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The Impact of Negative Media Coverage of Nike's Spokespeople on College Students' Brand Perceptions

A thesis submitted in partial fulfillment of the requirements for the degree of Bachelor of Science in Marketing and the Honors Program

by

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The Impact of Negative Media Coverage of Nike's Spokespeople on College Students' Brand Perceptions

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BACHELOR OF SCIENCE, MARKETING

Michael (Todd) Felts, Ed.D., Thesis Advisor

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May 2015
Abstract

This qualitative case study examines college student's perceptions of Nike after negative media coverage after three Nike-sponsored athletes including Adrian Peterson, Ryan Braun and Tiger Woods. The data was collected by conducting one-on-one interview and a focus group while tracking details in a researcher's notebook with students at the University of Nevada, Reno. Thematic coding was used to extract information from the primary research. The finding of the research was that college student's perceptions of Nike were only minimally affected by negative media coverage of the Nike spokespeople. Factors such as price, experience with the brand, quality, and fashion-appeal had more effect on purchase intent within college students buying in the athletic supply industry than sponsorship. Many variables have the potential to influence college students’ perceptions of Nike, but the brand is so big and well established in their minds that it is virtually impossible for sponsorships to damage its reputation. This research might hold significance for marketing professionals working in the athletic industry who target college students.
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1. Introduction

There are 21 million students currently attending universities in the United States. This number represents an increase of 5.7 million students since fall 2000 ("Back to School Statistics", 2014). Discretionary income for college students has increased 12.5% in the last five years (Burger, 2013). In 2013, college students controlled roughly $117 billion dollars of discretionary income (Burger, 2013). Not only is this growing group of Americans more powerful than ever, but with the emergence of new technologies, these students are also more exposed to media than ever before. Adrian Peterson, Ryan Braun and Tiger Woods were three prominent Nike representatives who were all recently involved in a public scandal. All three athletes were at the center of negative media coverage and all three were sponsored by Nike, but it is unclear if this coverage had any effect on the public's perception of Nike. The purpose of this study is to examine college student's perceptions of Nike after a brand spokesperson has been at the center of negative media coverage.

Previous studies by researchers such as Hust et al. (2013) and Pettigrew et al. (2013) have concluded that media have a measurable effect on adolescents and young adults. Likewise, research performed by Fong and Wyer (2012) and Schmidt et al. (2013) found that brand perceptions could be directly related to a brand spokesperson. However, there is a lack of research on how negative media coverage of a sports-related spokesperson affects college student's perceptions of a connected brand. This qualitative study evaluates how college students perceive the Nike brand after they learn that brand spokespeople Adrian Peterson, Ryan Braun, and Tiger Woods have been at the center of major negative media coverage in the last five years.
These three athletes are prolific talents in their respective sports. Ryan Braun is a five-time Major League Baseball all-star with one Most Valuable Player selection ("Ryan Braun Statistics and History"). Adrian Peterson is a one-time National Football League most valuable player and has been selected to the pro-bowl in six seasons ("Adrian Peterson NFL Football Statistics"). Tiger Woods has been the Professional Golf Association's player of the year 11 times and is the second most winning professional golfer in the history of the PGA ("Tiger Woods - Official PGA TOUR Profile"). Tiger Woods' infidelity, Ryan Braun's use of performance enhancing drugs, and Adrian Peterson's abusive discipline of his young child were all heavily publicized events. Braun's endorsement deal was estimated at around $2 million, he had been with Nike for all 7 years of his career (Passikoff, 2013). The company terminated his endorsement deal after learning about his scandal (Passikoff, 2013). Peterson's deal was also in the millions of dollars and he had been with Nike since 2011 (Rovell, 2014). Like Braun, the company terminated its endorsement deal with Peterson as well (Rovell, 2014). Tiger Woods was, perhaps, Nike's biggest asset. His endorsement deal is now valued at close to $100 million (Ferguson, 2014). Nike did not terminate Woods' deal, but rather decreased his yearly salary by $20 million for two years as punishment for his scandal (Roberts, 2014). With each scandal, Nike took corrective actions in an attempt to avoid appearing as if it condoned the athlete's misconduct. This research seeks to determine if and how these athletes impacted Nike's brand in the minds of college students.

The methods employed to determine the extent of the damage to Nike's reputation as a brand included one focus group with seven participants, four one-on-
one interviews and a researcher's notebook. During both the focus group and individual interviews, participants were first asked their opinion of Nike as a brand. Next, they were shown two Nike print advertisements and two Nike video advertisements featuring the athletes under question. After that, participants were asked three questions to gauge their perception of the advertisements and spokespeople. The participants were then presented with three bleacherreport.com articles describing each athlete's scandal. After, the participants were again asked three questions about their perception of Nike and its spokespeople. The print and video advertisements along with the outline of the focus group and interview are included in the appendix. A research assistant took notes in a researcher's notebook during the focus group to gain further insights from the conversation. The focus group was recorded on video and audio recorders and the interviews were recorded on an audio recorder.

The researcher expected that athlete misconduct would have some effect on college student's perception of Nike. However, there was a chance that athlete's misconduct had no effect on the company's brand image. This research will be beneficial to marketing professionals who work directly with athlete sponsorships who target college students. Information on consumer's opinion forming process is beneficial for making strategic marketing decisions. This study offers psychological insights into the mind of college students and their brand preferences.
A) Definition of Key Terms

**Branding**

Branding is defined as "the marketing practice of creating a name, symbol or design that identifies and differentiates a product from other products" ("Branding," 2015). Every aspect of a company from its logo to its distribution channel helps develop its unique brand. Strong branding can determine the success of marketing efforts (Keller, 2014).

**Positioning**

Positioning is defined as "how you differentiate your product or service from that of your competitors and then determine which market niche to fill" ("Positioning," 2015). Positioning is different from branding in the sense that it helps establish the company's identity in the eyes of the consumer ("Positioning," 2015). "The outcome of positioning is the depiction of a clear image in the prospect's mind of what the product can offer or mean" (Edu and Negrinia, 2012). Positioning is about establishing a company's target market, determining how they will reach those consumers, establishing what those customers are buying from the company, understanding who the competitors are and providing the customers with unique value that other competitors do not offer ("Positioning," 2015).

**Media**

Media is defined as "communication channels through which news, entertainment, education, data, or promotional messages are disseminated" ("Media," 2015). Forms of media include newspapers, billboards, cell phones, the Internet, mail,
magazines, radio and television ("Media," 2015). Media are essentially different modes for communicating information to consumers.

**Scandal**

Scandal is defined as "an occurrence in which people are shocked and upset because of behavior that is morally or legally wrong" ("Scandal," 2015). Illegal and/or unethical actions are classifying characteristics of scandals (Hughes and Shank, 2005). For the purposes of this paper, scandal is limited to the context of negative media coverage of Nike's sports-related spokespeople. The three athletes examined were involved in scandals that shocked the public because consumers deemed that behavior morally wrong.

The research seeks to answer three questions:

1. How do college students see the relationship between athlete and sponsor? Do the actions of one affect the other in any way?

2. How is purchase intention determined for products in the athletic supply industry among college students?

3. How do college students expect a brand in the athletic supply industry to react after a prominent scandal from one of their sports-related spokespeople?
2. Literature Review

Introduction to the Chapter

The purpose of this study is to examine college student's perceptions of Nike after a designated professional athlete spokesperson had been at the center of negative media coverage. With the increase in negative media coverage of professional athletes, sponsors have to be cautious about whom they choose as a spokesperson. If an athlete who represents a brand gets in trouble, the reputation of that brand could also be at risk (Fong and Wyer, 2012). By examining college student’s perceptions of Nike after the misconduct of three prominent sports-related spokespeople, this research gauges the extent an athlete’s actions have on the public's perception of the brand.

Media's Impact on College Student's Behavior

Members of the millennial generation, ages 18-34, spend up to 18 hours a day interacting with various forms of media (McCarthey, 2014; Williamson et al., 2012). Media have been known to affect consumer's behavior (Chia, 2010; Arnett, 1995; Williamson et al., 2012; Chan-Olmstead, Rim and Zerba, 2013). Social media are of particular importance because students use this type of media to stay in touch with friends (Ezumah, 2013). Friends influence each other's personal opinions (Arnett, 1995). With the advent of the 24-hour news cycle, brands have to be more careful than ever about maintaining a positive image in the media.

