

**BUSINESS-TO-BUSINESS CONFERENCE  
SPONSORSHIP AS A MARKETING TOOL**

**D. PSAROS**

**2003**

**BUSINESS-TO-BUSINESS CONFERENCE  
SPONSORSHIP AS A MARKETING TOOL**

**BY**

**DIMITRI PSAROS  
STUDENT NUMBER: 6008604**

**DISSERTATION**

**Submitted in partial compliance with the requirement for the**

**MASTER'S DEGREE IN BUSINESS ADMINISTRATION**

**Offered by the**

**TECHNIKON WITWATERSRAND  
FACULTY OF BUSINESS MANAGEMENT**

**Validated and conferred by the**

**UNIVERSITY OF WALES**

**2003**

**SUPERVISOR: DR JACQUES VAN ZYL**

## ACKNOWLEDGEMENTS AND DECLARATIONS

This research is not confidential and may be used freely by the University Of Wales – Bangor, the Technikon Witwatersrand, Johannesburg, South Africa and any other interested party. The use of any data or information contained in the research must, however, be properly acknowledged.

I wish to record my sincere thanks and appreciation to:

- George and Tina Psaros, my parents, for their love, support and everything they have given me
- Anastasia, Nick and Sophia Rovithis for their love and support
- Lynn Nasser, for her love, support, encouragement and belief in me
- Dr Jacques van Zyl, my supervisor, for his encouragement and guidance

I declare that this report is my own work and that, to my knowledge, it has not been submitted in part or as a whole for any other degree at any other university.



Dimitri Psaros

## EXECUTIVE SUMMARY

Sponsorship of business-to-business conferences is an effective marketing tool available to companies targeting the business market. However, as with any other marketing tool, there are various factors that influence the degree to which business-to-business conference sponsorship will be effective in contributing to the achievement of a company's strategic marketing objectives.

For this dissertation, the research problem is that sponsors do not seem able to accurately measure the degree to which business-to-business conference sponsorship has been effective in achieving their marketing objectives. If sponsors do not know how effective sponsorship has been in achieving their objectives then they cannot make informed decisions about future sponsorships.

The purpose of this study therefore, was to examine the evaluation of business-to-business conference sponsorship and explore the extent to which sponsors evaluate the degree to which sponsorship has met their marketing objectives.

A research survey was conducted amongst senior managers responsible for marketing decisions within their organisations. The findings of the research showed that 17% of respondents did not set objectives to be achieved through their sponsorship of a business-to-business conference. By not setting objectives, it is unlikely that companies will be able to accurately determine whether the money spent on sponsorship was justified or not. A further 13% of respondents that did set objectives did not measure the extent to which the objectives were achieved.

The researcher identified eight primary marketing objectives of business-to-business conference sponsorship. These are:

1. Increasing awareness
2. Positioning
3. Sales
4. Niche marketing

5. Entertaining clients
6. Database building
7. Networking and forging new business relationships
8. Conduct market research

It was found in the research that the most commonly mentioned method to measure the extent to which business-to-business conference sponsorship objectives had been achieved was using a sales-related measure, for example sales revenue. However, the majority of respondents (60%) also indicated that it was “strongly unlikely” that sales objectives could be achieved through business-to-business conference sponsorship.

It is interesting that the majority of respondents (48%) believe that it is the “fault” of the sponsors themselves that their marketing objectives have not been achieved by sponsoring a business-to-business conference, while 30% believe that the “fault” lies with the conference organiser.

This report concludes with recommendations for both sponsors and conference organisers about how to improve the effectiveness of business-to-business conference sponsorship as a marketing tool.

# TABLE OF CONTENTS

<b>CHAPTER 1: INTRODUCTION .....</b>	<b>1</b>
1.1 BACKGROUND .....	1
1.2 THE RESEARCH PROBLEM .....	3
1.3 THE RESEARCH QUESTION .....	3
1.4 THE PURPOSE OF THE STUDY .....	3
1.5 THE OBJECTIVES OF THE STUDY .....	3
1.6. LIMITATIONS .....	4
1.7. VALUE OF THE RESEARCH .....	4
1.8. RESEARCH DESIGN, METHODOLOGY AND ANALYSIS .....	5
1.8.1. Secondary data .....	5
1.8.2. Primary data .....	6
1.9. LAYOUT OF THE RESEARCH REPORT .....	7
1.9.1. Chapter 1: Introduction .....	7
1.9.2. Chapter 2: Literature review .....	7
1.9.3. Chapter 3: Research design, methodology and analysis .....	7
1.9.4. Chapter 4: Research presentation and findings .....	8
1.9.5. Chapter 5: Conclusion and recommendations .....	8
<b>CHAPTER 2: LITERATURE REVIEW .....</b>	<b>9</b>
2.1. INTRODUCTION .....	9

2.2.	EVENTS VS. CONFERENCES .....	9
2.3.	DEFINITION OF BUSINESS-TO-BUSINESS CONFERENCES .....	10
2.3.1.	Conferences .....	10
2.3.2.	Business-to-business conferences .....	10
2.4.	SPONSORSHIP – A HISTORICAL PERSPECTIVE .....	11
2.5.	DEFINITION OF SPONSORSHIP .....	13
2.6.	BUSINESS-TO-BUSINESS CONFERENCE SPONSORSHIP .....	15
2.6.1.	Definition of business-to-business conference sponsorship .....	15
2.6.2.	Typical business-to-business conference sponsorship packages .....	16
2.7.	SPONSORSHIP OBJECTIVES .....	18
2.8.	BUSINESS-TO-BUSINESS SPONSORSHIP OBJECTIVES .....	24
2.9.	BUSINESS-TO-BUSINESS CONFERENCE SPONSORSHIP OBJECTIVES	25
2.9.1.	Increasing awareness .....	26
2.9.2.	Positioning.....	26
2.9.3.	Sales.....	28
2.9.4.	Niche marketing .....	29
2.9.5.	Entertaining clients.....	29
2.9.6.	Recruiting and retaining employees.....	30
2.9.7.	Database building.....	31
2.9.8.	Networking.....	32
2.9.9.	Profitability.....	32
2.9.10.	Conducting market research.....	33
2.10.	PROBLEMS WITH MEASURING SPONSORSHIP EFFECTIVENESS .....	34
2.10.1.	Lack of clear objectives .....	35
2.10.2.	Lack of sponsor preparation and commitment .....	36

2.10.3. Concurrent promotions .....	37
<b>2.11. EVALUATING BUSINESS-TO-BUSINESS CONFERENCE SPONSORSHIP</b>	<b>38</b>
2.11.1. Evaluating awareness .....	39
2.11.2. Evaluating product and company positioning.....	42
2.11.3. Measuring sales objectives .....	43
2.11.4. Evaluating niche marketing .....	44
2.11.5. Evaluating client entertainment .....	46
2.11.6. Measuring database building.....	47
2.11.7. Evaluating networking.....	47
2.11.8. Evaluating market research.....	48
2.12. CONCLUSION .....	50
<b>CHAPTER 3: RESEARCH DESIGN, METHODOLOGY AND ANALYSIS .....</b>	<b>52</b>
3.1. INTRODUCTION .....	52
3.2. QUESTIONNAIRES VIA E-MAIL .....	53
3.2.1. Questionnaire design .....	53
3.2.2. Sampling design .....	56
3.2.3. The target population .....	56
3.2.4. Sampling frame .....	57
3.2.5. Sampling technique .....	59
3.2.6. Sample size .....	59
3.2.7. Executing the sampling process .....	62
3.2.8. Data capture and analysis .....	63
3.3. CASE STUDY .....	63
3.3.1. Case study design .....	64
3.3.2. Selection of the 'case' .....	64
3.3.3. Methodology .....	65



3.4. CONCLUSION .....	65
<b>CHAPTER 4: RESEARCH PRESENTATION AND FINDINGS .....</b>	<b>66</b>
4.1. INTRODUCTION .....	66
4.2. QUESTIONNAIRE ANALYSIS AND EVALUATION .....	66
4.2.1. Respondents by designation .....	66
4.2.2. Respondents by country .....	67
4.2.3. Respondents by industry sector .....	68
4.2.4. Recent sponsorship of business-to-business conferences .....	69
4.2.5. Details of most recent business-to-business conference sponsored.....	71
4.2.6. Fee paid for most recent business-to-business conference sponsorship .....	71
4.2.7. Were clear and measurable objectives set for the most recent business-to-business conference sponsorship? .....	72
4.2.8. Most important objectives of the most recent business-to-business conference sponsorship .....	73
4.2.9. Measurement of most recent business-to-business conference sponsorship objectives .....	74
4.2.9.1. Awareness .....	74
4.2.9.2. Positioning .....	75
4.2.9.3. Sales .....	76
4.2.9.4. Networking .....	76
4.2.10. Main reason for not achieving objectives of most recent business-to-business conference sponsorship .....	77
4.2.11. Likelihood of achieving specific business-to-business conference sponsorship objectives .....	78
4.2.11.1. Awareness .....	79
4.2.11.2. Positioning .....	80
4.2.11.3. Sales .....	81
4.2.11.4. Niche marketing .....	81
4.2.11.5. Client entertainment .....	82

4.2.11.6. Database building .....	83
4.2.11.7. Networking .....	83
4.2.11.8. Marketing research.....	84
4.2.12. Evaluating awareness .....	85
4.2.13. Evaluating positioning.....	86
4.2.14. Measuring sales objectives .....	88
4.2.15. Evaluating niche marketing .....	89
4.2.16. Evaluating client entertainment .....	90
4.2.17. Measuring database building.....	91
4.2.18. Evaluating networking.....	92
4.2.19. Evaluating industry research objectives .....	93
4.2.20. Why business-to-business conference sponsorships fail to meet the objectives of sponsors .....	94
4.3. CASE STUDY ANALYSIS .....	96
4.4. CONCLUSION .....	98
<b>CHAPTER 5: CONCLUSION AND RECOMMENDATIONS .....</b>	<b>99</b>
5.1. INTRODUCTION .....	99
5.2. BUSINESS-TO-BUSINESS CONFERENCE SPONSORSHIP OBJECTIVES	99
5.2.1. An acceptable definition of “business-to-business” conference sponsorship	99
5.2.2. A list of business-to-business sponsorship objectives .....	100
5.2.2.1. Increasing awareness .....	101
5.2.2.2. Positioning .....	101
5.2.2.3. Sales .....	102
5.2.2.4. Niche marketing .....	102
5.2.2.5. Entertaining clients .....	102
5.2.2.6. Database building .....	103
5.2.2.7. Networking .....	103
5.2.2.8. Market research .....	104

5.3. EVALUATING BUSINESS-TO-BUSINESS SPONSORSHIPS .....	104
5.3.1. Non-measurement of objectives .....	105
5.3.2. Lack of clear objectives .....	106
5.3.3. Measuring the wrong variables .....	107
5.3.4. Lack of sponsor preparation and commitment .....	108
5.3.5. Concurrent promotions .....	109
5.3.5. Poor post-event reports compiled by conference organisers .....	109
5.3.6. A model for setting and evaluating business-to-business conference sponsorship objectives .....	110
5.4. RECOMMENDATIONS .....	113
5.4.1. Recommendations to sponsors .....	113
5.4.1.1. Set clear and measurable objectives .....	113
5.4.1.2. Accurately measure the degree to which business-to-business conference sponsorship objectives have been achieved .....	114
5.4.1.3. 'Work' the sponsorship .....	114
5.4.2. Recommendations to business-to-business conference organisers .....	115
5.4.2.1. Know your sponsors objectives and measurement techniques .....	115
5.4.2.2. High-quality post event reports .....	116
5.5. AREAS FOR FURTHER RESEARCH .....	116
5.6. SELF CRITIQUE .....	116
5.7. SUMMARY .....	117
5.7.1. The research problem .....	117
5.7.2. The purpose of the study .....	117
5.7.3. The objectives of the study .....	118
5.8. CONCLUSION .....	118

<b>BIBLIOGRAPHY .....</b>	<b>120</b>
<b>LIST OF FIGURES .....</b>	<b>xii</b>
<b>LIST OF TABLES .....</b>	<b>xiii</b>
<b>APPENDIX A: RESEARCH QUESTIONNAIRE .....</b>	<b>125</b>
<b>APPENDIX B: INITIAL E-MAIL TO THE RESEARCH SAMPLE .....</b>	<b>129</b>
<b>APPENDIX C: QUESTIONNAIRE COVERING LETTER .....</b>	<b>130</b>
<b>APPENDIX D: DATA CAPTURE SHEET .....</b>	<b>131</b>
<b>APPENDIX E: CASE STUDY .....</b>	<b>132</b>

## LIST OF FIGURES

Figure 2.1. Characteristics of business-to-business conference sponsorship packages	17
Figure 2.2. Models of the response process (Belch & Belch, 1993:199) .....	41
Figure 4.1. Respondents by likelihood of achieving “awareness” objectives .....	80
Figure 4.2. Respondents by likelihood of achieving “positioning” objectives .....	80
Figure 4.3. Respondents by likelihood of achieving “sales” objectives .....	81
Figure 4.4. Respondents by likelihood of achieving “niche marketing” objectives ...	82
Figure 4.5. Respondents by likelihood of achieving “client entertainment” objectives	82
Figure 4.6. Respondents by likelihood of achieving “database building” objectives	83
Figure 4.7. Respondents by likelihood of achieving “networking” objectives .....	84
Figure 4.8. Respondents by likelihood of achieving “marketing research” objectives	84
Figure 4.9. Why business-to-business conference sponsorships fail to meet the objectives of sponsors .....	96
Figure 5.1. Most commonly mentioned business-to-business measurement techniques	107
Figure 5.2. A model for setting and evaluating business-to-business conference sponsorship objectives .....	112

## LIST OF TABLES

Table 2.1. Promotion Instrument – Importance Ranking (Crowley, 1991:17) .....	30
Table 2.2. Example of cost-benefit analysis of niche marketing (Psaros, 2003:4) ..	45
Table 2.3. Networking measurement matrix (Adapted from Exsa, 2003:17) .....	48
Table 2.4. Market research measurement matrix (Adapted from Exsa, 2003:17) ...	50
Table 3.1. Industry breakdown of the data available from which to select a sampling frame .....	58
Table 3.2. Industry breakdown of the sampling frame .....	61
Table 3.3. Geographic breakdown of the sampling frame .....	62
Table 4.1. Respondents by designation .....	67
Table 4.2. Respondents by country .....	68
Table 4.3. Respondents by industry sector .....	69
Table 4.4. Companies that sponsored a business-to-business conference in the last 24 months .....	70
Table 4.5. Amount spent on sponsorship fee .....	72
Table 4.6. Sponsors by whether objectives were set .....	72
Table 4.7. Sponsors by most important objectives .....	73
Table 4.8. Sponsors by measurement of “awareness” objectives .....	75
Table 4.9. Sponsors by measurement of “positioning” objectives .....	75

Table 4.10. Sponsors by measurement of “sales” objectives .....	76
Table 4.11. Sponsors by measurement of “networking” objectives .....	77
Table 4.12. Sponsors by main reason for not achieving objective .....	78
Table 4.13. Response matrix for Question 9 .....	79
Table 4.14. “Awareness” measurement techniques identified by respondents .....	86
Table 4.15. “Positioning” measurement techniques identified by respondents .....	87
Table 4.16. “Sales” measurement techniques identified by respondents .....	88
Table 4.17. “Niche marketing” measurement techniques identified by respondents	89
Table 4.18. “Client entertainment” measurement techniques identified by respondents	91
Table 4.19. “Database building” measurement techniques identified by respondents	92
Table 4.20. “Networking” measurement techniques identified by respondents .....	93
Table 4.21. “Industry research” measurement techniques identified by respondents	94
Table 4.22. Most important reasons why business-to-business conference sponsorships fail to meet sponsor objectives .....	95

# CHAPTER 1

## INTRODUCTION

This chapter introduces the research topic and provides background to the topic. It also states the research objectives, the scope of the research and the importance of the research. The research sample, methodology and structure of the research project is also outlined.

### 1. 1. BACKGROUND

A search for “business conference” on the internet reveals that hundreds of commercial business-to-business conferences take place across the world every year.

There are various organisations that organise and run business-to-business conferences, some as a secondary function of their organisation i.e. it is not their core business function e.g. industry associations, governments, major corporations, universities etc.

However, there are numerous companies whose core business is to research, market and run their own independent commercial business-to-business conferences. The companies make their money by charging delegate attendance fees and also from fees charged to sponsors of the conference.

Typically, independently organised business-to-business conferences work as follows:

1. The conference organiser identifies a need for business information in a particular business sector or topic area.
2. The conference organiser researches the topic to identify specific issues about which potential delegates require information about and to identify who potential delegates would like to hear from.



3. The conference organiser drafts a two to three day conference programme (often with separately bookable workshops attached) composed of six to eight speaking sessions per day.
4. The conference organiser secures a speaker, normally industry experts and practitioners, for each conference session to share their expertise with (paying) delegates. The profile of delegates will depend on the positioning of the conference, particularly the level of speakers and the topics being addressed.
5. The conference topics vary and can be broad based topics e.g. "Marketing Strategies For Businesses" or niche topics "Marketing Strategies For Pharmaceutical Companies In Africa".
6. The conference organiser may also sell sponsorship prior to the event. There may be a number of companies that are interested in gaining access to the conference target market, especially the high-level delegates. These companies are solicited by the conference organisers to sponsor the events.
7. The conference organiser conducts a marketing campaign, promoting the conference to prospective delegates.
8. The conference takes place at the pre-advertised venue and on the pre-advertised dates. Each speaker is given a certain amount of time in which to present their papers on the specific topic and time is also normally allowed for questions and answers.
9. The conference sponsors are given the opportunity to interact with the delegates. For example, sponsors may be give a speaking slot, an exhibition stand in the conference registration area, the opportunity to conduct a survey amongst the delegates, etc.
10. The day's proceedings are regulated by the conference chairman.

Many business-to-business conferences are annual or bi-annual events and the organisers rely on providing good value-for-money for delegates so that they will attend future conferences and for sponsors to repeat their sponsorships.

## **1.2. THE RESEARCH PROBLEM**

The problem is that sponsors do not seem able to accurately measure the degree to which business-to-business conference sponsorship has been effective in achieving marketing objectives, thus it seems that companies do not seem to have sound reasons for repeating or not repeating their sponsorship.

## **1.3. THE RESEARCH QUESTION**

Arising from the background given, the following research question has been formulated:

To what extent do companies measure their sponsorship of business-to-business conferences, thereby having sound reasons for repeating or not repeating their sponsorships?

## **1.4. THE PURPOSE OF THE STUDY**

The study will discuss the evaluation of business-to-business conference sponsorship and explore the extent to which sponsors evaluate their sponsorship.

## **1.5. THE OBJECTIVES OF THE STUDY**

The objectives of the study will be:

- i) To do a literature study in order to define concepts that will be explored. The literature study will also be referred to as a validation instrument during the analysis of the research.
- ii) To elicit information from a relevant sample group and to analyse this information.
- iii) To identify the strategic objectives that companies have for sponsoring conferences.

- iv) To identify which are the most popular means that companies use to measure conference sponsorship.
- v) To investigate and attempt to conclude whether companies are making sound decisions on whether they should re-sponsor a particular business conference.
- vi) To provide recommendations to sponsors, potential sponsors and business-to-business conference organisers about the use of business-to-business conference sponsorship as a marketing tool.

## 1.6. LIMITATIONS

- The research survey yielded a high percentage of respondents from South Africa and Australia. However, it is the opinion of the researcher that this should not significantly affect the degree to which the findings of the research can be generalised.

## 1.7. VALUE OF THE RESEARCH

The researcher could find no published research material that explored the specific topic of business-to-business conference sponsorship. It is possible therefore that, at present, this report is the only document of its type specifically exploring the topic of business-to-business conference sponsorship. As such, it has considerable value for all the relevant stakeholders in this field as well as being a valuable document for future research.

- **Sponsors and potential sponsors** of business-to-business conferences will find this research valuable as it provides insight into the primary objectives of business-to-business conference sponsorship and what measurement techniques are used to determine the success of the sponsorship. Ultimately, an understanding of the concepts, insights, findings and recommendations of this research could assist sponsors in meeting their marketing and corporate objectives through business-to-business conference sponsorship. It could also save sponsors from wasting money on sponsoring events that do not meet their objectives.

- **Sponsees** (the conference organisers) will find this research valuable as it provides business-to-business conference sponsorship insights from their client's (the sponsors) perspective. Sponsees will better understand what sponsors expect of the sponsorship and how sponsors measure the success of the sponsorship. This could provide sponsees with improved business opportunities by tailoring their sponsorship packages to accommodate the needs of sponsors as explored in this research.

## **1.8. RESEARCH DESIGN, METHODOLOGY AND ANALYSIS**

The researcher shall follow a qualitative exploratory research design which is defined by Malhotra (1993:91) as a type of research design which has as its primary objective the provision of insights into and comprehension of the problem situation.

The researcher shall use a combination of primary and secondary data to conduct the exploratory research.

### **1.8.1. Secondary data**

First, the researcher shall collect and analyse the secondary data. Kotler (1997: 117) refers to secondary data as data that was collected for another purpose and already exists somewhere. Using secondary data, the researcher shall conduct an extensive literature review. Hart (1998:13) defines the literature review as:

“the selection of available documents (both published and unpublished) on the topic, which contain information, ideas, data and evidence written from a particular standpoint to fulfil certain aims or express certain views on the nature of the topic and how it is to be investigated, and the effective evaluation of these documents in the research being proposed.”

The researcher shall use the literature review to define concepts, conclude a list of research variables (e.g. sponsorship objectives) and for validation. Once the literature review is complete, the researcher will gather and analyse relevant primary data.

### **1.8.2. Primary data**

Malhotra (1993: 46) defines primary data as data originated by the researcher specifically to address the research problem. The researcher will gather primary data via surveys conducted using questionnaires and via an industry case study.

According to Saunders et al (2000: 93), surveys offer a number of advantages over other research methods because they:

“allow the collection of a large amount of data from a sizeable population in a highly economical way. Based most often on a questionnaire, these data are standardised allowing easy comparison. In addition, the survey method is perceived as authoritative by people in general.”

The researcher shall select a random sample of senior managers, responsible for the marketing function of their respective companies, from various industry sectors to conduct a survey using questionnaires. The researcher will employ a questionnaire the aim of which will be:

- To identify the strategic objectives that companies have for sponsoring business-to-business conferences
- To identify which are the most popular means that companies use to measure business-to business conference sponsorship
- To explore the effectiveness of the measurement techniques identified

Data gathered from the questionnaire shall be analysed using quantitative analysis and statistical techniques.

In order to gain further insight into the topic and also for validation purposes, the researcher shall also conduct a case study into the specific actions of a company that has sponsored a business conference.

Saunders et al (2000:94) suggest that a case study can be a very worthwhile way of exploring existing theory. In Saunders et al (2000: 94), Robson (1993) defines a case study as the:

“development of detailed, intensive knowledge about a single ‘case’, or a small number of related ‘cases’.”

## **1.9. LAYOUT OF THE RESEARCH PROJECT**

The final dissertation shall be arranged and presented in five chapters as outlined below:

### **1.9.1. Chapter 1: Introduction**

In this chapter, the researcher will outline the motivation for the research and will discuss the research problem, the research question and the objectives of the research. The researcher will also discuss the research design and methodology and provide an outline for the remainder of the dissertation.

### **1.9.2. Chapter 2: Literature review**

In this chapter, the researcher will define the concepts that will be referred to and will indicate the types of literature that were studied. The researcher will discuss and compare the viewpoints of various authors and integrate these into the stated research problem. Finally, the researcher will provide a conclusion of the main findings of the literature study and these will be used as a guide in the empirical part of the research.

### **1.9.3. Chapter 3: Research design and methodology**

In this chapter, the researcher will discuss the research design and style used, and give reasons why this direction was followed. The researcher will describe the sampling method and give details of the data collection process, techniques and procedures used. A description of the data capturing and analysis techniques shall be given and the researcher will reveal any possible shortcomings and sources of error.

#### **1.9.4. Chapter 4: Research presentation and findings**

In this chapter, the researcher will interpret the data collected, present the findings of the research and comment briefly on the data presented. Where possible, the information has been presented by means of figures and tables in order to allow the reader to gain a clearer understanding of the information.

#### **1.9.5. Chapter 5: Conclusion and recommendations**

In the final chapter, the researcher will discuss the main findings of the research study by drawing together results from previous chapters. The researcher will interpret the results in context with the literature study and will present his conclusions and recommendations with regard to the research problem.

## **CHAPTER 2**

### **LITERATURE REVIEW**

#### **2.1. INTRODUCTION**

In this chapter the researcher will define the concepts that will be referred to and will indicate the types of literature that were studied. The researcher will discuss and compare the viewpoints of various authors and integrate these into the stated research problem. Finally, the researcher will provide a conclusion of the main findings of the literature study, identify the primary business-to-business conference sponsorship objectives and measurement techniques and these will be used as a guide in the empirical part of the research.

As explained in Chapter 1, the researcher could find no published literature or studies that were specifically focussed on business-to-business conference sponsorship. However, published literature and studies on 'event' sponsorship in general, and 'sports' event sponsorship were readily available.

The researcher has deemed it reasonable to assume that concepts defined in literature relating to general event sponsorship or sports sponsorship would be relevant and applicable to sponsorship of business-to-business conferences. Due to the lack of specific literature on business-to-business conference sponsorship, the researcher shall, throughout this dissertation refer to literature on general event sponsorship and sports sponsorship when defining concepts, drawing inferences or making comparisons.

#### **2.2. EVENTS VS. CONFERENCES**

According to the Concise Oxford Dictionary (1992:404), an event is "a thing that happens or takes place." Collins Pocket English Dictionary (1981:294) defines an event



as “a happening”. Therefore a conference is an event just as cricket matches, fashion shows, exhibitions or charity fun runs, for example, are events.

## **2.3. DEFINITION OF BUSINESS-TO-BUSINESS CONFERENCES**

This dissertation will address issues relating to the sponsorship of business-to-business conferences it is therefore important to define the term ‘business-to-business conference’.

### **2.3.1. Conferences**

The Concise Oxford Dictionary (1992:239) defines a *conference* as “a meeting for discussion”. Similarly, the Collins Pocket English Dictionary (1981:182) defines a *conference* as “a formal meeting of a group for discussion”. The word *congress* is defined by the Collins Pocket English Dictionary (1981:183) as “an assembly or conference” while a *summit* (1991:844) is referred to as a “high-level conference”. It is apparent, from the above, that the words ‘conference’, ‘congress’ and ‘summit’ are synonymous and where used by the researcher the word ‘conference’ shall also mean ‘congress’ or ‘summit’.

