

VIRTUAL GAMES: OLYMPIC SPONSORSHIP AND NEW MEDIA

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Abstract

Aim of the Paper

With online platforms a leading force in modern business communications and public relations, the Olympic movement must continue to adapt and integrate the platform into all aspects of its own communications mix. The purpose of this paper is to examine the opportunities and threats emerging for Olympic sponsorship as a result of the ever-increasing scope and importance of new media as a communication platform. To achieve this objective the following research questions will be examined: 1) how do Olympic marketing stakeholders view the role of new media in Olympic marketing and sponsorship? 2) what opportunities and threats are created by new media for Olympic sponsorship? 3) How might these opportunities and threats impact the sponsorship practices of Olympic sponsors and the brand management practices of Olympic property owners?

Literature review

Following the 2010 Winter Olympics in Vancouver the International Olympic Committee (IOC) declared them to be the 'first social media Games' (IOC, 2010). The IOC used platforms such as twitter, YouTube and Flickr to engage the public online with much success, including nearly 200 million impressions from their Facebook page (IOC, 2010). Similarly the Vancouver 2010 website recorded 275 million visitors, more than double the number from Beijing in 2008 (IOC, 2011). With such an increase in online engagement the consequences for Olympic sponsorship should not be ignored. For the purpose of this paper the term new media will be used to describe online engagement in various forms including websites, broadcasting, and social media sites such as Facebook and twitter. An examination of previous literature on new media and sport marketing revealed only a handful of articles dealing directly with this emerging area. One such example is the work of Santomier (2008) who argues that the value of sport sponsorship has been increased as a

result of "thematically linked, integrated, strategic global marketing initiatives driven by new media applications" (p. 15).

Outside of the Olympic context Keller (2003) has presented a 4 stage process in strategic brand management to grow and sustain brand equity. As part of this, he emphasizes the ability of an organization to understand how strategies should be adjusted over time (Keller, 2003). There has also been some research in the specific area of Olympic brand management. For instance Séguin and O'Reilly (2008) proposed a model for Olympic brand management to reduce clutter, fight ambush marketing and delineate stakeholder responsibilities. This paper seeks to use these models as a guide to discuss the potential impacts of digital media on Olympic brand management practices.

Methodology

This paper consists of 15 interviews completed with six sponsors from the Vancouver Winter Olympics, six Olympic marketing personnel, and three Olympic marketing experts. The interviews lasted between 40 minutes and one hour and 40 minutes and were tape recorded and transcribed. The interviews were coded and categorized according to emerging themes related to the discussion the potential impacts of new media on Olympic marketing.

Results and Discussion

From the perspective of Olympic property owners, the emergence of new media as a platform for sponsorship is a key trend for the future of the field. Similarly many sponsors felt that, going forward, many changes to the way they activate their sponsorship will be born out of the expanded marketplace offered by new media options. However, as expected, the emergence of this expanded platform provides all the above stakeholders, with both opportunities and threats. New media seems to provide both sponsors and Olympic property owners with similar opportunities including a more direct approach to specific target markets, a chance for direct interaction with consumers and, most of all, and another way to put their brand in front of the public. Alternatively, specifically for the property it offers access to the elusive youth market and for the sponsors the opportunity to combine with other sponsors creatively. Threats posed by new media for both groups include an increased platform for ambush marketing, while sponsors may experience increased cost in activating already expensive sponsorships and Olympic property holders are forced to exert control over multiple stakeholders in a fast moving and, as of yet, under regulated environment.

From a brand management perspective these issues add a level of increased complexity to many already identified tasks. These include: integration in a worldwide marketing mix, articulation of clear guidelines for all stakeholders, increased competencies for organizing committees and national Olympic committees, reevaluation of the structure of sponsorship, broadcasting and online rights agreements, clearer consideration of target markets, and managing the consistency of the Olympic brand.

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