“Touch point opportunities in American football at the collegiate level”

**AUTHORS**

Mark E. Moore  
Paul H. Schwager  
James E. Zemanek  
Jr.  
Bradlee Bray

**ARTICLE INFO**

Mark E. Moore, Paul H. Schwager, James E. Zemanek, Jr. and Bradlee Bray (2010). Touch point opportunities in American football at the collegiate level. *Innovative Marketing*, 6(2)

**JOURNAL**

"Innovative Marketing"

**FOUNDER**

LLC “Consulting Publishing Company “Business Perspectives”

**NUMBER OF REFERENCES**

0

**NUMBER OF FIGURES**

0

**NUMBER OF TABLES**

0

© The author(s) 2018. This publication is an open access article.
Mark E. Moore (USA), Paul H. Schwager (USA), James E. Zemanek (USA), Jr., Bradlee Bray (USA)

Touch point opportunities in American football at the collegiate level

Abstract

American football at the collegiate level is big business in the United States of America. Not only is it big business for the colleges that participate, but for the businesses that sponsor the events as well. Utilizing touch points, as an evaluative measure of quality, this paper explores the role of exchange theory in determining the values of these sponsorships. The analysis indicates that touch points are a useful tool in determining sponsorship quality. Further, it is suggested that touch points help establish trust and interdependence among stakeholders.

Keywords: touch point, sports event sponsorship, American College Football.

Introduction

Research aim. Some people believe that the end of December and beginning of January is a time to focus on the holidays, gifts and new beginnings. Others view this period as the Mecca for college football. Both trains of thought, in actuality, are associated with positive economic impact.

College Bowl games are post season American football games played between teams of major universities. Within the United States, there were 34 National Collegiate Athletic Association (NCAA) bowl games during the 2009 season. The NCAA is primarily responsible for overseeing the American football competition between higher education institutions. The Rose Bowl Game in 1901 marked the beginning of efforts that linked college football to the holiday season and there has been a healthy proliferation of the number of bowls in recent years (Griffith, 2010). Today, the top-tier of the American intercollegiate bowl system is the Bowl Championship Series (BCS) (Bowl Championship Series in Association with Fox Sports, 2006).

The BCS is a five-game arrangement for post-season college football that is designed to match the two top-rated teams in a national championship game and to create exciting and competitive matchups between the subsequently ranked teams in four additional games (Horow & Swatek, 2010). Each year a different site hosts the BCS Championship game, which this past year was held in the Rose Bowl in Pasadena, California.

Each BCS contest contracts to pay the participant’s schools and conferences a total of $17 million, unless there are two teams from the same conference in BCS games. In that case, the lower seeded team’s school and conference receives $4.5 million (cf. Coulter, 2007). In addition to the BCS games, there were 29 non-BCS games during the 2009-2010 bowl season. The expanded bowls provide corporations with opportunity to become sponsors of these events.

Corporate sport sponsorships are becoming one of the fastest growing marketing communication tactics for reaching target markets (cf. van Heerden, Kuiper & Saar, 2008). Consequently, this investment is considered a salient yet expensive component of the promotional mix for many business organizations. Sponsorship investments result in an average annual expenditure of multimillion dollars which can affect stock prices (Clark, Cornwell, and Pruitt, 2009; Johnston and Cronwell, 2005; Johnston, 2010; Jones, 2005; Spais, 2006; Spais & Filis, 2008).

Given the amount of this outlay, organizations should have a standardized way to evaluate the effectiveness of the sponsorship. Because consumer interactions with the sponsor and/or brands must be assessed, the evaluative stage can often be nebulous. Research shows that involvement and goodwill of target consumers are constructs that should be prioritized in the evaluative process (Dees, Bennett, & Villegas, 2008; Farrellya & Quester, 2005). As such, there is a need to create methods to ascertain the return on investment for sponsors. The aim of this paper is to employ the touch points approach for sponsors to evaluate the worth of the bowl event.

