

Employer Branding and the Role of Corporate Sponsorship

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Synopsis:

Corporate sponsorship of sports and events has been seen as a consumer communications platform for decades but has only more recently been valued as an internal marketing tool oriented toward employees. It is argued here that corporate sponsorship can also play a role in employer branding for potential employees. As pieces of information about a company, the sponsorships a company holds may play a role in communicating about the psychological and functional benefits of employment. The authors propose a framework of the role of sponsorship in employer attractiveness. Using an experimental design survey, Study 1 empirically shows that a corporation's sponsorship to a professional sport team and its framing order in communication moderates the structural relationships from antecedent variables (e.g., industry interest) to both social and interest values dimensions of employer branding. Further, Study 2 shows that the articulation (happy social vs. innovation creativity) also moderates those structural relationships.

Abstract:

Objective of the Study

The past decade has seen the ascendance of many indirect marketing communication strategies such as corporate sponsorship of sports, arts and entertainment (Cornwell 2008), which may play a role in developing the image of a firm as a current or potential employer. In the current research, we investigate the role that corporate sponsorship to sport as a communications platform might play in employer branding.

Theoretical Foundations for Framework Development

Berthon, Ewing and Hah (2005) define employer attractiveness as the "envisioned benefits that a potential employee sees in working for a specific organization." The role of sponsorship in employer branding varies from a central aspect of the sponsorship strategy to what might be thought of as an added extra benefit of corporate investment in sport. While sport sponsorships

are recognized as having the potential to build a sense of corporate identity within the organization (Hickman, Lawrence & Ward 2005) there is little measurement of the outcomes related to corporate identity building. Articulation-the development of a meaningful association, a link in the mind, between sponsor and sponsee (Cornwell et al. 2006) has been shown to increase recall for the sponsor-event relationship. Articulation should support the signal that the firm is a social and fun place to work or that the firm is innovative and creative though understanding the meaningfulness of the link between the employer brand and what they sponsor.

In the study, corporate sponsorship to sport is envisioned as a signal that will be interpreted by a potential employee with consideration of a host of antecedents including: Their perceptions of the job fit to their interests and abilities, their interest in the industry and the location of employment, prior knowledge and attitudes they may hold toward the employer brand as well as the activity/event sponsored, as well as a host of characteristics that may be personally relevant (Ehrhart & Ziegert 2005). The two aspects of exposure to the sponsorship of interest in the current study are the role of framing or the order in which information is encountered and the role of articulation.

Study 1

Method

Two hundreds and eight students participated in the study in exchange for course credit. Materials were developed for a fictitious sponsorship relationship between automaker Toyota and the Washington Redskins professional football team. In this context, students are ideal study participants because most are anticipating joining the job market. Participants were randomly assigned to three different exposure conditions manipulating order of information presentation (Redskins/Toyota/Job description (n=68); Toyota/Redskins/Job description (n=69); Toyota/Job description (n=71)). Respondents viewed a series of pages that were intended to simulate a website surfing experience. Subsequently, they were asked questions regarding employer attractiveness.

Results

Structural model. Structural equation modeling (SEM) was used to test the structural relationships of the proposed preliminary framework (n=208, Chi-square/df=162.960/90=1.811, CFI=.912, IFI=.925, NFI=.847, RMSEA=.063). Two group comparison SEM (Redskins/Toyota/Job description vs. Toyota/Job description) tells us how the presence of corporation's sponsorship to sport can play a significant role in enhancing employer attractiveness of interest value and social value, empirically supporting the moderation effect of in the relationships from antecedents to employer branding as discussed in the framework. Also, two group comparisons SEM (Redskins/Toyota/Job vs. Toyota/Job description) gives us a simple understanding regarding how the framing order of corporation's sponsorship to sport can be critical in enhancing employer attractiveness.

Study 2

Method

One hundred fifty nine students from the same subject pool were randomly assigned to two different articulations (happy & social working relationship vs. innovation & creativity-oriented working relationship).

Results

Structural model. Two group comparison of structural equation modeling (SEM) was used to test the structural relationships of the proposed framework in terms of the articulation (happy & social working relationship vs. innovation & creativity-oriented working relationship (n=154, Chi-square/df =114.741 /68=1.687, CFI=.944, IFI=.951, NFI=.888, TLI=.851, RMSEA=.066). The innovation & creativity-oriented working relationship articulation significantly improves the standardized directional relationship (.31 to .53) from 'positive impressions of jobs through company websites' to 'interest value' dimension of employer branding, compared to the happy & social working relationship articulation.

Discussion

This is a first empirical look at the role of sport sponsorship in employer branding. Clearly companies are moving in this direction as evidenced by the case studies discussed but they have little guidance on what sponsorship should or could be expected to do in supporting recruiting. The empirical findings show that for a lab studies with moderate ecological validity, sponsorships held by companies can influence employer brand perceptions and in the main, increase employer attractiveness.

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