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The Effects of Partitioned Pricing on Event Ticket Purchasers

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ACCEPTANCE

This dissertation, THE EFFECTS OF PARTITIONED PRICING ON SPORT EVENT TICKET PURCHASERS, by ARMIN ALBERTO MARQUEZ, was prepared under the direction of the candidate's Dissertation Advisory Committee. It is accepted by the committee members in partial fulfillment of the requirements for the degree, Doctor of Philosophy, in the College of Education and Human Development, Georgia State University.

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THE EFFECTS OF PARTITIONED PRICING ON SPORT EVENT TICKET PURCHASERS

by

ARMIN MARQUEZ

Under the Direction of Beth Cianfrone

ABSTRACT

Ticket sales are an essential revenue source for sport organizations. As such, ticket managers have different strategies to encourage sales and maximize profits. The options on how to display the ticket price and associated ticketing fees to consumers, either through partitioned pricing (PP) or all-inclusive pricing (AIP), is an important decision. The sport industry has given little consideration to the effects of pricing strategies on consumers. Grounded on the theoretical foundation set forth by past PP research, the dissertation examines the two pricing strategies through a review of literature, and two experimental studies, isolating the potential effects of the fees on sport consumers. Through an online simulated digital ticketing experience, participants (N = 1,009) were randomly assigned into groups and completed a survey about purchasing tickets to a Major League Baseball (MLB) game. Study 1 (n = 949) considers the potential effects of the pricing strategies (PP and AIP) on sport consumers' price perceptions (i.e., total price recall),

offer assessment (i.e., perceived value), and price comparison (i.e., search intentions), as well as the possible moderating effect of the price level experienced, and the participants' level of team identification on the impact of the pricing format. The moderating effect of the price level and team identification were non-significant; both variables had a direct influence on the dependent variables. Study 2 (n = 458) examines the potential effects of spectators' perceptions of fee responsibility when experiencing PP while purchasing tickets to attend a MLB regular-season game. The study examines differences in spectators' offer assessment (i.e., perceived value) based on the pricing characteristics (3 price levels), spectators' perceptions of fee responsibility (2 levels), and spectators' perceptions of fee reasonableness (2 levels). The study considered both the direct and interaction effect of these variables on perceived value. Theoretical and managerial implications associated with the findings point to the potential risk of PP strategies when spectators' hold the teams responsible for fees, and when the surcharges are deemed unreasonable. Future research should consider the manipulation of fee levels, other sports and sport levels, and alternative purchasing scenarios, such as licensed sport apparel.

INDEX WORDS: partitioned pricing, all-inclusive pricing, ticketing, fees, price perceptions, offer assessment, price comparison, consumer behavior

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DEDICATION

I want to dedicate this dissertation to Jesus Christ, my Lord, and Savior. As I look back, I see how You have been ever-present, even before I came to know You. I trust that the challenges faced during this process are in preparation for the future that lays ahead. I strive to glorify You, God, by loving and serving others by motivating them to give their best. I pray that You will grant me the opportunity to, one day, return home and contribute to the rebuilding of our great nation while leveraging my passion for sport and research.

To my beautiful wife, soulmate, and warrior, Carla, for moving to Atlanta without speaking a word of English, and for being my rock, keeping me grounded through this journey. And to my son Mateo, your laughter gives me the strength to keep moving forward. I love you both with all my heart.

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1 THE NEED FOR PARTITIONED PRICING RESEARCH IN SPORT

Consumers have embraced technological advances that allow them to purchase products and services, through the click of a button, from anywhere with an internet connection. In sports, particularly professional sports, ticketing has transitioned into the digital realm, at times leaving spectators with no other way to purchase. Ticket sales represent an essential revenue stream for sport organizations, and the pricing strategies deployed have the potential to influence spectators' decision to purchase. One such strategy, with extensive use, is partitioned pricing (PP). PP is a strategy where sellers divide the total price of an offer, separating the costs for shipping, handling, payment processing, and other features, to achieve a favorable response, as opposed to providing an all-inclusive price (AIP; Voester, Ivens, & Leischnig, 2017; Xia & Monroe, 2004). The sport industry has given little consideration to the effects of pricing strategies, and the potential impact that surcharges, such as convenience fees and processing fees, associated with digital ticketing, may have on purchase-related behavior.

During the 1990s, sport teams were still conservative when it came to their ticket pricing, using a "straight line" method consisting of three main categories—season tickets, individual game tickets, and group tickets (Kobritz & Palmer, 2011; Evangelista, 2010). In the early 2000s, teams began using a "variable pricing" system, where variables such as time of the year, day of the week, and the opponent would cause the price of sporting event tickets to change (Rovell, 2002). However, with variable pricing, ticket prices were set months in advance of the game and remained unchanged regardless of any variation in the market conditions (Kobritz & Palmer, 2011). In 2008, Major League Baseball (MLB) team, San Francisco Giants, pioneered the use of "dynamic pricing" (Associated Press, 2008). Dynamic pricing allowed for the adjust-

ment of prices on an hourly basis right up to game time (Kobritz & Palmer, 2011). The widespread implementation of demand-based pricing strategies by professional sport teams has created a need to understand how consumers assess value (Drayer, Shapiro, Dwyer, 2018). Although demand-based pricing establishes the amount charged for a ticket, the presentation of the price itself (PP versus AIP) can also impact spectators' offer valuation. In recent years, the use of PP strategies has become more prevalent in the marketplace, with price presentation becoming more sophisticated and challenging for consumers to process accurately (Greenleaf, Johnson, Morwitz, & Shalev, 2016).

Previous research has considered a variety of pricing strategies adopted by online retailers; however, scholars have overlooked the effects of PP on sport consumer behavior. In PP, all the surcharges presented are mandatory, unlike add-ons such as opting to pay for parking in the same purchase when getting the tickets to attend a game. Greenleaf et al. (2016) advocate that given the extensive use of PP and its increased complexity, there is a higher need for exploration of its effects by consumer researchers, public policymakers, and marketing managers. Carlin (2009) explains that price complexity involves the breaking of prices into multiple price components, the use of terminology for price surcharges that overcomplicate consumers' understanding, and using different price presentations across competitors, adding to the difficulty of comparisons. At times, these tactics raise concerns about consumer protection related to transparency issues, as well as ethics.

The contradicting findings of past research have made the extrapolation of conclusions. Also, the apparent differences between utilitarian purchases and those associated with sport—

accompanied by the limited research related to the use of this pricing strategy in the sport context—highlights the need for further exploration into the effects that this pricing strategy has on sport consumers.

Airfares provide an extreme example of the effects of such pricing strategies. Airlines worldwide impose separate fees for baggage or fuel, even though customers are required to pay for all components, charging over $36 billion in surcharges on top of base flight costs in 2012 (Tuttle, 2012; Tuzovic, Simpson, Kuppelwieser, & Finsterwalder, 2014). The consumers' complaints of airlines' misuse of fees have reached the political front in the U.S., with the Trump administration suspending Obama's airline review, which was taking steps towards requiring transparency in airline baggage and other fees (Shepardson, 2017). Related to event ticket sales, the United States Government Accountability Office (GAO) published a report in response to congressional requesters in April of 2018, highlighting the market characteristics and consumer protection issues. Some of the GAO findings include the competitive advantage that professional resellers have over consumers, the failure of ticketing websites to display fees clearly, and resale sites using marketing strategies to mislead consumers into thinking that they are purchasing directly from the venue. The report included concerns that these surcharges are at times presented after consumers enter payment information, and can exceed 40 percent of the ticket price

The central premise of PP is that consumers disregard or fail to process pricing information when price components are presented separately, unlike in instances of equivalent AIP (Morwitz, Greenleaf, & Johnson, 1998). Voester et al. (2017) describes PP as "a pricing tactic that rests on a seller's volitional decision to divide the total price of an offering into two or more mandatory price components to generate favorable buyer response" (p. 880). Voester et al. further explain that when deciding to partition the total price of an offer, sellers make decisions on

(1) the types and number of features that make up additional charges (i.e., physical items or services), (2) the cataloging of these items, (3) the distribution of the total price across all elements, and (4) the presentation arrangement of the proposal.

Organizations using PP aim to improve consumers' discernment and assessment of prices, ultimately influencing consumer behavior. Morwitz et al. (1998) pioneered the examination of PP and its effects on consumers' responses. Subsequently, numerous research endeavors have enhanced the understanding of customer behavior towards PP through investigations in topics related to economics (e.g., Brown, Hossain, & Morgan, 2010; Carlin, 2009), business (e.g., Bertini & Wathieu, 2008; Chakravarti, Krish, Paul, & Srivastava, 2002; Hamilton & Srivastava 2008; Xia & Monroe, 2004), psychology (e.g., Kim, 2006; Sheng, Bao, & Pan, 2007), and law (e.g., Chetty, Looney, & Kroft, 2009; Feldman & Ruffle, 2015). Despite the advances in knowledge regarding PP, its derived benefits diminish due to variations in terminology and conceptualization (Voester et al., 2017).

The presence of alternative definitions of PP and vagueness in both the specification of critical features as well as possible applications are evidence of such discrepancies. For example, in the context of airline tickets, PP is described as a strategy where "firms regularly post sets of mandatory charges attached to various attributes of an offer" (Bertini & Wathieu, 2008, pp. 237), "in which the surcharge represents an additional amount inherent to the purchase situation…, and consumers cannot opt-out of them" (Burman & Biswas, 2007, pp. 424). In studies considering the purchase of electronics, we see PP described as "… a pricing strategy in which the total price of a product and/or service is partitioned into two or more mandatory components" (Hamilton & Srivastava, 2008, pp. 450), and "… where the total price is divided into two or more mandatory

components such as a base price and a surcharge" (Koukova, Srivastava, & Steul-Fischer, 2012, pp. 760).

Additionally, regarding consumer behavior, an examination of findings from previous research reveals contradicting reactions to PP. Numerous studies advocate that PP has a positive relationship with purchase behavior in contrast to AIP (e.g., Chakravarti et al., 2002; Chetty et al., 2009; Hossain & Morgan, 2006; Morwitz et al., 1998; Völckner, Rühle, & Spann, 2012; Xia & Monroe, 2004), while others highlight opposing findings (e.g., Bambauer & Gierl, 2008; Chandran & Morwitz, 2006; Lee & Han, 2002). To resolve such contradictions researchers investigating PP have explored moderating factors such as fee features (Bertini & Wathieu, 2008; Burman & Biswas, 2007; Sheng et al., 2007), and characteristics of sellers (Carlson & Weathers, 2008; Koukova et al., 2012) and buyers (Cheema, 2008; Kim & Kramer, 2006; Schindler, Morrin, & Bechwati, 2005).

Sport industry consumers interact with PP when registering for participation in activities and leagues, making online purchases of sporting equipment and apparel, and buying tickets to attend a variety of sporting events of all levels. Recent sport-related research surrounding pricing strategies has considered the effects of total price associated with ticketing (Drayer & Rascher, 2013; Drayer & Shapiro, 2011; Dwyer, Drayer, & Shapiro, 2013; Morehead, Shapiro, Madden, Reams, & McEvoy, 2017; Shapiro, Dwyer, & Drayer, 2016). When considering consumption of live sporting events, researchers have argued that individuals identify with teams, players, coaches, and their community (Kim, Trail, & Magnusen, 2013); however, based on a recent study by Delia and James (2018), team identification may encompass all other points of attachment.

Team identification can reflect the passion that sport consumers demonstrate for their teams, which highlights a potential difference between sport event tickets purchases and the utilitarian purchases considered by previous PP research. Within the sport literature, Kwon, Trail, & James (2007) were among the first to investigate team identification as an antecedent to perceived value; while considering the purchase of licensed sport apparel. More recently, in the context of event ticketing, Drayer and collegues (2018), explored the mediating role that willingness to pay and perceived value have on the effects that team identification has on behavior intentions (i.e., purchase and search intentions). However, they too overlooked the potential impact of fees or fee presentation—PP versus AIP—on sport consumers' behavior or how the pricing strategy may influence the effects that team identification may have on consumers' decisions.

Guiding Questions

RQ1: Does the pricing strategy (i.e., PP versus AIP) at different price levels influence the effects that the buyer characteristics (i.e., team identification) have on consumers' final assessment of an offer (i.e., intentions to search for alternative offers, perceived value, and total price recall)?

RQ2: Are the effects of PP on consumers' assessment of an offer (i.e., perceived value) influenced by consumers' perceptions that MLB teams are profiting from surcharges associated with ticket sales?

Review of Literature

Consumer Behavior Research

The American Marketing Association (2008) defines consumer behavior as "the dynamic interaction" between affect and cognition, behavior, and the environment through which human beings process exchange in their lives. Trail and James (2019) attest to the need to understand consumer behavior from the competitive environments in which most sport teams and leagues

operate. They define sport consumer behavior as "the study of the buying units and the exchange processes involved in acquiring, consuming, and disposing of sporting goods, services, experiences, and ideas" (Trail & James, 2019, p. 52).

Hawkins, Best, and Coney (2004) argue that knowledge about consumer behavior should drive all marketing decisions. Trail and James (2019) highlight that despite globalization, the study of consumer behavior has concentrated on the potential for greater diversity across consumers, instead of their similarities. Trail and James present a variety of models and theories used in attempts to explain consumer behavior in general, as they recognize that very little research attempted to explain consumer behavior in sports.

Vakratsas and Ambler (1999) looked at five different model categories that focused on the influence of advertising to explain general consumer behavior: Market Response Models, Cognitive Models, Affective Models, Persuasive Hierarchy Models, and Low-Involvement Hierarchy Models. Trail and James (2019) take Market Response Models as a starting point but expand on the premises to include all marketing aspects (i.e., how advertising, price, and promotions influence sales, market share, and brand choice). Vakratsas and Ambler (1999) found that advertising only has a short-term effect, pointing out that 90% of the advertising effect dissipates within 3-15 months. They also identified that advertising typically works better for durable products (e.g., sport merchandise) than nondurable products (e.g., attending a sporting event or watching it on television). Therefore, advertising may reach success for the merchandise but not for games (Trail & James, 2019).

Cognitive Models rely on the premise that consumers make decisions rationally, evaluating their needs and wants when deciding to purchase or not. If consumers remove emotion from their choice, it would mean that marketing efforts only serve to create awareness or inform the

consumer about specific product features (Vakratsas & Ambler, 1999). Trail and James (2019) propose that this does not work in terms of the consumption of most sport products.

The Affect Models focus on emotional responses and typically include no reference to rational processes (Vakratsas & Ambler, 1999). These models present consumers forming preferences based on their likeness of a product, with advertising activating emotions that incentivize consumers to purchase the product (Trail & James, 2019). Trail and James point the importance of marketing to induce emotions, but highlight the need to pair these emotions with the cognitive appraisal of the product for it to be effective and ultimately result in consumption.

Persuasive Hierarchy Models presume a hierarchy relationship with cognition preceding affect, which itself precedes behavior, with marketing influencing behavior by moderating the relationships (Trail & James, 2019). Vakratsas and Ambler (1999) suggested that involvement with the ad and attitude toward the ad mediate between advertising and the cognition-affect-behavior relationship. However, there has not been a lot of support for these models because the relationship between affect and behavior has typically been low (Trail & James, 2019).

Low-Involvement Hierarchy Models depicts a hierarchy starting with cognition, followed by experience, and finalized with affect. In other words, consumers become aware of the product, consume it, and then determine whether they like it or not (Trail & James, 2019). Trail and James point out that this model might work when involvement is low or if the product is inexpensive. There are, of course, numerous combinations of these elements, with some making more sense than others depending on the situation.

Peterson, Hoyner, and Wilson (1986) pointed out, "the question 'did the person think first or feel first' is not very meaningful" (p. 142). They further explain that individuals are always in

a continuous flow of thinking or feeling, with importance laying on understanding how the interaction between affect and cognition results in behavior. Lavidge and Steiner (1961) presented the Step Model of Advertising, which is a hierarchy of effects model, meaning that consumers must move through several stages before they end up purchasing the product. At the start of this model, the consumer is unaware of a product. Lavidge and Steiner suggest that advertising can play a part in creating awareness, but there are other ways, such as word of mouth. Then the consumer must learn about the product features, create affective feelings, and ultimately prefer it over similar products. According to Lavidge and Steiner, the consumer follows a progression of these stages; however, the phases are not necessarily equally weighted, since the consumer may pass through some stages more quickly or efficiently than others. Most consumer behavior models rely on some hierarchy with distinct differences in their focus and stages, but the steps do not exist in isolation and represent the interactions (Trail & James, 2019).

Ratneshwar, Mick, and Huffman (2000) looked at the "who, what, when, where, why, and how" of consumption, developing a model of consumption motivation. They suggested that the "who" is characterized by cross-cultural, inter-individual, and inter-group differences that exist in consumers, interacting with the "when," where," and "why." And finally, represent the "how" through the interaction between the consumers' cognitive and affective processes with motives. This model can be considered cyclical, with past consumption influencing present motives, which in turn influence future consumption (Trail & James, 2019). A downfall of this model pointed out by Cohen and Warlop (2001) is the problem of looking at motives, since they are contingent on the "Who" (central traits, values, self-images, and desires) of Ratneshwar et al.’s (2000) model.

Claeys and Abeele (2001) proposed a conceptual model called Means-End Chain Theory, which can explain goal-directed behavior by looking at the cognitive organization, structure, and content of product knowledge in memory. Goal-directed consumer behavior follows a hierarchical flow, going from physical, visible movements to intangible, personal goals (Pieters, Baumgartner, & Allen, 1995). Trail and James (2019) do point to the fact the different individuals may have the same goal, but get inspired by different motives, and use radically different procedures to achieve the goal.

Huffman, Ratneshwar, and Mick's (2000) examine the motivation for consumption through the Hierarchical Model of Consumer Goals. They proposed that individuals have hierarchically ordered goal levels: Life Themes and Values, Life Projects, Current Concerns, Consumption Intentions, Benefits Sought, and Feature Preferences. At the same time those goals central to the individual's existence, representing the individual's ideals are labeled "being," while those deemed immediate are represented by the concept "doing," and the goals that focus on external attributes are labeled "having." Some of the setbacks from this model are that it addresses only goal-driven behavior (excluding autotelic behavior, such as attendance to live sporting events, which has a purpose in itself), the framework is primarily concerned with the cognitive (failing to include affective aspects), and some of the dimensions are very similar (Trail & James, 2019).

Apart from the models discussed above, other theories support consumer behavior research, despite not being developed with such intentions. For example: The Identity Theory Model is composed of Identity Standard, Cognitive Comparison, Perceived Situational Meanings, and Behavior. Stryker and Burke (2000) explain that the identity standard refers to the roles that an individual may self-identify with (e.g., sports fan), and the perceived situational meanings

are, for the most part, determined or influenced by social interactions. The cognitive comparison is the result of an interaction between identity standard and the perceived situational meaning, which in turn are influenced by motives and expectations (Stryker & Burke, 2000). Further, the discrepancy between identity standard and perceived situational meaning will result in either a positive or negative emotion, included in the extended version of the Identity Theory Model, right after cognitive comparison and before the behavior (Stryker & Burke, 2000).

Social Identity Theory seeks to explain the self-identification with a group (Stets & Burke, 2000). Stets and Burke reveal that this self-categorization leads to a comparison with those inside and outside the social group. Both Social Identity Theory and Identity Theory have been used to study the identity of a sports fan. However, as Trail and James (2019) point out, Social Identity Theory fails to explain why fans behave differently from each other.

The Theory of Planned Behavior, considered to be an extension of the Theory of Reasoned Action, intentions are considered a keystone element when attempting to predict behavior (Ajzen, 1991). Ajzen further explains that, although, for the most part, when someone decides to do something, they are likely to carry out the behavior, certain situational factors may prevent this from happening. Ajzen (1991) suggests that behavioral intentions and actions are influenced by 1) perceived behavior control, which refers to perceptions of ease or difficulty to perform a behavior while accounting for experience and possible constraints, 2) subjective norms, pointing to the social pressures influencing the decision to act or not, and 3) attitude toward the behavior, referring to a person's positive or negative evaluation of a particular response.

Numerous other models attempt to explain behavior; however, very few models propose to explain sport consumer behavior (Trail & James, 2019). Some of the attempts made to explain sport consumer behavior, include Constraint Theory, which has, for the most part, derived from

researchers considering leisure activities. Crawford and Godbey (1987) categorized leisure constraints as intrapersonal, interpersonal, and structural. Later, while adjusting the model to explain sport consumption, Kim and Trail (2010) proposed the consolidation of these three dimensions into just internal constraints and external constraints. Internal constraints referred to psychological cognitions, while external constraints considered the social or environmental elements, which prevent the behavior from taking place.

Although some may argue that consumer behavior models can explain consumption across all products and services; however, some disagree. For example, Trail and James (2019) highlight that the range of psychological connections that sport consumers form with sports result in differences, particularly when considering sport-related services associated with sport teams. Trail and James further explain that the most basic level sport consumption is the result of interaction between motivation and activation. Two frameworks have attempted to explain sport consumer behavior comprehensively: the Model of Sport Consumer Behavior (MSCB; Trail, Anderson, & Fink, 2000), and the Psychological Continuum Model (PCM; Funk, Gladden, Howard, James, Kahle, Mahony, Nakazawa, & Trail, 1999; Funk & James, 2001).

The PCM is a hierarchical model that features four stages: 1) awareness, 2) attraction, 3) attachment and 4) allegiance, resulting in persistent attitudes and behaviors toward a team (Funk & James, 2001). Alexandris, Du, and Funk (2016) point out that the model fails to explain how internal and external forces influence actual behavior. Also, from a conceptual standpoint, the model does not explain how past behavior influences advancement across the stages or how personality traits affect personal attitudes.

On the other hand, the MSCB is a cross-sectional structural model that considers sport consumers at a particular point in time, which allows for testing using structural equation modeling. In the most recent version, the Revised Model of Sport Consumer Behavior (R-MSCB; Trail & James, 2019), presents that as consumption takes place, the purchasers' expectations may be (dis)confirmed, leading to a positive or negative reaction, which in turn leads to an emotional response that affects self-esteem influencing lifestyle change. Consumption behavior may also influence the likelihood of lifetime change; which then loops back to behavioral intentions: "As lifestyle change increases, positive brand attitude increases, and intentions to come back to another game in the future (repeat patronage) could increase" (Trail & James, 2019, p. 83).

Kim and Trail (2011) argue that "building, enhancing, and maintaining a good relationship with fans is perhaps the most fundamental principle of sport marketing" (p. 65), proposing a conceptual framework for relationship quality composed of trust, commitment, intimacy, self-connection, and reciprocity that ultimately lead to consumption behaviors. Related to trust, consumers' beliefs that sport organizations are using PP to maximize profits may also provide valuable insights of the effects of this particular pricing strategy. Along these lines, Kim, Magnusen, and Kim (2014) go to the root of relationship quality and examine customer satisfaction, explaining that most studies related to consumer satisfaction in a sport setting focuse on sport competition outcomes within the context of game satisfaction (Caro & Garcia, 2007; Madrigal, 1995; Trail, Anderson, & Fink, 2005), service satisfaction (Greenwell, Fink, & Pastore, 2002; Tsuji, Bennett, & Zhang, 2007), and game and service satisfaction combination (Yoshida & James, 2010).

Team Identification

The theoretical framework used by researchers studying team identification is grounded on Social Identity Theory (Lock & Heere, 2017), which posits that individuals achieve a greater sense of self through the impact of belonging to a group (Tajfel & Turner, 1979). Such social groups contribute to an individual's self-image through self-classification within the group and differentiating themselves from those outside the group (Delia & James, 2018). Such comparisons may be positive or negative, and may determine continuation or desertion of such groups (Tajfel, 1974).

Roccas and Brewer (2002) suggest that individuals will often identify with multiple social groups. Specific to team identification, Heere and James (2007) point to team as encompassing multiple group identities, which may in fact be related to identification with a city, state, and school (Heere, James, Yoshida, & Scremin, 2011). Heere and colleagues refer to a team as emblematic of other groups, and not at the individual level. Others have suggested that individuals may identify with sport entities at superordinate, subgroup, and relational level, which interact with each other while individually fulfilling a different social need (Lock & Funk, 2016). These different team-related identities enhance individuals' sense of self, illustrates the complexity of identification with a sport entity, and supporting the notion that identification with a team may include relationships between individuals (Delia & James, 2018).

Points of attachments in the model presented by Trail and James (2019) are considered to influence both consumer intentions and behavior. Among these points of attachment one can find team identification, which encompassed the passion associated with sport spectatorship consumption. Researchers found that individuals will be more committed to a sport organization if they are highly identified (Wann & Branscombe, 1993). Also, Lock and Funk (2016) found that

team identification influences both attitudes and behaviors. More recently, Drayer, Shapiro, and Dwyer (2018) considered team identification as an antecedent to offer evaluation (i.e., perceived value and willingness to pay), as well as behavior intentions (i.e., purchase intentions and search intentions).

The construct of team identification, although specific to sport, is closely related to perceptions of a brand; which finds support in the marketing literature (Yaniv & Farkas, 2005). Brand associations, which are part of the sport-spectator brand equity, may differ in terms of uniqueness, intensity, and positivity (Ross, James, & Vargas, 2006). Multiple researchers have developed scales to measure league brand associations (Kunkel, Funk, & King, 2014), as well as team brand associations (Bauer, Stokburger-Sauer, & Exler, 2008; Ross et al., 2006). These scales have allowed scholars to evaluate how consumers relate to a sport organizations, encompassing measurements of history, tradition, accomplishment, and competitiveness (Delia & James, 2018). Previous research suggests that individuals have multiple points of attachment (e.g., players, community, and coaches), while also identifying with the team (Trail et al., 2003); however, based on their findings, Delia and James (2018) suggest that these other points of attachment are, in fact, contained within the meaning of team. Given the passion associated with sport-related purchases, encompassed within team identification, which differs from the utilitarian nature of services like airlines, understanding how PP and AIP strategies affects sport consumers' experience is critical.

Ancillary Services

Associated with the (dis)confirmation of expectations, Yoshida (2017) proposes that satisfaction with both the core sport product and the ancillary services will influence behavioral loyalty and non-transaction behavior. Service encounters defined as consumers' exchanges with

customer-facing employees, service environments, and self-serving technologies (Bitner, 1990; Brady & Cronin, 2001; Meuter, Ostrom, Roundtree, & Bitner, 2000), include online ticketing. Yoshida (2017) points that " while a clear distinction between the core sport product and ancillary services has been established in the sport management literature (Greenwell et al., 2002; Yoshida & James, 2010), the outcome of ancillary services has been often confused with the outcome of the core sport product" (p. 432). The confusion has come about from researchers considering the two distinct products (core and ancillary), but reporting only one, all-encompassing, dimension of quality (Clemes, Bush, & Collins, 2011; Ko & Pastore, 2005). Illustrating the clear distinction between the outcomes of core sport products and those of secondary services, Yoshida (2017) concludes that "the quality of the service outcome should focus on the outcome valence of ancillary services in the service encounter" (p. 432). One such secondary service associated with the consumption of spectatorship of sporting events is that of ticketing.

