

The Brand Equity of Los Angeles Lakers

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Abstract: Brand equity is a crucial component for sports teams in establishing their market position and generating revenue. The Los Angeles Lakers, one of the most successful franchises in the National Basketball Association (NBA), has maintained a strong brand image for decades. However, the factors contributing to their brand equity and its impact on fan loyalty and merchandise sales remain unexplored. Therefore, this study aims to investigate the brand equity of the Los Angeles Lakers and its significance to the team's marketing strategy. The research method is the literature review. The research topics included the identification of key brand attributes associated with the Lakers, the role of star players and team success in brand building, the impact of social media and fan engagement, and the relationship between brand equity and fan loyalty and merchandise sales. The research revealed that the Lakers' brand equity is built upon a unique combination of history, legacy, and success, as well as the team's association with star players and iconic logos. Social media and fan engagement were also identified as critical factors in maintaining and enhancing brand equity. The study also found that the Lakers' brand equity has a significant impact on fan loyalty and merchandise sales, providing valuable insights for the team's marketing strategy. In conclusion, this study provides a comprehensive understanding of the factors contributing to the brand equity of the Lakers and its significance in the team's marketing success.

Keywords: brand equity, Los Angeles Lakers, sport marketing

1. Introduction

The United States professional sports leagues have become major economic players, generating billions of dollars in revenue. The impact of sports leagues on economics has been studied extensively, as researchers seek to understand the complex relationship between sports and economic development. One of the NBA's most well-known and successful teams is the Los Angeles Lakers, and the league as a whole has developed into a brand that is recognized all over the world. Over the years, more viewers have tuned in to watch their favorite teams battle, demonstrating the sport's growing popularity. From ticket sales and merchandise to broadcasting rights and tourism, sports leagues have a significant influence on various industries, creating jobs and boosting infrastructure.

The NBA (National Basketball Association) is a professional basketball league in North America that features 30 teams, including 29 from the United States and one from Canada. The NBA is widely considered the premier basketball league in the world, featuring some of the best players from around the globe. The Los Angeles Lakers are a basketball team that plays professionally and is based in Los

Angeles, California. They are a part of the Western Conference Pacific Division of the National Basketball Association (NBA). The team was established in 1947 and was originally based in Minneapolis, Minnesota, before moving to Los Angeles in 1960.

As a brand, the Lakers are synonymous with success, glamour, and star power. Their iconic purple and gold jerseys are instantly recognizable, and the team's history of success has made them a symbol of excellence in the NBA. The Lakers are also one of the most valuable franchises in the league. In the 2022–23 NBA season, the Los Angeles Lakers are predicted to bring in the most money, exactly \$316 million [1]. In the 2021/22 season, the Los Angeles Lakers' revenue totaled 465 million US dollars. This represented an increase of 47% compared to the previous season, when the National Basketball Association franchise's expected income stood at 316 million US dollars [2].

The emotional bond that fans have with their favorite teams and athletes is known as fandom, and it has a big impact on the economy. Revenues from products, tickets, and advertising are all fueled by fandom. The fervor and devotion of fans to their teams can have a significant impact on their brand's reputation and financial performance.

The purpose of this study about analyzing Los Angeles Lakers in brand equity aspects is to understand how the team as a brand operates and designs the marketing strategies, especially for maintaining and explore fandom. This paper will also analyze the team situation for evaluate the overall performance of Lakers in a brand perspective.

2. Team Background

2.1. Team History

With a long history of excellent players, successful coaches, and standout events, the Los Angeles Lakers are one of the most prosperous teams in NBA history. The team's success on the court has helped make basketball a popular sport in Southern California, and their involvement in philanthropic efforts has made them an important part of the community. The Lakers continue to be a dominant force in the NBA and are expected to be competitive for years to come.

The Lakers are regarded as one of the most successful teams in NBA history and have a long history. Together with the Boston Celtics, the team has won 17 NBA titles, which is the most of any franchise. Moreover, the team has made it to the NBA Finals 32 times, which is the second-highest number in NBA history. The Lakers has been famous for the “Showtime”, which made the Lakers a dominant and iconic team in the NBA during the 1980s. Led by legendary players like Magic Johnson, Kareem Abdul-Jabbar, James Worthy, and others, the team was known for their fast-paced, high-scoring style of play, and their entertaining performances on the court. From 1996 to 2004, Kobe Bryant and Shaquille O'Neal teamed up while playing for the Los Angeles Lakers. In 2000, 2001, and 2002, the Lakers claimed three NBA titles. After rebuilding, the Lakers won another back-to-back NBA championships in 2009 and 2010, led by Kobe Bryant and Pau Gasol.