Reasoning for the focus of this paper. Touch points are denoted as with number of customer interactions with a brand. In a bowl setting, consumers can have a variety of interfaces with the sponsoring brand. These are commonly linked to a continuum of exposures including having the name of the brand in the title of the event to highlighting the brand name in stadium advertising. As corporate sponsorships are interwoven into the promotional mix, organizations must be cognizant of touch points and their role in assessing the effectiveness of sponsorships in evoking and maintaining communication with target consumers. O’Reilly, Lyberger, McCarthy, Séguin, and Nadea (2008) suggested that Superbowl sponsorships are not generating a sufficient level of communication with relevant market segments to stimulate subsequent sales responses. Hence, it offers further rationale for an examination of the effectiveness of collegiate bowl sponsorships in enhancing marketing communications with targeted prospects.
1. Review of literature

As sponsorships began to have relevancy to the organizational promotional mix, the corporate community increasingly perceived the tactic as an activity having a marketing rather than philanthropic orientation. Due to this changing mindset, evaluative techniques had an increased priority in the sponsorship literature. The effectiveness of sport sponsorship was first measured from a strategic marketing sense through the assessment of competitive and organizational pressures on sponsorship decisions (Berret & Slack, 1999). At the start of the 21st century, marketers became more assertive in their desire to assess the benefit of the sponsorship efforts in ameliorating perspectives of targeted consumers. Quester and Thompson (2001) measured the change in attitudes to, and awareness of, three particular sponsors of the arts. Despite Iacobelli (2003) proposing a return of investment approach for measuring sponsorship effectiveness, financial metrics still were not salient in the middle of the decade. Shin and Turco (2005) assessed the effectiveness of 2002 World Cup Sponsorships on purchase intent, and O'Reilly, Nadeau and Séguin (2007) investigated brand awareness and purchase intent through focusing on the two in stadium sponsorships at the 2004 Grey Cup.

As sponsorship expenditures increased, the knowledge base of marketers began to be directed to the financial return on their investment. Further, there was a propensity to measure macro factors (Berkes, Nyerges and Váczi 2007) and the corporate community desires a valid return of sponsorship investments (Harvey, Gray & Despain, 2006). Farrelly and Quester (2005) conducted one of the early examinations of sponsorship dollars as outlay to enhance the financial health of the organization. This investigation indicated that the commitment, measured by leverage investments, is a key antecedent of economic satisfaction, while trust is an antecedent of both economic and noneconomic satisfaction. Hence, by the end of the decade, financial metrics were increasingly seen as normative approaches for gauging the efficacy of sponsorship involvement (Maestas, 2009; Olson, 2009). Additional studies linked the financial value of sponsoring events to organizational performance in the stock market. Through examining the corporate settings at Fiat and Juventus Football, Spaias and Filis (2008) found inconclusive outcomes regarding the relationship of sponsorship announcements and stockholders’ behavior, and Clark, Cornwell, and Pruitt (2009) discovered that the effect of title sponsorship announcements on shareholders’ wealth differs dramatically across sport type. Recently, Johnston (2010) determined that sponsorship announcements, had a neutral effect on shareholder wealth. As such, sponsoring sporting events should not solely be looked through from the wealth generation perspective.

1.1. Research and epistemological approach.

Johnston (2005, 2007) asserted that event marketing methodology should continue to evolve so that demand for marketing actions and assets be evaluated in financial terms in order to illustrate the return on investment. This is especially relevant to the sponsorship of sporting events where perceived marketing investment primarily drives whether or not to be associated with a particular event (Waller, 2007). The purpose of this study is to examine the association between the amount of money that organizations invest on college bowl sponsorships and the perceived attractiveness of these associations.

2.2. Originality of the paper and contribution to knowledge.

Clark, Cornwell and Pruitt (2009) stated that sporting event sponsorships are the dominant form of investment in brand management. Thus, this study is original in that it investigates how well collegiate bowl sponsorships optimally utilize their touch points. Second, the paper projects originality due to its focus on collegiate bowl sponsorship. Finally, our work contributes to the knowledge base by examining return on sponsorship investment from a theoretical perspective.

