap around the ice rink between the upper seats and lower bowl of the arena after the home team scores a goal. This group of fans has become a core game experience with their own webpage listing all lyrics to all songs that are sung at each home game.

Trial and error experimentation. The second strategy involves trial and error. Management often didn't follow a specific strategy based on the vision of the organization, but frequently experimented with different ideas from different fan groups to see what and how it worked, which was made clear by one staff member, “It might have been our own [management] idea from the start, but based on the reaction and feedback from the fans, we might decide to bring it back or tweak it. For example, we had a beach-night theme last year, we made it clear to our students and promoted it on social media. We even handed out free sunglasses at the entrances and it was really

fun. So we are bringing it back this year. But this time, I hope our staff will also be dressed up for the beach [laughing], and we need some type of award for worst or best beach outfit.” Another example of a trial and error, which did not ultimately work, was explained by one administrator: “We tried this game when fans wear an inflated giant beach ball. The goal is to run on the ice around a track. Well, it looked funny, the crowd loved it as the contestants were bouncing into each other. But it turned out that it was very dangerous as the contestants fell and hurt their knees. So we had to scrap that one. Too bad.”

Manufactured creativity. Finally, management also resorted to adopting their own creative initiatives without any co-creation. One manager explained, “Our managers and staff have plenty of experience and pay attention to what others do. [...] We actually have our own planning committee that is in charge of creating ideas and executing new game experiences. I would argue that they know the crowd better than the crowd know themselves.” As such, some ideas for game experience were not based on co-creation but came directly from internal discussion among management and staff in their planning committee. One example of a manufactured creation was the “kiss-camera.” Interestingly, along the continuum of co-creation-creation, the quality of the idea for a game engagement seems to matter more in order to convince the fans to appreciate and engage, as one manager explained, “It’s obvious that when we [planning group] try to implement an idea, the crowd needs to really like it, otherwise it would crash and burn hard.”

DISCUSSION

Sports-related tourism is one of the fastest growing sectors in both domestic and global tourism and is estimated to be worth USD 800 billion (UNWTO, 2016). Spectators and supporters are of paramount importance to sport service production. Co-creation – as a collaborative process between organizations and customers – offers new models and sources of creativity and innovation

(Martin-Rios and Ciobanu, 2019; Martin-Rios and Pasamar, 2018). However, a successful co-creation strategy involves understanding the shared interests of the parties and resolving tensions between internal and external stakeholders. Yet, this aspect of the strategy remains largely understudied. While there is a general assumption among scholars and businesses regarding the positive added value of co-creativity (Echeverri and Skalen, 2011; Grönroos, 2011), others have theorized about the challenges of involving consumers in the creative process (Saarijärvi, 2012). This study responds and expands on the second approach. Our qualitative study illustrates a complex dilemma of co-creating emotional value based on shared interests while reconciling conflicting customer/management interests. It explores experiential value—a combination of emotional and symbolic value that emerges from the experience of watching sports and supporting sports teams. Our findings suggest a tug of war that is played out through contrasting managerial strategies based on involvement and control.

In general, sports fans and supporters are ever more invested in various aspects of the specific sports and teams they support (Gibson, 2005). It is suggested that these “working consumers” could provide the insight and wisdom necessary to identify problems, formulate hypotheses, and discuss ideas to make incremental or even radical changes to the operation and development of sports entertainment (Torrance, 1988) and, in turn, to sports tourism as a whole. Fully consistent with many prior studies, our data shows that fans want to be involved in the co-creation process, even being the entity in charge. Moreover, they perceive themselves as being an important part of the process of planning, production, and communication of the content for the events and the sports team in general. Direct or indirect fan participation at different levels of the process – other than just the sports events or the ‘game context’ – is at the core of value production.

While co-creation can generate commercial value in various forms (Saarijärvi, 2012), more complex experiential value, which encompasses intense emotional and symbolic value, has a

strong relevance for fans in sports. Fans seek an emotional experience by attending sporting events, where the outcome is unknown. Fans believe that their support and the traditions they have developed or carry on in the games greatly influence the outcome of the game; they are the demand and they are the ones to activate demand through word-of-mouth, or the community aura around the team. Their feelings and behavior are intensive (Redden and Steiner 2000). Important to note is that it is not a single fan or a group of fans that act, but rather a community of fans that have different interests and involvement levels, as our analysis regarding the importance of the student section shows. This increases the power of the fans further, and makes the co-creation process more significant, yet more complex.

