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Banking on the pink dollar: Sponsorship Awareness and the Gay Games

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**The Sport Marketing Association's
Inaugural Book of Papers**

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Banking on the Pink Dollar: Sponsorship Awareness and the Gay Games

BRENDA G. PITTS

Abstract

Since 1982, the Gay Games have been staged every four years; the most recent one was Gay Games VI in Sydney, Australia, in November, 2002. It is an international event that attracts participation and spectators from over 100 countries. Sponsorship dollars have increased steadily and significantly at each Gay Games, from zero dollars in 1982 to \$10 million in 2002. Sponsorship has come from both mainstream companies and gay and lesbian companies. At a time when lesbian and gay people are not yet fully accepted, appreciated, or understood in many countries, why would companies choose to use the Gay Games as a sponsorship venue, risking backlash from homophobic markets? Therefore, an objective of this study was to explore corporate sponsorship and the Gay Games. To date, three studies have been conducted on sponsorship and the Gay Games. This paper provides an overview of those studies and their results, an overview of the gay and lesbian sports market, and strategies marketers can use to reach the gay and lesbian sports market.

Why would companies choose to use the Gay Games as a sponsorship venue, risking backlash from homophobic markets?

Sponsorship and the Sport Industry

Although there is not one definitive study on total sponsorship activity in any single country or globally, some reports and predictions offer that sponsorship promotional activity between 1996 and 2000 range from US \$5.4 billion to US \$11.6 billion (Amis, McDaniel, & Slack, 1999; International Events Group, 1998; Lough & Irwin, 1999). Sport sponsorship is undoubtedly partially, if not significantly, responsible for the growth in sport business. It has been partially responsible for the horizontal

expansion of the sport industry, as outlined by indicators of growth in Pitts and Stotlar (2002), particularly the sport performance industry segment as theorized by the Pitts, Fielding, and Miller Sport Industry Segmentation Model (1994), and other leading scholars in sport marketing: Brooks (1994), Mullin, Hardy, and Sutton (2001), and Shilbury, Quick, and Westerbeek (1998). Indeed, sport sponsorship itself is an already large and constantly growing sport business industry segment.

Sponsorship is business-brand recognition, capitalism, and profit.

Sponsorship is business-brand recognition, capitalism, and profit. The sports event is nothing more than a vehicle for a corporate sponsor to build brand. The primary goal of companies utilizing sponsorships is to create exposure for the brand name and to develop associations (Aaker & Joachimsthaler, 2000; see Endnote 1). Moreover, sponsorship is one of many promotional tools that have the potential to contribute to brand building. "Sponsorship entails the commercial association of a brand with a property such as a sporting event, a team, a cause, the arts, a cultural attraction, or entertainment" (Aaker & Joachimsthaler, 2000, p. 202).

Expenditures on sport sponsorship are justified because the sponsoring companies believe brand recognition and loyalty can be achieved and can affect market share (Aaker & Joachimsthaler, 2000; Pitts, 1998). Research results support this belief. In assessing stadium advertising, Stotlar & Johnson (1989) found that between 62 and 77% of attendees noticed the advertising. At an LPGA tournament, it was found that 98% of those attending (451 subjects) noticed the advertising (Cuneen & Hannan, 1993). In that study, results also showed that sponsors that had products or services on site were recognized in greater frequencies than those who did not. Findings from a study on signage at a sports event showed that 59% of those surveyed noticed sponsor or brand logos and that 54% had a more favorable attitude toward sponsors involved with the event (Friedman, 1990). And in a study of spectators' perceived image

of a corporation and its products due to sponsoring a sports event, Turco (1994) reported that the results indicated that sponsorship companies can enhance consumers' image of the company as a result of sports event sponsorship.

Sponsorship is especially effective as a marketing tool in reaching consumer populations that tend to be marginalized by society. These populations respond with a greater notice and appreciation of the company's willingness to sponsor their events.

Sponsorship, as a brand-building tool, is also used to reach new or emerging markets. It is especially effective as a marketing tool in reaching consumer populations that tend to be marginalized by society (Tharp, 2001). These populations respond with a greater notice and appreciation of the company's willingness to sponsor their events. Further, gay and lesbian consumers "prefer to buy from companies that have a visible presence in the Gay community" (Tharp, 2001, p. 233).

Sponsorship, Brand Awareness, and the Gay and Lesbian Market

Reports of estimates of the spending power of the gay and lesbian market have caught the attention of the corporate world, even though some of those reports are accused of being inflated. With headlines such as "\$514 billion spending power," "20 million consumers," and the "Dream Market," many companies have taken notice and now deliberately target the lesbian and gay market (Curiel, 1991; Johnson, 1993; Miller, 1990; Yankelovich, 1994). Additionally, it is reported

Studies show that gay and lesbian people spend disproportionately on luxury and premium products

widely that lesbian and gay people are more willing than non-gay/lesbian people to spend money, and studies show that gay and lesbian people spend disproportionately on luxury and premium products, such as travel, vacations, phone services, books, recorded music, alcoholic beverages, theater, clothing catalogues, and greeting cards (Button, 1993; Davis, 1993; Elliot, 1993a; Elliott, 1993b; Fugate, 1993; Johnson, 1993; Miller, 1990, 1992; Penaloza, 1996;

Summer, 1992; Tharp, 2001; Warren, 1990). Moreover, lesbian and gay consumers have been found to be younger, more brand and fashion conscious, and more brand loyal than their heterosexual counterparts (Badgett, 1997; Cronin, 1993; "Gays Celebrate. . .," 1994; Miller, 1990; Webster, 1994).