### **2.3.2. Business-to-business conferences**

Businesses need information, not only for day-to-day activities but also for strategic decision-making and for achieving competitive advantage. Robbins (1998:103) states that “every decision requires interpretation and evaluation of information”. Clark (2001:1) states that in order to obtain competitive advantage, companies need to acquire information about the internal and external business environment and have knowledge of how to use this information.

There are obviously various sources that organisations can refer to for business information. These include books, business journals, the Internet and business-to-business conferences.

At business-to-business conferences, leading speakers and experts from within a particular industry share their knowledge and expertise with peers from the same or related industries. From a delegate's perspective, the business-to-business conference provides business strategies, learning, benchmarking and networking opportunities within a specified industry or topic area.

Therefore, **business-to-business conferences** can be defined as formal meetings, the objective of which is to satisfy the business information needs of delegates who represent organisations ranging from a particular industry sector to all industry sectors.

Given the above definition derived from the literature presented thus far by the researcher, the reader may further clarify his understanding of business-to-business conferences by viewing examples of business-to-business conferences on the websites of prominent business-to-business conference organisers:

[www.terrapinn.com](http://www.terrapinn.com)

[www.marcusevans.com](http://www.marcusevans.com)

[www.iir-conferences.com](http://www.iir-conferences.com)

[www.iqpc.com](http://www.iqpc.com)

Having defined the term 'business-to-business conference' in terms of this dissertation, the researcher shall now present a historical perspective of sponsorship and shall then define 'sponsorship'.

## **2.4. SPONSORSHIP – A HISTORICAL PERSPECTIVE**

According to Skinner and Rukavina (2003:xix) sponsorship activities started as far back as 1600 B.C. in "The Era Of Patronage". In this era individuals, not companies, sponsored artists. In return, these individuals expected support from their subjects.

Skinner and Rukavina (2003:xix) propose that the emergence of advertising was a necessary step in the development of sponsorship as we know it today.

Important first steps: In 1631, a French newspaper ran a classified ad; in 1704, a Boston newspaper printed a display advertisement. (Skinner and Rukavina, 2003:xix)

Skinner and Rukavina (2003:xx) refer to the early pioneers of sponsorship emerging from 1910 to 1970. During this period the first radio program was sponsored (The Eveready Hour in 1924) and in 1956 the first festival to have a title sponsor (the Philip Morris Festival of Stars) took place.

Meenaghan (1996:103) says that it was only since 1971 that commercial sponsorship, for marketing purposes, began to develop.

During the 1970s, sponsorship was about awareness and exposure. Investments (when not based on the whims of some senior executive) were made based on how many 'impressions' that sponsorship could deliver. One person seeing a logo one time is one impression. (Grey and Skildum-Reid, 2001:xiii)

Grey and Skildum-Reid (2001:xii) state that during the 1980s, many companies began increasing their investments in sponsorship. During this period companies also realised that, in order for their sponsorships to be effective, they had to be worked. Grey and Skildum-Reid (2001:xiv) refer to the 1-to-1 rule being born during this period. The 1-to-1 rule called on sponsors to spend one additional monetary unit supporting their sponsorship for every one monetary unit spent on the sponsorship fee.

In the 1990s sponsors became more sophisticated. Things like business-to-business (B2B) opportunities, measured results and sales, activation and providing incentives became increasingly important. Hospitality and mentions in connection with an event were still vital but more value was desired. (Skinner and Rukavina, 2003:xxi)

What can we expect of sponsorship in the 2000's? It is clear from the above that sponsorship is evolving. Each era has brought a different focus or a new dimension to sponsorship and what sponsors expect in return for their investment. Grey and Skildum-Reid (2001:xiv) indicate that in the late 1990s and early 2000s company's started using the emotional power of sponsorship to connect with their target market

rather than just using sponsorship as a functional tool. Skinner and Rukavina (2003: xxi-xxii) on the other hand refer to the 2000s as “The Technological Era”. They believe that technology, particularly website sponsorship and cybercasting of events, is going to shape sponsorship in this era.

In whatever way sponsorship evolves over the next decade it is almost certain that any changes will also have an impact on business-to-business conference sponsorship. Having given a brief historical perspective on sponsorship, the researcher shall now attempt to define the concept of sponsorship.

## **2.5. DEFINITION OF SPONSORSHIP**

The term “sponsorship” has a range of generally accepted interpretations and meanings. According to the Concise Oxford Dictionary (1992:117) and the Collins Pocket English Dictionary (1981: 812) there are six meanings of sponsorship:

1. The promotion of an activity or someone taking part in an activity, either for profit or for charity
2. The presentation of a bill by a legislator
3. The act of being a godparent
4. Paying for a radio or TV programme, by a business firm etc, on which the firm advertises something
5. The act of lending support to an election candidate
6. The act of making oneself responsible for another

The above definitions are, however, too broad for the purposes of this dissertation. Before the researcher attempts to more accurately define ‘sponsorship’ in terms of this dissertation it is necessary to point out that the general meaning of ‘sponsorship’ shall, in the context of this dissertation, relate to the *marketing* function of the business – it is a *marketing* tool used to achieve *marketing* and organisational objectives. As a marketing tool, it fits into the ‘promotion’ element of the classic marketing mix. According to Abratt et al (1992:15) the marketing mix is ‘the combination of the four primary elements that comprise a company’s marketing programme’.

Furthermore, the researcher shall define 'sponsorship' in the context of 'event' sponsorship. As the sponsorship of major events, such as the Olympics and Soccer and Rugby World Cups have grown so the number of published research studies, articles and books on event sponsorship has grown. Definitions therefore, are often given in the context of event sponsorship, which the reader should bear in mind. The reader should also bear in mind that some authors use phrases such as 'event promotion', 'event sponsorship' and 'event marketing' interchangeably. Belch and Belch (1993:609) describe event sponsorship as an increasingly popular type of promotion while the International Events Group's (IEG) (Sponsorship.com, 2003) website goes so far as to suggest that 'sponsorship' and 'event marketing' are synonymous:

"Event Marketing: Promotional strategy linking a company to an event (sponsorship of a sports competition, festival, etc.). Often used as a synonym for "sponsorship." The latter term is preferable however, because not all sponsorships involve an event, per se."

Now that the context has been explained, the researcher shall attempt to further define the term 'sponsorship'. Meenaghan (1983:8) defines sponsorship as "the provision of assistance either financial or in kind to an activity by a commercial organisation for the purpose of achieving commercial objectives".

Although Meenaghan's definition is still too broad for the purposes of this dissertation, it does refer to the 'provision of assistance' which would be the fee the sponsor pays, or 'sponsorship fee.' Coggin's (2002:9) definition, although more comprehensive does not refer to a sponsorship fee:

"Sponsorship is the alignment of a brand with an activity in order to exploit the commercial potential created by the association, thereby positively impacting brand image and/or sales amongst the sponsor's target market, in order to attain marketing and corporate objectives."

With respect to business-to-business conference sponsorship, there may be no sponsorship at all if the sponsee (the entity offering the sponsorship) does not gain substantially from the sponsorship agreement – most often from the sponsorship fee.

Skinner and Rukavina (2003:2) describe sponsorship as:

“a mutually beneficial relationship most often between a corporation and event or rights holder, for the purpose of enhancing a product or corporate brand.”

The phrase 'mutually beneficial' in the above definition is very important since both parties need to benefit from the agreement if there is to be any prospect of the sponsorship agreement being repeated in future. This relates directly to the research question of this dissertation i.e. is the business-to-business conference sponsor finding the sponsorship beneficial at all or at least beneficial enough to repeat the sponsorship in future? And, how is the sponsor determining whether the sponsorship was mutually beneficial?

Skinner and Rukavina (2003:2) also offer another description of sponsorship. They say that it is simply like any other form of marketing - an activity that brings buyers and sellers together for mutual benefit. From a business-to-business conference sponsorship point of view, this is very important: the sponsee gets money from sponsorships sold to the sponsor while the sponsor (who is also a seller of business products and services) gets access to the conference delegates (who are also the buyers of the sponsors products and services).

Given the above definitions of sponsorship, the researcher shall now attempt to define business-to-business conference sponsorship.

## **2.6. BUSINESS-TO-BUSINESS CONFERENCE SPONSORSHIP**

### **2.6.1. Definition of business-to-business conference sponsorship**

Since no published definition of 'business-to-business conference sponsorship' could be found, the researcher proposes the following definition that is derived from the definitions and explanations given in Chapter 2.3.:

**Business-to-business conference sponsorship** is the mutually beneficial relationship between the conference owner / organiser (sponsee) and the sponsor whereby the sponsor pays a sponsorship fee in return for the rights to association with the conference, branding, access to the conference delegates and / or other negotiated benefits, the purpose of which sponsorship is for the sponsor to attain business-to-business marketing and corporate objectives.

To further improve the reader's understanding of business-to-business conference sponsorship, it is useful to examine typical business-to-business conference sponsorship packages.

### **2.6.2. Typical business-to-business conference sponsorship packages**

It is difficult to identify a 'typical' business-to-business conference sponsorship package since each business-to-business conference organiser offers certain benefits that other organisers do not, and the same organiser may even offer different benefits on different conferences. However, from a review of sponsorship proposals from five business-to-business conference organisers it seems apparent that there are a number of sponsorship benefits that are common.

Typically, business-to-business conference organisers offer four to five hierarchical levels of sponsorship. Normally, the higher the fee paid by the sponsor, the higher the status given to the sponsor and the more benefits the sponsor will receive. Different organisers give their best sponsorship package different names as is indicated in Figure 2.1.

A typical "top tier" business-to-business conference sponsorship package will provide the sponsor with a combination of benefits included in the sponsorship fee. The combination of benefits may include:

- Branding (e.g. company logo) and / or an advertisement in the conference brochure
- Branding (e.g. company logo) on the conference website
- Branding (e.g. company logo) on all media advertising done to promote the conference

- Sponsor representative may present a paper at the conference
- Sponsor may provide a chairman for the conference
- Complimentary conference tickets
- Opportunity to include promotional material in the conference proceedings
- Exhibition space
- Sponsor's corporate / promotional banners or posters displayed at the conference
- Conference delegate list
- Opportunity to host a cocktail reception or gala dinner

<p><b>High</b></p> <p>↑</p> <p>Status level / level of benefits / fee</p> <p>↓</p> <p><b>Low</b></p>		<b>Characteristics</b>	<b>Common names given by organisers</b>
	<b>Top tier package</b>	<ul style="list-style-type: none"> <li>• Offers highest overall status</li> <li>• Offers most benefits</li> <li>• Highest sponsorship fee</li> </ul>	<ul style="list-style-type: none"> <li>• Premier Sponsor</li> <li>• Lead Sponsor</li> <li>• Event Sponsor</li> <li>• Platinum Sponsor</li> </ul>
	<b>Second tier package</b>	<ul style="list-style-type: none"> <li>• Offers high status</li> <li>• Offers many benefits</li> <li>• Second highest sponsorship fee</li> </ul>	<ul style="list-style-type: none"> <li>• Associate Sponsor</li> <li>• Supporting Sponsor</li> <li>• Gold Sponsor</li> </ul>
	<b>Third, fourth, fifth etc. tiers</b>	<ul style="list-style-type: none"> <li>• Offers a lower status than the higher tier packages</li> <li>• Less benefits than higher tier packages</li> <li>• Lower fee than higher tier packages</li> </ul>	<ul style="list-style-type: none"> <li>• Silver Sponsor</li> <li>• Bronze Sponsor</li> <li>• Tin Sponsor</li> </ul>

**Figure 2.1. Characteristics of business-to-business conference sponsorship packages (Psaros, 2003:4)**

Now that 'business-to-business conference sponsorship' has been defined the researcher shall further explore the marketing and corporate objectives that sponsorship in general and event sponsorship, in particular, aims to achieve. The researcher shall also speculate whether the identified objectives could also be business-to-business conference sponsorship objectives.



## 2.7. SPONSORSHIP OBJECTIVES

According to Coggin (2002:9), companies sponsor events in order to achieve corporate and marketing objectives. Yet what specific corporate and marketing objectives do companies seek to achieve?

To clarify how sponsorship can be managed and evaluated more rigorously, it is necessary to consider the objectives set; campaigns are unlikely to achieve behavioural outcomes if these goals are not explicitly stated at the outset. The need to articulate objectives has been well documented elsewhere, but it lies also at the heart of effective sponsorship management. (Meenaghan, 1998 cited by Hoek, 1999:4)

However, in the literature studied, the researcher found that various authors identified different sponsorship objectives and the number of objectives identified also varied from author to author. For example, Hoek (1999:1) identifies *five* sponsorship objectives while [onlinesports.com](http://onlinesports.com), 2003, identifies *twenty* reasons why companies sponsor events. The researcher shall discuss some of the objectives identified by various authors and shall formulate a summarised list of objectives.

Hoek (1999:1) states that sponsorship objectives should focus on achieving *specific* outcomes that could include the following five important outcomes:

1. Prompting trial
2. Increasing repeat purchases
3. Encouraging donations
4. Generating enquiries
5. Reinforcing behavioural patterns in the face of competitive activity

On the other hand, Jagre et al (2001:439) cite Hoek et al (1990), Meenaghan (1998) and Ukman (1996) when they identify six primary objectives of sponsorship:

1. Increasing awareness
2. Enhancing image
3. Improving goodwill

4. Improving profitability
5. Reaching otherwise unreachable customers
6. Sales objectives

Jagre et al's (2001:439) list, although similar to Hoek's (1999:1) list, also includes 'increasing profitability' as a primary objective of sponsorship. Increasing profitability is obviously very important to all 'for-profit' organisations and if increased levels of productivity can be achieved through sponsorship, then all commercial companies should consider sponsorship as part of their marketing arsenal.

Skinner and Rukavina (2003:22) state that the International Events Group of Chicago has identified *ten* reasons that companies sponsor events. These are:

1. Heighten visibility
2. Shape consumer attitudes
3. Narrowcasting
4. Providing incentives for retailers, dealers and distributors
5. Entertain clients
6. Recruit / retain employees
7. Create merchandising opportunities
8. Showcase product attributes
9. Differentiate their product from competitors
10. Drive sales

Skinner and Rukavina's (2003:22) list introduces "entertain clients' and "recruit / retain employees" as sponsorship objectives and whilst the list of objectives may seem comprehensive, many of the objectives listed could be categorised into fewer, primary, objectives which the researcher shall attempt to do in Chapter 2.8.

onlinesports.com (2003), provides an even longer list of twenty stated event sponsorship objectives from a study of 280 events. Many companies in the study stated at least three or four sponsorship objectives and the researcher presented a percentage of companies which mentioned each objective:

## 1. Corporate ID

100% of companies planned to display their corporate or brand names or logos on event signs, buildings, equipment, programs uniforms and/or promotional materials.

## 2. Target Marketing

54% of companies saw event sponsorship as a way to reach a self-selected audience, hopefully interested in purchasing the companies' products and services.

## 3. Promotional Tie-In

49% of companies wanted to use an event as a theme to gain attention from the trade and/or to drive consumers into stores and dealerships. Typically companies offer special deals to both customers and retailers which are promoted through on-site displays and other forms of advertising.

## 4. Entertainment Opportunity

29% of companies mentioned that they would use an event as a place to entertain clients.

## 5. Sampling or Couponing Opportunity

26% of companies said they would use events as a way to encourage product / service trial, either by offering samples at the event, or, if that was inconvenient, by passing out coupons.

## 6. Awareness

24% of companies wanted to use event sponsorship as a way to create public awareness of their brands or products.

## 7. Image

22% of companies hoped event sponsorship would improve, enhance, or change their corporate, brand or product image.

## 8. Usage

18% of companies planned to use events to encourage purchase of their products or usage of their products.

#### 9. PR

16% of companies cited public relations value (i.e. the newsworthiness of the event and / or the sponsorship) as a reason why they were sponsoring an event. They expected to see their company, brand, or product mentioned in media coverage of the event.

#### 10. Contests

15% of companies intended to use an event as a theme for consumer contests or sweepstakes.

#### 11. Athlete / Celebrity Tie-In

13% of companies planned to use event-connected athletes or celebrities for corporate appearances.

#### 12. Demonstration Opportunity

12% of companies planned to use an event to demonstrate or display their products / services.

#### 13. Sales Opportunity

9% of companies wanted to use an event for on-site sales or to generate sales leads.

#### 14. Employee Incentive

9% of companies planned to use an event sponsorship to benefit employees (i.e. as a morale builder, production incentive, or entertainment vehicle).

#### 15. Community Relations

8% of companies wanted to sponsor an event as a way to enhance relationships within a community.

#### 16. Mailing List Generator

7% of companies wanted to gather names at an event to develop a mailing list or database of consumers.

#### 17. Business-to-Business

6% of companies wanted to use event sponsorship as a way to market to other businesses.

#### 18. Contact with Executives

3% of companies hoped to reach top executives in other companies as a result of event sponsorship.

#### 19. Recruiting

1% (2 companies) mentioned that event sponsorship would enhance their recruiting efforts.

#### 20. Consumer Involvement

One company said it was using a cause-marketing effort as a way to maintain a relationship with consumers.

As stated earlier, it may be possible to categorise many of the above objectives into a smaller number of primary objectives. It is important to point out that, in the above research, 6% of companies wanted to use sponsorship as a way to market to other businesses. This draws attention to the fact that, although a certain percentage of companies saw sponsorship as a way of marketing to other companies, it is implied that the majority of sponsorship objectives given in this particular study were for business-to-consumer events as opposed to business-to-business events.

Grey and Skildum-Reid (2001:8) provide the longest sample of twenty-seven sponsorship objectives:

1. Communicating a marketing message to a target market
2. Increasing sales to a target market
3. Building a database of qualified prospects
4. Adding value to current and potential consumers

5. Increasing consumer understanding of your product / brand
6. Shifting consumer or trade attitudes towards your brand
7. Enhancing brand positioning
8. Creating a focal point for promotions
9. Providing content for a website
10. Gaining benefits for use in a loyalty programme
11. Product display or demonstration
12. Promoting trial via sampling and / or couponing
13. Forcing trial through on-site sales exclusivity
14. Gaining on-site sales (exclusive or non-exclusive)
15. Product endorsement by individual or organisation
16. Adding value to retail trade relationships
17. Trade hospitality
18. New product launch
19. Launching an existing product / brand to a new market
20. Brand re-launch
21. Increasing awareness within target market
22. Creating a focal point for trade promotions
23. Creating a focal point for above-the-line advertising
24. Increasing employee morale
25. Employee retention
26. Increasing employee knowledge level
27. Networking with other sponsors, government decision-makers, and other key participants

The above lists of sponsorship objectives, compiled by various authors, refer to objectives of *sponsorship* in general or to *event* sponsorship. No distinction is made between business-to-business events and business-to consumer events. The researcher shall now attempt to identify business-to-business sponsorship objectives as opposed to the general or business-to-consumer sponsorship objectives discussed thus far.

## 2.8. BUSINESS-TO-BUSINESS SPONSORSHIP OBJECTIVES

A business-to-business marketing transaction takes place whenever a good or service is sold for anything other than personal consumption, and all the activities involved in this process make up **business-to-business marketing**. (Bingham and Raffield, 1990:4)

While business-to-consumer marketing is aimed at events that target the final consumer, business-to-business marketing is aimed at events that target individuals within other businesses. Therefore, business-to-business sponsorship is a tool used to achieve business-to-business marketing objectives. Sponsorship.com (2003), provides the following definition of business-to-business sponsorship:

“Programs intended to influence corporate purchase / awareness, as opposed to individual consumers.”

It is important to attempt to establish a list of primary sponsorship objectives for business-to-business events, i.e. objectives that will achieve business-to-business corporate and marketing goals. Having studied the general sponsorship objectives cited by various authors, and given the business-to-business framework that is applicable for this dissertation, the researcher has identified the following primary objectives for sponsoring business-to-business events:

1. Increasing awareness
2. Positioning
3. Sales
4. Niche marketing
5. Entertaining clients
6. Recruiting and retaining employees
7. Database building
8. Networking and forging new business relationships
9. Profitability

Meenaghan (1993:17) says that a very rigid approach to classifying sponsorship objectives may disguise the fact that sponsorship objectives often overlap.

However, this dissertation aims to address the issue of business-to-business *conference* sponsorship and not business-to-business sponsorship objectives in *general*. Given the lack of published literature on business-to-business *conference* sponsorship, and the research presented thus far in this dissertation, the researcher deems the above business-to-business *event* sponsorship objectives applicable to business-to-business conference sponsorship. These objectives shall be discussed in more detail in Chapter 2.9.

## **2.9. BUSINESS-TO-BUSINESS CONFERENCE SPONSORSHIP OBJECTIVES**

Before accepting the derived list (Chapter 2.8.) as comprehensive, the researcher shall compare the above list to a list of 'benefits of sponsoring' (reasons for sponsoring) business-to-business conferences as documented by the conference organisers themselves in their sponsorship proposals. From a sponsor's point of view, they will seek to match their sponsorship objectives with the 'benefits of sponsoring' offered by the conference organiser.

A sample of sponsorship proposals were obtained from the following business-to-business conference organisers: Terrapinn Ltd, Supply Chain Council, Spintelligent, IQPC and Marcus Evans and the following 'benefits of sponsoring' were recorded:

- Generate sales leads
- Boost sales
- Launch new products
- Penetrate new markets
- Get cost effective marketing exposure and branding to your target audience, culminating in face-to-face meetings with your best prospects at the event
- Position and profile yourself as an industry leader
- Increase your brand recognition
- Create new partnerships and alliances
- Develop relationships through new networking opportunities
- Showcase new applications to a targeted audience of decision-makers



- Conduct industry or market research with a high-level sample of your target market

It is clear that, with only one exception, all 'benefits of sponsorship' listed above are the same or similar to those discussed in Chapter 2.8. This seems to support the researcher's assumption that business-to-business "event sponsorship objectives" are applicable to business-to-business "conference sponsorship" objectives as well.

The one exception listed, but that was not mentioned by any of the authors in any of the discussed literature thus far, was the objective of "conducting industry research". This, together with all other primary objectives of business-to-business conference sponsorship shall now be discussed.

### **2.9.1. Increasing awareness**

Meenaghan and Shipley (1999:328), say that sponsorship is highly prized for its ability to achieve communications effects such as awareness and brand image creation, two concepts that are inevitably linked.

Companies may wish, as their primary sponsorship objective, to increase awareness of the company, brand or product. The primary sponsorship objective of increasing awareness may also include the following objectives, as identified in Chapters 2.7. and 2.8.:

- Display corporate or brand names or logos on conference material thus also heightening visibility
- Improving company / brand or product recall

### **2.9.2. Positioning**

By sponsoring business-to-business conferences, companies may want to achieve the objective of positioning the company itself, its brands or products in a desired position in the minds of its target market.

**Positioning** is the act of designing the company's offering and image so that they occupy a meaningful and distinct competitive position in the target customers' minds. (Kotler, 1997:295)

However, regardless of the *design* of the company's offering and image referred to by Kotler, the company may still be able to occupy a 'meaningful and distinct competitive position in the target customers' minds merely by being associated with a high-quality business-to-business conference; or by the level of conference sponsorship that the company takes.

So, for example, an unknown company may be able to position itself as a quality company by sponsoring a successful and respected annual business-to-business conference. Furthermore, if a conference is already sponsored by well-recognised industry-leading companies, then an unknown company may co-sponsor the conference in an attempt to position itself in the same "industry leader" position as the legitimate industry leaders.

Since most conference organisers offer various levels of sponsorship participation, a company may also attempt to achieve an "industry leader" position by taking the highest level of sponsorship. As the "Platinum Sponsor" of a leading industry conference, for example, a company may occupy the position of 'industry leader' in the minds of its target market.

Therefore, a company may establish an identity or 'position' within a target market by virtue of having sponsored a certain business-to-business conference or by virtue of the level of sponsorship taken. This seems to be confirmed by Kotler (1997: 293) when he states that a company can build an identity through the type of event it sponsors.

The primary sponsorship objective of "positioning" may also include the following objectives, as identified in Chapters 2.7. and 2.8.:

- Enhancing image
- Improving goodwill
- Shaping customer attitudes

- Differentiating the company, brand or product from competitors
- Product or brand endorsement by individuals associated with the conference or by the conference itself

### 2.9.3. Sales

Pearce and Robinson (1994:317) say that functional marketing strategies should guide marketing managers in determining who will sell what, where, to whom, in what quantity, and how.

According to Hartley (1989:4) 'sales' is part of the 'promotion' element of the marketing mix. The term 'sales' includes 'sales management', 'sales promotion' and 'personal selling'.

Sales promotion covers a wide range of techniques that provide an extra short-term incentive or inducement to patronize a store or buy a product. Techniques include demonstrations and exhibitions, samples, premiums, coupons and cents-off deals, games, trading stamps, displays, store and window signs, and package inserts.

*Personal selling* is the personal communication between a salesperson and a potential customer or a group of customers. (Hartley, 1989:4)

Hartley (1989:8) says that sales management concerns directing or managing the personal selling and sales promotion aspect of a firm's marketing operation.

Therefore, given it's broad scope, 'sales', as a primary sponsorship objective may also include the following objectives, as identified in Chapters 2.7. and 2.8.:

- Increasing sales
- Increasing repeat purchases
- Gaining onsite sales
- Prompting trial
- Generating enquiries

- Reinforcing behavioural patterns
- Providing incentives for retailers, dealers and distributors
- Creating merchandising opportunities
- Showcasing product attributes
- Sampling or couponing opportunity
- Launching new products
- Re-launching brands

#### **2.9.4. Niche marketing**

Simply defined, a niche is a relatively small segment of a market that the major competitors or producers may overlook, ignore or have difficulty serving. The niche may be a narrowly defined geographic area. It may relate to the unique needs of a small and specific group of customers, or it may be some narrow, highly specialized aspect of a very broad group of customers. (Jain, 1996:379)

Business-to-business conference sponsorship gives sponsors the opportunity to reach very narrowly-defined markets of self-selected audiences. The more niche the conference topic, the more niche the audience will be. For example, a business-to-business conference addressing strategic issues in the South African railways industry provides a niche marketing opportunity, much more defined than say a broad-based South African transport conference where delegates are likely to come from the road, railways, air and marine transportation industries.

#### **2.9.5. Entertaining clients**

Crowley (1991:17) conducted a sample survey of sponsorship-related attitudes and behaviour among major companies operating in the Republic of Ireland. Crowley asked sponsors of events to rate the importance of each of a number of communications instruments used for the exploitation of sponsorship opportunities. Overall, “entertaining guests” was ranked third out of eight criteria as indicated in Table 2.1. Analysis reveals a strong distinction between consumer and industrial groups. For industrial companies it is overwhelmingly the most important exploitation instrument.

