

SPONSORSHIP GOALS AND ACTIVATION IN THE NATIONAL HOCKEY LEAGUE

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Abstract

AIM OF PAPER

The purpose of the present study was to examine sponsorship goals and activation initiatives of four corporations investing in sponsorship agreements at different levels with a US-based National Hockey League (NHL) franchise. Given the relative scarcity of literature focusing specifically on sponsorship activation, this study aims to make contributions to sport marketing theory and practice.

THEORETICAL BACKGROUND

Corporate sponsorship has become a strategic tool allowing companies to reach desired consumer groups, achieve an advantage over their competition, and ultimately grow their business (Meenaghan, 1998). Sport properties are the largest platforms for sponsorships with sport sponsorship spending reaching \$8.31 billion in 2005 in the United States alone (Mullin, Hardy, & Sutton, 2007). Because of this, it is important to ensure that sponsorship agreements are beneficial for both the sport property and the sponsoring company. Keys in achieving this are the existence of clearly defined, measurable sponsorship objectives and the investment in a well designed and well executed sponsorship activation plan (Lee & Cho, 2009; Olkkonen, 2001; Papadimitriou, Apostolopoulou, & Dounis, 2008).

Sponsorship activation refers to any activity that is performed in conjunction with the sport sponsorship that requires resources above and beyond those provided within the sponsorship package? (Irwin, Sutton, & McCarthy, 2008, p. 192). Companies can choose to activate their sponsorships in a variety of ways, including advertisements during televised events, on-site signage, contests for on-site and/or media consumers, and sales promotions (Bennett, Ferreira, Lee, & Fritz, 2009; Papadimitriou &

Apostolopoulou, 2009). In order to turn the sponsorship into a long-term competitive advantage, a company must fully integrate the sponsorship throughout the company?s marketing mix (Amis, Slack, & Berrett, 1999; Farrelly, Quester, & Burton, 1997).

METHODOLOGY

Semi-structured depth interviews were conducted with sponsorship executives from four corporations that have invested in sponsorship partnerships at different levels with a US-based NHL franchise. The four corporations represent the dining, clothing, food, and beverage industries. The purpose of the interviews was to gather information on each sponsor?s investment, their goals for this partnership, as well as the strategies and tactics through which they activated their sponsorship agreement. Moreover, one team representative in charge of servicing all four accounts was interviewed in an effort to supplement the information received by each corporation but also to assess the team?s approach to their sponsorship program. Interviews were conducted in September and October 2010.

RESULTS

Each interview was recorded and later transcribed. Data generated from the interviews were content analyzed, guided by themes offered in the sport sponsorship literature.

In terms of the corporations? goals for their sponsorship investments, those included increasing sales, raising brand visibility and recognition levels, particularly among target consumers, becoming involved in the community and exhibiting local pride, and rewarding company employees. Those goals are consistent with existing literature on sponsor motives and goals (e.g., Abratt, Clayton, & Pitt, 1987; Apostolopoulou & Papadimitriou, 2004). Interestingly, no difference was noted in the stated goals based on the corporations? level of investment.

Three of the four corporations-sponsors revealed that they invested additional funds in activating their sponsorship agreements. (The fourth corporation declined to disclose that information.) The sponsorship agreements examined in this study were activated mainly through coupons, in-arena signage, advertisements in game programs, team programs (e.g., student ticket program), hospitality options, and contests.

[Upon acceptance of this abstract, additional information on the profile of each corporation-sponsor, their sponsorship portfolio, benefits received as part of this agreement, as well as their activation budget will be presented. Those were not included in this abstract due to word limit constraints.]

DISCUSSION/IMPLICATIONS

Given the levels of investment made not only to secure but also to activate a sponsorship agreement, it is crucial that corporations receive substantial return on their investment and on the objectives set forth for each agreement. Sport organizations should provide their corporate partners-sponsors with relevant benefits and propose activation initiatives based on sponsors? individual goals and objectives. Utilizing advertising, signage, sales promotions, and hospitality programs can prove effective in leveraging sponsorship rights. Furthermore, a well designed and well executed sponsorship activation plan can address

concerns about sponsorship discontinuation due to lack of activation (e.g., Irwin et al., 2008), ultimately contributing to a sport organization's financial health.

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