Eighty-nine percent of gay and lesbian consumers actively seek out goods and services that target the lesbian and gay market.

Additionally, the literature reveals that lesbian and gay people seem to notice, be more aware, can more correctly identify, and will aggressively support the companies who are sponsors of lesbian and gay events

(Baker, 1997; Kates, 1998; Lukenbill, 1995; Penaloza, 1996). A study by Simmons Market Research Bureau (1996) found that 89% of gay and lesbian consumers actively seek out goods and services that target the lesbian and gay market. Among suggestions on targeting the gay and lesbian market are the following: hire openly lesbian and gay employees; include sexual orientation in the company's antidiscrimination policies; offer partner benefits; donate to gay and lesbian charities and organizations; provide gay- and lesbian-friendly service; and sponsor lesbian and gay events. This should be considered as more companies study whether or not to target the gay and lesbian market. Moreover, further research involving the lesbian and gay market's brand recognition and brand loyalty will be key to the company's decision-making process.

Sponsorship and the Gay Games

Recent research reveals that there is a growing gay and lesbian sports industry and estimated to be approximately \$180 million to \$15 billion in size and involves an estimated 11 to 13 million lesbian and gay sports people and over 15,000 sports events in the US (Pitts, 1997; 1999; Pitts & Ayers, 2001; Simmons Market Research Bureau, 1996). One event that will probably change those numbers is the Gay Games. The Gay Games is a multisport and cultural festival held every four years since 1982. A study of visitor spending and economic scale of Gay Games V, held in Amsterdam in 1998, revealed it to be just over \$350 million (Pitts & Ayers, 2001). Some of this is attributable to sponsor spending. Additionally, sponsor involvement and spending at the Gay Games has grown significantly (see Table 1).

There were only a few local companies involved as sponsors for Gay Games I in 1982. That number increased to 80 for Gay Games V in 1998. Such an increase is the result of many factors. However, the increase alone indicates the attractiveness of the event to corporations as a highly viable vehicle for reaching the lesbian and gay market. Some reasons include the following. First, the Gay Games is a very large event, attracting several thousand sports participants and spectators as well as cultural event participants and visitors. Some reports state the visitors reached a million in 1994 and 1998. The Gay Games is now referred to as an international mega event and placed among the ranks of the largest multisports events in the world. For example, although the Gay Games does not rival the

Moreover, lesbian and gay consumers have been found to be younger, more brand and fashion conscious, and more brand loyal than their heterosexual counterparts

The Gay Games is now referred to as an international mega event and placed among the ranks of the largest multisports events in the world.

Table 1 **Gay Games Facts**

Gay Games:	I	II	III	IV	V	VI
Year	1982	1986	1990	1994	1998	2002
Place	San Francisco, USA	San Francisco, USA	Vancouver, Canada	New York, USA	Amsterdam, Netherlands	Sydney, Australia
Participants	1,300	3,482	7,300	10,864	14,843	16,000
Countries	12	22	28	40	78	131
Sports	16	17	31	31	31	30
Spectators	50,000	75,000	200,000	1 million	800,000	300,000
Workers	600	1,200	3,000	7,0003,042	6,000	
Budget	\$395,000	\$885,000	\$3m	\$6.5m	\$10m	\$16m
Sponsorship	in-kind	\$210,000	\$350,000	\$1m	\$2.7m	\$10m
# of companies	a few	a few	4 major	5 major, 20 minor	50 major, 16 grants, 14 govt	30 major, 14 grants, 3 govt
Economic Impact	No data	no data	\$50m	\$112m	\$304m	\$140m

Olympic Games in relation to media coverage or mass market appeal, it is larger in size in relation to participants—there were more sports participants in each of the three recent Gay Games—Gay Games IV in 1994, Gay Games V in 1998, and Gay Games VI in 2002—than for the Olympic Games in 1996 and 2000.

Second, spectator appeal of the Gay Games has grown. The Federation of Gay Games, the international governing body of the Gay Games, has attempted to enhance the commercial appeal of the Gay Games, first out of necessity to fund the event, and second to enhance awareness of the event and thus participation. Third, as noted earlier, reports of estimates of the spending power of the gay and lesbian market has caught the attention of the corporate world. And, perhaps more importantly, it appears that the lesbian and gay market can be highly brand loyal. Thus, the Gay Games is an excellent opportunity to reach the market.

There were more sports participants in each of the three recent Gay Games—Gay Games IV in 1994, Gay Games V in 1998, and Gay Games VI in 2002—than for the Olympic Games in 1996 and 2000.