2. Theoretical framework

Relationship theory has pertinence within the marketing sphere. Hunt, Arnett and Madhavaram (2006) identified several forms of relationship theories with relevance to the marketing of goods and services. These include alliances between organizations and their competitors; exchanges between firms and ultimate customers; and the relational exchanges involving service providers as event organizers and sponsors. Thus, this latter form is applicable to our discussion of the effectiveness of collegiate bowl sponsorships. Relational exchange theory has been employed to examine the interactions between buyers and suppliers within industrial marketing. According to Hald, Cordón, and Vollmann (2009), mutual attraction is important in developing relationships. They emphasized that this appeal can be evoked through an array of perceptual tactics that results in enhanced performance between the associates. Consequently, Hald, Cordón, and Vollmann (2009) conceptualized three elements of attractions that should be examined when investigating the nature of exchange between organizations. These are expected value, trust, and dependence.
Relational exchange theory has been linked to events and sponsorship contexts. McCarville and Copeland (1994) emphasized that sport sponsorships have been extensively used as revenue generation for profit and non-profit organizations. The authors suggest that perceived attraction of the exchange among participants are paramount in whether an agreement is reached and sustained. In proposing an evolitional paradigm to assess the effectiveness of being associated with sporting events, Stotlar (2004) linked relative exchange theory to sponsorship agreements. In his discussion, Professor Stotlar suggested that this supposition is applicable in such association because perceived value is being transferred between the two involved parties. Copeland, Frisby and McCarville (1996) found that value is extremely important to sponsors of Canadian sporting events. In this study, the operationalizing of value is through the constructs of “exclusivity”, “awareness”, “image”, “sales” and “dealer/trade feedback”. In agreeing to sponsor an event, the corporate partner also expects a sense of trust. This is often displayed in the form of trusting the organizer to create an event that will enable its objectives to be achieved. Stotlar (2004) posited that corporate sponsors should obtain feedback on whether objectives have been or are being attained. McCarville and Copeland (1994) indicated that past successes may dictate future sponsorship decisions. This implies that there is a dependence on the event organizers to produce successful outcomes. As such, we are purporting that the elements of attraction, as identified by Hald, Cordón and Vollmann (2009) have pertinence to sponsorship evaluation.

When examining the worth of a bowl sponsorship, perceived value should be a metric of consideration. The contribution of suppliers can create wealth for an organization. In a sponsorship setting, event organizers are the suppliers since they can generate product awareness and facilitate consumer action. Vivek and Ravindran (2009), when observing supply chains found that the supplier performance had a significant impact on the performance of the firm. The literature further documents those corporations that establish relationships with other entities have achieved greater value than would otherwise be the case if they did not engage in such development. Hence, we posit that sponsorship agreements result in positive exchanges for those in the corporate community. As such, we are seeking answers to whether college bowl sponsorship increases the number of interactions between brand offerings and target consumers.

**RQ1: Do bowl sponsorships provide added-value to the corporate partner through the generation of touch points?**

A successful exchange is generally predicated on the strength of a relationship. Trust between involved parties leads to a rich association (Hausman, 2001). Service quality is viewed as creating a bond between the supplier and customer (Gounaris and Venetis, 2002). The aspect of quality in creating a sense of trustworthiness between the event originators should not be undervalued. In the sponsorship realm, past experiences have a noticeable influence on future intent (McCarville & Copeland, 1994). Accordingly, organizations will have trust in an association when it generates positive results. Hence, our aim is to ascertain whether bowl sponsorships represent a trustworthy investment for the corporate partner.

**RQ2: Does a positive return on investment for the corporate partner suggest bowl sponsorships are trusted endeavors?**

For a sponsorship to become a mutually beneficial investment, both parties must be proactive in integrating value in the exchange (Farrelly, 2010). Farrelly (2010) added that this dependency can keep a sponsorship agreement from becoming dissolvent. When relationships are based on perceived benefit dependence, relational loyalty can manifest (Scheer, Miao & Garrett 2010). Thus, when corporate partners can receive financial leverage while event organizers also experience this, benefit dependence suggests a worthy association. In the bowl setting, our aim is to investigate whether a sponsorship arrangement is perceived as providing added-value to both parties.

