

The Relationship between NASCAR and Sponsorship

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The purpose of this study was to explore how the National Association for Stock Car Auto Racing (NASCAR) teams rely on the monetary support of sponsors, how sponsoring businesses' receive a return on their investment with NASCAR, and how fan loyalty affects NASCAR's business. NASCAR teams greatly rely on the monetary support of sponsors. Without sponsors within the sport, no products of NASCAR would exist. The cost of running a successful race team, almost \$400,000 per event, is the cause of the need for sponsors in this sport business. Major costs cover, but are not limited to, drivers, engines, crewmembers, and tires. The current study explored how it is imbalanced to compare the necessity of monetary support between two major sports. Sponsoring businesses' receive a return on their investment with their NASCAR partnership. When a business decides that they want to sponsor a team, there are different sponsorship packages from which to pick. Each package has different logo placement options and pricing. Fan loyalty effects NASCAR's business. Although the sponsorships help the sport, they also help the business in which the monetary support is coming from. NASCAR promises a large return on investment for their sponsorship partners. Most return on investment is coming from television viewership. Related research that has been studied indicates that NASCAR fans are some of the most loyal fans in the sports industry. Fans frequently show their loyalty through purchasing and recommending sponsored brands. The study also found that NASCAR fans are able to identify a brands partnership with NASCAR more frequently than with another major sport, including the NFL. Relationships between sponsorships and NASCAR is what makes the sport what it is today.