The Gay Games has increasingly become the target of the corporate world for sponsorship. In general, companies cite a number of reasons for sponsorship, such as to increase company awareness, improve company image, demonstrate community responsibility, and increase awareness of specific products (Kuzma, Shanklin, & McCally, 1993). Evidenced by the large increase in sponsoring companies between Gay Games I in 1982 and Gay Games VI in 2002, it appears that the Gay Games has become a target of choice (refer again to Table 1). For instance, there were three times the number of sponsors for Gay Games V in 1998 than for Gay Games IV in 1994. Moreover, the depth and breadth of type of company in relation to product, scope, size, as well as mainstream or gay and lesbian company, continues to escalate. As an example, Table 2 provides a list of some of the sponsor companies of Gay Games V.

Table 2 Partial List of the Official Sponsors of Gay Games V, 1998

Corporate Sponsors	Gay SA Newsmagazine	Randstad (large sports event organizing company; did the Atlanta Olympic Games in 1996)
A2000 (Amsterdam television company)	Gay Times	Red Bull (energy drink)
Absolut Vodka	GayPlanet (web site)	Rolling Rock (beer)
AccountView (business software company)	GWK (bank)	Schipolfonds (airport)
Amsterdam RAI (congress center)	Icon (television)	Staatsloterij (lottery)
Amsterdams Fonds voor de Kinst	Kennedy van der Laan (lawyers)	Speedo
Avis Car Rental	KLM Royal Dutch Airlines	Spring Water Company
Bacardi Breezer	Kodak International	Stichting Aidsfonds
COC (Dutch Society for the Integration of Homosexuality)	KPN Telecom (phone)	Stichting Friends for Life
Columbia FunMaps	Levi Strauss & Co.	The Licensing Channel
Curve Magazine	NZH-groep (public transportation)	ZaZare Diamonds (diamond jewelry company that created the official Gay Games gold and diamond jewelry line)
Energie Noord West (Netherlands electricity/utilities company)	Out Magazine	
	Puschkin Red (flavored drink)	
	Randon beveiliging (large sports event organizing company; did the Atlanta Olympic Games in 1996)	

Sponsorship Recognition and Gay Games V: The Study

This section provides the second study involving Gay Games V in 1998 in Amsterdam and a comparison of all three studies involving sponsorship and the Gay Games—Gay Games IV in 1994, Gay Games V in 1998, and Gay Games VI in 2002. The stakeholders, such as the sponsoring companies and organizations and the Federation of Gay Games, have a need for relevant information concerning sponsorship and the Gay Games (Pitts, 1999). The information could prove to be most helpful to the Federation of Gay Games in their quest to find more sponsorship and to sport marketers of companies considering the Gay Games as a sponsorship venue. Therefore, the purpose of the 1998 study was to assess sponsor company awareness of attendees at Gay Games V in Amsterdam.

Methodology

The survey contained three sections—demographics, sponsor recognition, and attitudes toward sponsors.

Two methodologies are used in measuring advertising effectiveness: direct and intermediate. Intermediate research examines consumer response to advertising. Within this, there are two methods: *recall* and *recognition*. Both measure the consumer's recognition or memory of advertising, both are measures of sponsor company awareness, and both are commonly used when studying sponsorship and sports events (Gardner & Shuman, 1987; Javalgi, Traylor, Gross, & Lampman, 1994; Kuzma, Shanklin, & McCally, 1993; Milne & McDonald, 1999). For purposes of this study, the recognition method was used. A survey instrument was designed based on previous research (Cuneen & Hannan, 1993; Pitts, 1998; Sandler & Shani, 1993; Stotlar & Johnson, 1989; Stotlar, 1993). Subjects included Gay

Table 3 Demographics: Education, Travel to the Games, Gay Games Involvement

Education Level Category	<i>f</i>	<i>P</i>	Travel to the Games	<i>f</i>	<i>P</i>
grade school	3	1.3	family only	3	1.3
some high school	4	1.7	partner only	25	10.8
vocational/tech school	4	1.7	friends only	50	21.7
high school	10	4.3	alone	31	13.4
some college	22	9.5	both friends & family/partner	48	20.8
college degree	87	37.0	organization	45	19.5
graduate degree	62	26.8	multiple responses	27	11.7
post graduate work	32	13.9			
doctoral degree	2	.9			

Gay Games Involvement	female (69)		male (155)		Total (228)	
	<i>f</i>	<i>P</i>	<i>f</i>	<i>P</i>	<i>f</i>	<i>P</i>
athlete/sports participant	42	60.8	100	64.5	143	62.7
cultural/arts participant	4	5.7	8	5.1	14	6.1
spectator	11	15.9	24	15.4	35	15.3
Gay Games worker/staff	2	2.8	4	2.5	6	2.6
media	1	1.4	1	.6	2	.8
multiple responses	9	13.0	18	11.6	27	11.8

Table 3 Demographics: Gender, Age, Age by Gender

Gender	<i>f</i>	<i>P</i>	Age	<i>f</i>	<i>P</i>
Female	71	30.7	18-24	1	0.4
Male	156	67.5	25-34	70	30.3
Other	2	0.9	35-44	110	47.6
			45-54	37	16.0
			55-64	9	3.8
			65+	2	0.8

