

Determining the brand-building success of sponsorship

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Sports sponsorship has developed exponentially both as a commercial and academic discipline over the course of the past 20 years, with 2006 worldwide expenditure totalling \$37.9 billion (IEG, 2008). In line with the growing practice of sponsorship across product and service sectors, academic interest in the domain has increased steadily. However, there still remain a considerable number of gaps in knowledge and understanding of how sponsorship works. In line with trends towards the application of broader theoretical models to the field of sponsorship, this paper explores the brand building capacity of sports sponsorship within the conceptual framework of consumer-based brand equity.

Sponsorship Context

Sponsorship has become an established and accepted addition to the promotional armoury of brands, offering an attractive 'place' in which to communicate and leverage positive brand associations. A significant driver of sponsorship growth has been the rising amount of clutter present in the advertising market (Roy and Cornwell, 2004), which inhibits the ability to effectively communicate key brand messages. As growth in sponsorship escalates, so there is increasing evidence of clutter within the sponsorship environment, leading to consumer confusion and potentially harming both sponsor recall and image transfer benefits (Smith, 2004). Given the proliferation of sponsorship opportunities, sponsors are now being forced to broaden their conceptualisation of what constitutes a sponsorship-led marketing strategy and the importance of effective leverage is increasingly being emphasised to ensure sponsorship's position as an effective brand-building tool (Cliffe and Motion, 2005).

The importance of leveraging or exploiting sponsorship is echoed in Meenaghan's (1991:36) definition of sponsorship:

"Commercial sponsorship is an investment, in cash or in kind, in an activity, in return for access to the exploitable commercial potential associated with that activity."

The objectives set by sponsors vary across sponsored properties and sponsor product/service categories, however it is widely reported that commonly sought brand objectives include awareness (Verity, 2002), image and positioning benefits (Hartland, Skinner and Griffiths, 2005), sales (Tomasini, Frye, and Stotlar, 2004) and, increasingly, loyalty and relationship building (Ukman, 2004).

Much previous sponsorship-based research has adopted a descriptive approach, with a lack of theoretical development to aid understanding of the brand-building role of sponsorship. Therefore, this study applies the theoretical framework of consumer-based brand equity to the domain of sponsorship in order to advance theoretical understanding of how sponsorship works.

Theoretical Framework

Aaker (1991:15) conceptualises brand equity as:

“...a set of brand assets and liabilities linked to a brand, its name and symbol, that add to or subtract from the value provided by a product or service to a firm and/or that firm’s customer.”

Within this framework, Aaker considers brand equity as comprising brand awareness, brand associations, perceived quality, brand loyalty and other proprietary brand assets.

Cornwell, Roy and Steinar (2001) explored the views of managers concerning the contribution of sponsorship to a range of general and distinctive elements of brand equity, while Roy and Cornwell (2003; 2004) examined the impact of brand equity upon perceived sponsor-event fit. However, the contribution of sponsorship to consumer-based brand equity from a consumer perspective has not previously been explored. This, along with the growth in brand-related objectives pursued by sponsors provided the rationale for this empirical investigation.

A positive relationship has been identified between sponsorship and brand awareness (Javalgi *et al*, 1994; Bennett, 1999), thus outlining the visibility-enhancing role of sponsorship. While awareness may be an objective for certain sponsors (often newly launched brands), the effectiveness of sponsorship is enhanced if spectators go beyond awareness and there is image transfer from the sponsored property to the sponsoring brand (Roy and Cornwell, 2004) in terms of positive brand associations (including a perception of quality).

While there is considerable empirical evidence of the role of sponsorship in building brand image, few studies have explored the impact of sponsorship on brand loyalty and, as yet, there is no consensus on the ability of sponsorship to positively impact purchase intention (Poon and Prendergast, 2006). Sales, as a bottom line indicator can be seen as a tangible means of measuring sponsorship success, however the attribution of sales increases to any one marketing communications tool is problematic, given the integrated and complementary nature of marketing communications programmes. In line with this, Horn and Baker (1999) suggest that sponsorship be seen as a long-term brand building strategy (like advertising) rather than as a short-term sales boosting tool.

Building upon the review of previous literature, the following hypotheses are proposed for this study:

H₁: Sports sponsorship will positively impact on brand name awareness.

H₂: Sports sponsorship will have a positive impact upon brand associations.