Ticketing of Sporting Events

Historically, professional sport teams employed a conservative strategy when setting ticket prices. At the end of each season, organizations would set the prices for the upcoming year, keeping costs constant regardless of demand (Kobritz & Palmer, 2011). Previous research concluded that spectators do not evaluate each sporting contest equally, and consider numerous factors, such as opponent, time of year, weather, the record of teams, and many others when deciding to attend (Rascher, McEvoy, Nagel, & Brown, 2007). As organizations began to take into consideration these elements, they employed variable pricing (i.e., providing different prices for games based on numerous factors; Rovell, 2002). For example, in MLB, games featuring promotions, such as bubble-head giveaways, are priced higher since attendance spikes for those events (Kobritz & Palmer, 2011). Rescher et al. (2007) point out that variable pricing was "marketed to

the public as a tool to make lower-priced tickets more affordable to a greater number of fans" (p. 120). However, this does not take away from the fact that the strategy results in maximization of revenues for games where demand is higher (Rovell, 2002).

In more recent years, teams turned to dynamic pricing, in an effort to maximize revenue, where ticket prices fluctuate in real-time based on demand. Although the primary goal of dynamic pricing is to increase ticket revenue, by increasing the number of people in attendance, other revenue streams are activated (e.g., parking and concessions on game day, as well as more attractive sponsorship deals; Rescher et al., 2007). There are several concerns with dynamic pricing, such as confusing fans with an overwhelming number of ticket price offers and deterring people from committing to season tickets since they may feel that they can wait for a better deal as the season advances. The secondary market features use of fees as part of their pricing strategy. Convenience and service fees are now part of ticketing services provided not only by secondary ticket companies but also by leagues and teams themselves. Perceptions towards these fees may be a determining factor in spectators' experiences with ticketing services, since surcharges may come across as another way that teams are looking to maximize their profits.

Purchase-Related Fees

Over the past two decades, the use of fees has gained increased attention from both a managerial standpoint and academic research. Instances where a product's price features a base price and one or more mandatory fees—termed partitioned pricing (PP)—has evolved into a more pervasive and complex pricing strategy (Greenleaf et al., 2016). Morwitz, Greenleaf, and Johnson (1998) led the first academic investigation into consumers' reactions to PP. Online consumption—very limited in 1998—saw that consumers experienced considerably different strategies in terms of what the base price included, and the number and size of surcharges (Xia &

Monroe, 2004). With PP becoming the norm over AIP, there is higher demand from critical stakeholders, such as consumer researchers, public policy makers, and marketing managers, to understand the effects that this strategy has on consumers (Greenleaf et al., 2016). Since initial efforts by Morwitz and colleagues, PP has gained attention from disciplines such as marketing, psychology, economics, finance, and law; however, despite use of this pricing strategy by sport organizations, academia has yet to explore effects that this strategy may have on sport consumers.

Theoretical Foundations of Partitioned Pricing (PP)

According to classical price theory, demand should not differ based on if or how a price is partitioned since the total price presented to the customer is identical (Voester et al., 2017). However, several lines of consumer behavior research studying pricing show that customers react differently to PP and equivalent AIP (e.g., Lee & Han, 2002; Morwitz et al., 1998; Xia & Monroe, 2004). Attempting to explain how PP affects consumer behavior, research has focused on four primary theoretical perspectives: (1) anchoring and adjustment theory, (2) cost-benefit framework, (3) prospect theory, and (4) attribution theory.

Anchoring and adjustment theory proposes that a choice is taken based on an initial value (the anchor) that is adjusted with supplementary information to produce the ultimate decision (Tversky & Kahneman, 1974)—in this case, to purchase. When presented with PP, consumers digest different items of a price incentive to analyze the total price level resulting from the base price and additional price components. According to anchoring and adjustment theory, consumers may underestimate total cost by failing to adjust enough for the extra price components after anchoring on the base price (Morwitz et al., 1998; Yadav, 1994). Thus, empirical research based

on anchoring and adjustment suggests that PP tactics should result in a lower total cost recall and improved price perceptions than equivalent AIP formats (Voester et al., 2017).

The cost-benefit framework explains that consumers undertake diverse decision-making strategies by balancing between cognitive costs needed to process information and the benefits of precise processing (Johnson & Payne, 1985). Based on this framework, Morwitz et al. (1998) suggest three reasoning approaches used by consumers when processing information in PP. First, some customers may not assimilate the entirety of price components, either by failing to notice them or merely deciding not to include them when calculating the total price. Second, consumers may count on rough estimations rather than precise mental arithmetic to minimize the cognitive effort exerted. Such a strategy, based on the anchoring and adjustment theory, tends to result in lower recalled total cost than actual aggregation of the price components. Third, consumers can compute the full amount by correctly adding the extra price items to the base price. In this scenario, estimated total cost of PP and equivalent AIP would be equal, as suggested by the principles of classical price theory. Taking the first or second approach, when presented with PP, results in a lower recalled total cost than AIP, which should improve price perceptions based on anchoring and adjustment theory (Voester et al., 2017). However, the third processing strategy toward PP should not affect consumers' price perceptions.

Prospect theory is another theory used to explicate the effects of PP on consumer behavior (Kahneman & Tversky, 1979). This theory proposes that choices depend on a reference point, and the perceived loss cost diminishes as a negatively augmented function of the size of such loss (Schindler et al., 2005). Given the convex nature of loss value function, discomfort of multiple losses will intuitively be higher than a single loss of quantitatively equal total value (Thaler, 1985). Prospect theory, contrasting the approaches mentioned above, explains the adverse effects

of price perception by consumers presented with PP. In buying situations, prices tend to symbolize sacrifices or losses (Voester et al., 2017). Dividing the cost of an offer into multiple price items presents costumers with various deficits, increasing the sacrifice effect of pricing (Völckner, 2008), and ultimately, leading to perceptions of higher total cost than an AIP (Bertini & Wathieu, 2008). Prospect theory tends to imply that PP decreases the desirability of an offer, resulting in adverse effects on consumer behavior (Voester et al., 2017).

Finally, attribution theory (Weiner, 1986) proposes elucidations for boundary settings that define consumers' evaluations of PP. Attribution theory assesses people as decoders of information whose actions are influenced by cause-and-effect implications and explanations (Weiner, 2000). Individuals assume attributions to be the cause of an outcome experienced (Weiner, 1986). Regarding PP, consumers may take a different approach when evaluating price components, given the fundamental reasons for them (Bambauer-Sachse & Mangold, 2010; Koukova et al., 2012; Lee & Han, 2002). In instances of PP, where the total price is composed of a base price plus a surcharge, consumers may have adverse reactions if the fee is considered part of the vendor's profit maximization strategy (Xia & Monroe, 2004). On the other hand, if consumers believe the additional price component(s) to be outside of the seller's control, they will be more likely to have a favorable evaluation of PP (Bambauer-Sachse & Mangold, 2010). Therefore, based on the attribution theory, consumers' assessments of a PP will be contingent on underlying attributions regarding responsibility for the price components presented (Voester et al., 2017), causing positive or negative effects on consumer behavior.

These theoretical standpoints provide different approaches to analyzing PP and valuable perspectives about its effects on consumer behavior. The extrapolations of prospect theory, which put forward that consumers favor compounding of losses (i.e., would rather see one loss

than multiple smaller losses that add to the same value), do not necessarily oppose the positive PP hypotheses presented by anchoring and adjustment theory and the cost-benefit framework (Morwitz et al., 1998). Some evidence suggests that customers' negative perceptions are less adverse when paying for additional costs than when paying for base prices (Schindler et al., 2005). Customers may not associate some price components with sellers' bottom line since firms pass earnings from some of these components straight to third parties (e.g., shipping fees forwarded to providers of such services). Additionally, in a PP situation, consumers do not necessarily process all price components as losses (Voester et al., 2017). For example, customers might see paying for some price items as a genuine exchange for value, processing them on the positive side of their value equation (Chakravarti et al., 2002). Voester et al. (2017) suggest that future research may perhaps examine these contemplations to support further and assimilate the theoretical perspectives.

To summarize, the different theoretical lenses in use to explain reactions to PP suggest the presence of various contrivances at the core of the pricing strategy, which in turn, can explain the at-times contradicting outcomes from preceding research (Voester et al., 2017). To enhance the comprehension of associations amid pertinent features and the subsequent repercussions of PP, a more detailed review of previous research, summarizing the current understanding of PP and its effects on consumers' behaviors, is presented below. The following subsections provide a synthesis of the literature on the topic of PP.

Defining Partitioned Pricing (PP)

Voester et al. (2017) argue that previous attempts to define PP present common themes over the past couple of decades; however, they diverge in both focus and scope. Voester el al.

further explained that in the quest to define PP, one must allocate attention to the following questions: 1) Do sellers have a choice when dividing a price into separate components? 2) What makes up price components? 3) Are all price components mandatory for buyers?

Whether or not a seller has the option to divide a price for strategic purposes is a critical element when defining PP. To illustrate this question, consider sales tax. In the case of most products and services, sales tax charged is considered a price component in PP research (e.g., Chetty et al., 2009; Xia & Monroe 2004). In numerous European countries, governmental laws and regulations require organizations to include sales tax in the price offered to customers, permitting the separation of sales tax from base price only in business-to-business commerce. In the U.S., there are no legal requirements imposed on vendors to include taxes in prices, and it is rare to see sales taxes included in prices of products and services. Instances when the market forces sellers to partition an expense are potentially considered PP. However, PP rests on the seller's freewill decision to apply PP or AIP. On this topic, Xia and Monroe (2004) explain that consumers accept sales tax because they perceive that the seller has no control over it (state or federal regulation), while sellers typically set rules on shipping and handling fees. Similarly, Chetty et al. (2009) point out that individuals may be inattentive to certain price elements, highlighting the need for consumer protection laws to prevent sellers from taking advantage of their ability to manipulate price presentation.

Previous research into PP has investigated price arrangements in which the price components include fees for items that have a more distant link to the main product or service, such as the inclusion of processing fees (Bambauer & Gierl, 2008; Burman & Biswas, 2007), installation fees (Hamilton & Srivastava, 2008), shipping and handling fees (Chandran & Morwitz, 2006; Kim, 2006; Morwitz et al., 1998; Schindler et al., 2005), and fees for warranties and insurance

(Chakravarti et al., 2002; Völckner et al., 2012). For instance, PP can contain price presentations in which the offer is separated based on its physical components, a base price for a refrigerator and an added fee for a built-in icemaker (Chakravarti et al., 2002), or a base price for a laptop and a fee for a supplementary surge guard (Hamilton & Srivastava, 2008). The range of price components hinges on a seller's capacity to split an offer into separate parts, and individually price them. When purchasing a home cardio exercise machine, sport consumers may face a base price for a treadmill, with added fees for an optional upgrade for a built-in display screen, as well as shipping and handling fees.

Based on this scenario, numerous PP studies have focused on two price partitions, with the more prominent price item denoting the base price and the smaller price item representing the surcharge (Chetty et al., 2009; Lee & Han, 2002; Morwitz et al., 1998). However, some researchers have examined offers broken into more than two parts. Xia and Monroe (2004) and Völckner et al. (2012) examined PP situations where total price was composed of the base price and two surcharges. Xia and Monroe (2004) found that the positive effect of PP on attitudes and purchase intentions was reduced when the price included two surcharges. A more extreme scenario of PP, explored by Carlson and Weathers (2008), presented the partition of total cost into nine price components. This study found that as the number of price components increased, so did purchase intentions and perceived fairness when the total price was displayed, although the interaction was mediated by the sellers' trustworthiness (Carlson & Weathers, 2008). Consumers experience numerous price items across a variety of industries, including utilities (Smith, 2012), the hotel sector (Rosenbloom, 2012), and banking (Carrns, 2013). With the ever-present online purchase opportunities faced by sport consumers, whether by spectators (e.g., event ticketing, parking, merchandise) or participants (e.g., online race registrations, youth league fees), sport organizations

make decisions regarding presentation of pricing elements. Bode (2018) discussed the recent trend of cable providers presenting “regional sport fees” to their subscribers, criticizing that broadcasting rights are simply the cost of doing business and that these charges should not pass down to the sport consumer. Similarly, Hoffman (2018) discussed the use of fees in the secondary market, which, given the laws of supply and demand, end up increasing the price of sport tickets, making them out of the reach for the average fan. Under these circumstances, the distribution of the total price across the price items becomes critical (Voester et al., 2017).

Prior work in the PP literature showed surcharges tend to make up 10–20% of the total price (Chakravarti et al., 2002; Morwitz et al., 1998; Xia & Monroe, 2004). Nevertheless, some researchers have inspected PP cases where surcharges range from 30–50% of the total price (Brown et al., 2010; Burman & Biswas, 2007; Hamilton & Srivastava, 2008), and even some extreme cases where these charges were higher than the base price (Carlson & Weathers, 2008; Sheng et al., 2007). Scenarios, where surcharges account for the bulk of the total cost, are not uncommon in the airline industry (Nobel, 2013) or online retail (Lewis, Singh, & Fay, 2006). From a consumer’s standpoint, determining whether all the price components are obligatory becomes critical.

Present definitions of PP emphasize that consumers cannot take out individual price components and related items from the offer when they decide to make a purchase. In other words, once a seller divides a price offer into multiple parts, all these components are obligatorily paid by consumers (Voester et al., 2017). Consider the airline industry, where travelers may experience fuel charges that they must pay on top of the flight price. However, most airlines also charge fees for services, such as luggage items and seat reservations, which are optional. These non-obligatory fees are not cataloged as PP because consumers can avoid such expenses and still

fly. Similar examples of mandatory price components in online retail consist of shipping and handling charges, which are presented separately from the total price of the offer. Using another strategy, Dick's Sporting Goods offers free shipping on purchases of $50 or higher for standard delivery, but charges go up for premium delivery services, such as next-day or insured delivery. Again, these examples do not constitute PP because consumers can avoid the surcharges by not selecting the add-on service.

Considering the factors just discussed, Voester et al. (2017) define PP as "a pricing tactic that builds on a seller's volitional choice and fundamental decision to divide the total price of an offering into at least two mandatory price components in order to stimulate favorable buyer response toward the offering" (p. 884). Additionally, PP calls for retailers to specify the type and quantity of elements included in an offer, allocate names to each one, distribute total cost among all price components, and choose a format that discloses which price elements are obligatory.

Effects of Partitioned Pricing (PP)

Effects on Price Perceptions. In contrast to AIP, PP can result in a lower recalled total cost (e.g., Lee & Han 2002; Morwitz et al., 1998). Morwitz et al. (1998) explored perceptions of students regarding PP and AIP when purchasing phones via mail order. In this particular study, base price was $69.95, with a shipping and handling fee of $12.95. On average, participants presented with PP recalled a lower total cost by 6.7%, which suggested that consumers failed to assimilate the added fee in its totality or failed to consider it when processing the price information. A closer look at participants' recollection tactics of price in this PP scenario revealed that only 22% were able to remember total cost (base price plus fee) within a 5% margin error, with 55% underestimating it and 23% ignoring the surcharge altogether (Morwitz et al., 1998).

Lee and Han (2002) took a similar approach to explore differences in price recall of advertisements for audio and computer equipment by presenting participants with a 10% delivery and installation fee on top of the base price. Participants presented with the PP scenario reported a total cost of 7.6% lower than the actual sum, while the average difference for those provided with AIP was only 2.6%. Blanthorne and Roberts (2015) came across similar results in a lab experiment setting in which participants evaluated an AIP that bundled a 6% sales tax to the base price of a refrigerator. In another study involving phones, Kim (2006) compared the total cost recalled for AIP versus PP conditions with findings that the latter resulted in a significantly lower total price remembered in three of the four situations explored.

Generally speaking, evidence has shown that breaking down a price into a base accompanied by an extra fee can result in lower perceptions of total cost by consumers. It is worth highlighting that previous studies have primarily focused on PP settings with single and moderately small fees—ranging between 10–20%—with the bulk of these studies only considering delivery-related charges. When purchasing tickets to attend professional sports, spectators face a "Service Fee" and a "Fulfillment Fee" that, at times, amount to more than 25% of the base price. Therefore, further research is warranted to confirm previous findings and explore the effects of PP conditions on sport consumers' perceptions of the total cost, considering a variety of fee categories, quantities, magnitudes, and presentation formats (Voester et al., 2017).

Effects on Assessment of Offers. Considering the impact that PP may have on the evaluation of the value proposition presented to consumers, previous research shows a wide variety of results. When analyzing the effects of PP on the assessment of offers related to acquisition of services and products such as phones, spa, tickets purchasing, hotel, and car rentals, Bambauer and Gierl (2008) used an experiment setting where participants exposed to PP scenarios reported

more favorable assessments of total price than those presented with AIP. However, participants also highlighted that PP represented a more complex price structure and higher perceptions of deception intentions from vendors. Holistically speaking, adverse effects associated with PP—perceived complexity and perceived deception intentions—seemed to outweigh favorable attitudes of price value. Wang and Lynn (2015) present several examples in which PP resulted in positive valuation of offers, in the context of restaurant services. Through an experiment setting, participants favored presentation PP separating gratuity at 12% (3% lower than standard rate) from base price than when presented with AIP; however, results were reversed when presented with gratuity levels above the standard rate, at 18%. It is worth noting that in an earlier study, Lynn and Wang (2013) found that participants' perceptions of cost were favorable, and expectations of service quality higher when presented with a restaurant featuring PP instead of AIP.

The limited empirical evidence studying effects of PP has resulted in mixed findings regarding assessment of offers; however, results suggest that price transparency and fairness perceptions mediate the final evaluation of an offer (Voester et al., 2017). It seems that price transparency perceptions lead to perceptions of fairness and ultimately influence offer valuation (Bambauer & Gierl 2008; Homburg, Totzek, & Krämer, 2014). Nevertheless, the relationship between PP and understanding of price transparency is not clear. If consumers believe that sellers use PP as a strategy to deceive, it results in a negative impact on price transparency (Brown et al. 2010; Lee and Han 2002) while the effects will be favorable if they feel that PP allows them to better understand the cost-benefit of an offer (Bertini & Wathieu, 2008). Further research warrants exploration of the connection between PP, price transparency, and price fairness; and their effects on the sport organization-consumer relationship.

Effects on Purchase-Related Behavior. Past research demonstrated that PP could, at times, have contradicting—positive and negative—effects on consumers' plans to purchase (Voester et al., 2017). An experiment assessing the selection of refrigerators showed higher favorable intentions by consumers presented with PP, instead of AIP (Chakravarti et al., 2002). Xia and Monroe (2004) also found that PP resulted in higher purchase intentions of computers, leading to marginally higher perceived value and price satisfaction. Meanwhile, Kim (2006) reported increased purchase intentions under PP settings in three out of four experiment settings related to phone buying.

Researchers have also found that PP can hurt purchase intentions. For example, Bertini and Wathieu (2008), using an experimental approach assessing pricing of airfares and groceries, found that PP purchase intentions were dependent on consumers' perception of the partitioned component as a good or bad deal. Reppeti, Roe, and Gregory (2015) presented two scenarios to research participants, imposing a $25 resort fee in PP and AIP form, with two-thirds of the participants preferred the AIP option. The $25 surcharge represented 18% of the base price, which, as the authors note, could be deemed unacceptable by consumers. Cheema (2008) found that intentions of acquiring phone services were lower among customers presented with PP conditions, with the trend becoming stronger when participants knew of the providers' poor reputation. Albinsson et al. (2010) compared MP3 online purchase intentions of participants presented with reasonable versus unreasonable fees related to shipping. The researchers did not find differences associated with the size of the surcharges, with participants displaying lower perceptions of value and purchase intentions when presented with PP compared to AIP strategies.

In general, previous research demonstrated that PP positively influences consumers' willingness to pay. Morwitz et al. (1998) used an auction experiment where students bid for a container filled with coins with two scenarios: one with the bidding amount representing the AIP, and a PP instance where participants expected a 15% surcharges on top of the bidding price. Results showed that the cost-to-benefit ratio was higher among those experiencing PP than AIP conditions. In the context of wine purchases, Völckner and colleagues (2012) used a choice-based conjoint approach and found that PP had opposing effects on the perception of quality and sensitivity to cost. However, the positive impact of PP on perceived value through the informational effect outweighed its negative influence on price sensitivity, resulting in a higher level of willingness to pay with PP (Völckner et al., 2012). Hayashi, Nakamura, and Gamage (2013) explored PP in a labor supply context showing that participants preferred all-inclusive wages over partitioned representations of the same salary, regardless of whether the offering was composed of a small base salary with a bonus (positive surcharge) or a more substantial base salary minus taxes (negative surcharge).

Findings from previous research suggest that PP leads to higher purchase intentions and willingness to pay than AIP strategies, but these findings require testing in sports. Factors such as the type and magnitude of the fees, as well as perceptions of sellers' reputations, can have a moderating effect on sport consumer behavior.

Effects on Consumer Demand. Researchers have found that PP affects actual purchase decisions (e.g., Blanthorne & Roberts, 2015; Chetty et al., 2009) and even increase the quantity of consumption (Feldman & Ruffle, 2015). Ott and Andrus (2000) asked consumers about the importance of taxes associated with the purchase of vehicles and the subsequent effect on consumers' decision-making process. Vehicle personal property taxes, which represent an added fee

typically paid at the time of the purchase and annually based on a percentage of the vehicle's value for the subsequent years, had a detrimental effect on vehicle purchases. The authors also noticed a difference in customer sensitivity towards these fees based on magnitude, which can vary state by state. In a similar study looking at the purchase of personal care products in grocery stores, Chetty et al. (2009) contrasted effects of PP and AIP strategies on demand and found that consumption decreased when sales tax was included in posted shelf price (i.e., AIP) instead of adding it on at the checkout (i.e., PP).

Colantuoni and Rojas (2015) used scanner data to analyze impact on sales volume of a 5.5% sales tax imposed on soft drinks in Maine over a decade, determining that sales tax added at checkout, did not affect consumption rates. In a laboratory shopping experiment, Feldman and Ruffle (2015) presented participants with situations featuring a 16% sales tax and found that PP led to 29% more expenditure than with the AIP structure.

Generally speaking, findings from previous research indicates that PP may result in an increase in demand when compared to AIP strategies. Voester et al. (2017) highlight that studies, exploring effects of PP on demand, have concentrated on presentation of taxes. As explained earlier in this paper, taxes fall outside of the guidelines of PP. Therefore future research is needed to validate findings presented in this section through consideration of fees that do qualify. Specifically, researchers need to test the influence of PP on sport consumers' intention to purchase, attend, and participate.

Effects on Price Level. PP may also influence the actual price offers presented by sellers (Frischmann et al., 2012; Gümüş, Li, Oh, & Ray, 2013), and the price that buyers are willing to pay (e.g., Clark & Ward, 2008; Hossain & Morgan, 2006). Gümüş et al. (2013) studied price data and found that online retailers that imposed fees for shipping and handling presented lower

base prices but higher total prices than sellers that introduced AIP and featured free shipping and handling. The researchers found that the full cost of electronics was, on average, higher for sellers using PP. Frischmann et al. (2012) also inspected shipping fee strategies used by some retailers, selling computer-related equipment and software, featured in an online price comparison site. This study highlighted the presence of a U-shape relationship between total price and shipping fees; meaning that in AIP—where shipping fees would be equal to zero—the full price is high, the total cost is lower in PP featuring small to moderate shipping fees, but then the price rises again as charges increase in size. Researchers contended that their findings could be explained by retailers' intentions to take advantage of consumer behavior biases. Some retailers offer AIP with free shipping to attract consumers that assume that these offers have a lower total cost than proposals that show shipping fees. In contrast, others use PP with high shipping fees to entice consumers that may underestimate full prices. Ancarani el al. (2009) found that by charging restocking fees or penalties for cancelations in hotel, airline, retailing, and restaurant services, firms limit abuse of customer-friendly service policies, which results in lower operational costs and savings that are passed along to consumers in the form of lower total prices, benefiting consumers that comply.

Hossain and Morgan (2006), through a field experiment approach featuring 80 online auctions on eBay, noticed that sales presenting lower opening prices and higher shipping fees attracted more people to participate in bidding and resulted in higher total cost than in other circumstances. Clark and Ward (2008) looked at 218 online auctions for Pokémon cards and found that although shipping charges oscillated between $0.55 and $4.20, the fees did not affect the bidding price, resulting in higher total costs paid by buyers.

Thus far, evidence shows that PP can result in higher total prices than AIP. However, previous research has concentrated on the perceptions of consumers with little insight into factors that lead to implementation of PP strategies (Voester et al., 2017). Further research could explore factors related to the pricing strategy decision-making process within the sport industry, attempting to identify differences of application of PP based on types of organizations, and product or service characteristic.

Effects on Sensitivity toward Price. The price sensitivity experienced by customers appears to change between the base price and fee(s) in PP. Smith and Brynjolsson (2001) considered click-through rates for books on a given online site, finding that purchasers demonstrated almost double the sensitivity to variations in shipping fees than similar differences in the base price of the books. Using transaction data of online grocery purchases, Lewis (2006) found the same trend in their results, suggesting that buyers were more thoughtful of shipping fees than product prices. In this particular case, the researcher found that a $1 increase in shipping fee resulted in a reduction of total purchase by 6.2%, while the same $1 increase in base prices only reduced it by 2.7%. Lewis and colleagues (2006) further analyzed the same data and found that free shipping offers had a more significant effect on the total purchase than comparable discounts to the base product prices. Using a laboratory study approach, Chandran and Morwitz (2006) found that consumers presented with various price promotions experienced higher sensitivity rates to shipping surcharges than item prices. In one of the scenarios, consumers considering a $23.00 book purchase featuring free shipping reported higher purchasing intentions than in the countering PP offer showing a $2.99 shipping fee with an equal total price. Other studies on online purchasing of digital cameras and computer equipment found that shipping fees resulted in similar effects on consumers (Chatterjee, 2010; Chatterjee & McGinnis, 2010).

Findings of higher sensitivity rates towards shipping fees may challenge previous conclusions that consumers underestimate surcharges when presented with prices in PP form offered by the likes of Lee and Han (2002) and Morwitz et al. (1998). Lewis (2006) attributes consumers outweighing shipping fees in online situations due to the salience of the presentation of such charges. Therefore, future research would benefit from considering alternative price components not related to shipping, such as the case of youth sport participation, which presents field usage and coaching fees, examining the effects on price sensitivity at different price-fee ratios dependent on the levels of involvement (e.g., recreational, academy or travel).

Effects on Fairness Perceptions. Xia and Monroe (2004) highlight that fairness perceptions towards price are a determining factor when attempting to predict purchase behavior among consumers. Some studies have considered consumers' attitudes towards PP concerning fairness and its subsequent effects on buying behavior (Voester et al., 2017). Sheng et al. (2007), using three experimental settings looking at purchases of electronic goods and surcharges, considered the absolute and relative effect of fees on consumers' perceptions of price fairness, which ultimately influence purchase intentions. Findings from this study suggest that as the magnitude of the surcharges increased, perceived legitimacy decreased, with fairness perception having a mediating role between the effects of fees and customers' intentions to purchase. The researchers also found that participants considered surcharges that were lower than the base price to be fairer than those that were larger than the base price. A similar experiment showed that consumers preferred AIP over PP when they considered the shipping fees associated with digital camera purchases to be unfair (Kachersky & Kim, 2011). In this case, the researchers found that perceptions of fairness towards the total price mediated the effects of fee fairness on purchase intentions. Considering car repair services, Carlson and Weathers (2008) used an experiment setting, which

demonstrated that the number of PP components affected fairness perceptions. More specifically, they found that the presence of total price moderated fairness perceptions—when presented with the breakdown of the elements of the costs—and the level of trustworthiness of the seller. Excluding the total amount, the number of price components was inversely proportional to the perceptions of fairness when the sellers were deemed less trustworthy. The opposite was found when the total price was included, regardless of consumers' trust towards the seller.

