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The Influence of Cristiano Ronaldo's Individual Record Achievements on Sponsor Firms' Abnormal Stock Returns: A Case Study of Nike and Herbalife

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Abstract: This study analyzes the influence of Cristiano Ronaldo's individual record achievements on the abnormal stock returns of sponsoring companies, focusing on Nike and Herbalife as case studies. The phenomenon of elite athlete endorsement has become a common practice in corporate marketing strategy; however, the literature remains limited in explaining the mechanism through which positive athletic performance affects shareholder value. This research employs a qualitative approach with a multiple-case study design. Data were collected through in-depth interviews with 12 informants comprising financial analysts, sports marketing experts, and retail investors, as well as document analysis of financial reports, analyst reports, and media coverage from the 2017–2023 period. The findings reveal that Cristiano Ronaldo's individual record achievements exert an asymmetric influence on abnormal stock returns: Nike demonstrates a positive response characterized by increased trading volume and investor sentiment, whereas Herbalife shows no significant response. Four key moderating factors are identified: brand-athlete congruence, investor profile, framing in analyst reports, and macroeconomic context. This study concludes that the effectiveness of athlete endorsement in creating shareholder value is not automatic but depends heavily on the alignment between the athlete's image and the sponsor's brand identity. The theoretical implication extends congruence theory into the domain of behavioral finance, while the practical implication guides corporate management in evaluating endorsement investments.

Keywords: *Abnormal Return, Athlete Endorser, Cristiano Ronaldo, Brand Congruence, Case Study.*

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INTRODUCTION

The global sports endorsement industry has evolved into an economic ecosystem valued at billions of US dollars. Elite athletes such as Cristiano Ronaldo, Lionel Messi, and LeBron James function not merely as sports icons but as brand ambassadors whose influence transcends geographic and demographic boundaries. Cristiano Ronaldo, one of the most influential figures in sports history, derives substantial annual endorsement income from a sponsor portfolio that includes Nike, with a lifetime contract valued at over one billion dollars, and Herbalife, which has been an official partner since 2016. This phenomenon reflects an industry-wide belief that association with star athletes can transfer emotional and reputational value from the athlete to the brand, ultimately affecting corporate financial performance.

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Nevertheless, this belief encounters a serious challenge when confronted with a fundamental question: Does individual athletic performance actually generate measurable increases in shareholder value? Previous studies have produced ambiguous and even contradictory results. On the one hand, research by Farrell et al. (2000) on Tiger Woods demonstrated that tournament victories are positively correlated with sponsors' abnormal stock returns. On the other hand, studies of football player transfers have yielded inconsistent findings, with some research identifying significant effects while others find none (Fizel et al., 2008). Furthermore, research on the alleged rape scandal involving Cristiano Ronaldo during 2018–2019 documented substantial financial losses for sports-related sponsors, with cumulative abnormal returns reaching negative 25.2 percent for Juventus (Kleinhans, 2019).

A more fundamental research gap emerges from the fact that nearly all existing literature focuses on two types of events: first, negative events such as scandals and controversial behavior, and second, endorsement contract announcement events. Recent research by Putra and Wibowo (2022) systematically demonstrates that amoral behavior scandals do not always cause significant losses, whereas social activism produces substantial negative abnormal returns. Meanwhile, studies examining the influence of positive performance—particularly rare, monumental individual achievements—remain extremely limited. From a theoretical perspective, the impact of positive performance may differ fundamentally from that of negative events or announcement events, as it involves distinct psychological mechanisms such as pride, inspiration, and celebrity admiration.

Furthermore, the dominance of quantitative event-study approaches in the athlete endorsement literature represents a significant limitation. Although this approach excels at measuring abnormal return with precision, it cannot explain why and how a given event influences investor perception. As Singh (2017) acknowledges, event studies frequently yield statistically non-significant or even contradictory findings, without the capacity to trace the causes underlying those results. Qualitative research capable of capturing the processual and contextual nuances of this phenomenon remains exceptionally rare.