Fans might have 'reward' power and coercive power. Their feelings and behaviors involve intolerance (Redden and Steiner 2000). They create the positive aura around the sports brand when all goes in the direction they want; yet, they can punish management when they feel that they are losing control over the brand management. They can reward and punish management mainly through positive or negative word-of-mouth. It is easy to observe that many others perceive fans as experts and trustworthy sources as they are highly involved in the team, and they sincerely love the team. Therefore, if management fails to involve fans in various decisions, issues can arise including a tarnished brand image.

However, fans and sport organizations may not share the same view on how emotional value is created, which introduces tension. As our analysis suggests, fans may derive different emotional and symbolic value from the experience of the athletic events. This creates tension as fans might exhibit different interests and involvement levels. Thus, our findings suggest that there are tensions in the co-creation process between fans and management that may occur based on different interests, levels of involvement and emotional attachment to the sport brand, which motivates our first proposition:

Proposition 1. The different levels of emotional value, personal interests and involvement levels fans experience come from tensions in the co-creation process.

Management, on the other hand, has a different perspective on the role of fans. It mostly believes that to conciliate shared and conflicting interest, control over value creation should be in the hands of the management by means of overcoming tensions, such as brand uniformity, expertise-professionalism and resource allocation. These tensions emerging from divergent interests seemed to trigger different managerial coping tactics ranging from co-creation based on fluid, organic, creativity-oriented collaboration between management and fans, to a more directive relationship where management tests an idea and obtain feedback from fans, to what we define as ‘manufactured’ creative relationship with little co-creation involved.

Yet, this perspective would lead to tensions in the value co-creation process, and is not sustainable especially concerning emotional value. Passion and excitement are the two most important centerpieces of the emotional value people find in sports; and these centerpieces cannot exist without fans. An approach that considers the relationship and creativity to be activated and then controlled by management would exacerbate tensions. Our fieldwork suggests that management needs to understand that the organization, or in this case the sports team, is not at the center of value creation.

Managers in the sports industry are aware of the importance of including fans in events, but feel a tension for doing so. As a result, they have developed their own ways of coping with fan involvement. They either identify fans with the most power to work specifically with them, or they work with fans without having a strategy and an in-depth understanding of the whys, hows, and whats of the co-creation process; or they try to control the process as much as possible. However, these strategies are still using the perspective developed by stakeholder theory (Mitchell et al.,

1997). Much innovation research has followed the traditional principles of good-dominant logic (Vargo and Lusch, 2008). Good-dominant logic focuses on separating different stakeholders in the economic process to optimize and manage tangible results. We propose that management needs to move beyond this theory that puts the ‘organization’ at the center of the relationships among various stakeholders, and not focus on ‘fan involvement’ but rather ‘co-creation’.

Overall, we suggest a paradigm shift in value creation towards co-creation with external stakeholders such as consumers in sport tourism and sport entertainment specifically. The crux of our argument is that management should retain an openness to fans’ participation and co-creation. This approach will facilitate innovation within and across firm boundaries and actively foster and protect shared spaces that encourage manufactured and organic creativity. This leads to our proposition on how management is involved in co-creation:

Proposition 2. The very creativity arrangements and resource endowments that management initially develops to facilitate co-creation become forces of tension that constrain subsequent fan involvement.

We further recommend that in this new paradigm, management’s main role is to set the stage for the experience, and facilitate the experience, rather than control the experience. Management needs to recognize the power of relationships among fans and how these networks relate to other stakeholders, such as the local community and media, which strongly influence the value of the sports teams in complex ways. As research has shown, firms’ engagement in the establishment of external relationships helps them obtain, combine and exchange critical knowledge, which is directly related to its innovation and economic activity (Martin-Rios and Erhardt, 2017). Management needs to have a co-creation strategy based on this broad understanding rather than having a trial and error experimentation method. This is consistent with the service-dominant logic

(Vargo and Lusch, 2004; 2008). It makes it possible to transcend the dyadic relationship – management-fans, and explore different types and forms of relationships at multiple levels— within and across management and within and across the community of fans, which leads to our final proposition:

Proposition 3. A networked approach to co-creation that recognizes the active role of multiple stakeholders acts as a counterbalance to the tension forces arising from management and consumers’ shared and conflicting interests.