**RQ3: Are bowl sponsorship arrangements predicated on benefit dependence among the corporate and event partners?**

3. Methodology

3.1. Events. The data for the study consisted of documents relating to eight bowl games. In this sample, three non-BCS and five BCS events were analyzed. The three non-BCS events were the New Mexico Bowl, Brut Sun Bowl and AutoZone Liberty Bowl. While BCS events included the Rose Bowl Game presented by Citi, Allstate Sugar Bowl, Tostitos Fiesta Bowl, FedEx Orange Bowl and the 2010 CitiBCS National Championship Game. For each event, the tickets sold and their prices, the number of television viewers, the bowl payouts to the participating institutions/conferences, and the cost of advertising for sponsors were characteristics examined. When conducting a review of these
factors, one must distinguish between the BCS and non-BCS events. BCS bowl games, tended to be the most sought after. These bowl games paid the most monies to the participating institutions, had the highest ticket prices, and commercial advertising cost. Though it might not mean as much if your alma mater played in a different game, but in the 29 bowl games that were not part of the BCS, only about 1.4 million people attended and just over 80 million viewed those contests. In contrast, in the 5 BCS games almost 400,000 people attended and 53.9 million watched those contests.

3.2. Analysis. A case study approach was used to answer the three research questions through conducting assessment across the eight events. The data for this analysis were derived from a payout scheme highlighted by the Auburn University Athletic Director (Coulter, 2007) and related documents. Data were assessed through key measures. One of these measures is return on investment (ROI). ROI is a mathematical equation which equals net income divided by total assets. An adaptation for comparison, since bowl games do not publish a balance sheet, will equate to touch points. Total points equal paid attendance and television viewers per game divided by payout per institution. The approximate number of touch points was examined and compared to the payouts the schools receive for participating in the bowl games. In addition, descriptive analysis was used to make comparisons between attendance at the game, television exposure, and the costs associated with sponsorship of the event.

4. Results

The presentation of results will be segmented according to the Research Questions.

**RQ1:** Do bowl sponsorships provide added-value to the corporate partner through the generation of touch points?

In answering this question, the generation of touch points was established to provide a reflection on the value added by sponsoring a bowl event. To assess the generation of total points, we will segment our analysis into BCS and Non-BCS games. The BCS National Championship game at the Rose Bowl was held on January 7, 2010. There were 94,906 paid attendees and 17,200,000 that viewed at home according to the Nielsen Ratings (Nielsen.com, 2009). There were approximately 17,300,000 total touch points for this bowl game. In addition, the Rose Bowl this year was held on January 1, 2010. There were 93,963 paid spectators and 13,200,000 viewers from home according to Nielsen Ratings. There were approximately 13.3 million touch points for this bowl game. Also, The Sugar Bowl this year was held on January 1, 2010. There were 65,207 paid attendance and 8.5 million that viewed from television land according to Nielsen Ratings. There were approximately 8.6 million total touch points for this bowl game. The Fiesta Bowl this year was held on January 4, 2010. There were 73,000 that paid for attendance and 8.2 million home viewers according to Nielsen Ratings. There were approximately 8.3 million total touch points for this bowl game. The Orange Bowl this past season was held on January 5, 2010. There were 66,131 people that paid admission and 6.8 million viewed on television according to Nielsen Ratings. There were approximately 6.9 million touch points for this bowl game.

The non-BCS events were shown to generate substantial touch points. The New Mexico Bowl this past football season was held on December 19, 2009. There were 24,898 people that paid for attendance and about 2.4 million people that viewed at home according to Nielsen Ratings. This resulted in possibly 2.5 million touch points for this bowl game. The 2009 Brut Sun Bowl was held on December 31, 2009. There were 53,713 paid attendance and 3.6 million that viewed the game through the television networks according to Nielsen Ratings. There were approximately 3.7 million total touch points for this bowl game. Finally, The Liberty Bowl in 2010 was held on January 2, which was a Saturday. There were 62,742 people that paid for attendance and 3.8 million indirectly viewed according to Nielsen Ratings (Nielsen.com, 2009). There were approximately 3.9 million total touch points for this bowl game.

