MEGA-SPECIAL-EVENT PROMOTIONS AND INTENT-TO-PURCHASE: A LONGITUDINAL ANALYSIS OF THE OLYMPIC GAMES

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Mega-special-event properties (sponsees) have the ability to attain significant resources through sponsorship, by offering exclusive promotional opportunities that target sizeable consumer markets and attract sponsors. A longitudinal analysis of consumer opinion related to the 2000, 2002, 2004, and 2006 Olympic Games questions the ability of Games sponsorship to influence the sales of sponsor offerings. Results pertaining to consumers’ intent to purchase sponsors’ products demonstrate that levels of intent-to-purchase inspired by sponsorship of the Olympic Games are relatively low but, most importantly, that increases are being achieved over time.

The true long-term impact of a sponsorship on sales, or intent-to-purchase is difficult to evaluate and, thus, often questioned. Walliser (2005) notes that the vast majority of sponsorship evaluation exercises measure awareness constructs, with a limited number looking at image constructs, and only a very few explore purchase intention. Crompton (2004) suggests that the ideal measure by which to evaluate sponsorships is sales (traffic, leads or sales figures), followed by intent to purchase which he deems ‘useful’, and finally media equivalency and awareness/recall studies which he defines as “common but flawed” (page 269).

The literature points to intent to purchase sponsors’ products as an important way to view sponsorship effectiveness (Jalleh, Donovan, Giles-Corti & Holman, 2002; Daneshvary and Schwer, 2000). Indeed, Cornwell, Pruitt and van Ness (2001), note that sponsorship does impact purchase intention, particularly if the association between sponsor and sponsee is a good fit.

There has been a dearth of studies aimed at determining the impact of sponsorship and advertising on purchase behavior. Several have reported that consumers feel more positive towards companies that sponsor events that are of interest to them. Stotlar (1993) found that 66% of respondents indicated that a company’s Olympic sponsorship favorably affected their purchasing habits. Results from a nation wide survey conducted by the Canadian Olympic Association (Charlton Group, 1998) during the 1998 Nagano Olympic Games found that 41% of those surveyed were more likely to consider a Canadian Olympic Team sponsor than non-sponsors. Intent to purchase, as studied by Lyberger and McCarthy (2002), was found to be less among respondents in a study undertaken around the 2000 Super Bowl than among respondents to a similar survey undertaken around the 1998 Super Bowl; for both official sponsors and telecast advertisers.

METHODS

The method adopted for this study responds to Walliser’s (2003) recommendation that sponsorship research include broader application, longitudinal study and larger sample sizes. It analyzes large sample data drawn from consumer perceptions of promotions (both sponsorship and advertising) of the 2000, 2002, 2004, and 2006 Olympic Games. The data for this study were generated using the Consumer Perception Index (CPI) which is a five-part questionnaire containing 52 items designed to measure consumer perceptions of sponsorship.

For this study, five (5) questions were utilized as a means to measure consumer perceptions on intent to purchase sponsors products and services surrounding the 2000, 2002, 2004, 2006 Olympic Games. Following minor revisions to the instrument after a pre-test, it was implemented in a number of cities in the United States and in Canada utilizing a modified version of the mall-intercept technique. From the results, trend data was assessed and key factors identified. Of note is the inclusion of a latent growth structural equation model, which is appropriate given the large and random sample sizes queried to investigate systematic growth over time (see Meredith and Tisak, 1990).
RESULTS
Two measures are significant at <.05 as ‘willing to pay somewhat higher prices for products of official Olympic sponsors’ and ‘more likely to buy products advertised during the Olympic Games. The overall trend over the sampled Games shows that willingness to purchase is increasing.
An examination of latent affects was done to broadly explore the conative construct of intent to purchase. Intent to purchase was modeled using a Latent Growth Model analyzed using a structural equation model using LISREL software. The responses for the five questions were then organized by year and sample sizes reduced randomly to data sets of 389 observations each to match the lowest number observed and to enable analysis using LISREL. Measurement model testing was conducted for Games to identify which measures best reflected purchase intentions for that year. The path model is organized with the measures of intent to purchase loading into the Olympic Games of interest with comparisons of rate of change between each year.

DISCUSSION
The results from the Latent Growth Model indicate that there is potential volatility in the responses to promotional stimuli over time at mega-events. While this response instability exists, it may be impacted by a number of extraneous factors including varying sponsor objectives, pre-sponsorship awareness levels, the pre-sponsorship image of sponsor and sponsee, existing brand associations, changing consumption patterns of the Olympics, increased clutter in the market place, or poor activation by sponsors. One acknowledges that such volatility may exist in mega events, and that future research might isolate and explain some of the volatility, but the overall trend of an appreciating level of intent to purchase and a willingness to pay a higher price for sponsors is an indication of a market that is relatively satisfied with its offerings.

REFERENCES