Findings from previous research propose that PP is perceived as fair when PP involves fewer elements, fees make up less than half of the total price, and the sellers have positive standings. Xia and Monroe (2004) found that, when evaluating price fairness, consumers are sensitive to the motives for sellers' use of different pricing strategies. Therefore, research investigating sport consumers' interpretation of the variety of fees presented across different sport-related products and services, affecting price fairness perceptions, is warranted. More specifically, future research may seek to analyze effects of sport consumers' assumptions of the sellers' control over the surcharges presented on fairness perceptions.

Effects on Consumers' Attitudes toward Brands and Firms. When customers perceive that PP is leading to their underestimation of the total price, it can generate negative perceptions towards the sellers (Voester et al., 2017). Lee and Han (2002) conducted an experiment where participants were asked to report their attitudes towards computer equipment brands and presented PP and AIP offers with a total price of $839. A week later, when they attempted to recall the total cost of the offers, on average, those exposed to PP underestimated the total price by $109, while the AIP group's underestimation was only $7.60. The participants were then exposed once again to the actual price, and their brand attitudes were measured once again. Find-

ings showed that brand attitudes were negatively affected in the case of PP, while no effect resulted from AIP. The adverse effects of PP on brand attitudes were significantly higher when consumers considered their recall error to be a consequence of the sellers' pricing strategy, as opposed to a personal miscalculation. Unfortunately, the authors failed to study the effects of PP on their participants' attitudes towards sellers or the subsequent purchase behavior. For example, participants who successfully processed the PP breakdown (i.e., recalling the total price correctly) may consider this price presentation to be more transparent, leading to positive attitudes towards the brand (Homburg et al., 2014). Therefore, further research may consider consumers' attitudinal perceptions of sport brands resulting from PP, while identifying when such effects may lead to purchasing behavior.

Effects on Retaliatory and Search Behavior. In cases when customers consider surcharges to be offensive, PP can result in negative consequences that surpass purchasing behavior (Voester et al., 2017). Tuzovic et al. (2014), through a survey study of airline passengers, identified a link between consumers' fee acceptability and subsequent feelings of betrayal and anger, which in turn led to more complaints, negative word of mouth, and avoidance of specific airlines altogether. Their findings suggest that it would be wise for sport brands to monitor the acceptability of fees, perhaps through the dropout rates at checkout pages and follow up surveys with those customers who are put off by the appearance of surcharges.

There has been less consideration of the influence of PP on consumer search for further information. Findings from Xia and Monroe (2004) suggest that PP may decrease consumers' future research compared with AIP; however, the differences were non-significant in two experiments. The findings from Lee and Han (2002) regarding the negative attitudes of consumers to-

wards brands using PP may suggest that consumers would resort to searching for further information in an attempt to avoid miscalculating total prices. More research is required to gain a better understanding of the effects of PP on searching behaviors displayed by consumers, especially at the time of the purchase decision when choosing between PP—both percentage-based and fixed based fees, and considering the number of surcharges—and AIP offers.

PP formats may also result in higher cognitive demand from consumers attempting to process information when comparing total price among multiple offers (Voester et al., 2017). In an attempt to reduce cognitive effort, consumers may reduce the number of searches and limit the comparison to offers that use comparable formats (Xia & Monroe, 2004), or solely focus on options with clear and straightforward prices (Homburg et al., 2014). Consumers may also simply ignore fees, making decisions considering base price (Morwitz et al., 1998), basing choices on other features such as brand preference thus ignoring costs (Bertini & Wathieu, 2008).

Factors Influencing the Effects of Partitioned Pricing (PP)

Given some of the limitations encountered by past research on PP, Voester and colleagues (2017) suggest including boundary conditions to future approaches of PP research. Boundary conditions are factors that may influence the impact that PP has on consumers' perceptions and evaluations of price, which in the end lead to buying behavior. Past research has considered the following:

Characteristics of Price Components. Some investigators have examined how the type of pricing components (e.g., distant versus closely related to the core product/service offered) has a moderating effect on PP. Using an experimental approach, Chakravarti et al. (2002) found con-

sumers had a positive perception towards the partition of refrigerator accessories (e.g., ice-maker), and a negative attitude when separating items related to performance (e.g., warranties) from the base price. Betini and Wathieu (2008) took a similar approach and found that specific features—perceived value, relative importance, and ease of evaluation—moderate the effect of fees in PP. Hamilton and Srivastava (2008) asked participants to evaluate the perceived benefits of fee components with the intentions to assess the moderating effects that these factors had on consumers' perceptions to PP across a wide range of product categories—car repairs, computers, and food—concluding that sensitivity to surcharges was dependent on the perceived benefit associated with each fee. Tuzovic et al. (2014) found similar results when considering the acceptability of charges presented to consumers by airlines; more specifically, surcharges that were perceived to have low benefits hurt consumer perceptions and behavior. Regarding used car purchases, consumers reacted favorably to PP showing components aligned with their goals (e.g., receiving fair compensation for their trade-in cars) as opposed to fees that took them further away from achieving their ultimate goal of getting the best deal (Srivastava & Chakravarti, 2011).

Findings show that PP brings consumers' attention to the different elements presented, which instinctively encourages buyers to evaluate perceived benefits of each surcharge. Sport consumers' perceptions towards PP may be dependent on the alignment of fees presented with their purchasing objectives (i.e., add value), which ultimately affects the final decision.

The size of the surcharges, as a whole or a percentage of the base price, can affect the consumers' evaluation of price elements. When comparing effects of PP featuring taxes and shipping fees accounting for 6 or 12% of the base price, Xia and Monroe (2004) found that more substantial surcharges resulted in lower perceived value, even though total expenses were equal.

Other experiment-based studies have resulted in similar findings. When varying the size of shipping and handling fees—at 10, 30 and 50%—of the base price of $49.95 for a CD Walkman, Sheng et al. (2007) found that purchase intentions were influenced positively by PP when the fee was smallest and negatively when highest, comparing to equal AIP formats. However, at the 30% fee price point, there was no significant difference between PP and AIP. In the same study, researchers also found that the size of fees influenced the perceptions of fairness.

Regarding refrigerator purchases, Chakravarti et al. (2002) found that consumers based their comparison on the offers base price, concluding that retailers could influence the attractiveness of their proposals by reallocating or breaking part of the base price into other subcomponents. Burman and Biswas (2007) presented participants with either a 16 or 32% surcharge for airline tickets and found that consumers evaluated PP favorably—higher perceptions of value and higher willingness to purchase—in the lower fee setting over AIP, and the opposite for the higher fee. Brown et al. (2010) manipulated shipping fees in a field experiment featuring online auctions, with higher shipping fees increasing the total price paid by bidders, and again noticing that the magnitude of the charges influenced the perceptions towards base price when comparing to similar offers.

The research suggests that when fees are relatively small, 5 to 10% of the base price, buyers tend to omit surcharges from their price evaluation, resulting in perceptions of lower total costs and higher purchase intentions. However, more substantial fees, such as those faced by professional sport fans purchasing tickets to attend games, may result in more scrutiny from the consumer, and therefore negative attitudes and behavior towards PP (Sheng et al., 2007).

The way sellers partition a price can affect perceptions toward PP, regardless of the constancy of the total amount (Voester et al., 2017). Regarding the number of fees, in Xia and Monroe (2004), participants were faced with a condition where charges for shipping and taxes were presented as one surcharge or separately. Their findings showed that consumers preferred PP, in both scenarios, over AIP; however, more fees resulted in lower purchase intentions and perceptions of value and seller trustworthiness. Völckner et al. (2012) also examined the effects of using PP with one versus two fees but found that consumers' perceptions of sacrifice and tendencies to seek more information remained constant across both conditions. Considering the number of price components, Carlson and Weathers (2008) found that customers reported higher total costs—at times overestimating—when presented with nine surcharges (without the total added price shown), as opposed to two. However, displaying the total cost alongside the nine fees resulted in a lower price recall. The differing results regarding PP involving more than one fee seem to be dependent on the product category and nature of the charges used.

Another focus of PP studies has been the effects of the arithmetic process associated fees on cognitive effort and consumption behaviors. When calculating total costs, consumers ignored percentage charges of up to 35.6% of the full price, as opposed to 12.2% when the total surcharges showed a currency amount (Morwitz et al., 1998). Estelami (2003) had similar findings showing that percentage fees required significantly more cognitive efforts from consumers, which resulted in lower accuracy than dollar amount charges and therefore affecting purchase decision-making. Similarly, Kim and Kachersky (2006) noticed that customers were willing to invest small added cognitive exertions when presented with a simple calculation of whole amounts, but reported feelings of demotivation when presented with more complex price components, such as percentage fees. Considering percentage surcharges, Bambauer and Gierl (2008)

found that these lead to a more positive assessment by consumers than when presented with charges showing currency amounts.

Nevertheless, participants in this study reported higher levels of complexity for percentage surcharges and perceived their use as a manipulative tactic. When looking at restaurant tips, participants favored percentage fees when gratuity consisted of less than the 15% standard, but there was no significant difference when the tip was higher than 15% (Wang & Lynn, 2015). Considering intentions to purchase, offers using PP with percentage fees were more favorable than PP with full amount fees (Kim, 2006; Xia & Monroe, 2004). It is worth noting that Kim (2006) found that price calculation demands did not affect consumers' behavior intentions when the added charges were visually salient. Generally speaking, it appears that more complicated fee structures—e.g., using percentages—can provide consumers with a perception of a lower total cost, and therefore result in higher purchase intentions than those displaying currency amounts (Voester et al., 2017).

The noticeability of charges may also affect consumers' ability to process information, ultimately affecting their reactions to PP. Examining the font size of fees, Kim (2006) found that participants recalled lower total cost and expressed higher purchase intentions when the font was small, and the opposite with larger font sizes. Kim and Kachersky (2006) found similar results of price underestimation, and even ignoring total costs at the decision-making stage.

Brown et al. (2010), found contradicting results, when using an experimental setting involving auctions and found that the winning bids were higher when shipping charge presentation used larger fonts at the title of the product than smaller fonts at the bottom of the product description. The authors suggest that more salient fees can result in higher revenues, particularly in situations where consumers may be expecting high surcharges, but are unaware of the exact

charges that they will face like in high-end auctions. Muthitacharoen and Perry (2013)—when assessing costs associated with the sale of MP3 players—found that presenting shipping fees next to the bidding price resulted in higher total costs by almost 10% than if including the added charges in the product description.

These findings suggest that the surcharge presentation requires careful consideration when devising PP strategies. Sport marketers must be conscious of the positive—if consumers ignore or underestimate total costs—and damaging—if it arouses consumers' feelings of seller manipulation and lack of transparency—consequences resulting from surcharge salience.

Hamilton and Srivastava (2008) argued that the presentation of the total cost, provided explicitly through PP offers, should deter consumers from resorting to using estimations to process pricing information. However, in a shopping experiment conducted by Feldman and Ruffle (2015), participants presented with PP, including total price, spent 29% more than those facing AIP. Similarly, Xia and Monroe (2004) had found that PP increased purchase intentions regardless of the presentation of the total price. More specifically, excluding full price, percentage representation of fees results in higher purchase intentions than PP with absolute amounts. The difference was no longer statistically significant when the offer included the total cost, suggesting that customers react positively to PP if full price is displayed. In an attempt to explain similar results, Carlson and Weathers (2008) indicate that showing total cost deters consumers from believing that vendors are using PP to create total price uncertainty, improving perceptions of transparency, which in turn may lead to better overall price judgment. The research appears to indicate that PP may help improve price perceptions, even when providing the total price. However, it remains unclear whether the presence of total cost encourages (e.g., through understandings of price transparency, which may lead to improved transparency perceptions, and ultimately

increase purchase intentions) or hampers (e.g., taking away impressions of lower costs) the impact of PP on purchasing behavior (Voester et al., 2017). Future research should examine the mediating role of superseding variables—such as price transparency—taking a closer look at the causal process between PP and purchase intentions of sport consumers.

Buyer Characteristics. Described as "stable individual differences in people's tendency to engage in and enjoy effortful cognitive activity," need for cognition (NFC) influences the effort invested by consumers in decoding and processing information (Cacioppo, Petty, Feinstein, Blair, & Jarvis, 1996, p. 197). Therefore, NFC can directly impact the effects of PP on consumers who wish to evaluate prices accurately. In Kim and Kramer (2006), participants exhibiting low-NFC recalled lower total costs and higher purchase intentions when percentage fees were used instead of absolute amounts.

On the other hand, for those participants showing high-NFC fee presentation did not affect price recall or purchase intentions. Burman and Biswas (2007) also found that NFC interacts with the reasonableness of the fees when determining the effectiveness of PP. They found that when surcharges were considered reasonable by participants with high-NFC, they preferred PP offers over AIP ones. If the PP offer included unreasonable fees, the results were the opposite. However, low-NFC participants reported strong influence by the sellers' reputations, and no effect based on the magnitude of the surcharges. Customers with high-NFC are willing to process complex surcharge information, while those with low-NFC rely on lose estimations and intangibles such as sellers' reputation when processing total costs. Sport organizations need to know their consumers' thinking process as it relates to the valuation of alternative pricing structures.

Consumers' intrinsic characteristics may also influence their interpretation of PP (Albinsson et al., 2010). Construal level refers to the relation between emotional distance and the extent

to which an individual's rational is abstract or concrete (Trope & Liberman, 2010). Voester et al. (2017) present that when consumers exhibit intrinsic tendencies—construing stimuli at concrete levels—process fees with more details regardless of size; while customers that take an integrated approach—interpreting stimuli at an abstract level—notice surcharges when they are large enough to be considered unreasonable. Albinsson et al. (2010) found support for such deductions in two separate experimental studies where consumers purchased MP3 players.

Based on regulatory focus theory (Higgins, 1997), the effectiveness of PP could be attributed to consumers' approach to achieving goals, mainly how they process information (Lee et al., 2014). They found that consumers who are focused on promotions appear to take a global processing approach (relying on the most critical incentives when evaluating the offer). On the other hand, prevention-focused consumers engage in local processing (assessing information from the proposal to the last detail). From PP, the researchers concluded that promotion-focused consumers would pay more attention to the base price while overlooking fee information while prevention-focused ones will consider all price components, and therefore more accurately assess total costs. Lee et al. (2014) used a combination of fees—taxes, shipping, and handling—and product categories—airline tickets, furniture, and flowers— to test their hypotheses in four studies featuring experimental settings. Their findings also showed that promotion-focused consumers perceived PP more favorably than AIP, demonstrating higher purchase intentions, while prevention-focused customers' reactions were not significantly different based on price formats. Considering the variety of promotions used by sport organizations to encourage consumer engagement, it would be valuable to investigate the effects of special offers on the evaluation of price components across different pricing strategies.

Ashenfelter (1989) argued that buyers could become immune to heuristic biases through experience, ultimately making more precise choices. However, researchers exploring PP have found that consumers' experience does not have a significant effect on sensitivity towards fees from bidders of online auctions (Cheema, 2008; Clark & Ward, 2008). Findings from Feldman and Ruffle (2015) had similar results when evaluating tax fees, with the positive effect of PP on demand remaining active throughout the experiment. It appears that the impact of PP on price evaluation and purchase intentions are independent of customer experience; however, it would be interesting to corroborate such findings among loyal sport consumers who have purchased across extended periods of times, such as season ticket holders or repeat purchases, by measuring the number of games attended throughout the season.

In a purchase situation, consumers' attitudes toward the brand may influence the level of scrutiny given to fees, and therefore, impact the influence of PP on price perceptions (Voester et al., 2017). For example, Morwitz et al. (1998) found that the relationship between brand effect and total cost recalled displayed an inverted U-shaped relationship. Consumers with low brand affect were less motivated to process price and fee information accurately, because realistically speaking, they were not going to purchase that brand. Meanwhile, customers with high brand attachment also ignore fees—resulting in the underestimation of total costs—focusing their decision on the brand, regardless of price consideration. However, consumers who expressed uncertainty about brand preference processed surcharges in greater detail—recalling total costs more accurately— to reduce risk, and reach a comfortable decision. Regarding spectator sports, the effects of level of fandom on price evaluation, when purchasing not only tickets to attend but also apparel, warrants further evaluation.

Preference for PP or AIP may also be contingent on customers' attitudes towards pricing formats; for example, consumers' perception of a seller's reasons to enforce a fee can moderate their sensitivity to PP (Voester et al., 2017). Schindler et al. (2005) developed a construct to measure "shipping-fee skepticism," which distinguished between skeptics—who view these fees as sellers' profit maximization tactics, therefore reacting unfavorably to PP—and non-skeptics—who identify surcharges as means to cover sellers costs—responding favorably to PP. The level of skepticism-towards-fees displayed by sport consumers can be a determining factor influencing the level of trust cultivated by sporting organizations, which may ultimately affect the consumer-brand relationship.

The effectiveness of PP may also be dependent on consumers' beliefs that pricing strategies represent a scheme devised to influence them (Voester et al., 2017). Kachersky and Kim (2011) present that PP can have a powerful effect—seducing consumers to concentrate on the base price and ignoring fees—resulting in the underestimation of total costs. On the other hand, AIP compels consumers—providing consumers with a sense of better value proposition—by concealing costs associated with the product or service (Estelami, 2003). Bambauer-Sachse and Mongold (2010) learned that consumers who associated PP strategies with manipulative intent from sellers chose AIP offers, and vice versa. These findings exemplify why understanding sport consumers' general perceptions towards PP are of such importance.

Seller Characteristics. Perceptions of sellers' reputations can moderate cognitive and behavioral responses to PP (Voester et al., 2017). When analyzing online auction data, researchers found that buyers adjust bids to account for surcharges—paying more considerable attention to fees and spending more time to analyze pricing information—when buying from sellers with low reputation but did not make such adjustments when dealing with high-reputation sellers

(Cheema, 2008). Along those lines, Carlson and Weathers (2008) found that the number of fees presented in PP was negatively correlated with fairness perceptions and intention when purchasing from sellers with low reputation, but not for those with a high reputation. With the emergence of more secondary ticketing companies, understanding if sport consumers' evaluation of fees is dependent on the reputation of the seller would allow for new companies to make decisions regarding the number of charges presented compared to more established brands.

The effectiveness of AIP versus PP may be dependent on customers' perceptions of who is responsible for price components (Voester et al., 2017). Researchers found that PP increases perceived price attractiveness in the hotel and airline industry despite unfavorable attitudes towards providers for the surcharges presented (Bambauer-Sachse & Mangold, 2010). More specifically, they found that when purchasers held the seller responsible for the added fees—with manipulative intentions to complex price structures—the positive effect of PP dissipated.

It appears that sellers can negatively affect the effectiveness of PP through the use of fees related to features for which they are considered responsible (Voester et al., 2017). A firm may be perceived as responsible for handling fees, while the government would appear the party to blame for taxes associated with a purchase. In some cases, consumers can view themselves as the responsible party for surcharges (Schindler et al., 2005), such as fees for expedited shipping.

Related to sport ticketing, consumers' perceptions that the team is responsible for the fees (i.e., that MLB teams are profiting from these surcharges) can have negative connotations towards the use of PP. If this is the case, fee responsibility is likely to moderate the effects of PP, meaning that if consumers feel that teams are attempting to maximize their profits through fees will result in a less favorable evaluation of the price. On the other hand, if consumers don't believe that the teams are responsible for the charges, they are likely to focus on the base price and

give less importance to the fees (i.e., resulting in a favorable evaluation of the cost when presented in PP versus AIP).

By justifying fees, sellers may also influence the effectiveness of PP. While examining consumers' responsiveness to pricing structures—when making computer and coffee maker purchases online—when consumers associate shipping fees to the sellers' actual costs, PP had a more favorable effect than AIP and the opposite when the charge seemed unjustified or associated with profit generation (Koukova et al., 2012). The findings appear to suggest that sellers can lower adverse reactions to PP by explicitly relaying the sources of fees to consumers. Further research exploring the dynamics between perceived responsibility and justification for surcharges presented by sport industry organizations is warranted.

Situational Characteristics. Schindler et al. (2005) found that the effect of consumer suspicions towards fees on price format preferences was dependent—with skeptics preferring AIP and non-skeptics PP—on the access to external reference prices. In the absence of reference prices, the difference between skeptics and non-skeptics was non-significant. With access to compare prices just seconds away, at the tip of sport consumers' fingers, understanding the process used to evaluate multiple offers can bring valuable insight to sport marketers.

In instances of direct selling, previous research found that PP hurts brand attitude; however, when purchasing from a retailer, the negative perceptions shift away from the brand to the seller (Lee & Han, 2002). Their findings suggest that providers that directly sell sport-related products should carefully consider the use of PP given the possible ramifications of consumer perceptions towards seller and brand.

In the field of behavioral economics, researchers have examined the correlation between the intensity of competition and firms' application of PP approaches (Carlin, 2009; Chioveanu &

Zhou, 2013; Ellison & Wolitzky, 2012). Their findings suggest that consumers fail to compare and process prices efficiently—given the complexity of the price structures or the difficulty of comparing prices across companies using different pricing strategies—leading to increased consumer misperceptions.

The previous sections have presented a summary of existing research regarding the effects of PP on consumers' perceptions and behavior. The wide range of, and at times contradicting, findings regarding the effectiveness of PP and AIP strategies highlight the need for further research exploring sport settings, to include boundary conditions and consider multiple scenarios. Figure 1.1 presents the PP research framework proposed by Voester et al. (2017), adapted for possible investigations within the sport administration field. The following section discusses general limitations from past research and possible directions for future research on PP.

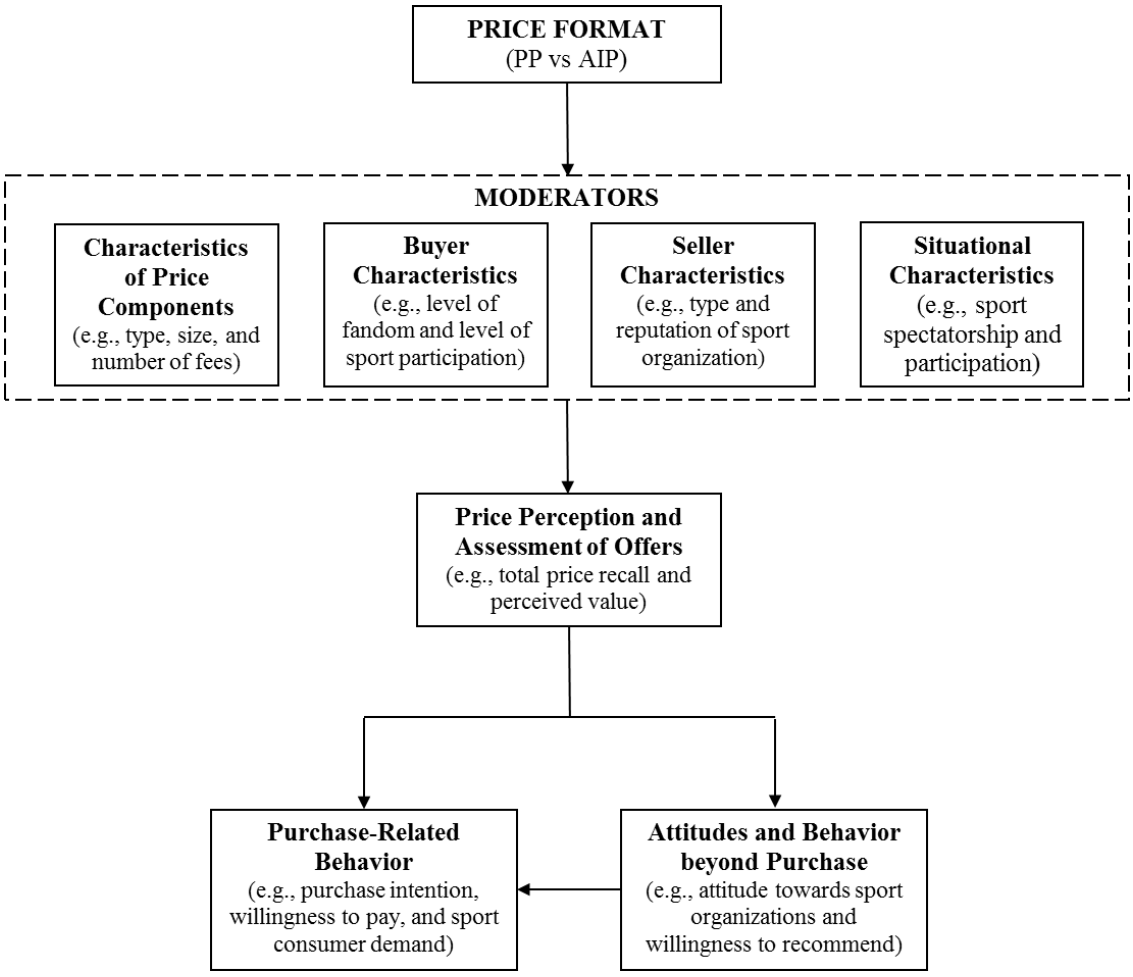

Figure 1.1 Partitioned Pricing (PP) Research Framework. Adapted from Voester et al. 2017.

Directions for Future Research on Partitioned Pricing (PP) in Sport

The findings from past research discussed in this literature review, considering consumers' perceptions and reactions to PP and AIP strategies, have advanced the understanding of the subject. However, some essential questions require further exploration. Despite the volume of empirical research on PP, its disjunction has resulted in mixed results and, at times, unclear findings (Voester et al., 2017). The lack of research associated to the effects of PP on sport consumers demands exploratory efforts to confirm findings from previous research, which have focused on utilitarian purchases. Additionally, the bulk of the empirical research, thus far, has focused on

the consumers' perspectives, overlooking the effects of PP on other market actors. While proposing future research on PP, the discussion will concentrate on four primary themes: (1) main versus interaction effects, (2) linear versus non-linear effects, (3) immediate versus delayed effects, and (4) impact on competitors (see Table 1.1).

Main versus Interaction Effects. PP research has significantly advanced since Morwitz et al. 's (1998) groundbreaking work, with numerous studies uncovering various effects that pricing strategies have on customer behavior. Nevertheless, further research—expanding our comprehension of PP's impact on responses from consumers and competitors—remains necessary. Beyond the decision to implement PP strategies, companies must still make decisions regarding price components (i.e., nature, size, quantity, calculation, salience, and staging of price components).

Previous research has primarily considered PP scenarios that include one or two surcharges, so additional research exploring situations presenting a higher number of fees would further our understanding of the implications of this pricing strategy. One may consider the size and quantity of surcharges and their effects on consumers' perceptions of the seller. For instance, consumers may assign the responsibility of the fees presented to the seller's profit maximization goals—resulting in feelings of price unfairness and higher scrutiny of pricing components. Or they may attribute these to external factors out of the retailer's control—for which they may be more inclined to accept as passing along of extra costs and concentrating their attention on the base price—ultimately affecting purchase behavior. From a sport perspective, do fans consider the fees presented when purchasing a game ticket to be associated with their team's profit maximization strategies, or are these charges associated with added costs that the team must endure to provide fans with the convenience of digital ticketing?

