

Intraorganisational legitimation of sponsorship decisions - the case of an international sporting goods retailer

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Aim of abstract and research question

In the last few years the scale of sport sponsorship expenditure has increased rapidly around the world. As the spendings grow, sponsors need to pay more consideration on planning sponsorships strategically, leveraging their investment and measuring sponsorship effectiveness. Remarkably, just a handful studies have looked into the organisational sponsorship decision making and selection criteria process, with some of them exploring decision making and buying behaviour processes (see e.g. Cornwell, 2008). It is widely assumed that decisions on sponsorship investments are unduly influenced by the personal interests and egos of senior managers (Johnston, 2010). Research on how sponsorship investments are legitimised within the firm is missing. To our knowledge this research in progress is the first study to examine and empirically test the role of legitimacy in the context of decisions on sponsorship investments. Therefore, since empirical research is absent, the objective of this paper is to fill in this gap. Accordingly, we formulate the following research question [RQ]:

How and why are decisions on sponsorship investments legitimised on an intraorganisational level?

Looking at micro-level analysis helps us to specifically understand the complexities of intra-organisational legitimation processes that were unnoticed in traditional approaches. Drawing on previous research on organisational legitimacy, we contribute to the growing body of literature by exploring legitimation processes and deepen the understanding of the interdisciplinary construct of legitimacy.

Theoretical background

Legitimacy has long been recognized as a key and fundamental process in social life, and in organisations in particular. Despite wide recognition that legitimacy is fundamental to understanding the internal structure and viability of an organization, articulating the general processes that underlie legitimacy is a difficult problem. Organisational legitimacy has not evolved as one contingent theory but as an umbrella of concepts stemming from a variety of scientific disciplines, ranging from sociological to management theories (for an overview see e.g. Deephouse & Suchman, 2008; Johnson, 2004). Depending on their respective disciplinary backgrounds, these concepts vary in the ways legitimacy is defined as well as the analytical perspective that is taken. Many studies have looked into legitimacy parameters. Among these studies are for example those focusing on antecedents, dimensions, strategies, consequences and outcomes of legitimacy. However,

research on intra-organisational legitimation processes still remains rare.

Data and methodology

As the research objective is about examining a phenomenon within its complex real-life context and obtaining in-depth understanding, an exploratory case study design is the most appropriate approach considering the guidelines on qualitative data collection and analysis outlined by Yin (2009). In order to obtain the relevant data, a pilot study was conducted to improve and sharpen questions for subsequent interviews planned in the course of the research project. An in-depth interview with a decision maker from an international sporting goods retailer involved in sponsorship actions depicts the empirical basis of this work in progress. The firm has the worldwide leading position in the sporting goods retail market and is also engaged in multiple sponsorship deals. The interview was conducted in German language and audio recorded for subsequent transcription. The transcript from the interview comprised a total of 14543 words or 40 pages of text. The textual data was analyzed with NVivo 9, a computer aided qualitative data analysis (CAQDAS) tool for systematic content analysis.

Results and conclusions

The findings of this pilot study reveal that firms legitimise their sponsorship investments by arguments of justification and rationalisation. As the interviewee mentions „...before we stipulate what we want with our marketing concept we consider several sponsoring possibilities. Second is the affinity to the sponsored property“ leads to conclude that decisions on sponsorship investments are derived from an elaborated marketing plan prior to the sponsorship decision. Furthermore, the firm seems to have a clear perception of the corporate sponsoring strategy. The decision maker states that “team sport is really the kind of sports that suits best to us” meaning that the firm primarily strives for pro-active sponsorships in the team sports industry. These statements make clear that intra-organisational legitimacy is gained by the creation of sponsorship plans. Corporate sponsorship strategies play a crucial role when firms intend to legitimise their sponsorship investments. The interview of this pilot study provides some valuable empirical insights into how and why corporations legitimise their decisions on sponsorship investments. This study contributes to literature by extending research on organisational legitimacy, particularly on intra-organisational legitimation processes. However, the collected data is limited to generalise our findings. More interviews are needed and secondary data such as newspaper articles are to be included for data triangulation.

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