

**GLOBAL EVENTS, NATIONAL SPONSORS: CAN BENEFITS BE GAINED FROM
A SHORT-TERM ASSOCIATION?**

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Summary

One of the most notable trends in marketing communications over the past twenty years has been the massive growth of corporate sponsorship. Many global events, with non-fixed locations, offer high profile “one-off” sponsorship opportunities for companies based in, or with particular links to, the host country. This study investigates whether such companies can, in the limited time available, establish a sponsorship association which will have positive and lasting effects. The strategies of three sponsors of the 2002 Commonwealth Games were investigated, and measurements of sponsor awareness were taken in two locations prior to the Games, one month after, and six months later. At all stages recall and recognition was higher around the venue location, and correlated with frequency of viewing. The patterns in increase and decrease of awareness were different for each company, and are discussed in relation to their strategies. Evidence of change in brand/company image or buying behaviour was minimal, with the vast majority of those aware of the sponsorship already brand users, thus companies would be advised to use such sponsorships for image reinforcement rather than change. Early awareness can be generated by involvement in pre-event promotion, while memorability can be maximised by differentiation through distinctive leveraging activities, and the use of tangibles in the form of souvenirs or product samples

Introduction

One of the most notable trends in marketing communications over the past twenty years has been the massive growth of corporate sponsorship, of which sport sponsorship represents around 67% (Thwaites *et al*, 1998). Major international sporting events attract multinational companies willing to pay millions of pounds to associate themselves with these prestigious occasions; Stipp (1998) suggests that their reasons include both the opportunity to reach a huge, worldwide television audience, and the chance to improve their corporate image through association with the event. Many of these companies have maintained long-term links with their sponsored events: for instance, among the top tier sponsors of the 2004 Olympics, Sports Illustrated/Time has sponsored each Olympics since 1980, and Visa since 1988, while Coca-Cola has been involved with the Games since 1928. This paper, however, concentrates on a different type of sponsor: companies which seek purely to capitalise on the

sponsorship opportunities provided by a major event taking place in their home country. The chance to sponsor such a high profile event may be regarded as “too good to miss”, and companies with a particular link to the hosting city, region or sport may even fear negative publicity if they do not undertake sponsorship. However, they do not intend to build a long-term relationship with the event as it moves on in future years, and thus have limited time in which to establish a strong enough link to have positive and lasting effects on brand or corporate image. How much long-term benefit can sponsors gain in this situation, and what communication techniques should they use? To look for some answers to these questions, this paper examines the strategies employed by three UK-based sponsors of the 2002 Commonwealth Games, held in Manchester, England, and compares their impact upon UK consumers.

Sponsorship effects

Studies of major event sponsorships (Stipp, 1998; Easton and Mackie, 1998) have shown positive effects upon corporate and brand image, though several studies qualify such effects. Ferrand (1999) noted a change in brand image only for consumers who were exposed to the sponsored event and also intended to buy the brand, while Nicholls *et al* (1994) emphasised the importance of leveraging the sponsorship, and Speed and Thompson (2000) found the response to sponsorship to be affected by prior attitudes toward event and sponsor, and congruence between the two. But it is clear that image effects cannot occur unless there is awareness of the sponsorship, and thus a sponsor will want to achieve high levels of awareness of the sponsorship within their target market. However, the proliferation of sponsorship activity, particularly surrounding premier events, has led to an increasingly cluttered environment in which it is increasingly hard for consumers to identify sponsors clearly (Meenaghan, 1998). Thus sponsors need to spend more on leveraging activities, and seek out ever more innovative communication strategies to be noticed amid the clutter. Amis *et al* (1999) found that the supporting marketing and communication mix was a key factor in establishing increased brand equity and a non-imitable differential advantage through the strong linkage of sponsor and sponsored property. Firms who have been successful in leveraging their sponsorships include Carling, who supported their 4 year sponsorship of the English Football Association Premiership with several soccer themed TV ads, a soccer oriented website, and various promotions and competitions, while Easton & Mackie (1998) noted that all sponsors of the EURO96 soccer tournament developed extensive marketing programmes to support their sponsorships, including joint marketing activity.

