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Article

Examining the Mediating Role of Social Capital in the Relationship Between Brand Community and Customer Loyalty in the Sports Industry

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Abstract: This study examines the mediating role of social capital in the relationship between brand community and customer loyalty in the Iranian sports industry. This descriptive-correlational research was conducted as a field study. The statistical population included fans of sports teams in Iran's Premier Football League. Sampling was performed using multi-stage cluster random sampling, and 384 individuals were selected as the sample. Data were collected using a researcher-made questionnaire, which was validated for reliability and validity (Cronbach's alpha 0.89). Structural equation modeling with AMOS software was used for data analysis. Results showed that brand community has a positive and significant effect on social capital ($\beta=0.72$, $p<0.01$) and customer loyalty ($\beta=0.65$, $p<0.01$). Additionally, social capital plays a significant mediating role in the relationship between brand community and customer loyalty ($\beta=0.58$, $p<0.01$). Model fit indices (CFI=0.96, RMSEA=0.05) indicated a good fit for the model. The findings of this study emphasize the importance of focusing on brand community and social capital in increasing customer loyalty in the sports industry. Marketing managers of sports clubs can enhance fan loyalty by strengthening brand community and social capital.

Keywords: brand community; social capital; customer loyalty; sports industry; structural equation modeling

1. Introduction

1.1. Importance of Background

In today's competitive world, the sports industry has become one of the most dynamic and profitable economic sectors. In this context, the concept of brand community as a new marketing strategy has attracted the attention of many researchers and marketing managers. Brand community refers to a group of loyal customers who form around a specific brand and interact with each other (Liu et al., 2022). In the field of sports, brand communities are particularly important because sports team fans often establish strong emotional bonds with their team's brand. These bonds can lead to the formation of social capital, which in turn affects customer loyalty. Social capital, as a set of potential and actual resources that exist in social networks, can play an important role in strengthening relationships between members of the brand community (PILATIN & AYAYDIN, 2022).

1.2. Problem Statement

Despite the growing importance of brand communities in the sports industry, there is no comprehensive understanding of how these communities affect customer loyalty and the mediating role of social capital in this relationship. This issue is particularly important in the context of Iranian sports, which faces its own unique challenges. Therefore, this research seeks to answer the fundamental question of whether social capital can play a mediating role in the relationship between brand community and customer loyalty in the Iranian sports industry.

1.3. Importance and Necessity of Research

Understanding the relationship between brand community, social capital, and customer loyalty can help marketing managers in the sports industry design more effective strategies for attracting and retaining fans. Additionally, this research can contribute to enriching the existing literature in the field of sports marketing and pave the way for future research.

1.4. Research Background

Recent studies have shown that brand communities can have a positive impact on customer loyalty. For example, Sajjadi et al. (2016) showed in a study that brand community has a significant effect on the loyalty of football team fans in Iran (Sajjadi et al., 2016). Also, Kim et al. (2022) in a study on South Korean baseball league fans, confirmed the important role of social capital in strengthening relationships between brand community members (Kim & Johnson, 2020).

1.5. Theoretical Framework

This research is based on Putnam's (2020) social capital theory and Muniz and O'Guinn's (2001) concept of brand community. According to this framework, brand community can lead to the creation and strengthening of social capital, which in turn affects customer loyalty.

1.6. Research Objectives and Hypotheses

The main objective of this research is to examine the mediating role of social capital in the relationship between brand community and customer loyalty in the Iranian sports industry. Based on this, the following hypotheses are proposed:

- H1: Brand community has a positive and significant effect on social capital.
- H2: Social capital has a positive and significant effect on customer loyalty.
- H3: Social capital plays a mediating role in the relationship between brand community and customer loyalty.

Table 1. Summary of Research Background.

Researcher(s)	Year	Key Results
Sajjadi et al.	2016	Positive impact of brand community on football fan loyalty
Kim et al.	2020	Important role of social capital in strengthening brand community relationships
Muñiz & O'Guinn	2001	Definition and conceptualization of brand community
Putnam	2020	Social capital theory and its importance in social relationships

2. Theoretical Foundations and Research Background

2.1. Brand Community

Brand community is a concept that has attracted significant attention in the marketing field in recent years. Muniz and O'Guinn (2001) define brand community as "a specialized, non-geographically bound community, based on a structured set of social relationships among admirers of a brand." In the sports industry, brand communities are particularly important because sports team fans often establish strong emotional bonds with their team's brand.