These results reflect the key attribute of guest entertainment in that it facilitates direct relationship building with identifiable targets. While this aspect of sponsorship may be particularly attractive to those sponsors seeking access to the business community it is not likely to be as attractive to those sponsors seeking to influence the more mass-oriented general public. (Crowley, 1991:18-19)

Business-to-business conferences provide an opportunity to entertain, not only current but also prospective clients. As a result of the conference taking place, many stakeholders and decision-makers in a particular topic area (often from geographically diverse locations) are gathered at one convenient location. This provides the sponsor with an opportunity to entertain a niche audience – thereby saving the time, effort and cost of bringing all the stakeholders to one location using its own resources.

Mean score (range 0-10)				
	Rank	Total	Consumer	Industrial
Media coverage	1	7.0	7.9	5.3
Event title	2	6.4	6.9	5.5
Entertain guests	3	6.4	5.5	7.7
Exposure to attendance	4	5.5	5.9	4.9
Perimeter advertising	5	4.48	5.3	4.1
Heart of action identification	6	4.8	5.4	3.8
Exposure to participants	7	4.6	5.0	4.0
Advertising theme	8	3.4	3.8	2.7

**Table 2.1. Promotion Instrument – Importance Ranking (Crowley, 1991:17)**

### 2.9.6. Recruiting and retaining employees

Recruitment is the process of acquiring applicants who are available and qualified to fill positions in the organisation. (Carell et al,1998:138)

Although recruiting and retaining employees cannot be regarded as a marketing objective, the researcher shall nevertheless briefly discuss this since it has been cited as a broad sponsorship objective by various authors. Carell et al (1998:151-157) list eight methods of recruitment:

1. Internal recruitment
2. Direct applications
3. Employee referrals
4. Campus recruiting
5. Private employment agencies
6. Advertising
7. Direct mail
8. Radio, TV and the Internet

Interestingly neither exhibitions nor event sponsorship were identified as strategies for recruitment. It is not surprising therefore that conference sponsorship was also not identified as a recruitment strategy. And yet, given the fact that niche business-to-business conferences will attract niche delegate audiences and that sponsors are normally allowed direct access to the delegates, business-to-business conference sponsorship may provide organisations with a very targeted recruitment opportunity.

Rukavina and Skinner (2003:27) say that, during times of low unemployment, companies need to go to considerable lengths to keep their staff and they often use the sponsorship arena to help them. The prestige of working for a company that is the sponsor of a major annual pan-African business-to-business conference may well entice some employees to remain with the company. Furthermore, the company may use the sponsorship of a prestigious business-to-business conference as an incentive for staff to perform well. For example, the sales manager may appoint the company's top salesperson as a member of the sponsorship team i.e. they may be part of the decision-making committee for the event, get to travel to the conference or even present a paper at the conference.

### **2.9.7. Database building**

A database is a shared collection of interrelated data designed to meet the varied information needs of an organisation. (Berger and Roberts, 1989:153)

Berger and Roberts (1989:157) propose that a company's marketing manager should firstly identify internal sources of data and develop systems to capture the data for input

into the database. If additional data is needed the marketing manager must commission research to obtain it. This may involve buying data from a list broker, renting data, the company's marketing and sales department collecting new data, or the acquisition of delegate lists by sponsoring business-to-business conferences.

The list of conference delegates provides the holder of the list with valuable data. Not only is the data qualified by industry or topic (e.g. in the case of a niche business-to-business conference) but also, the delegates have shown a propensity to spend money in the stated industry or topic area (they have spent money on the delegate fee and on travel and accommodation to get to the conference).

Business-to-business conference organisers do not routinely hand out the delegate list. On the contrary, this benefit is often reserved exclusively for sponsors.

### **2.9.8. Networking**

Robbins (1998:6) refers to networking as socialising, politicking and interacting with outsiders. Robbins cites the research of Fred Luthans into the effectiveness of managers and what managerial activities these managers engaged in. Luthans found that successful managers allocated 48% of their time to networking while average managers allocated only 19%.

Given therefore that networking is an important activity for them, managers need to identify opportunities and events where they can network with industry peers and decision-makers. In their attempt to attract as many paying delegates as possible, business-to-business conference organisers attempt to present the best speakers and experts within the particular industry or topic area. A high level of speakers and delegates (within a niche industry or topic area) presents companies with a good 'strategic' networking opportunity.

### **2.9.9. Profitability**

Although "profitability" is an important corporate objective of most commercial organisations and although any investment in marketing should yield some form of return on investment, "profitability" cannot be regarded as a marketing objective. The

researcher shall nevertheless briefly discuss “profitability” since it has been cited as a broad sponsorship objective by various authors.

Profitability – The relationship between revenues and costs generated by using the firm’s assets – both current and fixed – in productive activities. (Gitman, 1998:688)

As a primary objective of business-to-business conference sponsorship, sponsors will seek to get the maximum return on their marketing investment. Potential sponsors will also compare the return on investment they can achieve from business-to-business conference sponsorship to other forms of marketing.

#### **2.9.10. Conducting market research**

Although “conducting market research” was not mentioned as an objective of sponsorship by any of the authors in the published literature reviewed, it was identified as a ‘sponsorship benefit’ in sponsorship proposals from business-to-business conference organisers.

The American Marketing Association defines **marketing research** as ‘the function which links the consumer, customer and public to the marketer through information – information used to identify and define marketing opportunities and problems; generate, refine, and evaluate marketing actions; monitor marketing performance; and improve understanding of marketing as a process’. (Boyd and Walker, 1990:278)

The combination of delegates, speakers, sponsors and endorsers of specified business-to-business conferences represent a sample of a niche market. This can provide sponsors with a convenient opportunity to conduct marketing research with a captive audience. Conference organisers may be asked by the sponsor to provide delegates, speakers and endorsers with research questionnaires. Upon completion the questionnaires are collected and a prize may be offered to a lucky participant drawn from the ‘hat’ of completed questionnaires. This offers sponsors not only a convenient sample of research respondents but also a very high response rate and therefore an opportunity to achieve the company’s marketing research objectives.



In summary, although the author has identified ten primary reasons for sponsoring business-to-business conferences it is likely that, rather than entering into a sponsorship with the intention of achieving one specific objective, a sponsor will enter into a sponsorship wanting to achieve a number of specific objectives. This seems to be verified by Meenaghan (1983:16) who says that sponsorship offers the possibility of achieving several objectives in a single campaign.

Having discussed the business-to-business conference sponsorship objectives, the researcher shall now discuss the measurement of these objectives.

## **2.10. PROBLEMS WITH MEASURING SPONSORSHIP EFFECTIVENESS**

With more than six years work experience as manager and director of a business-to-business conference organiser in South Africa; and having had first hand experience in selling to and dealing with sponsors, the researcher observed that many sponsors did not seem to accurately measure the effectiveness of their sponsorship; or the effectiveness of the sponsorship was not measured at all.

Thus it appeared that sponsors did not have a logical business reason to sponsor an event again. Nor, by the same token, did a sponsor have a good reason *not* to sponsor an event again. The researcher's observations seem to be supported by various authors as is shown below.

Rukavina and Skinner (2003:179) believe that "sponsorship evaluation is one of the most overlooked steps in the sponsorship process". Many other authors too, have stated that companies either do not measure the effectiveness of their sponsorship or they do not do a rigorous enough evaluation.

Although sponsorship now accounts for a sizeable portion of some companies' promotion budgets, aspects of its management remain underdeveloped and surprisingly few companies rigorously evaluate the effectiveness of their sponsorship investments. (Marshall & Cook, 1992; Burton et al, 1997 cited by Hoek, 1999:1)

Hoek (1999:1) also cites Abratt and Grobler (1989) and Farelley et al (1997) when he continues his criticism of sponsorship evaluation, saying that sponsorship remains a poorly defined art with typically ad hoc attempts to assess the effectiveness of promotions.

Harvey (2001:59) concurs that marketers “remain unsure of how sponsorship works and how to properly measure its business value.”

The researcher has identified three primary problems influencing the effectiveness of sponsorship evaluation. These are discussed below.

### **2.10.1. Lack of clear objectives**

Coggin (2002:4) says that the success of sponsorship can only be properly evaluated if clear objectives and guidelines for measurement are set at the outset.

Johnson and Scholes (1999:13) state that objectives are more quantified and are more precise aims in line with a broader goal. Therefore, the goal could be a broad organisational goal or it could be the goal that the company wants to achieve on a specific project, for example a business-to-business sponsorship project.

Projects are established with objectives in mind. Project objectives must be:

- Specific, not general
- Not overly complex
- Measurable, tangible and verifiable
- Appropriate level, challenging
- Realistic and attainable
- Established within resource bounds
- Consistent with resources available or anticipated
- Consistent with organisational plans, policies and procedures

(Kerzner, 1998:374)

Sponsorship is viewed as an integral part of marketing communications, an approach which requires that objectives for sponsorship should be set in the context of an integrated approach to marketing communications, and not treated as something essentially different. As in the case of advertising and other elements of the communications mix, sponsorship objectives should be set in terms of sales or communications levels in order to be achieved. They must, therefore, meet the standard requirements normally associated with objective setting, namely that they be quantified, motivational, realistic, consistent, arranged in hierarchical form (in the case of multiple objectives) and that their achievement should contribute to the attainment of the overall communications objective. (Koontz and O'Donnel, 1968 cited by Meenaghan, 1983:16)

The ten primary objectives of business-to-business conference sponsorship, as discussed in Chapter 2.9., may be useful in understanding what companies seek to achieve by sponsoring business-to-business conferences. However, the objectives are not specific enough, as can be seen from Kerzner's (1998:374) requirements for measurable objectives, for the sponsor to be able to accurately measure the success of the sponsorship.

From a sponsor's perspective, not being able to measure the effectiveness of the sponsorship means not being able to report on the success or failure of the sponsorship and this constrains future decision-making.

From a sponsee's perspective, since the sponsor does not *know* whether the sponsorship was successful or not, the sponsor may incorrectly *perceive* that the sponsorship was unsuccessful. In this case, the sponsee would lose future business since the sponsorship may not be renewed.

### **2.10.2. Lack of sponsor preparation and commitment**

Many companies trick themselves into thinking that their sponsorships don't work because the *sponsee* has somehow failed, but the fact is that most fail because of inadequate preparation on the part of the *sponsor*. (Grey and Skildum-Reid, 2001:2)

All too often, the sponsor believes that it is the sole responsibility of the sponsee to ensure the success of the event and therefore the sponsor provides limited financial or other input above the initial sponsorship. However, in order for sponsorships to be effective they have to be worked.

Why do so many companies and brands fail to perform the most elementary task in sponsorship – linking their name to the sponsored event or organisation?  
Brands fail because they do not seriously commit their own marketing dollars to communicate the link. (Crimmins and Horn, 1996:11)

Grey and Skildum-Reid (2001:xiv) refer to the “2-to-1 rule” which says that sponsorships will be more effective if sponsors support their sponsorships with at least two monetary units for every one monetary unit spent on the sponsorship fee.

If a brand wants consumers to know about its sponsorship, the brand must take responsibility for communicating its sponsorship. It is a mistake to assume that the event, organization, or media will communicate your sponsorship for you and generate consumer impact. (Crimmins and Horn, 1996:11)

Therefore, if sponsors do not work their sponsorships then the sponsorship may not be as effective as it could be, or it may not be effective at all. In either case, the sponsor’s evaluation of the sponsorship is likely to be negative and the sponsor will be unlikely to renew the sponsorship in future.

### **2.10.3. Concurrent promotions**

Another problem with measuring the effectiveness of sponsorship, is that sponsorship is but one element of the promotional mix. The sponsor’s direct marketing, advertising, sales and public relations efforts, outside of the sponsorship, may blur the measurement of the sponsorship’s effectiveness.

The simultaneous use of marketing communications tools and carry-over effects from previous activities all complicated the assessment of the precise contribution made to a campaign by sponsorship. (Thwaites et al, 1998 cited by Hoek, 1999:1)

If the sponsor cannot be sure of the precise contribution of sponsorship amongst other marketing activities, then proper measurement of the sponsorship cannot take place.

Having discussed potential problems with evaluating sponsorship effectiveness in general, the researcher shall now discuss the evaluation of business-to-business conference sponsorship.

## **2.11. EVALUATING BUSINESS-TO-BUSINESS CONFERENCE SPONSORSHIP**

As discussed earlier, the first step to evaluating sponsorship effectiveness is to set sponsorship objectives. Humble (1972) put forward an approach for managing by objectives.

The management by objectives (MBO) approach can be regarded as providing the kind of rigorous control which is necessary for effective management, a fact acknowledged by its widespread acceptance in contemporary theory. This approach as suggested by Humble (1972) involves the setting of objectives which serve as benchmarks against which the company can measure its performance. When objectives have not been met this will indicate either the necessity for a change in strategy to achieve the stated objectives or a review of the objective themselves. (Meenaghan, 1983:50)

Coggin (2002:73) says that there are four main steps in the sponsorship measurement process. These are:

- i) Identify internal and external resources. A combination of internal and external researchers with experience in evaluating sponsorship will be needed;
- ii) Identify the measurement methodology and determine timing and cost;
- iii) Identify the decisions that will be made with the research results; and
- iv) Identify who needs the results.

Given the above introduction, the researcher shall further discuss the measurement and evaluation of sponsorships in terms of eight of the ten primary objectives of business-to-business conference sponsorship identified in Chapter 2.9.

However, “recruiting and retaining employees” and “profitability” shall not be discussed as these are broad corporate objectives and do not provide much insight into business-to-business conference sponsorship as a marketing tool.

### **2.11.1. Evaluating awareness**

It has been argued that sponsorship as a communications medium is not able to carry a detailed product-based message, as does traditional advertising (Meenaghan 1991). Consequently, sponsorships have been viewed as valuable in generating awareness for the brand and corporate images in a general sense (Abratt, Clayton, and Pitt 1987; Hoek, Gendall and West 1990; Kuzma, Shanklin and McCally 1993; Marshall and Cook 1992 cited by Bettina et al, 2001:41)

In order for a person to become “aware” of a company, product or brand, the person has to be exposed to a stimulus containing a related message. Business-to-business conference sponsors need to set clear objectives about what levels of company, product or brand awareness they wish to achieve and *how* they intend to measure the “level of awareness” actually achieved.

By “level of awareness”, sponsors may mean the level of exposure to the stimulus, the level of attention achieved from the target audience or the level of comprehension of the sponsor’s company, product or brand by the target audience. Belch and Belch (1993:202) refer to these as elements of the cognitive stage of the response process as indicated in Figure 2.2.

The *cognitive stage* represents what the receiver knows or perceives about the particular product or brand. This stage includes awareness that the brand exists and knowledge, information or comprehension about specific aspects of it such as its attributes, characteristics or benefits. The *affective stage* refers to the receiver’s feelings or affect level (liking or disliking) for the particular brand. This stage also includes stronger levels of affect such as desire, preference or

conviction. *The behavioural stage* refers to the consumer's action towards the brand such as trial, purchase or adoption. (Belch and Belch, 1993: 203)

As can be seen from Figure 2.2. awareness takes place in the cognitive stage of the response process. Belch and Belch (1993:202) present three "effectiveness tests" for testing awareness of advertisements but which may be applied to the testing of company name, product or brand:

- Circulation reach
- Recognition of the company, brand or product by the customer
- Recall tests

According to Barenblatt and Sinclair (1989:263) "reach" can simply be defined as how many people are exposed to an advert. Therefore, in a business-to-business conference sponsorship context, reach can be defined as how many business-to-business prospects are exposed to the company or its brand(s), product(s), logo(s), advertisement(s) or other marketing messages as a direct result of the conference sponsorship.

Many elements of sponsorship are measurable activities and conference organisers may be able to provide the sponsor with details of the reach achieved. For example, organisers would know how many conference brochures were mailed to the target market, how many "click-throughs" there were to the conference website and how many people were e-mailed during a promotional e-mail campaign. A major sponsor will have received exposure on all of the initiatives mentioned above and the organiser could therefore provide the sponsor with details of the reach achieved.

Although the organisers of business-to-business conferences can provide sponsors with reach statistics, the sponsor may wish to conduct recognition tests in order to test the effectiveness of the reach achieved. In other words, given that the sponsor has 'reached' its target audience through the sponsorship, it may be important for the sponsor to know what level of recognition of the company or its products exists. This implies that the sponsor would have to conduct a recognition test on a sample group prior to the sponsorship which could then be compared to a sample of people who

received some marketing communication bearing the sponsor’s branding as a result of the sponsorship undertaken.

	Models			
Stages	AIDA model	Hierarchy of effects model	Innovation adoption model	Information processing model
<b>Cognitive stage</b>	Attention ↓	Awareness ↓ Knowledge ↓	Awareness ↓	Presentation ↓ Attention ↓ Comprehension
<b>Affective stage</b>	Interest ↓ Desire ↓	Liking ↓ Preference ↓ Conviction ↓	Interest ↓ Evaluation ↓	Yielding ↓ Retention ↓
<b>Behaviour stage</b>	Action	Purchase	Trial ↓ Adoption	Behaviour

Figure 2.2. Models of the response process (Belch & Belch, 1993:199)

When measuring the ability of a respondent to recall a company or product name, Malhotra (1993:323) suggests that two types of tests can be done, namely *unaided recall* and *aided recall*. For example, unaided recall of a business-to-business conference sponsorship could be measured by asking sample of respondents questions like, “which company was the main sponsor of the Satellite Communications Africa 2003 conference?”

The *aided recall* approach attempts to stimulate the respondent’s memory by providing cues related to the event of interest. (Malhotra, 1993:323)

The aided recall approach would list all the sponsors of the conference and then ask, “which of these sponsors was the main sponsor of the Satellite Communications Africa 2003 conference?”



Although it is clear that awareness can be measured, the researcher proposes that the interpretation of what was measured could have a significant effect on whether a business-to-business conference sponsorship gets renewed or not. Should the sponsor's research show that respondents could not recall which company was the main sponsor of the conference, does this necessarily indicate some failure on the part of the conference organiser? It is just as likely that the sponsor did not 'work its sponsorship' and therefore the sponsor itself may be to blame.

### **2.11.2. Evaluating product and company positioning**

Boyd and Walker (1990:332) say that marketers should first determine the important attributes that guide customers' perceptions of the position that companies or products hold in the market. Once these 'determinant attributes' have been identified, a business-to-business conference sponsor can subsequently test the current position that the company or its products hold in the marketplace.

A sample of the target market can be surveyed before the conference sponsorship commences in order to establish what position the sponsor or its products currently hold in the minds of the target market. If the results show that customer perceptions are the same as the company's intended position then the sponsor may want to use the sponsorship as an opportunity to entrench that position. If, on the other hand, customers perceive the sponsor or its products to occupy a position inconsistent with the sponsor's desired position, then the sponsor may want to use the sponsorship as an opportunity to change customers' perceptions or its positioning in the market. Once the term of the sponsorship has been completed, the sponsor should repeat the survey with another sample to see whether the sponsorship has had the desired effect.

The above approach can be applied to the measurement of all the positioning objectives identified in Chapter 2.9.2.

### 2.11.3. Measuring sales objectives

As a primary objective, 'achieving sales objectives' is very broad and there are many specific sales objectives which fall under the broader banner. The measurement and evaluation of each will therefore be dependant on what the objective is.

In some ways, measuring sales objectives can be relatively easy. For example, the sponsor may have as a sales objective, "to generate a minimum of 100 sales leads over the duration of the sponsorship period." In this case, the sponsor simply needs to track the number of leads that are generated from the various marketing initiatives that are part of the sponsorship package. At the end of the sponsorship period, the sponsor can compare the actual number of sales leads generated to the target number of leads required and can therefore determine the effectiveness of the sponsorship in achieving the stated objectives.

On the other hand, if the sponsor's objective was to 'sell a minimum of five units of Product X at the conference' there are a number of factors which could influence the evaluation and achievement of this objective. According to Bingham and Raffield (1990:11), more people influence business-to-business buying decisions and considerable buyer-seller negotiation takes place in the purchase and sale of more expensive products. This implies a longer sales process and a longer period before the client makes a final buying decision. Therefore, in terms of the sponsor's previously stated objective, it may be unrealistic to expect to sell 'five units of Product X' if it is a relatively expensive product. The sponsor may not sell five units at the conference and therefore conclude that the sponsorship had not met its marketing objectives. Yet the sponsor may end up selling more than five units of Product X *after* the conference but still as a result of the sponsorship.

Furthermore, the sponsor should consider the quality and enthusiasm of the sales staff it appoints to represent the company at the conference. According to the Terrapinn Sponsor Marketing Manual (2003:11), a manual Terrapinn Ltd provides to sponsors of its conferences to assist sponsors with marketing themselves throughout the sponsorship campaign and at the conference itself, it is of paramount importance that the staff representing the sponsor are the best staff available. Sending the best sales staff to the conference will give the sponsor the best opportunity to make sales. On the

other hand, if the sponsor sends it's least productive sales staff, non-sales staff or does not send staff at all then it should be expected that sales objectives will not be achieved.

#### **2.11.4. Evaluating niche marketing**

If a company selects a particular target market segment which it wishes to influence then the selection of the appropriate sponsorship can pay rich dividends. (Meenaghan, 1983:21)

In certain circumstances, it may be possible to evaluate the effectiveness of a sponsorship in achieving the sponsor's niche marketing objectives in advance. Prior to signing the sponsorship agreement, the sponsor may request evidence from the organiser that it is able to reach the particular niche market. For example, the sponsor may want to know how many contacts within the niche market will be exposed to its logo or branding via conference brochures, promotional e-mails, faxes and advertisements in niche industry publications. The conference organiser should have these statistics available since the marketing plan for the conference would have been completed well in advance of the conference having taken place. Morrow (2002:80) suggests that marketing plans for trade exhibitions and conferences should be completed twelve months in advance of the events taking place. If, for example, the sponsor's niche marketing objective is "to reach 5000 decision-makers in the African smart cards industry" and the organiser of a business-to-business smart cards conference has the data and will mail brochures to 7000 decision-makers in the African smart card industry then the sponsor knows in advance that it's objective will be achieved.

Another way that niche marketing objectives can be evaluated is to conduct a cost vs. benefit analysis of other niche marketing tools to the cost vs. benefit of sponsoring a business-to-business conference. An example of a cost benefit analysis is given in Table 2.2.

<b>NICHE MARKETING COST-BENEFIT ANALYSIS</b>			
<b>Niche marketing objective 1:</b>		<b>Achieve a minimum of 30 000 exposures and reach 5 000 possible buyers (decision-makers) of smart card readers in Africa</b>	
<b>Option 1: Sponsor business-to-business smart card conference</b>			
<b>Description</b>	<b>Reach / circulation (R)</b>	<b>Frequency (F)</b>	<b>R x F</b>
Company logo and 50-word promotional article in conference brochure	7 000	2	14 000
Link to company website on conference promotional e-mails	7 000	6	42 000
Logo on conference promotional faxes	3 500	1	3 500
Logo on conference advertisements in trade publications	8 000	4	32 000
TOTAL REACH (TR)			91 500
TOTAL COST OF SPONSORSHIP PACKAGE (TC)			R75 000
COST:BENEFIT RATIO (TR/TC)			1:1,22
<b>Option 2: Series of advertisements in trade publications</b>			
<b>Description</b>	<b>Reach / circulation (R)</b>	<b>Frequency (F)</b>	<b>R x F</b>
Quarter page advertisements in Cards Technology magazine	6 500	2	13 000
Quarter page advertisements in Smart Card Africa magazine	9 000	2	18 000
TOTAL REACH (TR)			31 000
TOTAL COST OF ADVERTISEMENTS (TC)			R36 000
COST:BENEFIT RATIO (TR/TC)			1:0.86

**Table 2.2. Example of cost-benefit analysis of niche marketing (Psaros 2003:5)**

As can be seen in the example given in Table 2.2., sponsoring the business-to-business smart card conference would have given the company more exposure to the niche market segment and better return on investment than placing a series of advertisements in niche industry publications. Although the sponsorship option would have cost the company more, it would have yielded a higher cost-to-benefit ratio. In other words, the company would have received 1.22 'exposures' to the target market for every monetary unit spent on sponsorship whereas it would have received only 0.86 'exposures' to the target market for every unit spent on the advertising option.

According to the benefits offered in a typical conference package as identified in Chapter 2.6.2. the sponsorship option would also provide the sponsor with the opportunity to present a paper to the delegates of the conference and to sell to the delegates face-to-face at the sponsor's exhibition stand, in addition to the superior exposure and higher cost-to-benefit ratio. On the other hand, if cost is a factor, the company may not be able to afford the sponsorship option and may also achieve its niche marketing objectives by taking out a series of advertisements in trade publications.

### **2.11.5. Evaluating client entertainment**

If an objective of business-to-business conference sponsorship is to entertain clients at the conference then a company should *specifically* measure whether it has successfully *entertained* its clients and prospective clients.

According to Rock (1995:132) client entertainment creates relationships which can eventually lead to improved sales. Therefore, it may seem reasonable that one method of evaluating "client entertainment" may be to determine the level of sales yielded by clients or prospects in a specified period after the entertainment has taken place. However, this would ultimately mean that the company's "sales objectives" were being measured and not its "client entertainment objectives".

A simpler and possibly more realistic way of measuring "client entertainment" would be to measure variables at the entertainment event. For example, in a business-to-business conference context, a company may sponsor a cocktail function. Variables that the sponsor could measure at the cocktail could include:

- The level of enjoyment (a sample of delegates, speakers, invited guests etc. could be surveyed as they left the cocktail function) of the evening's entertainment
- The number of people present at the cocktail function – what was the predetermined minimum number of people required to deem the sponsorship of the cocktail function a success?

- The type of people present at the cocktail function – what level of people classified by job function, industry, geography etc. did the sponsor wish to entertain in order to deem the sponsorship a success?

#### **2.11.6. Measuring database building**

A simple and direct way of measuring how successful a company's efforts have been in achieving their "database building" objectives, as a result of sponsoring a business-to-business conference, would be to analyse the data collected against the objectives set. Some measures may include:

- The number of new records received as a result of the sponsorship
- Relevance of the records received as a result of the sponsorship i.e. did the company receive relevant records in terms of job function, industry represented, geographic location, etc.
- Accuracy of records received i.e. the sponsor may conduct a survey on a random sample of the data received and may expect a certain degree of accuracy of the records
- Cost of data acquisition via business-to-business conference sponsorship vs. cost of data acquisition from other sources. It must be remembered however, that it is unlikely that a company would sponsor a business-to-business conference with the sole objective of acquiring data. Since database building is likely to be one of a number of objectives, this needs to be provided for when conducting cost comparisons.