2.2. Team Culture

The Los Angeles Lakers have a culture that values excellence, commitment, and enthusiasm. The group has a long record of achievement and is renowned for its dedication to victory and ability to assemble championship-caliber squads. The Lakers are recognized for their ability to draw in top talent and for fostering an environment that encourages growth and development. The group places a high importance on a commitment to excellence, teamwork, and hard work. The Lakers are renowned for their dedication to the neighborhood and for using their influence to improve the world. The Lakers' culture is one of innovation and tradition, striking a balance between the team's rich heritage and its readiness to change and grow to stay competitive in a league that is always evolving.

The Los Angeles Lakers' official team colors are purple, gold, and white. Their jerseys typically feature a gold or white base with purple accents, and they also have alternate jerseys that feature predominantly purple or gold colors. In recognition of some of their finest players and personalities, the Los Angeles Lakers have erected a number of statues for: Magic Johnson, Jerry West, Shaquille O'Neal, Elgin Baylor, Kareem Abdul-Jabbar, and the broadcaster Chick Hearn.

2.3. Current Situation

After Kobe Bryant's retirement, the Lakers started the rebuild plan by getting the second pick of 2016, drafting Brandon Ingram from Duke University. In 2018, the Lakers signed LeBron James for a 4-year contract, and the team traded 3 players including Brandon Ingram and another 3 first-round picks with another top player Anthony Davis in the following year. The Lakers was invited to the Bubble in Orlando and won the 2020 NBA title, the 17th NBA title of the team.

3. Team Brand Equity Analysis

3.1. Brand Equity

The Los Angeles Lakers are among the most well-known sports teams in the NBA, appealing to a wide range of fans and benefiting from successful marketing strategies based on analysis of their brand equity. According to Kapferer's argument, brands serve multiple purposes that correspond to various benefits offered to consumers [3]. As a brand, the Los Angeles Lakers hold a strong brand equity and are widely recognized and valued within the sports industry worldwide. The team operation and marketing strategies perform significantly and essentially for its brand image. Keller's definition of brand equity describes the marketing outcomes specifically attributed to a brand, providing it with strength and power [4]. Four aspects significantly affect brand equity: brand loyalty, perceived quality, associations/image, and brand recognition [5]. If a team does well in any of these areas, it can be considered to have a strong brand [5].

3.2. Brand Awareness

Because of their success and media exposure, the Lakers have strong brand awareness. The Lakers have won 17 NBA championships, which is the most champions in NBA history. The Lakers have become a household name in the United States and in other nations thanks to this level of success. In addition to numerous NBA games, playoffs, and championships, they have appeared in other media outlets, including movies, TV shows, and social media. The appropriate marketing promotions using social media such as Instagram and Twitter are significant for the Lakers to increase awareness to existing and potential customers. The consumer purchase decision and social media content marketing have a moderately positive significant relationship, which means that if consumers are well informed about the brand, they are more likely to make a purchase decision because knowledge allows them to dispel their doubts about the brand [6]. As a matter of fact, the Lakers has the most followers on social media, including Instagram, Twitter, and etc. Also, the team's colors of purple and gold, as well as their logo, are readily recognized. In the first half of 2022–2023, the Lakers had the highest apparel sales in the NBA. The Lakers are regarded as a high-end and aspirational brand, which contributes to their solid brand equity. For Lakers goods, tickets, and even the chance to meet players, fans are ready to pay a premium.

3.3. Perceived Quality

Perceived quality is vital to the Los Angeles Lakers' brand equity. Fans and customers can recognize the Lakers' distinctive brand identity right away, which raises the team's perceived quality as the

quality can affect how fans and consumers view the team's performance, products, and overall brand value. It has been discovered that perceived quality and brand trust play a crucial mediating role in the relationship between customers' brand experiences and brand loyalty [7]. The purple and gold color scheme of the team, its emblem, and its apparel are all distinctive and linked to the Lakers, giving them an air of exclusivity and superiority. Fans have a strong desire for the team's branded apparel, including jerseys, hats, and other items, which raises their perception of the team's quality. The Lakers' on-court performance, devoted fan base, and distinctive brand identity all contribute to the perception that their stuff is of high quality, which in turn contributes to the strong demand for Lakers goods. Therefore, the Lakers built a stabilized framework for itself as a brand to maintain the existing fans.