Age By Gender:	Female:		Male:	
	<i>f</i>	<i>P</i>	<i>f</i>	<i>P</i>
18-24	0	---	1	0.6
25-34	20	28.1	50	32.0
35-44	35	49.2	73	46.7
45-54	13	13.0	24	15.3
55-64	3	3.0	6	3.8
65+	0	---	2	1.2

Table 3 Demographics: Sexual Orientation, Household Description, Household Income

Sexual Orientation	<i>f</i>	<i>P</i>
Lesbian/Gay	218	94.4
Bisexual	6	2.6
Heterosexual	3	1.7

Household Description	Female		Male		Total	
	<i>f</i>	<i>P</i>	<i>f</i>	<i>P</i>	<i>f</i>	<i>P</i>
Only adult in my household	40	56.3	62	39.7	103	44.5
I live with my partner	24	33.8	63	40.3	88	38
I live with a friend/roommate	5	7	27	17.3	32	13.8
Other	1	1.4	3	1.9	4	1.7

Household Income	<i>f</i>	<i>P</i>	Household Income	<i>f</i>	<i>P</i>
below \$10,000	6	2.6	90,000-109,999	30	13.0
10,000-29,999	19	8.2	110,000-129,999	11	4.8
30,000-49,999	50	21.6	130,000-149,999	13	5.6
50,000-69,999	38	16.5	150,000-169,999	2	.9
70,000-89,999	38	16.5	170,000+	18	7.8

Games V (Amsterdam, August, 1998) attendees: registered sports participants, registered cultural participants, spectators, coaches, workers, and media. Additionally, the survey contained three sections—demographics, sponsor recognition, and attitudes toward sponsors.

Three methods of data collection were used: on-site, research assistants, and web site. On-site, the mall intercept approach was used. Research assistants were recruited and trained. The assistants sought out people in their community who attended the Games and asked them to complete a survey. Using a web site, the survey was published and survey data were collected via the web site. Statistics common to recognition research were used in analyzing the data.

Data were analyzed within the three sections—demographics, sponsor recognition, and attitudes toward sponsors.

Results, Conclusions, & Discussion

Results

Data were analyzed within the three sections—demographics, sponsor recognition, and attitudes toward sponsors. Results and discussion are presented by those three sections.

Demographics

Gay Games Attendee Demographics. Demographical and lifestyle data are reported in Table 3. The findings reveal that the average attendee in this sample included 47.6% are in the 25-34 age bracket, 94.4% are lesbian or gay, and many (44.5%) live alone while almost the same percentage (38.0%) live with a partner. Household income data reported reveals that although the largest group (21.6%) fall into the \$30,000-49,999 bracket, it is interesting to note that three other brackets consist of numbers close to that: 16.5% each for the \$50,000-69,999 and \$70,000-89,999 brackets and 13.0% for the \$90,000-109,999 bracket. A large number of attendees reported a high level of education: 78.6% hold a college degree (including those with graduate degrees, post graduate work, and doctoral degrees). Of this sample, 62.7% reported that they attended the Gay Games as a registered sports participant, while 11.8% reported that they attended as spectators. Study participants could select more than one category as a response to this question.

Based on the data reported, the following conclusions are drawn when compared against previous research:

(1) All demographics are closely similar to the demographics taken in the 1994 Gay Games IV sponsorship study (Pitts, 1998). Thus, it appears the study samples are similar in most ways.

(2) Some demographical information taken in each study were different types of information and, of course, cannot be compared.

(3) Although the data should not be generalized to the total worldwide lesbian and gay population because the sample is not large enough, it is interesting to note the relatively high education level compared to the United States general population (according to U.S. Census Bureau and Simmons Market Research Bureau). Worldwide education rates have not yet been attained for comparison.

(4) The relatively high level of household income might indicate the segment of people who can afford to travel and participate in such an event. A study of visitor spending and economic scale revealed that the average attendee spent a mean of \$2,514 to attend the Gay Games (Pitts & Ayers, 2001).

It is interesting to note the relatively high education level compared to the United States general population.

Sponsor Recognition

As in most sponsorship recognition or recall research, the instrument included questions regarding both official and 'dummy' sponsors. Results are presented here in the two areas.

Official Sponsor Recognition. The survey contained questions regarding official corporate sponsors and some nonexistent (dummy) sponsors. The data concerning recognition of the official corporate sponsors revealed the following (see Table 4).

(1) Recognition rates of correctly identified sponsor companies ranged from 1.9% to 98.8%, with an average of 64.2%. Six are in the 90% range and over half (9 of 17) of the answers are in the 70% range and above.

(2) It is important to note that in every company category except one (12 of 13), the correct sponsor company

In every company category except one (12 of 13), the correct sponsor company was the top selected answer.