#### **2.11.7. Evaluating networking**

If a company's business-to-business conference sponsorship objective is to take advantage of networking opportunities presented at the conference then the company should attempt to *specifically* measure the level of *networking* achieved and not the results of the networking which may or may not occur over a period of time following the conference.

The Exhibition Association of South Africa (2003:17), suggests metrics for measuring strategic goals of exhibiting or sponsoring an exhibition. A number of strategic goals listed relate to networking and can possibly be applied in a business-to-business conference sponsorship situation. Table 2.3. summarises some of the networking-related strategic goals and the suggested metrics for evaluation.

<b>Strategic Goal</b>	<b>Suggested Metrics</b>	<b>Notes &amp; suggestions</b>
1. Building relationships with current customers	<ul style="list-style-type: none"> <li>• Number of customers met and recorded</li> </ul>	<ul style="list-style-type: none"> <li>• You might pre-determine a desired action (e.g. a demonstration) for customers</li> </ul>
2. Generating customer testimonials	<ul style="list-style-type: none"> <li>• Number of quality quotes won</li> </ul>	
3. Regaining lapsed customers	<ul style="list-style-type: none"> <li>• Number and value of lapsed customers met</li> </ul>	<ul style="list-style-type: none"> <li>• Follow and record successes</li> </ul>
4. Finding new distributors / partners	<ul style="list-style-type: none"> <li>• Number / quality of partners met or signed up</li> </ul>	<ul style="list-style-type: none"> <li>• Consider likely lifetime value</li> </ul>
5. Building relationships with editors and journalists	<ul style="list-style-type: none"> <li>• Number of editors / journalists met</li> </ul>	<ul style="list-style-type: none"> <li>• Quality of interaction</li> </ul>

**Table 2.3. Networking measurement matrix (Adapted from Exsa, 2003:17)**

### **2.11.8. Evaluating market research**

Agee et al (2000:121) say that, depending on the subject and situation, various kinds of research can be used to accomplish an organisation's objectives and meet the company's need for information. Therefore, given that companies have various "information needs", market research may be undertaken to address these needs.

In simple terms therefore, a company can measure the degree of success in conducting market research at a business-to-business conference by determining the degree to which the research has met the company's information needs. For example, if a company's information need is to know whether the recent launch of a new product has been successful then the success of the market research undertaken at a business-to-business conference (it is assumed that a sample of the company's target market will be attending the conference) may be determined by:

- Whether the number of respondents was sufficient to make the research statistically significant; and / or
- Whether the research yielded the minimum expected number of respondents predetermined by the company

Agee et al (2000:121) also say that time and budget are important considerations when conducting market research. Therefore, the success of market research conducted at a business-to-business conference could also be measured in terms of time and money.

For example, the time taken to conduct the research at the business-to-business conference could be compared to the time it would have taken to conduct the research in another way. Arising from the above example, there are a number of issues to consider:

- The evaluation could be done prior to the conference taking place, therefore if other forms of research were found to be quicker, then there would be no reason for a company to enter into a sponsorship agreement with the objective of conducting market research, unless “market research” was a secondary or tertiary sponsorship objective.
- If other forms of research were found to be quicker than conducting research at a business-to-business conference, one still needed to consider the *quality* of the research. In other words, it may be quicker to send questionnaires to a sample of the target market however, by conducting face-to-face interviews with the target market at the conference, the interviewer could ask probing questions and so obtain a deeper understanding of the research topic.

Another way to evaluate the success of the market research conducted at a business-to-business conference would be to compare the cost of conducting the research at the conference to the cost of conducting other forms of research or to outsourcing the research to a professional research company.

The Exhibition Association of South Africa (2003:17), suggests metrics for measuring strategic goals of exhibiting or sponsoring an exhibition. A number of strategic goals



listed relate to market research and can possibly be applied in a business-to-business conference sponsorship situation. Table 2.4. summarises the market research-related strategic goals and the suggested metrics for evaluation.

Strategic Goal	Suggested Metrics	Notes & suggestions
1. Test marketing a new product or service	<ul style="list-style-type: none"> <li>• Number and quality of feedback sessions</li> </ul>	<ul style="list-style-type: none"> <li>• Use a survey form</li> <li>• Use a questionnaire</li> <li>• Test different offers</li> </ul>
2. Test marketing campaign or offer	<ul style="list-style-type: none"> <li>• Number and quality of feedback sessions</li> </ul>	
3. Researching brand awareness / perception	<ul style="list-style-type: none"> <li>• Number and quality of feedback sessions</li> </ul>	

**Table 2.4. Market research measurement matrix (Adapted from Exsa, 2003:17)**

## 2.12. CONCLUSION

In this chapter, drawing from various authors and definitions, the researcher derived a definition for business-to-business conference sponsorship:

**Business-to-business conference sponsorship** is the mutually beneficial relationship between the conference owner / organiser (sponsee) and the sponsor whereby the sponsor pays a sponsorship fee in return for the rights to association with the conference, branding, access to the conference delegates and / or other negotiated benefits, the purpose of which sponsorship is for the sponsor to attain business-to-business marketing and corporate objectives.

Various authors cited in this chapter have listed numerous objectives that companies aim to achieve through event sponsorship. The researcher has assumed that many event sponsorship objectives will also be objectives of business-to-business conference sponsorship and has compared the various lists of event sponsorship objectives presented by the different authors to the objectives that the business-to-business conference organisers themselves state can be achieved by sponsoring their conferences.

Taking all of the information presented into account, the researcher derived a list of ten primary objectives of business-to-business sponsorship and these objectives were tested in the questionnaire used during the researcher's fieldwork:

1. Increasing awareness
2. Positioning
3. Sales
4. Niche marketing
5. Entertaining clients
6. Recruiting and retaining employees
7. Database building
8. Networking
9. Profitability
10. Market research

The researcher highlighted the fact that various authors cited in this chapter had stated that sponsors did not effectively measure the effectiveness of their sponsorships, a statement that is explored in the fieldwork conducted. Three main problems with measuring sponsorship effectiveness were identified as:

1. Lack of clear objectives by sponsors
2. Lack of sponsor preparation and commitment
3. Concurrent promotions make specific evaluation difficult

Finally, the researcher explored methods of evaluating the effectiveness of sponsorships and discussed methods for eight out of the ten business-to-business sponsorship objectives identified. "Recruiting and retaining employees" and "profitability" were not discussed as they were determined to be broad corporate objectives and would not provide much insight into business-to-business conference sponsorship as a marketing tool.

## CHAPTER 3

### RESEARCH DESIGN, METHODOLOGY AND ANALYSIS

#### 3.1. INTRODUCTION

In this chapter, the researcher will discuss the research design and style used to conduct the research and give reasons why this direction was followed. The researcher will describe the sampling method and give details of the data collection process, techniques and procedures used. A description of the data capturing and analysis techniques shall be given and the researcher will reveal any possible shortcomings and sources of error.

The researcher followed a qualitative exploratory research design which is defined by Malhotra (1993:91) as a type of research design which has as its primary objective the provision of insights into and comprehension of the problem situation.

The researcher used a combination of primary and secondary data to conduct the exploratory research.

First, the researcher collected and analysed the secondary data. Kotler (1997:117) refers to secondary data as data that was collected for another purpose and already exists somewhere. Using secondary data, the researcher conducted an extensive literature review as described in detail in Chapter 2. Hart (1998:13) defines the literature review as:

“The selection of available documents (both published and unpublished) on the topic, which contain information, ideas, data and evidence written from a particular standpoint to fulfil certain aims or express certain views on the nature of the topic and how it is to be investigated, and the effective evaluation of these documents in the research being proposed.”

The researcher used the literature review to define concepts, conclude a list of research variables and for validation. Having completed the literature review, the researcher had enough knowledge and information to establish a framework for gathering and analysing *relevant* primary data.

Malhotra (1993:46) defines primary data as data originated by the researcher specifically to address the research problem. The researcher gathered primary data via a survey and a case study.

### **3.2. QUESTIONNAIRES VIA E-MAIL**

According to Saunders et al (2000:93), surveys offer a number of advantages over other research methods because they:

“allow the collection of a large amount of data from a sizeable population in a highly economical way. Based most often on a questionnaire, these data are standardised allowing easy comparison. In addition, the survey method is perceived as authoritative by people in general.”

The survey was conducted using a questionnaire which was distributed via e-mail.

#### **3.2.1. Questionnaire design**

The researcher followed a qualitative exploratory research design, employing a questionnaire (see Appendix A) featuring a combination of structured and unstructured questions. According to Malhotra (1993:325), *unstructured questions* are open-ended questions that respondents answer in their own words while *structured questions* specify the set of response alternatives and the response format.

The questionnaire consisted of eighteen questions. The main aims of the questionnaire were:

- To identify the strategic objectives that companies have for sponsoring business-to-business conferences

- To identify which are the most popular means that companies use to measure business-to business conference sponsorship
- To explore the effectiveness of the measurement techniques identified

On the first page of the questionnaire, the researcher provided a short description of the purpose of the study. The description was provided in order to clarify the respondent's role in the study and to assure respondents of the confidentiality of any information provided. The respondents were also requested to return the completed questionnaire to the researcher via e-mail or fax by a specified date, thereby eliminating any doubt about the time-frame for completing the questionnaire or how to go about returning the questionnaire.

In the first section of the questionnaire, including Question 1, respondents were asked to provide the following information:

- Name and surname
- Designation
- Company name
- Country
- Contact number
- Industry sector to which the company belonged

The purpose of this information was to provide the researcher with the name and contact details of the respondent in case any follow-up questions or clarification was necessary. The designation of the respondent was required in order to ensure that only the desired profile of people was included in the analysis. The respondents' country was important for the purpose of demographic analysis, while a sample of respondents from various industries would make the findings of the research more broadly applicable to the general business-to-business market.

Although the researcher was interested in the opinions of marketing and senior managers about business-to-business sponsorship in general, the researcher felt the quality of the research could have been compromised if the research sample did not contain elements that had recently sponsored a business-to-business conference.

Critics may have questioned the validity of a business-to-business conference sponsorship study, if the sample did not include at least some recent business-to-business conference sponsors. Conversely, the researcher also specifically wished to study the perspective of marketing and senior managers that had not necessarily sponsored business-to-business conferences. Therefore, in Question 2, respondents were asked to indicate whether their company had sponsored a business-to-business conference in the past twenty-four months. Those companies that had sponsored a business-to-business conference in the past twenty-four months were asked, using both open-ended and close-ended questions, to provide details of the sponsorship in Questions 3 to 8 while those that had not sponsored a business-to-business conference were directed to Question 9.

In Question 9, respondents were asked to rate the likelihood that the sponsorship objectives derived in Chapter 2 and listed in Chapter 2.12, could be achieved through business-to-business conference sponsorship. The purpose of this question was to gauge the degree to which respondents felt that sponsorship objectives could be achieved through business-to-business sponsorship and to identify which objectives respondents thought were most likely to be achieved and which objectives were least likely to be achieved.

In Questions 10 to 17, respondents were asked to explain how their company would measure whether the stated business-to-business conference sponsorship objectives could be achieved as a result of sponsoring a business-to-business conference. The purpose of Questions 10 to 17 was to understand how respondents would measure the success of their business-to-business conference sponsorships and to identify frequently used measurement techniques.

In Question 18, respondents were asked to state the most important reason why business-to-business conference sponsorships may not meet the objectives of the sponsor. The purpose of this question was to understand what respondents thought were the main reasons why business-to-business conference sponsorships failed to meet the objectives of sponsors and, in particular, whether the respondents thought it was primarily a shortcoming on behalf of the organisers or on behalf of the sponsors themselves.

### 3.2.2. Sampling design

According to Malhotra (1993:353), the sampling design process includes five steps:

1. Define the target population
2. Determine the sampling frame
3. Select a sampling technique(s)
4. Determine the sample size
5. Execute the sampling process

The above process was used to gather a research sample as described in the following sections.

### 3.2.3. The target population

The researcher firstly defined the target population for the research study. Malhotra (1993:352) defines *target population* as:

“the collection of elements or objects that possess the information sought by the researcher and about which inferences are to be made.”

Malhotra (1993:253) defines elements as:

“objects that possess the information sought by the researcher and about which inferences are to be made.”

Malhotra (1993:253) also says that a target population should be defined in terms of elements, extent (geographical boundaries) and time (the period under consideration or relevant period with respect to the study).

Therefore, the target population for this research study was defined as follows:

*Elements* – Senior general managers, from any industry sector, who have marketing managers reporting to them or senior managers responsible, in part or wholly, for their respective companies' marketing function. Elements included General Managers,

Managing Directors, Marketing Managers, Marketing Directors, Business Development and Sales Managers, Product Managers and Brand Managers. These elements were chosen as they are the people who would have the most strategic insight into the respective companies' marketing function and the extent to which business-to-business sponsorships have been used as a marketing tool, or the extent to which business-to-business conference sponsorship could be used as a marketing tool. Finally, all elements of the target population should have e-mail addresses since this was the chosen medium by which the questionnaire was distributed.

*Extent* – Any country. The target population shall not be country-specific.

*Time* – Only elements that have been captured on the database in the past twenty-four months, i.e. from 1 July 2001. The reason for a twenty-four month restriction on the recency of the data is that the older the data selected, the lower the expected response rate due to incorrect data being used (the older the record the more likely it could be that details of that particular record, e.g. the e-mail address, may have changed).

Having defined the target population, the researcher then determined the sampling frame.

#### **3.2.4. Sampling frame**

The sampling frame is the complete list of all the elements in the target population from which the sample will be drawn, according to Saunders et al (2000:154). The researcher had access to a commercially available database comprised of individuals from various industry sectors and from 209 countries around the world. The sampling frame was selected from this database. Table 3.1. shows an industry breakdown of the data available to the researcher from which the sampling frame was chosen.



Industry sector	Number of names available	%
IT / Telecomms / Computing / Software	25,920	9.3%
Manufacturing	26,635	12.1%
Banking and finance	20,764	9.5%
Business and professional services	15,960	7.3%
Government / public services	29,698	13.5%
Media and publishing	15,621	7.1%
Energy	4,502	2.1%
Mining	6,883	3.1%
Marketing and advertising	7,281	3.3%
Insurance	3,751	1.7%
Distribution, logistics & transport	15,387	7.0%
Health	8,596	3.9%
Property & construction	4,762	2.2%
Leisure / tourism	2,062	0.9%
Primary industry	7,464	3.4%
Legal	7,477	3.4%
Retail	5,711	2.6%
Education	7,082	3.2%
Pharmaceutical	1,099	0.5%
Other	2,714	1.2%
<b>TOTAL</b>	<b>219,369</b>	<b>100%</b>
<b>Selection criteria</b>		
Industries = All		
Geographic area = All		
Job titles = All		
Recency of data = 01/01/1998 onwards		

**Table 3.1. Industry breakdown of the data available from which to select a sampling frame**

By applying the criteria used to define the target population, the researcher was able to extract the sampling frame from the database illustrated in Table 3.1. The researcher applied the following data selection criteria to the database:

*Job titles to be selected:* Managing Director, General Manager, Marketing Manager, Marketing Director, Business Development Director, Sales Director, Product Manager, Brand Manager.

*Geographic regions to be selected:* No restriction

*Industries to be selected:* No restriction

*Recency of data to be selected:* Not older than 1 July 2001

*Other:* All records selected must have e-mail addresses

Given the above criteria, a sampling frame of 12,824 individuals was selected.

### **3.2.5. Sampling technique**

From the sampling frame a systematic random sample of individuals was selected. Wegner (1999:172) describes systematic random sampling as follows:

“In systematic random sampling, some randomness is sacrificed. Sampling begins by randomly selecting the first observation. Thereafter, subsequent observations are selected at a uniform interval relative to the first observation.”

The researcher elected to use the systematic random sampling technique because

1. the database programme that was used to extract the data offered a systematic random sampling function which was convenient to the researcher
2. the researcher could identify no significant advantages to using a different sampling technique, given the convenience factor of having a systematic random sampling function available

### **3.2.6. Sample size**

Malhotra (1993:354) defines sample size as the number of elements to be included in the study. The researcher did not intend doing a sophisticated analysis of the data using multivariate techniques. Therefore, according to Malhotra (1993:355), a large sample was not required.

Furthermore, given the limited time available to analyse the data that would be gathered from the completed questionnaires, it was concluded that thirty-five completed questionnaires would be sufficient for the purposes of the study.

Based on his experience in direct marketing, the researcher estimated a response rate of 1% (one completed questionnaire returned for every one hundred questionnaires sent out via e-mail). The sample size was calculated as follows:

Expected response rate (R) = 1%

Number of completed questionnaires required (Q)= 35

Sample size (S) = ?

$$S = Q \times 100/R$$

$$= 35 \times 100/1$$

$$= 3500$$

The sample size was calculated to be 3500 elements. An industry breakdown of the sample of companies (sampling frame) selected to receive the research questionnaire is shown in Table 3.2. and a geographic breakdown is given in Table 3.3.

Industry sector	Number of names selected	%
IT / Telecomms / Computing / Software	732	20.9%
Manufacturing	487	13.9%
Banking and finance	438	12.5%
Business and professional services	298	8.5%
Government / public services	252	7.2%
Media and publishing	235	6.7%
Energy	154	4.4%
Mining	151	4.3%
Marketing and advertising	140	4.0%
Insurance	91	2.6%
Distribution, logistics & transport	81	2.3%
Health	74	2.1%
Property & construction	63	1.8%
Leisure / tourism	60	1.7%
Primary industry	56	1.6%
Legal	53	1.5%
Retail	53	1.5%
Education	49	1.4%
Pharmaceutical	32	0.9%
Other	7	0.2%
<b>TOTAL</b>	<b>3500</b>	<b>100%</b>
<b>Selection criteria</b>		
Industries = All		
Geographic area = All		
Job titles = Selected marketing and senior management		
Recency of data = 01/07/2001 onwards		

**Table 3.2. Industry breakdown of the sampling frame**

<b>Geographic area</b>	<b>Number of names selected</b>	<b>%</b>
Australia	1484	42.4%
South Africa	763	21.8%
United Kingdom	322	9.2%
Rest of Africa	245	7.0%
New Zealand	224	6.4%
Asia-Pacific	120	3.4%
USA	112	3.2%
Rest of Europe	77	2.2%
Middle East	68	1.9%
Rest of Americas	59	1.7%
Other	26	0.7%
<b>TOTAL</b>	<b>3500</b>	<b>100%</b>
<b>Selection criteria</b>		
Industries = All		
Geographic area = All		
Job titles = Selected marketing and senior management		
Recency of data = 01/07/2001 onwards		

**Table 3.3. Geographic breakdown of the sampling frame**

### **3.2.7. Executing the sampling process**

Firstly, the researcher sent an e-mail to each element of the research sample (see Appendix B). The purpose of this e-mail was to introduce the researcher and request permission from the potential respondent to send him / her a research questionnaire to be completed and returned by a specified date. There has been a proliferation of unsolicited e-mail in recent years which many people find annoying and it was for this reason that the researcher decided to request the potential respondent's permission to send him / her a questionnaire.

In total, 153 elements (4.4% of the sample) replied that they did not wish to, or were unable to participate in the study. The remainder of the sample either did not reply at all or confirmed that they would be willing to participate.

Having removed the elements that did not wish to participate in the study from the sample, the sample group now consisted of 3384 elements. The researcher considered the reduction in the sample size as too small to have any significant impact on the research.

The day after receiving the initial e-mail, the research sample received a covering letter (see Appendix C) via e-mail, as well as the research questionnaire which was attached to the e-mail.

Completed questionnaires were returned via e-mail or fax.

### **3.2.8. Data capture and analysis**

All responses from each question of the questionnaire were coded in order to simplify data analysis. Saunders et al (2000:332) says that all data types, with few exceptions, should be recorded using a coding system. This enables the researcher to enter the data more quickly and with fewer errors and makes subsequent analysis more straightforward.

Having coded all responses to each question from the completed and returned questionnaires, the researcher then recorded this data into a spreadsheet (see Appendix D) in order to simplify analysis using qualitative analysis and basic statistical techniques.

### **3.3. CASE STUDY**

The researcher also conducted a case study (see Appendix E) of a company that had recently sponsored a business-to-business conference.

In Saunders et al (2000:94), Robson (1993) defines a case study as the:

“development of detailed, intensive knowledge about a single ‘case’, or a small number of related ‘cases’.”

Saunders et al (2000:94) suggest that a case study can be a very worthwhile way of exploring existing theory. Therefore, the purpose of doing a case study was for the researcher to further explore concepts and to obtain a deeper insight into why the selected company sponsored a business-to-business conference, the decision-making process that was followed, how the sponsorship was evaluated and the process for making a decision about whether to repeat the sponsorship in future.

Lastly, the case study would also be used for validation purposes, if relevant.

### **3.3.1. Case study design**

The researcher followed a qualitative exploratory research design, employing a questionnaire featuring open-ended questions. The questionnaire was similar to questions 1-7 of the questionnaire employed in the survey described in Chapter 3.2. but also included additional questions that the researcher felt were relevant in order to obtain a richer understanding of the concepts.

### **3.3.2. Selection of the 'case'**

The sample size for the case study was 1 element chosen by the convenience sampling technique. Malhotra (1993:358) defines the convenience sampling technique as follows:

“A non-probability sampling technique that attempts to obtain a sample of convenient elements. The selection of sampling units is left primarily to the interviewer.”

The researcher requested and received the names and contact details of companies that had sponsored the business-to-business conferences (held in 2003) of a prominent conference organiser with an office in Johannesburg, South Africa. The researcher then telephoned the companies and requested permission to conduct a case study on the company's sponsorship of the particular event concerned. The first company to agree to providing information for a case study was selected by the researcher as the element for the case study.

### **3.3.3. Methodology**

Having identified the company to be studied, the researcher arranged a telephonic interview with the person responsible for co-ordinating the sponsorship in South Africa. During the telephone interview, the case study questionnaire was completed, with the researcher asking all the questions and recording the answers.

Based on the information provided by the respondent, the researcher then constructed a logical sequence of events as to what had transpired during the company's sponsorship of the particular business-to-business conference.

The researcher then identified areas where more information was required. The respondent was called back and any additional information required by the researcher was obtained and included in the case study. Finally, a copy of the case study was e-mailed to the respondent to verify that it was a true reflection of what was discussed.

A copy of the case study, verified by the company as a true reflection of what had transpired with regard to their sponsorship of the specified business-to-business conference, can be found in Appendix E.

### **3.4. CONCLUSION**

In this chapter the researcher discussed the process that was followed to conduct the research. The researcher demonstrated that acknowledged research techniques were used to conduct a research survey and a case study analysis.



## **CHAPTER 4**

### **RESEARCH PRESENTATION AND FINDINGS**

#### **4.1. INTRODUCTION**

In this chapter, the researcher will interpret the data collected, present the findings of the research and comment briefly on the data presented. Where possible, the information has been presented by means of figures and tables in order to allow the reader to gain a clearer understanding of the information being presented.

#### **4.2. QUESTIONNAIRE ANALYSIS AND EVALUATION**

Data gathered from the questionnaires is analysed demographically and then discussed on a per question basis and the necessary cross references are made to literature reviewed in Chapter 2, or other relevant literature. The data has been gathered from thirty-eight completed questionnaires as discussed in Chapter 3.

##### **4.2.1 Respondents by designation**

Judging by the designations of the elements, it can reasonably be concluded that those who completed and returned the questionnaires would have had adequate marketing expertise and experience as to consider their responses valuable for this study. The designations of the elements are consistent with those identified in Chapter 3.2.3. Table 4.1. shows a breakdown of the designations of the respondents.

<b>Designation</b>	<b>% of sample</b>
Marketing: Manager / Coordinator	26%
Marketing: Director / Vice President / Head / GM	21%
Business Development and Sales: Managers / Directors	18%
Chairman / Director / General Manager	11%
Brand / Product: Managers	8%
Communications: Director / General Manager	5%
Unknown	5%
Account Manager	3%
Marketing Research & Development	3%
<b>TOTAL</b>	<b>100%</b>

**Table 4.1. Respondents by designation**

#### **4.2.2. Respondents by country**

In total, respondents from twelve different countries participated in the study. As can be seen from Table 4.2., 50% of respondents were from Australia and South Africa.

The most probable reason why there were a higher number of respondents from Australia and South Africa is that the sampling frame did not have an equal number of elements from all countries and that there were a relatively high number of elements from Australia and South Africa.

<b>Country</b>	<b>% of sample</b>
Australia	29%
South Africa	21%
United Kingdom	13%
Germany	8%
United States Of America	8%
France	3%
Greece	3%
Hong Kong	3%
Isle of Man	3%
Ireland	3%
Morocco	3%
New Zealand	3%
Unknown	3%
<b>TOTAL</b>	<b>100%</b>

**Table 4.2. Respondents by country**

#### **4.2.3. Respondents by industry sector**

Information regarding the industry sector to which the respondents belonged was obtained from Question 1, which read as follows:

*To which industry sector does your company belong?*

The significance of the industry profile of respondents is the fact that a number of different industries represented in the sample. The diversity of the research sample in terms of industry sector increases the degree to which generalisations can be made about the findings of the research. Had the research sample contained elements from only one or two industry sectors then generalisations would have been less appropriate.

Industry sector	Number of respondents	%
IT / Telecomms / Computing / Software	7	18%
Manufacturing	6	16%
Banking and finance	5	13%
Business and professional services	3	8%
Other	3	8%
Distribution, logistics & transport	2	5%
Health	2	5%
Mining	2	5%
Pharmaceutical	2	5%
Education	1	3%
Energy	1	3%
Insurance	1	3%
Leisure / tourism	1	3%
Marketing and advertising	1	3%
Property & construction	1	3%
<b>TOTAL</b>	<b>38</b>	<b>100%</b>

**Table 4.3. Respondents by industry sector**

In Chapters 4.2.4.to 4.2.10., the researcher briefly discusses the data obtained those elements in the research sample that have “recently” (in the last 24 months) sponsored a business-to-business conference, while elements that have not recently sponsored a business-to-business conference are not discussed in this section.

