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Corporate Social Responsibility and Sport Event Sponsorship

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Abstract

Demonstrating socially responsible behaviour has become increasingly important for corporations. Using the Psychological Continuum Model (PCM) as its theoretical framework, this paper examines the mediational role of corporate social responsibility (CSR) on the relationship between sport participation motivation, event attachment and purchase intent of a sport event's sponsors' products. A questionnaire was distributed to a sample of sport event participants (N=689) to measure sport participation motivation (recreation and charity), attachment to the event, CSR, and purchase intent of sponsors' products. Results reveal that CSR fully mediates the link between purchase intent and sport participation motivation and partially mediates the influence of attachment on purchase intent. The authors propose that corporations strategically align with sport events in which participants are attached to allow for CSR and the meaning elicited by the event to work jointly.

Introduction

In 2002, 4.6 million Australians over the age of 18 participated in organised sport or physical recreation, while 7.0 million Australian adults (48.2% of the population) attended at least one sport event (Australian Bureau of Statistics, 2003). These figures demonstrate that participatory sport events provide stakeholders, such as event sponsors, with an attractive audience. Sponsorship of sport events is one form of cause-related marketing, which is a way for corporations to demonstrate social responsibility (Brown and Dacin, 1997). Corporate social responsibility (CSR) represents an important marketing strategy that is favourable to both the economy and society (Zhihai, 2007). The current study examines how CSR affects the relationship between motivation and meaning for a sport event with purchase intent towards event sponsors.

Literature Review

Corporate Social Responsibility

Demonstrating socially responsible behaviour has become increasingly important for corporations. CSR involves effectively balancing a corporation's economic, social and environmental performance (Collins, Steg and Koning, 2007) and is comprised of sincerity, trustworthiness and law-abidance (Zhihai, 2007). CSR has emerged as a worldwide trend involving a variety of different parties including corporations, states, international organisations, and civil society organisations (Sahlin-Anderrson, 2006). Corporations can use CSR to enhance their overall image (Dowling, 1986), and this enhanced image can contribute to a sustainable competitive advantage for the organisation (Amis, Pant and Slack, 1997).

Sport has proven to be an effective vehicle for influencing society in general and communities in particular through positive social contributions (Smith and Westerbeek, 2007). Consumer response to a sponsored sport event has been found to transfer to event sponsors (Crimmins

and Horn, 1996). Research suggests CSR can be exhibited through sport via sponsorships, donations, gifts in-kind, cause-related marketing, and employee volunteering (Smith and Westerbeek, 2007). Sport CSR represents a sport consumer's attitude towards a corporation as a result of its sponsorship involvement with a sport event. The role of CSR in sport sponsorship and whether this involvement translates into purchase intent of sponsors' products is not well understood.

Theoretical Framework

The current study uses Funk and James' (2001; 2006) PCM as its theoretical basis as it builds upon prior research to account for a variety of discrete social-psychological, cultural-education, and situational motives operating within its framework. The PCM outlines a number of processes that explain how consumers become connected to sport events. This connection occurs through a progression along a vertical continuum with four stages: awareness, attraction, attachment, and allegiance.

Prominent within the PCM framework is a discussion of core motives for sport and recreation participation. Most notably, Beard and Ragheb (1983) advanced four dimensions of leisure motivation: intellectual, social, escape, and competency motives related to leisure needs. Each of these four dimensions have been highlighted in the existing literature on motivation (e.g. Crompton, 1979; Crompton and McKay, 1997; Mannell and Iso-Ahola, 1987; Zhang and Lam, 1999). These recreational motives represent core factors that can contribute to event participation in general. However, additional consideration in the form of contextual motives may also serve to fulfil needs within consumers and lead to participation (Funk and James, 2004). For sport events that have a benefiting charity, the charitable component and attachment to the event may represent additional aspects.

Factors related to charitable giving may serve to motivate contributors towards participating. Donors may be motivated by reciprocity, self-esteem, need to help others, and the desire to improve the charity (Amos, 1982; Hibbert and Horne, 1996; Marx, 2000; Ritzenheim, 2000). These motives can attract and increase event participation as well as lead to attachment (Filo, Funk and O'Brien, 2007). Attachment is the overall importance of the event to the participant, and embodies the event taking on emotional, symbolic and functional meaning (Funk and James, 2006). Higher levels of attachment create a greater likelihood that an individual will participate and re-participate in a specific recreational activity. Taken together, the current research investigates how event attachment, recreational and charity motivation, and perceived CSR contribute to a participant's intent to purchase event sponsors' products.