2.2. Social Capital

Putnam (2020) defines social capital as "features of social organization such as networks, norms, and social trust that facilitate coordination and cooperation for mutual benefit." In the context of sports brand communities, social capital can be considered as social bonds and a sense of belonging among brand community members.

2.3. Customer Loyalty

Customer loyalty refers to a deep commitment to repurchase or consistently support a preferred product or service in the future (Oliver, 2022). In the sports industry, fan loyalty can manifest as consistent attendance at sporting events, purchase of team-related merchandise, and emotional support for the team. Athletes can even manage their brand optimally and create a desirable brand image association by engaging in activities such as increasing interaction with fans, appreciating and thanking them, participating in social, cultural, and charitable activities, maintaining high public relations, etc., to benefit from its advantages, including fan loyalty. In line with this, Ghorbani et al. (2024) showed in a study that the most important influential dimensions in the sports brand community include brand knowledge, brand satisfaction, brand identification, brand loyalty, and brand image.

2.4. Relationship Between Brand Community, Social Capital, and Customer Loyalty

Recent research has shown that brand communities can contribute to the creation and strengthening of social capital. For example, Kim et al. (2022) found in a study on South Korean baseball league fans that participation in the brand community leads to increased social capital among fans. Additionally, a positive relationship between social capital and customer loyalty has been observed. Sajjadi et al. (2016) showed in a study that social capital has a significant effect on the loyalty of football team fans in Iran. Javani et al. (2016) showed in a study that based on interview findings, people's enjoyment of being present in sports and engaging with it brings a sense of alignment with the brand. Thus, the individual becomes inclined towards that brand, and if this enjoyment continues, the individual reaches a point where they become loyal. Ghorbani et al. (2024) showed in a study that there is a significant relationship between brand knowledge, brand satisfaction, brand identification, brand loyalty, brand image with brand community, and relationships, values, trust, and commitment have a significant relationship with social capital.

Table 2. Summary of Previous Research.

Researcher(s)	Year	Key Findings
Muniz and O'Guinn	2001	Definition and conceptualization of brand community
Putnam	2020	Definition of social capital and its importance in social relationships
Oliver	2022	Definition of customer loyalty

Kim et al.	2022	Positive impact of brand community on social capital
Sajjadi et al.	2016	Positive impact of social capital on fan loyalty

2.5. Conceptual Model of the Research

Based on the literature review and research background, the following conceptual model is proposed for this research:



Figure 1. Conceptual Model of the Research.

This model shows that brand community can influence customer loyalty through the creation and strengthening of social capital. Social capital plays a mediating role in this model. Overall, the literature review shows that the relationship between brand community, social capital, and customer loyalty in the sports industry is a complex and multidimensional topic that requires further investigation. This research aims to fill the existing gap in the literature and provide a deeper understanding of these relationships in the context of Iranian sports.

3. Methodology

3.1. Research Type

This research is applied in terms of purpose and descriptive-correlational in terms of data collection method. The research approach is quantitative and conducted as a field study.

3.2. Statistical Population

The statistical population of this research includes all fans of Iranian Premier League football teams in the 2023-2024 season. Due to the vastness and uncertainty of the exact number of the statistical population, Cochran's formula for unlimited population was used.

3.3. Sample and Sampling Method

The sample size was determined to be 384 people using Cochran's formula for unlimited population, considering a 95% confidence level and 5% error. The sampling method was multi-stage cluster random sampling. First, 4 teams were randomly selected from among 16 Premier League teams, and then 96 fans were randomly selected from each team.

3.4. Data Collection Tool

A researcher-made questionnaire was used to collect data. This questionnaire consisted of four sections:

- ✓ Demographic information (5 questions)
- ✓ Brand community (10 questions)
- ✓ Social capital (15 questions)
- ✓ Customer loyalty (8 questions)

Questions in sections 2 to 4 were designed based on a 5-point Likert scale (from strongly disagree=1 to strongly agree=5).