#### **4.2.4. Recent sponsorship of business-to-business conferences**

Information regarding the number of respondent companies that had recently sponsored a business-to-business conference was obtained from Question 2, which read as follows:

*Has your company sponsored a business-to-business conference in the last 24 months?*

Table 4.4. shows the number and percentage of companies from the sample that had or had not sponsored a business-to-business conference in the past twenty four months. It was by deliberate design that the researcher included elements that had recently sponsored business-to-business conferences as well as elements that had not recently sponsored a business-to-business conference or had never sponsored one at all. The reason for including both types of elements was so that the researcher could get a rich diversity of opinion from elements that may have had strong reasons for sponsoring compared to elements that may have had strong reasons for not sponsoring.

Willemse (1991:107) says that when a sample is collected, some sampling error will occur because the whole population has not been studied. This error is controlled by selecting a sample of adequate size. For large samples, where the number of elements is greater than 30, for example the sample size of this research survey (38 elements), a normal or approximately normal distribution can be assumed according to the Central Limit Theorem.

As can be seen from Table 4.4., there were 15 respondents (39%) that had recently sponsored a business-to-business conference. Therefore, given the relatively small size of the sample group, the researcher shall conduct a thematic analysis on this sample group to obtain insights into various relevant concepts, rather than conduct a statistical analysis.

<b>Response</b>	<b>Number of respondent companies</b>	<b>% of respondent companies</b>
Yes	15	39%
No	23	61%
<b>TOTAL</b>	<b>38</b>	<b>100%</b>

**Table 4.4. Companies that sponsored a business-to-business conference in the past 24 months**

#### **4.2.5. Details of most recent business-to-business conference sponsored**

Details regarding the most recently sponsored business-to-business conference was obtained from Question 3, which read as follows:

*Please provide details of the most recent business-to-business conference your company has sponsored.*

This question did not yield any valuable information in terms of the research problem, however, the question was simply designed to:

1. Validate the respondent's claim of sponsoring a business-to-business conference. (It would have been relatively simple for the researcher, had it been necessary for any reason, to contact the conference organiser and validate the respondent's claim)
2. Provide the researcher with interesting information about the business-to-business conference that had been sponsored.

#### **4.2.6. Fee paid for most recent business-to-business conference sponsorship**

Information regarding the amount of money respondents had spent on the sponsorship fee of the most recent business-to-business conference they had sponsored was obtained from Question 4, which read as follows:

*Please indicate the approximate sponsorship fee paid for sponsoring the business-to-business conference referred to in Question 3.*

As can be seen from Table 4.5., none of the companies that had sponsored a business-to-business conference paid more than US\$25,000 on a single sponsorship. Although it seems true that companies spend comparatively little on business-to-business sponsorship compared to the lucrative amounts spent on sponsoring major events, this is most likely due to the sponsorship fees being vastly different. For example, the premium sponsorship fee to sponsor a major sporting event will, most likely, be significantly more expensive than the premium sponsorship fee for sponsoring a major business-to-business conference, *ceterus parabus*.

Amount spent on sponsorship fee	Number of companies
Less than US\$5,000	6
US\$5,000 - US\$15,000	7
US\$15,000 - US\$25,000	2
More than US\$25,000	0
<b>TOTAL</b>	<b>15</b>

**Table 4.5. Amount spent on sponsorship fee**

#### **4.2.7. Were clear and measurable objectives set for the most recent business-to-business conference sponsorship?**

Information about whether respondents had set clear and measurable objectives, to be achieved through their sponsorship of the specified business-to-business conference, was obtained from Question 5, which read as follows:

*Would you say that your company set clear and measurable sponsorship objectives with regards to the above sponsorship?*

From Table 4.6., it can be seen that most companies that sponsored a business-to-business conference did set clear and measurable objectives with regard to the sponsorship. However, given the importance of setting objectives, as discussed in Chapter 2.10.1., it is surprising that not all the sponsors had done so. Sponsors that had not set clear and measurable objectives would not be able to accurately measure the effectiveness of their sponsorship as a marketing tool and would thus be more likely to make uniformed decisions about future sponsorship of the particular conference.

Did the respondent company set clear and measurable objectives?	Number of companies
Yes	10
No	5
Unsure	0
<b>TOTAL</b>	<b>15</b>

**Table 4.6. Sponsors by whether objectives were set**

#### 4.2.8. Most important objectives of the most recent business-to-business conference sponsorship

Information about the most important objectives that respondents wanted to achieve through their sponsorship of the specified business-to-business conference was obtained from Question 6, which read as follows:

*Please list the 5 most important objectives that your company aimed to achieve by sponsoring the above conference and indicate whether the objectives were achieved?*

Table 4.7. summarises the most important objectives that sponsors aimed to achieve by sponsoring a particular business-to-business conference, and whether the objective was achieved. As can be seen from Table 4.7., it appears that there were four objectives that stood out by being mentioned significantly more often than other objectives. Question 6 did not prompt respondents and it therefore appears that “sales”, “positioning”, “increasing awareness” and “networking” may be the most important objectives that sponsors wish to achieve. These objectives are consistent with the business-to-business conference sponsorship objectives identified by the researcher in Chapter 2.9. thereby adding weight to the suggestion by the researcher that the objectives identified in Chapter 2.9. are applicable to business-to-business conference sponsorships.

Most important objectives	Was the objective achieved?			
	Yes	No	Unsure	Total responses
Sales	9	1	2	12
Positioning	10	1	0	11
Increasing awareness	9	0	0	9
Networking	8	1	0	9
Market research	2	1	0	3
Entertaining clients	1	0	0	1
Niche marketing	1	0	0	1
Profitability	1	0	0	1

**Table 4.7. Sponsors by most important objectives**



#### **4.2.9. Measurement of most recent business-to-business conference sponsorship objectives**

Information about how respondents measured whether their business-to-business conference sponsorship objectives had been achieved was obtained from Question 7, which read as follows:

*Briefly indicate how you measured whether the above objectives (referred to in Question 6) were achieved.*

##### 4.2.9.1. Awareness

Table 4.8. shows which techniques were used by respondents to measure their “awareness” objectives. It is significant that the highest response was that “awareness” was difficult to measure or that it was not measured at all. This seems to support the researcher’s view, as discussed in Chapter 2.10., that evaluation of sponsorships is one of the most overlooked steps in the sponsorship process.

Furthermore, it is worth mentioning that of the measurement techniques used by respondents, only “cost vs. number of key contacts” and “cost vs. other marketing” were quantitative measures and thus not likely to be subjectively influenced. However, the researcher does acknowledge the fact that respondents were not specifically asked to be as specific as possible and that had this been done, then more quantitative measures may have been obtained.

<b>Sponsors by measurement of “awareness” objectives</b>	<b>Number of responses</b>
Difficult to measure / did not measure / don't do it / don't use it	3
Branding on all marketing material and at conference	2
Publicity, media or press coverage	2
Level of interest from other organisers to speak at their conferences	1
Cost vs. number of key contacts	1
Cost vs. other advertising / marketing	1
Acquire data for database	1
Non specific: Market research, questionnaire, survey, ask people	1
Unsure / no answer / unclear	1
<b>TOTAL</b>	<b>13</b>

**Table 4.8. Sponsors by measurement of “awareness” objectives**

#### 4.2.9.2. Positioning

Table 4.9. shows, once again, the highest response for measuring “positioning” was that it was difficult to measure or that it was not measured at all. This further supports the researcher’s view, as discussed in Chapter 2.10., that evaluation of sponsorships is one of the most overlooked steps in the sponsorship process.

<b>Sponsors by measurement of “positioning” objectives</b>	<b>Number of responses</b>
Difficult to measure / did not measure / don't do it / don't use it	3
Non specific: Market research, questionnaire, survey, ask people	3
Reach: number of people "touched" / exposed to the company / product	2
Improved company / product reputation / image	1
Publicity, media or press coverage	1
Unsure / no answer / unclear	1
<b>TOTAL</b>	<b>11</b>

**Table 4.9. Sponsors by measurement of “positioning” objectives**

#### 4.2.9.3. Sales

It appears from Table 4.10. that “sales” objectives can be measured with, comparatively, a greater degree of accuracy since the majority of measurement techniques recorded were quantitative measures.

<b>Sponsors by measurement of “sales” objectives</b>	<b>Number of responses</b>
Enquiries, leads, referrals as a result of the conference	4
Number of meetings set up with customers / prospects	2
Sales revenue achieved post conference / can be linked to conference	2
Difficult to measure / did not measure / don't do it / don't use it	1
Non specific: Market research, questionnaire, survey, ask people	1
Unsure / no answer / unclear	1
<b>TOTAL</b>	<b>11</b>

**Table 4.10. Sponsors by measurement of “sales” objectives**

#### 4.2.9.4. Networking

In Chapter 2.11.7. the researcher referred to the fact that sponsors should apply realistic measures to their stated business-to-business conference sponsorship objectives. It may be argued that some of the measures of whether the companies’ “networking” objectives had been achieved, as shown in Table 4.11., are not realistic.

For example, “number of people aware of, or able to recall, the company and its products” may be more suited as a measure of “awareness” rather than “networking”. Similarly, “sales revenue achieved post conference” may be more suited to measuring “sales” objectives than “networking” objectives.

<b>Sponsors by measurement of “networking” objectives</b>	<b>Number of responses</b>
Non specific: Market research, questionnaire, survey, ask people	3
Quality of conference attendees	2
Acquire data for database	2
Enquiries, leads, referrals as a result of the conference	2
Awareness: number of people aware of / able to recall the company / product	1
Quantity of conference attendees	1
Difficult to measure / did not measure / don't do it / don't use it	1
Sales revenue achieved post conference / can be linked to conference	1
<b>TOTAL</b>	<b>13</b>

**Table 4.11. Sponsors by measurement of “networking” objectives**

For objectives for which there were less than 5 responses about which measurement techniques were used to measure those objectives, the researcher did not analyse the responses due to the small volume of data.

#### **4.2.10. Main reason for not achieving objectives of most recent business-to-business conference sponsorship**

Information about the main reason why respondents did not meet their objectives through sponsoring the specified business-to-business conference was obtained from Question 8, which read as follows:

*If you did not meet one or more of the objectives you had set for the above sponsorship, briefly explain what you believe is the main reason for that.*

Table 4.12. shows marginally more responses where sponsors felt that the failure of the sponsorship to achieve the company’s objectives was a result of a fault by the sponsors themselves rather than a fault of the organisers. To some extent, this is surprising as one may have expected sponsors to have been more inclined to blame organisers for the failure of the sponsorship to meet their objectives than to blame themselves.

<b>Main reason for not achieving objective</b>	<b>Number of responses</b>
Poor audience acquisition by organiser	2
Fault of the sponsor: Not well prepared, could not track sales	2
No answer / unsure / unclear	2
No objectives set	1
<b>TOTAL</b>	<b>7</b>

**Table 4.12. Sponsors by main reason for not achieving objective**

From Chapters 4.2.4. to 4.2.10., the researcher has discussed the finding of a thematic analysis of respondents that had recently sponsored a business-to-business conference. In Chapters 4.2.11. to 4.2.20. the researcher conducts a basic statistical analysis of the responses provided to various questions by all elements of the total sample (38 elements).

#### **4.2.11. Likelihood of achieving specified business-to-business conference objectives**

Information about the likelihood that respondents could achieve specified marketing and corporate objectives by sponsoring a business-to-business conference was obtained from Question 9, which read as follows:

*Please rate the likelihood that the following objectives can be achieved by sponsoring a business-to-business conference.*

Respondents were asked to record their answers on a matrix as shown in Table 4.13.

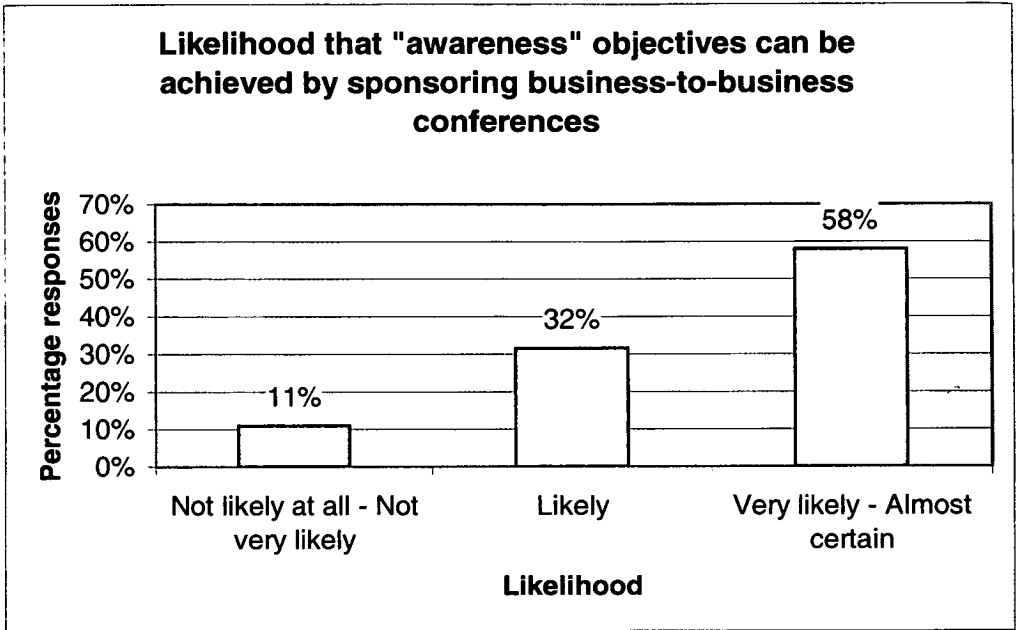
When analysing the responses to Question 9, the researcher attempted to identify clear tendencies in the responses given by respondents. On the scale provided above, “Likely” was considered a central tendency as it was neither strongly “likely” nor strongly “not likely”. Therefore, in order to identify clear tendencies, the researcher aggregated the “not likely at all” and the “not very likely” responses to produce a “strongly not likely” group. Similarly, “very likely” and “almost certain” responses were aggregated to produce a “strongly likely” group.

Objective	Likelihood of being achieved by sponsoring a business-to-business conference				
	Not likely at all	Not very likely	Likely	Very likely	Almost certain
<b>Awareness</b> – achieve corporate, brand or product awareness	Not likely at all	Not very likely	Likely	Very likely	Almost certain
<b>Positioning</b> – positioning the company / brand / product	Not likely at all	Not very likely	Likely	Very likely	Almost certain
<b>Sales</b> – to achieve stated sales objectives	Not likely at all	Not very likely	Likely	Very likely	Almost certain
<b>Profitability</b> – to improve the profitability of the company / brand / profit centre / team	Not likely at all	Not very likely	Likely	Very likely	Almost certain
<b>Niche marketing</b> - access to a niche target market you would not normally have access to	Not likely at all	Not very likely	Likely	Very likely	Almost certain
<b>Entertaining clients</b> – to entertain corporate clients at the conference	Not likely at all	Not very likely	Likely	Very likely	Almost certain
<b>Recruit or retain employees</b> – to recruit or retain employees	Not likely at all	Not very likely	Likely	Very likely	Almost certain
<b>Database building</b> – to build a database of companies interested in a niche topic	Not likely at all	Not very likely	Likely	Very likely	Almost certain
<b>Networking</b> – to network with peers and practitioners from a niche industry	Not likely at all	Not very likely	Likely	Very likely	Almost certain
<b>Research</b> – to conduct market research	Not likely at all	Not very likely	Likely	Very likely	Almost certain

#### 4.13. Response matrix for Question 9

##### 4.2.11.1. Awareness

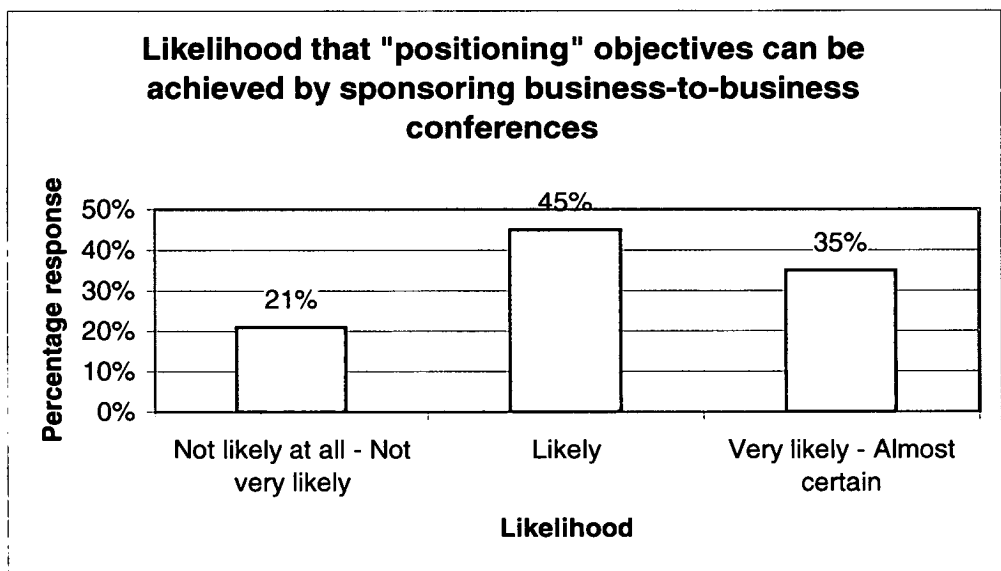
Figure 4.1. shows that the majority of respondents (58%) felt that it was strongly likely that awareness objectives could be achieved by sponsoring business-to-business conferences.



**Figure 4.1. Respondents by likelihood of achieving “awareness” objectives**

**4.2.11.2. Positioning**

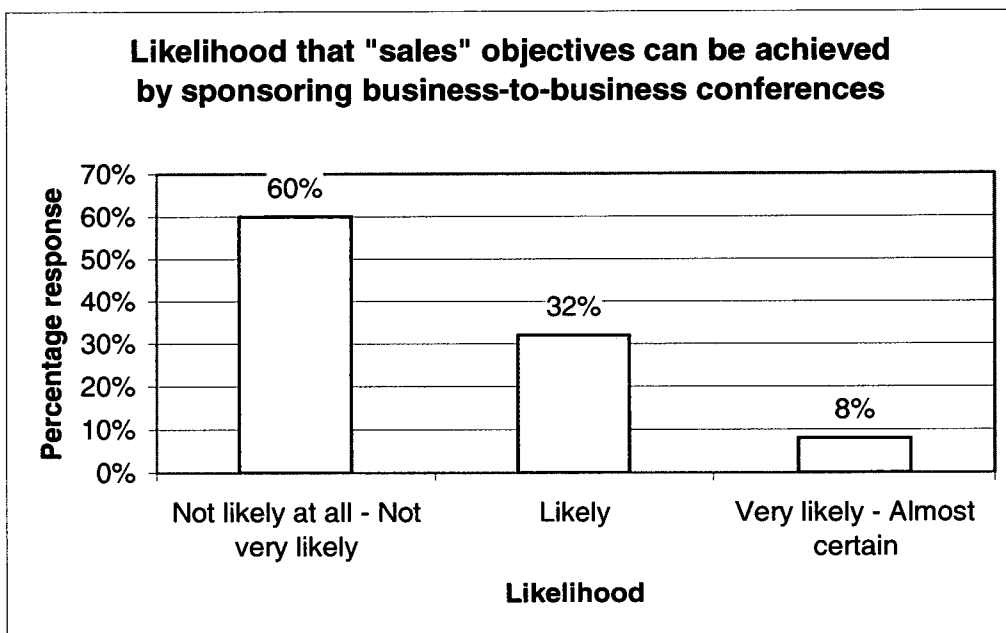
From Figure 4.2. it can be seen that 45% of respondents felt that they were “likely” to achieve their positioning objectives by sponsoring a business-to-business conference. Of the two groups of strong tendency, more respondents thought it was “strongly likely” that their positioning objectives could be achieved through sponsorship.



**Figure 4.2. Respondents by likelihood of achieving “positioning” objectives**

### 4.2.11.3. Sales

An overwhelming majority (60%) of all respondents said that it was “strongly unlikely” that sales objectives could be achieved by sponsoring business-to-business conferences. Only 8% of respondents said that it was “strongly likely” that sales objectives could be achieved through business-to-business conference sponsorship. The perception by the majority of respondents that they are “strongly unlikely” to achieve sales objectives should be a cause of concern for conference organisers since sales is an important functional marketing strategy as explained in Chapter 2.9.3.

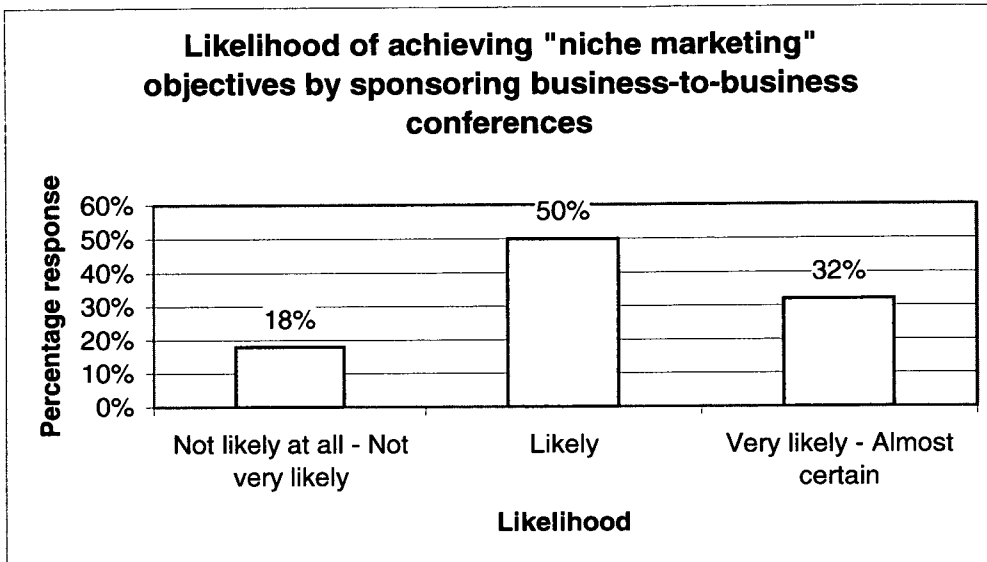


**Figure 4.3. Respondents by likelihood of achieving “sales” objectives**

### 4.2.11.4. Niche marketing

As can be seen from Figure 4.4. half of all respondents rated the likelihood of achieving niche marketing objectives by sponsoring business-to-business conferences as “likely”. In addition to this, there were more respondents (32%) that said there was a “strong likelihood” of achieving niche marketing objectives than respondents that said there was a “strong likelihood” of not achieving niche marketing objectives (18%).

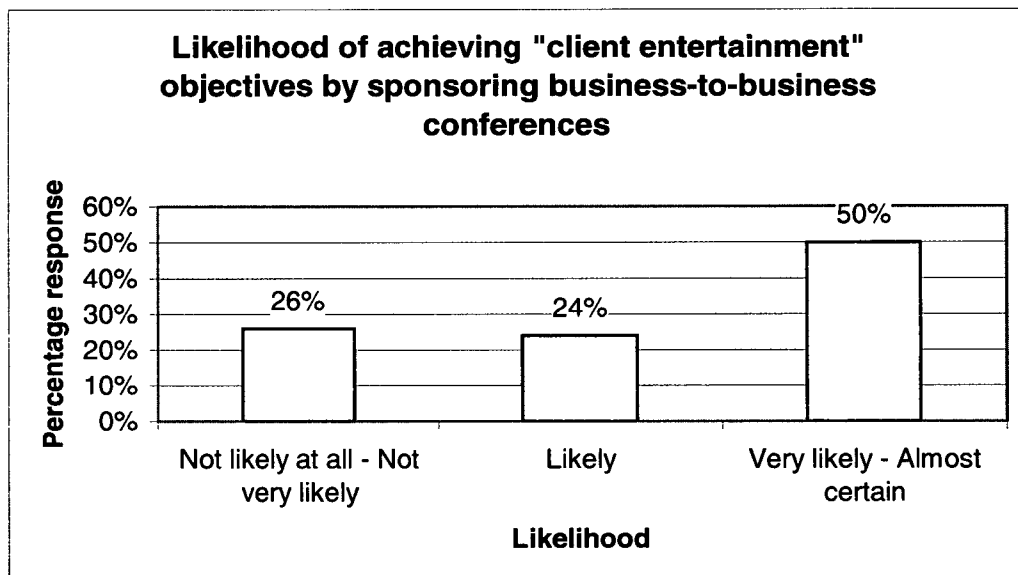




**Figure 4.4. Respondents by likelihood of achieving “niche marketing” objectives**

4.2.11.5. Client entertainment

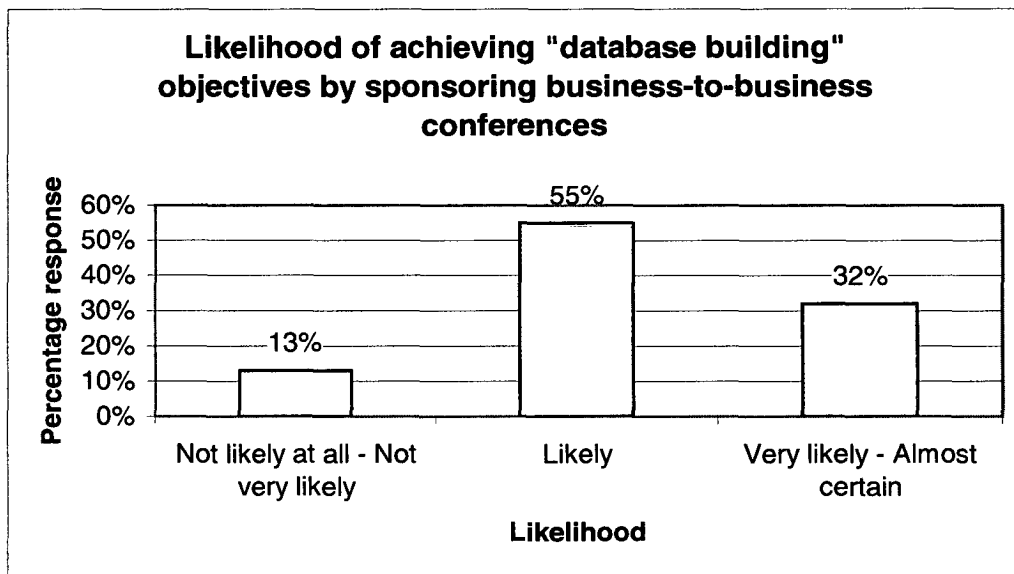
Figure 4.5. shows that half of all respondents felt that it was strongly likely that client entertainment objectives could be achieved by sponsoring business-to-business conferences.