Background to the study

The Commonwealth Games, a festival of different competitive sports open to all countries that are or have been members of the British Commonwealth, takes place every four years, in a different country. The venue in 2002 was Manchester, England. There were ten primary sponsors of the games, of which the study concentrates on three – Asda (supermarket chain), Cadbury (chocolates), and Cussons Imperial Leather (shower and bath products). These were selected due to the relevance of their products/services to UK consumers in general – other sponsors were more regionally based, or were specialist companies such as a recruitment firm. From observation during the period around the Commonwealth Games, and information provided by the companies, through personal conversation and/or their websites, the main features of the sponsorships were found to be:

Asda

Objectives

- Part of their involvement in the 25 year regeneration plan for East Manchester, which involves the creation of a new town centre, focused on a retail and leisure park near the stadium area.
- Cement their market position
- Celebrate new store opening in the area

Activities

- Ticket selling
- Providing staff and uniforms – all graduates of their volunteer programme were guaranteed a job offer following the Games
- Provision of running kit for participants in Cadbury Jubilee Baton Relay
- Food provision at venues and athletes' village
- Manning merchandise shops
- Joint in-store promotions with other sponsors
- Mini Sports Days nationally
- Stadium signboards, brochures, and massive gasometer near stadium covered in Asda banners

Cadbury

Objectives

- Company was unwilling to disclose specific objectives. Statements on the website referred to Cadbury having a natural fit with the Commonwealth Games due to their strong heritage, their universal mass appeal, and the quality of their products.

Activities

- Organised Jubilee Baton Relay (all around Britain) prior to Games
- Provided “light batons” in Cadbury purple to those attending Opening Ceremony
- Presence at athletic stadium, selling branded products
- “Chocolate sculptor” at stadium, who could be watched building a model of the stadium
- On-pack promotions
- Associated PR activity

Cussons Imperial Leather

Objectives

- Generate brand awareness in the UK and key Commonwealth countries, including raising the company profile with trade customers

Activities

- Roadshow, with product samples being distributed, which travelled around Britain prior to the Games and was then based at the Games
- PR activities using several high profile athletes
- Perimeter advertising
- Associated TV advertising
- Name on competitor numbers
- On-pack promotions
- Supplied competitors with bath/shower products

Location effects

Quester and Farrelly (1998) predict that impact of sponsorship is likely to be greatest in the area close to where the event is taking place, because local people are likely to be exposed,

during their day-to-day life, to visual cues such as signage and sponsor displays at or near the sporting arena, so they will “passively absorb” sponsor information. Therefore, this study concentrated on both Manchester, the Commonwealth Games venue, and Cardiff, 150 miles away, to compare differences in sponsorship effects.

Time effects

Sponsors who sponsor an event once only, have a limited time in which to communicate their activities. This would start during the build-up to the event; for the sporting communities with direct interest in the event, this could be years beforehand, but for the general public, their first awareness of the event might be when ticket sales started, or not until a week or two before the event, when it began to be advertised in forthcoming television schedules. It would be in sponsors’ interests to raise event awareness, in conjunction with the sponsor name, as early as possible, in order to extend their period of association with the event.

During the event, the sponsors’ aims are to establish a durable association that will remain in consumers’ long term memory, and be as resistant as possible to memory decay. There is debate on whether the appropriate measure of sponsorship awareness is unaided recall, giving only the event as a retrieval cue, or recognition of the sponsor name (e.g. from a list of companies or brands). Pope (1998) suggested that recognition was more appropriate for low involvement brands, as it mirrored more closely the purchase situation where the product would be chosen from a display of competing brands, while recall was more appropriate for high involvement products where a brand decision, or at least a consideration set, was likely to be formed away from the point of purchase. Johar & Pham (1999) noted however that “recognition” by respondents who did not know the sponsor could involve strategic thinking, considering the prominence of the company and the “fit” of the brand to the event. However, with a personally administered questionnaire, a choice does not have to be made: it is possible to test both measures, asking first for unaided recall and then following up with a list to test recognition.