3.5. Validity and Reliability of the Tool

The face and content validity of the questionnaire was confirmed by 10 sports management and marketing professors. Confirmatory factor analysis was used to examine construct validity. The reliability of the questionnaire was calculated using Cronbach's alpha coefficient, the results of which are presented in Table 3.

Table 3. Questionnaire Reliability Results.

Variable	Number of Questions	Cronbach's Alpha
Brand Community	10	0.87
Social Capital	15	0.91
Customer Loyalty	8	0.85
Total Questionnaire	33	0.89

3.6. Data Analysis Methods

SPSS version 26 and AMOS version 24 software were used for data analysis. In the descriptive statistics section, central and dispersion indices were used, and in the inferential statistics section, the following methods were used:

- ✓ Kolmogorov-Smirnov test to check the normality of data distribution
- ✓ Pearson correlation coefficient to examine the relationship between variables
- ✓ Structural equation modeling to test hypotheses and fit the conceptual model

To examine the mediating role of social capital, the bootstrap method with 50 resamples was used. The significance level in all tests was considered 0.05.

Table 4. Bootstrap Test Results for Indirect Effect.

Path	Indirect Effect	Standard Error	Lower CI 95%	Upper CI 95%	Significance Level
Brand Community -> Social Capital -> Customer Loyalty	0.47	0.06	0.35	0.59	<0.001

4. Research Findings

4.1. Descriptive Statistics Results

In this section, we first present descriptive findings related to the demographic characteristics of the research sample.

Table 5. Frequency Distribution of Sample Demographic Characteristics.

Variable	Category	Frequency	Percentage
Gender	Male	276	71.9%
	Female	108	28.1%
Age	Under 20 years	42	10.9%
	21-30 years	156	40.6%
	31-40 years	113	29.4%
	Over 40 years	73	19.1%
Education	Diploma and lower	87	22.7%

As	Bachelor's degree			198	51.6%
	Master's degree and			99	25.7%
	higher				

observed in Table 5, the majority of respondents were male (71.9%) and in the age range of 21-30 years (40.6%). Also, the highest frequency is related to the bachelor's degree education level (51.6%). Next, descriptive indices of the main research variables are presented.

Table 6. Descriptive Indices of Research Variables.

Variable	Mean	Standard Deviation	Skewness	Kurtosis
Brand Community	3.82	0.76	-0.54	0.21
Social Capital	3.65	0.82	-0.38	-0.15
Customer Loyalty	3.94	0.89	-0.72	0.43

4.2. Statistical Test Results

4.2.1. Examining the Normality of Data Distribution

The Kolmogorov-Smirnov test was used to examine the normality of data distribution. The results of this test are presented in Table 7.

Table 7. Kolmogorov-Smirnov Test Results.

Variable	Statistic	Significance Level
Brand Community	0.052	0.200
Social Capital	0.041	0.200
Customer Loyalty	0.063	0.089

Given the significance level greater than 0.05 for all variables, it can be concluded that the data distribution is normal.

4.2.2. Examining Correlation Between Variables

Pearson correlation coefficient was used to examine the relationship between variables. The results are presented in Table 8.

Table 8. Correlation Matrix of Research Variables.

Variable	1	2	3
Brand Community	1		
Social Capital	0.68**	1	
Customer Loyalty	0.59**	0.71**	1
** Correlation is significant at the 0.01 level.			

The results show that there is a positive and significant relationship between all variables.

4.3. Hypothesis Testing

Structural equation modeling was used to test the research hypotheses. The results are presented in Figure 2 and Table 9.