Media affect young people in a variety of ways. The social cognitive theory of gender and development says that media have an effect on what people consider
being socially acceptable behavior (Bandura, 1991). According to this theory, a brand's reputation during a crisis could be at the mercy of the media's reporting of the incident. Media can even influence characteristics such as materialism in adolescents (Chia, 2010). The more advertising an adolescent is exposed to, the higher his or her level of materialism is (Chia, 2010). Hust et al. (2013) found an even more extreme example of the media's power. This research found that college women are less likely to intervene in sexual assault incidences after consuming sports media, and that both genders accept "rape myth culture" more so after being exposed to sports media (p. 763).

Nike has been successful at marketing to college students. It uses media to its advantage. Nike recognizes the significant spending power of college students and tailors its messaging to those consumers. For example, younger generations want to feel in control of their self-expression so Nike introduced customizable footwear to give consumers that control. Nike uses media to facilitate its marketing messages and keep consumers buying its products.

Media have the ability to influence behavior in young people (Chia, 2010; Arnett, 1995; Williamson et al., 2012; Chan-Olmstead, Rim and Zerba, 2013). However, very little research exists on how negative media coverage of a brand or their spokespeople affect consumer behavior.

*Sponsorship's treatment in Advertising and Media*

Global sponsorship expenditures have eclipsed $50 billion (Meenaghan, 2001). Nearly every major brand in a multitude of industries pays a well-known public figure to represent its brand in its advertising (Belzer, 2013). Sponsorship is
considered to be "one of the most effective tools within the integrated marketing
communication mix" (Schmidt et al., pg. 58, 2013). Yet, the reports of sports scandals
have been increasing yearly (Connor and Mazanov, 2010). The answer to why
sponsorships are still valuable in spite of sponsor scandals lies in consumer
psychology.

Multiple factors influence the power of a sponsor. One factor is the impact of
the sponsored athlete's actions on society (Fong and Wyer, 2012). Every society has
unique cultural norms. The power of the athlete's actions may vary depending on the
consumer's cultural context. For instance, an action frowned upon in China may be
encouraged in the United States. Consumer age plays a part as well. Older consumers
generally are less forgiving of doping scandals in professional sports than the younger
generations (Solberg, Hanstad and Thoring, 2010). Consumers, overall, look for
equality in sports. If they perceive a sponsored athlete's actions to influence the
outcome of that particular sport, they are less likely to be forgiving of that athlete
(Solberg, Hanstad and Thoring, 2010). When a doping incident occurs, consumers
favor immediate corrective action from sponsors towards their spokespeople
(Solberg, Hanstad and Thoring, 2010). Another important factor is athlete's individual
likeability. If the athlete is generally well liked prior to a scandal, consumers are more
likely to forgive them with time (Fong and Wyer, 2012). Another important factor is
the athlete's ethnicity. Consumers are much more perceptive to a brand when they can
relate to the spokesperson's ethnicity (Kim and Cheong, 2011).

Although prior research has identified important factors for sponsors to keep in mind,
the total effect of sponsorships on the consumer is difficult to quantify because
consumers develop subconscious preferences about brands (Schmidt et al., 2013). For example, athletes are often sponsored by unhealthy brands such as Snickers or McDonald's. Evidence shows that children can attribute the healthy characteristics of the athlete with an unhealthy brand (Pettigrew et al., 2013). Just because the athlete is healthy does not mean his or her health is a result of consuming the brand they represent. Lebron James, one of the best professional basketball players in the world, is featured in numerous McDonalds commercials. Even though he is associated with the brand, there is no evidence correlating his professional success to his consumption of McDonald's (Peterson, 2015).

As the 24-hour news cycle has developed, media has increasingly sensationalized spokesperson misconduct (Connor and Mazanov, 2010). Sponsors are best suited to view spokesperson misconduct as inevitable in this day and age (Connor and Mazanov, 2010). Mismanagement of scandal can contribute to irreparable damage to brand equity (Connor and Mazanov, 2010). Nike has been managing crises for more than 20 years. The company’s reputation was badly damaged in 1992 when an expose was released that depicted the meager wages that Nike paid its factory workers in Indonesia (Nisen, 2013). Since then, Nike has invested a significant amount of time and money into maintaining a positive reputation. From 2002 until 2004 Nike audited over 600 of its factories worldwide (Nisen, 2013). Its commitment to crisis management has helped Nike maintain its position as a leading athletic apparel brand.

It is important to note that the current literature generalizes consumers. There is very little information about how college students specifically perceive
spokespeople and their misconduct. This research will examine the college student demographic, specifically, in an attempt to see if the current research is relatable to these consumers as well.

**College Student's Opinion-Development Process**

In order to understand how college students perceive the misconduct of athletes, it is important to take into account how they gather information and develop opinions. If sponsors can learn how students form opinions, they can better understand how to communicate with them. The literature on this subject is much more mixed than the last two topics.

There are a number of ways college students gather information. Family, school, community, the legal system, cultural belief systems, and the media all influence learning in individuals as they are developing (Arnett, 1995). However, media are especially important because they can be controlled (Arnett, 1995). To a certain extent, students can choose which media they prefer to consume. Different preferences in media outlets allow students to choose the information they take in and result in variances in opinions and preferences among students (Arnett, 1995).

In addition to gathering information from a variety of sources, students are adaptive in their approach to learning (Sandman, 2014). These consumers not only gather information from a variety of sources, but also digest the information differently based on the topic (Sandman, 2014). Business students, in particular, have been found to adapt their preferred learning style to their different classes (Sandman, 2014). Other variables such as gender can influence learning in students as well (Ramayah et al., 2009). Female students show a higher affinity for visual and oral
learning than their male counterparts (Ramayah et al., 2009). Ramayah (2009, 76) found that it is better to "pick what is feasible in each classroom situation" than standardize education.

The one main commonality in the existing research on how college students gather information is that these students demonstrate active news-seeking behavior (Qayyum et al., 2010; Williamson et al., 2012; Chan-Olmsted, Rim and Zerba, 2013). College students do not let information come to them, instead, they find it. The interpretation of information and preferred communication channels among students vary greatly. Companies trying to maintain a positive image during a crisis need to understand how these variables relate to their specific situation.

Background on Athletes

<table>
<thead>
<tr>
<th></th>
<th>Ryan Braun</th>
<th>Tiger Woods</th>
<th>Adrian Peterson</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Picture</strong></td>
<td><img src="image1" alt="Ryan Braun" /></td>
<td><img src="image2" alt="Tiger Woods" /></td>
<td><img src="image3" alt="Adrian Peterson" /></td>
</tr>
<tr>
<td><strong>Sport</strong></td>
<td>Baseball</td>
<td>Golf</td>
<td>Football</td>
</tr>
<tr>
<td><strong>Punishment</strong></td>
<td>Dropped by Nike</td>
<td>Sponsorship cut by $20 million for 2 years</td>
<td>Dropped by Nike</td>
</tr>
</tbody>
</table>

*Table 1:* The athletes sponsored by Nike

This study focuses on three prominent professional athletes; Tiger Woods, Adrian Peterson, and Ryan Braun. All three experienced extreme athletic success throughout
their professional careers, as well as dealt with prominent media scandals ("Adrian Peterson Biography", 2015; "Tiger Woods Biography", 2015; Catania, 2014).

Ryan Braun plays professional baseball for the Milwaukee Brewers. He won the Most Valuable Player award in 2011 and has been a Major League Baseball All-Star in five of his eight professional seasons ("Ryan Braun Statistics and History"). His athletic accomplishments came into question when he tested positive for heightened levels of testosterone in 2012 (Catania, 2014). Performance enhancing drugs have become a big issue for Major League Baseball in the past 30 years (Gehring, 2015). These types of scandals have tarnished the accomplishments of some of baseball's greatest players (Gehring, 2015). Fans of the sport "have forgiven PED (performance enhancing drug) use before, but in such cases the player admitted his mistake and threw himself at the mercy of public opinion early on." (Catania, 2014). Braun did not admit guilt immediately; instead he appealed his failed test and questioned the "chain of custody for his sample" (Catania, 2014). As more evidence arose, Braun's argument crumbled and he was proven guilty. His lies earned him a 50 game suspension from Major League Baseball and major negative media coverage (Catania, 2014).

