

# THE DEVELOPMENT OF SPONSORSHIP AWARENESS OVER TIME

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## Abstract

### Aim of the Study

Sponsorships have been evolving from short term, philanthropic activities into long term strategic partnerships during the last decades (Farrelly, Quester & Burton, 2006). Moreover, sponsorship investments have been subject to an extraordinary growth rate (Cornwell, 2008). However, compared to for example academic research on advertising and pricing, empirical research on the effects of sponsorship remains less developed (Crompton, 2004).

As Fahy, Farrelly and Quester (2004) argue, nowadays sponsorships are expected to have long term effects and as such, typically involve long term contracts, on average three to five years. Still there is little insight in the effects of sponsorship duration on consumers' responses to the sponsorship. Therefore, the aim of the current study is to investigate how sponsorship awareness develops over time. Sponsorship awareness is generally viewed as a critical measure in assessing sponsorship effectiveness (e.g. Johar, Pham, & Wakefield, 2006; Wakefield, Becker-Olsen, & Cornwell, 2007).

### Research Design

We examined sponsorship recall and recognition in a multiple year, international context, namely sponsorship of the UEFA Champions League, a major European soccer competition for club teams with worldwide exposure. Data for this research have been gathered by a market research agency every half year in December (halfway the season) and May (end of season). Data collection took place from December 2005 until December 2009 in five European countries with a large population of soccer fans (France, Italy, The Netherlands, Spain and United Kingdom). The sponsorship in question started officially in the 2005-2006 season. The research population consists of people aged 18 years and older. Through an online panel, a sample has been composed including 400-650 respondents per country every half year. The samples per country are demographically similar. Respondents participating in one wave been excluded for the next two years so the data can be treated as multiple cross-sections. In total the dataset

consisted of 25288 cases.

We designed a logit model to predict individual correct sponsor identification for one of the main sponsors of the league. Our primary concern was investigating the influence of sponsorship duration and national sportive success. Moreover, we included several control variables as predictors. These involve the previously investigated variables individual involvement with the event, involvement with the sports category (soccer) and perceived fit. Furthermore, we included several individual characteristics, that is, consumption of the product category, consumption of brand X, country of origin, education level, age and gender.

## Results

The results of the logit model for sponsor recall can be found in table 1. The analysis for sponsorship recognition resulted in similar outcomes. The findings offer a number of valuable insights. Most importantly, we found a positive impact of sponsorship duration on sponsorship awareness levels. The largest increase in sponsorship identification occurred in the second season of sponsorship, whereas the growth rate tails off slightly in the years after (though the probability of recall still increased slightly during the period of measurement). This finding is of interest because it provides a solid argument for signing multiple year sponsorship contracts. These findings would imply that a sponsorship project would need to last a minimum of two years, but preferably longer to maximise recall levels.

Another interesting, perhaps somewhat surprising, finding is the small but negative effect of sportive success on the probability of correct sponsor recall. We argue that this finding might be the result of distraction from the sponsor message in matches that are more as opposed to less exciting, assuming that when a national club is performing well, matches are perceived as more exciting.

This study supports prior work on sponsorship awareness confirming the importance of several explaining factors. In particular, perceived fit, consumer involvement with the event and consumers' consumption of the sponsoring brand are found to be important predictors of sponsorship awareness.

The results of the logit analysis show great differences between countries of origin in consumer's ability to identify sponsors. Compared to an individual from The Netherlands and Spain, someone from France, United Kingdom or Italy seems significantly less likely to correctly identify brand X as a sponsor of UEFA Champions League. Differences in awareness by country may reflect variation in the composition of the marketing communications environment and in the level of competition by home brands. The results would imply that varying levels of sponsorship leverage between countries can be a proper strategy for sponsors because it may take more effort in one country than in another to gain sponsorship awareness. It would therefore be valuable to investigate the influence of country-specific factors further.

References:

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