Methodology

A three-step interviewing process was carried out in each city; two weeks prior to the Games, 50 street interviews were carried out on a convenience sampling basis, in order to assess the level of awareness achieved by the three sponsors through pre-Games activities and publicity. An attempt was made to sample equal numbers of males and females, spread evenly across the age range from under 21s to over 60s. The second and third steps took place during the

month following the Games, and then six months later; each of these stages comprised 50 telephone interviews in each city, selected on a probability sampling basis. A random number generator was used to select a starting page and line of the telephone directory, and a sampling interval; the numbers dialled were the selected number from the telephone directory plus one, thus giving ex-directory numbers a chance of selection. Three attempts, on different days/times, were made to contact each number before replacing it in the sampling frame.

The questionnaire

A screening question was used to check that the respondent knew that the Commonwealth Games were about to take place/had taken place. Only respondents who indicated knowledge of the event were included in the sample. Both recall and recognition measures were used; respondents were asked initially if they could name any of the ten principal sponsors of the Commonwealth Games, and then (unless they had named all three of Asda, Cadbury and Cussons Imperial Leather) were read a list of 16 companies and asked if they recognised any (further) sponsors from the list. The list comprised four well-known brand names in each of the categories of supermarkets, confectionery manufacturers, and soap products, plus four additional brands. Any comments made by respondents as they considered these questions were also noted.

Respondents who named any of the three sponsors under consideration were then asked if their knowledge of the sponsorship had changed their attitude to the company in any way, and about their shopping/purchase behaviour with regard to the brand, both prior to the Games and currently. Finally, the respondent details collected were age, gender, and (for the telephone samples only) frequency of watching the Commonwealth Games, live or on television.

The samples

Table 1 shows the composition of each of the six samples. While the pre-Games personal interviews had a reasonably even split in terms of gender and age groups, three of the telephone samples were weighted toward females, while the first wave of telephone interviewing, in both locations, produced a disproportionate number of respondents in the oldest age group. As would be expected, the majority of those who had watched any of the Games live were from Manchester.

Table 1: Descriptive statistics for samples

		Prior to Games		1 month after Games		6 months after Games	
		Manchester	Cardiff	Manchester	Cardiff	Manchester	Cardiff
Gender	Male	24	26	25	19	19	19
	Female	26	24	25	31	31	31
Age	< 21	8	11	5	2	1	4
	21-30	10	9	5	3	12	9
	31-40	10	9	4	8	10	9
	41-50	10	6	7	7	10	10
	51-60	5	8	7	12	7	7
	>60	7	7	22	18	10	11
Watching live		n/a	n/a	4	0	8	1
Watching on TV		n/a	n/a	46	41	41	39
TOTAL		50	50	50	50	50	50
Refusals		30	77	30	44	53	41
No reply (3 calls)		n/a	n/a	17	25	47	52

Sponsor awareness

Table 2 shows the numbers who could recall or recognise each of the relevant sponsors, at each stage.

Table 2 Recall and recognition of sponsors

		Prior			1 month after			6 months after		
		* M	C	Total	M	C	Total	M	C	Total
Recall	Asda	4	-	4	9	2	11	4	1	5
	Cadbury	-	-	-	9	1	10	5	-	5
	Cussons Imperial Leather	-	2	2	4	-	4	-	-	-
	Any other sponsor	3	-	3	5	1	6	2	1	3
Recognition	Asda	17	4	21	28	12	40	21	5	26
	Cadbury	4	3	7	24	9	33	18	5	23
	Cussons Imperial Leather	1	3	4	24	10	34	6	3	9

* M = Manchester, C = Cardiff

A significant effect from location can be observed, with better recall and recognition in Manchester for each sponsor, at each time, with the exception of Cussons Imperial Leather prior to the Games. This can be explained by the fact that Cussons were (unknown to the researchers) holding one of their roadshows in Cardiff on the day of sampling, not far from where the interviewer was working. For both the post-Games samples, a binomial test showed significant differences (99% confidence level) between results for both recall and

recognition at the two locations (significance level 0.000 for all but recall at the later time, for which significance was 0.008). In the prior condition, significance was 0.101 (recall) and 0.028 (recognition).