Tiger Woods is a professional golfer. He was one of Nike's most prominent spokespeople. He signed his first endorsement deal with Nike in 1996 at the age of 19 for $40 million (Fonseca, 2014). Woods has won 14 major golf tournaments since he went professional in 1997 ("Tiger Woods Biography," 2015). He was the youngest man and first African-American to win the Professional Golf Association's Masters Tournament ("Tiger Woods Biography," 2015). In 2009, Woods was involved in a
major scandal. He was discovered to have cheated on his wife numerous times ("Tiger Woods' Cheating Scandal," 2009). Media was relentless in their reporting of the incident. Nike stood by him through the scandal, but cut his sponsorship agreement by $20 million for two years (Roberts, 2014; "Tiger Woods Biography," 2015).

Adrian Peterson plays professional football for the Minnesota Vikings. He won the league's Most Valuable Player award in 2012 ("Adrian Peterson NFL History"). He was selected to play in the Pro Bowl for six of his eight professional seasons ("Adrian Peterson Biography," 2015). Peterson came back from a serious knee injury in 2012 and nearly broke the single-season rushing record for his position ("Adrian Peterson Biography," 2015). Peterson's elite reputation was damaged due to a child-abuse scandal in 2014. He reported using a "switch -- a small tree branch -- to whip a 4-year-old son" ("Adrian Peterson Biography," 2015). His actions left "numerous cuts and bruises on the child's lower body." ("Adrian Peterson Biography," 2015) Peterson experienced prominent negative media coverage and was suspended for the 2014 season as a result of his actions. Nike terminated its contract with the athlete as a response to the incident (Rovell, 2014).

All three athletes achieved notoriety because of their athletic talents. This notoriety worked against them as soon as the public discovered their misconduct. These athletes quickly found themselves at the center of prominent negative media coverage.

The current research on the media's impact on college student's behavior, sponsorship's treatment in media, and college student's opinion-development process
provide a foundation for answering the research question. Do negative media
coverage of a brand's sports-related spokespeople have an effect on college students'
perceptions of that brand? This research concludes that media have a profound
influence on college students in general, the media's use of athletes is increasing and
complex, and college students gather information actively in a variety of ways.
Topics like the effect of negative media coverage on a brand, the effectiveness of
sponsorships, and the values of young adults have been explored extensively
(Mitchell, Tanner, Jr., and Raymond, 2004; McCabe, 2014; Chia, 2010; Ezumah,
2013; Sandman 2014; Arnett, 1995; Hust et al., 2013; Pettigrew et al., 2013;
Williamson et al., 2012). However, research has yet to study college students'
perceptions of brands after negative media coverage of the brand's spokespeople. This
research seeks to bridge that gap.
3. Research Methodology

A) Introduction

This research is intended to help better understand college students' perceptions of brands after negative media coverage of sports-related spokespeople. The brand under examination is Nike, and the Nike-sponsored athletes being observed are Adrian Peterson, Tiger Woods, and Ryan Braun. Each athlete represents a different sport and a different scandal; however, each athlete represented Nike at the time of their misconduct. A qualitative approach allows the researcher the opportunity to better understand the attitudes and opinions of college students. This research is guided by the following questions:

1. How do college students see the relationship between athlete and sponsor? Do the actions of one affect the other in any way?
2. How is purchase intention determined for products in the athletic supply industry among college students?
3. How do college students expect a brand in the athletic supply industry to react after a prominent scandal from one of their sports-related spokespeople?

This chapter will describe the methodology chosen to best answer these questions.

Data for this research were collected in three ways: through a focus group, in-depth interviews and a researcher's notebook. Each method will be thoroughly described in this chapter.
Before conducting any primary research, the researcher obtained consent from the Institutional Review Board. The researcher submitted a proposal for Institutional Review Board approval on February 10, 2015. The proposal outlined the step-by-step methodology for the study and its purpose. On February 12, 2015, the Institutional Review Board approved the research and classified it as exempt. The study was determined to have minimal risk towards the well being of the participants.

B) Site and Population

The studies were conducted in room 216 of the Reynolds School of Journalism at the University of Nevada, Reno. The sample population was junior and senior college students enrolled in the marketing or journalism program at the University of Nevada, Reno. Participants were selected at random from a combined journalism and marketing course co-listed as MKT/JOUR 433).

This specific sample was chosen for two reasons. First, these students have been taught basic advertising and marketing concepts in their undergraduate coursework. And second, they have been in a college environment for at least three years. Individual students within the class were chosen at random by the researcher. They were approached after class and explained the structure and purpose of the study before being invited to take part.

C) Research Methods

This research was conducted through a focus group, one-on-one interviews, and a researcher's notebook. The data were transcribed and then analyzed using thematic coding.
Focus Group

The researcher chose seven students from a combined marketing and journalism course (MKT/JOUR 433) at the University of Nevada, Reno to take part in a one-hour focus group. These students were chosen at random from the class. The focus group was composed of two females and five males. Two participants were marketing majors and five were journalism majors. The study itself was comprised of ten questions regarding consumers' opinions of Nike and Nike-sponsored athletes before and after the three athletes were involved in a public media scandal. An outline for the structure of the focus group is attached in the appendix.

The students were invited to take part in the study by the researcher in person. Each student was given a verbal description of the purpose of the study. Each was informed that the Institutional Review Board deemed it low-risk research. Before the focus group took place, the participants were reminded that they were free to leave at any time if they felt uncomfortable and that their names were protected when reporting the results and findings from the focus group.

The research tools used were a digital camcorder, a projector, two print advertisements, two video advertisements, and three bleacherreport.com news articles. The camcorder was used to allow the researcher to transcribe the focus group upon completion. The projector was used to present the participants with video advertisements. The advertisements were chosen to show the participants that the three athletes being examined were, in fact, sponsored by Nike. Finally, the three news reports were chosen to help the participants understand each athlete's
mishandled and how media reported on the athletes. All the advertisements and news
articles are attached in the appendix.

The focus group was conducted on March 4, 2015 in room 216 of the
Reynolds School of Journalism at the University of Nevada, Reno. It ran for 44
minutes. The researcher followed the structure outline attached in the appendix.
Participants were first asked two questions about their opinion of Nike as a brand.
The first was, "What is your perception of Nike?" The second was, "Where do you
believe Nike fits in the athletic supply industry?" After, two questions about the
athletic supply industry overall were asked. The first was, "What factors into your
choices of buying athletic supplies?" Next was, "In regards to the athletic supply
industry, who are you the most brand loyal to? Or are you brand loyal at all?" Next,
the participants were shown four advertisements featuring the three aforementioned
Nike-sponsored athletes. They were presented with two commercials played on a
projector screen and two print advertisements distributed as hard copies. One print
advertisement featured Adrian Peterson and the other featured Ryan Braun. One
video advertisement featured Adrian Peterson and the other featured Tiger Woods.
Next, the participants were given three questions about their opinions of the
advertisements, the featured athletes, and the effect of the advertisements on their
opinion of Nike. The first question was, "How does this advertisement make you
feel?" The second was, "What do you know about the athlete in the ads?" The third
was, "Do these advertisements impact how you feel about Nike?" After that, the
participants were presented with hard copies of three online news articles from
bleacherreport.com describing each instance of athlete misconduct. Once the
participants indicated that they understood each case, they were asked three questions about their opinion of Nike to close the focus group. The first was, "Now, how do you feel about Nike?" The second was, "Overall, does this media coverage impact how you feel about Nike?" The last question was, "Based on our conversation today, is there anything else you would like to add that you have not already mentioned?"

One-on-one interviews

The in-depth interviews were conducted similarly to the focus group. Four junior and senior marketing and journalism students were chosen at random from a combined marketing and journalism class (MKT/JOUR 433) at the University of Nevada, Reno to take part in an in-depth interview. Three participants were female and one was male. Three participants were journalism majors and one was a marketing major. The same room and questions were used as the focus group. Interviews were chosen in an attempt to take away any peer-influence that may have been present in the focus group. The students who participated in the interviews were not exposed to any other opinions.

The researcher invited students to participate in-person. They were each informed of the purpose of the study and informed that the Institutional Review Board had classified the protocol as a low-risk study. Prior to beginning the interviews each participant was informed that they were free to leave at any time for any reason and that their names would be protected when reporting the findings and results of the research.

The research tools used were a digital camcorder, a projector, two print advertisements, two video advertisements, and three bleacherreport.com news
articles. The camcorder was used to allow the researcher to transcribe the focus group upon completion. The projector was used to present the participants with video advertisements. The advertisements were chosen to show the participants that the three athletes being examined were, in fact, sponsored by Nike. Finally, the three news reports were chosen to help the participants understand each athlete's misconduct and understand how the media reported on the athletes. All the advertisements and news articles are attached in the Appendix B.