**Figure 4.5. Respondents by likelihood of achieving “client entertainment” objectives**

#### 4.2.11.6. Database building

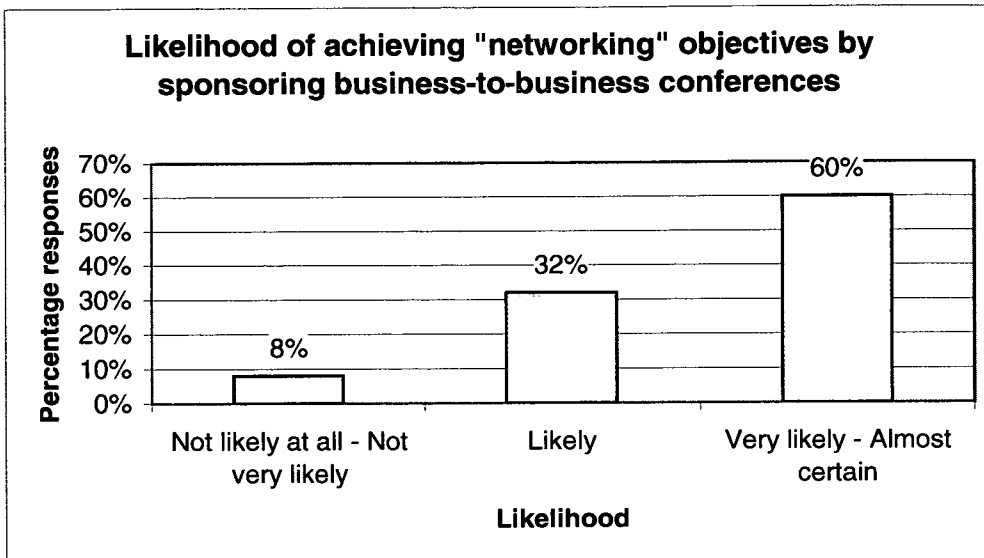
As can be seen from Figure 4.6. the majority of all respondents rated the likelihood of achieving database building objectives by sponsoring business-to-business conferences as “likely”. In addition to this, there were more respondents (32%) that said there was a “strong likelihood” of achieving database building objectives than respondents that said there was a “strong likelihood” of not achieving database building objectives (13%).



**Figure 4.6. Respondents by likelihood of achieving “database building” objectives**

#### 4.2.11.7. Networking

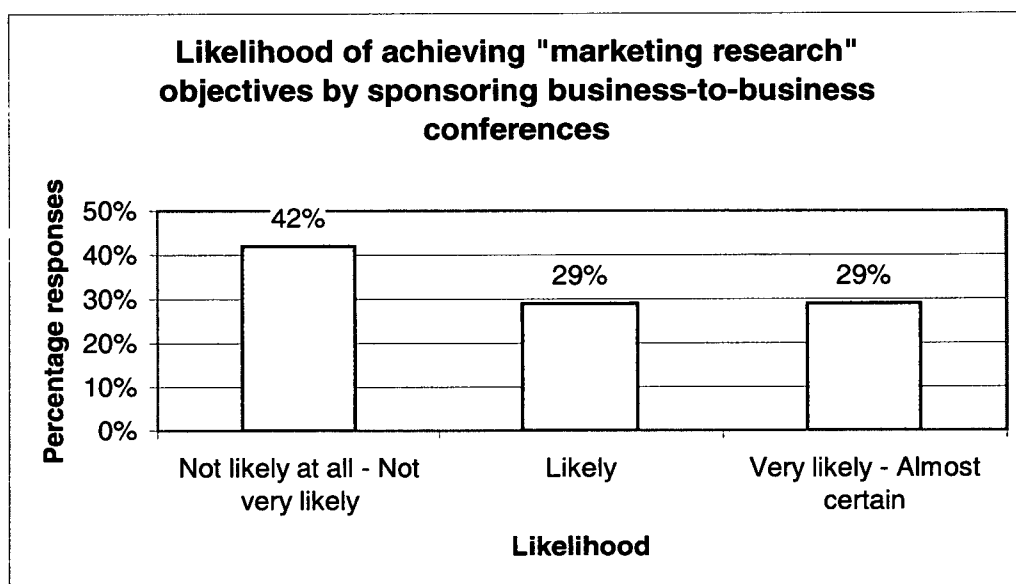
Figure 4.7. shows that the majority of respondents (60%) felt that it was strongly likely that networking objectives could be achieved by sponsoring business-to-business conferences. Only 8% of respondents thought it was strongly unlikely that networking objectives could be achieved.



**Figure 4.7. Respondents by likelihood of achieving “networking” objectives**

4.2.11.8. Marketing research

42% of all respondents said that it was “strongly unlikely” that marketing research objectives could be achieved by sponsoring business-to-business conferences. 29% of respondents said that it was “strongly likely” that market research objectives could be achieved through business-to-business conference sponsorship and 29% also said that it was “likely”.



**Figure 4.8. Respondents by likelihood of achieving “marketing research” objectives**

Having discussed the likelihood that various objectives may be achieved, the researcher shall now comment on the information provided by respondents about the techniques they would use to measure the degree to which various objectives have been achieved.

#### **4.2.12. Evaluating awareness**

Information about what techniques companies would use to measure awareness objectives when sponsoring a business-to-business conference was obtained from Question 10, which read as follows:

*Assuming your company was sponsoring a business-to-business conference, how would your company measure the awareness created for your company / brand / products as a result of the sponsorship?*

Table 4.14. shows that a number of measurement techniques identified by respondents to measure “awareness” may, in fact, be more suited to measuring sales objectives. For example:

- Number of enquiries or leads as a result of the conference (20%)
- Sales revenue achieved as a result of the conference (14%)
- Number of meetings set up with customers or prospects as a result of the conference (2%)

The total sales-related measurement techniques as identified above is 36% of all responses. However, “awareness” is unlikely to be measured accurately if it is being measured against “sales” measures. A further 14% of all responses indicated that “awareness” was difficult to measure or it was not measured at all. This further compounds the problem for sponsors in that if unrelated criteria are being used to measure “awareness”, or if “awareness” is not being measured at all then analysis of the success of the sponsorship in meeting “awareness” objectives is likely to be flawed thereby hampering the sponsors ability to make an informed decision about whether to renew the sponsorship in future. Conference organisers, too, would be affected if their

clients (the sponsors) were incorrectly measuring “awareness” or not measuring it at all since this may lead to decreased sponsorship revenue in future, if the client decides not to renew their sponsorship based on their perception that they did not meet their “awareness” objectives.

Measuring “awareness”	Percentage response
Number of enquiries or leads as a result of the conference	20%
Non specific answers e.g. "market research"	20%
Difficult to measure or did not measure	14%
Sales revenue achieved as a result of the conference	14%
Number of people aware of or able to recall the sponsor or its products	12%
Unsure / no answer / unclear	8%
Level of publicity or press coverage as a result of the conference	4%
Level of reach achieved through the sponsorship	4%
Quality (seniority and relevance) of conference attendees	2%
Quantity of conference attendees	2%
Number of meetings set up with customers or prospects as a result of the conference	2%
	100%

**Table 4.14. “Awareness” measurement techniques identified by respondents**

#### 4.2.13. Evaluating positioning

Information about what techniques companies would use to measure “positioning” objectives when sponsoring a business-to-business conference was obtained from Question 11, which read as follows:

*Assuming your company was sponsoring a business-to-business conference, how would your company measure whether its positioning objectives were achieved as a result of the sponsorship?*

As can be seen from Table 4.15., insight into the measurement of “positioning” was constrained to some extent by the relatively high percentage (24%) of non-specific responses obtained as well as the fact that 15% of responses indicated that

respondents were unsure about how to measure “positioning” or they did not provide an answer.

Furthermore, as with the measurement of “awareness”, a significant percentage of responses (15%) indicated that “positioning” was difficult to measure or was not measured at all.

It seems also, that unrelated measurement techniques may be being used to measure “positioning” objectives. Only 11% of all responses indicated positioning-specific measurement techniques, for example association against positioning statements or against competitors. Once again, sales measures (26% in total) were mentioned by respondents as measurement techniques for “positioning”.

As explained in Chapter 4.2.12., if unrelated criteria are being used to measure “positioning” then analysis of the success of the sponsorship in meeting “positioning” objectives is likely to be flawed thereby hampering the sponsors ability to make an informed decision about whether to renew the sponsorship in future. Conference organisers, too, may be affected since this may lead to decreased sponsorship revenue in future, if the client decides not to renew their sponsorship based on their perception that they did not meet their “positioning” objectives.

<b>Measuring “positioning”</b>	<b>Percentage response</b>
Non specific answers e.g. "market research"	24%
Difficult to measure or did not measure	15%
Number of enquiries or leads as a result of the conference	15%
Unsure / no answer / unclear	15%
Association tests against positioning statements or against competitors	11%
Sales revenue achieved as a result of the conference	11%
Level of publicity or press coverage as a result of the conference	4%
Number of people aware of or able to recall the sponsor or its products	4%
	<b>100%</b>

**Table 4.15. “Positioning” measurement techniques identified by respondents**

#### 4.2.14. Measuring sales objectives

Information about what techniques companies would use to measure “sales” objectives when sponsoring a business-to-business conference was obtained from Question 12, which read as follows:

*Assuming your company was sponsoring a business-to-business conference, how would your company measure whether its sales objectives were achieved as a result of the sponsorship?*

Table 4.16. shows that the majority of responses (67%) indicated that respondents would measure “sales” objectives by the volume of sales revenue generated as a result of sponsoring a business-to-business conference. 11% of responses indicated that “sales” objectives could be measured by the number of enquiries or leads generated as a result of the conference. 4% of all responses indicated that respondents would compare the cost of the sponsorship fee against the level of sales achieved. All of these measures are quantitative and are fairly easily measured compared to qualitative measures.

It is significant, once again, that although 82% of responses indicated clear measurement techniques, there were still 13% of responses that indicated that “sales” measurement techniques were difficult to measure or would not be measured. It is also interesting there were no non-specific responses given as was the case in Chapters 4.2.12 and 4.2.13.

<b>Measuring “sales”</b>	<b>Percentage response</b>
Sales revenue achieved as a result of the conference	67%
Difficult to measure or did not measure	13%
Number of enquiries or leads as a result of the conference	11%
Cost of sponsorship vs. level of sales achieved	4%
Unsure / no answer / unclear	4%
	<b>100%</b>

**Table 4.16. “Sales” measurement techniques identified by respondents**

#### 4.2.15. Evaluating niche marketing

Information about what techniques companies would use to measure “niche marketing” objectives when sponsoring a business-to-business conference was obtained from Question 13, which read as follows:

*Assuming your company was sponsoring a business-to-business conference, how would your company measure whether its niche marketing objectives were achieved as a result of the sponsorship?*

Table 4.17. seems to indicate, once again, that respondents are using measurement techniques unrelated to the variable being measured, for example sales-related measurement techniques. For example, 23% of respondents said that they would measure “niche marketing” by “level of sales achieved” and 17% said they would use “the number of enquiries and leads received” as a measure – both more likely to be used to measure sales objectives. Furthermore, the use of sales-related measurement techniques to measure “niche marketing”, “awareness” (Chapter 4.12.) and “positioning” (Chapter 4.13) may seem to indicate that marketing managers do not know how to specifically and accurately measure these objectives.

<b>Measuring “niche marketing”</b>	<b>Percentage response</b>
Sales revenue achieved as a result of the conference	23%
Number of enquiries or leads as a result of the conference	17%
Unsure / no answer / unclear	15%
Non specific answers e.g. "market research"	11%
Quantity of conference attendees	11%
Difficult to measure or did not measure	9%
Quality (seniority and relevance) of conference attendees	6%
Cost of sponsorship vs. level of sales achieved	2%
Level of publicity or press coverage as a result of the conference	2%
Market share and profile achieved within the specific niche as a result of the conference	2%
Number of people aware of or able to recall the sponsor or its products	2%
	<b>100%</b>

**Table 4.17. “Niche marketing” measurement techniques identified by respondents**



#### 4.2.16. Evaluating client entertainment

Information about what techniques companies would use to measure “client entertainment” objectives when sponsoring a business-to-business conference was obtained from Question 14, which read as follows:

*Assuming your company was sponsoring a business-to-business conference, how would your company measure whether its client entertainment objectives were achieved as a result of the sponsorship?*

“Client entertainment”-specific measurement techniques as shown in Table 4.18. may include the following:

- Quantity of conference attendees (at the entertainment function) -11% response
- Quality of conference attendees (at the entertainment function) – 7% response
- Level of enjoyment (of the function) by clients – 5% response
- Number of new business relationships (at the function) developed – 5%
- Number of old business relationships maintained (at the entertainment function) – 5% response
- Improved degree of customer loyalty (as a result of the entertainment function) – 2% response
- Number of clients entertained – 2% response

Total “client entertainment”-specific measurement techniques mentioned by respondents were therefore 37% of the total responses. This means that the balance of responses (63%) were measurement techniques unspecific to “client entertainment”, or no answer was provided, or “client entertainment” was difficult to measure or not measured at all. The fact that there are more “client entertainment”-unspecific responses than specific responses indicates, again, that the marketing managers involved do not seem able to accurately measure “client entertainment” objectives.

<b>Measuring “client entertainment”</b>	<b>Percentage response</b>
Unsure / no answer / unclear	18%
Difficult to measure / did not measure / don't do it / don't use it	16%
Non specific answers e.g. "market research"	14%
Quantity of conference attendees	11%
Sales revenue achieved as a result of the conference	9%
Quality (seniority and relevance) of conference attendees	7%
Level of enjoyment by clients of the entertainment provided by the sponsor	5%
Number of new business relationships developed	5%
Number of old business relationships maintained	5%
Cost of sponsorship vs. level of sales achieved	2%
Improved degree of customer loyalty	2%
Number of clients entertained	2%
Number of enquiries or leads as a result of the conference	2%
Quantity of data acquired for database	2%
	<b>100%</b>

**Table 4.18. “Client entertainment” measurement techniques identified by respondents**

#### **4.2.17. Measuring database building**

Information about what techniques companies would use to measure “database building” objectives when sponsoring a business-to-business conference was obtained from Question 15, which read as follows:

*Assuming your company was sponsoring a business-to-business conference, how would your company measure whether its database building objectives were achieved as a result of the sponsorship?*

Table 4.19. shows that the majority of responses (67%) indicated that respondents would measure “database building” objectives by the quantity of data acquired for the company’s database as a result of sponsoring a business-to-business conference. “Quantity” and “quality” of attendees (9% response) and “response rate of data acquired” could possibly be added to “quantity of data acquired” thereby giving a total of 78% “database building”-specific responses. This is a relatively high percentage of

measurement techniques specific to the response variable. A high percentage of measurement techniques specific to the response variable is what one may have expected of marketing managers and again draws attention to the fact that a high percentage of unspecific measurement techniques were suggested by respondents as illustrated in Chapters 4.2.12., 4.2.13., 4.2.15. and 4.2.16.

Measuring “database building”	Percentage response
Quantity of data acquired for database	67%
Unsure / no answer / unclear	14%
Quantity of conference attendees	7%
Difficult to measure or did not measure	5%
Number of enquiries or leads as a result of the conference	2%
Quality (seniority and relevance) of conference attendees	2%
Response rate of data acquired at the conference	2%
	<b>100%</b>

**Table 4.19. “Database building” measurement techniques identified by respondents**

#### 4.2.18. Evaluating networking

Information about what techniques companies would use to measure “networking” objectives when sponsoring a business-to-business conference was obtained from Question 16, which read as follows:

*Assuming your company was sponsoring a business-to-business conference, how would your company measure whether its networking objectives were achieved as a result of the sponsorship?*

Table 4.20. shows that 49% of responses were for “networking”-specific measurement techniques:

- Number of enquiries or leads as a result of networking at the conference – 30% response
- Number of new business relationships developed – 12% response

- Number of old business relationships maintained – 5% response
- Quantity of conference attendees – 2% response

However, the majority of responses given (51%) were for non-specific measurement techniques, or the respondent was unsure, or respondents found “networking” difficult to measure or it was not measured at all. As explained in Chapter 4.2.17., this may result in marketing managers not accurately measuring their business-to-business conference sponsorship objectives.

<b>Measuring “networking”</b>	<b>Percentage response</b>
Number of enquiries or leads as a result of networking at the conference	30%
Unsure / no answer / unclear	19%
Non specific answers e.g. "market research"	14%
Number of new business relationships developed	12%
Difficult to measure or did not measure	9%
Number of old business relationships maintained	5%
Sales revenue achieved as a result of the conference	5%
Gut feel	2%
Quantity of conference attendees	2%
Quantity of data acquired for database	2%
	<b>100%</b>

**Table 4.20. “Networking” measurement techniques identified by respondents**

#### **4.2.19. Evaluating industry research objectives**

Information about what techniques companies would use to measure “industry research” objectives when sponsoring a business-to-business conference was obtained from Question 17, which read as follows:

*Assuming your company was sponsoring a business-to-business conference, how would your company measure whether its industry research objectives were achieved as a result of the sponsorship?*

As can be seen from Table 4.21., only 14% of measurement techniques cited by respondents were “industry research”-specific. The industry research-specific measurement techniques were:

- Amount and quality of new information learned about the market – 8% response
- Quality of conference attendees (likely research sample) – 3% response
- Quantity of conference attendees (likely research sample) – 3% response

However, the majority of responses given (86%) were for non-specific measurement techniques, or the respondent was unsure, or respondents found “industry research” difficult to measure or it was not measured at all.

Measuring “industry research”	Percentage response
Unsure / no answer / unclear	47%
Non specific answers e.g. "market research"	24%
Difficult to measure or did not measure	11%
Amount and quality of new information learned about the market	8%
Number of enquiries or leads as a result of the conference	3%
Quality (seniority and relevance) of conference attendees	3%
Quantity of conference attendees	3%
Sales revenue achieved as a result of the conference	3%
	100%

**Table 4.21. “Industry research” measurement techniques identified by respondents**

#### **4.2.20. Why business-to-business conference sponsorships fail to meet the objectives sponsors**

Information about what respondents thought were the most important reasons why business-to-business conference sponsorships fail to meet the objectives of sponsors was obtained from Question 18, which read as follows:

*What do you think is the single most important reason why business-to-business conference sponsorships fail to meet the objectives of the sponsor?*

It is important to note that a number of respondents mentioned more than one reason why business-to-business conference sponsorships failed to meet the objectives of sponsors. The researcher decided to code and include all responses for analysis rather than exclude any responses.

Table 4.22. shows that 17% of all respondents said that business-to-business conference sponsorship objectives are not met because the sponsors themselves do not set objectives for their sponsorships. The second most important reason (13%) why sponsors believe their objectives are not met is because there is no measurement of objectives by sponsors, or poor measurement of objectives. It may be significant that the two reasons with the highest percentage response are both reasons that point to a “fault” of the sponsors themselves.

In third and fourth place in Table 4.22. the reasons given for why sponsorship objectives are not met, are both “faults” of the conference organiser.

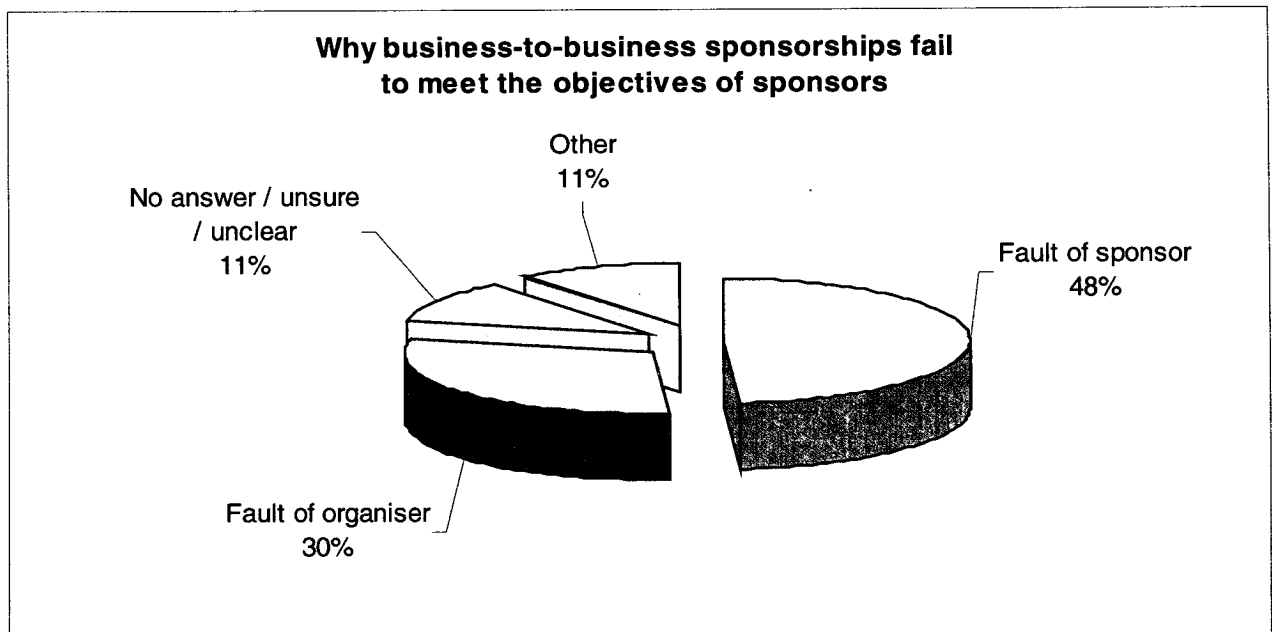
<b>Single important reason why sponsorships fail</b>	<b>Percentage response</b>
No objectives set	17%
No measurement / poor measurement	13%
Poor audience acquisition by organiser	11%
Sponsorship fees too high / money making by organisers	11%
Fault of the sponsor: Not well prepared	11%
No answer / unsure / unclear	11%
Sponsor expectations too high	9%
Sponsorship does not appeal to customers directly / not targeted	4%
Poor understanding of the market by organiser	4%
Organisers over promise, under-deliver	4%
Delegates don't care who is sponsoring	2%
No entertainment value	2%
Sponsor is one of many - little differentiation	2%
	<b>100%</b>

**Table 4.22. Most important reasons why business-to-business conference sponsorships fail to meet sponsor objectives**

In order to establish where respondents felt that the “fault” lay, in terms of why business-to-business conference sponsorship objectives are not met, the researcher grouped the data in Table 4.22. into four main groups:

- Responses that indicate a “fault” on behalf of the conference organiser
- Responses that indicate a “fault” on behalf of the sponsor
- Responses that were the fault of neither party
- Unsure, unclear or non-responses

Figure 4.8. is a graphic representation of the grouped data. The figure shows that 48% of all responses were inclined towards the fact that sponsors themselves were at “fault” for not achieving their business-to-business conference sponsorship objectives.



**Figure 4.9. Why business-to-business conference sponsorships fail to meet the objectives of sponsors**

### **4.3. CASE STUDY ANALYSIS**

The main learning points from the case study were the following:

1. Business-to-business conference sponsorship was considered as a supplementary marketing tool to the sponsor’s already existing marketing campaign.

2. Business-to-business conference sponsorship provided the sponsor with a unique advantage over other forms of marketing. According to the sponsor's Regional Director for Africa, "the marketing campaign by the organisers of Satcom Africa 2003 is more sustained and more diverse (than their own marketing campaign) and therefore the conference attracts a group of potential customers that we would not normally have access to."
3. The sponsor did set objectives that it wanted to achieve by sponsoring the conference. The objectives set were:
  - Generate new business opportunities
  - Network with new and existing clients and build relationships
  - Create awareness and visibility for the sponsor
  - Re-enforce the company's leadership position in the market
  - Inform customers about new plans for the future
  - Show the sponsor's commitment to its industry in Africa
4. Measurement criteria for each objective were set, however some criteria were highly subjective and dependent on the experiences of the sponsor's staff at the conference.
5. The sponsor expected a comprehensive post-event report from the conference organisers, including an analysis of the event and details of the marketing campaign. The post-event report was referred to for evaluation purposes as well.
6. After the event, the degree to which the sponsorship objectives had been achieved was measured and, based on this, a decision was taken on whether or not to sponsor the conference again the following year.



#### **4.4. CONCLUSION**

In this chapter the researcher presented findings of the research by means of figures, tables and brief commentary. Further analysis of the findings is conducted in the next chapter and conclusions are drawn and recommendations made.

## CHAPTER 5

### CONCLUSION AND RECOMMENDATIONS

#### 5. 1. INTRODUCTION

In this chapter, the researcher will discuss the main findings of the research study by drawing together results from previous chapters. The researcher will interpret the results in context with the literature study and will present his conclusions and recommendations with regard to the research problem.

#### 5.2. BUSINESS-TO-BUSINESS CONFERENCE SPONSORSHIP OBJECTIVES

##### 5.2.1. An acceptable definition of “business-to-business conference sponsorship”

Having conducted an extensive literature review, the researcher could find no published literature which specifically defined ‘business-to-business conference sponsorship’ or specifically identified business-to-business conference objectives. However, an abundance of literature was available on the topic of “event sponsorship”. Using the available information the researcher highlighted possible similarities between “event sponsorship” and “business-to-business conference sponsorship” and made logical inferences about the appropriateness of using “event sponsorship” principles for “business-to-business conference sponsorship”. Systematically, the researcher derived a definition of “business-to-business conference sponsorship” by the methodology described below.

*Step 1:* It was established that “conferences” are types of “events” (Chapter 2.2.) and therefore it was possible that certain “event” concepts and principles were applicable to “conferences”.

*Step 2:* The term “conference” was defined and a definition was derived for the term “business-to-business conference” (Chapter 2.3.2.)

*Step 3:* A historical perspective of “sponsorship” was discussed (Chapter 2.4.) leading up to a definition of the term “sponsorship” (Chapter 2.5.)

The following definition of “business-to-business conference sponsorship” was derived in Chapter 2.6.1. using the information studied in Steps 1-3 above:

**Business-to-business conference sponsorship** is the mutually beneficial relationship between the conference owner / organiser (sponsee) and the sponsor whereby the sponsor pays a sponsorship fee in return for the rights to association with the conference, branding, access to the conference delegates and / or other negotiated benefits, the purpose of which sponsorship is for the sponsor to attain business-to-business marketing and corporate objectives.

### **5.2.2. A list of business-to-business conference sponsorship objectives**

In Chapter 2.7., the researcher identified various lists of general sponsorship objectives cited by a number of different authors. From the various lists of general sponsorship objectives, the researcher identified a list of 9 business-to-business sponsorship objectives in Chapter 2.8. The list of business-to-business sponsorship objectives identified in Chapter 2.8. was then compared to the list of sponsorship objectives that business-to-business conference organisers claim can be achieved by sponsoring their business-to-business conferences and an expanded list of business-to-business sponsorship objectives, incorporating one previously unidentified objective, was then identified in Chapter 2.9.