Based on a systematic literature review, three principal research gaps remain. First, the dominance of quantitative approaches has not yet elucidated the causal mechanisms linking athletic performance to stock returns. Second, the literature focuses almost exclusively on negative or administrative contexts, while the context of peak positive performance—individual record achievements—remains virtually untouched. Third, there is minimal attention to qualitative moderating factors such as brand fit, investor profile, and media framing.

The urgency of this research is theoretical, practical, and methodological. Theoretically, this study is needed to test the boundary conditions of congruence theory and signaling theory in a previously unexamined context: individual record achievements. In practice, sponsoring companies invest billions of dollars on the assumption that positive athletic performance will enhance brand value and ultimately shareholder value. Misunderstanding this mechanism may lead to inefficient resource allocation. Methodologically, this study offers an alternative to the dominance of event-study approaches by employing a qualitative approach that captures processual and contextual nuances.

Based on the foregoing discussion, this study aims to: (1) explore the influence of Cristiano Ronaldo's individual record achievements on the abnormal stock returns of Nike and Herbalife, (2) identify factors that moderate the relationship between individual

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record achievements and abnormal stock returns, and (3) develop a theoretical explanatory framework for the mechanism through which athletic performance value transmits to shareholder value.

RESEARCH METHODS

This study employs a qualitative approach with a multiple-case study design as developed by Yin (2018). This approach was selected because the research questions are of the how-and-why variety—specifically, how record achievements influence abnormal returns and why the influence differs across sponsors. Additionally, the researcher possesses no control over variable behavior, and the phenomenon under investigation is contemporary and situated in real-world contexts. The multiple-case design was chosen because it enables logical replication, with Nike and Herbalife selected for literal replication, yet with different predicted outcomes based on their differing brand congruence characteristics.

The selection of Nike and Herbalife as cases was based on three criteria. 1) Both were official sponsors of Cristiano Ronaldo during the period of individual record achievements from 2017 to 2023. 2) Both are publicly traded companies listed on the United States stock exchanges, making abnormal return data available. 3) The two companies exhibit different levels of congruence with Cristiano Ronaldo: Nike demonstrates high congruence due to its operation in the athletic equipment sector, whereas Herbalife demonstrates lower congruence due to its operation in the nutritional supplement sector.

This study involved three groups of informants totaling 12 individuals selected through purposive sampling. The first group comprised four financial analysts who regularly publish reports on Nike or Herbalife stocks. The second group comprised four sports marketing experts, both academics and practitioners, with at least 10 years of experience. The third group comprised four retail investors who held portfolios containing Nike or Herbalife stock during the research period.

Data collection employed three methods. First, in-depth semi-structured interviews lasting 60 to 90 minutes per informant were conducted using an interview guide developed from the conceptual framework derived from the literature. Second, the document analysis covered Nike's and Herbalife's annual reports and financial statements, analyst reports from financial institutions, investor news from mass media, and official social media postings. Third, virtual observation was conducted on investor discussion forums such as Reddit and StockTwits to capture real-time investor sentiment.

Data analysis followed the systematic procedure of Miles, Huberman, and Saldaña (2014), comprising three stages: data condensation through the selection and simplification of raw data; data display in matrix and thematic narrative form; and conclusion drawing and verification. Cross-case synthesis was performed by comparing findings from the Nike and Herbalife cases to identify patterns, similarities, and differences. Pattern-matching techniques were used to compare empirical patterns with theoretical predictions.

Data trustworthiness was enhanced through source triangulation, researcher triangulation, and member checking. Source triangulation involved comparing data from interviews, documents, and observations. Researcher triangulation involved engaging other researchers in the analysis process—member checking involved confirming findings with informants to ensure interpretive accuracy. Transferability was enhanced through thick description of the research context.

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RESULTS AND DISCUSSION

This study produced three principal findings presented thematically: asymmetric investor responses between Nike and Herbalife, transmission mechanisms linking record achievements to investor perception, and key moderating factors.

Asymmetric Investor Responses

The most striking finding of this study is the significant difference in investor responses to Cristiano Ronaldo's individual record achievements between Nike and Herbalife. A senior financial analyst stated that when Ronaldo broke the international goal-scoring record in September 2021, Nike's trading volume increased by approximately 3 to 5 percent above average, while Herbalife showed no discernible change. This analyst explained that no investors connected Ronaldo's achievement to Herbalife's performance.

Document analysis of analyst reports from September 2021 revealed that 7 out of 9 reports discussing Nike explicitly mentioned Ronaldo as a positive factor, whereas only 1 out of 11 reports on Herbalife did so. A sports marketing expert confirmed that Nike built their entire football strategy around Ronaldo for over a decade, so when he breaks a record, it becomes Nike's record as well. Conversely, Herbalife uses Ronaldo for brand awareness in emerging markets, but consumers do not think of Herbalife when they see Ronaldo score goals.

Data from investor forums showed consistent patterns. During the seven days following Ronaldo's record announcement, mentions of "Ronaldo" on the StockTwits forum for Nike stock increased by 340 percent, while for Herbalife the increase was only 15 percent. One retail investor admitted that when Ronaldo does something extraordinary, he tends to think about buying more Nike stock, and he often forgets that Herbalife sponsors Ronaldo until he sees a post about it.

Transmission Mechanisms of Record Achievement Influence

The findings identify three principal transmission mechanisms linking individual record achievements to investor perception. 1) The mechanism is media amplification. Cristiano Ronaldo's individual record achievements consistently generate massive waves of global media coverage. Analysis of 347 news articles from 2017 to 2023 showed that Ronaldo's record achievements generated an average of 892 articles per day across five countries. A financial analyst explained that the media performs work for sponsors because when Ronaldo breaks a record, he appears on every front page, every highlight reel, and every social media feed, representing billions of impressions that Nike did not pay for directly. 2) The mechanism is social proof activation. Investors, particularly retail investors, are influenced by social proof—the perception that many others consider something valuable. Record achievements create a bandwagon effect, leading investors to interpret athletic performance as a signal of brand credibility. A retail investor revealed that when he sees Ronaldo breaking records, his mind automatically associates this with the concept of a winner, and if Nike is associated with winners, this makes him feel better about holding Nike stock, although he acknowledged that this response is not entirely rational. 3) The mechanism is brand narrative reinforcement. For sponsors with high congruence, record achievements strengthen existing brand narratives. A marketing expert explained that Nike's brand narrative concerns excellence, pushing boundaries, and "Just Do It," so Ronaldo breaking records literally embodies this narrative. In contrast, Herbalife's narrative centers on nutrition and a healthy lifestyle, whereas Ronaldo's goals do not genuinely reinforce this narrative, as he is better known for his athletic talent than

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for his nutritional habits. 4). Emergent theme from the interviews is the role of emotional contagion in driving short-term trading behavior. Three retail investors explicitly stated that watching Cristiano Ronaldo break a record evoked feelings of pride and admiration, which they then unconsciously transferred to their evaluation of Nike as an investment. A retail investor explained that after Ronaldo scored his 800th career goal, he felt an immediate urge to check Nike's stock price, describing the experience as an emotional impulse rather than a calculated financial decision. This finding aligns with the observation by Farrell et al. (2000) that celebrity performance generates affective responses that bypass rational deliberation. Emotional contagion appears to function as an accelerator in the transmission mechanism, particularly for retail investors who lack formal analytical training.

Document analysis of social media activity on Reddit's r/wallstreetbets and r/investing forums revealed that the linguistic framing of Ronaldo's achievements differed systematically between discussions about Nike and Herbalife. In the Nike forum, users employed what can be termed "ownership language" — phrases such as "our athlete," "Nike's Ronaldo," and "they own him" — which presupposes a deep psychological association between the brand and the athlete. In contrast, Herbalife discussions referred to Ronaldo using "sponsorship language" — phrases such as "they pay him," "Herbalife's check," and "another endorsement deal" — which emphasize transactional rather than relational bonds. A sports marketing expert confirmed that ownership language indicates successful brand integration, whereas sponsorship language signals a weak connection unlikely to withstand negative news.

The fourth moderating factor identified through cross-case synthesis is competitive intensity within the sponsor's industry. During the period under study, Nike faced intense competition from Adidas and Puma, both of which aggressively signed alternative football stars such as Kylian Mbappé and Neymar Jr. Two financial analysts argued that Ronaldo's record achievements provided Nike with a differentiation advantage precisely because competitors could not claim similar associations. Conversely, Herbalife operates in the nutritional supplement industry, where competitor endorsement strategies are less visible and less emotionally charged, as one analyst stated, "In a crowded market like athletic apparel, every positive association matters. In supplements, investors care more about FDA approvals than about goals scored." This finding suggests that industry context moderates the translation of athlete performance into shareholder value.

A surprising finding emerged regarding temporal decay: the influence of Ronaldo's record achievements on abnormal stock returns appears to diminish within 10 to 15 trading days following the event. Analysis of trading volume patterns showed that the 340 percent increase in Nike-related mentions on Stock Twits returned to baseline levels after 12 days on average. Three retail investors acknowledged that while they felt enthusiastic immediately after a record-breaking event, that enthusiasm faded quickly when earnings reports or macroeconomic news appeared. One investor compared the phenomenon to "a sugar rush — intense but short-lived." This temporal pattern contrasts sharply with the longer-lasting negative effects documented by Kleinhans (2019) for scandal events, suggesting an asymmetry in the duration of positive versus negative impacts.

Finally, the study identified a counterintuitive finding that one informant labeled the "too successful" effect. When the frequency of record-breaking is excessive, it diminishes marginal returns, and this can be interpreted using the economic concept of diminishing marginal utility, extended to the domain of information economics. Kahneman and Tversky (1979) demonstrated that the value function in prospect theory is concave for gains, meaning that each additional unit of positive outcome produces progressively

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smaller increases in subjective value. This study extends that insight by showing that the same principle applies to the frequency of positive athletic events as perceived by investors. However, an important nuance emerged from interviews: the satiation effect is not purely psychological but also journalistic. One analyst explained that after Ronaldo set a third record in a short period, major media outlets reduced their coverage intensity, reallocating column inches to other sports news. Thus, the diminishing returns observed in stock market responses may partially reflect diminishing media amplification — a finding that connects this study to McCracken's (1989) cultural meaning transfer model, which emphasizes that endorser effectiveness depends on the broader cultural circulation of meanings.

Two financial analysts noted that when Ronaldo breaks records at an exceptionally high frequency — such as during the 2020–2021 season when he scored multiple hat-tricks within weeks — investor attention becomes satiated, and marginal responses diminish. An analyst explained that "the first record gets everyone excited; the fifth record in two months gets a shrug." This pattern suggests an inverted-U relationship between athletic performance frequency and abnormal stock returns, with moderate frequency producing the greatest impact while extreme frequency leads to habituation. No previous literature, including the event studies by Agrawal and Kamakura (1995) or Ding et al. (2011), has reported such a satiation effect, likely because quantitative methodologies assume linear rather than curvilinear relationships.

Key Moderating Factors

The third finding identifies four moderating factors that explain variability in investor responses. The first factor is brand-athlete congruence. All informants agreed that the degree of fit between the brand and the athlete is the most important moderating factor. Table 1 presents a comparison of congruence between Nike and Herbalife with Cristiano Ronaldo across four dimensions. On the product category fit dimension, Nike is rated high because it operates in the athletics and sports category, while Herbalife is rated low because it operates in the supplements and nutrition category. On the brand value fit dimension, Nike is rated high for embodying values of excellence and boundary-breaking, while Herbalife is rated moderate for embodying values of health and performance. On the duration of association dimension, Nike is rated very high because the partnership has existed since 2003, while Herbalife is rated moderate because the partnership began in 2016. On the intensity of advertising activation dimension, Nike is rated high for actively featuring Ronaldo in various campaigns, while Herbalife is rated low because its use of Ronaldo is more limited.

Table 1. Comparison of Brand-Athlete Congruence.

Congruence Dimension	Nike	Herbalife
Product category fit	High	Low
Brand value fit	High	Moderate
Duration of association	Very high	Moderate
Advertising activation intensity	High	Low

The second factor is investor profile. Findings indicate that institutional investors and retail investors respond differently. Institutional investors tend to be more skeptical and require evidence of a direct financial link between athletic performance and corporate fundamentals. In contrast, retail investors are more susceptible to sentiment and brand halo effects. A financial analyst explained that institutional investors will not change their positions simply because Ronaldo scores a goal, whereas retail investors might.

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The third factor is framing in analyst reports. Document analysis reveals that how analysts frame Ronaldo's record achievements strongly determines market response. When analysts explicitly link the record to sales projections or brand equity, market response is stronger. When analysts ignore or downplay the relationship, market response is minimal.

The fourth factor is timing and macroeconomic context. Record achievements occurring during bullish market periods tend to have a greater impact than those occurring during bearish periods, as investors are more receptive to positive news. A retail investor observed that the response to Ronaldo's records is more pronounced when the market is rising than when it is falling.

Discussion

Initial Interpretation of Asymmetric Findings

The central finding of this study reveals that not all monumental achievements by star athletes are automatically translated into financial gains for their sponsoring companies. The striking discrepancy between market responses to Nike versus Herbalife indicates the existence of a selective mechanism operating within investors' cognition as they process news about athletic achievements. This asymmetric phenomenon merits close examination because it implicitly rejects the naive assumption that the greater an athlete's achievement, the greater the benefit accruing to all associated entities. On the contrary, this study demonstrates that investors engage in a form of cognitive filtering based on the strength and depth of the association between the athlete's persona and the sponsor's brand. Nike, with its long history of deep engagement with Ronaldo, leveraged the record-breaking moment as a catalyst to strengthen brand perception. Herbalife, on the other hand, failed to capitalize on a similar moment because the psychological bond between Ronaldo and that brand in public memory is superficial and easily forgotten.

Causal Chain Linking Performance to Returns

To understand why identical stimuli can produce divergent outcomes, this study reconstructs the causal chain connecting sporting events to stock price fluctuations. The value transmission process begins when mass and social media simultaneously amplify Ronaldo's record achievement worldwide, creating widespread exposure and rapid information diffusion across markets. This amplification stage is neutral and occurs regardless of which sponsors are involved. The critical subsequent stage is memory activation, during which the public, including investors, spontaneously associates the image of a celebrating Ronaldo with those brands that are firmly embedded in their cognitive schemas, shaped by prior exposure, repetition, and brand salience. It is at this stage that divergence occurs: Nike is automatically activated because thousands of advertisements, a lifetime contract, and global campaigns have built a robust associative bridge, whereas Herbalife is scarcely recalled due to weaker brand linkage and lower cognitive accessibility. The final stage involves changes in investor expectations regarding the sponsor's future cash flows, which are then reflected in stock prices through market reactions and trading behavior. Thus, Herbalife's failure lies not in any deficiency in Ronaldo's performance, but in the weakness of the associative infrastructure linking that performance to the Herbalife brand, which limits its ability to convert attention into economic value.

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Dialogue with Classical Congruence Theory

When the above findings are placed in dialogue with established theoretical frameworks, this study provides both strong confirmation and meaningful extension of the matchup hypothesis popularized by Kamins and Gupta (1994). In its original formulation, congruence theory explains that the effectiveness of marketing communications through endorsement depends substantially on the degree of perceptual fit between the endorser's image and the product's image. This study takes this basic proposition and extends it to an entirely different domain: investment decision-making in capital markets. The finding that investors respond differently to identical events solely because of differing levels of congruence demonstrates that the principle of fit is relevant not only for consumers purchasing products but also for investors purchasing shares. In other words, investors behave like consumers in their dependence on brand associations, albeit with far larger and more measurable financial consequences. This domain extension is important because it opens the possibility of integrating the sports marketing literature with the behavioral finance literature, which have heretofore developed along separate trajectories.

Contradiction of Positive News Homogeneity Assumption

One of the most provocative findings of this study is its successful challenge to the positive news homogeneity assumption implicitly embraced by most event study research. Within that research tradition, any announcement classified as "good news" is predicted to generate positive abnormal returns, regardless of the contextual nuances surrounding it. This study demonstrates unequivocally that not all positive news is created equal; news about individual record achievements may fall to earth without leaving any trace if no associative bridge connects it to a particular economic entity. This finding aligns with Singh's (2017) skepticism, which found that many endorsement contract announcements in India failed to generate significant abnormal returns. However, this study goes further by offering qualitative explanations unavailable in Singh's study—namely, that such failures most likely stem from low congruence or weak brand activation, not from an absence of impact from athletic performance itself. Thus, this study makes a methodological contribution by demonstrating that qualitative approaches can detect nuances beyond the reach of statistical analysis alone.

Asymmetry in Positive versus Negative News Impact

A comparison between this study's findings and the literature on athlete scandals reveals a systematic asymmetry in how markets respond to positive versus negative news. Kleinhans (2019) documented that the alleged rape scandal involving Ronaldo during 2018–2019 resulted in substantial financial losses for sponsors, with cumulative abnormal returns reaching negative 25.2 percent for Juventus. In contrast, this study finds that the positive impact of record achievements, although detectable for Nike, is of substantially smaller magnitude. One informant, a senior financial analyst, candidly stated that bad news travels faster and hits harder, and that a single scandal can wipe out years of positive brand building in a matter of days. This phenomenon can be theoretically explained through the lens of loss aversion advanced by Kahneman and Tversky (1979), which posits that the psychological pain of losses is felt approximately twice as intensely as the pleasure of equivalent gains. The practical implication of this finding is substantial: sponsoring companies should be more concerned about athletes' reputational risks than hopeful about gains from athletic performance, because the upside potential is systematically smaller than the downside risk.

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Role of Retail Investors as Primary Transmission Channel

Cross-case analysis in this study identifies that retail investors play a far more central role than institutional investors in the value transmission process from athletic performance to stock prices. Institutional investors, with their access to fundamental information, sophisticated valuation models, and fiduciary obligations to act rationally, tend to ignore price fluctuations driven solely by sentiment. In contrast, retail investors—whose numbers continue to swell with the digitalization of stock trading—are far more vulnerable to halo effects, social proof, and bandwagon effects triggered by media coverage of athletic achievements. This finding carries important implications for the shareholder composition of sponsoring companies. Nike, with its large, globally dispersed retail investor base, is more likely to experience positive abnormal returns from Ronaldo's achievements than Herbalife, which may have a more institutionally dominated shareholder base. In other words, the investor profile constitutes a moderating variable that has been overlooked in the athlete endorsement literature. This study recommends that future research explicitly measure and report the ownership structure of sponsoring companies when analyzing the impact of athlete-related events.

Theoretical Anomalies and Their Explanations

During the analysis process, this study encountered two anomalous findings that initially appeared to contradict the proposed theoretical framework but ultimately enriched understanding upon deeper investigation. The first anomaly came from a retail investor who reported that he sold Nike stock after Ronaldo broke a record because he worried about Ronaldo's early retirement, which would leave Nike without its most valuable marketing asset. Superficially, this action appears irrational because it contradicts the logic that positive performance should trigger positive sentiment. However, this phenomenon can be explained by the concept of anticipated regret, in which investors preemptively anticipate potential future losses and take hedging actions before those losses materialize. The second anomaly emerged from two analyst reports that actually identified Ronaldo as a risk factor for Herbalife, arguing that Ronaldo's endorsement fees are too expensive relative to his difficult-to-measure contribution to sales. The explanation for this anomaly lies in differences in analyst coverage: analysts covering Herbalife predominantly come from the healthcare sector, which is culturally more skeptical of the effectiveness of athlete marketing than analysts covering the sports retail sector. Both anomalies demonstrate that market responses to athletic performance are determined not only by objective characteristics of the athlete-sponsor relationship but also by the frames of reference that each market participant brings to the situation.

Theoretical Contribution and Proposed Model

The synthesis of the findings and discussions above leads this study to formulate a new theoretical framework, the Athletic Achievement Transmission Model (AATM). This model proposes that the flow of value from athletic performance to sponsor stock prices is mediated by two principal mechanisms: media amplification and brand narrative reinforcement. Media amplification refers to the process by which monumental sporting events are captured, reproduced, and distributed by the global media ecosystem, thereby reaching a large audience quickly. Brand narrative reinforcement is the process by which athletic performance is interpreted as concrete evidence of the values the brand has long claimed, thereby transforming abstract claims into a visible, tangible reality. These two mediating mechanisms are further moderated by two factors: brand-athlete congruence (higher congruence produces stronger transmission) and investor sophistication (higher

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sophistication produces weaker transmission because institutional investors tend to filter out noise). By integrating congruence theory, signaling theory, and behavioral finance into a single coherent framework, the temporal decay finding reported in the results section warrants deeper theoretical examination through the lens of memory consolidation research from cognitive psychology. When investors process news about Ronaldo's record achievements, two competing memory systems are activated: episodic memory, which encodes specific events with rich contextual detail but decays rapidly, and semantic memory, which stores generalized knowledge that persists over longer periods. The 10-to-15-day decay pattern observed in this study suggests that positive athletic achievements primarily engage episodic memory systems, which lack the reinforcement mechanisms necessary for long-term retention.

In contrast, scandal events documented by Kleinhans (2019) and Putra and Wibowo (2022) likely engage semantic memory because negative information triggers deeper elaborative processing — investors ask "why did this happen?" and "what does this mean for the future?" —. In contrast, positive information is accepted at face value and quickly forgotten. This asymmetry has important implications for sponsorship strategy: companies seeking durable value from athlete endorsements should perhaps emphasize narrative-building that transforms episodic events into semantic structures. The AATM offers an analytical tool that future researchers can use to predict when and under what conditions athletic performance will generate abnormal returns. This model also opens new research agendas regarding the possibility of additional moderating variables, such as competitive intensity in the sponsor's product market, the life-cycle stage of endorsement contracts, and the national cultural characteristics of the investor base.

CONCLUSION

This study concludes that Cristiano Ronaldo's individual record achievements exert an asymmetric influence on the abnormal stock returns of sponsoring companies. Nike, the sponsor with high congruence, demonstrates a positive response, as evidenced by increased trading volume and investor sentiment, whereas Herbalife, the sponsor with low congruence, shows no significant response. This conclusion directly answers the research objectives by demonstrating that the influence of positive athletic performance on shareholder value is neither universal nor automatic, but is instead conditioned by factors such as brand-athlete congruence, investor profile, analyst framing, and macroeconomic context.

The unique aspect of the data that deserves emphasis is that these findings explicitly reject the assumption implicit in industry practice that positive athletic performance is always good for business. On the contrary, this study demonstrates that investment in athlete endorsement may fail to generate shareholder value if not supported by adequate congruence and communication strategies that activate brand associations in investors' minds.

The theoretical implication of this study is the extension of the matchup hypothesis into the domain of behavioral finance and its integration with signaling theory to explain the transmission of value from athletic performance to capital markets. The practical implication is that sponsoring companies are advised to conduct periodic congruence audits, develop communication strategies that explicitly link athlete performance to brand values, and consider their investor profile when evaluating the return on investment for endorsements.

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Based on the limitations identified, this study recommends the following research agenda for future work. First, cross-athlete comparative studies replicating this research design with different athletes—such as Lionel Messi, LeBron James, or Serena Williams—are needed to test the generalizability of the findings. Second, cross-sport comparative studies comparing value transmission mechanisms in individual sports (e.g., tennis, golf) versus team sports (e.g., football, basketball) would illuminate whether the dynamics of athlete elitism differ across sport types. Third, experimental studies using controlled designs are needed to test the causal relationship between record achievements and changes in investor preferences. Fourth, longitudinal studies tracking changes in abnormal returns over several years following record achievements would examine long-term versus short-term effects. Fifth, large-sample quantitative studies using event-study methodology are needed to test the relationships identified qualitatively in this research statistically. Sixth, studies examining the role of social media in moderating the relationship between athletic performance and investor response are recommended.

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