Each interview was less than 15 minutes. The first was conducted on March 25, 2015, the second and third on March 30, 2015, and the fourth on April 5, 2015. The researcher followed the same outline that was used in the focus group. The same questions were asked and the same pieces of media were shown in Appendix A.

Researcher's Notebook

The researcher's notebook method was chosen to ensure every important detail from the focus group was recorded. Daniel Coffey, another honors student and senior journalism student at the University of Nevada, was chosen to take notes during the focus group. He wrote his detailed observations about the participant's responses as the researcher led the focus group. This data were used to ensure every relevant piece of verbal and non-verbal communication from the participants was recognized when developing the findings. There is a total of three pages of notes from the focus group.

D) Data Analysis Procedure

Thematic coding was used to interpret the results of the research. The researcher used verbatim transcriptions to identify key themes and categories in
participants' responses and to organize the findings. Each theme that the researcher found was supported by direct quotes and examples from the primary research. After recording and transcribing the focus group and one-on-one interviews, the researcher created themes and codes from the patterns that emerged. This study used Saldaña’s (2013) method to create codes, categories and themes, to ultimately reach its findings.
4. Findings, Results, and Interpretations

A) Introduction to the Chapter

The purpose of this study was to explore college student's perceptions of Nike after negative media coverage of a sports-related spokesperson for the brand. This study intended to provide insights about modern college student's perception of brands and their associated spokespeople, as well as what factors into their decision to purchase a certain brand over another.

B) Participant Overview

Eleven junior and senior college students enrolled in a combined marketing and journalism course (MKT/JOUR 433) at the University of Nevada, Reno participated in this study. Table 2 (below) describes these participant's pseudonym, age, undergraduate major, expected graduation date, and method of participation.

<table>
<thead>
<tr>
<th>Name (pseudonym)</th>
<th>Age</th>
<th>Undergraduate Major</th>
<th>Expected Graduation Date</th>
<th>Participation Type</th>
<th>Gender</th>
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<td>May 2015</td>
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<td>May 2015</td>
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<td>May 2015</td>
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<td>Jerry</td>
<td>21</td>
<td>Marketing</td>
<td>May 2015</td>
<td>Focus Group</td>
<td>Male</td>
</tr>
<tr>
<td>Kristin</td>
<td>21</td>
<td>Marketing</td>
<td>May 2016</td>
<td>Interview</td>
<td>Female</td>
</tr>
<tr>
<td>Lola</td>
<td>22</td>
<td>Journalism</td>
<td>May 2015</td>
<td>Interview</td>
<td>Female</td>
</tr>
<tr>
<td>Paul</td>
<td>21</td>
<td>Journalism</td>
<td>May 2016</td>
<td>Focus Group</td>
<td>Male</td>
</tr>
<tr>
<td>Robert</td>
<td>23</td>
<td>Journalism</td>
<td>May 2015</td>
<td>Focus Group</td>
<td>Male</td>
</tr>
<tr>
<td>Sara</td>
<td>23</td>
<td>Journalism</td>
<td>May 2015</td>
<td>Focus Group</td>
<td>Female</td>
</tr>
<tr>
<td>Tom</td>
<td>23</td>
<td>Journalism</td>
<td>May 2015</td>
<td>Focus Group</td>
<td>Male</td>
</tr>
</tbody>
</table>

Table 2: List of participants
Of the 11 total participants, six were males and five were females. Seven people took part in the focus group, while the remaining four completed in-depth interviews. Eight students were enrolled in the journalism program and three were enrolled in marketing. All 11 participants had been attending the University of Nevada, Reno for at least two years.

This research was guided by the following questions:

1. How do college students see the relationship between athlete and sponsor? Do the actions of one affect the other in any way?
2. How is purchase intention determined for products in the athletic supply industry among college students?
3. How do college students expect a brand in the athletic supply industry to react after a prominent scandal from one of their sports-related spokespeople?

C) Findings

The findings in this chapter originated from the verbatim transcriptions of one focus group, four in-depth interviews, and one researcher's notebook. The researcher used thematic coding to organize the data into themes, categories and codes. The coding process involved several steps. First, the researcher thoroughly analyzed the transcripts. He then identified key talking points from each transcription, making note of significant opinions and ideas. As the data were condensed, themes and categories began to emerge. The major themes were 1) college students will buy a brand, even though they may disagree with the actions of their spokespeople, 2) purchasing motivators outweigh scandal, and 3) corrective action increases brand loyalty. Within
each theme, there are multiple categories that elaborate on the themes. Each category is supported by direct quotes from the verbatim transcriptions.

**Theme 1: Will Buy the Brand, Despite Disagreeing with the Actions of its Spokespeople**

All participants reported that they viewed Nike among their top choices within the athletic supply industry. They were able to easily describe their perception of Nike as a brand. These descriptions were often very similar to how Nike attempts to position itself currently. Nike's mission statement reads, "Bring inspiration and innovation to every athlete in the world." (Our Mission). Inspiration and innovation were referenced by eight participants. Overall, the majority of participants felt that Nike's personality is so well established and distinct, that the actions of one athlete could not affect its brand perception. Most participants recognized that sponsored athletes were selected strictly for their ability to embody Nike's personality.

**A. Scandals are self-destructive**

None of the participants felt that misconduct from an athlete sponsored by Nike could discredit the brand's established reputation. However, seven participants mentioned that misconduct was personally damaging to the athlete's reputation. Lola summarized it well in a one-on-one interview. When sharing her views of Nike after learning about the athlete misconduct she said, "It doesn't change my view on Nike, it changes how I see the athletes" (Lola). Participants were not hesitant to share their personal opinion of the athlete. In reference to the Ryan Braun scandal, Robert said, "I think of Ryan Braun as a liar" (Robert). Both Jerry and Paul agreed with his statement. Even though they disagreed with Braun's actions, all three indicated they
would still buy Nike products. They saw the athlete's misconduct as damaging to the athlete only. Helga describes Nike's involvement with the athletes by saying,

"They want the top players and I think that they've done a good job of selecting them. Unfortunately, not everyone's perfect. I think that their personal lives, I know they're public figures and that does matter, but for me I think it says more about culture than it does about Nike." (Helga).

The majority of participants viewed athlete's misconduct as having little effect on the public perception of the brand the athlete represents.

B. Nike is too big to fail

Nearly two-thirds (72%) of the participants described Nike as being a well-established, universal, or easily recognizable brand. Lola said, "Everybody always knows Nike" (Lola). Participants saw Nike as being so big and powerful that one athlete's misconduct would have very little effect on its overall brand perception. Tom said that, "Nike is so big, so universal, so worldwide that one athlete is not going to ruin the image" (Tom). He furthered his point later by saying,

"And see I think the falling of an athlete wouldn't make me stop wearing Nike, but a situation where like, ya know, there's sweatshops and Nike only pays their workers five cents an hour. Maybe that would make me stop wearing Nike. Ya know? But not an athlete." (Tom).

Paul agreed with Tom and also mentioned the fact that Nike has a huge international presence, and the athletes in question are largely American stars. In reference to Ryan Braun, he said, "I'm sure some sports fans don't even know who he is necessarily." (Paul). Paul argued that it would take global media coverage for Nike's brand perception to be effected in a noticeable way. The resounding consensus was that Nike is such a giant brand that people have already formed their opinions of the brand and one individual scandal is not enough to change opinions.
C. Athletes reflect their sponsor

Five participants described Nike's sponsored athletes as being chosen strictly for the athlete level of talent and athletic ability. Not one participant said anything about Nike targeting athletes for sponsorships because of the athlete's moral righteousness. Nike's partnerships were seen as largely performance-based. Participants recognized that Nike was associating with premier athletes to reflect its positioning as a high-performance athletic apparel brand. In the focus group, Tom described why he prefers Nike products,

"I think, athletes that wear them too. Cause you have Michael Jordan, the best basketball player in the world. I mean he's sponsored by them. My favorite, Kobe Bryant sponsored by them. A lot of really good athletes." (Tom).

Tom, among others, saw that Nike mainly wanted to associate with the best athletes in the world. When the researcher asked why her opinion of Nike remained the same after learning about the negative media coverage of their sponsored athletes, Lola said, "Well, because obviously they're going to want to endorse people who are incredible athletes" (Lola). When asked the same question, Helga drew the same conclusion, "I think that Nike has chosen them (sponsored athletes) purely on, ya know, because of their talent" (Helga). Participants largely recognized that personal misconduct does not discredit athletic ability.