Table 4 Sponsor Awareness Results

Sponsor	<i>f</i>	<i>P</i>
KLM Airlines	217	97.7
RedBull (Energy Drink)	143	97.9
Heineken	64	46.4
Rolling Rock	47	34.1
Absolut Vodka	65	49.6
Bacardi Breezer	24	18.3
Speedo	117	90.7
Avis	103	84.4
Levi Straus	95	90.5
Genre (magazine)	48	46.6
OUT	33	32.0
Curve	2	1.9
A2000 (TV)	82	98.8
NZH Groep (public transportation)	44	73.3
Schipol Fonds (airport)	57	96.6
Energie Noord West	41	85.4
SENS/Staatsloterji (lottery)	14	46.7

was the top selected answer. This is important for three reasons: First, this is similar to the findings of the Gay Games IV 1994 study (Pitts, 1998); second, this is different from the findings in other similar studies; and third, this is especially interesting because there were over three times as many sponsors for Gay Games V in 1998 than there were in Gay Games IV in 1994. Such an increase should bring clutter and confusion. However, it appears that even with 80 sponsors, the study participants were able to correctly identify the sponsor company in most cases.

On the other hand, such a high correct identification rate could be the result of using recognition methodology. That is, recognition methodology allows the study participant to see a list of possible companies. This list triggers the memory and, therefore, acts as a clue to the identity of the company. The sight of a company name might trigger the memory of that particular company as a sponsor, whereas recall methodology requires the study participant to name the company without the use of any possible clues.

(3) The most recognized company (98.6% answered yes and 97.7% correctly identified the company) was also the company that most supported their sponsorship with other forms of advertising. The airlines, KLM Royal Dutch Airlines, did heavy on-site signage at every sports and cultural venue, had a very large and visible booth in Friendship Village staffed with several people every day, gave away promotional merchandise every day, gave away customized (for the Gay Games) luggage tags, did direct mail before and after the dates of the Gay Games, did print advertising in several lesbian and gay print media, and each day held a drawing for free airline tickets on KLM.

(4) It is interesting to note that some of the questions that received the lowest percentage of 'yes' answers received some of the highest identification answers (see Table 5). For instance, only 30.2% answered 'yes' to the question "Is there an airport as an official sponsor?" Yet, 96.6% correctly identified Schipol Airport as the official sponsor. This might be explained by the fact that most likely every person who flew into Amsterdam flew into Schipol Airport and therefore recognized the name of the airport.

Table 5 Percentage of “Yes” Responses Compared to Percentage of Correctly Identified Companies

	“Yes” responses	Gay Games sponsor correctly identified	
airlines (KLM)	98.6	A2000	98.8
energy drink (Red Bull)	68.5	Red Bull	97.9
beer (Heineken, Rolling Rock)	65.4	KLM	97.7
liquor (Absolut, Bacardi Breezer)	60.9	Schipol	96.6
sports clothing (Speedo)	58.6	Speedo	90.7
rental car (Avis)	58.3	Levi	90.5
clothing company (Levi Straus)	50.4	Energie	85.4
magazine (OUT, Genre, Curve)	50.0	Avis	84.4
television company (A2000)	39.7	NZH Groep	73.3
public transportation (NZH Groep)	30.7	Absolut	49.6
airport (Schipol)	30.2	SENS	46.7
electricity (Energie Noord West)	23.4	Genre	46.6
lottery (SENS/Staatsloterji)	14.8	Heineken	46.4
		Rolling Rock	34.1
	{Yes average: 49.9}	OUT	32.0
		Bacardi Breezer	18.3
		Curve	1.9
		{correct average: 64.2}	

Only 39.7% answered ‘yes’ to the question “Is there a television company as an official sponsor?” Yet, 98.8% correctly identified A2000 as the official sponsor. This was the highest correctly identified company. This might be explained by the fact that A2000 was the primary local television station/channel and did local coverage of the Games. So, the cameras were fairly visible.

Only 30.7% answered ‘yes’ to the question “Is there a public transportation company as an official sponsor?” Yet 73.3% correctly identified NZH Groep as the official sponsor. While the study participants obviously didn’t think a public transportation company was a sponsor, they did know and recognize that Gay Games participants were receiving free public transportation and probably then recognized the name of the company in the list of offered answers.

‘Dummy’ Sponsor Recognition. As is done with most sponsor recognition or recall studies, ‘dummy’ sponsor questions were a part of the survey for analysis. ‘Dummy’ sponsor questions are mixed with other questions. Study participants are not told which questions are the ‘dummy’ sponsor questions. This is done, for example, to analyze ambush-marketing activity and to determine if study participants’ answers to these questions are different from their answers to the official sponsor recognition questions. The results are as follows (refer to Table 6).

(1) It appears that study participants seemed to know which companies were not official sponsors of Gay Games V. Although the answers of ‘No’ definitely outweighed the answers of ‘Yes’, most study participants circled answers to try to identify a company. Additionally, although most answers were lower than most answers about the official sponsors, some were about the same level as the lowest about official sponsors.