As expected, both recall and recognition showed an increase from the pre-Games survey to the first post-Games interviews, and then decreased in the final interviews. There was greater awareness of Asda as a sponsor prior to the Games, especially in Manchester, perhaps because they were involved in ticket selling or recruiting staff. Time effects follow different trajectories for the three companies: Asda, starting with a much higher level of awareness than the others, increased both recall and recognition to 11% recall, 40% recognition by the second wave of interviews. Cadbury, having started with much lower levels, nevertheless reached 10% recall and 33% recognition, while Cussons Imperial Leather scored less well on recall (4%) but comparably (34%) on recognition. By the final wave of interviews, all figures had decreased, Cadbury and Asda by similar percentages of 55% and 50% on recall, 35% and 30% on recognition, but Imperial Leather to a zero level of recall and 74% decrease in recognition.

It would be expected that those who watched the Games most, would have greatest sponsor awareness. Two variables were therefore created to record the total numbers of sponsors correctly recalled (possible range 0 to 10, the total number of official sponsors) and correctly recognised (range 0 to 3, as only three of the 10 were on the recognition list). These indeed had a positive correlation with frequency of viewing the Games, and also with location (Table 3). No significant gender differences were found on these measures, but age had a positive correlation with recognition.

Table 3 Correlations with recall/recognition

	Sponsors correctly recalled	Sponsors correctly recognised
Watched live	.221**	.184**
Watched on TV	.097	.209**
Frequency of watching	.173**	.285**
Age	.004	.138*
Gender	.035	.081
Location (<i>see note below</i>)	-.262**	-.333**

** = significant at 99% level

* = significant at 95% level

Location: as Manchester was coded 1 and Cardiff 2, these figures show greater recall and recognition in Manchester.

Effects on image and buying behaviour

The vast majority of respondents who recalled or recognised one or more sponsors, claimed that knowledge of the sponsorship had had no effect on their image or opinion of the company or brand, or their buying behaviour. This is of course in line with most surveys – few people will admit that their attitudes or behaviour are affected by promotional activities. Five respondents expressed positive reactions toward the companies because of the sponsorships – pleased that companies they liked and patronised, and local companies, were involved with the event. Furthermore, one Asda shopper said she had probably shopped there more frequently since the Games, another said that “maybe” she had shopped more frequently at Asda and bought more Cadbury products “because they were helping young people”, while three people had changed their Imperial Leather buying behaviour – one buying more frequently, one buying the shower gel which she had not previously bought, and one who had started buying Imperial Leather products, having tried the free samples given to his wife as a Games employee. It was noticeable, however, that only three of those who recalled or recognised Asda as a sponsor were not Asda shoppers (for reasons of convenience); only three of those recalling or recognising Cadbury did not buy the brand (because they did not buy chocolate at all); and only eight of those recalling or recognising Imperial Leather were not users of the brand.

Discussion

The three companies studied had different objectives, and achieved different results with their sponsorship campaigns. Asda’s objectives were primarily focussed on the Manchester area, where they are committed to helping in community regeneration, and the Commonwealth Games proved very timely for their first venture into major event sponsorship. Their range of leveraging activities was designed to enable them to gain early awareness (through ticket selling and advertising for volunteers); to enhance their desired image as a caring employer concerned with the community (through the offer of jobs to volunteers); and to give a high profile around the Games venues (through sale of food, uniforms, and the banners on the gasometer, which were remembered specifically by several Manchester respondents). Asda was rewarded with the highest levels of recognition from the three companies studied. The vast majority of these were already Asda shoppers, and thus the lack of reported effects on image and shopping behaviour is unsurprising, with the sponsorship serving only to reinforce an already positive image. Furthermore, Asda shoppers may have been more likely to notice the sponsorship, through greater exposure to it due to in-store promotion, and a greater

propensity to notice a name with which they were very familiar. This can be compared to findings reported by Ferrand (1999), where a positive effect on the image of a sponsoring brand was only found for respondents both exposed to sponsorship and intending to buy the brand.