D. Sponsorships are a good tool for first impressions

Some participants viewed sponsorships as a tool to communicate Nike's philosophy to young consumers. Six participants indicated that since Nike was already so well established in their minds, there is nothing a brand spokesperson could do to change their perception of Nike. However, some participants reported that
sponsorship had a greater effect on their purchasing intention when they were younger. Tom said, "when I was younger and I played high school basketball, I wanted to be just like Kobe and that's why I bought it (Nike)" (Tom).

The participants saw Nike as a leading athletic supply brand that wants to be associated with only the most talented athletes. Jerry states that sports sponsorships have more of an impact on kids as well. In response to the Ryan Braun Ad, he said, "If you were a little kid looking at this and you're a big baseball fan, you'd think this is pretty cool. And uhh, at our age we probably don't" (Jerry). Paul agreed as well, saying, "The majority of people our age have had experience with Nike like equipment and gear and that's what we're basing our judgments of the brand off of" (Paul). When the researcher asked his perception of Nike, Robert said, "they create product for the best sports in the world for a six year old who needs his first pair of cleats" (Robert). Most of the participants recognized that their opinion of Nike was well established. Therefore, it would be hard to change at this point in their lives.

**Theme 2: Purchasing Motivators Outweigh Scandal**

Throughout the focus group and interviews, every participant mentioned at least one of four select factors, which motivated them to purchase a product in the athletic supply industry. Those factors were, in no order, fashion, quality, price, and experience with the brand. These four points were expressed throughout the research multiple times. Price, fashion appeal, quality and experience with the brand were communicated as being influencers of purchase intention far more frequently than sponsorship was. In the eyes of the research participants, Nike does a good job aligning itself with these key factors. Multiple participants mentioned one or more of
these factors in regards to their preference for buying Nike products. Although some participants recognized the value in sponsorships for a brand, other factors were deemed more important in developing their perception for a brand.

B. Nike provides value

All the participants thought of Nike favorably. They described the brand as progressive, high quality, high-tech, affordable, reliable, trendy, trustworthy, motivational, and cutting edge. The participants all vocalized the value that Nike brings to them. They had well-established pre-existing opinions of the brand. When sharing her opinion of Nike, Helga said,

"I feel like it's become quite trendy, so Nike, I don't feel like there's really anything they can do as a brand that would take away from what they already have. I think that there's nothing they could do to hurt their existing brand because people love it and they drink the Kool-Aid and that's all that matters." (Helga).

Eight participants reported being brand loyal to Nike. The participants who were not loyal to Nike were simply not loyal to any athletic brand. Shoes were the preferred Nike product for five participants. In the focus group, Izzy said "All of my sports footwear has been Nike" (Izzy). She describes the company as having advanced technology and that, compared to other brands, "you're getting more for what you paid for (with Nike)" (Izzy). Tom explains his loyalty for Nike by saying,

"I think you can't go wrong with it. For example, if I told my mom to go buy a new pair of basketball shoes and she came home with a pair of FILA basketball shoes, I'd be mad, but if, no matter what, she brought home Nikes, I can't go wrong with Nikes." (Tom).

When asked why he was so loyal, Tom described Nike's performance, reputation, quality, and style as setting them apart. Participants from this research overwhelmingly preferred Nike compared with any other athletic supply brand.
C. Nike manages consumer relations

All participants were familiar with the Nike brand. They described Nike as being trustworthy and well-established. Participants made note that Nike has a connection with consumers all over the world, not just in the United States. Dillon described Nike's brand as "the easiest to recognize" of all athletic brands (Dillon). Jerry mentioned that the logo is universally recognizable. Robert agreed, saying, "the logo and their slogan, the just do it, that's gonna be tough to find someone who didn't know what "Just Do It" represents" (Robert). Participants see Nike's success in maintaining a positive brand perception as related to its large size. Tom posits that Nike is able to maintain a positive brand perception among consumers, in part, due to their large size. Robert agreed and added, "they do so much that these little things (scandals) just don't hold enough power to damage a brand like that" (Robert). Overall, participants felt that Nike benefits in times of crisis by having such a large following worldwide.

D. Nike diversifies: fashion and athletic apparel

Nike is more than an athletic apparel company. Six participants described the brand as a fashion apparel company, and four compared Nike to a technology company because of its superior product development and design. Participants liked that Nike exists in multiple product categories. Kristin compared Nike to Apple because she views them as a progressive company. Helga went so far as to say that Nike "create(s) the groundbreaking design and then their competitors kinda copy, they recreate their designs" (Helga). Nike's diversity in product offerings and areas of expertise built trust for the brand among participants. Tom shared an anecdote about
going snowboarding for the first time, and not knowing what brand of equipment to buy. He said,

"I love Nike and when I first started getting into snowboarding, I didn't know a lot about Burton or any other brands so my boots were Nike, my jacket was Nike and even though it's not a huge snowboarding brand, I trusted it because of that. Just because it's so universal." (Tom).

Participants recognized Nike as a huge company with a number of strengths. Its expertise in fashion, technological development, and performance has helped the company maintain a positive reputation among these participants.

**Theme 3: Corrective Action Increases Brand Loyalty**

Although all participants agreed that spokesperson scandal made no difference in their purchase intention for Nike, five participants appreciated Nike's corrective action after the scandal. Participants mentioned that separating the brand from the athlete served as a safety measure for the integrity of Nike. However, they did not say corrective action from Nike was expected. They noted that certain groups of consumers may have different opinions about the scandal based on other factors such as age or team preference. Overall, participants viewed Nike's damage control efforts as solidifying the reputable character of the brand.

*4. Nike does the right thing*

The participants all verbally disapproved of each athlete's misconduct. They had strong opinions on what was right and wrong. Robert did not like how Tiger Woods conducted himself after his controversy. He mocked Tiger Woods exclaiming, "They create this giant scapegoat, I'm a sex addict, and this wasn't my fault. This was my surroundings. and that's BS.". As previously mentioned, Robert, Jerry, and Paul all considered Ryan Braun to be a liar following his performance enhancing drug
scandal. The participants recognized the immoral acts of the athletes, but avoided discrediting their athletic ability. For example, Izzy said, "I don't think about the scandal when I think of Tiger Woods, I don't" (Izzy). Tom agreed that athletic ability is unaffected by a scandal. Kristin, Paul, Robert, Helga, and Lola all respected Nike for punishing the athletes after their scandals. Every participant's solidified opinion about the scandals was based on the participant's personal values, but the negative opinions of the scandal did not impact their positive opinion of Nike.

B. Nike navigates opinions of scandals

Although the consensus from this research is that scandal from a sponsored athlete does not affect brand perception, four participants predicted that different circumstances surrounding sponsored athlete scandals could have an effect on the way a scandal is viewed. Robert posited that the sport played by the sponsored athlete could have an effect on the level of damage to the brand they represent. He said, "Tiger was the only one that really projected Nike all the time." (Robert). He went onto say that he was not aware that Adrian Peterson or Ryan Braun were sponsored by Nike, but "Tiger on the other hand, one of the first questions was, what's Nike gonna do?" (Robert). Paul and Tom both noted that a big difference between Tiger Woods and the other athletes was that Tiger Woods was involved in an individual sport, whereas the other athletes were associated with professional teams in a league. Tiger Woods was prominently involved with Nike. In reference to dropping athletes as sponsors Tom says,

"If Nike sponsors NFL jerseys, at the end of the day if (an athlete) gets dropped, he's still gonna be wearing Nike because that's a team contract. He's not gonna be the only one on the field wearing a Reebok jersey. Ya know? So I just think it has a lot to do with what sport you're playing." (Tom).
Tom and Paul brought up the issue of team loyalty. They said that when people are fans of a team that had an athlete involved in a scandal, the fans might be more forgiving of the player's wrongdoing. Tom and Paul also stated that the type of incident could determine who gets upset from a scandal. Paul mentioned that since Tiger Woods' case involved infidelity with his wife, more women might dislike him than men. Similarly, Tom said that people who approve of physically disciplining their children might be more inclined to approve of Adrian Peterson's corporal abuse of his child. The way the athlete conducts himself following a scandal could have a say in fan's willingness to forgive as well. Paul mentioned that Ryan Braun lied about his scandal for as long as he could before admitting guilt, while Tiger Woods and Adrian Peterson admitted their guilt as soon as evidence was found against them. Participants made a point to mention how different situations could affect the outcomes of scandal.

