

OLYMPIC LICENSING: FUNCTIONS AND MEANINGS OF OLYMPIC LICENSED PRODUCTS

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INTRODUCTION

Olympic licensing first appeared in the 1896 Olympic Games in the form of the Olympic Philatelic Program. Since then it has become one of the main revenue sources for the Olympic Movement. The Olympic licensing programs—that accounted for 2% of total Olympic marketing revenue in the 2001-2004 period—are managed by the Organizing Committees of the Olympic Games (OCOGs) and overseen by the International Olympic Committee (IOC) (Olympic Marketing Fact File, 2004, p. 62). In the 2000 Sydney Games there were 100 licensees whose programs generated \$52 million (Olympic Marketing Fact File, 2004, p. 62). In the 2004 Athens Games there were 19 Greek and 4 international licensees that were expected to generate an estimated \$56 million in licensing revenues (Olympic Marketing Fact File, 2004, p. 12). According to the Olympic Marketing Fact File, “Licensing programmes are brand driven, designed to promote the Olympic Image and convey the culture of the host region within a controlled commercial environment” (2004, p. 62).

According to Mullin, Hardy, and Sutton (2000), licensing works because team licensed products allow fans to “take home” an otherwise intangible sport product (p. 141). They also provide avenues for fans to express their allegiance to a sport organization, unite with other fans of the same team, and connect with team players (Mullin et al, 2000). The purchase of sport licensed products has been linked to fans’ relationship with a particular team; fans with high levels of commitment to and identification with their favorite team will spend time, money and other resources in order to follow that organization (Smith, Patterson, Williams, & Hogg, 1981; Sutton, McDonald, Milne, & Cimperman, 1997; Wann & Branscombe, 1993). Moreover, the on-the-field success of a team can lead to demonstration of team affiliation by wearing team apparel (Cialdini, Borden, Thorne, Walker, Freeman, & Sloan, 1976).

In his study of the relationship between consumer goals and product meanings, Ligas (2000) distinguishes between the functional (i.e., utility) and symbolic meanings of products and argues that the intended use of a product might influence what that product actually means for a consumer. Given the unique nature of the Olympic Games as a sporting event, it becomes of interest to study why people buy Olympic licensed products and what those products mean for consumers.

METHODS

The purpose of this research was to examine the functional use and symbolic meanings associated with people’s purchase of licensed items of the 2004 Olympic Games. In order to explore our research questions, a questionnaire was used. Respondents were approached at popular shopping centers authorized to sell authentic 2004 Olympic merchandise in Greater Athens and asked to respond to the following questions:

- What 2004 Olympic items have you purchased?
- What are the reasons that led you to your purchase(s)?
- How are you planning to use these items?
- What do these items mean to you?

In addition, respondents were asked whether they had purchased licensed products from other sport organizations in the past. Some demographic information was also collected. The collection of data took place in August and September 2004. Two hundred eighty usable questionnaires were collected on site.

RESULTS

The results indicated that the most popular items among purchasers appeared to be Olympic pins, t-shirts, mascots and hats. Most respondents agreed that the primary reason for purchasing these items was to keep them as memorabilia. Other reasons included the items' colors and designs, as well as their high quality. This provides support to the IOC's stated priority of ensuring "the authenticity and quality of Olympic merchandise" (Olympic Marketing Fact File, 2004, p. 61). In terms of the functional use of Olympic products, respondents indicated that they were planning to keep those items as memorabilia, utilize them for everyday functions, or offer them as gifts.

When asked what those Olympic products meant to them, it appeared that most respondents expressed a nationalistic sentiment. The main themes that were provided were that the Olympic items symbolized for them the importance of having the Games in Greece and the pride from the fact that the country was able to successfully host such a large-scale event. Moreover, respondents felt that purchasing these items would remind them that they too were part of a once-in-a-lifetime event.

Finally, one interesting finding relates to respondents' past purchases of other team licensed products. Through our research it became evident that the overwhelming majority of respondents had not purchased team licensed merchandise in the past; their behavior was uniquely attributed to the nature of this event.

DISCUSSION

Our results add to the existing discussion on licensed merchandise by suggesting that Olympic licensed products can serve as an expression of patriotism and an avenue to capture, as well as extend, a unique sporting event. These findings can be used in the promotion of Olympic product extensions, as well as extensions of other unique events such as World Championships (e.g., World Cup), the Super Bowl, and All-Star Games.

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