Another approach could attempt to measure differences in perceptions towards PP based on buyers' characteristics (e.g., level of desire for an item or service) and sellers' characteristics (e.g., reputation). If buyers present a high level of excitement for an item or service, they may overlook the fees associated with the purchase, but this may not be the case if the seller has a bad reputation. In participation sports, when signing up a child to play youth sports, the level of commitment—academy versus recreational—may affect the perception of fees when completing the registration payments. Similarly, the reputation of the club—assessed through word of mouth or blog postings—may encourage a higher level of scrutiny at the checkout page.

The characteristics of the purchase situation may also affect PP approaches, more specifically, the effectiveness of this pricing strategy considering the format used by competitors. Previous research suggests that consumers' purchase intentions are negatively affected by the complexity of the offer (Carlson & Weathers, 2008; Homburg et al., 2014). Therefore, future research could examine how the effectiveness of PP differs depending on the pricing approaches of other offers. In the youth sports example discussed above, consumers may resort to comparing competing clubs, and pricing structures may have a determining factor (i.e., if viewed as manipulative tactics) in the consumer's decision-making process.

The examples provided demonstrate the need for theoretical approaches that consider interaction effects across an array of settings (e.g., spectatorship, participation, level of competition, etc.), circumstances (e.g., ticket purchase, registration payments, apparel purchase, etc.), and the characteristics of buyers, sellers, and purchase situations. Such efforts would expand our knowledge of the interactions that may affect the success of PP strategies.

Linear versus Nonlinear Effects. Another direction of PP research that requires more considerable attention is the analysis of linear versus nonlinear effects. The focus of past research has been primarily centered on linear relationships, inferring that the magnitude of the effect is proportional to the size of the source (Voester et al., 2017). Although some researchers have taken nonlinear effects into account (Morwitz et al., 1998; Frischmann et al., 2012; Xia & Monroe, 2004), further research would aid our understanding of the functional relationship between PP and customers' reactions. More specifically, future research may explore the effects of the base price-to-fee ratio, the total number of charge components, and the price presentation format on consumer perceptions of price. For example, there is little information regarding the relationship between the number of surcharges presented and the buyers' perceptions of price transparency. Some may argue that perceived price transparency increases as the number of price components increases (provides more information to consumers). Still, at a certain point, more fees will deter consumers from investing the cognitive effort needed to evaluate the offer accurately. The purchase moves from being very transparent to overcomplicated, and consumers' perceptions may turn negative towards the seller as a result.

Also, on the subject of price-to-fee ratios, one may hypothesize that the effect of the fee on the perception of price diminishes as the rate gets smaller (more substantial base price to a more modest surcharge). However, this relationship may not be linear since there may be a breaking point where a fee size flat lines (no longer affects perception of price). At the checkout page, does the fee-to-price ratio influence consumers' understanding of total cost, when purchasing tickets to watch live events? Is there a point where the surcharge size is too small to be noticed—no effect—or so significant that it puts purchase intentions in jeopardy?

Regarding the presentation layout and accurate calculation of price components, the positive effects of PP may have a baseline for simplistic fee formats—simple numbers facilitating the total price calculation—that minimize cognitive demand. The results may improve for slightly more complicated fees—digits with decimal values—that encourage consumers to take a global estimation approach (Morwitz et al., 1998). Or diminish for overly complicated surcharges—percentages with decimal values displayed in small print—that can result in consumer perceiving fees as the sellers attempt to deceive them. The underlying effects of price presentation go beyond purchase intentions and may have the potential to make or break the team/fan (provider/consumer) relationship. These examples illustrate the inherent need for further exploration of the nonlinear effects of PP.

Immediate versus Delayed Effects. Understanding of immediate versus delayed effects is a crucial area of pricing research (Schulz, Schlereth, Mazar, & Skiera, 2015). However, PP research has concentrated on immediate results, with the bulk of the studies representing one-off experiments (Voester et al., 2017). Although Lee and Han (2002) examined brand attitudes—at the time of purchase and one week after—resulting from PP, there is still the need to look at the effects after multiple purchases. Understanding the delayed impact of PP on constructs that develop over time—such as trust and attitude toward the seller, satisfaction, repurchase intentions, loyalty, and word-of-mouth intentions—would take PP research to unexplored territories. Exploring short- and long-term consequences to PP strategies would help sport managers evaluate the risk of losing a potential repeat customer when attempting to maximize one-off purchase outcomes, which may push customers to evaluate multiple sites for every purchase.

Price comparison and evaluation across multiple offers, using PP and other pricing strategies from different providers, require further exploration to take into account the element of time.

How are consumers forming their reference price—base price versus total cost—and how do they adjust to price changes over time (e.g., evaluating your gym membership renewal, considering competitors' offers received along the year, and last year's price payment)? Considering that PP leads to underestimations of the total cost (Kim, 2006), for the gym membership example, it would be interesting to see if customers are using memory recall to evaluate multiple offers at the point of purchase or do they conduct research before renewing.

In the context of immediate versus delayed effects, future research could evaluate the informational and expense impact of the price (Völckner, 2008), over time. For example, a fan that attends a single game in the season may view fees as added costs. In contrast, fans who attend more games may consider these charges as helpful information that aids their evaluation of prices across multiple ticketing packages or between competing platforms.

Impact on Competitors. Beyond the effects of PP on the customers, future research should also consider the impact on competitors' responses (Voester et al., 2017). PP can lead to perceptions of more favorable prices, resulting in a competitive advantage over a rival company using AIP. PP may also allow companies to shift blame for specific costs—such as shipping and handling—to third parties, as well as give impressions of higher transparency by providing customers a more detailed look at their expenses. Companies must evaluate competitors' offers and the underlying value propositions presented to potential customers.

In a market where there is little product differentiation, such as secondary ticketing, companies (e.g., Ticketmaster and StubHub) may resort to using similar pricing structures to facilitate customer evaluation. However, with highly differentiated products/services, such as city marathons, there may be more significant fluctuations in pricing structures used. Pricing struc-

tures when signing up at the Boston Marathon may be different than at the New York City Marathon, but there may not be an adverse effect since runners are unlikely to choose between these events based on price breakdown.

Considering that numerous researchers have found that sport consumers are motivated by different factors, which may differ by sport, type, or level (e.g., Funk, 2017; Funk, Filo, Beaton, & Pritchard, 2009; Robinson & Trail, 2005; Trail & James, 2001; Wann, Grieve, Zapalac, & Pease, 2008), it would be beneficial to test if sport consumers' perceptions of PP vary across multiple services and products. More specifically, would an individual's attitudes towards fees differ for spectator sport levels (e.g., buying tickets for professional, college or high school athletic events), participation levels (e.g., dues to run the local 5K race or the city's marathon), services (paying for subscriptions to sport channels or apps), and products (buying running shoes or equipment for your home gym)?

The literature review presented will set the foundation for the development of research hypotheses and conceptual models that will guide future exploration of sport-related PP research. Given that previous research on this topic has provided mixed and, at times, contradicting results, failing to consider sport-related settings, it is critical for future efforts to be skeptical of past findings. Efforts should concentrate on avoiding the limitations faced in previous investigations of the topic while attempting to devise studies that consider both the effects previously discussed and sport-specific factors.

Effects of PP	Objective	Opportunity for Future Research
Main versus Interaction Effects	Identify (un)favorable effects of PP on sport consumer behavior.	Explore the effects of PP on price perception, offer assessment, and price comparison, while considering the interaction between the characteristics of the price component (e.g., price level), and the characteristics of the sport consumer (e.g., level of team identification, and buyers' perceptions of fee responsibility and fee reasonableness).
Linear versus Non-Linear Effects	Understand the nature of the effects of PP on sport consumer behavior.	Explore the effects of the base price-to-fee ratio, the total number of fees, and the price presentation format on sport consumer perceptions of total price.
Immediate versus Delayed Effects	Identify short- and long-term effects of PP on sport consumer behavior.	Explore short- and long-term consequences to PP strategies evaluating the risk of losing a potential repeat customer (e.g., purchasing all their tennis gear from one sporting goods site) when attempting to maximize one-off purchase outcomes.
Effects on Competitors	Determine if PP leads to a competitive advantage for sport organizations.	Explore the effects of PP strategies in low product differentiation markets (e.g., secondary sport ticketing) and high product differentiation markets (e.g., city marathons).

Table 1.1 Direction for Future Research on Partitioned Pricing in Sport

Conclusions

The purpose of the present work was to present a comprehensive review of existing PP research, including an explanation of the elements that make up this pricing structure, the theoretical perspectives considered in previous inquiry, and highlight the need for further exploration within sport contexts. The review of past research has presented the effects—cognitive, attitudinal, and behavioral—resulting from PP strategies while considering buyers, sellers, and a wide range of situations. Despite advances in our understanding of the underlying implications of PP, many questions remain unanswered. The suggested direction for future research considered the gaps found in the existing PP literature (i.e., main versus interaction effects, linear versus nonlinear effects, immediate versus delayed effects, and impact on competitors). However, it is worth highlighting that it would also be valuable to test if previous findings hold within sport settings. Considering that motives to buy sport-related products and services differ from drivers guiding utilitarian purchases, added to the prevalent use of PP within the sport industry, it is critical to test the effects that this pricing strategy has on sport consumer behavior and attitudes.

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2 AN EXPERIMENTAL EXAMINATION OF THE EFFECTS OF FEES ON TICKET PURCHASERS

Ticketing is an important source of revenue for professional sport organizations. In the attempt to maximize revenue, the ticketing strategies deployed by professional sport teams have evolved over the years, from dynamic and variable pricing to more recent strategies focused on digital ticketing and secondary ticket market resale (Chadwick, Desbordes, & Chanavat, 2016). With digital ticketing, surcharges, such as processing fees and convenience fees associated with purchases, are prevalent. The additional fees result in higher total prices, which presents ticketing managers with decisions on how to display each price component during the online checkout process, as each element has the potential to impact consumers' purchase behavior. According to Carlin (2009), the breaking of prices into multiple components, the use of complicated terminology for price surcharges, and the use of different price presentations across competitors has resulted in price complexity, which hinders price evaluation and comparisons. Perhaps this is part of the strategy; however, fee-based efforts to increase the bottom line can affect the perceptions and attitudes of fans, which may ultimately influence future purchase behavior. Additionally, lack of transparency creates ethical and consumer protection concerns.

The ticketing company, StubHub, was recently fined by Canada's Compensation Bureau USD 980,000 for advertising "unattainable prices for event tickets" (Zarczynski, 2020). The dispute highlights that the prices advertised by ticketing companies are not reflective of the actual total cost of purchasing those tickets because companies are adding surcharges at the end of the transaction. A few days later, in the United States, three of the country's largest ticket sellers appeared before the House Committee on Energy and Commerce, agreeing to the need of present-

ing fans with all-inclusive pricing (AIP) at the beginning of the purchasing process, but highlighted the need for a robust mandate that brought consistency across all ticketing companies (Thompson, 2020). StubHub, who had implemented an AIP system during 2014-2015, argued that the customers found it hard to compare prices with other companies that advertised a lower price, but then added fees.

The strategy of dividing the total price of an offer into two or more mandatory price components, to achieve a favorable response, is known as partitioned pricing (PP; Voester, Ivens, & Leischnig, 2017). PP is a strategy where retailers separate prices for shipping, handling, or payment processing, instead of providing an AIP for the goods purchased (Xia & Monroe, 2004). With PP, the surcharges presented are mandatory, unlike add-ons such as opting to pay for parking in the same purchase when getting the tickets to attend a game. Practitioners have favored the use of PP. However, previous research considering the pricing strategies adopted by online retailers has resulted in contradicting findings associated to the use of PP, making the extrapolation of conclusions difficult (Voester et al., 2017). Past research does, however, suggest that the way the pricing information is displayed can influence consumers' perceptions of the total price, assessment of value, and decision to look for alternative offers when purchasing digital tickets, all of which may impact the actual purchase. Similarly, as suggested by Voester et al. (2017), certain factors, such as the characteristics of the consumer (e.g., the degree of team identification), and the features of the price components (e.g., the size of the fees) may moderate the effects PP on sport-related consumption.

Consumers are forced to evaluate an overwhelming number of offers when attempting to purchase tickets to attend live sporting events. Ticket prices can vary based on seating location, demand, opponent, and many other factors (i.e., dynamic pricing). Similarly, the size of fees can

also vary across differing price levels. Typically, higher base prices result in higher fee amounts, although the fee represents a lower percentage of the total cost as the price increases. And the presentation of price information, such as the number and size of fees, can also be inconsistent across ticketing platforms. Therefore, consumer reactions to offers with the same total price, but differing price presentations can have both practical and theoretical implications. More specifically, it is of interest to understand if PP results in lower perceptions of total cost, which would mean that the strategy may be deceiving the consumer. If PP affects perceptions of total cost, it may also influence consumers' perceptions of value, and ultimately, their decision to search for alternative offers. These are elements which have been previously linked to sport consumption; therefore finding from this study may provide us with added insight into the factors influencing consumers' offer evaluation. Although researchers are starting to give some attention to the use of PP in sports, through presentations at academic conferences (e.g., Hayduk & Brison, 2018; Marquez & Cianfrone, 2019; Shaprio & Dwayer, 2018; Simmons, Popp, Shapiro, Greenwell, & McEvoy, 2018; Won & Shapiro, 2019), findings of its effects on sport consumers have yet to appear in publications.

Greenleaf, Johnson, Morwitz, and Shalev (2016) advocate that given the extensive use of PP and its increased complexity, there is a high need for exploration of its effects by consumer researchers, public policymakers, and marketing managers. Sport consumers are exposed to PP when purchasing tickets to attend a variety of sporting events of all levels, with surcharges typically presented as processing fees or transaction fees. Recent sport-related research surrounding pricing strategies has considered the effects of total price associated with ticketing (e.g., Drayer & Rascher, 2013; Drayer & Shapiro, 2011; Dwyer, Drayer, & Shapiro, 2013; Morehead, Shapiro, Madden, Reams, & McEvoy, 2017; Shapiro, Dwyer, & Drayer, 2016). Sport, and in

particular sport event ticketing, provides researchers with a unique setting to explore the effects of PP, given the dynamics between primary and secondary ticketing companies using primarily PP, but with considerable variation in the labeling and size of the surcharges presented to the consumers. Sport elicits passion and involvement through fans' identification with their favorite teams, resulting in a unique connection between fans and sport-related purchases (Trail et al., 2000), which differs from the utilitarian nature of the products and services considered by researchers investigating the effects of PP. Additionally, consumers have many options to purchase tickets to sporting events (with mobile technologies) using the official team websites or the multitude of online secondary ticket resellers. Therefore, understanding how PP and AIP strategies affect sport consumers' experience is critical.

The presentation of the ticket price, and fees associated with the purchase, has the potential to impact consumers' purchase-related behavior. The purpose of this study is to examine the potential effects of such a pricing strategy on sport industry consumers. More specifically, I seek to extend the literature by considering the effects that PP may have on spectators' price perceptions (i.e., total price recall), offer assessment (i.e., perceived value), and price comparison (i.e., search intentions) when purchasing digital tickets to attend a regular-season Major League Baseball (MLB) game.

Literature Review

Pricing Strategies

The focus of this study is on PP, the most prevalent pricing strategy used in the sport ticketing process. The alternative of AIP is less prevalent but used by some ticketing companies in an attempt to differentiate themselves. StubHub argued that the strategy placed them at a disadvantage since consumers were comparing their offers to the initial base price of companies using

PP, whose offers appeared to be lower until the inclusion of fees, at the very end of the checkout (Thompson, 2020). In online commerce, the presentation of surcharges added to a base price has become a widespread occurrence (Xia & Monroe, 2004). Convenience and service fees are now part of ticketing landscape in both the primary and secondary market. Perceptions towards these fees may be a determining factor in spectators' experience with the ticket purchase process, as it may impact the spectators' ability to recall the total price, perceive the value of the ticket, and willingness to search for other ticket options. In fact, some ticket resale companies, such as StubHub, allow the user to select the pricing format displayed during their online search—search for tickets based on the base price (without fees shown) or the price with these surcharges included. While the end price is identical, consumers, can choose how to see it. Conversely, most sport organizations use only one pricing strategy—either AIP or PP—when showing the price to consumers during the online purchasing process.

The central premise of PP is that consumers disregard or fail to process pricing information when price components are presented separately, unlike in instances of equivalent AIP (Morwitz, Greenleaf, & Johnson, 1998). Past research explained that total price underestimation may be the result of insufficient price adjustment when calculating the sum of all the price elements, and clarity of the PP structure (e.g., Blanthorne & Roberts, 2015; Lee & Han 2002; Xia & Monroe, 2004). Voester et al. (2017) further explain that when deciding to partition the total price of an offer, sellers make decisions on (1) the types and number of features that make up additional charges (i.e., physical items or services), (2) the cataloging of these items, (3) the distribution of the total price across all elements, and (4) the presentation arrangement of the proposal. Organizations using PP aim to improve consumers' discernment and assessment of total costs, ultimately influencing consumer behavior (Voester et al., 2017). Morwitz et al. (1998) pioneered

the examination of PP and its effects on consumers' responses. Subsequently, numerous studies have enhanced the understanding of customer behavior towards PP through investigations related to economics (e.g., Brown, Hossain, & Morgan, 2010; Carlin, 2009), business (e.g., Bertini & Wathieu, 2008; Chakravarti, Krish, Paul, & Srivastava, 2002; Xia & Monroe, 2004), psychology (e.g., Kim, 2006; Sheng, Bao, & Pan, 2007), and law (e.g., Chetty, Looney, & Kroft, 2009; Feldman & Ruffle, 2015).

Regarding consumer behavior, an examination of findings from previous research reveals contradicting reactions to PP. Many researchers found that PP has a positive relationship with purchase behavior in contrast to AIP (e.g., Chakravarti et al., 2002; Chetty et al., 2009; Hossain & Morgan, 2006; Morwitz et al., 1998; Völckner, Rühle, & Spann, 2012; Xia & Monroe, 2004), while others highlight contridictory findings (e.g., Bambauer & Gierl, 2008; Chandran & Morwitz, 2006; Lee & Han, 2002). In an attempt to resolve such contradictions, researchers investigating PP have explored moderating factors such as fee features (Bertini & Wathieu, 2008; Burman & Biswas, 2007; Sheng et al., 2007), and characteristics of sellers (Carlson & Weathers, 2008; Koukova, Srivastava, & Steul-Fischer, 2012) and buyers (Cheema, 2008; Kim & Kramer, 2006; Schindler, Morrin, & Bechwati, 2005). However, research has overlooked the potential effects of fees or fee presentation—PP versus AIP—on sport consumers.

The uniqueness of sport consumption, and in particular, the intricacies associated with live sporting event ticketing (e.g., emotional attachment to teams, dynamic pricing, and fluctuating fees) provide a unique scenario to study the effects of PP. Similarly, given the importance of outcome variables such as perceived value and search intentions and the effects that these may have on consumption, it is of high relevance to assess the role that fees may play in spectators' perceptions towards ticket offers.

Pricing Theory

According to classical price theory, demand should not differ based on if or how a price is partitioned, because the total price presented to the customer is identical (Voester et al., 2017). However, several consumer behavior researchers studying pricing show that customers react differently to PP and equivalent AIP (e.g., Lee & Han, 2002; Morwitz et al., 1998; Xia & Monroe, 2004). Extending this research to understand sport consumer response is essential to sport managers and ticketing service company staff because they have a choice on how to showcase fees (or not) to consumers. In attempting to explain how PP affects consumer behavior, previous researchers have followed four primary theoretical perspectives: the cost-benefit framework (Johnson & Payne, 1985), prospect theory (Kahneman & Tversky, 1979), attribution theory (Weiner, 1986), and anchoring and adjustment theory (Tversky & Kahneman, 1974).

The different theoretical standpoints brought forth by each perspective have provided researchers with a variety of approaches to analyzing the effects of PP when considering its impact on consumer behavior. The extrapolations of prospect theory, which put forward that consumers favor the compounding of losses (i.e., would rather see one large loss than multiple smaller losses that add to the same value) do not necessarily oppose the positive PP hypotheses presented by anchoring and adjustment theory and the cost-benefit framework (Morwitz et al., 1998). On the other hand, attribution theory posits that the positive or negative effects of PP may be dependent on who the consumer feels is responsible for the added fees. Voester et al. (2017) suggest that future research may perhaps consider the contemplations brought forth by each of these theoretical perspectives to support further and assimilate the findings.

This research considers the perspective brought forth by anchoring and adjustment theory, which suggests that the consumer's attention fixes on an initial value (i.e., the anchor), and

then adjusted with additional information (i.e., surcharges) that may aid in the decision-making process (Tversky & Kahneman, 1974). In the context of sport ticketing, spectators are typically selecting their seats based on the base price for one ticket, and once they pick their seats, the price information is adjusted to reflect the number of seats. Additionally, other price components appear as the consumers make their way to the checkout. Although at the end of the purchase the final total price is presented, previous research has found that consumers may not adjust accordingly to account for the components shown after the initial value that enticed them to move forward with the purchase. Perhaps, consumers are making their decision to purchase the ticket based on the price displayed as they look at the available seats (i.e., the base price). However, once they move forward with their purchase, they may be in checkout mode, paying less attention to further information displayed beyond the point of seat selection.

To enhance the comprehension of associations amid pertinent features and the subsequent repercussions of PP, a more detailed summary of the current understanding of this pricing strategy is presented below.

Effects of Pricing Strategy on Consumers

Consumer Perceptions of Total Cost. In contrast to AIP, PP can result in a lower recalled total cost (e.g., Lee & Han 2002; Morwitz et al., 1998). Morwitz et al. (1998) explored perceptions of students regarding PP and AIP when purchasing phones via mail order. A base price, and shipping and handling fee were presented. On average, participants presented with PP recalled a lower total cost by 6.7%, which suggested consumers failed to assimilate the added fee in its totality or failed to include it all together when processing the price information. A closer look at participants' recollection revealed that only 22% were able to remember the total cost (base price plus fee) within a 5% margin error, with 55% underestimating it and 23% ignoring

the surcharge altogether (Morwitz et al., 1998). Lee and Han (2002) took a similar approach to explore differences in price recall of advertisements for audio and computer equipment by presenting participants with a 10% delivery and installation fee on top of the base price. Participants presented with the PP scenario reported a total cost that was 7.6% lower than the actual sum, while the average difference for those provided with AIP was only 2.6%. Blanthorne and Roberts (2015) came across similar results in a lab experiment setting in which participants evaluated an AIP that bundled a 6% sales tax to the base price of a refrigerator. In another study involving phones, Kim (2006) compared the total cost recalled for AIP versus PP conditions with findings that the latter resulted in a significantly lower total price remembered in three of the four situations explored.

Generally, evidence has shown that breaking down a price into a base accompanied by an extra fee can result in lower perceptions of total cost by consumers. It is worth highlighting that previous studies have primarily focused on PP settings with single and moderately small fees—ranging between 10–20%—with the bulk of these studies only considering delivery-related charges. When purchasing tickets to attend professional sports, spectators may face a *service fee* and a *fulfillment fee*, which, at times, amounts to more than 25% of the base price. For example, when attempting to purchase a $12 ticket to attend a National Basketball Association (NBA) game between the Atlanta Hawks and the Phoenix Suns, the fees associated with the purchase amount to $4.87, which represents over 40% of the base price. Similarly, when purchasing a $23.50 ticket to a MLB game between the Atlanta Braves and the Miami Marlins, the fees amount to $8.46 or 36% of the base price. At higher price points, the surcharges also get more expensive, although, at times, they may represent a lower percentage of the base price. For example, in the National Football League (NFL), if you were planning to attend the post-season

game between the Green Bay Packers and the San Francisco 49ers, the fees associated with a $1,000 ticket would amount to $185.45 or 19% of the base price. Therefore, further research is warranted to confirm previous findings as well as exploring the effects of PP conditions on sport consumers' perceptions of the total cost, considering a variety of fee categories, quantities, magnitudes, and presentation formats (Voester et al., 2017).

Consumer Assessment of Offers. In sport-related research, Byon, Zhang, and Baker (2013) found that perceived value has "a high explanatory power in outcome variables such as customer satisfaction and behavior intentions" (p. 238). Drayer, Shapiro, and Dwyer (2018) found that sport consumers must receive a compelling value proposition that entices them to purchase tickets. Considering the impact that PP may have on the evaluation of the value proposition presented to consumers, previous research has found a variety of results. When analyzing the effects of PP on the assessment of offers related to the acquisition of services and products such as phones, spa, airline tickets, hotel, and car rentals, Bambauer and Gierl (2008) used an experimental design, where those participants exposed to PP scenarios reported more favorable assessments of the total price than those presented with AIP. However, participants also highlighted that PP represented a more complex price structure and higher perceptions of deception intentions from the vendors.

Holistically, the adverse effects associated with PP—perceived complexity and perceived deception intentions—seemed to outweigh the favorable attitudes of price value. Wang and Lynn (2015) present several examples in which PP resulted in positive valuation of offers, in the context of restaurant services. Through an experiment setting, participants favored presentation PP separating gratuity at 12% (3% lower than standard rate) from the base price than when presented with AIP; however, the findings were opposing when presented with gratuity levels above

the standard rate, at 18%. It is worth noting that in an earlier study, Lynn and Wang (2013) found that participants' expensiveness perceptions were lower, and expectations of service quality were higher when presented with a restaurant purchase featuring PP instead of AIP. Given that perceived value has been linked to outcome variables such as the intention to purchase, understanding the effects that PP has on consumers' evaluation of the offer is of high relevance. The unique characteristics of the sport ticketing market, which features high fluctuation in the size of fees, will provide insights that will advance our understanding of consumers' sensitivity to such changes in offers featuring PP.

Consumer Search Intentions. Related to the effects of PP on attitudes and behaviors beyond the purchase, there has been less consideration of influence of PP on consumer search for further information. Findings from Xia and Monroe (2004) suggest that PP may decrease consumers' future research compared with AIP; however, the differences were non-significant in two experiments. The findings from Lee and Han (2002) regarding the negative attitudes of consumers towards brands using PP suggest that consumers would resort to searching for additional information to avoid miscalculating total prices. More research is required to gain a better understanding of the effects of PP on consumer searching behaviors, especially at the time of the purchase decision when choosing between PP—displaying percentage-based or fixed-based fees, as well as a varying number of surcharges—and AIP offers.

PP formats may also result in higher cognitive demand from consumers attempting to process information when comparing total price among multiple offers (Voester et al., 2017). In an attempt to reduce cognitive effort, consumers may reduce the number of searches and limit the comparison to offers that use comparable formats (Xia & Monroe, 2004), or solely focus on options with clear and straightforward prices (Homburg, Totzek, & Krämer, 2014). Consumers

may also resort to simply ignoring fees altogether, making their decision using the base price (Morwitz et al., 1998), or even ignoring costs altogether, basing their choice on other features such as brand preference (Bertini & Wathieu, 2008).

The pricing strategy can influence consumer response in their perceptions towards total price, assessment of offer value, and intentions to search for ticketing alternatives. Yet, other factors may influence the effect of the pricing strategy on consumers—such as the characteristics of the price components and the buyers themselves.