Practical Implications, Limitations, and Conclusion

There are several implications that are important to note. In essence, this paper shows how sports organizations need more strategic and systematic ways to allow fans to shape game experience. Fans are increasingly encouraged to take on more active roles, which go beyond watching the game to participating in various aspects of team-related decisions. Management and marketing practitioners work tirelessly in initiating and encouraging a high-level of engagement in sporting events (Horbel et al., 2016). For example, many sport franchises hand out t-shirts to turn the crowd into the team color during events and engaging the crowd to start the “wave”. These are all rituals to play and rely on the crowd’s emotions to create the desirable game atmosphere. Media is becoming increasingly involved in the experience through various means (e.g., kiss cam, fan-celebrity look alike, dance cam, etc.). However, the experiential features are impossible without the enthusiasm of fans, and co-creation requires coordination and engagement of fans. Thus, the essence of co-creation in sport entertainment is both the creation and engagement of stakeholders that adds experiential value during events. Our study speaks to the importance for organizations that offer emotional value as part of their business model. It suggests that strategies and tactics to

involve rather than ignore consumer interest when adding new products and services through experiences are complex yet important for organizations to take into consideration.

To execute such emotion-driven game experiences, organizations must leverage technology to create an all-access game experience – in locker rooms, off-field player interactions, players' view camera for game actions, just to name a few. At the same time, organizations need to consider the flip side of IT such as whether game attendance might go down with new entertainment technology. These new trends pose new questions for management: how sport organizations can further engage fans? How fans supporting from home can have an engaging game experience? Should fans in stadiums be compensated as they co-create game experience? To be successful in doing so, management needs to embrace dialogues and collaboration in every stage from planning to the communication of the messages of the team. Management needs to serve as the support mechanism rather than the control mechanism to ensure that tensions with fans would yield beneficial outcomes.

There are a few limitations to this paper, which call for attention in interpretation of results; and yet at the same time they suggest new avenues for future research. First of all, the data of the current study is collected from a group of respondents who attend collegiate sports game. While the homogeneity of this sample is suggested to be most appropriate in theory building research, the lack of variance in demographics and contexts (e.g., other sports) may hinder the generalizability of the findings in the current research. Another concern is whether our findings are generalizable to the larger and more profitable professional sports arena. Our speculation is that professional sports fans and team management may interact differently, which could result in different intensities of the emotional and symbolic value, tension, and co-creativity intention. This is an interesting topic and we encourage more research in this area.

Concluding, with this paper we aim to understand co-creation as a joint collaborative process from the lens of management and fans. Data suggests that a successful co-creation strategy requires understanding the shared interests of the parties and resolving tensions between management and fans. This conclusion is especially relevant for the successful management of co-creation in sports, in particular with respect to the level of a tug of war that is played out through contrasting managerial strategies based on involvement and control.

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FIGURES AND TABLES

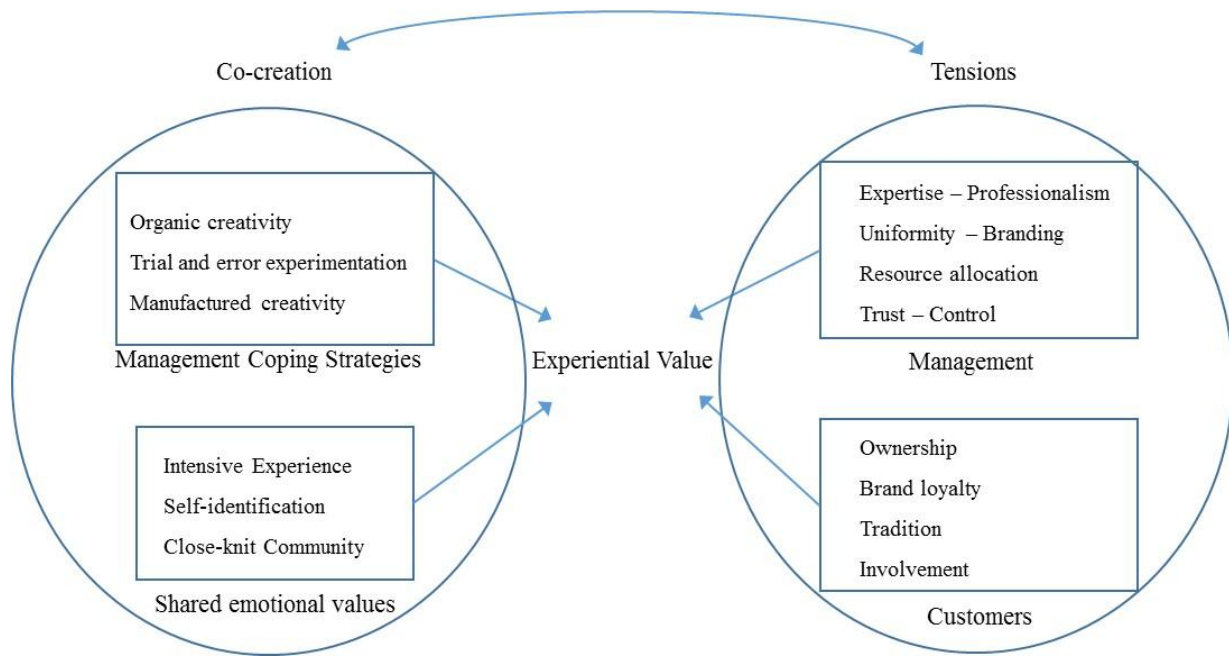


Figure 1. The nomological network of relationships between experiential values, co-creation processes, and tensions