C. Nike operates in the goldilocks zone

All the participants were satisfied with Nike despite their athlete's misconduct. The overwhelming opinion was that Nike is a premier brand. Participants agreed that Nike positioned itself effectively to maintain success in times of crisis. Paul said that Nike has done "a pretty good job of keeping their image as clean as it can be." (Paul). Robert pointed out that Nike has resources to invest into damage control following a scandal. Something major would need to happen for the Nike brand to be damaged. He also stated that "if you wear Nike, you identify yourself as an athlete" (Robert). Someone else's misconduct is irrelevant in that situation. Participants see Nike's brand as being in the goldilocks zone. Tony says,
Nike got all these really good athletes and then became the brand that it is today. It really shows where they've come from. And dropping these athletes like this, it's kinda showing they know what they're doing and they're gonna continue being the best brand out there.” (Tom).

Students were completely comfortable with Nike's current brand positioning.

D) Results

This section will offer interpretation and analysis of the research findings.

Three results emerged from the three themes and eleven categories described in the previous chapter.

*Result 1: College student's reactions to scandals are dependent on variables surrounding the athlete, his scandal and the company he represents*

All participants in this research recognized Nike. They shared the distinct characteristics that they associated with the brand such as innovation, inspiration and athleticism. They reported being exposed to Nike in the media since they were little kids. The consensus among participants was that a spokesperson scandal causes minimal damage to Nike's brand perception. However, the participants recognized that many variables could impact student's perceptions of a spokesperson's scandal. For one, they indicated that the notoriety and size of Nike negated any harm that an individual sponsored athlete could have on the company's reputation. The students developed a distinct characterization for the brand based on their continuous presence in media. Media have the ability to influence the behavior of young adults (Qayyum, 2010; Chia, 2010; Arnett, 1995; Williamson et al., 2012; Chan-Olmstead, Rim and Zerba, 2013). Another factor is that younger generations are generally more forgiving of scandals in professional sports (Solberg, Hanstad and Thoring, 2010).
Several participants mentioned that different variables surrounding the type of incident affects their perception of the scandal as well. In the focus group, participants pointed out the difference between Ryan Braun's scandal and the others. Braun took performance enhancing drugs to improve his athletic ability, while the other two athletes were involved in personal misconduct (Catania, 2014; "Adrian Peterson Biography," 2015; "Tiger Woods Biography," 2015). Braun's scandal had the potential to impact the integrity of Major League Baseball, while the other two incidents were personal matters. Research has found that if consumers believe an athlete's misconduct has an effect on the outcome of his sport, they are less likely to forgive that athlete (Solberg, Hanstad and Thoring, 2010).

Participants recognized that the way the athlete conducted himself impacts their likeability as well. The participants were more negative towards Ryan Braun because he lied about his scandal until he was caught red-handed. Past research found that athlete likeability affects the willingness of consumers to forgive that athlete (Fong and Wyer, 2012; Solberg, Hanstad and Thoring, 2010). Participants also mentioned that consumer gender, team loyalty and lifestyle have an effect on their opinion of a scandal.

Result 2: College students recognize the value in sponsorship, but do not view sponsorship as a major purchase motivator

College students did not classify sponsorship as having a significant impact on their purchasing behavior in the athletic supply industry. They described the key determiners of purchase intent in the athletic supply industry being quality, fashion-appeal, price, and experience with the brand. This attitude is different from the findings of Schmidt et al. (2013). Their research deemed sponsorship as "one of the
most effective marketing communication tools" (Schmidt et al., 2013). Participants recognized the benefit of sponsorship for a brand, but did not mention sponsorship as a factor in their purchasing decisions in the athletic supply industry. Measuring sponsorship's effect can be difficult. (Schmidt et al., 2013). Prior research indicates that consumers can develop subconscious attitudes and opinions about brands based on the company's spokespeople (Schmidt et al., 2013). Research has found that media could increase materialism in young adults (Chia, 2010). This is significant because several participants mentioned that, when they were younger, sponsorship had a measurable effect on their purchasing decisions. They saw sponsored athletes in the media and saw that they were connected to Nike, therefore they were more inclined to buy Nike.

Result 3: College students view spokespeople as largely independent from the brand they represent, but appreciate corrective action from a brand following a scandal

All research participants vocally disapproved of the athlete's misconduct. However, they did not view the scandals as damaging to Nike. Rather, they saw the scandals as damaging to the athlete's personal reputation. Participants reported being exposed to the reports of the scandals in media constantly. In the focus group, Robert said, "we know entirely too much about their personal lives" (Robert). The opinions of the participants could be explained by the social cognitive theory (Bandura, 1991). This theory states that media have an effect on what consumers believe to be socially acceptable behavior (Bandura, 1991). Media never condoned the athlete's actions. Similarly, the participants never condoned the athlete's actions at any part of the research.
Participants did recognize a relationship between the sponsor and the athlete, but the relationship was one-sided. They reported recognizing that Nike sponsors only high-performing athletes because it wants to position itself as a high-performing brand. Schmidt et al (2013) found that brands can use sponsorships as a way to communicate their values to consumers (Schmidt et al., 2013).

Both existing research and this study found that consumers appreciate corrective action from the sponsor following spokesperson misconduct, even if they do not view the misconduct as damaging to the brand. Solberg, Hanstad and Thoring (2010) found that consumers were in favor of punishment from sponsors toward athletes involved in doping scandals (Solberg, Hanstad and Thoring, 2010). Similarly, the majority of participants in this research appreciated Nike separating itself from its spokespeople after they had been involved in a scandal.
5. Conclusions and Recommendations

This chapter provides an answer to each of the three research questions that drove this study. Based on the answers to these questions, the researcher was able to formulate recommendations for marketing professionals working in sports sponsorships who are marketing to college students.

A) Conclusions

*How do college students see the relationship between athlete and sponsor? Do the actions of one affect the other in any way?*

The college students who participated in this study viewed the athlete as independent to the athlete's sponsor. They believed that Nike chose its sponsored athletes strictly based off their athletic ability. Most participants viewed Nike as a high-performance company. Their association with high-performing athletes was seen as a tool to perpetuate Nike's image. A conclusion to be made is that college students understand that brands cannot control the actions of their spokespeople.

The majority of students did not view misconduct of an athlete to tarnish the Nike brand because their opinions of the company were already so well established. They had been exposed to the brand frequently throughout their lives. Their opinions of Nike were cemented.

Participants recognized that many variables affected consumer's perception of scandals. The size of the company, team affiliation, age, gender and the nature of the scandal were determined to potentially affect college student's perception of a scandal. Current research supports the notion that consumer's perceptions of scandals are not standardized (Chan-Olmstead, Rim and Zerba, 2013; Fong and Wyer, 2012; Hust et al., 2013; McCabe, 2014; Ramayah, 2009; Sandman, 2014). Certain scandals
are bound resonate more with certain groups of people. A conclusion to be drawn is that college students' reactions to scandals could be dependent on multiple variables surrounding the incident.

*What factors into purchase intention for products in the athletic supply industry among college students?*

Purchase intention for the college students participating in this research was dependent on four main points. The first factor was experience with the brand. Participants reported that if they had a positive experience with the brand previously, they would be more inclined to buy it in the future. The second factor was quality. The students sought out athletic supplies that were comfortable and long lasting. The third factor was fashion. Looking good was a big motivator throughout the research. The fourth factor was price. Participants mentioned being price sensitive.

A conclusion is drawn that sponsorships are recognized by both participants and prior research to have a positive effect on a brand's image. Not mentioned, however, is that the main purchase determinant among college students. Quality, experience with the brand, fashion-appeal, and price are the four determinants of purchase intention among college students in the athletic supply industry.

*How do college students expect a brand in the athletic supply industry to react after a scandal from one of their sports-related spokespeople?*

The college students participating in this research did not say it was necessary for a brand to react after a sponsored athlete had been involved in a scandal, but they appreciated it when the brand did so. The research participants all deemed the athlete's misconduct to be deplorable, but they did not feel the brand should be associated with that athlete's scandal. The participants did not demand punishment,
but, when informed of Nike's reactions to the scandals, they were pleased. The students thought it looked good that Nike would sacrifice the money associated with the athlete to ensure the integrity of the company. They appreciated the morally guided decision-making. A conclusion based off this information could be, college students appreciate morally guided decisions by companies.