Moderators of the Effects of Pricing Strategy on Consumers

Price Component Characteristics. Previous PP research considered the moderating effect of price component characteristics, such as the type of price component (e.g., Betini & Wathieu, 2008; Chakravarti et al., 2002), the magnitude of price components (e.g., Chakravarti et al., 2002, Sheng et al., 2007; Xia & Monroe, 2004), the number of price components (e.g., Carlson & Weathers, 2008; Völckner et al., 2012), the arithmetic of the price components, the salience of fees (Kim, 2006; Kim & Kramer, 2006; Brown et al., 2010), and provision of total price (e.g., Feldman & Ruffle, 2015). When considering purchase of tickets to attend a sporting event, like a MLB game, spectators can choose from a variety of seating options ranging in price levels. The fees associated with each price level also varies, both in dollar amount and percentage of the base price. On a typical MLB ticket purchase, a spectator may get presented with fees that range from as little as 8% to as much as 28% of the purchase. Voester et al. (2017) present that although past research has considered the type, magnitude, number, arithmetic, salience, and presentation of the distinct price components, more research is needed to obtain further insights into the interaction between PP dimensions and consumers' response. Therefore, the level of

price selected by the purchaser may moderate the effects that pricing strategy (i.e., PP versus AIP) has on their assessment of the offer.

Buyer Characteristics. Researchers have considered the moderating effects of purchasers' need for cognition (e.g., Kim & Kramer, 2006; Burman & Biswas, 2007), construal level (e.g., Trope & Liberman, 2010; Albinsson, Burman, & Das, 2010), regulatory focus (e.g., Lee et al., 2014), experience (e.g., Cheema, 2008; Clark & Ward, 2008), and attitude towards the brand (e.g., Morwitz et al., 1998). Past research indicates that impact of PP on price perceptions and level of scrutiny given to fees may be moderated by consumers' attitudes towards the brand (Voester et al., 2017). For example, Morwitz et al. (1998) found that consumers with low brand attachments were less motivated to process price and fee information accurately because realistically speaking, they were not going to purchase that brand. They also found that customers with high brand attachments even ignore fees—resulting in the underestimation of total costs—focusing their decisions on the brand, regardless of price consideration. However, when consumers expressed uncertainty about brand preference, they processed surcharges in great detail, recalling total costs more accurately, thus reducing risk and reaching a comfortable decision. Within the sport ticketing literature, researchers have considered the moderating effects of team identification (Dwyer, Drayer, & Shapiro, 2013; Drayer et al., 2018). Dwyer et al. (2013) considered team identification as a potential moderator of the effects of time before gameday on ticket price evaluation (i.e., expected ticket availability and expectancy of a lower rate offered). More recently, Drayer and colleagues (2018) also found that team identification has a positive influence on fans' perception of value, which in turn affects purchase intentions and has a direct impact on plans to search for alternative offers. Considering that team identification has been found to mitigate the

effects of negative outcomes, such as bad performance and price sensitivity, perhaps it may also influence consumers' perceptions towards fees.

Research Questions

The previous sections have summarized existing research regarding effects of pricing (PP and AIP) on consumers' perceptions, offer assessment, and behavioral intentions. The wide range of, and at times contradicting, findings regarding the effectiveness of PP and AIP strategies highlight the importance of my investigation, which considers the uniqueness of the sport setting. The conceptual framework presented in Figure 2.1, adapted from Voester et al. (2017), represents the relationship between variables considered in this study. The proposed model suggests price format (i.e., PP versus AIP) affects spectators' price perception (i.e., total price recall), offer assessment (i.e., perceived value), and price comparison (i.e., search intention), which may be moderated by price component characteristics (i.e., total price levels), and buyer characteristics (i.e., team identification). Therefore, the following research questions guided this study:

RQ1: Does pricing strategy affect spectators' perceptions of total cost of tickets selected (i.e., total price recall)?

RQ2: Is the relationship between pricing strategy and total price recall moderated by price level?

RQ3: Is the relationship between pricing strategy and total price recall moderated by team identification?

RQ4: Does pricing strategy affect spectators' assessment of offers (i.e., perceived value)?

RQ5: Is the relationship between the pricing strategy and perceived value moderated by price level?

RQ6: Is the relationship between pricing strategy and perceived value moderated by team identification?

RQ7: Does pricing strategy affect attitudes and behavior beyond the ticket purchase (i.e., intentions to search for alternative offers)?

RQ8: Is the relationship between pricing strategy and search intentions moderated by price level?

RQ9: Is the relationship between pricing strategy and search intentions moderated by team identification?

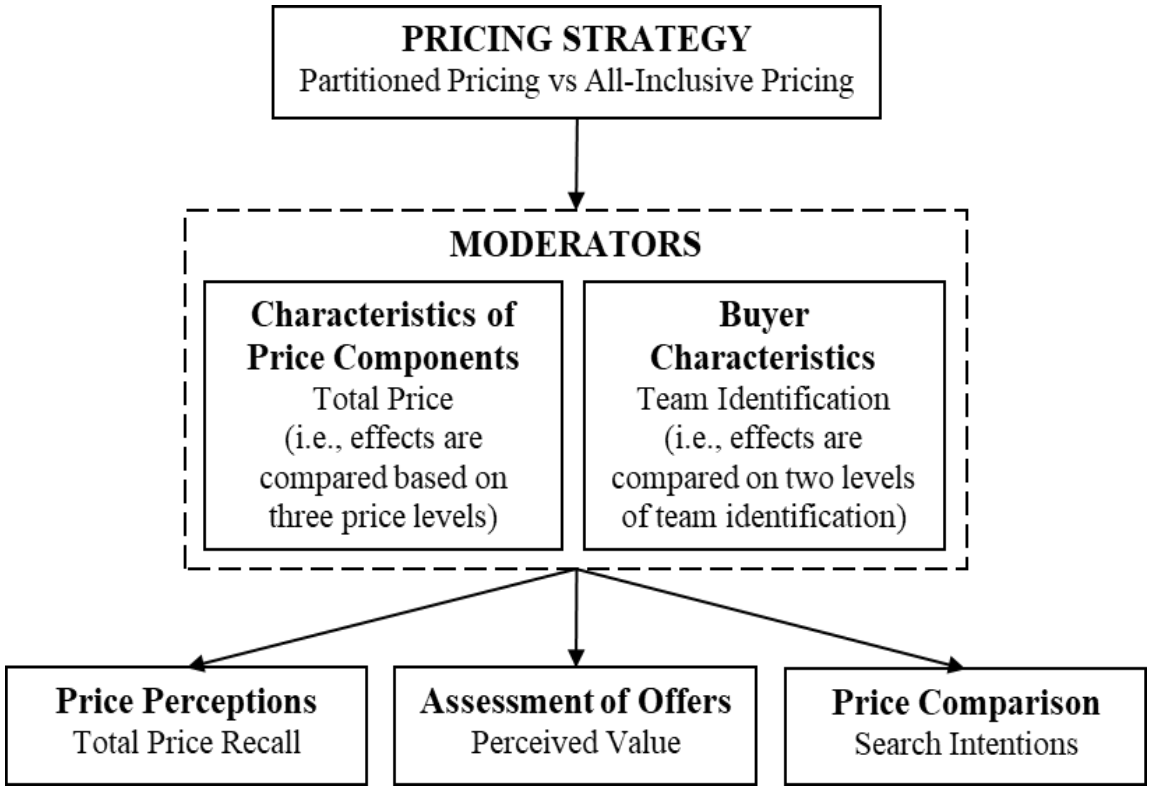

Figure 2.1 Conceptual Framework Comparing Partitioned Pricing and All-Inclusive Pricing. Adapted from Voester et al. (2017).

Method

Sample and Procedure

A total of 1,009 participants completed the survey successfully. Outliers were removed based on the z-scores for the mean values of the dependent variables. A total of 60 responses were excluded from the analyses, resulting in a final sample of 949 participants, To evaluate the effects of PP on sport consumers purchasing live sporting event tickets, I conducted a 2 (PP and AIP) x 3 (price level 1, price level 2, and price level 3) x 2 (low and high team identification) experimental design. The research setting was MLB and the target population for this study consisted of spectators who had attended at least one MLB regular-season game during the 2019 season. MLB was selected because ticket prices are lower than other major sports leagues in the United States (Fan Cost Index, 2019). Recruiting MLB fans to participate allows for the study to consider a wider range of ticket prices than any other professional sport in the US. An online survey was developed in Qualtrics and distributed through Amazon's Mechanical Trunk (MTurk). MTurk is a reliable source of data collection (Buhrmester, Kwang, & Gosling, 2011), more representative of the United States' general population than college students (Paolacci, Chandler, & Ipeirotis, 2010), and popular among consumer behavior researchers (e.g., Fan, Mattila, & Zhao, 2015; Ghose, Iperiotis, & Li, 2014). The sampling frame is made up of self-identified sports fans who chose to participate in the survey. Therefore, the panel is not necessarily representative of the general population of sports fans, but more likely reflects engaged MLB fans. Participants were filtered by two timed questions about baseball knowledge to ensure that they were part of the target population, and reported the number of MLB games attended during the 2019 season. Respondents who failed to respond correctly to the timed questions or to report attendance to at least one MLB game, were excluded from the study.

After completing the qualifying questions, participants read through a scenario where they were asked to imagine they were planning to attend a MLB regular-season game of their favorite team with a friend. They would be purchasing two tickets to this game. Manipulation of the price format through the experimental design led to random assignment of participants to independent groups presented with either PP or AIP. Participants were shown an image enhanced baseball stadium diagram, with three seating locations available and displaying the price details (see Figure 2.2). The price levels presented for PP were representative of an offer experienced during an actual online purchase of regular-season tickets at a MLB ballpark located in the Southeastern United States, while the AIP offer presented the equivalent total price.

Next, participants selected their preferred seats from three options. After their seat selection, a screen simulating the checkout page for a typical online purchase displayed order details, which included the diagram showing the seat location, price per ticket, fee structure for those randomly presented with PP, and the total amount of their purchase. Afterward, participants had to recall the full price of the purchase simulation just experienced and answer a series of follow-up questions related to perceived value of the tickets selected, likelihood of searching for alternative ticketing options, team identification, and demographics (sex, age, marital status, and household income).

Instrument

The online survey consisted of a total of 32 items. Total price recall was measured using one item (Morwitz et al., 1998; Lee & Han, 2002; Carlson & Weathers, 2008), with respondents selecting from a range ($15.10 to $400.10) provided using a drop-down box with $1 increments. Considering that there were three different ticket price levels, the total price recalled was then

Partitioned Pricing (PP) Groups			
Tickets Availability	Group 1 (*n* = 98)	Group 3 (*n* = 299)	Group 5 (*n* = 102)
 Partitioned Pricing (PP) *n* = 499	 Base Price $16.00 x 2 = $32.00 Service Fee $3.50 x 2 = $7.00 Order Procession Fee = $2.10 Total Price = $41.10	 Base Price $57.00 x 2 = $114.00 Service Fee $7.50 x 2 = $15.00 Order Procession Fee = $2.10 Total Price = $131.10	 Base Price $130.00 x 2 = $260.00 Service Fee $10.50 x 2 = $21.00 Order Procession Fee = $2.10 Total Price = $283.10
All-Inclusive Pricing (AIP) Groups			
Tickets Availability	Group 2 (*n* = 141)	Group 4 (*n* = 249)	Group 6 (*n* = 60)
 All- Inclusive Pricing (AIP) *n* = 450	 Ticket $20.55 x 2 = $41.10 Total Price = $41.10	 Ticket $65.55 x 2 = $131.10 Total Price = $131.10	 $141.55 x 2 tickets = $283.10 Total Price = $283.10

Figure 2.2 Experiment Groups - Ticket Availability Featuring PP (Groups 1, 3, 5), and AIP (Groups 2, 4, 6).

operationalized as a percentage difference from the actual price experienced to allow for comparison across groups.

Perceived value was measured using three adapted items (Wakefield & Barnes, 1997) featuring a 7-point semantic scale (e.g., Bad buy/Good buy). Search intention was measured using three-items adapted from Grewal, Monroe, and Krishnan (1998) on a 7-point Likert scale (1 = extremely unlikely to 7 = extremely likely to engage in such behavior).

The moderators considered were price level (self-selected by the participants during the purchase simulation) and team identification (three items from Point of Attachment Index; Trail, Robinson, Dick, & Gillentine, 2003). These measures have shown evidence of reliability and validity in previous studies. Based on their mean scores for team identification (7-point scale), each participant was placed into one of two groups (5.0 > high and low < 5.0).

Data Analysis

Preliminary analyses included diagnostics and test for reliability and validity related evidence. Cronbach's alpha (α) and Composite Reliability (CR) were used to test internal consistency of multi-item scales. Convergent validity was measured using average variance extracted (AVE). Average Variance Extracted (AVE) considers the amount of variance that is captured by a construct in relation to the amount of variance due to measurement error. While Factor Loading (β) measured the correlation coefficients between observed variables and latent common factors (see Table 2.1).

To determine the overall differences in mean likelihoods between the PP and AIP groups, a multivariate analysis of variance (MANOVA) was performed. Tabachnick and Fidell (2007) point to MANOVA as an appropriate statistical test to compare groups when the dependent variables are moderately correlated. Subsequently, three 2x3x2 factorial analysis of variance

(ANOVA) tested differences in mean scores of the three dependent variables for each treatment (i.e., PP and AIP), and the potential moderators. The main effects were analyzed for pricing strategy to answer research questions one, three, and five. The interaction effects considered pricing strategy and price level, pricing strategy and team identification, price level and team identification, and pricing strategy, price level, and team identification to answer research questions two, four, and six. A post hoc Tukey test was also performed to assess differences between price levels. Also, given that the same dependent variables were included in three separate procedures, a Bonferroni adjustment was performed to interpret significance of relationships, with the significance value for all main effects set at .017.

Results

A total of 499 participants experienced the PP scenario, and 450 the AIP scenario, with a distribution of 239, 548, and 162 participants per price levels 1 thru 3 respectively. Participants were 18 years of age or older, living in 47 different states across the US, primarily male (57.3%) and Caucasian (80.8%), 48.9% reported being married, a household income below $60,000 was reported by 45.5% and $100,000 or higher by 21.8% of the participants. On average, participants underestimated the total price of the purchase (M = -4.64%, SD = 18.60), perceived the ticket offer experienced to be slightly positive (M = 4.47, SD = 1.14), reported high search intentions (M = 5.68, SD = 1.44), and were highly identified with their team (M = 5.26, SD = 1.09).

Each of the multi-level scales were evaluated for item reliability and evidence of convergent validity. Factor loading levels were all found to be acceptable (i.e., larger than .50), thereby providing sufficient evidence of internal validity (see Table 2.1). The Cronbach's alpha (α) coefficient for perceived value was .66, failing to meet the acceptable .70 standard (Fornell & Larcker, 1981), while search intentions and team identification scored .94 and .78 respectively.

Despite perceived value not meeting the Cronbach alpha level, based on the recommendations found in the literature review and the importance of the item, the three items for this construct are retained (Hair, Black, Babin, & Anderson, 2018). CR values for all items were between .82 and .96, above the acceptable standard of .70 (Fornell & Larcker, 1981). AVE also met the acceptable value of .50 for all constructs, ranging between .60 and .89 (see Table 2.1).

Adapted Scales	α	*CR*	*AVE*	*M*	*SD*	*β*
Perceived Value - Wakefield & Barnes (1997)	0.66	0.82	0.60	4.47	1.13	
A bad buy / A good buy				4.61	1.48	0.86
Not worth the money / Worth the money				4.53	1.51	0.68
Too high for the quality of entertainment / Not too high for the quality of entertainment				4.29	1.43	0.77
Search Intentions - Grewal et al. (1998)	0.94	0.96	0.89	5.68	1.44	
Visit other websites to check their prices before deciding to purchase				5.68	1.51	0.94
Visit other websites for a lower price before deciding to purchase				5.73	1.49	0.95
Search for more information about alternative ticket prices before deciding to purchase				5.62	1.56	0.94
Team Identification - Kim et al. (2013)	0.78	0.88	0.70	5.26	1.09	
I consider myself to be a "real" fan of my favorite MLB team				5.65	1.20	0.85
I would experience a loss if I had to stop being a fan of my favorite MLB team				5.23	1.28	0.89
Being a fan of my favorite MLB team is very important to me				4.92	1.45	0.78

Table 2.1 Measurement Scales for Perceived Value, Search Intentions, and Team Identification.
Note. Cronbach's Alpha (α), Composite Reliability (*CR*), Average Variance Extracted (*AVE*), Mean (*M*), Standard Deviation (*SD*), and Factor Loading (*β*).

The dependent variables were found to be moderately correlated (both search intentions and perceived value [$r(947) = -.162$, $p < .01$], and search intentions and total price recall [$r(947) = .198$, $p < .01$], which confirmed the appropriateness of conducting the MANOVA (Meyers, Gamst, & Guarino, 2006). Additionally, the Box's M value of 6.98 was associated with a non-significant p-value of .325 (Huberty & Petoskey, 2000). Therefore, for the MANOVA, the covariance matrices between groups were assumed equal. A statistically significant MANOVA effect was obtained [$F(3, 945) = 5.84$, $p = .001$], indicating that participants in the PP and AIP groups

differed in their perceptions of total price, assessment of the offer value, and/or intentions to search for alternative offers.

Based on the MANOVA results, three factorial ANOVAs were conducted. The main effects results of the price recall factorial ANOVA with pricing strategy confirmed that the difference between the PP and AIP groups was statistically significant [$F(1, 937) = 6.37$, $p = .012$, $\eta^2 = .007$] with the PP group reporting lower total price recall, underestimating the total cost of the purchasing scenario experienced. The main effects for price level [$F(2, 937) = 3.45$, $p = .03$, $\eta^2 = .007$] suggest that respondents' price assessment differed between those experiencing different price levels. The Tukey HSD post hoc test indicates that respondents that selected the most expensive tickets (price level 3) underestimated total price by a larger percentage difference than the other two groups. No significant difference was found between those in price level 1 and price level 2. The main effects for team identification showed a statistically significant difference [$F(1, 937) = 5.44$, $p = .02$, $\eta^2 = .006$], with participants displaying low team identification reporting a larger percentage difference between price recalled and price experienced than those with high team identification. The interaction between pricing strategy and price level, and pricing strategy and team identification were both found to have a non-significant effect on total price recall.

The main effects results of the perceived value factorial ANOVA with regard to pricing strategy was statistically significant [$F(1, 937) = 12.45$, $p < .001$, $\eta^2 = .013$] with the PP group scoring lower than the AIP group. Meanwhile, the respondents' perceptions of value differed based on price level [$F(2, 937) = 4.33$, $p = .01$, $\eta^2 = .009$]. The Tukey HSD post hoc test indicates that respondents in price level 2 scored significantly lower than those who experienced price level 3. No significant difference was found between those in price level 1 and price level 2

or price level 1 and price level 3. Team identification was also statistically significant [$F(1, 937) = 7.36$, $p = .007$, $\eta^2 = .008$], with those displaying lower levels of team identification also reporting lower levels of perceived value. The interaction between pricing strategy and price level, and pricing strategy and team identification were both found to have a non-significant effect on perceived value.

The main effects results of the search intentions factorial ANOVA related to pricing strategy and price levels were not statistically significant. On the other hand, team identification was found significant [$F(1, 937) = 23.78$, $p < .001$, $\eta^2 = .025$], with those displaying low levels of team identification reporting lower levels of search intentions. The interaction between pricing strategy and price level, and pricing strategy and team identification were both found to have a non-significant effect on search intentions. Table 2.2 provides the main effects results for pricing strategy, price levels, and team identification.

Variables Considered		Price Recall		Perceived Value		Search Intentions	
Pricing Strategy	*n*	*M*	*SD*	*M*	*SD*	*M*	*SD*
Partitioned Pricing (PP)	499	-6.09%*	19.18	4.46**	1.14	5.71	1.42
All-Inclusive Pricing (AIP)	450	-3.04%*	17.82	4.59**	1.13	5.64	1.46
Price Level	*n*	*M*	*SD*	*M*	*SD*	*M*	*SD*
Price Level 1 ($41.10)	239	-2.70%	16.56	4.50	1.20	5.54	1.53
Price Level 2 ($131.10)	548	-4.41%	18.58	4.41*	1.10	5.73	1.41
Price Level 3 ($283.10)	162	-8.29%*	20.97	4.67*	1.17	5.71	1.40
Team Identification	*n*	*M*	*SD*	*M*	*SD*	*M*	*SD*
Low (1-5)	412	-6.53%*	22.52	4.34**	1.07	5.38**	1.48
High (>5)	537	-3.19%*	14.77	4.58**	1.18	5.90**	1.36

Table 2.2 Price Recall, Perceived Value, and Search Intentions by Pricing Strategy, Price Level, and Team Identification. *Note*. * Significance at $p < .05$; ** Significance at $p < .01$

Discussion

The purpose of this study was to explore the effects of pricing format on spectators' price perceptions, offer assessment, and price comparison when purchasing digital tickets to attend a MLB regular-season game. Findings from previous research suggest PP leads to a lower recalled total cost. Morwitz et al. (1998) found that consumers exposed to PP recalled a total cost 6.7% lower than the AIP group. The current results also showed the PP group recalled a total cost lower than the AIP, although the difference was 3.5%.

Morwitz et al. (1998) also found only 22% were able to recall the total cost (base price plus fee) within a 5% margin error, with 55% underestimating total cost. In contrast, 58.5% of the PP sample in the present study accurately recalled total cost, while 28.5% underestimated it. Nevertheless, both percentages were significantly lower than the AIP group. Similarly, Lee and Han (2002) found that participants presented with PP reported a total cost 7.6% lower than the actual sum, while the average difference for those provided with AIP was only 2.6%. The findings from the present study were consistent with previous literature, with the PP group underestimating the actual total cost by 6.09%, compared to 3.04% for the AIP group. These results appear to confirm that consumers experiencing PP are anchoring on the initial price experienced when selecting their seats (i.e., the base price), and are failing to adjust accordingly once fees get added. Organizations use PP with the end goal of influencing consumers' price perceptions and evaluations, which may ultimately influence purchase behavior. However, as discussed in the introduction of the present work, policymakers are taking an interest in these practices. Despite regulatory and legislative action taken in some countries, such as Canada, to protect consumers from possible adverse effects of PP, as Greenleaf and colleagues (2016) point out, there will be a need to educate judges and lawyers to play a role in the legal cases that lay ahead.

Considering effects of PP on perceived value, previous research (Bambauer & Gierl, 2008; Wang & Lynn, 2015) found that consumers experiencing PP reported more favorable assessments of the total price than those presented with AIP. However, data from the present study contradicted those findings, with the PP group scoring lower on perceived value than the AIP group. This result was surprising given that the PP group recalled lower total costs. Despite recalling lower prices, PP did not translate to more favorable perceptions of value, and therefore may not result in a higher likelihood of purchase. Perhaps the intricacies of PP confuse the consumer.

Related to the effects of PP on search intentions, Xia and Monroe (2004) suggest that PP may decrease consumers' future search compared with AIP; however, the differences were not significant in two experiments. The present research also found differences between PP and AIP groups' intentions to search for alternative offers to be non-significant. The findings show that PP did result in lower price recall; however, this did not translate into more favorable price evaluations, suggesting that sport consumers are considering other elements beyond the price when determining value of an offer.

Although PP did not influence participants' intention to search for alternative offers, spectators reported high intentions to search (M = 5.68, SD = 1.44). The low variability in search intentions may point to a behavioral characteristic of the consumers engaging in a digital market, in particular that of sport event ticketing, which features many purchase options in a dual market environment. Perhaps, this is the reason behind the non-significance between PP and AIP in terms of search intentions. Therefore, searching for alternative ticket offers, after seeing one offer, appears to be part of sport spectators' normal purchasing behavior. This finding may provide

insights as to why secondary ticketing companies continue to be prevalent in sports. Sport organizations should note that potential consumers are price shopping and considering other outlets to buy tickets for the same event, although this study finds the presentation of fees (or not) did not matter in lessening search behavior.

The study examined the potential moderating effect of the price level in the relationship between pricing strategy and total price recall, perceived value, and search intentions. Price level failed to moderate the effects of PP; however, it was an influential variable when considering consumers' digestion of pricing information. Interestingly, teams and ticketing companies engaging in PP are charging different fee percentages at different price levels, with the highest-priced tickets getting charged the smallest fee percentage. The group that picked the most expensive tickets underestimated the total price by a higher percentage than groups that selected the other two price points, despite experiencing the lowest rate of fees of the three. Those who chose the most expensive seats available also reported the highest perceived value, which perhaps may point to an acceptance toward what may be considered a reasonable fee. At this price level, PP resulted in the intended outcomes (i.e., lower price recall and higher perceived value); however, for the other two groups where the total price was smaller, but the percentage fee higher, the consumers' perceptions were not as favorable.

The moderating effect of team identification on PP was also non-significant. Morwitz et al. (1998) found that both low and high brand attachment could result in underestimation of total costs, with consumers reporting uncertainty about brand preference recalling total costs more accurately. The present findings show that team identification had a statistically significant direct effect on all three dependent variables, and those with high team identification recording higher price recall accuracy, higher perceptions of value, and higher search intentions. Although some

have hypothesized that high team identification may result in spectators paying less attention to price details, findings of this research align with those reported by Dwyer et al. (2013). Dwyer and colleagues attributed the behavior to the possibility that highly identified fans may also be more knowledgeable of the pricing structures, perhaps because they attended more games than those spectators displaying low team identification.

Theoretical and Managerial Implications

From a theoretical standpoint, the significant influence of PP on outcome variables, such as price recall and perceived value, previously linked to consumption, are new to the sport industry. As proposed by anchoring and adjustment theory, consumers appear to fix their attention on the base price presented during the initial seat search and selection. Subsequently, they fail to adjust accordingly, once fees get included in the transaction. However, even though PP resulted in the underestimation of the total cost, it did not translate into more favorable perceptions of value. Contradicting findings from previous PP research, the current study highlights that perhaps consumers' evaluation of an offer may differ when purchasing sport-related products versus utilitarian ones.

Also, the significant relationship between the price level and both price recall and perceived value suggests price characteristics are influencing consumers' offer valuation. Similarly, significant relationships between team identification and price recall, perceived value, and search intention are valuable. Although previous research has suggested that sport consumers who highly identify with their team may act illogically when processing price information, these findings show the opposite (they recalled total price more accurately than those reporting low team identification). Highly identified consumers also reported higher levels of perceived value, which might suggest that these consumers are not only more attached to their team, but also evaluate

offers with greater detail. Likewise, highly identified spectators reported higher search intentions, suggesting that they are more inclined to search for the best deal to attend in support of their favorite team.

From a managerial standpoint, understanding that PP does not translate to a more favorable evaluation of an offer by sport consumers, despite lower total cost recall, suggests that there may be some adverse effects associated with this pricing strategy. Given that the percentage value of fees related to ticket purchases differ based on price level, there may be a lost opportunity for ticketing managers to maximize profits associated with surcharges of higher-priced tickets. Those purchasing the most expensive tickets reported the lowest price recall and highest perceived value; however, they are also the group charged the lowest percentage in fees. Unlike in cases such as airline ticket purchases, where the consumer may have certain flexibility regarding time and day of departure, sporting events have a set time. The implications associated with the high rate of search intentions reported by study participants, suggests that ticketing managers must find ways to differentiate their offer from all other ticketing options that the consumer will evaluate before deciding to purchase. Sport consumers can check very similar ticket options from multiple platforms, so finding a way to give spectators assurance that they are getting the best deal at your site would likely discourage consumers from engaging in search behavior. However, the trends appear to be moving in the opposite direction. The days of best deal guaranteed seem to be drifting away at the hand of dynamic pricing. Some teams are even willing to risk their most loyal customers—season ticket holders—who are starting to question the value proposition of committing to a price before the season starts, when in all likeliness they may find a better deal by waiting on a game to game basis.