Method

A sample of participants in the 2007 3M Half Marathon and Relay in Austin, Texas completed an online questionnaire following completion of the event. This event represents an established participatory sport event aligned with a charity, in which a portion of the event revenue benefits the Capital Area Food Bank of Texas. The event is in its thirteenth year of existence. 3M is a technology company with a worldwide presence in markets such as consumer and office, health care, and safety services, and a multi-division U.S. headquarters in Austin, Texas. In addition to its involvement with the Half Marathon and Relay promoting the city's active lifestyle, 3M has non-profit partnerships in Austin with organisations

including Big Brothers/Big Sisters, Literacy Austin, and Meals on Wheels. Participants chose between a half marathon and a two-person half marathon relay. Individual participants were required to pay a US\$40 registration fee in advance, or US\$80 on race day, while relay team participants paid US\$80 in advance, or US\$120 on race day. The event attracted over 4,000 participants. The majority of participants registered via the internet (www.3mhalfmarathon.com).

Respondents (N=689) ranged in age from 18-65 with the majority (70%) between the ages of 25-44. Thirty-seven percent had a monthly household income between US\$3500 and US\$10,000, 70% lived with a partner at home, 47% had children, and 86% had obtained at least a Bachelors degree. Ninety-eight percent of the sample had previously participated in the event, with 47% in their second year of participation.

Materials

Participants were given a multi-attribute questionnaire that included: (a) 12-items to measure a composite for recreation motivation (Beard and Ragheb, 1983), (b) 12-items to measure a composite for charity motivation (Amos, 1982; Hibbert and Horne, 1996; Marx, 2000; Ritzenheim, 2000), and (c) nine-items to measure attachment to the event (Funk and James, 2006). All items were measured on 7-point Likert-scales anchored by (1 = strongly disagree, 7 = strongly agree). To measure CSR, two Likert-scale items using seven-point scales (1 = not at all favourable, 7 = extremely favourable) were used to assess how sponsorship of the event caused participants to view 3M and how sponsorship of the event caused participants to view a sponsoring company, and two Likert items using seven-point scales (1 = not at all likely, 7 = extremely likely) to measure purchase intent of the sponsors' products. The questionnaire also included a battery of demographic and participation questions.

The questionnaire was administered online one week following the event. Participants were sent an e-mail with a link to the questionnaire. The e-mail was sent to 3,500 participants, with 689 usable questionnaires returned for a response rate of 19.7%. The questionnaire was available to participants for two weeks following the initial e-mail.

Results

Consistent with the recommendations of Baron and Kenny (1986), a three-step test of mediation was conducted using multiple linear regressions (MLR) to examine the relationships. Step 1 examined the relationship between CSR and recreation motivation, charity motivation, and attachment. Step 2 examined the relationship between purchase intent and recreation motivation, charity motivation, and attachment. Step 3 examined the relationship between purchase intent and recreation motivation, charity motivation, and attachment along with CSR simultaneously.

The means, standard deviations, and Cronbach alpha values for all constructs measured are reported in Table 1. The Chronbach alphas were calculated for the constructs since multi-item scales were used, and ranged from $\alpha = .88$ to $\alpha = .95$, indicating the items used to measure the constructs were reliable (Nunnally and Bernstein, 1994).

The mediation tests for the sample are reported in Table 2. Results from Step 1 indicate a significant relationship exists between CSR and recreation motivation, charity motivation, and

attachment ($p < .05$). The results from Step 2 indicate a significant relationship exists between purchase intent and these same three variables ($p < .05$). According to Baron and Kenny, partial mediation exists if a regression coefficient in Step 1, Step 2, and Step 3 is significant ($p < .05$) and full mediation exists if a regression coefficient in Step 1 and Step 2 is significant but not in Step 3. Results from Step 3 indicate CSR mediates the relationship between purchase intent and recreation motivation, charity motivation, and attachment ($p < .05$). CSR fully mediates the relationship between purchase intent and both recreation motivation and charity motivation, while partially mediating the relationship between purchase intent and attachment. In addition, the explained variance in purchase intent increased from 16% in Steps 1 and 2 to 41% in Step 3 with the addition of CSR.