Table 6 Results on Questions Asked About Dummy Sponsors

Category		<i>f</i>	<i>P</i>
Bottled water company:	Naya	45	72.6
Credit card company:	Visa	16	35.6
	Mastercard	15	33.3
Soft drink company:	Coca-Cola	10	50
	Pepsi Cola	7	35
Official car company	Ford	6	50

(2) It is interesting to note that Naya spring water received a recognition rate of 72.6%. Although Naya was not an official sponsor of this Gay Games, Naya was an official sponsor—and a highly recognized sponsor (76.2%)—of Gay Games IV in 1994. It is possible that some study participants knew and remembered this and thought that Naya was once again a sponsor.

Attitudes Toward Sponsors

Two primary reasons a company sponsors events are to influence consumer awareness of the company and to affect purchase behavior. That is, the sponsoring company seeks to make its company or products known to potential consumers and, through the company's show of support for the event, to influence support of the company through sales. To study the level of support of the sponsoring companies and to determine if Gay Games attendees were willing to support the sponsoring companies, two questions were included on the survey and findings are presented in Table 7.

A company's level of support for the event can be portrayed in its advertising. Some of the sponsoring companies of Gay Games V used the words "proud sponsor of the Gay Games" in their advertising. One question in the survey sought to determine if study participants recognized the company's use of these words: "Have you seen advertising that uses the words 'proud sponsor of the Gay Games?'" Over half, 58% (134), of the study participants responded yes. When asked to list those companies, 67.9% (91 of the 134) listed KLM Royal Dutch Airlines, while other companies received far fewer mentions. However, it should be noted that 12 of the 13 companies that study participants listed 2 or more times were all official sponsor companies. (The exception was Miller beer.) This could mean that study participants were able to remember those companies whose advertising contained the 'proud sponsor' words. On the other hand, because this question was placed at a point in the survey just after the list of questions about the sponsors, it might only mean that study participants were able to look above for clues on company names to write on the survey. Interestingly, however, if that had been the case, one would assume that the study participant would have listed all of the official sponsor companies from the list of questions. Because that didn't happen, it could be surmised that study participants tried to recall from memory those companies who used the words in their advertising.

The purpose of the second question—"Are you more likely to buy the products of the Gay Games sponsor companies because they are sponsors of the Gay Games?"—was to attempt to determine level of brand loyalty. That is, in some respects, a company considering becoming a sponsor of the Gay Games will want to know if their efforts (expenditure of funds) have a more likely chance of resulting in a positive return on investment. Therefore, if the company could determine that consumers would be more likely to

The results of the question in the study reveal that a large percentage—73.1%—of the attendees in this study are more likely to buy the products of the Gay Games sponsors.

Table 7 Survey Responses to Questions on Sponsor Advertising, Solicitation, and Likely Purchase of Sponsor's Products

(1) Survey Question: Have you seen advertising that uses the words “proud sponsor of the Gay Games” in the ad?

Responses	Yes		No		no answer	
	<i>f</i>	<i>P</i>	<i>f</i>	<i>P</i>	<i>f</i>	<i>P</i>
	134	58	68	29.4	29	12.5

(2) Survey Question: List the company(ies):

Company	<i>f</i>	Company	<i>f</i>
KLM	91	Police	1
Avis	10	Rainbow Realty	1
Durex	9	Adidas	1
Levi Straus	8	Tzabago	1
Speedo	6	ZaZare Diamonds	1
Kodak	5	GWK	1
Absolut	4	Nashuatec	1
Red Bull	4	Heineken	1
OUT	3	Bacardi	1
Miller Beer	3	Naya	1
A2000	2	Planet Out	1
Rolling Rock	2		
Randstad	2		

(3) Survey Question: Are you more likely to buy the products of the Gay Games sponsor companies because they are sponsors of the Gay Games?

Responses	Yes		No		no answer	
	<i>f</i>	<i>P</i>	<i>f</i>	<i>P</i>	<i>f</i>	<i>P</i>
	169	73.1	13	13.4	31	13.4

purchase their products, the company might be more likely to sponsor a particular event.

The results of the question in the study reveal that a large percentage—73.1%—of the attendees in this study are more likely to buy the products of the Gay Games sponsors. Therefore, this finding should be good news to the sponsors of Gay Games V.

Comparatively, this finding is higher than the results of other studies with a similar question (Sandler & Shani, 1993; Stotlar, 1993). On the other hand, it is lower than a similar question and finding in the sponsorship study at Gay Games IV (Pitts, 1998). That finding revealed that an incredible 92.3% of the study participants would be more likely to buy a sponsor’s product. Together, the findings of both studies of attendees at Gay Games events are higher than studies at the Olympic

Moreover, more businesses are finding it easier to ignore anti-gay and -lesbian rhetoric by people and institutions who react to a company’s gay- and lesbian-friendly policies or advertising with boycotts or pressure to change.

Games (Sandler & Shani, 1993; Stotlar, 1993). Because of the nature of the instrument and methodology, there is no followup question to attempt to determine why so many attendees have a “more likely to buy” attitude toward sponsors.