Limitations and Future Research

The bulk of previous PP research took place close to two decades ago. With advances in technology, widespread adoption of online platforms, and experience gained by consumers after twenty-plus years of making such purchases, it is of high importance to confirm past findings as well as look for new insights. While grounded on theoretical foundations set forth by previous PP research, this study was an exploratory study within sport management field. Therefore, findings only compare spectators' price recall, perceptions of value, and search intentions based on pricing strategy experienced. However, it fails to explain how or why differences occur. The findings do, nevertheless, point to the need for further exploration of the effects that PP may have on sport consumer behavior. Participants reported perceptions and behavior intentions based on a hypothetical purchasing scenario; therefore, actual conduct may differ based on situational, and personal characteristics. Another potential limitation is the sport context considered since MLB offers the most accessible ticket prices among major sporting leagues in the US. Although the participants of the study self-identified as MLB spectators, reactions to PP may differ among spectators of other major sport leagues, such as the NFL, where ticket prices are significantly higher. The study allowed participants to select from three distinct price levels, with associated fees reflecting those of actual ticket offers from a MLB team, which resulted in offers with differing fee percentages. Therefore, when assessing the impact of the price levels, it is impossible to pinpoint if variances among groups result from differences in base price or fee percentage.

Future research should explore why PP results in lower price recall, but not to a more favorable offer valuation. Perhaps identifying who spectators hold responsible for added fees (teams or ticketing companies) may provide insights related to attitudes resulting from use of al-

ternative pricing strategies. Considering different sporting scenarios would also help confirm applicability of the findings. Similarly, manipulating pricing characteristics would allow comparison of effects of multiple fees sizes across groups with equal total prices, which may provide greater insight. Given the high likelihood of consumers engaging in the search for alternative offers, understanding spectators' evaluation process across multiple offers would prove valuable.

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3 AN EXPERIMENTAL EXAMINATION OF SPECTATORS' PERCEPTIONS OF FEE RESPONSIBILITY DURING TICKET PURCHASES

The importance of ticketing revenues for survival of any spectatorship-based sport organization is significant. Pricing strategies can play a considerable role in this vital source of revenue. Chadwick, Desbordes, and Chanavat (2016) discuss the evolution of ticketing strategies deployed within the sport industry, highlighting dynamic and variable pricing, which rely on digital ticketing in both primary and secondary markets. The use of digital ticketing by sport organizations has featured a prevalence of partitioned pricing (PP) strategies, featuring an array of surcharges. PP refers to the strategy of dividing the total price of a product into multiple mandatory elements, to entice a more favorable response from consumers (Greenleaf, Johnson, Morwitz, & Shalev, 2016; Voester, Ivens, & Leischnig, 2017). The alternative to PP is providing buyers with an all-inclusive price (AIP).

Researchers considering the effects of PP have found both positive (Chakravarti, Krish, Paul, & Srivastava, 2002; Morwitz, Greenleaf, & Johnson, 1998; Xia & Monroe, 2004) and negative outcomes (Bambauer-Sachse & Gierl, 2008; Gierl & Bambauer-Sachse, 2007; Lee & Han, 2002) associated with this strategy. Despite limited research on the topic of PP within the sport industry, findings from study 1 point to a difference in consumers' perceptions of total price and perceived value based on price presentation (i.e., PP versus AIP). Using the context of sport event ticketing, PP was found to influence participants' total price recall (participants presented with PP reported lower total price recall than those presented with AIP). However, such influence did not translate into more favorable perceptions of value by participants experiencing PP, which suggests the need for a closer examination of this phenomenon. Bambauer-Sachse and

Mangold (2010) were among the first to consider circumstances under which PP is beneficial, exploring the effects of the marketer's responsibility for the surcharge.

Attribution theory (Weiner, 1986) postulates that positive or negative effects of PP may depend on who consumers' hold responsible for added fees. Attribution theory presents that people translate information considering cause-and-effect implications and explanations (Weiner, 2000), where individuals assume attributions to be causes by an outcome experienced (Weiner, 1986). When evaluating price components presented during a PP scenario, consumers may interpret surcharges differently depending on the fundamental reasons for their presence (Bambauer-Sachse & Mangold, 2010; Koukova et al., 2012; Lee & Han, 2002). In instances where total price is composed of a base price and an added fee, consumers may have adverse reactions if they attribute surcharges to the vendor's profit maximization strategy (Xia & Monroe, 2004). However, if consumers believe that fees are outside of the seller's control, they will be more likely to have a favorable perception toward PP (Bambauer-Sachse & Mangold, 2010). Therefore, based on attribution theory, consumer's assessment of a PP may be either positive or negative and is contingent on who individuals hold responsible for the price components presented (Voester et al., 2017). Consumers' perceptions of fee responsibility may also be moderated by price level, featuring varying fee percentages, and fee reasonableness, which is dependent on consumers' attitudes toward the ticket offer.

Within the sport industry, understanding if consumers consider teams to bear responsibility for added surcharges within a ticket purchase can provide valuable insight to ticketing managers engaging in such strategies. From a theoretical standpoint, consumers' perceptions that fees are just another way that teams are attempting to maximize profits would point to the need to consider effects that such connotation may have on the fan-team relationship. Past sport-related

research has investigated effects of total price associated with ticketing (e.g., Drayer & Rascher, 2013; Drayer & Shapiro, 2011; Dwyer, Drayer, & Shapiro, 2013; Morehead, Shapiro, Madden, Reams, & McEvoy, 2017; Shapiro, Dwyer, & Drayer, 2016); however, no consideration has been given to the various pricing elements presented to consumers during a typical purchase, or who spectators hold responsible for each.

As it was highlighted by Study 1, the presentation of fees associated with a ticket purchase can influence spectators' purchase-related behavior. The purpose of this study is to consider the potential effects of spectators' perceptions of fee responsibility and fee reasonableness when experiencing partitioned pricing (PP) while purchasing digital tickets to attend a Major League Baseball (MLB) regular-season game. More specifically, I investigate differences on spectators' offer assessment (i.e., perceived value) based on price levels of tickets selected, spectators' attribution of fee responsibility to MLB teams, and spectators' perceptions that fees were reasonable or not.

Literature Review

Effects of Partitioned Pricing

Morwitz et al. (1998) was the first to consider potential effects of PP, and found that this pricing strategy increased consumer demand when compared to AIP. Chakravarti and colleagues (2002) also found that PP resulted in more favorable price evaluation. PP has also been associated with higher price satisfaction and purchase intentions (Xia & Monroe, 2004). Others found that PP had a positive effect on purchase intentions only when surcharges represented a small portion of the total price (Sheng, Bao, & Pan, 2007). Clark and Ward (2008) when considering the context of online auctions, found that purchasers failed to account for shipping costs. While Hamilton and Srivastava (2008), when considering various PP presentations of the same total

price, found that consumers preferred offers where the highest amount was associated to the component they attributed highest value.

On the other hand, Lee and Han (2002) found that using PP may have a detrimental effect on consumers' attitudes toward a brand. Burman and Biswas (2007) also found that effects of PP were dependent on individuals' need for cognition. While Sheng et al (2007) found that when fees are considered to reach unreasonable levels, consumers were less likely to purchase PP offers than AIP ones. Similarly, Carlson and Weathers (2008) found that the number of surcharges was negatively associated with perceptions of price reasonableness and purchase intentions when sellers failed to include total price of the offer. When considering attention allocated to each of the pricing elements in PP, Bertini and Wathieu (2008) found that PP draws attention to secondary elements, while presenting total price inhibited a detailed assessment of offers.

Gierl and Bambauer-Sachse (2007) and Bambauer-Sachse and Gierl (2008) presented a model, considering both positive and negative effects of PP on product evaluation, while accounting for the mediating effect of perceived price attractiveness, perceived complexity of the price structure, and consumers' feeling of being manipulated by the marketer. Bambauer-Sachse and Mangold (2010) subsequently extended the model to include the moderating effect that marketer's responsibility had on each of these three factors. Although past research has found a link between PP and perceived value, there is a need to examine instances where this pricing strategy has the most favorable response.

Fee Responsibility

Attribution theory (Weiner, 1986) proposes that consumers' evaluations PP may be dependent on who consumers holds responsible for each element presented in an offer. Attribution theory presents people as decoders of information whose actions are influenced by cause-and-

effect implications and explanations (Weiner, 2000). PP research proposes that given the fundamental reasons attributed to the presence of surcharges, consumers may take a different approach when evaluating each price component (Bambauer-Sachse & Mangold, 2010; Grewal, Monroe, & Krishnan, 1998; Koukova, Srivastava, & Steul-Fischer, 2012; Lee & Han, 2002). Xia and Monroe (2004) found that consumers may react negatively to PP when they attribute the additional price component to the vendor's profit maximization strategy. Schindler, Morrin, and Bechwati (2005) reported that some consumers were "skeptic" of surcharges, viewing shipping fees as unfair, and attributing this strategy to the profit-maximization goals of sellers. Conversely, if consumers believe the additional price component(s) to be outside of sellers' control, PP may be seen in a more positive light (Bambauer-Sachse & Mangold, 2010). Therefore, based on the attribution theory, consumers' valuation of a PP offer will be contingent on responsibility attributed to each of its price components (Voester et al., 2017). It would be interesting not only to assess if consumers are holding MLB teams responsible for surcharges presented within ticket purchases but if fee responsibility influences their perceptions of value.

Magnitude of Price Components

The size of fees, as a dollar amount or a percentage of the base price, can affect consumers' evaluation of price components. Xia and Monroe (2004), while investigating the effects of PP of purchases featuring between 6 to 12% of the base price, found that more substantial fees resulted in lower perceived value, even when the total cost of offers were held constant. Other experiment-based studies found similar results, where purchase intentions were influenced positively by PP when fees were smallest, and negatively when surcharges were highest, compared to AIP formats (e.g., Sheng et al., 2007). As expected, they also found that fee size influences consumers' perceptions of reasonableness toward the surcharge. Chakravati et al. (2002) found when

comparing multiple offers, consumers considered base prices, suggesting that allocating part of the base price into other subcomponents could result in a more favorable offer valuation. When presenting participants with either a 16 or 32% surcharge associated to an airline ticket purchase, Burman and Biswas (2007) found that those experiencing the lower of the two reported both higher perceived value and intentions to purchase. Similarly, Brown, Hossain, and Morgan, (2010) also found that magnitude of surcharge influenced perceptions of product value.

Generally speaking, findings from previous PP research suggests that when surcharges represent a small percentage (5 to 10%) of the base price, results in lower perceived costs and higher purchase intentions. On the other hand, more substantial fees—such as those faced by professional sports fans purchasing tickets to attend live games—may lead to more scrutiny from consumers (Voester et al., 2017). Surcharges associated with sport ticket purchases typically fluctuate based on ticket price, with more expensive tickets resulting in lower percentage fees than lower tier tickets. For example, when purchasing a $12 ticket to attend a National Basketball Association (NBA) game, fees amount to $4.87 (over 40% of the base price). Similarly, a $23.50 ticket to a MLB game would result in fees of $8.46 (36% of the base price). At the more expensive side of the spectrum, if you were planning to attend a post-season National Football League (NFL) game, fees associated with a $1,000 ticket would amount to $185.45 (19% of the base price). It is essential to assess if price level, which in sport ticketing at times features varying fee sizes, influences consumers' perceptions of value toward the ticket offer.

Fee Reasonableness

It is imperative to distinguish between responsibility for fees attributed to the marketer of an offer and perceptions that such surcharges are reasonable. Perceptions of reasonableness or fairness are considered a broader concept than that of fee responsibility given that a charge may

elicit opinions of expensive for other reasons beyond attributing responsibility for surcharges to a particular party (Bambauer-Sachse & Mangold, 2010). Several studies have investigated circumstances under which PP results in positive or negative perceptions of reasonableness. For example, Sheng et al. (2007) found that perceptions of fairness toward fees decrease as the magnitude of these increased, while Carlson and Weathers (2008) found similar results as the total number of surcharges also increased. Further, Kachersky and Kim (2011) found that when consumers perceive shipping fees as too high, they were more likely to favor AIP offers over PP ones. Shapiro, Dwyer, and Drayer (2016) explored the effects of price fairness on spectators' intentions to purchase sport event tickets, while accounting for participants' familiarity with demand-based pricing, ticket source (primary versus secondary), and presence of a price references. However, the study focused on total price perceptions and did not account for the potential effect of surcharges experienced during a typical ticket purchase. Consumers show lower perceptions of fairness toward increases in indirect costs—such as those incurred through surcharges—than increases in direct costs—such as the base price of the ticket (Bolton & Alba, 2006).

Burman and Biswas (2007) performed several experiments to investigate the effects of fee reasonableness—where surcharges representing 16% of the base price were considered reasonable and those that amounted to 32% as unreasonable—comparing PP and AIP offers. Accounting for individuals' need for cognition (NFC), participants with high NFC were confirmed to react negatively (lower perceived value and lower likeliness to purchase) to expensive fees, while no difference was perceived among those with low NFC (Burman & Biswas, 2007). Researchers pointed to the characterization-correction model (CCM; Gilbert, 1989), to explain that consumers with high NFC may be more likely to enter a correction stage and adjust for surcharges; while those with low NFC may simply ignore fees altogether.

In all reality several factors—such as cognitive level, previous experience, reference price, income level, and others—may influence an individual's perceptions of fee reasonableness. Which means that the same fee may be perceived as fair/reasonable by some and unfair/unreasonable by others. However, in this study attention is given to what happens when fees are perceived to be expensive or inexpensive, rather than why that is the case. Therefore, instead of manipulating fee size, participants were asked to report their perceptions of fees reasonableness after purchase simulation. Understanding how perceptions of fee reasonableness affect perceived value when consumers assess ticket offers may provide insight into the risk-benefit game that ticket managers are playing when determining fee values without considering consumers' reactions.

Research Questions

The previous sections summarize research on the use of PP strategies, taking a closer look at effects from fee size, perceptions of fee responsibility, and perceptions of fee reasonableness on consumers' assessment of an offer. Previous findings seem to suggest that the effectiveness of PP is dependent on consumers' perceptions toward surcharges. The prevalent use of PP by sport organizations, highlights the need for further exploration of sport consumers' reactions to this pricing strategy. The conceptual framework presented in Figure 3.1, adapted from Voester et al. (2017), represents the relationship between the variables considered in this study. The model conveys that when experiencing PP, spectators' price assessment (i.e., perceived value) will be dependent on the price level selected, if spectators hold MLB teams responsible for fees, and if they consider the surcharges to be reasonable or not. As such, the following research questions guided the study:

RQ1: Does attributing fee responsibility to MLB teams' profit maximization goals affect spectators' perceptions of value when presented with a PP offer to purchase MLB tickets?

RQ2: Does price level experienced affect spectators' perceptions of value when presented with a PP offer to purchase MLB tickets?

RQ3: Does perceptions of fee reasonableness affect spectators' perceptions of value when presented with a PP offer to purchase MLB tickets?

RQ4: Is the relationship between perceptions of fee responsibility and perceived value moderated by price level when presented with a PP offer to purchase MLB tickets?

RQ5: Is the relationship between perceptions of fee responsibility and perceived value moderated by spectators' perceptions of fee reasonableness when presented with a PP offer to purchase MLB tickets?

RQ6: Is the relationship between perceptions of fee reasonableness and perceived value moderated by price level when presented with a PP offer to purchase MLB tickets?

RQ7: Does the interaction between fee responsibility, price level, and fee reasonableness affect spectators' perceptions of value toward a MLB ticket offer featuring PP?

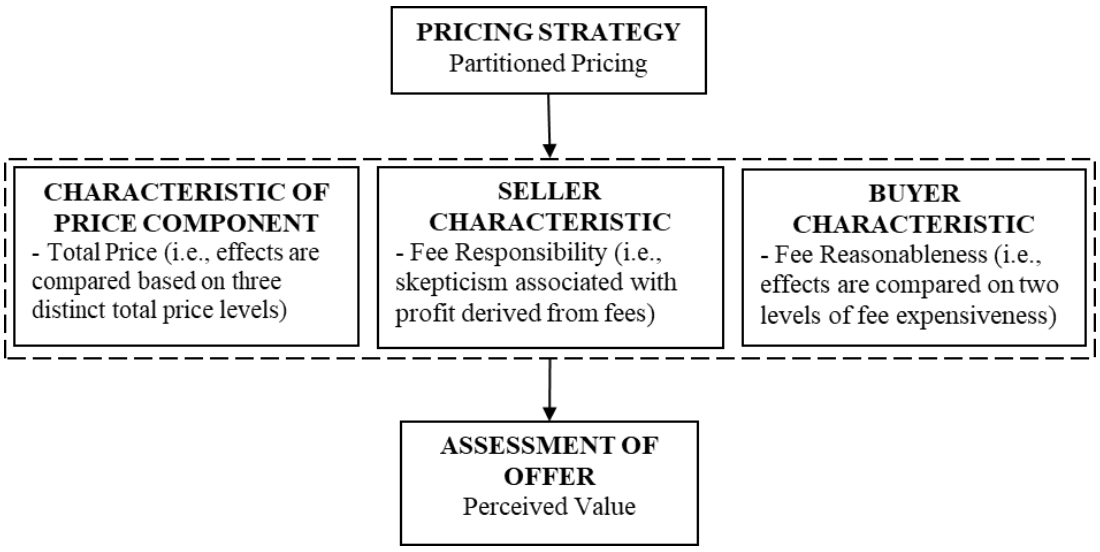

Figure 3.1 Conceptual Framework. Adapted from Voester et al. (2017).

Method

Sample and Procedures

The present study considers a subset of the data presented in Study 1. To take a closer look at the effects that PP may have on spectators' perceptions of value when purchasing tickets to attend a MLB regular-season game, I consider the relationship between price levels, perceived responsibility for surcharges, and perceptions of reasonableness toward the fees. More specifically, a 3 (price level 1, price level 2, and price level 3) x 2 (low high fee responsibility attributed to MLB teams) x 2 (low and high fee reasonableness) experiment was designed. Study participants consisted of spectators who had attended at least one MLB regular-season game during the 2019 season. MLB was selected given the relative accessibility of ticket prices, compared to other professional sports leagues in the US (Fan Cost Index, 2019). MLB spectators provides a more diverse sample, allowing for examination of a wider range of ticket prices. An online survey was developed in Qualtrics and distributed online through Amazon's Mechanical Trunk (MTurk). MTurk is a reliable source of data collection (Buhrmester, Kwang, & Gosling, 2011), preferred over college students (Paolacci, Chandler, & Ipeirotis, 2010), gaining acceptance among consumer behavior researchers (e.g., Fan, Mattila, & Zhao, 2015; Ghose, Iperiotis, & Li, 2014). The panel is not necessarily representative of the general population of sports fans, but more likely reflects engaged MLB fans, who chose to participate in the study. Participants were tested with two timed questions about baseball knowledge to ensure that they were part of the target population, and reported attending at least one MLB regular-season game during 2019. Also, an attention check was strategically placed in the survey to make sure that participants were reading every question before responding. Failure to answer correctly to filtering questions or the attention check resulted in immediate disqualification.

Those participants that qualified to complete the remainder of the survey were presented with a scenario where they would be attempting to purchase two regular-season tickets to attend, with a friend, a game featuring their favorite MLB baseball team. Manipulation of the price format through experimental design led to random assignment of participants to independent groups presented with either PP or AIP. This study only considered the group randomly assigned to experience a PP offer. Participants were presented with an image-enhanced baseball stadium diagram, showing three seating locations available. For price level 1, the fees amounted to $9.10, which represents 28.4% of the base price. For price level 2, the fees amounted to $17.10 or 15.0% of the base price. And for price level 3, fees totaled $23.10 or 8.9% of the base price of the ticket purchase (see Figure 3.2). The price levels are representative of actual offers during a MLB ticket purchase through mlb.com, to visit a MLB ballpark located in the Southeastern United States, where fees represented a different percentage of the base price, depending on the price level selected.

Participants selected their preferred seats from three options. Following their seat selection, the checkout page simulating a typical online purchase displayed the order details. This page, once again, showed seating location, the price per ticket, fees, and the total amount of purchase. After the purchase simulation, participants were asked to recall the full price of the purchase experienced. A manipulation check, asking if their purchase included fees, ensured that participants paid attention to the price element. Those that did not recall appropriately (n = 41), the fee structure experienced, were removed from further analysis. The remaining participants (N = 458) reported perceptions of value toward the ticket offer selected, perceptions that MLB are profiting from ticket fees, perceptions of reasonableness toward the fee amount, and demographic information (sex, age, marital status, and household income).

Partitioned Pricing (PP) Groups			
Tickets Availability	Group 1 (*n* = 95)	Group 2 (*n* = 266)	Group 3 (*n* = 97)
			
Partitioned Pricing (PP) *N* = 458	Base Price $16.00 x 2 = $32.00 Service Fee $3.50 x 2 = $7.00 Order Procession Fee = $2.10 Total Price = $41.10	Base Price $57.00 x 2 = $114.00 Service Fee $7.50 x 2 = $15.00 Order Procession Fee = $2.10 Total Price = $131.10	Base Price $130.00 x 2 = $260.00 Service Fee $10.50 x 2 = $21.00 Order Procession Fee = $2.10 Total Price = $283.10

Figure 3.2 Experiment Groups - Ticket Availability Featuring PP (Groups 1, 2, and 3)

Instrument

The online survey featured a total of 32 items. The dependent variable considered was perceived value, while the independent variables were the price level, fee responsibility, and fee reasonableness. The perceptions of value were measured using three adapted items (Wakefield & Barnes, 1996) featuring a 7-point semantic scale (e.g., Bad buy/Good buy). The price level was self-selected by participants during purchase simulation, perceptions of fee responsibility, measured using three items (Sheng et al., 1998) on a 7-point Likert scale, and fee reasonableness using one item (Burman & Biswas, 2007). Based on the mean scores for fee responsibility and fee reasonableness were operationalized to high (above 5) and low (5 or below) categories.

Data Analysis

SPSS Statistics version 25 was used to perform data analysis. Reliability was assessed for the multi-item measures of the dependent variable perceived value and the independent variable perceived fee responsibility. The Cronbach's alpha score for perceived value and perceived fee responsibility scales were .68 and .70 respectively. Although perceived value failed to meet the acceptable standard of .70 (Fornell & Larcker, 1981). Despite not meeting the Cronbach alpha level recommended for perceived value, based on the recommendations found in the literature and the importance of the item, the three items were retained for this construct (Hair, Black, Babin, & Anderson, 2018). CR values for the items were above the acceptable standard of .70 (Fornell & Larcker, 1981), and AVE also met the acceptable value of .50 for both constructs (see Table 1). A 3x2x2 factorial analysis of variance (ANOVA) tested the differences in the mean scores of the dependent variable (i.e., perceived value) given the direct and interaction influence of independent variables (i.e., price level, fee responsibility, and fee reasonableness). The main effects were analyzed to answer research questions one through three. Additionally, the interaction

effects considered—price level and fee responsibility, price level and fee reasonableness, price responsibility and price reasonableness, and price level, fee responsibility and fee reasonableness—were examined to answer research questions four through six. A post hoc Tukey test was also performed to assess differences between three price levels, and a Bonferroni adjustment was used to interpret the significance of the interaction terms, with the significance value set at .025.

Results

A total of 458 surveys were analyzed. The distribution of participants across the three price levels was 95, 266, and 97, respectively. Participants were 18 years of age or older, living in 46 different states across the US, primarily male (57.0%) and Caucasian (80.6%), 50.7% married, with a household income below $60,000 for 43.4% and $100,000 or higher for 24.1% of the participants. On average, participants perceived the ticket offer as slightly positive (*M* = 4.37, *SD* = 1.14), believe that MLB teams are profiting from fees (*M* = 4.81, *SD* = 1.17), and believed the fees to be unreasonable (*M* = 4.81, *SD* = 1.09) (see Table 3.1).

Adapted Scales	α	CR	AVE	M	SD	B
Perceived Value - Wakefield & Barnes (1997)	0.68	0.83	0.61	4.37	1.14	
A bad buy / A good buy				4.47	1.49	0.87
Not worth the money / Worth the money				4.43	1.46	0.70
Too high for the quality of entertainment / Not too high for the quality of entertainment				4.20	1.43	0.78
Perceived Fee Responsibility - Grewal et al. (1998)	0.70	0.84	0.62	4.81	1.17	
I believe that MLB teams are profiting from the added fees associated with ticket purchases				5.19	1.39	0.85
I believe that MLB teams are attempting to maximize their profits through the added fees associated with ticket purchases				5.00	1.48	0.88
MLB teams are not at all responsible for the added fees associated with ticket purchases (reverse coded)				4.25	1.55	0.63
Perceived Fee Reasonableness - Burman & Biswas (2007)				4.81	1.09	
The fee experienced was: Extremely low / Extremely high				4.81	1.09	

Table 3.1 Measurement Scales for Perceived Value, Search Intentions, and Team Identification.
Note. Cronbach's Alpha (α), Composite Reliability (CR), Average Variance Extracted (AVE), Mean (M), Standard Deviation (SD), and Factor Loading (β).

The error variance of the dependent variable across groups was found to be equal, meeting the assumption required to perform an ANOVA. The factorial ANOVA results are presented in Table 3.2. The main effects results of the perceived value factorial ANOVA with pricing level was not found to be statistically significant [$F(2, 457) = .995$, $p = .370$]. The main effects of perceived value with regards to perceptions of fee responsibility were also non-significant [$F(1, 457) = .003$ $p = .959$]. However, the main effects results of perceived value significantly differed based on participants perceptions of fee reasonableness [$F(1, 457) = 46.923$ $p < .001$, $\eta^2 = .100$] with those perceiving the fees as reasonable scoring higher on perceived value than those that viewed the fees experienced as unreasonable ($M = 4.90$, $SD = 1.03$ versus $M = 4.05$, $SD = 1.09$; see Table 3.3).

Source	df	Mean Square	F	Sig.	Partial Eta Squared
Corrected Model	11	8.12	7.15	0.00	0.15
Intercept	1	5716.83	5032.79	0.00	0.92
Price Levels	2	1.13	1.00	0.37	0.00
Fee Responsibility	1	0.00	0.00	0.96	0.00
Fee Reasonableness	1	53.30	46.92	0.00	0.10
Price Level * Fee Responsibility	2	0.47	0.41	0.66	0.00
Price Level * Fee Reasonableness	2	0.08	0.07	0.93	0.00
Fee Responsibility * Fee Reasonableness	1	7.41	6.53	0.01	0.01
Price Level * Fee Responsibility * Fee Reasonableness	2	0.94	0.83	0.44	0.00
Error	446	1.14			
Total	458				
Corrected Total	457				

Table 3.2 Test of Between Subjects Effects. *Note.* Dependent Variable: Perceived Value.

