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# **The Evolution of B2B Sponsorship Activation: From Corporate Hospitality to Experiential Sponsorship Activation**

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## ***Introduction***

Against a backdrop of shifting sponsorship orientation from a short-term focus to a more strategic and longer-term relational perspective (Farrelly, Quester and Burton, 2006), and wider growth in experiential marketing (Smilansky, 2009), new and innovative forms of sponsorship activation are emerging. Whilst corporate hospitality (CH) has been a widely used activation technique in B2B settings, it is becoming more common to see both B2B and B2C sponsors employing a diverse array of events and experiences to maximise their sports sponsorship activities. As distinct from the sponsored event itself, we term these spin-off events ‘experiential sponsorship activation’ (ESA). Notable examples include Deloitte House at the London 2012 Olympic Games (Snoad, 2012) and Nike’s Casa Fenomenal at the FIFA 2014 World Cup (Babakhan, 2014). Despite the growth in ESA in practice, with a few exceptions (e.g. Papadimitriou and Apostolopoulou, 2009), it remains largely ignored in the academic literature. Through a detailed case study of the experiential activation of Cisco’s London 2012 Olympic and Paralympic Games sponsorship, this study explores the strengths and challenges of ESA as an alternative to traditional notions of CH in a B2B setting.

## ***Literature Context***

In a traditional event sponsorship context, client relationships have been typically developed through the provision of CH. However, in recent years, CH has been criticised for providing benefits that recipients could not normally afford, and which are often not business-related (Chetwynd, 1998). The mood of austerity since the 2008 financial crisis has seen lavish hospitality branded a form of corporate irresponsibility (Meenaghan, McLoughlin, and McCormack, 2013) and has shifted sponsors’ focus from trying to ‘out-lavish’ one another (Bennett, 2003), to crafting activations which are more engaging, informative, socially responsible and value for money. Traditional CH, with its narrow design emphasis on hospitality and hedonism, is more focussed upon the attendee as individual consumer as opposed to business representative. In contrast, ESA recognises the dual role of attendees as individual consumers and representatives of their B2B organisation and moves beyond mere entertainment (Poulsson and Kale, 2004), towards the active involvement of these attendees. Indeed, well-designed ESAs allow B2B sponsors to engage their customers in a ‘memorable...and exhilarating way’ (Williams, 2006).

## ***Methodology***

Consistent with the exploratory nature of this research, this study adopts a single-case study design (Yin, 2009) centring on Cisco’s sponsorship of the London 2012 Olympic and Paralympic Games. A range of data sources were used, including: in-depth interviews with the Digital Marketing Program Manager and the Marketing Communications Lead at Cisco UK; Cisco-produced printed and digital content, strategy documents, YouTube videos, ‘mined’ results of Cisco’s Twitter activity and visitors’/attendees’ Twitter activity using the hashtag ‘#cisohouse’; and all related stories published in the media.

## ***Results and Discussion***

Cisco’s ESA activities encompassed both online and physical events and were central to its wider sponsorship activation, which also included print and online advertising and PR activities. The first ESA was Plan For Success (PFS), a series of expert-hosted webinars on key business themes and the second

was the Cisco Interview Series (CIS), which comprised three webinars in which Olympic athletes discussed their Olympic story and the links between technology and sport. More substantially, Cisco's physical ESA was Cisco House, a purpose-built interactive business transformation experience on the roof of Westfield Shopping Centre, overlooking the Olympic Park.

Traditional CH approaches present a disconnect between pandering to the entertainment desires of event attendees as individuals and delivering organisational value to the actual B2B customer as a corporate entity. Unlike the more traditional CH approach of entertained spectating, ESA events such as the Business Transformation Experience at Cisco House or the PFS webinars offered their attendees far more opportunities for learning, knowledge exchange, networking and business inspiration. Where the content was deemed less relevant from a business perspective, as was the case with the CIS, Cisco struggled to drive traffic and engagement. The emphasis in ESAs on engaging content, coupled with business-relevance, bridges the divide between the potentially paradoxical needs of the attendee as both event consumer and B2B representative. Significantly the outcome is that individuals are enticed to attend and can also justifiably devote work time to do so.

In addition, spectating at traditional CH events is an activity that, whilst enjoyable for the attendee as an individual, is essentially passive in nature. By contrast, ESAs such as Cisco House and the PFS webinars offer far more active involvement (Pine and Gilmore, 1999) which may help deliver greater value in terms of knowledge acquisition and learning for the businesses, without detracting from the personal enjoyment of the attendee.

Nonetheless, this case indicates that there are challenges that ESA activities can present, meaning their introduction requires careful design. Employing ESA may work best for companies that produce certain types of products and services. While Cisco is not unique amongst B2B organisations, its products lend themselves to the curation of ESA activities which facilitate active involvement, showcasing and interactivity around business-relevant content. Creating ESA events of the nature and style of Cisco may be more challenging for other B2B organisations, where product offerings are more tangible and potentially less 'captivating'.

## ***Conclusion***

This study offers an empirically grounded contribution to the emergent knowledge base surrounding ESA in a B2B context, with ESA positioned as a powerful tool for B2B organisations pursuing relational objectives. The Cisco case indicates that a key strength of ESA is its ability to attend to the dual identity of event attendees as both individual event consumers and representatives of their respective companies. Where careful consideration of the multiple stakeholder priorities is lacking, even in part, then the chances of an ESA being successful may be vastly diminished. Whilst the objectives of the sponsoring organisation are imperative in designing ESAs, by placing attendees and B2B customers at the heart of a considered design process the possibilities are enhanced. As ESA practice expands across the sponsorship sector, the findings from this study can help to inform the design and execution of B2B experiential activations, emphasising the focus on addressing attendees' dual identities and engendering active participation.

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