Two of the ten objectives were eliminated from the list since they were considered to be broad corporate objectives by the researcher and would not provide much insight into business-to-business conference sponsorship as a marketing tool. The list of eight business-to-business conference sponsorship objectives identified by the researcher are discussed below and their relevance is substantiated by making reference to the literature study (Chapter 2), research questionnaire analysis (Chapter 4) and case study analysis (Chapter 4).

#### 5.2.2.1. Increasing awareness

As was discussed in Chapter 2.7., Jagre et al (2001:439) and Grey and Skildum-Reid (2001:8) identified “increasing awareness” as an objective of event sponsorship. Its relevance as a business-to-business sponsorship objective is confirmed by the fact that “increasing awareness” was identified by a number of sponsors of business-to-business conferences as one of the most important objectives that they aimed to achieve through their sponsorship (see Table 4.7. in Chapter 4.2.8.) Further evidence of the relevance of “increasing awareness” as a business-to-business conference objective can be found in the case study (see Appendix E) where “create awareness and visibility” was specifically stated as one of the sponsor’s business-to-business conference sponsorship objectives.

It can therefore be concluded, that “increasing awareness” should be generally accepted as a business-to-business conference sponsorship objective.

#### 5.2.2.2. Positioning

As discussed in Chapter 2.7., Jagre et al (2001:439) and Skinner and Rukavina (2003:22) identified event sponsorship objectives that relate to company or product “positioning”. Its relevance as a business-to-business sponsorship objective is confirmed by the fact that objectives relating to company or product “positioning” were identified by a number of sponsors of business-to-business conferences as one of the most important objectives that they aimed to achieve through their sponsorship (see Table 4.7. in Chapter 4.2.8.) Further evidence of the relevance of “positioning” as a business-to-business conference objective can be found in the case study (see Appendix E) where “re-enforce the company’s leadership position” and “show our commitment to the industry”, both positioning-related phrases, were specifically stated as the sponsor’s business-to-business sponsorship objectives.

It can therefore be concluded, that “positioning” should be generally accepted as a business-to-business conference sponsorship objective.

#### 5.2.2.3. Sales

A number of authors referred to in Chapter 2.7. cited “sales” as an objective of event sponsorship including Hoek (1991:1), Jagre et al (2001:439), Skinner and Rukavina (2003:22), onlinesports.com (2003) and Grey and Skildum-Reid (2001:8). Its relevance as a business-to-business conference sponsorship objective is provided by the fact that “sales” was identified by a number of sponsors of business-to-business conferences as one of the most important objectives that they aimed to achieve through their sponsorship (see Table 4.7. in Chapter 4.2.8.). Further evidence of the relevance of “sales” as a business-to-business conference objective can be found in the case study (see Appendix E) where “generate new business opportunities”, a sales-related objective, was specifically stated as one of the sponsor’s business-to-business conference sponsorship objectives.

It can therefore be concluded that “sales” should be generally accepted as a business-to-business conference sponsorship objective.

#### 5.2.2.4. Niche marketing

As discussed in Chapter 2.7., Jagre et al (2001:439) and Skinner and Rukavina (2003:22) identified event sponsorship objectives that relate to “niche marketing”. Its relevance as a business-to-business conference sponsorship objective is strengthened by the fact that “niche marketing” was identified by a sponsor of business-to-business conferences as one of the most important objectives that they aimed to achieve through their sponsorship (see Table 4.7. in Chapter 4.2.8.). Further evidence of the relevance of “niche marketing” as a business-to-business conference objective can be found in the case study (see Appendix E) where, explaining why the company had sponsored the conference, the company’s Regional Director for Africa said, “the conference attracts a group of customers we would not normally have access to”.

It can therefore be concluded, that “niche marketing” should be generally accepted as a business-to-business conference sponsorship objective.

#### 5.2.2.5. Entertaining clients

Skinner and Rukavina (2003:22) and onlinesports.com (2003) identify “entertaining clients” as an objective of event sponsorship. Its relevance as a business-to-business conference sponsorship objective is confirmed by the fact that “entertaining clients” was identified by a sponsor of business-to-business conferences as one of the most important objectives that they aimed to achieve through their sponsorship (see Table 4.7. in Chapter 4.2.8.). Further evidence of the relevance of “entertaining clients” as a business-to-business conference objective can be found in Chapter 4.2.11.5. where it is illustrated in Figure 4.5. that 50% of all respondents in the survey conducted (as explained in Chapter 3.2.) said that achieving “client entertainment” objectives by sponsoring business-to-business conferences was “strongly likely”, while a further 24% said it was “likely”.

It can be concluded therefore, that “client entertainment” should be generally accepted as a business-to-business conference sponsorship objective.

#### 5.2.2.6. Database building

Onlinesports.com (2003) and Grey and Skildum-Reid (2001:8) identified “database building” as an objective of event sponsorship. Its relevance as a business-to-business conference sponsorship objective is provided by the fact that in Chapter 4.2.11.6., it is illustrated in Figure 4.5. that 32% of all respondents in the research survey conducted said that achieving “database building” objectives by sponsoring business-to-business conferences was “strongly likely”, while a further 55% said it was “likely”.

It can be concluded therefore, that “database building” should be generally accepted as a business-to-business conference sponsorship objective.

#### 5.2.2.7. Networking

As discussed in Chapter 2.7., onlinesports.com (2003) and Grey and Skildum-Reid (2001:8) identified event sponsorship objectives that relate to “networking”. Its relevance as a business-to-business conference sponsorship objective is provided by the fact that “networking” was identified by a number of sponsors of business-to-business conferences as one of the most important objectives that they aimed to achieve through their sponsorship (see Table 4.7. in Chapter 4.2.8.). Further evidence

of the relevance of “networking” as a business-to-business conference sponsorship objective can be found in Chapter 4.2.11.7. where it is illustrated in Figure 4.7. that 60% of all respondents in the survey conducted (as explained in Chapter 3.2.) said that achieving “networking” objectives by sponsoring business-to-business conferences was “strongly likely”, while a further 32% said it was “likely”.

It can be concluded therefore, that “networking” should be generally accepted as a business-to-business conference sponsorship objective

#### 5.2.2.8. Conducting market research

As explained in Chapter 2.9., no reference was made to “market research” as an event sponsorship objective by any of the authors quoted in the literature study. However, a review of a number of sponsorship proposals from business-to-business conference organisers showed that organisers mentioned that sponsors would have the opportunity to conduct industry research at the conference. Further evidence of its relevance as a business-to-business conference sponsorship objective is provided by the fact that “market research” was identified by sponsors of business-to-business conferences as one of the most important objectives that they aimed to achieve through their sponsorship (see Table 4.7. in Chapter 4.2.8.)

It can be concluded therefore, that “market research” should be generally accepted as a business-to-business conference sponsorship objective.

### **5.3. EVALUATING BUSINESS-TO-BUSINESS CONFERENCE SPONSORSHIPS**

In Chapter 2.10. the researcher identified three primary problems influencing the effectiveness of business-to-business conference sponsorship evaluation. However, having completed the research survey and case study analysis, the researcher has identified six primary problems with measuring business-to-business conference sponsorships. The six primary problems with measuring business-to-business sponsorships are discussed below and their relevance is substantiated by making reference to the literature study (Chapter 2), research questionnaire analysis (Chapter 4) and case study analysis (Chapter 4).

### **5.3.1. Non-measurement of objectives**

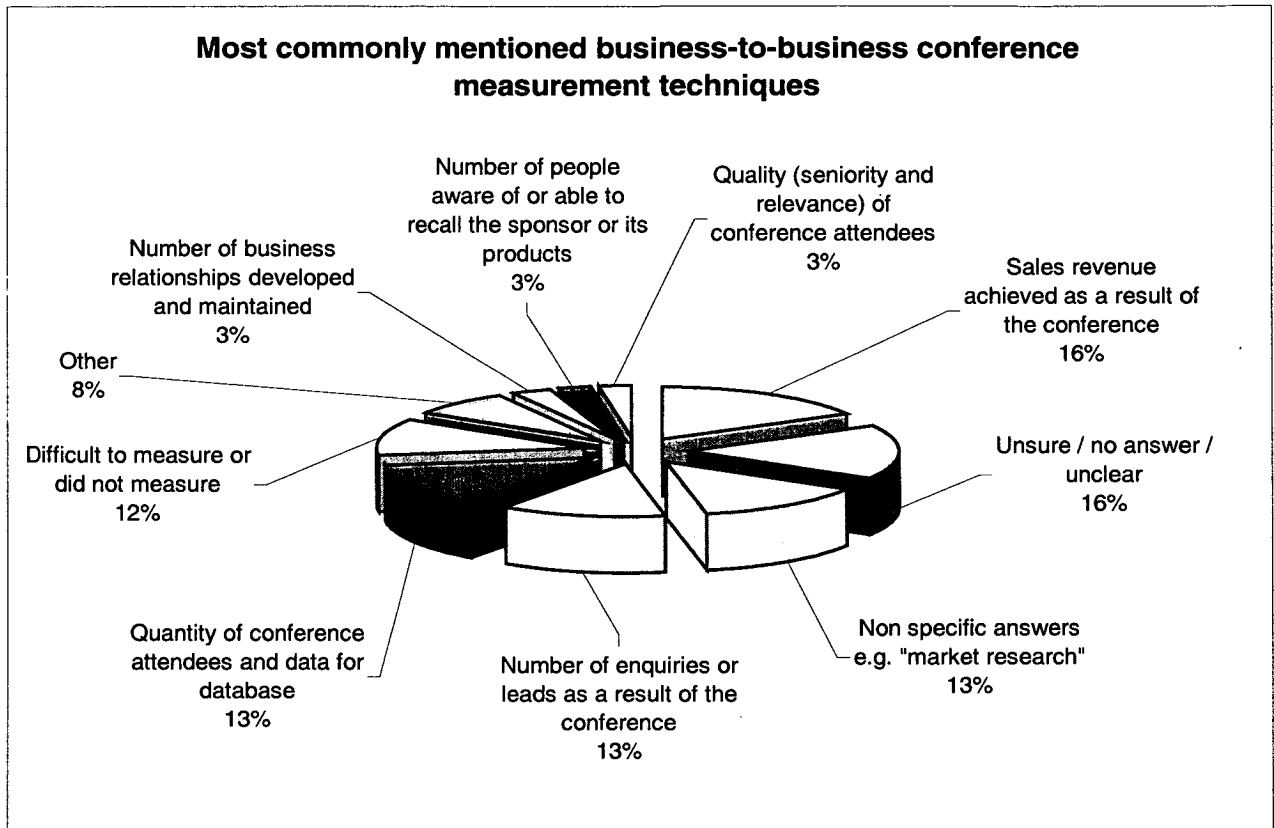
In Chapters 4.2.12 to 4.2.19., the researcher presented and briefly discussed various techniques for measuring specific business-to-business conference sponsorship objectives. In Figure 5.1. the researcher has combined all techniques suggested by respondents to measure each specific sponsorship objective, and has represented the resulting “most commonly mentioned business-to-business conference sponsorship measurement techniques” graphically.

As can be seen in Figure 5.1., 12% of all responses showed that respondents felt that business-to-business sponsorship objectives were “difficult to measure” or were not measured at all.

It can be reasonably concluded from the above that there are at least some sponsors that either find it too difficult to measure the degree to which specific business-to-business conference sponsorship objectives have been achieved or have some other reason for simply not measuring their sponsorship objectives. In either case, not measuring the degree to which business-to-business conference sponsorship objectives have been achieved may have negative implications for both sponsors and organisers. Sponsors will have limited accurate information with which to make informed decisions about future sponsorships. Organisers, on the other hand, may lose future sponsorship revenue without having specifically done anything wrong.

It is obvious that if the degree to which business-to-business sponsorship objectives are being achieved is not being measured at all, then it would be impossible to accurately determine the success of the sponsorship





**Figure 5.1. Most commonly mentioned business-to-business measurement techniques**

### 5.3.2. Lack of clear objectives

In Chapter 2.10.1. it was established that, according to Coggin (2002:4) and Meenaghan (1983:16), the success of sponsorship can only be evaluated if clear objectives and guidelines are set at the outset. In the survey conducted by the researcher (see Table 4.6. in Chapter 4.2.7.), 15 out of 38 respondents had recently sponsored a business-to-business conference and 10 of those sponsors stated that they had set clear and measurable objectives with regard to their sponsorship. However, one third of sponsors (5 out of 15) had not set clear and measurable objectives therefore it was unlikely that those sponsors could accurately measure the effectiveness of their sponsorship. Although there were more cases of sponsors setting clear and measurable business-to-business conference sponsorship objectives than cases where objectives were not set, it is still somewhat surprising that there were any cases at all where objectives had not been set by sponsors, considering the

considerable fee paid for the sponsorship and the need to be able to evaluate a return on investment.

In Question 18 of the questionnaire, the entire sample was asked to state the single most important reason why they believed business-to-business conference sponsorships failed to meet the sponsor's objectives. (Some respondents mentioned more than one reason and these responses were included in the analysis). Table 4.22. in Chapter 4.2.20. shows that the most mentioned reason (17% of all responses) why sponsors believed they failed to meet their business-to-business conference sponsorship objectives was that they had failed to set objectives.

It can be reasonably concluded therefore, that to a higher-than-expected extent, sponsors do not set clear and measurable business-to-business conference sponsorship objectives. A lack of clear and measurable objectives reduces the sponsor's ability to accurately measure the success of their sponsorship and constrains decision-making about whether to cancel, renew or upgrade a particular sponsorship in future.

### **5.3.3. Measuring the wrong variables**

In Chapter 2.11.5., the researcher suggested that variables directly related to specific business-to-business conference sponsorship objectives should be measured, rather than variables more related to other sponsorship objectives. For example, if a sponsor's business-to-business conference sponsorship objective is to achieve "awareness", then the sponsor should not measure "awareness" by the volume of sales achieved as a result of the sponsorship as it would be measuring the wrong variable. The sponsor may have achieved significant "awareness" (tested by recall tests, for example) but whether the awareness translates into sales is another matter. It would be incorrect to say that "awareness" had not been achieved based on low "sales" volume.

Furthermore, in Chapter 4.2.12. the researcher shows evidence of "measuring the wrong variables" amongst respondents to the research survey conducted. For example, 36% of all respondents said that they would measure "awareness" by sales-related measures. 63% of respondents used measurement techniques not specific to measuring "client entertainment" to measure "client entertainment" as explained in

Chapter 4.2.16. Furthermore, 51% of respondents used measurement techniques not specific to measuring “networking” to measure “networking” as explained in Chapter 4.2.18.

Except for “sales” and “database building” objectives, it can be concluded therefore, that many sponsors do not measure the correct variable that would most accurately determine whether a specific business-to-business conference sponsorship objective (as identified in Chapter 5.2.2.) has been achieved.

#### **5.3.4. Lack of sponsor preparation and commitment**

In Chapter 2.10.2., Grey and Skildum-Reid (2001:2) were quoted as saying that most sponsorships fail because of inadequate preparation on the part of the sponsor. Crimmins and Horn (1996:11), and Grey and Skildum-Reid (2001:xiv) state that sponsors need to work their sponsorships in order to meet their objectives and that this means spending more money on the sponsorship than simply the fee paid to the organiser. A failure to spend more time, effort and money on the sponsorship will compromise the sponsor’s ability to achieve its stated objectives. If sponsors are not aware of the necessity to “work” their sponsorships then their evaluation of the sponsorship is likely to show that at least some of their objectives were not met and the organiser is likely to be blamed.

It is possible, however, that senior managers from sponsor companies realise that they are responsible for inadequate preparation and a lack of commitment to the sponsorship thereby resulting in a failure to meet the sponsorship objectives. Figure 4.9. in Chapter 4.2.20. illustrates that the highest percentage of responses (48%) received from the survey conducted, show that business-to-business conference sponsorships had failed because of a “fault” by the sponsors themselves. It is somewhat surprising that such a high percentage of respondents have indicated this to be the case. It is less likely, however, that respondents would admit to sponsorship failure being their fault at internal post-conference meetings, for fear of disciplinary consequences.

It can be reasonably concluded therefore, that a significant number of sponsors (possibly more than the 48% identified above) fail to accurately measure their business-

to-business conference sponsorship objectives due to inadequate preparation and commitment to the sponsorship. Marketing staff responsible for sponsorships are unlikely to volunteer that they were unprepared and uncommitted to the sponsorship and therefore accurate measurement is difficult and even if accurate measurement was possible it is unlikely that sponsorship objectives will have been achieved.

### **5.3.5. Concurrent promotions**

In Chapter 2.10.3., the researcher referred to Hoek (1991:1) who stated that the simultaneous use of various communications tools complicated the assessment of the precise contribution made to a campaign by sponsorship.

Further evidence of concurrent promotions complicating the evaluation of sponsorships is provided by Coggin (2002:27) who uses Van Heerden's Framework For Sponsorship Management and Decision-making (unpublished D Com Thesis, University of Pretoria) to explain that when evaluating sponsorships, "cross-impact" effects between sponsorship and other elements of the marketing mix need to be measured.

It can be concluded therefore, that the degree to which business-to-business conference sponsorships can accurately be measured can be complicated, and possibly diminished, by concurrent marketing communications from the sponsor.

### **5.3.6. Poor post-event reports compiled by conference organisers**

In Chapter 4.3. the researcher indicated that an analysis of the case study (see Appendix E) revealed that the sponsor expected a post-event report from the conference sponsor and that this report was used, along with other pre-determined evaluation techniques, to evaluate the degree to which their business-to-business conference sponsorship objectives had been achieved.

Skinner and Rukavina (2003:179) believe that most event organisers do not compile post-event evaluation reports for their sponsors, and even those that do offer merely a recap of the event rather than a report that values an individual sponsor's participation.

It is clear that conference organisers have a responsibility to make sure that their sponsors know what they receive in return for their investment, thereby assisting sponsors with their own evaluation of the degree to which their sponsorship objectives were achieved.

Therefore, it can be concluded that a poorly compiled post-event report, with limited or irrelevant information, can hinder the sponsor's ability to evaluate the degree to which its business-to-business conference sponsorship objectives have been achieved.

### **5.3.7. A model for setting and evaluating business-to-business conference sponsorship objectives**

Although the researcher had not intended to formulate a model as part of this dissertation, the insights and knowledge gained on the topic inspired the researcher to develop a tool that could assist sponsors with overcoming problems with regard to two of the most important issues raised in this dissertation:

- Setting clear and measurable business-to-business conference sponsorship objectives aligned with the company's strategic marketing objectives
- Accurately measuring the degree to which business-to-business conference sponsorship objectives have been achieved.

The researcher's "model for setting and evaluating business-to-business conference sponsorship objectives" is illustrated in Figure 5.2.

A brief explanation of the model is given below:

- In the first row of cells, the sponsor states its strategic marketing objectives for the year in which the conference will take place. This is important since any marketing activities that the company undertakes should be aimed at achieving (or contributing to the achievement of) the company's strategic marketing objectives.
- Next, the sponsor should identify which of its strategic objectives it aims to achieve (wholly, or in part) by sponsoring a certain business-to-business conference. This is indicated in the second row of cells.

- In the first table provided in the model, the sponsor states the specific objectives it aims to achieve by sponsoring the conference, how important each objective is in relation to other objectives and what the variable is that will be measured. A target (expressed in an appropriate unit of measure) is set and if this target is achieved the sponsor will assume the objective to be 100% achieved. Finally, a time scale for the measurement of the objective is given as well as a brief description of the measurement method or process.
- The model reminds sponsors to identify marketing activities that can assist sponsors to achieve the objectives set above.
- In the second table a suggested measurement scorecard is presented. Actual results (A) achieved are measured against target (T) and expressed as a percentage (X). The percentage target achieved is then multiplied by the respective weighting (W) for each objective.
- Finally, the overall objective will have been achieved if the “overall objective” column total is greater than 100%.

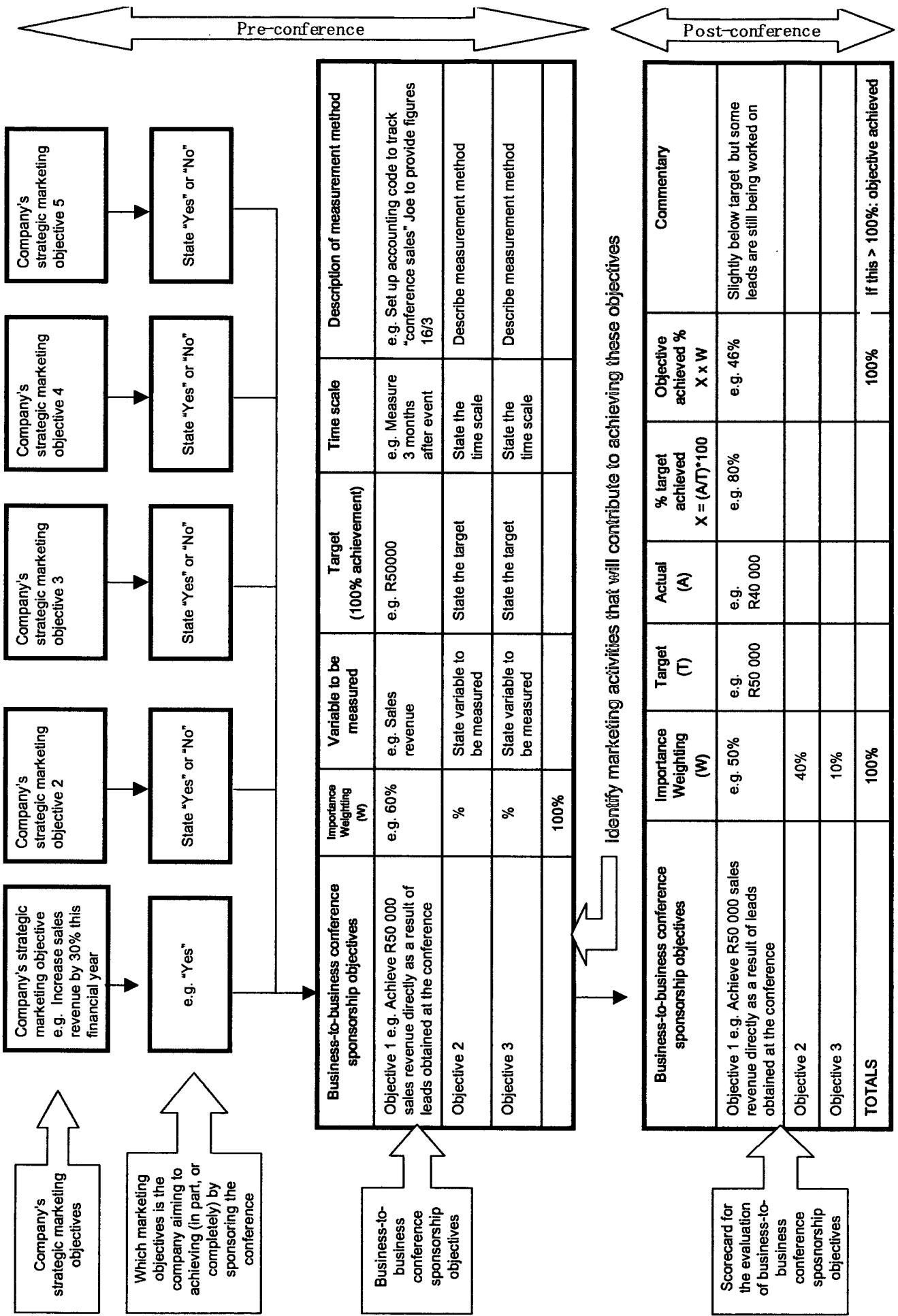


Figure 5.2. A model for setting and evaluating business-to-business conference sponsorship objectives

## 5.4. RECOMMENDATIONS

### 5.4.1. Recommendations to sponsors

#### 5.4.1.1. Set clear and measurable objectives

There is evidence in this dissertation (see Chapters 2.10.1., 4.2.7., 4.2.20., 5.3.1., and 5.3.2.) that many sponsors do not set clear and measurable business-to-business conference sponsorship objectives.

It is recommended that sponsors of business-to-business conferences should set clear and measurable objectives which they aim to achieve by sponsoring a specific business-to-business conference, and that these objectives should be aligned with the company's strategic marketing objectives,

Setting clear and measurable objectives provides clarity for all relevant staff, with regard to:

- What the objective(s) are and their respective levels of importance (some objectives may be more important than others)
- Which variables, specifically, will be measured (e.g. **sales volume vs. sales revenue**)
- What the target is for each variable and how this translates into the degree to which the objective has been achieved (e.g. **"Sales revenue of at least US\$50, 000, directly attributable to leads obtained at the conference equals 100% achievement of the sales objective. % achievement is calculated pro-rata by sales revenue"**)
- The time scale for measuring the degree to which the objectives have been achieved (e.g. **"Sales revenue of at least US\$50, 000, directly attributable to leads obtained at the conference, measured 6 months after the conference, equals 100% achievement of the sales objective. % achievement is calculated pro-rata by sales revenue"**)



It is further recommended that, in order to improve the clarity and measurability of objectives, sponsors should consider using the model compiled by the researcher and presented in Figure 5.2.

#### 5.4.1.2. Accurately measure the degree to which business-to-business conference sponsorship objectives have been achieved

There is evidence in this dissertation (see Chapters that many sponsors do not accurately measure the degree to which their sponsorship objectives have been achieved. Part of the problem is that sponsors do not set clear and measurable objectives as discussed in the recommendation made in Chapter 5.4.1.1.

It is further recommended that sponsors provide “measurement techniques” training to personnel responsible for evaluating the sponsorship investment and measuring the degree to which the various sponsorship objectives have been achieved.

The ability of sponsors to make informed decisions about future sponsorships will be improved through accurate, reliable measurement of objectives by competent personnel rather than relying on subjective measurements, gut feel or not measuring at all.

It is further recommended that, in order to improve the measurability of objectives, sponsors should consider using the model compiled by the researcher and presented in Figure 5.2.

#### 5.4.1.3. 'Work' the sponsorship

There is evidence in this dissertation (see Chapters 2.10.2. and 5.3.4.) that many sponsors do not ‘work’ their sponsorships adequately thereby diminishing the potential of the sponsorship to meet their objectives.

It is recommended that sponsors ‘work’ their sponsorships. This can be done by:

- Applying the 2 to 1 rule. For every one monetary unit spent on the sponsorship fee, sponsors should spend 2 monetary units on activities supporting the sponsorship.