**RQ2:** Does a positive return on investment for the corporate partner suggest bowl sponsorships are trusted endeavors?

The basis of ROI in this study was to examine payouts to bowl participants relative to touch points. Hence, we will first assess the payout to the non-BCS participants. The New Mexico Bowl game was played between Wyoming and Fresno State universities from the Mountain West and Western Athletic Conferences, respectively. Since this was a non-BCS game both received $750,000 for their being involved with this contest. Since the payout was lower than other games, the institutions kept the entire payout to cover participation and travel expenses (Coulter, 2007). The information for this comes from a payout formula underscored by the Auburn University Athletic Director (Coulter, 2007). The 2010 Sun
The 2010 Liberty Bowl game was played between East Carolina and Arkansas Universities from the Conference USA and South Eastern Conferences (SEC), respectively. Since this is a non-BCS game each institution received $1.35 million for their being involved with this contest. The letter from the Auburn University Athletic Director gives us the insight that these two institutions then were able to keep $840,000 each in participation fees. The next step is to perform an analysis of BCS events beginning with the championship event. This game was played between Alabama and Texas Universities from the SEC and Big 12 Conferences, respectively. Since this is a BCS game each institution received $17 million for their involvement. Based on the payout schedule from the BCS (Bowl Championship Series in Association with Fox Sports, 2006) both teams received full compensation based on being from an automatic qualifying conference. The letter from the Auburn University Athletic Director gives us the insight that these institutions were able to keep $1.74 million in a participation fee off of the top of the BCS payout. Another event with substantial payoffs was the Rose Bowl. This game was played between Ohio State and Oregon Universities from the Big 10 and Pac 10 Conferences, respectively. Since this is a BCS game, both institutions received $17 million for their involvement with this contest. Based on the payout schedule from the BCS (Bowl Championship Series in Association with Fox Sports, 2006) both received full compensation based on being from the highest ranking team in a BCS game from their conference. The letter from the Auburn University Athletic Director gives us the insight that these institutions then were able to keep $1.74 million in a participation fee off of the top of the BCS payout. The Sugar Bowl game was played between the University of Cincinnati and University of Florida from the Big East and SEC conferences, respectively. Since this is a BCS game, University of Florida received $4.5 million for their being involved with this contest. Also, the University of Cincinnati received $17 million for their being involved in the contest. Based on the payout schedule from the BCS (Coulter, 2007) both or one team received full compensation since the SEC conference had another team playing in a BCS game. The letter from the Auburn University Athletic Director (Coulter, 2007) gives us the insight that these institutions then were able to keep $1.74 million in a participation fee off of the top of the BCS payout. The Fiesta Bowl game was played between TCU and Boise State universities from the Mountain West and WAC conferences, respectively. Note that both of these participants are members of non-BCS conferences. Since this is a BCS game both TCU and Boise State received $9.8 million for their being involved with this contest. The information is based on the payout schedule from the BCS non automatic qualifying conferences (Bowl Championship Series in Association with Fox Sports, 2006). The letter from the Auburn University Athletic Director gives us the insight that these institutions then were able to keep $1.74 million in a participation fee off of the top of the BCS payout. The Orange Bowl game was played between Iowa and Georgia Tech Universities from the Big 10 and Atlantic Coast Conferences, respectively. Since this is a BCS game Georgia Tech received $17 million for their participation in this contest. Also, Iowa received $4.5 million for their being with the contest. Based on the payout schedule from the BCS (Bowl Championship Series in Association with Fox Sports, 2006) Georgia Tech received full compensation based on being from the ACC. The Big 10 Conference, Iowa, had another team playing in a BCS game. The letter from the Auburn University Athletic Director gives us the insight that these institutions then were able to keep $1.74 million in a participation fee off of the top of the BCS payout.

In most cases, the number of touch points exceeded the payout per each event. The following chart will show the payouts per bowl game being discussed and touch points per game:
RQ3: Are bowl sponsorship arrangements predicated on benefit dependence among the corporate and event partners?