Cadbury believed that their Commonwealth Games sponsorship was a natural fit between the quality of an elite event and a high quality chocolate brand, which would reinforce their image. They also attempted to generate prior awareness through the Jubilee Baton Relay, but this was less successful than Asda's pre-Games activities. However, by the time of the second wave of interviews Cadbury had raised their level of recall from zero to 10%, and of recognition from 7% to 33%. Their activities at the Games venues undoubtedly contributed to those figures for live viewers, while their light batons in their distinctive purple at the Opening Ceremony gave them television exposure to a large broadcast audience. Cadbury showed the lowest drop in awareness between the two post-event surveys.

Cussons Imperial Leather, similarly, had low prior awareness levels, but raised recognition substantially by the time of the second wave of interviews. Their strategy was designed to give their name maximum television exposure through specially designed advertising, perimeter advertising, competitor numbers and high profile athletes, reflecting their objective of increasing awareness not just in the UK but in other Commonwealth countries. However, the links created appeared to be less durable than those created by the other two sponsors studied. One reason for this could be the difficulty of differentiating these forms of communication sufficiently for them to be remembered long-term. For instance, less than two weeks after the Commonwealth Games, the European Athletics Championships took place, with competitor numbers sponsored by Spar. Several respondents either named Spar as a Commonwealth Games sponsor, or expressed doubt as to which event had been sponsored by which brand. However, there was some evidence that the campaign, through free samples and in-store promotions, had stimulated product trial.

Correlations between sponsorship recall/recognition and frequency of viewing are as expected. It is, however, impossible to tell whether this is due solely to more frequent exposure to the sponsorship stimuli, or to a greater interest in the event, which would lead people both to watch more frequently and to be keen to find out more about it, which would include knowledge of sponsors.

Conclusions

The findings of this study show that high levels of awareness in the mass market can be achieved with a well-considered sponsorship campaign based around a one-off event. With regard to image, sponsorship was found to be reinforcing an already positive brand image, primarily among existing brand users, rather than changing image in any way. While the differences in sponsorship objectives and marketing communication policies among sponsors, coupled with a relatively small number of responses, mean that results do not have strong external validity, it is nevertheless possible to put forward some suggestions for sponsors of similar events, based on these findings.

In order to achieve maximum awareness, a company would be advised to seek out ways in which a sponsor-event association can be generated prior to the event, thus lengthening the period of association and the opportunity of making a strong sponsor-event link. The communications centred around the time of the event itself should be as distinctive as possible, in order that they are retained in consumers' minds and are not easily replaced by, or confused with, similar activities carried out by sponsors of later events, although some falling off in awareness levels is inevitable. However, a company wishing to maintain the benefits achieved through such a sponsorship could seek out further opportunities, perhaps at a grass roots level, to deepen the link between the company and the sponsored activity (sport, music, etc.). McDonalds, for instance, maintains its profile as a supporter of sport through the years between sponsoring successive Olympic Games, by sponsoring events such as regional young people's athletic leagues and schools events. Finally, tangible items can be used in several ways: the Cadbury light batons, for instance, were taken home by those attending the Opening Ceremony and may be kept as souvenirs, giving a permanent reminder of the sponsor, while free samples of Imperial Leather products encouraged product trial. As the sponsorship environment becomes ever more cluttered, those sponsors who can leave a lasting impression upon their market will be the ones who succeed in achieving long-term benefits.

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