H₃: Sports sponsorship will have a positive impact on perceived quality ratings of sponsoring brands.

H₄: Sports sponsorship will have a positive impact upon brand loyalty.

Methodology

A cross-sectional survey methodology, involving the use of self-administered questionnaires was adopted in order to assess the contribution made by sponsorship to the elements of consumer-based brand equity. In order to isolate the impact of sponsorship, questionnaires were distributed at four UK sporting events and to two comparison sample groups not present at the events. Data was collected at two international athletics meetings held in Birmingham, UK and Sheffield, UK in February 2007 and July 2007 respectively (combined event n = 206, comparison sample n = 141) and at two domestic one-day cricket matches in Nottingham, UK

in August 2007 and Manchester, UK in September 2007 (combined event n = 106, comparison sample n = 102). The use of two contrasting sports and sponsorship environments facilitates an investigation into the role of contextual factors in determining sponsorship success.

The athletics sponsor (sponsor 1) is the largest UK athletics sponsor and is the dominant sponsor within the sport. The cricket events form part of a one-day league competition, sponsored by a well-known financial services provider. The competition is one of several within cricket in the UK, each having their own sponsor. Therefore, the cricket sponsorship (sponsor 2) represents a cluttered sponsorship environment, which has implications for the ability of sponsors to effectively communicate with their target market(s). Due to time constraints upon data collection at sporting events and the lack of a pre-existing sampling frame, convenience sampling was used in order to maximise the number of respondents. Resource constraints also dictated the use of convenience sampling in selecting the comparison sample groups.

Consumer-based brand equity was measured using a modified version of the brand equity measurement tool developed by Aaker (1996). The measures employed are outlined below in Table 1. The selection or omission of measures was made based upon suitability and relevance as indicators of brand equity for the brands under investigation.

Table 1: Brand Equity Variables

Brand Awareness	Brand Associations	Perceived Quality	Brand Loyalty
Brand recognition	Trust	High quality	Expressed loyalty
Product associations	Reasons to purchase	Comparison with competitors	Satisfaction with previous purchase
Brand opinion	Differentiation	Leadership	Purchase intention
	Distinctive personality	Growing in popularity	Recommendation to friends/family
	Value for money	Innovation	Consideration
	User image	Respect	Willingness to pay price premium

The variables for brand associations, perceived quality and brand loyalty, along with brand opinion were measured using 5-point Likert scales from “totally agree” (scored +3) to “totally disagree” (scored -2) with “don’t know/not applicable” scored as 0 and “neither agree nor disagree” scored as 1. The scores attributed to “don’t know/not applicable” and “neither agree nor disagree” capture the difference between neutral brand evaluation and a lack of brand knowledge. Scores for the individual elements of brand associations, perceived quality and brand loyalty respectively were totalled to produce overall scores; the brand equity scores of event-based respondents were then compared with those of the respective comparison samples through the use of independent samples t-tests.

Results

Sponsor 1

Top-of-mind athletics sponsorship awareness for sponsor 1 (event-based sample) was 78%, while title sponsorship awareness of the particular event was 95%, indicating a very strong

link between the sponsor and the sport. In contrast, only 38% of respondents in the comparison sample were aware of any sponsorship activity by sponsor 1.

Brand awareness for sponsor 1 was very high among the event-based (99%) and comparison samples (98%), therefore no significant difference was found between the two groups ($\chi^2(1) = 0.222, p = 0.637$) and thus no support was found for hypothesis H₁. In terms of brand opinion, which acts as a bridge between awareness and higher-order elements of brand equity, the mean score for the event-based sample (1.16) was significantly higher than the score of 0.71 among the comparison sample ($t = 3.515, p = 0.001$).

As can be seen in Table 2 below, the mean scores for sponsor 1 for brand associations, perceived quality and brand loyalty were significantly higher among those exposed to the sponsorship at the event than among the comparison sample. Therefore, in this case support is found for hypotheses H₂, H₃ and H₄.

Table 2: Mean Brand Equity Dimensions Scores (Sponsor 1)

Sample Group	Brand Associations	Perceived Quality	Brand Loyalty
Event	5.7474	7.3089	4.8469
Comparison	4.0000	6.2574	3.3456
	t = 4.004 p = 0.000	t = 2.421 p = 0.016	t = 2.996 p = 0.003

Sponsor 2

Sponsor 2 achieved top-of-mind sponsorship awareness of 37%, while 60% of event-based respondents correctly identified sponsor 2 as the title sponsor of the event. Among the comparison sample, 48% of respondents were aware of some sponsorship activity by sponsor 2. Sponsorship awareness for sponsor 2 is much lower than that for sponsor 1, illustrating the difficulty of gaining prominence in a cluttered sponsorship environment.