**B) Recommendations**

The following recommendations are intended to help marketing professionals working in sport sponsorship better target college student consumers. These recommendations were formulated from the combination of existing research, as well as the conclusions drawn from this research.

*Define the nature of the sponsorship*

Companies have to understand why they are connecting with a spokesperson. They should determine the characteristics of the athlete they wish to project and highlight those in their advertising. Participants in this research understood that Nike sponsored its athletes because of their athletic talent alone. Nike avoided associating itself with the character of their spokespeople. Companies have to understand that scandal is inevitable and unpredictable (Connor and Mazanov, 2010). If an athlete undermines the characteristics of the brand that he is being paid to promote, that brand image could be at risk.

*Examine the scandal from all angles*

Participants pointed out multiple variables affecting consumer perception of a scandal. To successfully manage a spokesperson scandal, the brand should understand the nature of the scandal. The company should determine which consumers were
offended and how the scandal offended them. By fully understanding the consumer perception of a scandal, companies can determine the appropriate response.

*Recognize the value of the product*

This research found that sponsorship was not a top purchase motivator among college students. Instead, attributes of the product itself had the most impact. Companies should be aware of the value that their product provides before embarking on any significant marketing expenditure. Once the company is confident that the product fulfills the wants and needs of their target market, they can start seeking spokespeople to facilitate their marketing messages.

*Communicate morally guided decisions*

The college students that participated in this study were all driven by morals. They never condoned the actions of the athlete and appreciated when Nike separated itself from those athletes after their incidences. In fact, demonstrating the company's moral righteousness could improve the brand perception for that company.

*C) Conclusion of Research*

Through an extensive literature review, four in-depth interviews and one focus group, this study provided significant results. Overall, it concluded that college student's perceptions of Nike are largely unaffected by negative media coverage of a brand spokesperson. However, both prior research and the participants in this study acknowledged that variables such as age, type of scandal, likeability of the individual athlete, and size of the company impact college student's perceptions of a scandal. Ultimately, students recognized the power that sponsorships have to improve the reputation of a brand. Students saw a sponsored athlete's misconduct as more
damaging to their personal reputation than the brand the athletes represent. Participants reported price, experience with the company, quality, and fashion-appeal to be the most important factors in determining their purchase motivation in the athletic supply industry. They made little mention of sponsorship.

The results of this research assist marketing professionals working in sport sponsorship to effectively target college students. This study provides insights into the values and purchasing motivators for this demographic and lays the groundwork for further research into their opinions and attitudes toward sport-sponsorships. The better marketers understand the purchasing habits of college students, the more efficiently they can market their products.

D) Recommendations for Further Research

This study can easily be expanded on through future research. It was determined that many variables influence college students perceptions of spokesperson scandals. Future studies could examine which factors weigh heaviest on brand perception or purchase intent. Research could also examine whether or not college students care if a brand punishes an athlete following a scandal or not. Participants in this research were told how Nike reacted to each scandal immediately after they were presented with the reports of each case. It would be beneficial for marketers to understand exactly how a brand is expected to react following a spokesperson scandal. Another research opportunity is the influence of social media on the perception of Nike. With the use of social media growing rapidly, marketers would benefit by understanding if social media platforms have the ability to influence consumers' perceptions of Nike. Lastly, further research could examine which
demographics sponsorship is most effective with. Participants in this research mentioned that sponsorship had a greater effect on them when they were younger. Future studies could examine exactly which demographic of consumer sponsorship is best suited for.
List of References


Appendix A - Interview/Focus Group Outline

Introduction:
"Hello. I am Michael Gollaher and I am conducting research on college students’ perceptions of Nike after negative media coverage of its sports-related spokespeople. I appreciate your participation. This study will examine Nike and three of its sports-related spokespeople; Adrian Peterson, Ryan Braun and Tiger Woods. I am going to ask you 10 questions regarding your opinion of Nike and Nike's sponsored athletes. I will present you with four examples of Nike advertisements featuring these sponsored athletes and three news articles describing each athlete's scandal. This research was determined to have minimal risk to you by the Institutional Review Board. Feel free to leave at any time for any reason. Your names will be protected when reporting the findings. This study will not be available to the public. The only place it will be displayed is in the library of the honor's office at the University of Nevada, Reno. You will be recorded so that I can transcribe the dialogue today. Before we can begin, I need to obtain verbal confirmation from you that you are willing to take part in this research."

* Begin

1. Researcher: "What is your perception of Nike?"
2. Researcher: "Where do you believe Nike fits in the athletic supply industry?"
3. Researcher: "What factors into your choices of buying athletic supplies?"
4. Researcher: "In regards to the athletic supply industry, who are you the most brand loyal to? Or are you brand loyal at all?"

* Show the advertisements featuring the athletes (2 print, 2 video)
* Adrian Peterson and Tiger Woods video displayed on projector
* Ryan Braun and Adrian Peterson print advertisements distributed to each participant

5. Researcher: "How does this advertisement make you feel?"
6. Researcher: "What do you know about the athletes in the ads?"
7. Researcher: "Do these advertisements impact how you feel about Nike?"

* Present the negative media coverage of those sponsored athletes (3 articles)
* 3 BleacherReport.com articles describing the athletes' scandals are distributed to each participant

8. Researcher: "Now, how do you feel about Nike?"
9. Researcher: "Overall, does this media coverage impact how you feel about Nike?"
10. Researcher: "Based on our conversation today, is there anything else you would like to add that you have not already mentioned?"

* Thank participants
Appendix B - Media Examples

Example A:
Adrian Peterson Video (1:30)
(https://www.youtube.com/watch?v=lnDL-mejyEI)

Example B:
Tiger Woods Video Advertisement, 1:02
(https://www.youtube.com/watch?v=yeleDrMfx-0)
Example C:
Ryan Braun Print Advertisement (Braun is 2nd from the left)

Example D:
Adrian Peterson Print Advertisement
Appendix C - News Reports of the Scandals

Example A:
Will Braun Ever Be Forgiven by MLB Fans?
By Jason Catania

The past isn't always easy to get past. In the case of Ryan Braun, the Milwaukee Brewers star who has been wrapped up in a performance-enhancing drug controversy for the better part of two-and-a-half years, the past is downright impossible to get past.
Braun, though, is trying.

At Brewers On Deck, the club's fan event held every offseason, Braun told reporters, via the Associated Press (h/t ESPN), "I wish I could go back and do things differently, but I can't. All I can do is move forward and make the best of the opportunities presented to me."
It's reasonable that, by now, Braun and most everyone is ready to move on from all the questions, doubts and controversy. But just because Braun says he'd "go back and do things differently" doesn't make it all go away.

Not when there's so much past to get past.

To review, Major League Baseball suspended Braun for 65 games—the rest of the 2013 season—last July for violations of the Joint Drug Prevention and Treatment Program.
At the time, Braun said the following:

I realize now that I have made some mistakes. I am willing to accept the consequences of those actions. This situation has taken a toll on me and my entire family, and it has been a distraction to my teammates and the Brewers organization.

In that statement, the operative word is the third one: "now." Yes, Braun realized and acknowledged his mistakes, but only after he got caught. Again. This time, without a way out.
That owning-up announcement came—count 'em—20 months after Braun's urine sample in October 2011 tested positive for elevated levels of testosterone, as Mark Fainaru-Wada and T.J. Quinn of ESPN reported that December, two months later.

Facing a 50-game suspension, Braun contested the results via an appeal and, shockingly, won the case the following February (2012). His defense team called into question the chain of custody for his sample, which collector Dino Laurenzi Jr. handled, and that was enough to get arbitrator Shyam Das to overrule the ban.
For their parts in all of this, **MLB dismissed** Das **from his role** soon thereafter, while the incident smeared Laurenzi's **reputation**.

And Braun? He held a celebratory press conference to proclaim his (ahem) innocence:

Baseball fans, to an extent, have forgiven PED use before (see Pettitte, Andy), but in such cases, the player admitted his mistake and threw himself at the mercy of public opinion early on.

However, when the player lies, attacks the system and then proceeds to ruin the careers and lives of others, that generally doesn't go over too well. With anyone.

Braun essentially went on a crusade to clear his name when his name didn't deserve to be cleared. That's a page taken right out of the Lance Armstrong playbook. Not to mention, baseball is enduring a similar situation with **Alex Rodriguez** at this very moment. The **New York Yankees** star is more or less going down the same road, **fighting and suing** anybody and everybody in his path to try to uphold what's left of his long-since-tarnished reputation for his involvement in the Biogenesis scandal that has rocked the sport over the past year and resulted in a full-season suspension for Rodriguez.