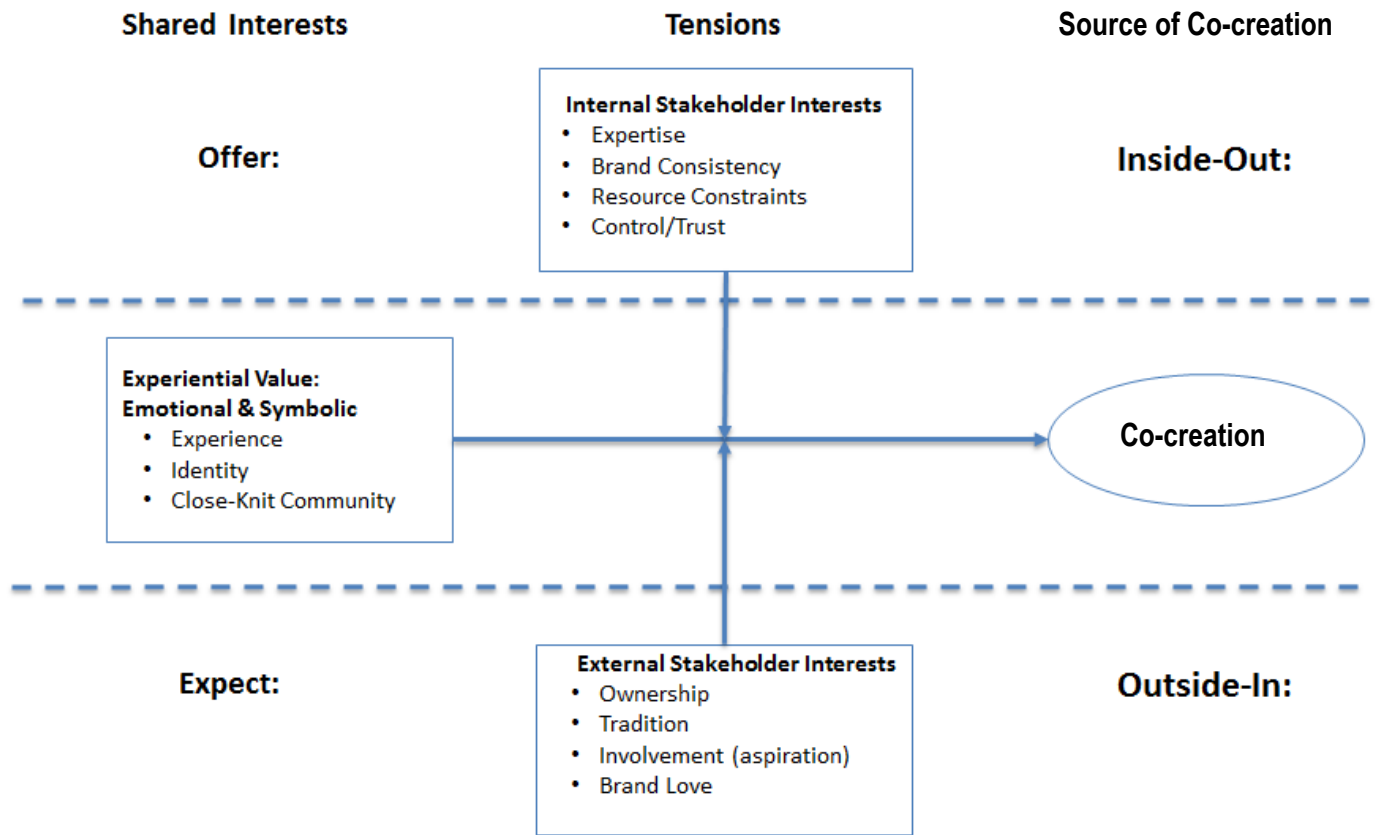


Figure 2. Value co-creation process: Unpacking tensions among internal and external stakeholders and co-creation output

Table 1. Open, axial and selective coding