Variables Considered		Perceived Value	
Price Level for Two Tickets	*n*	*M*	*SD*
Price Level 1 (Base Price = $32.00; Fees = $9.10; Total Price = $41.10)	95	4.33	1.22
Price Level 2 (Base Price = $114.00; Fees = $17.10; Total Price = $131.10)	266	4.34	1.10
Price Level 3 (Base Price = $260.00; Fees = 22.10; Total Price = $283.10)	97	4.48	1.17
Perceived Fee Responsibility	*n*	*M*	*SD*
Low Responsibility (1-5 on a 7-point Likert Scale; *M* = 3.92, *SD* = 0.75)	237	4.48	1.05
High Responsibility (>5 on a 7-point Likert Scale; *M* = 5.77, *SD* = 0.67)	221	4.25	1.22
Perceived Fee Reasonableness	*n*	*M*	*SD*
Reasonable Fees (1-5 in 7-point Likert Scale; *M* = 3.71, *SD* = 0.65)	171	4.90**	1.03
Unreasonable Fees (>5 in a 7-point Likert Scale; *M* = 5.46, *SD* = 0.71)	287	4.05**	1.09

Table 3.3 Perceived Value by Price Level, Perceived Fee Responsibility, and Perceived Fee Reasonableness. *Note*. * Significance at $p < .05$; ** Significance at $p < .001$.

The interaction effects (price level x fee responsibility, price level x fee reasonableness, and price level x fee responsibility x fee reasonableness) did not have a significant effect on spectators' perceptions of value. However, the interaction between perceived fee responsibility and perceived fee reasonableness was found to be significant [$F(2, 457) = 6.527$ $p = .011$]. Spectators perceived the ticket offer to be more valuable when the fees were reasonable, both when they attributed high ($M = 5.15$) levels and low ($M = 4.81$) levels of fee responsibility to MLB teams. Also, differences on perceived value were significant when spectators found the fees to be unreasonable, with those attributing higher ($M = 3.94$) levels of fee responsibility to MLB teams scoring lowest than when attributing low ($M = 4.26$) levels of fee responsibility (see Table 3.4).

				97.5% Confidence Interval	
Fee Responsibility	*Fee Reasonableness*	Mean	Std. Error	Lower Bound	Upper Bound
Low	Reasonable	4.81**	0.12	4.58	5.04
	Unreasonable	4.26**	0.10	4.79	5.50
High	Reasonable	5.15**	0.18	4.06	4.47
	Unreasonable	3.94**	0.09	3.76	4.13
Fee Reasonableness	*Fee Responsibility*	Mean	Std. Error	Lower Bound	Upper Bound
Reasonable	Low	4.81	0.12	4.58	5.04
	High	5.15	0.18	4.06	4.47
Unreasonable	Low	4.26*	0.10	4.79	5.50
	High	3.94*	0.09	3.76	4.13

Table 3.4 Perceived Value by Perceived Fee Responsibility x Perceived Fee Reasonableness. *Note*. Computed using $\alpha = .025$. * Significance at $p < .05$; ** Significance at $p < .001$.

Discussion

Study 1 found statistically significant differences in spectators' perceived value based on the pricing strategy experienced (PP versus AIP) during the purchase simulation. Although, on average, spectators reported lower total price recall when experiencing PP, it failed to translate into a more favorable ticket offer assessment (i.e., higher perceived value). This finding led to the design of the present study, which had as a primary purpose the examination of potential effects of spectators' perceptions of fee responsibility and fee reasonableness when experiencing PP while purchasing digital tickets to attend a MLB regular-season game. More specifically, the study considers differences in spectators' offer assessment (i.e., perceived value) based on price levels of tickets selected, spectators' attribution of fee responsibility to MLB teams, and spectators' perceptions of fee reasonableness.

Related to RQ1, it was also interesting to find that differences in perceived value based on spectators' attribution of fee responsibility to MLB teams were non-significant. Such finding contradicts previous PP research (e.g., Bambauer-Sachse & Mangold, 2010; Schindler et al.,

2005; Xia & Monroe, 2004), which suggest that consumers were likely to have an adverse reaction to surcharges when seen as part of the sellers' profit maximization strategy. Perhaps, this is where consumption of live sporting events differs from other utilitarian purchases considered in previous PP research. Spectators may attribute the fees as part of their favorite teams' profit maximization strategy, but their emotional attachment to their teams allows them to ignore this fact.

Associated to RQ2, the present study found no significant differences on perceived value based on price levels, which was surprising given the difference in fee percentage—ranging from 28.4% for price level 1, 15.0% for price level 2, and 8.9% for price level 3—experienced by participants given their seat selection. Previous research had found that more substantial fees resulted in lower perceived value (e.g., Brown et al., 2010; Burman & Biswas, 2007; Chakravati et al., 2002; Sheng et al., 2007; Xia & Monroe, 2004). If there is no change in spectators' perception of value regardless of the fee percentage, then perhaps MLB teams are missing out on potential profits by lowering the rate for higher-priced tickets. Nevertheless, perceptions of value were, on average, low (<4.5), pointing perhaps to findings from study 1, which suggests that regardless of spectators' evaluation of the offer, they are highly likely to search for alternative options before completing the purchase.

On the other hand, findings associated with RQ3 point to a significant difference in perceptions of value based on spectators' sensitivities toward fee reasonableness. Participants that perceived the surcharges as unreasonable scored lower on perceived value than those that considered them as reasonable. These findings were consistent with previous studies of PP (e.g., Burman & Biswas, 2007; Carlson and Weathers, 2008; Kachersky & Kim; 2011; Sheng et al., 2007), which highlight that when consumers perceive fees to be too high, it resulted in negative perceptions toward the offer. Although one may think that this contradicts findings related to RQ2, it is

essential to highlight that it confirms that judgments of fee reasonableness differ across individuals, meaning the same fee may be perceived as both reasonable and unreasonable by different purchasers.

While considering interactions between the price level and perceived responsibility, as well as price level and perceived reasonableness, there were no differences in perceived value (RQ4 & RQ6). Similarly, the interaction between price level attribution of responsibility and perceived reasonableness was also non-significant (RQ7). On the other hand, the interaction term between perceived responsibility and perceived reasonableness was statistically significant (RQ5). When participants considered fees to be unreasonable, high fee responsibility resulted in the lowest level of perceived value, reaching the negative side of the spectrum. This finding points to the mediating effect that perceptions of fee reasonableness have on perceptions of fee responsibility. Although spectators' attachment may result in some leniency toward particular actions, fans will draw a line when they feel that their team is being unreasonable.

Theoretical and Managerial Implications

Theoretical implications point to a risk of sport teams damaging the relationship with their fans when using what consumers may perceive as unreasonable fees. The mediating effect of perceived fee reasonableness on perceptions of fee responsibility is novel within PP research. Although previous PP research had found that fee responsibility had an adverse reaction from consumers presented with PP offers, the present study found that this was the case only when the fees were deemed unreasonable. Therefore, the theoretical perspective presented by attribution theory appears to hold through in cases of PP only in particular settings. Similarly, the fact that there were no differences between groups experiencing different price levels, featuring a wide range of fee sizes, also contradicted previous findings. If nothing else, these findings highlight

the need for further PP research within sport, especially given that the bulk of PP research took place more than two decades ago, and previous results may not continue to hold. The present study also highlights that the comparison of PP scenarios can yield crucial findings that will further our understanding of this pricing strategy, beyond comparison to AIP ones.

From a managerial standpoint, careful consideration of potentially negative perceptions toward fees is of high relevance when deciding to implement PP strategies — considering that past research has pointed more extreme reactions toward increases of surcharges than increases in base prices. For example, raising the base price or the fee by $5 may result in the same rise in profitability, but illicit different reactions from the consumer. Clearly understanding that although spectators hold MLB teams responsible for fees, for the most part, these do not hurt the perceptions of value. However, once the spectator considers that surcharges have reached an unreasonable level, then perceptions of value toward offers drop significantly, suggesting that fans' attitudes toward teams may also be affected.

Limitations and Future Research

This study was exploratory within the sport management field; nevertheless, while grounded on sound theoretical foundations, it took an alternative approach to PP research. Past PP has primarily compared the effects of this pricing strategy to the alternative of AIP. Although that was the approach for study 1, based on the findings, it was considered of high importance to take a closer look at differences within PP offers, while accounting for consumers' perceptions toward the fees. The findings highlight the need for further exploration, given the effect that consumers' reactions toward surcharges may have on attitudes toward their favorite teams. The use of a hypothetical scenario can be a limitation to the current study. The use of MLB, as the con-

text consider, may also limit the translation of the results to other sports and sport levels. Furthermore, participants to select from three price levels with differing fee percentages, which makes it impossible to know if variances between groups result from differences in the base price, surcharge, or total price.

Future research may consider the manipulation of fee sizes across different price levels, to pinpoint which price element is affecting consumers' perceptions. Also, consideration of alternative sports, sport levels, and product/service would attest to the applicability of findings. Furthermore, instead of considering the effects of PP pricing on the final evaluation of a given offer, future studies may investigate reactions within the purchase itself. For example, seeking to understand if PP influences consumers' decision to adjust their seat selection in a given ticket purchase may provide valuable theoretical and managerial implications.

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APPENDICES

Appendix A

Advertisement posted on Amazon's Mechanical Turk to attract participants

Title: Study about Major League Baseball (MLB) ticket purchase.

Hello Major League Baseball Fan,

We are interested in learning more about your online purchasing experience when buying tickets to attend MLB games. Participants will not benefit from taking part in the study. Overall, we hope to gain information about MLB spectators to help sport marketers in the future. The following survey will take 5-10 minutes to complete.

Please follow the link to learn more.

Thank you for participating!

You must be 18 years of age or older to participate.

Appendix B

Consent Form

(First Page of Online Survey)

Georgia State University
Department of Kinesiology and Health

Documentation of Consent

Title: Partitioned Pricing in Sports: The Effects of Fees on Ticket Purchasers

Principal Investigator: Beth Cianfrone, Ph.D., Associate Professor
Student Principal Investigator: Armin Marquez, Ph.D. Student
Co-PI: Timothy Kellison, Ph.D., Assistant Professor

I. Purpose: You are invited to participate in a research study. The purpose of the study is to investigate Major League Baseball (MLB) spectators. You are invited to participate because you have reported to be a MLB spectator and at least 18 years old. A total of 2500 participants will be recruited for this study. Participation will require 5-10 minutes of your time to complete a survey.

II. Procedures: If you decide to participate, you will click NEXT to access the online 26 item questionnaire. The questionnaire asks your consumption of high school sports, motives to attend and purchase tickets, and takes approximately 5-10 minutes to complete.

III. Risks: In this study, you will not have any more risks than you would in a normal day of life.

IV. Benefits: Participation in this study may not benefit you personally. Overall, we hope to gain information about high school athletic directors to help sport marketers in the future.

V. Voluntary Participation and Withdrawal: Participation in research is voluntary. You do not have to be in this study. If you decide to be in the study and change your mind, you have the right to drop out at any time. You may skip questions or stop participating at any time. Whatever you decide, you will not lose any benefits to which you are otherwise entitled.

VI. Confidentiality: We will keep your records private to the extent allowed by law. The investigators (Beth Cianfrone, Armin Marquez, and Timothy Kellison) will have access to the information you provide. Information may also be shared with those who make sure the study is done correctly (GSU Institutional Review Board and the Office for Human Research Protection (OHRP)). We will use a study number rather than your name on sudy records. The information you provide will be stored on the principal investigator's password and firewall protected computer. Your name will not be asked on the questionnaire and other facts that might point to you

will not appear when we present this study or publish its results. The findings will be summarized and reported in group form. You will not be identified personally.

VII. Contact Persons: Contact Dr. Beth Cianfrone at 404-413-8362 or bcianfrone@gsu.edu if you have questions about this study. If you have questions or concerns about your rights as a participant in this research study, you may contact Susan Vogtner in the Office of Research Integrity at 404-413-3513 or svogtner1@gsu.edu.

Some respondents may not qualify to take this survey. In the case of disqualification, you will not receive a "SURVEY CODE." To avoid a "REJECTION" on MTurk, please do not submit random text in place of the survey code.

VIII. Copy of Consent Form to Subject: This waiver of documentation of consent form may be printed for your copy.

Statement of Age of Subject and Consent
By clicking 'YES' below, you indicate that:
* You are at least 18 years of age
* You have read the above information explaining this study
* You freely and voluntarily choose to participate in this research project

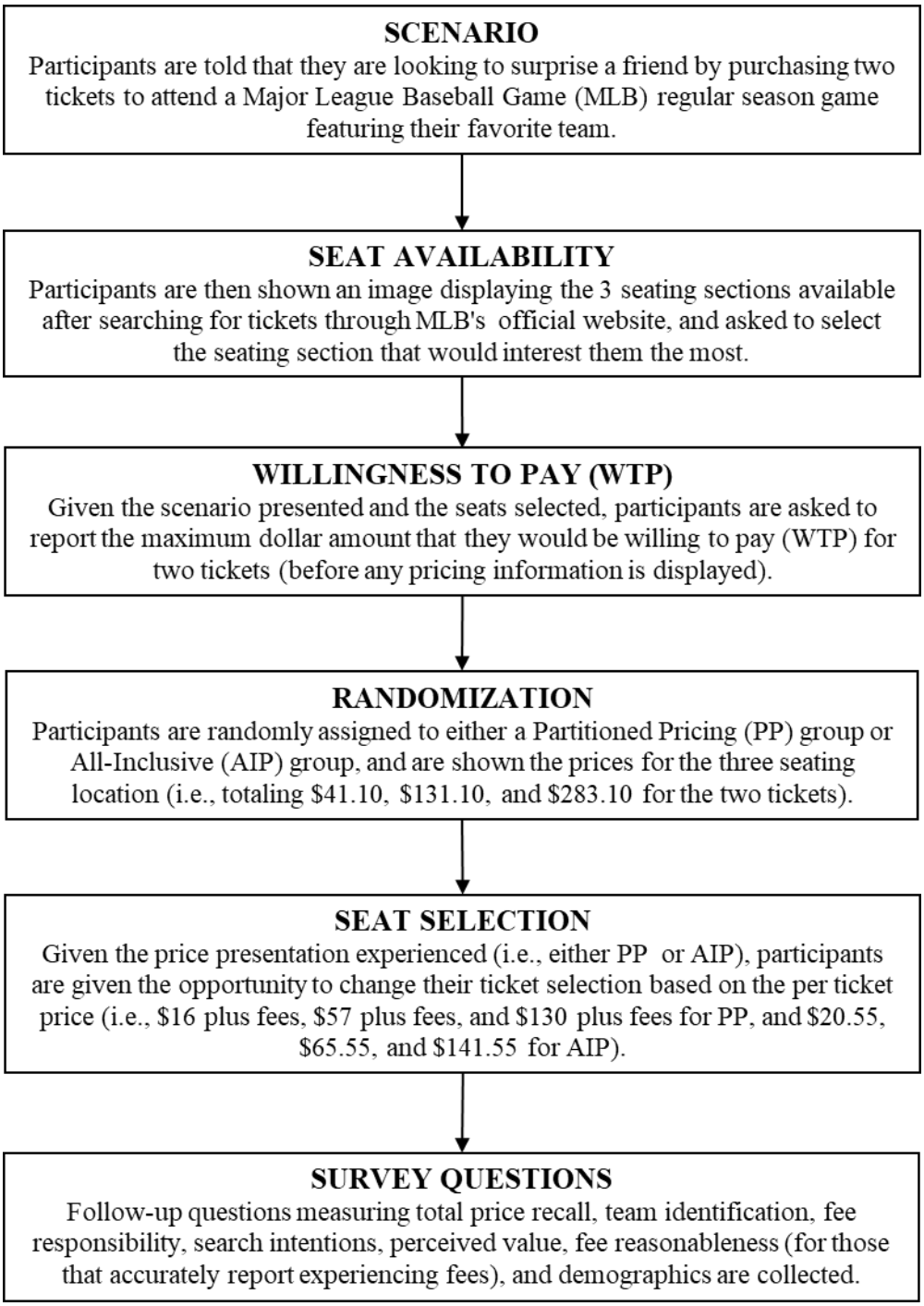
Appendix C

Survey Items

Construct	Adapted Scale	Source
Willingness to Pay	What is the maximum dollar amount that you would be willing to pay for two tickets for the seats selected? *Before price information was presented (dropdown ranging from $15 to $400 in one dollar increments)	Morwitz et al. (1998)
Search Intention	**How likely or unlikely would you be to:**	Grewal et al. (1998)
	Visit other websites to check their prices before deciding to purchase?	
	Visit other websites for a lower price before deciding to purchase?	
	Search for more information about alternative ticket prices before deciding to purchase?	
Perceived Value	**Generally speaking, the price for the two MLB tickets offered is:**	Wakefield & Barnes (1997)
	A bad buy – A good buy	
	Not worth the money – Worth the money	
	Too high for the quality of entertainment – Not too high for the quality of entertainment	
Fee Responsibility	**How much do you agree or disagree with the following statement:**	Schindler et al. (2005)
	I believe that MLB teams are profiting from the added fees associated with ticket purchases.	
	I believe that MLB teams are attempting to maximize their profits through the added fees associated with ticket purchases.	
	MLB teams are not at all responsible for the added fees associated with ticket purchases. (reverse coded)	
Team Identification	**How much do you agree or disagree with the following statement:**	Kim et al. (2013)
	I consider myself to be a "real" fan of my favorite MLB team.	
	I would experience a loss if I had to stop being a fan of my favorite MLB team.	
	Being a fan of my favorite MLB team is very important to me.	
Fee Reasonableness	Please rate the expense level of the fee presented in the ticket purchase scenario: Extremely low / Extremely high	Burman & Biswas (2007)
Demographics	Gender / Marital Status / Household Income / State / Zip Code	
Total Price Recall	The total price for the two MLB game tickets was: (dropdown ranging from $15.10 to $400.10 in one dollar increments)	Morwitz et al. (1998)
Fandom	Are you a MLB fan?	
	Have you ever attended a live MLB game?	
	What is the name of the MLB team located in the state of Georgia?	
	Who won the World Series in 2018?	
	Which is you favorite MLB team?	
Previous Attendance	How many MLB games have you attended during the 2019 season?	
Manipulation Check	Was there a fee associated with your purchase? (Study 2)	

Appendix D

Survey Sequence

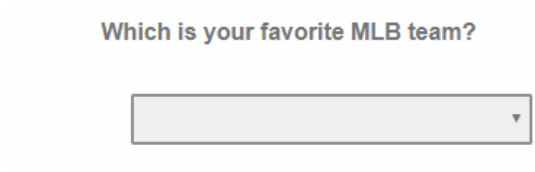


Appendix E

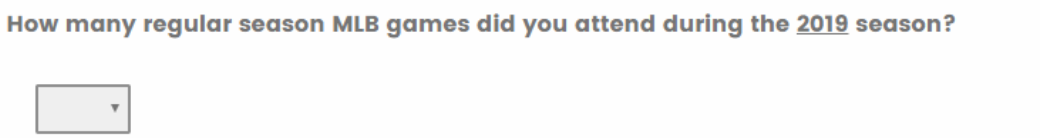
Survey Screens Experienced by Participants

Screen 1 – Fandom 1:

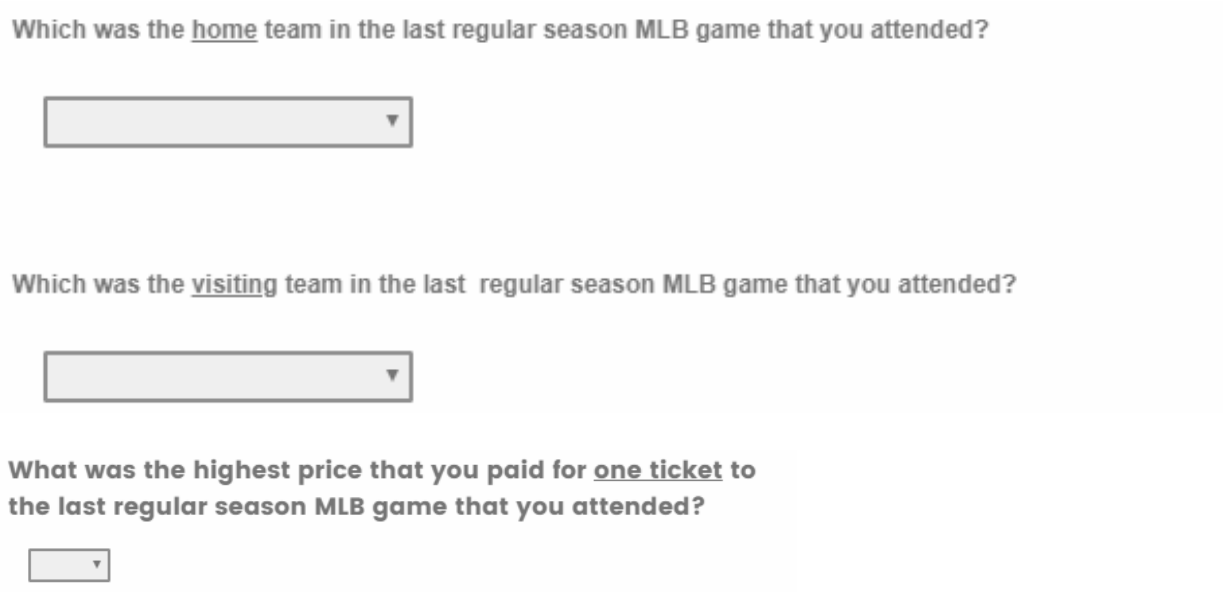
Screen 2 – Fandom 2:



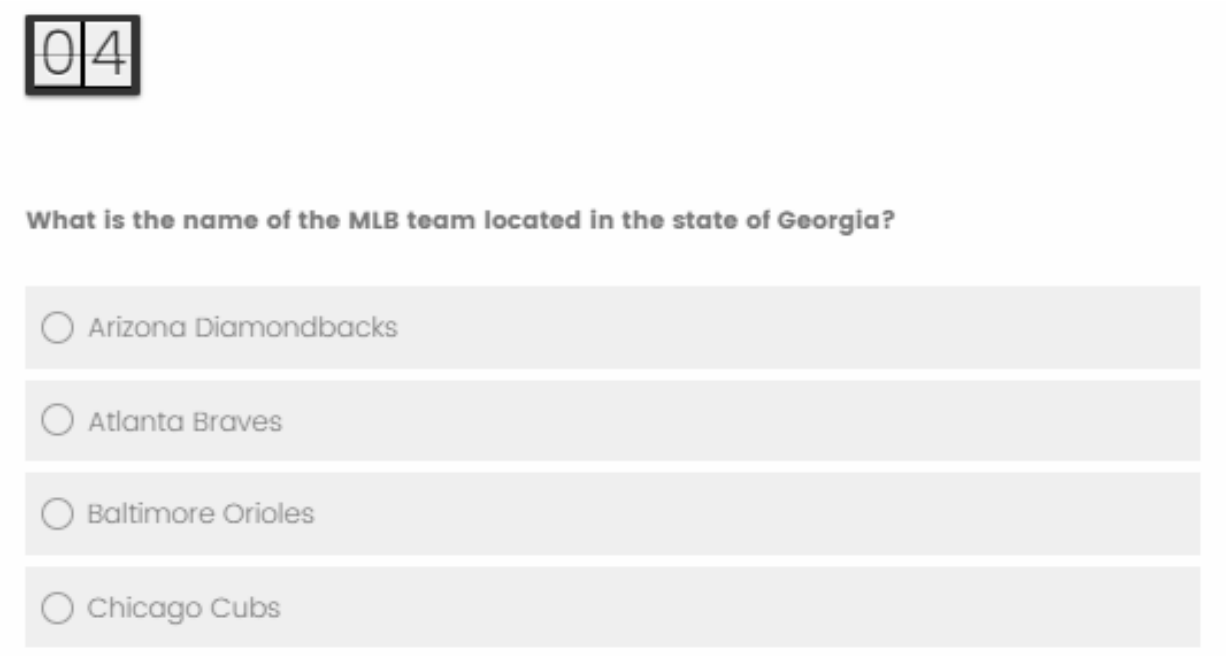
Screen 3 – Previous Attendance:



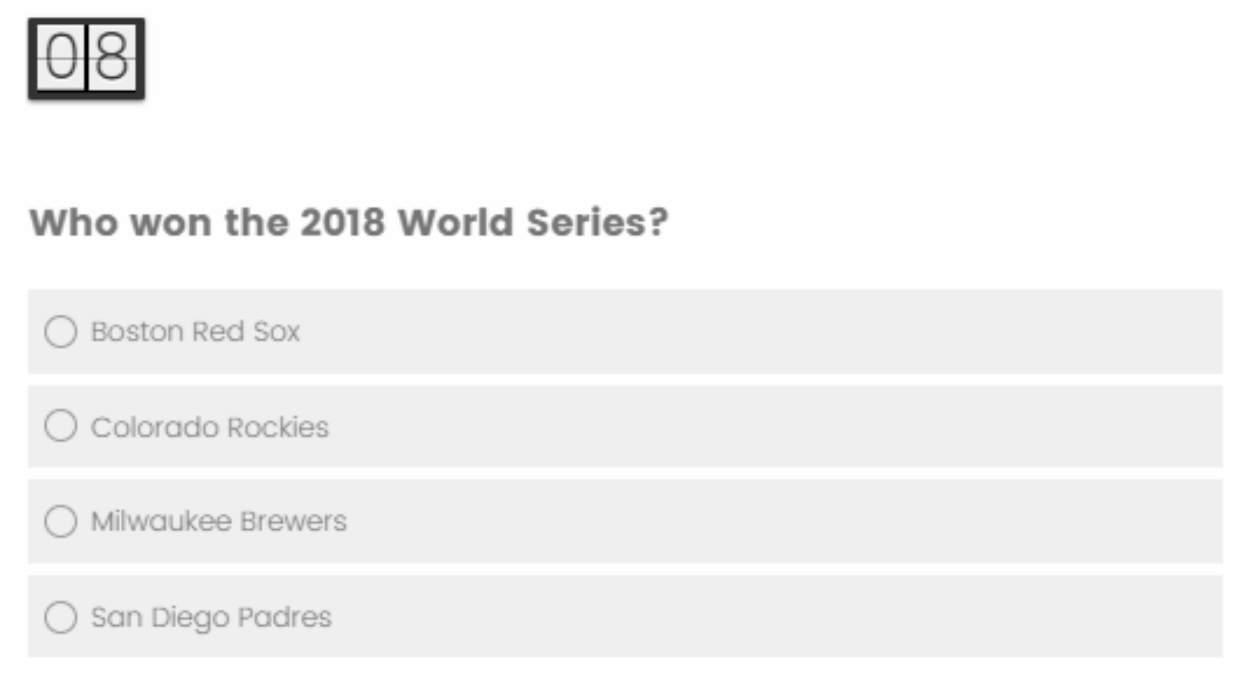
Screen 4 – Last Game Attended:



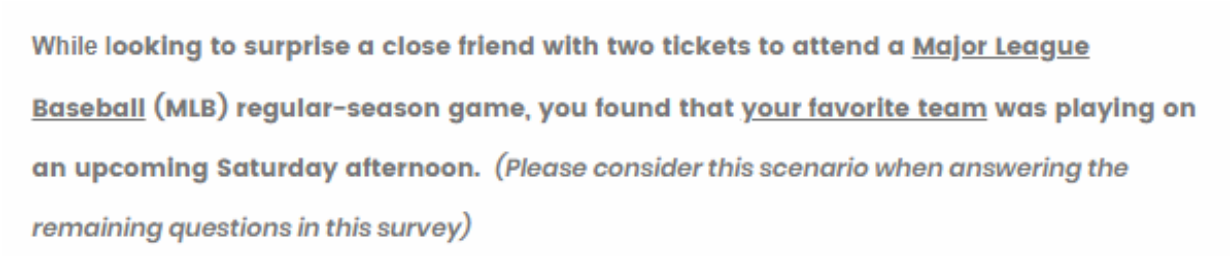
Screen 5 – Baseball Knowledge 1 (timed):



Screen 6 – Baseball Knowledge 2 (timed):

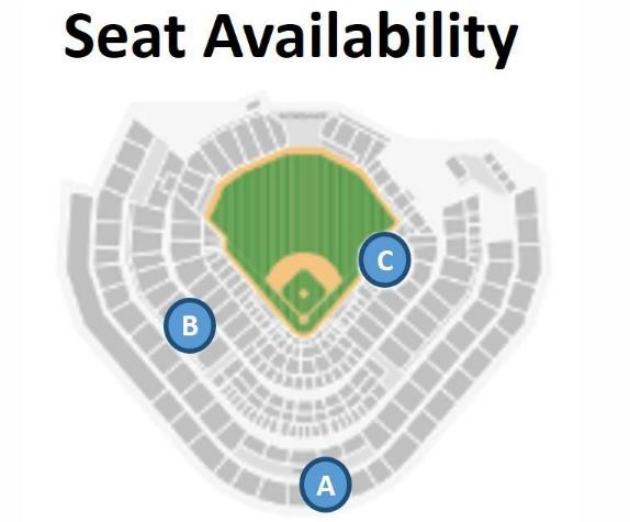


Screen 7 – Purchasing Scenario:



Screen 8 – Seating Options Available:

After an initial search for tickets you find that there are three main seating locations available:



Which seating location would you be most interested in purchasing?