There is research that shows that lesbian and gay consumers are more brand loyal than their heterosexual counterparts (Badgett, 1997; Cronin, 1993; “Gays Celebrate. . .”, 1994; Miller, 1990; Webster, 1994), and Pitts (1998) suggested that lesbian and gay people seem to be more appreciative of support and will reward it with loyalty. Additionally, research by the Simmons Market Research Bureau (1996) revealed that an estimated 89% of gay and lesbian people said they would go out of their way to buy products that advertise to gay and lesbian consumers. Moreover, more businesses are finding it easier to ignore anti-gay and -lesbian rhetoric by ultra-conservative anti-gay and -lesbian people and institutions who react to a company’s gay and lesbian-friendly policies or advertising with boycotts or pressure to change. Companies are choosing instead to pay much more attention to the research on the lesbian and gay market and consumer behavior (Hannaham, 1996; Kimbrough, 1997; Miller, 1994; Quinones, 1998; Reda, 1994; Research Alert, 1997; “Support Causes. . .”, 1997; Wilke, 1997). Regardless, there is a need for further critical examination of why attendees at the Gay Games events appear to have a high likely to buy response rate.

There is a need for further critical examination of why attendees at the Gay Games events appear to have a high likely to buy response rate.

Conclusions and Recommendations

If the current increase in the number of sponsors continues, Gay Games organizers will most likely have to face the issue of clutter that other large sports events with large numbers of sponsors face.

Based on the results of this study, some conclusions can be drawn and recommendations made. The conclusions drawn in the study and its results support the literature that lesbian and gay people seem to notice, be more aware, can more correctly identify, and will support the companies who are sponsors of lesbian and gay events. This is important information for companies who are considering where to put sponsorship dollars.

Similar research should be conducted at Gay Games events in the future and compared to this study. Potential studies that could be conducted include recall and recognition evaluation, as well as pre- and post-event evaluation. Further analysis could include media exposure analysis, intent to purchase, change in sales measure, and changes in company image.

If the current increase in the number of sponsors continues, Gay Games organizers will most likely have to face the issue of clutter that other large sports events with large numbers of sponsors face. That is, with a higher number of sponsors’ signage, advertising, and on-site presence, attendees are bombarded with a number of logos and ads making it more likely that a particular sponsor’s signs or ads will be “lost in the jungle.” Indeed, the lower sponsor awareness rate in this study of the Gay Games in 1998 compared to the rate in the study of the Gay Games in 1994 might be partially attributable to the high number of sponsors as well as their increased presence during the Games. Organizers of the Gay Games in the future would be wise to study this issue.

To date, there are no known studies involving corporate sponsorship and the International Gay and Lesbian Football Association (soccer), the International Gay Bowling Organization, the EuroGames, the National Gay Rodeo Association, the International Gay and Lesbian Martial Arts Organization, or the North American Gay Volleyball Association.

Table 8 Partial Results of Sponsorship Awareness Studies at Gay Games IV in 1994, Gay Games V in 1998, and Gay Games VI in 2002

	1994 GGIV	1998 GGV	2002 GGVI
Sponsorship awareness level (avg)	73.7%	64.2%	68%
Intent to purchase sponsor's brand	92.3%	73.1%	74%

Research is needed in relation to corporate sponsorship and other gay and lesbian sports events. To date, there are no known studies involving corporate sponsorship and such large lesbian and gay sports events as national and international competitions staged by the International Gay and Lesbian Football Association (soccer), the International Gay Bowling Organization, the EuroGames, the National Gay Rodeo Association, the International Gay and Lesbian Martial Arts Organization, and the North American Gay Volleyball Association. These organizations host or sanction several annual events, each of which attracts several hundred participants, and some of which attract thousands. The organizations usually host an annual national or international championship tournament/contest that typically attracts between 3,000 and 12,000 participants. For instance, the annual international championship tournament of the International Gay Bowling Organization usually attracts over 6,000 participants. All of these organizations have a number of corporate sponsors. Knowledge gained from sponsorship research would be valuable to all stakeholders and to potential stakeholders.

Those companies that have not yet considered the gay and lesbian market might consider the Gay Games as a first opportunity to reach the market.

Additionally, the information would add to a small but growing body of literature on lesbian and gay sports. Faculty and students in sport management, sport marketing, and related fields of study such as recreation, physical education, and business could benefit from such knowledge. For instance, this information is particularly informative in lectures about corporate sponsorship and niche marketing.

For sport marketing professionals in sport sponsorship business, the information found in this study can be used in a number of ways. For instance, those who are looking to match potential sponsoring companies with a high brand loyal target market through a sporting event ought to consider the Gay Games. Those companies that have not yet considered the gay and lesbian market might consider the Gay Games as a first opportunity to reach the market. Additionally, there are numerous other lesbian and gay sports events and organizations that could be considered for sponsorship opportunities and they exist in most cities in most countries around the world. Some are local events while others are national or international. While the Gay Games offers an international opportunity with an unusually large audience every four years, the local events and organizations are year-round. Companies could consider combining sponsorship with the local organizations to develop relationship and/or cause marketing exchanges while using the Gay Games as a capstone event to reach the wider and global market. One example of a company that has done this successfully is Miller Beer (an American beer company). Miller sponsors several local, regional, and national lesbian and gay sports events in the United States year round and was a major sponsor for Gay Games IV. Therefore, it was probably no coincidence that Miller Beer was one of the most highly recognized sponsors of the Gay Games.