As for Braun, at least he's done his share of apologizing already, including **reaching out via phone** to Brewers season-ticket holders last September in the wake of his suspension.

He can further help his cause by staying clean, putting his head down and returning to the superstar he was before this whole mess—the positive test, the appeal, the lies, the blame game, the eventual suspension—ever even started. For that, some fans will get over what he did with time and distance, and there will be cheers for him again.

But no doubt, there also will be boos for Braun. And just because he says he's sorry and some cheer his exploits on the field doesn't mean all is forgotten. Or forgiven.

Because, ultimately, Braun's past isn't easy to get past.

**Example B:**

**Tiger Woods' Cheating Scandal: How Will It Affect His Endorsements?**

By Bleacher Report Senior Analyst

http://bleacherreport.com/articles/301261-tiger-woods-cheating-scandal-how-will-it-affect-his-endorsements

Tiger Woods has never shanked a drive this badly in his life.

First, Tiger was challenged by the outlandish accusations of the **National Enquirer**, then came the suspicious single-car accident early on Friday morning, and
now reports in *US Weekly* of another affair have put Tiger in some of the deepest rough he has ever stumbled upon.

The last encounter proved to be the tipping point for Woods, who released another statement this afternoon.

In light of his most recent comments, in which he apologized to his family for any wrongdoings, one must begin to wonder if the lucrative sponsorship deals that made him the world's first athlete to amass $1 billion will be affected by the drama of this situation.

We saw Nike drop Kobe Bryant for being unfaithful and Michael Vick for going Cujo on on some dogs.

We saw Michael Phelps lose his deal with Kellogg's after going one toke over the line.

But there was hard evidence in each of those cases.

The lawsuit for Bryant; the infamous bong photo for Phelps; the disturbing images of the dog-fighting compound for Vick.

In this case, we are left with a voicemail that depicts Tiger telling Jaimee Grubbs, one of the alleged mistresses, to change her answering message in order to trick his wife, Elin.

It doesn't prove anything definitively, but it certainly holds enough power to skew the perception of Woods' persona.

I think the huge pendulum swing in the public's view of Woods can best be captured by going way back to 2004, when *Forbes Magazine* characterized Woods as being the "good looking, clean-cut, articulate, scandal-free golf whiz."

So much for that whole "scandal-free" thing.

For the first time in Woods' storied career, which began in 1996 when he turned pro at the age of 21, he has hit a wall (and a fire hydrant and tree) with his image.

But I still find it hard to believe that Phil Knight and Nike, his biggest endorsers who re-signed him in 2006, will abandon Woods over an issue in which no one knows the full details.

Tiger has exponentially expanded the brand power of Nike, something that even Kobe and Vick couldn't do.

That's because they play team sports, in which there is always a new face to latch your trailer to and start up a new campaign.
In golf, there isn't that sort of thinking when it comes to the face of the game.

It's pretty simple logic: If Tiger represents golf, and Nike sponsors Tiger, then Nike is golf.

And, although this has been anything but a desirable end to his 2009 season, Tiger will undoubtedly come back with the same passion and fire to be the best golfer in 2010.

But there are other organizations with more options on the table that might become weary of the same hazy details that keep Nike on board and in Tiger's corner.

EA Sports struck a new six-year contract with Woods in 2006 to keep producing the video game that bears his name.

In 2007, Gatorade rolled out Tiger's own brand of sports drink in a deal that will earn him over $100 million through 2012.

Along with superstar tennis player Roger Federer, Woods is making between $10-20 million as one of the leaders for the Gillette Champions marketing campaign.

Woods' contract with Buick expires soon, a deal that originated in 1999 and was re-worked in 2004 to the tune of around $40 million.

And those companies may be thinking, what really happened that night?

Where was Woods going?

How did he cut his face?

The answers to those questions are really neither here nor there, but the fact that they are asked exposes the real problem for Woods that arises within the world of sponsorships.

EA Sports can produce a game for Anthony Kim; Gatorade can start making a brand for LeBron James; Gillette can put the workload on Federer; Buick can get David Beckham.

The point is that these other brands are not tied directly to the world of golf, and they have the ability to move away from Tiger and take their business elsewhere.

But aside from Nike, where the world of golf and sponsorships meet, Tiger will indelibly be juxtaposed to Phil Mickelson.

Phil is his closest competition both on the golf course and in his wallet.
In a world built upon the mentality of “what have you done for me lately,” those who award lucrative sponsorships are left with far different impressions of Phil and Tiger at this juncture.

Our most recent memory of Mickelson is as the brave family man, who stood next to his wife, Amy, as she battled cancer.

We can relate to the way Phil took time off to be of the utmost support to her and the family, and those looking to shell out millions of dollars in endorsements will have that at the forefront of their impressionable minds.

On the other hand, we have Tiger, who made his latest statement asking for privacy and apologizing to his family for any indiscretions.

He has withdrawn from his tournament this weekend, and keep in mind that this isn’t your regular tournament withdrawal.

The event functions as a huge fundraiser for the Tiger Woods Foundation; his absence will plummet ticket sales and take money away from his charity interests.

How can current and prospective sponsors not be turned away by those actions, and instead turn to Mickelson to be the pitch-man for their campaigns?

The simple answer is that they can't look away from what might have happened.

So while Nike will more than likely stick by its man, Tiger may see that $1 billion bank account begin taking in fewer deposits going forward.

Example C:
Adrian Peterson Comments on His Son, Suspension and NFL Future
By Matt Fitzgerald, Featured Columnist

Minnesota Vikings running back Adrian Peterson has remained particularly quiet about the child abuse scandal involving him and his four-year-old son.

After NFL commissioner Roger Goodell suspended Peterson for the remainder of the 2014 NFL season on Tuesday, the six-time Pro Bowler has opened up about the troubling off-field saga.

USA Today's Tom Pelissero conducted an exclusive interview with Peterson, whose previous silence regarding the case that's put his football career on hold seemed to cloak considerable regret over what he'd done:
"No one knows how I felt when I turned my child around after spanking him and seeing what I had left on his leg. No one knows that Dad sat there and apologized to him, hugged him and told him that I didn't mean to do this to you and how sorry I was."

I love my son. I love my kids, my family. Like I said after I took the misdemeanor plea, I take full responsibility for my actions. I regret the situation. I love my son more than any one of you could even imagine.

Goodell said in part of his statement that he felt Peterson showed "no meaningful remorse" for his actions. That was something Peterson addressed directly in the interview:

Ultimately, I know I'll have my opportunity to sit down with Roger face to face, and I'll be able to say a lot of the same things that I've said to you. Don't say that I'm not remorseful, because in my statement, I showed that I was remorseful. I regretted everything that took place. I love my child, more than anyone could ever imagine.

After not attending a disciplinary hearing prior to his official suspension and stirring up controversy in doing so, Peterson issued a statement explaining his reasons for the no-show. He elaborated on this in his remarks to USA Today.

"[...] I didn't want to go into a situation blind," said Peterson. "I didn't know what to expect. Who's going to be there? Who will I be meeting with? What details are we going to get into?"

Peterson, who is appealing his suspension, according to ESPN's Chris Mortensen, also said that he would never use a switch again to punish his children, referencing alternative ways he could exact discipline.

Peterson was indicted on a felony charge on Sept. 11 and then pleaded no contest to a misdemeanor child-injury charge on Nov. 4.

As for what his future on the gridiron holds, the 29-year-old veteran has a desire to test the waters in Minnesota before looking elsewhere.

I would love to go back and play in Minnesota to get a feel and just see if my family still feels comfortable there. But if there's word out that hey, they might release me, then so be it. I would feel good knowing that I've given everything I had in me.

[...] I would have to get back in the community and get a feel. I know who loves me. The coaches and the players, it's not going to be a problem. I've felt so much support from those guys. The organization, I know there's people in the organization that support me and there's people that I know internally that has not been supporting me.

There is no indication as to what lies ahead for Peterson as a Viking. The team supported the league's decision to suspend Peterson but didn't comment further.
Minnesota, preparing for life without Peterson, recently acquired Ben Tate off waivers, adding him to a backfield that also features Jerick McKinnon and Matt Asiata.

Whether Peterson's interview truly changes that perception in the league office's eyes remains to be seen, but the public stance is contrary to what Goodell asserted. Until Peterson's appeal runs its course, it's difficult to determine just what his future will look like.