As a well-established financial services provider, it is unsurprising that sponsor 2 achieved brand awareness of 100% among both event-based and comparison sample groups. Therefore, no support is found in this case for hypothesis H₁. As with sponsor 1, the mean score for “brand opinion” was significantly higher among the event-based sample (1.18) than the comparison sample (0.70) ($t = 2.921, p = 0.004$).

As seen below in Table 3, in the case of sponsor 2, the mean score among the event-based sample was significantly higher than that in the comparison sample for brand loyalty. No significant difference was found between the samples on brand associations, however using the non-parametric Mann Whitney U test, the mean score for those exposed to the sponsorship was found to be significantly higher than that for the comparison sample ($Z = -2.218, p = 0.027$). No significant difference was found between the sample groups for perceived quality. Therefore, support is found for hypotheses H₂ and H₄, while hypothesis H₃ is not supported.

Table 3: Mean Brand Equity Dimensions Scores (Sponsor 2)

Sample Group	Brand Associations	Perceived Quality	Brand Loyalty
Event	4.9394	6.375	3.7184

Comparison	3.8367	5.6733	1.7347
	t = 1.834 p = 0.068	t = 1.100 p = 0.273	t = 2.611 p = 0.010

Discussion

Creating a strong link between the sponsor and the sporting event facilitated image transfer, particularly in the case of sponsor 1, resulting in significantly higher brand associations scores for those exposed to the sponsorship activity. The creation of intangible image associations, facilitated by the creation of a strong sponsor-event link allows brands to use sponsorship as a source of differentiation, which can be difficult for competitors to replicate.

However, knowledge of sponsorship among the comparison samples was not found to have a significant impact on brand associations, perceived quality or brand loyalty for sponsor 1. Therefore, the role of 'place' in the sponsorship context is important, with a certain degree of involvement with the event required to go beyond awareness and impact upon higher-order elements of brand equity. These findings have clear implications for the impact of sponsorship on television spectators and thus warrant further investigation.

Both sponsor 1 and sponsor 2 leverage their respective sponsorships through associated grassroots sport initiatives as well as reinforcing product benefits through television, poster and online advertising. Equally, sponsor 1 in particular leverages its athletics sponsorship on-site through free gifts, product information and poster signage. Sponsorship is acknowledged as being poor at communicating detailed product information (Ukman, 2004), but as the empirical results illustrate, the medium is strong at building and reinforcing intangible image associations. Therefore, it appears that the effectiveness of sponsorship will be maximised when leveraged as part of a wider programme of integrated marketing communications.

The gulf in sponsorship effectiveness between sponsor 1 and sponsor 2, particularly in terms of the impact on perceived quality, can be attributed to the respective sponsorship compositions (Smith, 2004) of the two brands (dominance .v. presence of competitors as sponsors). As the dominant sponsor in UK athletics, the prestige of being a leading sponsor "rubs off" on sponsor 1. When faced with large amounts of clutter, it is not possible for sponsor 2 to tap these associations of leadership through its cricket sponsorship. The high profile and ubiquity achieved by sponsor 1 in its link with athletics enables connotations of superiority and leadership to be transferred to the brand through sponsorship; the conceptual jump for consumers from number one athletics sponsor to a leader in its field (financial services) is not as great as it would be for sponsor 2, which is one of many financial services providers involved in cricket. These findings, therefore, have practical implications for the selection of appropriate sponsorship vehicles; in order to use sponsorship to build a perception of quality, it is necessary to either select an exclusive, but potentially expensive, sponsorship or to develop the sponsorship in such a way as to differentiate the brand from fellow sponsors.

Conclusion

The results presented in this study have highlighted that there are several contextual elements which are key to achieving success through sponsorship, notably the development of a strong sponsor-event link, effective leverage and use of sponsorship as part of a wider programme of marketing communications, and the avoidance of cluttered environments. Therefore, it is

important that the existence of such contextual factors be included in future models of how sponsorship operates and in sponsorship evaluation tools. The development of such an evaluation tool represents a future extension of this research.

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