When describing benefit dependence, the bowl event organizers will be scrutinized. There is evidence that these entities generate substantial cash flow from established relationships with conference and membership institutions. This association will initially be considered from the Non-BCS tier. There were 24,898 paid spectators and about 2.4 million TV viewers of the 2009 New Mexico Bowl according to Nielsen Ratings. According to published rates, the minimum price for a ticket was $23 and a maximum price was $30. Taking only the average rates for a ticket into the equation, the gate alone brought in $706,640. With respect to the Brut Sun Bowl, there were 53,713 paid attendance and 3.6 million that viewed the game on television according to Nielsen Ratings. There were approximately 3.7 million total touch points for this bowl game. According to published rates, the minimum price for a ticket was $15 and a maximum price was $60. Taking an average of the six ticket prices, the gate alone brought in $1,924,716. An observation of the Liberty Bowl showed that 62,742 patrons paid attendance and 3.8 million viewed this event through television according to Nielsen Ratings. According to published rates, the price of a ticket was $50. Given the price of a ticket multiplied by the attendance, the gate brought in $3,137,100.

The revenue generation of the BCS tier will be analyzed. At the BCS Championship game, there were 94,906 paid for attendance and 17,200,000 that viewed the game through Fox television according to Nielsen Ratings. According to published rates, the minimum price for a ticket was $245 and a maximum price was $4500 (Bolch, 2010), taking only the rates for the lowest price ticket into the equation the gate alone brought in $23,251,970. There were 93,963 individuals who paid to be in attendance that the Rose Bowl and 13,200,000 who were television viewers according to Nielsen Ratings. Published data indicate that the minimum price for a ticket was $145 and a maximum price was $195. Taking only the lower rates for a ticket into the equation the gate alone brought in $13,624,635. According to Orange Bowl statistics, 66,131 customers paid for attendance and 6.8 million viewed via television according to Nielsen Ratings. Organizers reported the minimum price for a ticket was $160 and a maximum price was $395, taking an average of the two rates for a ticket into the equation ($277.50) the gate alone brought in $18,351,353. At the Fiesta Bowl, there were 73,000
people that paid for attendance and 8.2 million viewed through commercial television according to Nielsen Ratings. The minimum price for a ticket was $151.90 and a maximum was $3700 packages, taking only the rates for a ticket into the equation the gate alone brought in $11,088,700. Not knowing how many packages were sold, gate totals are based only on lower ticket prices. There were 65,207 patrons who paid to be in attendance at the Sugar Bowl and 8.5 television viewers according to Nielsen Ratings. For this event, the ticket price was $125. Hence, taking only the ticket price and attendance into the equation the gate alone brought in $8,150,875.

Facility signage was another revenue source for event organizers. There were approximately 95,000 people who were exposed to all of the different signages and other types of marketing within the Rose Bowl Stadium for the entire game. For those viewing the game on television, exposure to on-field and stadium advertising is harder to quantify. The only study found, from 2006 where logo and signage detections were quantified into advertising value, is below. The company computed dollar value for exposures for the title sponsors during the BCS games by: the company’s logo detections, the duration the logo was on screen and the quality of the image with all of the other items happening on the screen at the time. Those items were also multiplied by the cost of a 30 second commercial cost which was $400,000, $450,000, $500,000, and $800,000 for the Fiesta, Sugar, Orange and Rose bowl, respectively (Simmons, 2006). The amount per 30 second commercial has increased to approximately $1 million for the non-championship BCS games in 2007 (Zeitchik, 2007). The table that follows breaks down the before mentioned items into a dollar amount and is taken from the article by Simmons in 2006 (Simmons, 2006).

Table 1. Value analysis of logo detections

<table>
<thead>
<tr>
<th>Sponsor/Bowl</th>
<th>Detections</th>
<th>Duration (mm:ss)</th>
<th>SVI* (Quality of image)</th>
<th>Total value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tostitos/Fiesta</td>
<td>520</td>
<td>49:37</td>
<td>0.528</td>
<td>$30,376,683</td>
</tr>
<tr>
<td>Nokia/Sugar</td>
<td>539</td>
<td>41:30</td>
<td>0.412</td>
<td>$20,911,958</td>
</tr>
<tr>
<td>FedEx/Orange</td>
<td>745</td>
<td>58:05</td>
<td>0.402</td>
<td>$29,599,506</td>
</tr>
<tr>
<td>Citi/Rose</td>
<td>236</td>
<td>20:32</td>
<td>0.496</td>
<td>$25,466,643</td>
</tr>
</tbody>
</table>

As emphasized throughout the paper, corporate partners have a strong relationship with bowl events. This year’s bowl games were the most watched in history (TV by the numbers, 2010) and illustrate their value to marketers and advertisers. The BCS Championship game itself had almost 20 million households watching and almost 31 million viewers (TV by the numbers, 2010). Advertising spending on this game alone resulted in 32 million touch points.