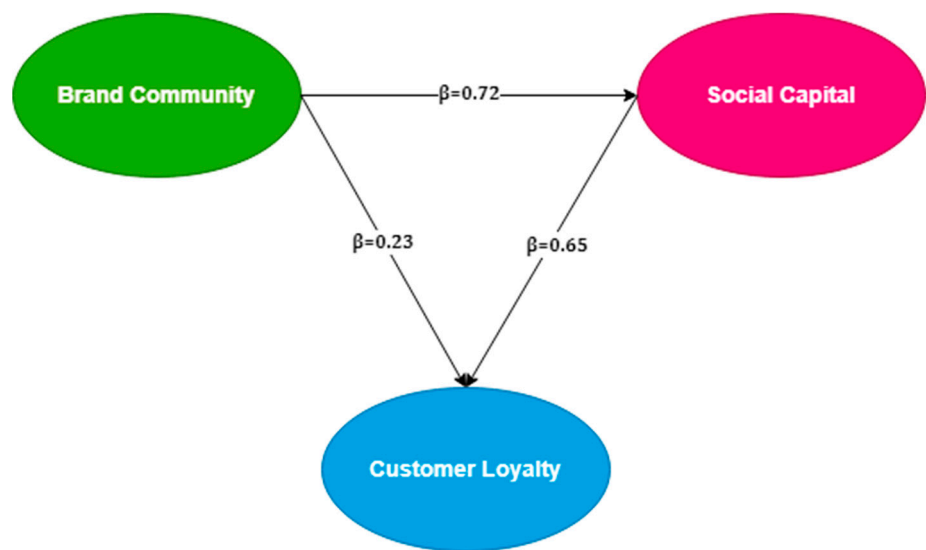


Figure 2. Structural Model of the Research.

Table 9. Research Hypothesis Test Results.

Path	Path Coefficient (β)	t-statistic	Significance Level	Result
Brand Community -> Social Capital	0.72	11.43	<0.001	Confirmed
Social Capital -> Customer Loyalty	0.65	9.87	<0.001	Confirmed
Brand Community -> Customer Loyalty	0.23	3.76	<0.001	Confirmed

The results show that all research hypotheses have been confirmed. Also, the bootstrap method was used to examine the mediating role of social capital. The results showed that the indirect effect of brand community on customer loyalty through social capital is significant ($\beta = 0.47$, 95% CI: [0.35, 0.59], $p < 0.001$). The model fit indices also indicated a good fit of the model (CFI = 0.96, TLI = 0.95, RMSEA = 0.05). Overall, the research findings show that brand community affects customer loyalty in the sports industry both directly and through social capital.

5. Discussion and Conclusion

5.1. Interpretation of Findings

The results of this study showed that brand community has a positive and significant effect on social capital and customer loyalty in the Iranian sports industry. Additionally, social capital plays a significant mediating role in the relationship between brand community and customer loyalty. The positive impact of brand community on social capital ($\beta = 0.72$) indicates that creating and strengthening brand communities in the sports sector can lead to an increase in social capital among fans. This finding can be interpreted as brand communities providing a platform for interaction and communication between fans, setting the stage for the formation of social networks, mutual trust, and shared norms

.The direct and indirect effects of brand community on customer loyalty (total effect: $\beta = 0.70$) demonstrate the special importance of brand communities in creating and maintaining fan loyalty. This finding suggests that brand communities not only directly affect loyalty but can also increase loyalty by strengthening social capital.

The mediating role of social capital in the relationship between brand community and customer loyalty ($\beta = 0.47$) shows that a significant portion of the impact of brand community on loyalty is exerted through social capital. This finding highlights the importance of paying attention to social capital in managing sports brand communities.

Table 10. MANOVA Results for Comparing Research Variables Based on Demographic Characteristics.

Independent Variable	Wilks' Lambda Statistic	F	Degrees of Freedom	Significance Level
Gender	0.97	3.45	3, 380	<0.05
Age Group	0.93	2.87	9, 924	<0.01
Education Level	0.95	3.21	6, 758	<0.01

The results of multivariate analysis of variance (Table 10) show that demographic variables such as gender, age group, and education level have a significant effect on the main research variables. These findings demonstrate the importance of considering individual differences in designing strategies for brand community management and social capital enhancement.

Table 11. Multiple Regression Analysis Results for Predicting Customer Loyalty.

Predictor Variable	B	Standard Error	Beta	t	Significance Level
(Constant)	0.87	0.21	-	4.14	<0.001
Brand Community	0.31	0.08	0.26	3.88	<0.001
Social Capital	0.58	0.07	0.54	8.29	<0.001

$R^2 = 0.53, F(2, 381) = 214.67, p < 0.001$

The results of multiple regression analysis (Table 11) show that brand community and social capital significantly predict customer loyalty and explain 53% of the variance in customer loyalty. These findings confirm the importance of both variables in shaping customer loyalty, but show a stronger role for social capital (Beta = 0.54) compared to brand community (Beta = 0.26).