- ○ A
- ○ B
- ○ C

Given the seating location selected, what is the maximum total dollar amount that you would be willing to pay for the two tickets?

▼

Screen 9.1 – All-Inclusive Pricing for Seating Options Available:

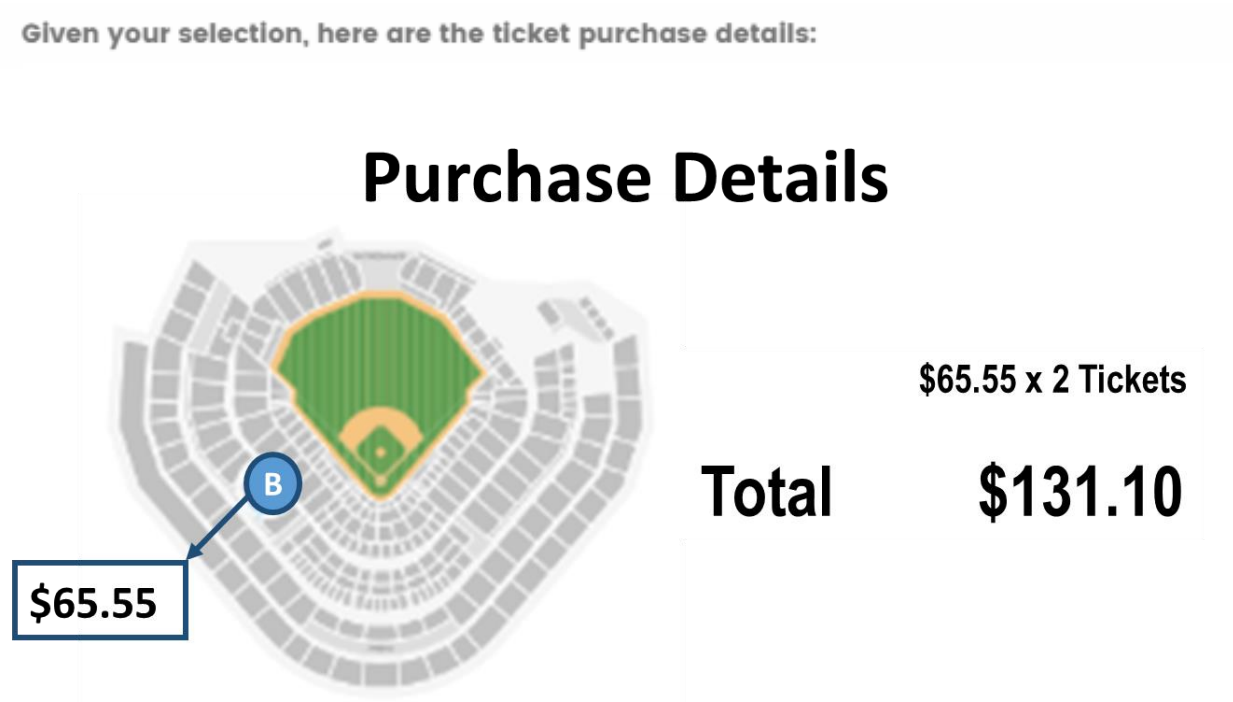
As you move forward with the purchasing process, you are presented with per ticket pricing for the three seating options available:

Please confirm which seat location you would be most likely to purchase given the price per ticket:

- ◯ A
- ◯ B
- ◯ C

Screen 9.1a – All-Inclusive Price Option A:

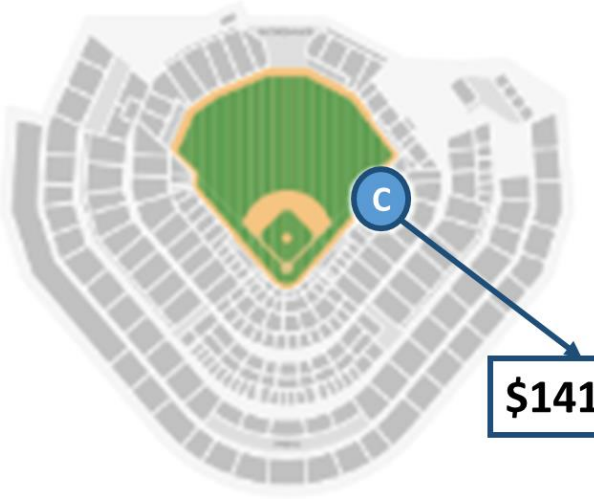
Screen 9.1b – All-Inclusive Price Option B:



Screen 9.1c – All-Inclusive Price Option C:

Given your selection, here are the ticket purchase details:

Purchase Details

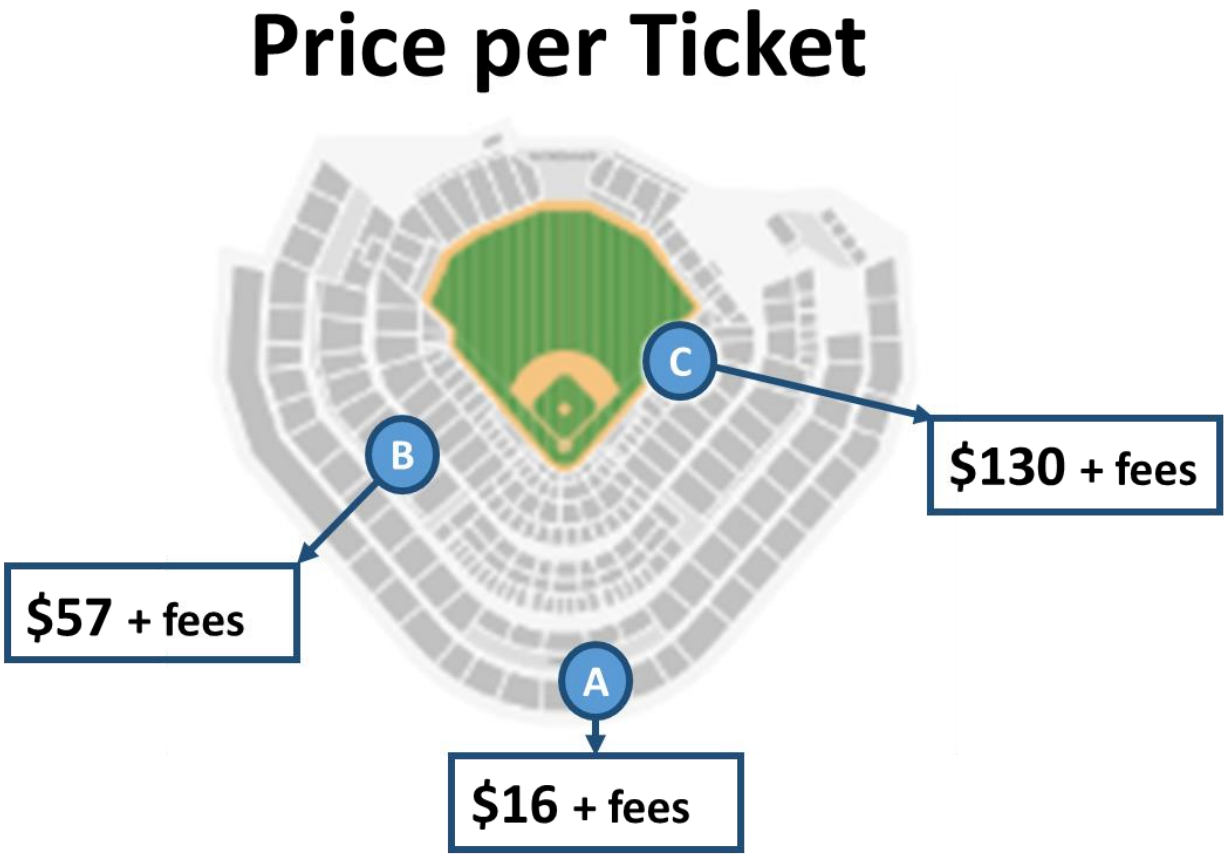


$141.55 x 2 Tickets

Total $283.10

Screen 9.2 – Partitioned Pricing for Seating Options Available:

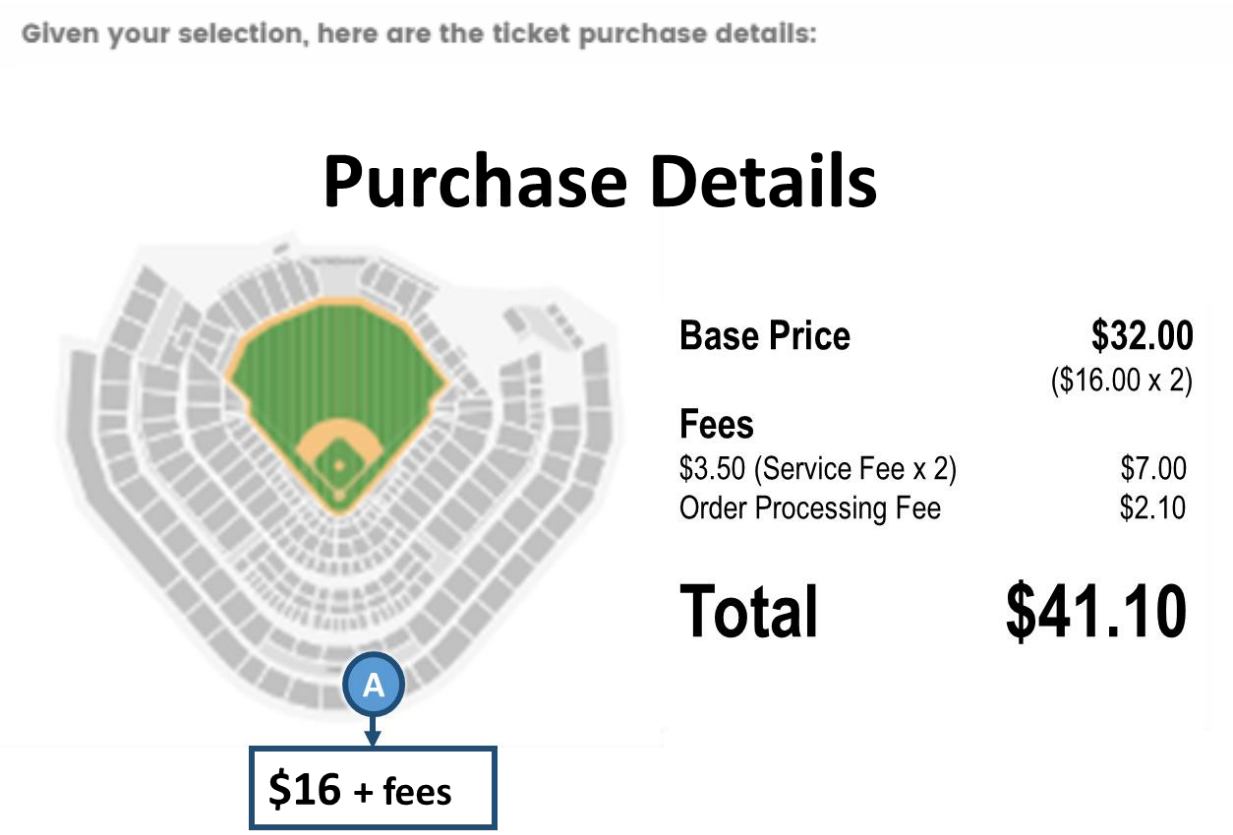
As you move forward with the purchasing process, you are presented with per ticket pricing for the three seating options available:



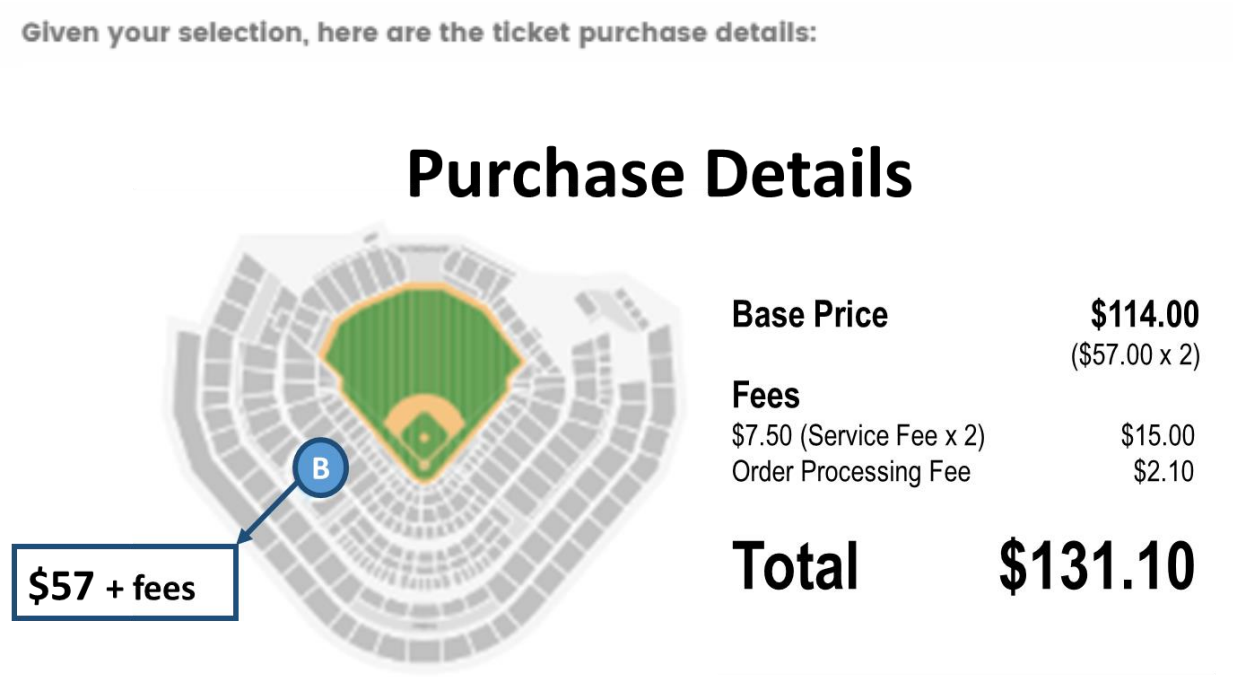
Please confirm which seat location you would be most likely to purchase given the price per ticket:

- ◯ A
- ◯ B
- ◯ C

Screen 9.2a – Partitioned Price Option A:



Screen 9.2b – Partitioned Price Option B:



Screen 9.2c – Partitioned Price Option C:

Given your selection, here are the ticket purchase details:

Screen 10 – Total Price Recall:

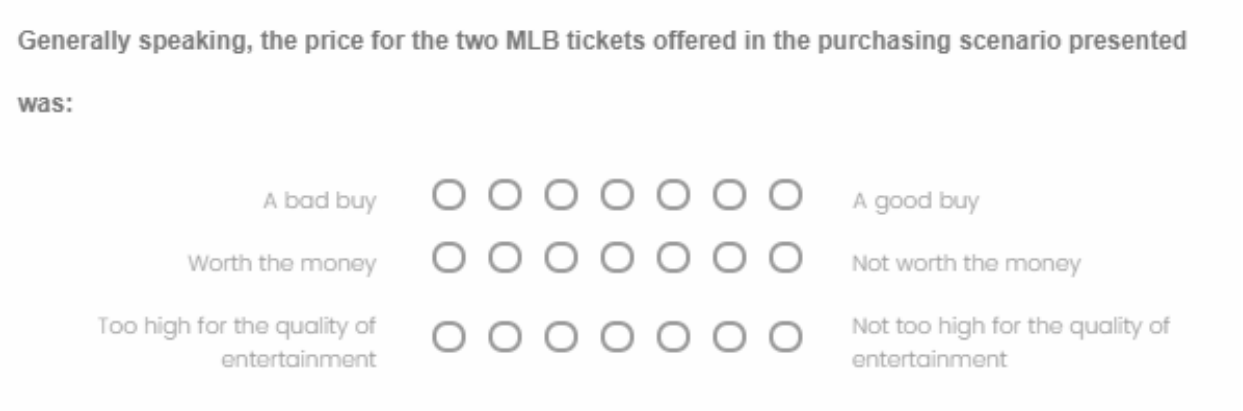
The total price for the two MLB game tickets selected was: *(total dollar amount)*

Screen 11 – Manipulation Check:

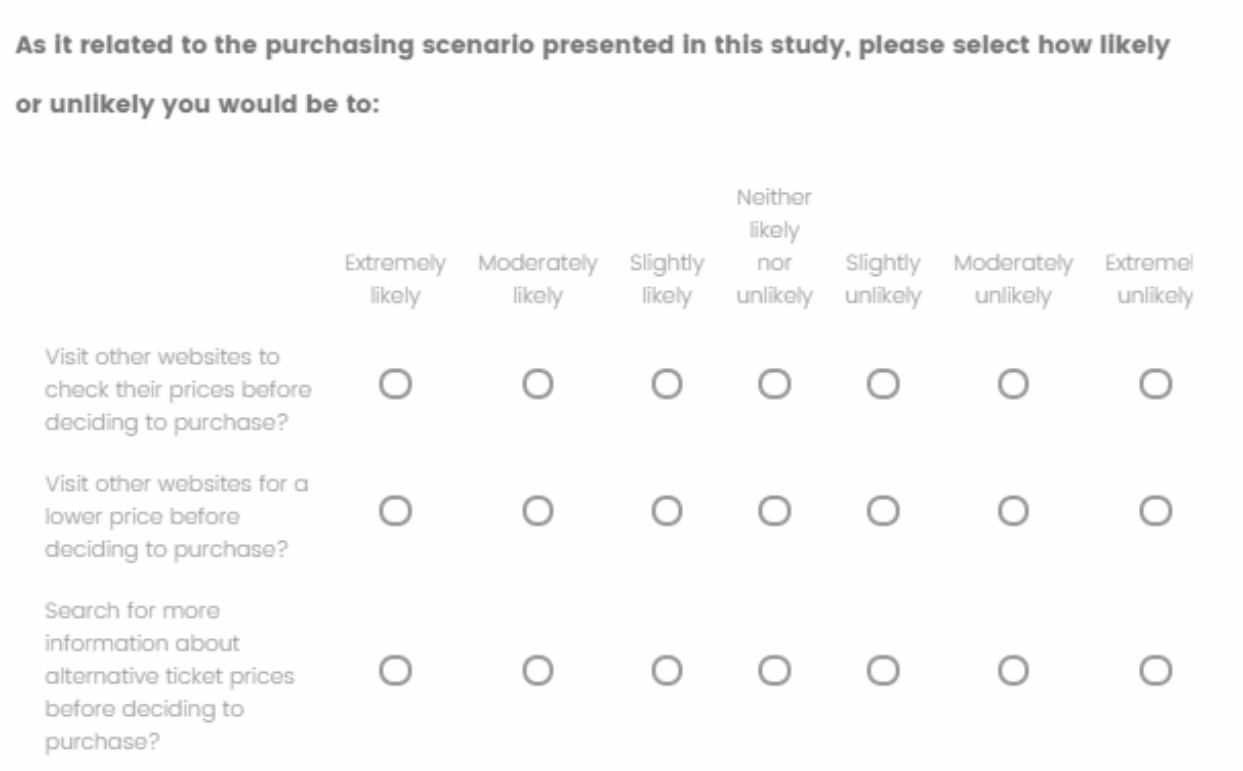
Was there a fee associated with your purchase?

- ○ Yes
- ○ No
- ○ I can't remember

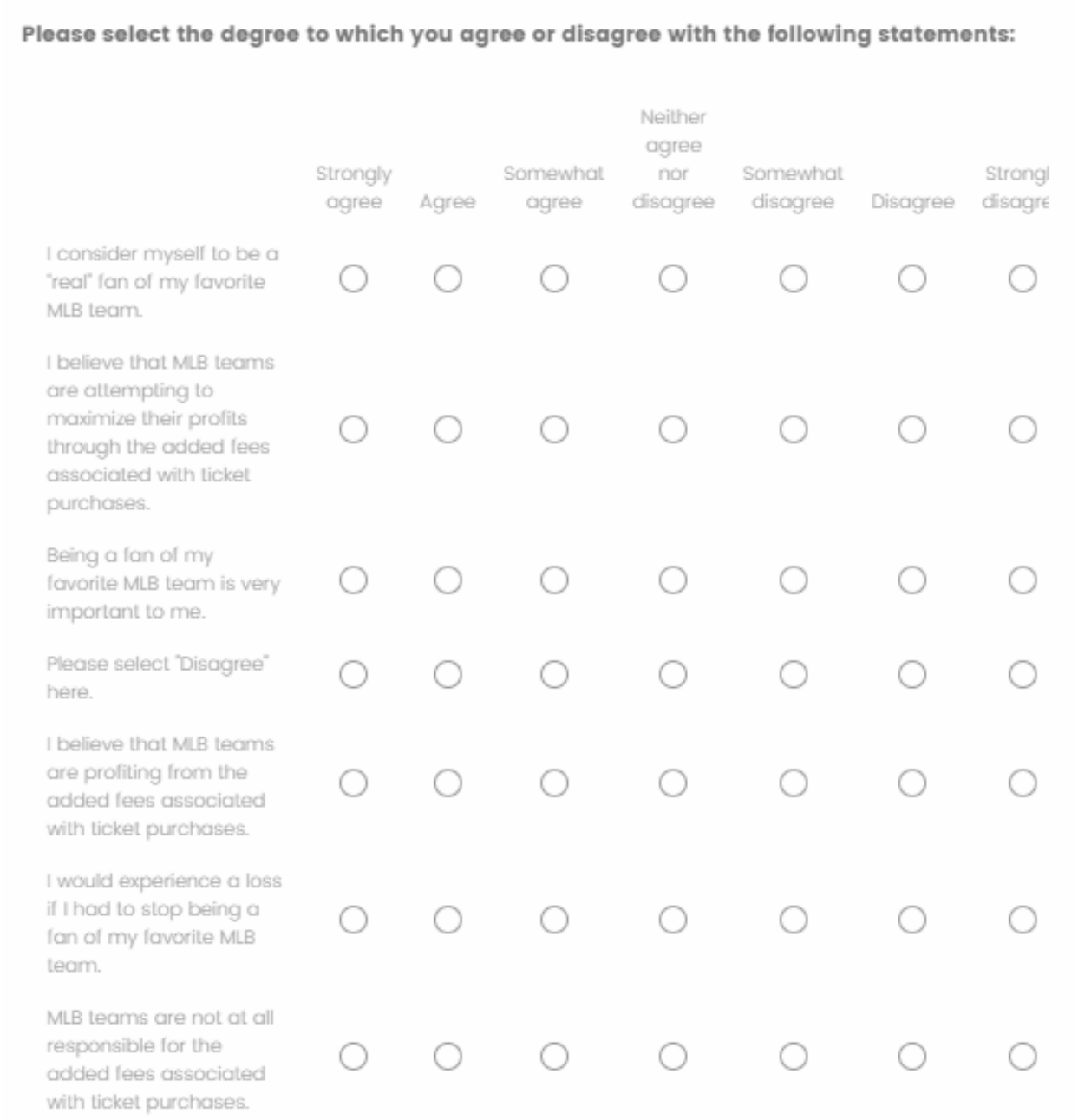
Screen 12 – Perceived Value:



Screen 13 – Search Intentions:



Screen 14 – Team Identification, Fee Responsibility, and Attention Check:



Please select the degree to which you agree or disagree with the following statements:

	Strongly agree	Agree	Somewhat agree	Neither agree nor disagree	Somewhat disagree	Disagree	Strongl disagre
I consider myself to be a "real" fan of my favorite MLB team.	○	○	○	○	○	○	○
I believe that MLB teams are attempting to maximize their profits through the added fees associated with ticket purchases.	○	○	○	○	○	○	○
Being a fan of my favorite MLB team is very important to me.	○	○	○	○	○	○	○
Please select "Disagree" here.	○	○	○	○	○	○	○
I believe that MLB teams are profiting from the added fees associated with ticket purchases.	○	○	○	○	○	○	○
I would experience a loss if I had to stop being a fan of my favorite MLB team.	○	○	○	○	○	○	○
MLB teams are not at all responsible for the added fees associated with ticket purchases.	○	○	○	○	○	○	○

Screen 15 – Demographics:

Marital status:

- ◯ Married
- ◯ Widowed
- ◯ Divorced
- ◯ Separated
- ◯ Never married

Household income:

- ◯ Less than $20,000
- ◯ $20,000 to $29,999
- ◯ $30,000 to $39,999
- ◯ $40,000 to $49,999
- ◯ $50,000 to $59,999
- ◯ $60,000 to $69,999
- ◯ $70,000 to $79,999
- ◯ $80,000 to $89,999
- ◯ $90,000 to $99,999
- ◯ $100,000 to $149,999
- ◯ $150,000 or more

Gender:

- ◯ Female
- ◯ Male
- ◯ Other
- ◯ Would rather not answer this question.

Ethnic identification:

- ◯ White
- ◯ Black or African American
- ◯ American Indian or Alaska Native
- ◯ Asian
- ◯ Native Hawaiian or Pacific Islander
- ◯ Other
- ◯ I wish to decline this question

Are you of Hispanic, Latino or Spanish origin?

- ◯ Yes
- ◯ No
- ◯ I wish to decline this question

State:

Zip Code: