"Global Cases of Effective Sports Sponsorship: An Exploration of a New Communications Model"

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GLOBAL CASES OF EFFECTIVE SPORTS SPONSORSHIP: AN EXPLORATION OF A NEW COMMUNICATIONS MODEL

Arne Barez, Michael T. Manion**, Kristi L. Schoepfer***, Joseph Cherian****

Abstract

This exploration of documented cases establishes a framework for further empirical research on the effectiveness of sports sponsorship. This article analyzes twenty-seven global cases and identifies the variables driving consumer response to sponsorship. The discussion focuses on three distinct types of drivers of sponsorship communication effectiveness: (1) source congruency, (2) sponsorship leverage, and (3) receiver disposition. The effectiveness of each of these drivers on the generation of key sponsorship outcomes (brand awareness, the promotion of brand images, and the stimulation of product trial) is illustrated by contemporary sports sponsorship cases. The global cases range from Guinness’ sponsorship of the Rugby World Cup to Visa’s sponsorship of the Olympics. First, analyses of sports cases show the necessity of target market, image, and functional congruency to sponsorship success. Second, documented cases demonstrate that the message must generate motivation, opportunity, and ability in order for consumers to commit to trial. Third, case analyses support that the receiver must be properly disposed to identify with, be familiar with, and evaluate the product. Support is found from the cases presented that target market congruency, motivation generated, receiver identification, and receiver familiarity are important determinants of brand awareness, brand image, and product trial. Managerial implications are also derived for effective sports sponsorship.

Key words: Sports Sponsorship, Communication Model, Brand Awareness, Brand Image, Product Trial, Case Analysis.

Case Analyses

The following case analyses are found to support a relationship between sports sponsorship communication effectiveness and three distinct elements: (1) Source Congruency; (2) Sponsorship Leverage; and (3) Consumer Disposition. Each of these elements has a distinct impact on consumer response to corporate sponsorship, specifically, Brand Awareness, Brand Image, and Product Trial, the three elements of consumer response. This conceptual description of the impact of sports sponsorship on consumer response resonates with Meenaghan (1991). The findings from the analyses of twenty-seven contemporary sports cases are summarized in Table 1 and discussed in the following section.

1. Source Congruency and Consumer Response

The ability of a proposed sponsorship association to fulfill communication objectives is a critical factor in the selection of an appropriate sponsorship investment (Meenaghan, 1991). At the most basic level, any sponsorship proposal will be evaluated in terms of its potential to reach a specified target market and to transport favorable brand images. Congruency between the sponsor and the sponsored activity at the target market, image, and functional level contributes to the potential of a given sponsorship association to deliver these communication objectives. Specifically, target market congruency represents a basic condition for successful sponsorship communication, while im-

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age congruency and functional similarity can be directly attributed to the strength, favorability, and uniqueness of image associations communicated.

### 1.1. Target Market Congruency

Consumer markets can be divided into an indefinite number of market segments with similar preferences and product needs. In order to best meet the needs of a particular target market and to establish some form of competitive advantage, firms develop marketing mix strategies based on the specific characteristics and desires of each segment they serve. For example, Toyota’s luxury car model, the *Lexus*, is specifically produced and promoted, distributed and priced to reflect the preferences and needs of the most upscale automobile market segment.

#### Table 1

<table>
<thead>
<tr>
<th>Case #</th>
<th>Variables</th>
<th>Brand Awareness</th>
<th>Brand Image</th>
<th>Product Trial</th>
<th>Sponsor</th>
<th>Event</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.1</td>
<td>Target Market Congruency</td>
<td>![ ]</td>
<td>![ ]</td>
<td>![ ]</td>
<td>Guinness, California Dried Plum, Lincoln Financial</td>
<td>1999 Rugby World Cup, U.S. Women’s Soccer Team, America’s Cup</td>
</tr>
<tr>
<td>1.2</td>
<td>Image Congruency</td>
<td>![ ]</td>
<td>VISA, Cadillac, Gillette</td>
<td>![ ]</td>
<td>Tiger Woods, Lance Armstrong’s Team, 2000 Winter Olympics</td>
<td></td>
</tr>
<tr>
<td>1.3</td>
<td>Functional Congruency</td>
<td>![ ]</td>
<td>![ ]</td>
<td>![ ]</td>
<td>Nike, Trek, Seiko</td>
<td></td>
</tr>
<tr>
<td>2.1</td>
<td>Motivation Generated</td>
<td>![ ]</td>
<td>![ ]</td>
<td>![ ]</td>
<td>America West Air, Guinness, Gatorade</td>
<td>PGA Golf Tournament, 1999 Rugby World Cup, NASCAR Daytona 500</td>
</tr>
<tr>
<td>2.2</td>
<td>Opportunity Generated</td>
<td>![ ]</td>
<td>![ ]</td>
<td>![ ]</td>
<td>SEGA, Guinness, VISA</td>
<td>Arsenal Football Club, 1999 Rugby World Cup, 1992 Summer Olympics</td>
</tr>
<tr>
<td>2.3</td>
<td>Ability Generated</td>
<td>![ ]</td>
<td>![ ]</td>
<td>![ ]</td>
<td>Pharmacia Corp, Seiko, VISA</td>
<td>PGA Tour Players, 1992 Olympics, Olympics</td>
</tr>
<tr>
<td>3.1</td>
<td>Receiver Identification</td>
<td>![ ]</td>
<td>![ ]</td>
<td>![ ]</td>
<td>Logo Sponsors, IOC, Sponsors</td>
<td>NASCAR, Atlanta Games, NASCAR</td>
</tr>
</tbody>
</table>
It is evident that sponsorship may only produce meaningful communication results if it generates brand awareness, promotes favourable brand images, and stimulates trial among consumers with a need or preference for the commercial interest of the sponsor. Successful examples of such sports sponsorship include:

- **Guinness’s sponsorship of the 1999 Rugby World Cup** represents a good fit in terms of the geographically defined target market due to the events’ global appeal and particular importance in priority markets such as Great Britain, Ireland, France, Australia, New Zealand, South Africa, and Canada (Rines, 2002).

- **The California Dried Plum Board** justified its sponsorship of the U.S. Women’s Soccer Team with the sponsorship’s ability to build awareness of the health and nutrition benefits of dried plums among grocery shopping moms, the primary demographic segment attending the women’s World Cup (IEG, 2002).

- **Lincoln Financial Group** looks at sport sponsorship as an effective vehicle to reach the lifestyle segment of their marketing program, and consequently associates with events or activities that reflect the interests of their customers such as the America’s Cup, the most prestigious yachting event (Brockington, 1999).

### 1.2. Image Congruency

The set of associations shaping the perception of a brand in the mind of the consumer differentiates a firm’s product offering from those of competitors. The more favourable the position of a brand or product relative to its competitors, the greater is the consumer response to the marketing effort of the brand. It is well established that sponsorship communication creates such a brand association in the mind of the consumer by linking a brand to the sponsored activity (Gwinner and Eaton, 1999; Keller, 1993). However, in order to produce a favourable association, the sponsored activity’s image must be consistent with the desired positioning of the brand. Among other values sponsoring brands hope to convey image associations such as excellence, sophistication, health, strength, masculinity, or excitement. Successful examples of such sports sponsorship include:

- **Visa Card** based its rationale for sponsoring the Olympic Games on the event’s image as the world’s leading sporting event, an image association consistent with Visa Card’s desired positioning as the world’s leading payment system (Kronengold, 2000).

- **Cadillac’s long term relationship with PGA Golf** can be interpreted as an effort to reinforce the company’s upscale and sophisticated brand image positioning (Musante et al., 1999).

- **Gillette**, a company primarily perceived as being American, effectively repositioned its brand in the UK market by associating with the traditionally British sport of Cricket (Meenaghan, 1991).

### 1.3. Functional Congruency

Functional congruency measures the degree of similarity between the sponsor and the sponsored activity on the basis of commercial interests. A sponsorship association may offer direct or indirect functional congruency. Direct functional congruency occurs when the participants use products, such as shoes, clothing, or equipment, during the sponsored activity. Indirect functional congruency occurs when a product or service contributes to the implementation of an activity. For example, Olympic sponsors such as Atos Origin, Xerox, or Eastman Kodak achieve indirect functional similarity by providing products, services, technology, and expertise necessary to stage the Olympic Games. According to Keller (1993) brand image is in part a function of the inferences that arise from the type of person using a product as well as the situation in which it is consumed. Therefore, functional similarity contributes to the development of brand image by producing favourable and unique user or usage associations. Successful examples of such sports sponsorship include:

- **Nike’s endorsement by Tiger Woods** helped the company challenge more established golf ball and equipment makers such as Titleist Callaway, Taylor Made, or Cobra by
placing the company’s golf products in the elite environment of professional golf and associating its product with one of the best players (McCarthy, 2005).

- Similarly, Trek’s sponsorship of Lance Armstrong’s Discovery Channel Team proved to drive favourable user and usage associations such as superior performance and technological expertise by contributing to the international success of the bicyclist (Foley, 2005).
- Seiko provided the official timers to the 2000 Winter Olympics in Salt Lake City. By providing the data necessary to determine the outcome of competitions requiring highly accurate and reliable time measuring devices, Seiko was able to demonstrate its technology in an elite and unique usage situation (Rozin, 2002).

2. Sponsorship Leverage and Consumer Response

A second important decision variable in the sponsorship communication process relates to the combination of promotional support activities selected to communicate the sponsorship association. The specific mix of on-site communications, media sponsorship, advertising, public relations, and sales promotions implemented to leverage the sponsorship platform drives communication effectiveness by enhancing consumers’ motivation, opportunity, and ability (MacInnis et al., 1991) to process brand information. In the current context, motivation relates to the appeal of the promotional mix to attend to, process, and follow up on sponsorship stimuli, while opportunity is concerned with the total amount of exposure communicating the sponsorship association. Lastly, ability measures the extent to which the promotional mix facilitates the desired interpretation of sponsorship messages.

2.1. Motivation Generated

Motivation can be defined as the driving force that causes an individual to pay attention to, interpret, and act upon certain stimuli in order to satisfy specific needs or interests. In the advertising context a variety of techniques have been suggested to enhance motivation, namely to appeal to intrinsic needs, to use novel stimuli, to use prominent cues, to enhance personal relevance, and to enhance curiosity (MacInnis et al., 1991). In the sponsorship context additional strategies apply. Fundamentally, sponsors enhance motivation to process brand information by contributing to the event experience, by interacting with the activity follower, and by providing activity related incentives as a reward for participation in promotions. Vehicles most frequently utilized to enhance motivation, and subsequently generate brand awareness, promote brand images, and stimulate product trial include on-site communications, public relations, and sales promotions. Successful examples of such sports sponsorship include:

- America West Airlines achieved higher brand awareness levels than competing sponsors at the PGA Golf Tournament in Phoenix by providing water coolers with free drinking water at every hole, a service fans welcomed, given the high temperatures at the event (IEG, 1999).
- Guinness established an emotional bond with the fans of the 1999 Rugby World Cup by providing media outlets with tickets to give away in competitions and by contributing to the event experience through the placement of interesting and fun stories in the media. Guinness was also able to increase consumption in each target market by providing rugby related incentives such as an inflatable armchair or an oversized Guinness foam hat as a reward for purchase (Rines, 2002).
- In order to gain better placement and additional point-of-purchase display, therefore stimulating product trial, Gatorade provided one of its largest retailers with the opportunity to use the official pace car of the NASCAR Daytona 500 race for consumer promotions (IEG, 2000b).

2.2. Opportunity Generated

The likelihood that a brand is correctly identified as a sponsor of an activity is a partial function of the total number of opportunities generated to associate the sponsor with the activity. Opportunity
is often measured by the total amount of exposure generated through media coverage of the event and includes the appearance of the brand name or logo on television, the mentioning of the sponsor in broadcasting media, and the extent of press coverage. The number of times an individual is exposed to a message can be greatly enhanced through sponsorship leverage. For example, media sponsorship has proven very successful in enhancing sponsorship awareness, when used in conjunction with the official sponsorship status (Rines, 2002). A second strategy extends the length of the sponsorship campaign. Although global events such as the Olympics or the FIFA World Cup only last about a month, the support campaign building awareness of the sponsorship can start as much as a year in advance (Currie, 2000). Successful examples of such sports sponsorship include:

- **SEGA** popularized its new Dreamcast video console in the European market by exposing the brand name to its male dominated teenage target market through the shirt sponsorship of Arsenal FC, one of the most successful teams of the English Premier League (Rosson, 2000).
- In the UK, broadcast sponsorship enabled Guinness to achieve a 94% awareness rating as a sponsor of the 1999 Rugby World Cup, one of the highest ratings ever recorded in sports (Rines, 2002).
- **VISA** was able to maintain awareness ratings of 50 to 60% of its sponsorship association with the 1992 Summer Olympics from at least three months prior to the event to one month after the event due to the company’s extended communications programme (Crimmins and Horn, 1996).

### 2.3. Ability Generated

Consumer promotion is concerned with the communication of promotional messages designed to stimulate cognitive, affective, and behavioural responses among target customer. In this context, “ability refers to consumers’ skills or proficiencies in interpreting brand information” (MacInnis et al., 1991, p. 34) and is in part a function of the vehicle utilized to convey the message content. For example, print or television advertising may enhance consumers’ ability to process information by providing verbal and visual information illustrating the most detailed messages. Sponsorship communication differs from traditional advertising in that any message beyond the brand name or logo is communicated by implication (Hastings, 1984). Therefore, it is imperative to explain to the target audience how to interpret the connection between the brand and the sponsored activity through promotional support activities. Successful examples of such sports sponsorship include:

- **Pharmacia Corp** leveraged its sponsorship of the PGA Tour by negotiating additional endorsement contracts with PGA Tour Players that used Celebrex, a drug used to treat arthritis, thus making the link between golf and Celebrex more comprehensible to its target audience (IEG, 2000a).
- The perceived superiority of Seiko over competing wristwatches grew from 5 to 20 percentage points as a result of the company’s advertising campaign articulating the accuracy and reliability required to supply the Official Timer to the 1992 Olympics (Crimmins and Horn, 1996).
- **VISA** was able to improve its positioning as the best credit card world-wide due to Olympic-themed commercials identifying VISA as the only credit card accepted at the Olympics, thus strengthening VISA’s desired image association of universal acceptance (Crimmins and Horn, 1996).

### 3. Receiver Disposition and Consumer Response

Consumer response to sports sponsorship is greatly affected by the receiver’s disposition toward the two stimuli paired in the communication process: the sponsored activity and the sponsoring brand. We here define receiver disposition as a measure of personal relevance that can help to explain the different responses to sponsorship ranging from disinterest to goodwill and increased product loyalty. At the activity level, personal relevance can be measured in terms of the extent to which activity followers identify with, and are motivated by, their association with a particular event, team, or athlete (Meenaghan, 2001). At the brand level, personal relevance relates to activ-
ity followers’ familiarity with the sponsors’ name, image, and commercial interest. In addition, consumer response is also affected by the receiver’s evaluation of the relationship between the sponsor and the sponsored activity.

3.1. Receiver Identification

The sports sponsorship audience can be modelled in terms of those directly participating in an activity, those attending the sponsored activity, and those following the activity via the media. It is evident that those consumers most interested in an activity are also most likely to notice a sponsorship due to the increased frequency at which this group attends or follows the sponsored activity. Similarly, enthusiastic activity followers are more likely to transfer favourable image associations to the sponsoring brand than those only marginally committed. Furthermore, identification with a particular activity drives the level of goodwill generated towards the sponsor of a particular sport, event, team, or athlete. The more intense the consumer’s emotional relationship with the sponsored activity and the greater the perceived benefit bestowed upon the activity, the more likely are activity followers to select a sponsor’s product as a result of the sponsorship. Successful examples of such sports sponsorship include:

- A recent survey of NASCAR fans found that respondents who described themselves as highly involved with the sport were more likely to recall a sponsor whose logo was placed on a race car than those who described themselves as less involved (Levin, Joiner, and Cameron, 2001).
- The International Olympic Committee found that the percentage of respondents feeling more favourable towards a company because it was an Olympic sponsor rose from 30% to 45%, when comparing the response of media followers of the Atlanta Games to the response of actual spectators (Meenaghan, 2001).
- Over 70% of the respondents in a survey of NASCAR fans indicated that they “almost always” or “frequently” chose a product from a NASCAR sponsor because of the sponsorship, while 42% reported that they would switch brands to support NASCAR sponsors (IEG, 1994).

3.2. Receiver Familiarity

The communication effectiveness of marketing activities is greatly enhanced by the degree to which consumers are familiar with a brand’s name, image, and commercial interest (Keller, 1993). For instance, activity followers who are familiar with the sponsor’s brand name and logo are more likely to recognize and recall a promotional message placed in the activity environment than those unfamiliar with the sponsoring brand. Similarly, how easily an image association transfers from the sponsored activity to the sponsoring brand is in part a function of the existing information linked to the brand in memory. “In general, information that is consistent in meaning with existing brand associations should be more easily learned and remembered than unrelated information” (Keller, 1993, p. 7). Lastly, familiarity with the sponsored product or related product category should also facilitate the stimulation of product trial. However, the greater the risk associated with the purchase of a consumer good, the more likely is the consumer to resist a sponsored product. Successful and unsuccessful examples of such sports sponsorship include:

- An experiment addressing the impact of market prominence on sponsorship awareness, found that the identification accuracy for prominent sponsors such as Reebok, Budweiser, or UPS was significantly higher than for less prominent sponsors in the same product category (Venkataramani and Thun, 1999).
- A study examining the transfer of image associations from the Alpine Ski World Championships in Austria to its corporate sponsors found that the most influential predictor of post-event sponsor image is pre-event sponsor image (Grohs, Wagner, and Vsetecka, 2004).
- One case illustrates consumer resistance to the imposition of a brand on an event that is not wholly consistent with its image. The St. Louis Cardinals are closely associated with Anheuser Busch, the leading U.S. brewer, based in St. Louis. The expected effects for Miller Brewing Co. of Milwaukee, as the sole beer sponsor of the 1982 MLB

World Series, were negated by the participation in the Series of the St. Louis Cardinals (Erickson, 1985).

3.3.Receiver Evaluation

The favourability of image associations transferred to the sponsoring brand is partially driven by activity followers’ evaluation of sponsorship management variables such as the time of entry, the level of commitment displayed towards the activity, and the manner of exiting the sponsorship (Meenaghan, 2001). Timing impacts the evaluation of the sponsorship relationship to the extent that early sponsors are often perceived more committed, whereas later sponsors may be viewed as bandwagon sponsors driven by mere commercial objectives. Likewise, the extent to which sponsorship is regarded as important to the viability of the sponsored activity or the success of an individual team is positively associated with the level of appreciation and goodwill generated towards the sponsoring brand. However, abuse or excessive exploitation of sponsorship opportunities may stimulate negative feelings. Lastly, exiting a sponsorship bears the risk of negative or even hostile associations and should be executed with a great level of caution. Examples of such sports sponsorship include:

♦ General Motors’ sponsorship of the Irish National Soccer Team earned the respect of the public when the company articulated the sponsorship with the slogan, “We sponsored the band before the bandwagon” alluding to GM’s long-term support for the team initiated prior to the team’s more recent success (Meenaghan, 1998).

♦ Performance Research found that the high level of affinity for NASCAR sponsors can be attributed to the perceived importance of sponsorship to the event in general and individual race teams’ success in particular (IEG, 1999).

♦ A study evaluating the sponsorship of television programming found that excessive intrusion into television programming stimulates negative thoughts directed at the broadcast sponsor (Bloxham, 1998).

Managerial Implications

The objective of this article has been to assist practitioners in the analysis of sports sponsorship opportunities by modelling the effectiveness of the sponsorship communication process on the generation of brand awareness, the promotion of brand images, and the stimulation of product trial. Our findings are particularly relevant to the selection and activation of sponsorship opportunities, as these sponsorship decisions are directly related to the variables driving consumer response. For example, the sponsorship choice drives congruency at the target market, image, and functional level as well as receiver identification. Similarly, sponsorship activation determines the level of opportunity, motivation, and ability generated to process sponsorship stimuli as well as the receiver evaluation of the sponsorship itself. Lastly, the receiver’s familiarity with the sponsoring brand is a function of market prominence.

Why do some sponsors achieve higher awareness ratings than other sponsors of the same activity despite similar marketing rights and opportunities? Our findings suggest that the likelihood that a brand is correctly identified as a sponsor of an activity is a function of both opportunity and motivation. Sponsorship strategies aimed at increasing brand awareness should therefore optimise brand exposure by investing in promotional support activities such as media tie-ins. Alternatively, sponsorship managers may drive brand recall by establishing an interactive presence with the activity follower that enhances motivation. A sponsor may still fail to generate brand awareness by overestimating the extent to which its target market identifies with the sponsored activity. Similarly, a lack of familiarity with the sponsor’s brand name, logo, or commercial interest may also hamper message processing.

Managing the promotion of brand images so that only strong, unique, and favourable image associations become linked to the sponsoring brand represents some major challenges to the sponsorship manager, namely the implicit nature of sponsorship messages and the emotional relationship
of the target audience to the sponsored activity. Our findings imply three basic steps that should be considered when sports sponsorship is of concern.

First, sponsorship managers should select an activity congruent with the desired positioning of the brand based on both image and functional similarity.

Second, sponsorship managers should make an effort to explain to the target audience how to interpret the sponsorship by developing public relations and advertising campaigns articulating the specific image associations the sponsor hopes to convey.

Third, sponsorship managers should display a level of care for the sponsored activity in order to stimulate goodwill and minimize potential negative associations resulting from excessive exploitation of marketing rights and opportunities.

As sports sponsorship has matured, there has been a greater demand for sponsorship strategies stimulating actions such as product trial, impulse buying, brand switching, or repeat purchase. The capability of a given sponsorship platform to drive product trial is a function of three variables, namely motivation, identification, and receiver familiarity. Motivation is within the control of the sponsorship manager and refers to the extent that sales promotions such as sweepstakes, sampling opportunities, point of sales promotions, special packaging, or coupons stimulate product trial by providing a meaningful incentive as a reward for participation. Identification impacts consumers’ willingness to support the sponsoring brand and can be exploited by communicating how important the sponsors’ support is to the success of a given activity. Lastly, high motivation and identification are more likely to stimulate product trial in the event that a low involvement, rather than a high involvement product is promoted.

References