Miller sponsors several local, regional, and national lesbian and gay sports events in the United States year round and was a major sponsor for Gay Games IV. Miller Beer was one of the most highly recognized sponsors of the Gay Games.

Table 9 **How to Reach the Gay and Lesbian Market**

<ul style="list-style-type: none"> • Actively engage in sponsorship of gay and lesbian sports events and organizations.
<ul style="list-style-type: none"> • Use direct marketing strategies to lesbian and gay sports fans (Example: Gay Night at the Atlanta Braves).
<ul style="list-style-type: none"> • Use explicit recognition and support of work to eliminate homophobia in sports, especially in college athletics, professional sports, and high school sports. Example: boycott and/or pressure those organizations that have policies that protect or encourage discrimination based on sexual orientation.
<ul style="list-style-type: none"> • Get involved in gay and lesbian community projects and organizations to support causes.
<ul style="list-style-type: none"> • Your company should offer domestic partner benefits. Example: An increasing number of Fortune 500 companies offer full DP benefits.
<ul style="list-style-type: none"> • Create specific marketing and advertising materials and strategies that have explicit gay and lesbian content.
<ul style="list-style-type: none"> • Conduct or obtain extensive research on the lesbian and gay market that can be used for marketing strategies.
<ul style="list-style-type: none"> • Advertise in gay and lesbian media. Examples of magazines include the Advocate, Curve, OUT, Girlfriends, Genre, POZ, Ten Percent, Southern Voice, Lesbian Connection, and Lesbian News. Examples of broadcast media include Gay Entertainment Television, Q Network, and Gay Cable Network.
<ul style="list-style-type: none"> • Create a gay and lesbian marketing director or department whose responsibility is to oversee marketing strategies for the company. This person would also act as a liaison to the lesbian and gay community.

Banking on the Pink Dollar: Sponsorship and the Gay Games

Indeed, sponsorship awareness levels at three Gay Games show patrons levels at 73.7% (Gay Games IV in 1994), 64.2% (Gay Games V in 1998), and 68% (Gay Games VI in 2002).

In relation to sponsorship awareness, companies can be assured that their sponsorship dollars are well spent, have value, and will most likely show a return on investment. A look at the three studies on sponsorship awareness on three Gay Games reveals some interesting numbers that support the general research on the gay and lesbian market in relation to high brand loyalty. Indeed, sponsorship awareness levels at three Gay Games show patrons levels at 73.7% (Gay Games IV in 1994), 64.2% (Gay Games V

in 1998), and 68% (Gay Games VI in 2002). Furthermore, when asked if they would be more likely to purchase products of sponsors, patrons' levels were 92.3%, 73.1%, and 74%, respectively (see Table 8). In other research, the motivations of sponsors were examined and compared to those sponsors of non-gay/lesbian sports events. Among the findings, the number one answer was "to increase sales" followed by "to build brand loyalty," "sponsor many gay sports events in Toronto," "give back to the community," and "improve image in the community" (Jarvis, 2002).

In addition, the earlier study on visitor spending (Pitts & Ayers, 2001) shows that people who are attending the Gay Games typically spend an average of 10 days at the destination and spend an average total of \$2,514.00 (USD). Of this, some of the spending categories were \$349 spent on food, \$124 on entertainment, \$192 on retail shopping, \$111 on souvenirs, \$674 on lodging, and \$590 on commercial transportation. In another study exploring sports tourism and the emerging use of destination marketing with the Gay Games, it was reported that "the attraction, size, and enormity of the event" is very attractive

to “national and international mainstream governing sports organizations, government departments, and tourism offices. The potential economic and cultural impact for such stakeholders as the hotel, restaurant, tourism sites and offices, and airlines industries” is enormous (Pitts & Ayers, 2000, p. 389). Hence, it would appear that the Gay Games has gained an acceptable level of attractiveness as a venue for corporate sponsorship and that companies seeking the gay and lesbian market through sports should give considerable attention to the Gay Games as a potentially successful venue.

Reaching the Gay and Lesbian Sports Market

Besides sponsorship of the Gay Games and other gay and lesbian sports events, what are some specific marketing strategies that companies can use to reach “the pink market”?

Besides sponsorship of the Gay Games and other gay and lesbian sports events, what are some specific marketing strategies that companies can use to reach “the pink market”? Table 9 provides a short list of strategies. A company might use one or a combination of the strategies. As you can see, most are relationship-marketing strategies. For more in-depth strategies and discussion, it is recommended that companies seek professional help through companies that specialize in research and marketing and the gay market, such as Prime Access, Overlooked Opinions, Mulryan/Nash, WinMark, and Revendell Marketing.

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Endnotes

- (1) For further discussion about brand theory, see Aaker, D. A., & Joachimsthaler, E. (2000). *Brand leadership*. New York: The Free Press.