For example, sponsors could advertise the fact that the launch of a new product will take place at the conference (this could be done during a cocktail function)

- Committing to working closely with conference organisers. Sponsors should schedule enough time to periodically meet with conference organisers, provide input into the conference organiser's marketing campaign.
- Committing the best resources to the sponsorship. Sponsors should, where at all possible, deploy their best personnel to work on the sponsorship project. By deploying high-level marketing and sales personnel on business-to-business conference sponsorship projects, sponsors can significantly improve the degree to which their objectives can be achieved.
- Implementing the recommendations given in Chapters 5.4.1.1. and 5.4.1.2.

## **5.4.2. Recommendations to business-to-business conference organisers**

### 5.4.2.1. Know your sponsor's objectives and measurement techniques

It is recommended that business-to-business conference organisers should identify and record the strategic marketing objectives of all sponsors. This will enable organisers to recommend the most appropriate sponsorship package that will assist sponsors to meet their marketing objectives.

It is further recommended that business-to-business conference organisers should identify and record the specific (clear and measurable) objectives that sponsors set to be achieved through sponsorship of the conference and exactly how those objectives will be measured.

By understanding the sponsors objectives and measurement techniques, business-to-business conference organisers:

- Can attempt to overcome problems related to the setting and measuring of objectives by sponsors (as discussed in Chapters 5.3.1. to 5.3.6.).
- Will be in a better position meet the objectives of the sponsor since specific strategies could be put in place to achieve the (known) specific objectives of the sponsor.

#### 5.4.2.2. High-quality post event reports

There is evidence in this dissertation (see Chapter 4.3.) that sponsors require high-quality post event reports from business-to-business conference organisers and that the information contained in these reports are used, to some extent, to evaluate the degree to which the sponsor's objectives have been achieved. However, Skinner and Rukavina (2003:179) believe that most event organisers do not compile post-event reports for their sponsors, and even those that do offer poor-quality reports.

It is recommended that conference organisers meet with sponsors to determine what information would be valuable for them to have in a post event report.

### **5.5. AREAS FOR FURTHER RESEARCH**

Various authors cited by the researcher in this dissertation have commented on the sponsors' lack of preparation, planning and commitment to business-to-business conference sponsorships. This is confirmed to some extent by the findings of the research survey conducted. Why is this so? Why do some sponsors not set objectives and why do others not measure their objectives? Is it a phenomenon unique to business-to-business sponsorship as a marketing tool or do other marketing tools suffer the same problems. It is recommended that further research be undertaken into the issues raised above.

### **5.6. SELF-CRITIQUE**

The following self-critique for the record:

- The lack of published information specifically on business-to-business conference sponsorship presented a challenge to the researcher. The researcher found it difficult to determine the best way of summarising the substantial number of broad event-related sponsorship objectives into a relevant, manageable number of specific business-to-business conference sponsorship objectives.

- With more than six years work experience as manager and director of a business-to-business conference organiser the researcher was fortunate to have significant insight into the industry as well as relatively easy access to relevant documents and tools. The researcher consciously strived to maintain an unbiased perspective throughout the research study. An unbiased perspective was important, given the researcher's experience from the perspective of a conference organiser,
- Throughout this dissertation, the researcher has built arguments and discussed issues related to the research problem and has drawn reasonable conclusions from these. The researcher presented the report in a logical format while methodically leading the reader from one section to the next. By accounts from various people who have proof-read this dissertation, it makes relatively easy reading.

## **5.7. SUMMARY**

### **5.7.1. The research problem**

The research problem is stated in Chapter 1.2.:

*The problem is that sponsors do not seem able to accurately measure the degree to which business-to-business conference sponsorship has been effective in achieving marketing objectives, thus it seems that companies do not seem to have sound reasons for repeating or not repeating their sponsorship.*

From the evidence presented in Chapter 5, it can be concluded that it is true that sponsors do not seem able to accurately measure the degree to which business-to-business conference sponsorship has been effective in achieving marketing objectives. Therefore it may be concluded that many companies do not seem to have sound reasons for repeating or not repeating their sponsorship.

### **5.7.2. The purpose of the study**

The purpose of the study is stated in Chapter 1.4.:

*The study will describe the evaluation of business-to-business conference sponsorship and explore the extent to which sponsors evaluate their sponsorship.*

From the evidence presented in this dissertation, it can be concluded that the purpose of the study has been achieved.

### **5.7.3. The objectives of the study**

The objectives of the study will were stated in Chapter 1.5.:

- i) To do a literature study in order to define concepts that will be explored. The literature study will also be referred to as a validation instrument during the analysis of the research.
- ii) To elicit information from a relevant sample group and to analyse this information.
- iii) To identify the strategic objectives that companies have for sponsoring conferences.
- iv) To identify which are the most popular means that companies use to measure conference sponsorship.
- v) To investigate and attempt to conclude whether companies are making sound decisions on whether they should re-sponsor a particular business conference.
- vi) To provide recommendations to sponsors, potential sponsors and business-to-business conference organisers about the use of business-to-business conference sponsorship as a marketing tool.

From the evidence presented in this dissertation, it can be concluded that all objectives have been achieved.

## **5.8. CONCLUSION**

Although many companies effectively use business-to-business conference sponsorship as a marketing tool, there seem to be a significant portion of companies worldwide that do not achieve their marketing objectives.

There is evidence in this dissertation that when business-to-business conference sponsorships do not meet the sponsor's objectives, it is more likely that this is a 'fault' of the sponsor than a fault of the conference organiser. In particular, poor planning, lack of commitment to the sponsorship project, lack of sponsorship objectives and lack of proper measurement are some of the more common problems identified.

This is not to say that organisers are without 'blame'. Organisers need to better understand their clients' marketing objectives and need to improve the quality of their post-event reports and need to be committed to assisting sponsors to achieve their marketing objectives.

To conclude, there should be no reason why business-to-business sponsorship should be treated with any less seriousness than any other marketing initiative that a company undertakes. The effectiveness of business-to-business conference sponsorship as a marketing tool will only be maximised if sponsors and organisers work closely together and if they can address the issues identified in this dissertation.

## BIBLIOGRAPHY

Abratt, R., Etzel, M., Pitt, L., Stanton, W., Staude, G., Walker, B. (1992) Marketing Management in South Africa, Johannesburg: Lexicon.

Agee, W.K., Ault, P.H., Cameron, G.T., Wilcox, D.L. (2000) Public Relations Strategies and Tactics (Sixth Edition), New York: Addison Wesley Longman.

Barenblatt, M., Sinclair, R. (1989) The South African Advertising Book (Third Edition), Johannesburg: Southern Book Publishers.

Belch, G.E., Belch, M.A. (2003) Introduction to Advertising and Promotion: An Integrated Marketing Communications Perspective (Second Edition), Boston: Irwin.

Berger, P.D., Roberts, M.L. (1989) Direct Marketing Management, New Jersey: Prentice Hall.

Bingham, F.G., Raffield, B.T. (1990) Business to Business Marketing Management, Boston: Irwin.

Boyd, H.W., Walker, O.C. (1990) Marketing Management: A Strategic Approach, Boston: Irwin.

Carell, M.R., Elbert, N.F., Grobler, P.A., Hatfield, R.D., Marx, M., van der Schyf, S. Human Resource Management In South Africa, South Africa: Prentice Hall.

Coggin, R. (2002) 'The invited guest in the marketing quiver' in Coggin, T. (ed), Investors' Guide to Sponsorship (Second Edition), Johannesburg: Systems Publishers, p9.

Collins Pocket English Dictionary (1981) London: W.M. Collins Sons & Co

Cornwell, T.B., Roy, D.P., Steinar II, E.A. (2001) Exploring Managers' Perceptions of the Impact of Sponsorships on Brand Equity, *Journal Of Advertising*, Volume 30: Issue 2, p 41.

Clark, M.S.C. (2001) The Importance of Competitive Intelligence in the Education and Training Sector in South Africa, Johannesburg: TWR.

Crimmins, J., Horn, M. (1996) Sponsorship: From Management Ego Trip to Marketing Success, *Journal of Advertising Research*, Volume 36: Issue 4, p 11.

Crowley, M.G. (1991) Prioritising The Sponsorship Audience, *European Journal of Marketing*, Volume 25: Issue 11, p11.

EXSA (2002) Exhibitions – The X-Factor in Marketing, Exhibition Association Of Southern Africa: (*Unpublished manual*)

Gitman, L.J. (1998) Principles Of Managerial Finance (Eighth Edition), Massachusetts: Addison-Wesley.

Grey, A., Skildum-Reid, K. (2001) The Sponsor's Toolkit, New South Wales: McGraw Hill.

Hart, C. (1998) Doing a Literature Review: Releasing the Social Science Research Imagination, London: SAGE.

Hartley, R.F. (1989) Sales Management, New York: Macmillan.

Harvey, B. (2001) Measuring the Effects of Sponsorships, *Journal of Advertising Research*, Volume 41: Issue 1, p 59.

Hoek, J. (1999) Sponsorship: An Evaluation of Management Assumptions and Practises, *Marketing Bulletin*, Volume 10.

IQPC (2003) Executive Secretaries Week Sponsorship Proposal, Johannesburg: IQPC.



Jagre, E., Watson, J.G., Watson, J.J. (2001) Sponsorship and Congruity Theory: A Theoretical Framework for Explaining Consumer Attitude and Recall or Event Sponsorship, *Advances in Consumer Research*, Volume 28: Issue 1, p 439.

Jain, S.C. (1996) International Marketing Management (Fifth Edition), Ohio: South-Western College Publishing.

Johnson, G. Scholes, K. (1999) Exploring Corporate Strategy (Fifth Edition), London: Prentice Hall.

Kerzner, H. (1998) Project Management: A Systems Approach to Planning, Scheduling and Controlling (Sixth Edition), New York: John Wiley & Sons.

Kotler, P. (1997) Marketing Management: Analysis, Planning, Implementation And Control, New Jersey: Prentice Hall.

Lewis, P., Saunders, M., Thornhill, A. (2000) Research Methods For Business Students, Essex: Prentice Hall.

Malhotra, N.K. (1993) Marketing Research: An Applied Orientation, New Jersey: Prentice Hall.

Meenaghan, J.A. (1983) Commercial Sponsorship, *European Journal Of Marketing*, Volume 17: Issue 7, p9.

Meenaghan, T. (1996). Ambush Marketing – A Threat To Corporate Sponsorship, *Sloan Management Review*, Volume 38: Issue 1, p103.

Meenaghan, T., Shipley, D. (1999) Media Effect in Commercial Sponsorship, *European Journal of Marketing*, Volume 33: Issue3/4, p328.

Morrow, S.L. (2002) The Art Of The Show (Second Edition), Dallas: International Association of Exposition Management.

Pearce, J.A., Robinson, R.B. (1994) Formulation, Implementation, and Control of Competitive Strategy (Fifth Edition), Boston: Irwin.

Psaros, D. (2003) Sales Techniques For Sponsorship Managers, (*Unpublished training manual*), Johannesburg.

Rock, J. (1995) Managing Key Accounts (Second Edition), Melbourne: Pitman Publishing.

Robbins, S.P. (1998) Organizational Behavior (Eighth Edition), New Jersey: Prentice Hall.

Rukavina, V., Skinner, B.E. (2003) Event Sponsorship, New Jersey: Wiley.

Spintelligent (2003) Northern African Power Industry Convention Sponsorship Proposal, Pretoria: Spintelligent.

Supply Chain Council (2003) Supply Chain World Southern Africa Sponsorship Opportunities, United States: Supply Chain Council.

Terrapinn Limited (2003) Mobile Commerce World 2003 Sponsor Marketing Manual, London: Terrapinn Limited.

Terrapinn Limited (2003) Satcom Africa 2004 Sponsorship Proposal, Johannesburg: Terrapinn Limited.

The Concise Oxford English Dictionary (Eighth Edition), (1992) Oxford: Clarendon Press.

Wegner, T. (1999) Applied Business Statistics, Cape Town: Juta & Co.

Willemsse, I. (1991) Statistical Methods and Financial Publications (Third Edition), Cape Town: Juta & Co.

Onlinesports.com (2003) Sports News you can Use – Why Companies Sponsor Events  
(online) (cited 18 May 2003). Available from  
URL:<http://www.onlinesports.com/sportstrust/sports11>.

Sponsorship.com (2003) IEG Glossary And Lexicon, (online) (cited 2 June 2003),  
Available from URL:<http://www.sponsorship.com/learn/glossary>.

# APPENDIX A: RESEARCH QUESTIONNAIRE

## UNIVERSITY OF WALES: MBA RESEARCH QUESTIONNAIRE

Thank you for agreeing to participate in this research project. The researcher is a Master's Degree in Business Administration (MBA) student at the University of Wales, administered in South Africa by the Technikon Witwatersrand. All information shared in this questionnaire will be strictly confidential and used for research purposes only. Names of participants will be kept strictly confidential. Your details have been requested for the sole purpose of analysis or possible follow-up or clarification of any of your comments.

The aim of this research is to explore business-to-business conference sponsorship. In particular, the researcher aims to identify the marketing and corporate objectives of business-to-business conference sponsors and to explore to what extent business-to-business conference sponsorship is effective as a tool for achieving the stated objectives; and to determine how sponsorships are measured. By business-to-business conference I mean an industry conference, with paying delegates, run by an independent conference organiser.

Your honest opinion when answering the questions will be sincerely appreciated. Please return the completed questionnaire by 18 July 2003 via fax +27 (0) 11 463-6000 or e-mail [mastersdegree\\_research@combrow.com](mailto:mastersdegree_research@combrow.com)

First name \_\_\_\_\_ Surname \_\_\_\_\_

Designation \_\_\_\_\_ Company name \_\_\_\_\_

Country \_\_\_\_\_ Contact number \_\_\_\_\_

1. To which industry sector does your company belong? (Please write your answer in the space provided)

e.g. Banking, Manufacturing, etc \_\_\_\_\_

2. Has your company sponsored a business-to-business conference in the last 24 months? (Please tick the appropriate answer)

Yes	<input type="checkbox"/>	If you have ticked "Yes" please proceed to Question 3
No	<input type="checkbox"/>	If you have ticked "No" please proceed to Question 9 (Page 3)

3. Please provide details of the most recent business-to-business conference your company has sponsored.

Name of business-to-business conference	
Name of conference organiser	
Month in which the conference took place / will take place	
City in which the conference took place / will take place	

4. Please indicate the approximate sponsorship fee paid for sponsoring the business-to-business conference referred to in Question 3. (Please tick the appropriate answer)

Less than US\$ 5,000	<input type="checkbox"/>
Between US\$ 5,000 and US\$ 15 000	<input type="checkbox"/>
Between US\$ 15,000 and US\$ 25,000	<input type="checkbox"/>
Greater than US\$ 25,000	<input type="checkbox"/>

5. Would you say that your company set clear and measurable sponsorship objectives with regards to the above sponsorship? (Please tick the appropriate answer)

Yes	<input type="checkbox"/>
No	<input type="checkbox"/>
Unsure	<input type="checkbox"/>

6. Please list the 5 most important objectives that your company aimed to achieve by sponsoring the above conference and indicate whether the objectives were achieved?

List the 5 most important objectives	Was the objective achieved? (Please tick)		
	Yes	No	Unsure
i.			
ii.			
iii.			
iv.			
v.			

7. Briefly indicate how you measured whether the above objectives (referred to in Question 6) were achieved. (Please comment in the space provided)

Objective	How was it measured?
i.	
ii.	
iii.	
iv.	
v.	

8. If you did not meet one or more of the objectives you had set for the above sponsorship, briefly explain what you believe is the main reason for that. (Please comment in the space provided)


9. Please rate the likelihood that the following objectives can be achieved by sponsoring a business-to-business conference. (Please tick the appropriate answer on the scale provided)

Objective	Likelihood of being achieved by sponsoring a business-to-business conference				
	Not likely at all	Not very likely	Likely	Very likely	Almost certain
<b>Awareness</b> – achieve corporate, brand or product awareness	Not likely at all	Not very likely	Likely	Very likely	Almost certain
<b>Positioning</b> – positioning the company / brand / product	Not likely at all	Not very likely	Likely	Very likely	Almost certain
<b>Sales</b> – to achieve stated sales objectives	Not likely at all	Not very likely	Likely	Very likely	Almost certain
<b>Profitability</b> – to improve the profitability of the company / brand / profit centre / team	Not likely at all	Not very likely	Likely	Very likely	Almost certain
<b>Niche marketing</b> - access to a niche target market you would not normally have access to	Not likely at all	Not very likely	Likely	Very likely	Almost certain
<b>Entertaining clients</b> – to entertain corporate clients at the conference	Not likely at all	Not very likely	Likely	Very likely	Almost certain
<b>Recruit or retain employees</b> – to recruit or retain employees	Not likely at all	Not very likely	Likely	Very likely	Almost certain
<b>Database building</b> – to build a database of companies interested in a niche topic	Not likely at all	Not very likely	Likely	Very likely	Almost certain
<b>Networking</b> – to network with peers and practitioners from a niche industry	Not likely at all	Not very likely	Likely	Very likely	Almost certain
<b>Research</b> – to conduct market research	Not likely at all	Not very likely	Likely	Very likely	Almost certain

10. Assuming your company was sponsoring a business-to-business conference, how would your company measure the awareness created for your company / brand / products as a result of the sponsorship? (Please comment briefly in the space provided)


11. Assuming your company was sponsoring a business-to-business conference, how would your company measure whether its positioning objectives were achieved as a result of the sponsorship? (Please comment briefly in the space provided)


12. Assuming your company was sponsoring a business-to-business conference, how would your company measure whether its sales objectives were achieved as a result of the sponsorship? (Please comment briefly in the space provided)


13. Assuming your company was sponsoring a business-to-business conference, how would your company measure whether its niche marketing objectives were achieved as a result of the sponsorship? (Please comment briefly in the space provided)


14. Assuming your company was sponsoring a business-to-business conference, how would your company measure whether its client entertainment objectives were achieved as a result of the sponsorship? (Please comment briefly in the space provided)

---

---

---

---

15. Assuming your company was sponsoring a business-to-business conference, how would your company measure whether its database building objectives were achieved as a result of the sponsorship? (Please comment briefly in the space provided)

---

---

---

---

16. Assuming your company was sponsoring a business-to-business conference, how would your company measure whether its networking objectives were achieved as a result of the sponsorship? (Please comment briefly in the space provided)

---

---

---

---

17. Assuming your company was sponsoring a business-to-business conference, how would your company measure whether its industry research objectives were achieved as a result of the sponsorship? (Please comment briefly in the space provided)

---

---

---

---

18. What do you think is the single most important reason why business-to-business conference sponsorships fail to meet the objectives of the sponsor? (Please comment briefly in the space provided)

---

---

---

---

***Thank you for taking the time to complete this questionnaire. Please return the completed questionnaire by 18 July 2003 via fax +27 11 463-6000 or e-mail [mastersdegree\\_research@combro.com](mailto:mastersdegree_research@combro.com)***

## APPENDIX B: INITIAL E-MAIL TO THE RESEARCH SAMPLE

Dear Marketing Executive

My name is Dimitri Psaros. I am an MBA student at the University of Wales (administered in South Africa), currently busy with my research dissertation. I humbly request your assistance in this regard.

I wish to e-mail a 4-page research questionnaire to you and I would be very grateful if you could complete the questionnaire and fax / e-mail it back to me by 18 July 2003. The topic of my research is "Business-to-business conference sponsorship as a marketing tool". By business-to-business conference I mean an industry conference, with paying delegates, run by an independent conference organiser.

If you DO NOT wish to assist me with this, please e-mail me back and I will remove you from my research list.

If you are willing to assist me and you don't mind completing the questionnaire then I will e-mail the questionnaire to you tomorrow.

Thanking you in advance.

Best wishes.

Dimitri Psaros  
South Africa

Cell: 083 656 3745



## APPENDIX C: QUESTIONNAIRE COVERING LETTER

Dear Marketing Executive

Attached is the questionnaire I referred to in my last e-mail that, with your help, will provide me with data to complete my MBA dissertation. I would be extremely grateful if you would take 10 minutes to complete the questionnaire and fax it or e-mail it back to me by 18 July 2003.

Thanks for your assistance. I really do appreciate it.

Best regards

Dimitri Psaros  
South Africa

Cell : 083 656 3745  
E-mail : [mastersdegree\\_research@combro.com](mailto:mastersdegree_research@combro.com)  
Fax : +27 11 463 6000

# APPENDIX D: DATA CAPTURE SHEET

B2B CONFERENCE SPONSORSHIP - DATA															
QUESTIONNAIRE NUMBER															
	26	27	28	29	30	31	32	33	34	35	36	37	38	Total	%
<b>DESIGNATION</b>	<b>Code</b>														
Account Manager	AM													1	3%
Brand / Product: Managers	BM	1											1	3	8%
Chairman / Director / General Manager	CH													4	11%
Communications: Director / General Manager	DC					1								2	5%
Marketing: Director / Vice President / Head / GM	MD								1					8	21%
Marketing: Manager / Coordinator	MM							1						8	21%
Research & Development	R&D										1			1	3%
Sales and Business Development: Managers / Directors	S&M		1	1	1									6	16%
Unknown	Z		1	1						1			1	5	13%
<b>38 100%</b>															
<b>COUNTRY</b>	<b>Code</b>														
Australia	AU		1	1								1		11	29%
France	FRA													1	3%
Germany	GER						1							3	8%
Greece	GR													1	3%
Hong Kong	HK													1	3%
Isle of Man	IOM													1	3%
Ireland	IRE													1	3%
Morocco	MOR												1	1	3%
New Zealand	NZ			1										1	3%
United Kingdom	UK									1		1		5	13%
United States Of America	USA						1							3	8%
South Africa	ZA	1			1			1						8	21%
Unknown	z		1											1	3%
<b>38 100%</b>															
<b>Question 1</b>															
<b>Industry</b>	<b>Code</b>														
Auditing & accounting	1A													0	0%
Education	1E													1	3%
Electricity generation	1EG													1	3%
Financial services and banking	1F												1	7	18%
Information technology	1IT													4	11%
Insurance	1I													0	0%
Logistics & supply chain management	1L								1					1	3%
Manufacturing	1M		1	1										6	16%
Market research	1MR													1	3%
Mining	1MIN					1								2	5%
Mobile payments	1MP													1	3%
Pharmaceuticals & healthcare	1PH						1							4	11%
Property development	1PD	1												1	3%
Recruitment	1R			1										1	3%
Telecommunications	1T													3	8%
Transport	1TR	1						1						2	5%
Utilities	1U									1	1			2	5%
Unknown	1Z												1	1	3%
<b>38 100%</b>															
<b>Question 2</b>															
	<b>Code</b>														
Yes	2Y	1		1				1						15	39%
No	2N		1	1	1	1	1	1	1	1	1	1	1	23	61%

## APPENDIX E: CASE STUDY

*This is a true account of the sequence of events leading up to the sponsorship of Africa's biggest satellite business-to-business conference by one of the world's leading providers of satellite communications services. The name of the sponsor has been changed, at the sponsor's request to keep the company's name anonymous.*

*Satellite Industries* is a pioneer in satellite communications and is one of the world's leading providers of communications services. The company owns a global fleet of satellites that provide communications solutions to its customers including some of the world's leading telecommunications carriers, internet service providers, network integrators and broadcasting companies.

*Satellite Industries* has captured a large share of the African market, which has seen an increase in the usage of satellite communications in recent years. The company conducts a diverse marketing campaign including print advertising, internet marketing, public relations events and personal selling. The company also markets itself via internally organised road shows to key African countries and via business-to-business conference sponsorship. In 2002, *Satellite Industries* signed up as a major sponsor of *Satcom Africa 2003*, an annual business-to-business conference addressing strategic issues facing the African satellite industry.

The final decision and budget approval for the sponsorship came from *Satellite Industries'* Group Marketing Director at the company's head office in the United States. However, motivation to sponsor the conference came from the Regional Director for Africa at the company's local office in South Africa.

"We considered our company's marketing objectives in Africa and how sponsoring *Satcom Africa 2003* could supplement our existing marketing campaign. In addition to this, we looked for any unique advantages of the sponsorship over our other marketing activities. For example, we do road shows in various African countries, which are very powerful marketing exercises, but the audience is, to a large extent, known to us since attendance is by our invitation only. The marketing campaign by the organisers of

Satcom Africa 2003 is more sustained and more diverse and therefore the conference attracts a group of potential customers that we would not normally have access to” explained the Regional Director for Africa.

“Furthermore, by taking the premier sponsorship package we could re-enforce our position of market leaders – a low-level package would have been inconsistent with *Satellite Industries*’ position in the African and global market” he continued.

“Once the sponsorship was authorised by the Group Marketing Director, the next step was to identify the objectives that we wanted to achieve by sponsoring the conference. Our main objectives for sponsoring Satcom Africa 2003 were, firstly, to generate new business opportunities. Secondly, to network with new and existing clients and to build business relationships. Thirdly, to create awareness and visibility for *Satellite Industries*. Fourthly, to re-enforce the company’s leadership position in the market. Fifthly, we wanted the opportunity to inform customers about our new plans for the future. And lastly, it was important for us to show our commitment to the African satellite communications industry”, explained the Regional Director.

The Regional Director explained that clear, quantitative, measurement criteria had been set for some objectives while qualitative feedback and the organiser’s post event report would be used to evaluate the extent to which other objectives had been met.

“With regard to generating new business opportunities, we measured the number of leads generated as a result of the conference. A target number of leads to be generated was set and if this number was reached we could say that we had partly met this specific objective. The next step was to measure how many sales meetings were made from the list of leads generated. If the target number of meetings was achieved then our ‘new business opportunities’ objective would had been achieved,” he said.

“With regard to ‘continuing contact with new and existing clients’ and ‘creating awareness and visibility for our company’, this was measured by qualitative feedback from our staff that were present at the event as well as information contained in the organiser’s post-event report. The post-event report shows exactly how the marketing campaign was conducted. For example, how many marketing elements or messages

were sent out with our logo or branding on, how frequently this was done and whom was this sent to.

Regarding 're-enforcing our leadership position', this was a qualitative measure based on the fact that we were premier sponsors of one of the best satellite communications events in Africa. This also showed our commitment to the African market by helping to stage an important annual event and by sharing information and ideas at this event.

After the conference, the post-event report received from the organisers was analysed together with the feedback from various *Satellite Industries* staff involved in the sponsorship. Each objective that our company aimed to achieve through sponsoring the conference was measured and the aggregated information was discussed with the Group Marketing Director. Based on the fact that most of the company's objectives were achieved, *Satellite Industries* decided to sponsor Satcom Africa 2004."