3.4. Brand Association

Brand equity, which refers to the mental and emotional associations that consumers form with a brand, includes brand association as a key component. Brand association is extremely important to the Los Angeles Lakers' brand equity because it affects how supporters and customers view the club and its merchandise. The Lakers have a strong brand association because of their distinctive brand identity, lengthy history, and devoted fan base. As an illustration, the Lakers' distinctive purple and gold color scheme is linked to the team's brand and is easily recognized by supporters and customers. This color palette is also employed on the team's products, giving fans who wear Lakers clothing a sense of exclusivity and brand affiliation. Both common and differentiated aspects of brand personality have a favorable impact on team prestige and distinctiveness [8]. The Lakers' affiliation with famous players and owners like Magic Johnson and Kobe Bryant has also helped to build their brand recognition. These well-known people are linked to the team's success and have forged a deep emotional bond with customers and fans.

3.5. Brand Loyalty

Through a variety of variables, including their on-court success, star power, fan engagement, and community involvement, the Los Angeles Lakers have been able to sustain brand loyalty over the years. Basketball's best stars, including as Kobe Bryant, Magic Johnson, Kareem Abdul-Jabbar, and LeBron James, have all been drawn to the Lakers in the past. These players contribute highly skilled talent to the club and enthusiasm and fan loyalty. Brand loyalty, brand trust, and perceived quality all benefit directly from brand experience [7]. The Lakers have a sizable and devoted fan following, and the team has made a concerted effort to interact with them both outside and online. The club hosts a variety of events to interact with its fans and promote a sense of community, including fan fests, open practices, and meet-and-greets with players. The Lakers are dedicated to supporting underprivileged youngsters in Los Angeles through initiatives like the Lakers Youth Foundation. Fans become more amiable and loyal to the club as a result of this dedication to social responsibility.

4. Suggestions

Using social media sites like Twitter, Instagram, and Facebook is one of the simplest and most affordable ways for the Lakers to achieve a higher level of market position. Social media is a very effective tool that the Lakers may use to engage with their audience and foster brand loyalty. The more frequently businesses engage in social media marketing, the higher the level of brand awareness and purchasing potential will be [9]. The Los Angeles Lakers can be recognized by more people, which leads to a further exploration of potential fans. The results of expanding fandom, increasing purchasing potential, can be directly related to brand promotion via social media. The Lakers should provide dynamic and interesting social media material that appeals to their followers in order to

achieve this. The team is able to make movies of the athletes in action or publish player statistics, highlight reels, and inspirational sayings. To promote fan contact and engagement, the team might also hold fan surveys, prizes, and competitions.

Partnering with social media influencers is another approach to raise the Lakers' brand equity. Influencers can assist the Lakers in reaching a larger audience because the influencers have big social media followings. The Lakers might collaborate with influencers who have a sizable fan base in the basketball world to accomplish its goal of promotion. Compared to consumers exposed to standard celebrity brand posts, Instagram celebrity brand posts because consumers to feel more jealous of the source, demonstrate a more positive attitude toward the endorsed company, and feel a greater social presence [10]. For instance, the team might collaborate with basketball experts, commentators, or bloggers who have a sizable social media following. These celebrities might help the Lakers brand by providing content about the team on their social media pages or by going to games and posting about their experiences.

The Lakers may boost brand equity by organizing fan-friendly community-based events. The Lakers' brand values, such as cooperation, leadership, and volunteerism, could be the focus of these live or online events. For instance, the Lakers may organize a basketball competition to benefit a neighborhood charity. The team could even hold virtual watch parties for Lakers games or virtual activities like Q&A sessions with players or coaches. These activities would assist the Lakers reach more people and broaden their fan base in addition to helping them create a vibrant community around their brand.

5. Conclusion

The purpose of the study is to understand how Los Angeles Lakers manage and operate the team as a brand and analyze the methods the team uses for brand equity. It has examined the team's brand awareness, perceived quality from fandom, brand association with fans, and customers' brand loyalty. This study has shown that the Los Angeles Lakers utilizes social media to promote events and products to increase awareness to fans. It argues that the Lakers provides high quality events and products to the customers, including sponsorship, which builds up brand image for customers. Another major finding is that the Lakers creates connections with fans, improving team identifications and marketing. This study highlights the importance of marketing strategies of sport team and how the Lakers maintain and explore fandom. Theoretically, it discusses analysis of the brand equity structure. In practice, it provides insights for application of tools for marketing of a professional basketball team, and it emphasizes the importance of creating high quality brand images. This study considers several limitations, the concentration on a single basketball team, and the dependence on self-reported statistics. Future studies should make use of a bigger sample size and more accurate brand equity metrics, including sales information or social media engagement metrics. Examining the effect of external influences, such as modifications to NBA rules or regulations, on a team's brand equity is another potential area for future research. Overall, this study offers insightful information about the Los Angeles Lakers' marketing tactics and the significance of brand equity in the sports sector. The shortcoming of this study is that it does not apply the model to evaluate and calculate the brand equity of the Lakers. Future research can further analyze on this basis.

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