Table 1: Means, Standard Deviations and Reliability Measures for Recreation Motivation, Charity Motivation, Attachment, CSR, and Purchase Intent

Construct	Mean	Std. Deviation	Cronbach Alpha
Recreation Motivation	4.70	1.05	.88
Charity Motivation	3.65	1.08	.89
Attachment	4.04	1.22	.90
CSR	5.28	1.38	.92
Purchase Intent	4.54	1.57	.95

Table 2: Three Step Test of Mediation for Recreation Motivation, Charity Motivation, Attachment, CSR, and Purchase Intent

	Step 1	Step 2	Step 3	
	CSR	Purchase Intent	Purchase Intent	Interpretation
	Beta	Beta	Beta	
Recreation Motivation	.127	.143	$p > .05$	Full
Charity Motivation	.264	.191	$p > .05$	Full
Attachment	.102	.166	.115	Partial
CSR			.542	Mediator
Adjusted R ²	.16	.16	.41	
F-Value	44.34	44.13	117.43	

Discussion

With this sample, CSR mediates the relationship between purchase intent of the sponsors' products and recreation motivation, charity motivation and event attachment. CSR fully mediates the relationship between purchase intent and recreation motivation and charity motivation. This indicates that while these motives drive event participation (Beard and Ragheb, 1983; Filo, Funk and O'Brien, 2007), they will not influence purchase intent towards the event sponsors' products unless participants perceive the sponsor demonstrates social responsibility. CSR partially mediated purchase intent when considering participant attachment to the event. The emotional, symbolic and functional meaning an individual has for a sport event (Funk and James, 2006) contributes to purchase intent individually but also collectively contributes with CSR to increase the likelihood of purchasing sponsor products.

Attachment to the event should be considered an important predictor of purchase intent due to its partial mediation (e.g. Baron and Kenny, 1986).

These findings support the notion that favourable consumer responses to a sponsored sport event (i.e. attachment) transfers to event sponsors (Crimmins and Horn, 1996). Furthermore, the results demonstrate that CSR contributes to enhancing corporate image (Dowling, 1986) via favourable consumer attitudes and intent to purchase. Finally, this research further demonstrates that sport serves as a viable vehicle for displaying socially responsible behaviour for corporations (Brown and Dacin, 1997; Smith and Westerbeek, 2007).

Implications and Future Directions

The findings of this study have both theoretical and managerial implications. First, from a theoretical standpoint, the current research represents further refinement of attachment within the PCM framework. The results demonstrate that the relationship between attachment and behavioural intent can be bolstered by CSR, and this research can serve as a starting point to further examine the influence of CSR on attachment. Second, marketers should consider participant attachment when choosing sport events with which to align. Research suggests potential corporate sponsors emphasise compatibility between the brand and event to garner optimal consumer response (Trimble and Rifon, 2006). The current research demonstrates that the personal meaning elicited by the event for consumers should be an additional factor to consider in selecting effective sponsorship opportunities. Last, corporations should look to leverage CSR towards brand loyalty. CSR is one way to foster trust in a brand (Brady, 2003; Willmott, 2003), and brand trust contributes to brand loyalty (Chaudhuri and Holbrook, 2001). Event sponsors should highlight their alignment with the sport event, and the trust this establishes with consumers, through marketing communication.

Using the current research as a starting point, future work is warranted. First, the meaning of attachment and CSR, and their dual influence on purchase intent, behaviour and loyalty can be explored qualitatively. Semi-structured interviews would allow for a focus on meaning (Denzin and Lincoln, 1994), while accounting for variety in experiences and relationships (Veal, 2006). Second, research can examine sport events with a more prominently featured charitable cause. The current research investigated an event in which a portion of proceeds benefited a select charity, and the presence of this charity was featured minimally within event marketing. Researchers should investigate a sport event managed and organised by a charitable organisation, in which all proceeds benefit the specific cause with the charity featured throughout all communication (marketing materials, online registration, location, course, etc.). Researchers can then compare the influence and relative importance of CSR for the two separate events.

Conclusion

This research demonstrates how perceived corporate social responsibility among sport participants can influence purchase intent towards event sponsors' products. CSR was found to fully mediate the relationship between motivation and purchase intent as well as partially mediate the relationship between attachment to the event and purchase intent. It is suggested that potential corporate sponsors evaluate the meaning an event elicits from participants as part of their event selection strategy. It is hoped that this research leads to further work on the influence of CSR on both consumer attachment to a sport object and behaviour.

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