In addition, conferences and their member institutions are key stakeholders to successful bowl arrangements. Our examinations will look at the tangible benefits these groups receive. This observation assesses BCS and non-BCS events with the latter being the initial focus. With respect to the New Mexico Bowl, Wyoming and Fresno State each received $750,000 for their involvement. As previously reported, the two institutions used this remuneration to defray participation and travel costs. The Brut Sun Bowl compensated both Oklahoma and Stanford Universities $1.9 million, respectively. After taking out a participation fee of $1.04 million, the Big 12 conference will distribute $66,154 back to each member institution for revenue sharing, assuming it is an even split between institutions and the conference office, a 1/13 share. The Pac 10 Conference would give a 1/11 share to each institution from this game which would result in $78,182 to each institution. Liberty Bowl data allocated $1.35 million apiece to East Carolina and Arkansas Universities for their involvement. The letter from the Auburn University Athletic Director gives us the insight that these two institutions then were able to keep $840,000 in a participation fees off of the top of the payout. After the bowl payouts the conference will split and distribute $510,000 to each member institution for revenue sharing assuming it is an even split between institutions and the conference office. This means that each institution in Conference USA will get $39,231 from this game. The SEC will get the same amount with a 1/13 split of the monies of this game.

We will now change our examination to the benefits realized by BCS conferences and their members. Our analysis has shown that the BCS championship event between Alabama and Texas Universities from the SEC and Big 12 Conferences respectively had the largest payout. The participation fee was $1.74 million for each member. After the taking out participation fees, the conferences will distribute $1,173,846 back to each member institution for revenue sharing, assuming it is an even split, 1/13, between institutions and the conference office. The Rose Bowl game, between Ohio State and Oregon, also had a substantial payout of 17 million per each participant. After allocating a fee of $17 million to the two institutions for their participation, the Big 10 conference will distribute $1,271,667 back to each member institution for revenue sharing, assuming it is an even split between institutions and the conference office, 1/12. The Pac 10 would have
sponsorship arrangements were predicated on benefit dependence among the corporate and event partners.

Regarding the first research question, we found evidence that bowl sponsorships provided added value to the corporate partners through the creation of touch points. This expected value was shown through generating touch points ranging from 2,424,898 to 17,294,908. Hence, this suggests that bowl sponsor arrangements do offer added value to the efforts of corporate partners in targeting market segments. Stotlar (2004) argued that the transferring of perceived value between the corporate partner and event organizer is very important to linking sponsorship agreement to the exchange process. In the examination of Canadian sport sponsorships, Copeland, Frisby and McCarville (1996) discovered that value is one of the most important attributes to corporate associates. As such, a generation of touch points is perceived as providing value to the sponsorship arrangement.

Regarding the second research question, we found convincing evidence that bowl sponsorships are trusted propositions for the corporate stakeholders. The creation of substantial touch points suggests a positive return of investment. Our research has shown that the games that paid the most money, BCS bowl games, tended to be the most sought after. These bowl games paid the most monies to the participating institutions, had the highest ticket prices, and commercial advertising cost. Though it might not mean as much if your alma mater played in a different game, but in the 29 games that were not part of the BCS only about 1.4 million people attended and just over 80 million viewed those contests via TV. In contrast, in the 5 BCS games almost 400,000 people attended and 53.9 million watched those contests through television. From a marketing standpoint, there were 34 opportunities to gain exposure to a somewhat captive and typically very enthusiastic audience. Football fans tend to be very loyal and passionate about their “teams” and items associated with the “teams”. Given the numbers of total games compared to the Super Bowl, 34 to 1, and total touch points available, 135.7 million to 151.6 million, college football in general is a very worthwhile place to put sponsorship and advertising dollars. Hence, the determinations we made concerning bowl sponsoring being trusted investments for corporations are in line with conclusions drawn by Copeland and colleagues emphasizing the quality of the sponsorship investments (Copeland, Frisby and McCarville, 1996; McCarville & Copeland, 1994).