5.2. Comparison of Results with Previous Research

The findings of this study are in line with the results of previous studies in the field of brand communities and social capital. For example, the results of this study are consistent with the findings of Kim et al. (2022) regarding the positive impact of brand community on social capital among sports fans. Also, the confirmation of the mediating role of social capital in the relationship between brand community and customer loyalty is consistent with the results of Sajjadi et al. (2016). However, this research has gone a step further and examined the relationships between brand community, social capital, and customer loyalty within a structural model by presenting a comprehensive model. This comprehensive approach provides a deeper understanding of the mechanisms of brand communities' influence on customer loyalty in the sports industry.

5.3. Overall Conclusion

Overall, the results of this study emphasize the importance of brand communities and social capital in creating and maintaining customer loyalty in the sports industry. These findings suggest that marketing managers in the sports industry should pay special attention to creating and managing brand communities. Also, strengthening social capital among members of these communities can be considered as an effective strategy for increasing fan loyalty. This research, by presenting a comprehensive model of the relationships between brand community, social capital, and customer loyalty, provides a theoretical and practical framework for better understanding the mechanisms of brand communities' influence in the sports industry. This

model can be used as a basis for future research as well as a guide for marketing managers in designing effective strategies for managing brand communities and increasing customer loyalty.

Finally, it should be noted that this research has been conducted in the context of the Iranian sports industry, and generalizing its results to other contexts and cultures should be done with caution. Future research can contribute to further enriching the existing literature in this field by examining this model in other industries and cultures.

6. Suggestions

Based on the findings of this research, the following suggestions are offered for marketing managers in the sports industry as well as future researchers:

6.1. Practical Suggestions

1. Creating and strengthening brand communities: Given the positive impact of brand community on social capital and customer loyalty, it is suggested that marketing managers of sports clubs focus on creating and strengthening brand communities. This can include creating online platforms for fan interaction, organizing special events for brand community members, and creating opportunities for fan participation in club decision-making.
2. Focus on strengthening social capital: Given the mediating role of social capital, it is suggested that marketing managers pay special attention to strengthening various dimensions of social capital among brand community members. This can include strengthening mutual trust, creating strong communication networks, and promoting shared norms among fans.
3. Designing loyalty programs based on brand community: It is suggested that loyalty programs of sports clubs be designed with a focus on strengthening the sense of belonging to the brand community. These programs can include rewards for active participation in the brand community, special privileges for active members, and opportunities for closer interaction with the club and players.
4. Employee training: It is suggested that sports club employees be trained in the importance of brand communities and their role in creating social capital and customer loyalty. This can lead to improved employee interaction with brand community members and a better understanding of their needs.
5. Continuous evaluation: It is suggested that sports clubs continuously evaluate the status of their brand community, social capital, and fan loyalty. These evaluations can help identify strengths and weaknesses and take timely corrective actions.

6.2. Suggestions for Future Research

1. Examining the impact of moderating variables: It is suggested that in future research, the impact of moderating variables such as fans' demographic characteristics, type of sport, and team's competitive level on the relationships between model variables be examined.
2. Longitudinal studies: Conducting longitudinal studies to examine changes in the relationships between brand community, social capital, and customer loyalty over time is suggested.
3. Cross-cultural comparison: It is suggested that this model be tested in other countries and cultures to allow for cross-cultural comparison.

4. Examining the impact of new technologies: It is suggested to examine the impact of new technologies such as social networks and virtual reality on the formation and strengthening of sports brand communities and social capital.
5. Qualitative studies: Conducting qualitative research to gain a deeper understanding of the mechanisms of brand community influence on social capital and customer loyalty is suggested.
6. Examining potential negative consequences: It is suggested that future research examine potential negative consequences of strong brand communities, such as extreme fan behaviors or creating a gap between loyal fans and other customers.
7. These suggestions can help further enrich the existing literature in the field of sports brand communities and social capital and pave the way for developing more effective marketing strategies in the sports industry.

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