With respect to the third research question, our results put forward the belief that sponsorship arrangements are structured on benefit dependence.

The results have shown the effects of bowl sponsorships on corporate partners, event organizers, as well as affiliated conferences and their membership. These outcomes will be discussed in the forthcoming section.

Discussion and conclusions

This study sought to provide some answers to three significant research questions. First, we attempted to identify whether bowl sponsorships provide added-value to the corporate partner through the generation of touch points. Second, we attempted to determine if a positive return on investments for the corporate partner suggests bowl sponsorships are trusted endeavors. Finally, our objective was to discern whether bowl sponsorship arrangements were predicated on

a 1/11 split and share $1,387,273. The Orange Bowl distributed payouts of $17 million to Georgia Tech and 4.5 million to Iowa. Note that each of these institutions was entitled to 1.74 million for participating. After the bowl payouts, the conference will distribute $230,000 back to each member institution for revenue sharing, assuming it is an even split between institutions and the conference office in the Big 10, a 1/12 share. The Georgia Tech University split will still keep $1.74 million off of the top and then each institution will get $1,117,846, assuming it is an even 1/13 share between institutions and the conference office. Based on the payout schedule from the BCS (Coulter, 2007) both or one team at the Sugar Bowl received full compensation since the SEC conference will had another team playing in a BCS game. As such, the University of Florida received $4.5 million while the University of Cincinnati was appropriated a full BCS share of 17 million. From this compensation, a participation fee of 1.74 million was paid to the institutions. After the bowl payouts both of the conferences will distribute $806,000 back to each member institution for revenue sharing, assuming it is an even split between institutions and the conference office. Based on the payout schedule from the BCS (Coulter, 2007) both or one team at the Sugar Bowl received full compensation since the SEC conference will had another team playing in a BCS game. As such, the University of Florida received $4.5 million while the University of Cincinnati was appropriated a full BCS share of 17 million. From this compensation, a participation fee of 1.74 million was paid to the institutions. After the bowl payouts both of the conferences will distribute $806,000 back to each member institution for revenue sharing, assuming it is an even split between institutions and the conference office.

In the forth coming section.
Through this reliance, this is being contended that each stakeholder receives additive advantages from the relationship that would other not be available. Event organizers receive added capital, the corporate partners broaden their touch points in key segments and conferences and their members gain integral monetary subsidiaries. Thus, this offers support for Farrelly’s (2010) position that each entity adds in value due to the association. These interrelations can create a sense of relational loyalty that can firm the process of exchange (Scheer, Miao & Garrett, 2010).

In sum, bowl sponsorships add value, stimulate trust among stakeholders and create benefit dependence. Consequently, this offers support for the position of Hald, Cordón, and Vollmann (2009) that mutual attraction is a key ingredient to a successful sponsorship venture.

Implications for theory. Altogether, our findings were strongly supportive of the conceptual framework we proposed in our introduction; the theoretical underpinnings of our framework emphasized the importance of exchange in a sponsorship arrangement. According to exchange theory, an association should create relational value (Copeland, Frisby and McCarville, 1996), trust (Hausman, 2001) and dependence (Hald, Cordón and Vollmann, 2009). As such, our findings support the previous determinations that exchange theory is very applicable to sport related sponsorships (McCarvilleand Copeland, 1994; Stotlar, 2004).

Study limitations and direction for future research. One limitation of this study is not being able to use financial data in the calculation of return of investment ratios. Although financial statements may not be disclosed, such information could possibly be secured through personal interviews with event organizers. The second limitation was the omission of sponsorship costs in analysis of touch points and payoffs. Such omissions should be assessed in future studies. Despite its limitations, this examination offered important insight regarding touch point generation and bowl payouts.

References


