

## International Perspective of Olympic Sponsorship

Mark Lyberger\*, Larry McCarthy\*\* and Benoit Seguin\*\*\*

Kent State University\*, Seton Hall University\*\*, Universite D'Ottawa\*\*\*

### Introduction

Townley et al. (1998) suggest that ambush marketing “consists of the unauthorized association by businesses of their names, brands, products or services with a sports event or competition through a wide range of marketing activities; unauthorized in the sense that the controller of the commercial rights in such events has neither sanctioned nor licensed the association”(p.1). The IOC has argued that ambush marketing has the potential to destroy sponsorship altogether: “If sports and other sponsored organizations do not learn to properly protect their rights and the exclusivity of their sponsors, then they will lose their independent revenue source” (Olympic Matters, 1993, p. 2).

The impact of ambush marketing has led to an increase in the number of academic studies of the phenomenon. According to Meenaghan (1998), ambush marketing research has concentrated on two main areas: description and analysis of the process (McKelvey, 1994; Meenaghan, 1994, 1996; Schlossberg, 1996) and examination of first-level effects on consumers through recall and recognition studies (Crimmins and Horn, 1996; Kinney and McDaniel, 1996; Sandler and Shani, 1989; Shani and Sandler, 1993, 1998). Lyberger and McCarthy (2001) examined consumer knowledge, interest in and perceptions of ambush marketing strategies related to the 1998 Super Bowl. It should be noted that most research has been limited in terms of subjects (highly involved consumers) and in terms of geography (mostly the United States).

### Method

A detailed 45-item questionnaire, based on a previous instrument used by Sandler & Shani (1998) and on a comprehensive review of the literature, was designed to measure (a) interest in the Olympic Games; (b) awareness of and attitudes toward Olympic sponsorship; (c) knowledge of Olympic sponsorship; (d) consumer intent to purchase, and (e) perception and attitudes toward ambush marketing. Following minor revisions suggested by pretesting of the instrument, it was translated into French and German. The data was collected using the mall intercept technique in Sudbury, ON (Canada); Cleveland, OH (USA); Akron, OH (USA); New York, NY (USA); Strasbourg (France) and ???, Germany. A total of 2,758 valid responses, 1,366 female (50.1%) and 1360 male (49.9%) were collected. The respondents had a mean age of 37 years and sixty-three percent had some formal college or university education.

### Results

The results suggest that respondents' interest in the Olympics was higher than in any other sport event. The exception was in the United States, where the Super Bowl was found to have a slightly higher score ( $M=3.5$ ) than Olympic Games ( $M=3.3$ ). In a previous study by the IOC in 1997, it was found that the Olympics rated at 4.1 and the Super Bowl at 4.0 in the US. Given that the 2000 Games were held during the American National Football League season, and the Olympic Games were held outside the United States (unlike in 1996), these results are not surprising. When examining the interest level by country, the results were found to be representative of each country's individual sport preference. An investigation of interest by gender revealed that males' interest differed from females' interest in each of the country. Of note, German and French males were more interested in FIFA's World Cup while Canadian males had more interest in the National Hockey League (NHL) playoffs, and American males had more interest in the Super Bowl than the Olympics.

An analysis of these data indicates that only 50% of the respondents believed that they were able to identify the different levels of Olympic sponsorship. Respondents could not clearly distinguish between official sponsors and non-sponsors. There was clear difference across countries. Respondents' level of awareness correlated with their ability to distinguish between sponsors and non-sponsors. This is a growing concern given the increasingly cluttered sponsorship environment and the level of sophistication of ambushers. Sponsorship recall indicates that a non-sponsor, Nike, was ranked in each country among the first four sponsors recalled. This top-of-mind recall was higher than any of the TOP partners except

Coca-Cola. However, it was found that long-term Olympic sponsors Coca-Cola, McDonald's, and Visa, were consistently recalled across all countries. This suggests that long-term investment, coupled with significant leveraging, is necessary to gain advantage in sponsor awareness. The research also sought to investigate how sponsorship impacts consumer intention to purchase. Canadians indicated that they were most supportive of those who sponsor the Games, whereas the French were least likely to support an Olympic sponsor. Across each set of respondents, there was significant support for the official sponsors. Analysis suggested that that 36% of respondents would be more likely to support a company that was an Olympic sponsor than a non-sponsor. This support increased by 21% if the respondent clearly saw that a sponsor's commercial spending was helping athletes participate in the Olympic Games. An analysis of consumer purchase patterns illustrated that French purchasers would appear to be least influenced by sponsorship while Canadians would appear to be influenced the most. In addition, the Canadian responses suggest that they would be less likely to purchase from ambushers. The study suggests that consumers are not aware of the practice of ambush marketing. Eighty-eight percent of all respondents were not aware of any attempt by a company to represent itself as an Olympic sponsor when it was not. When asked about ambushing, respondents indicated that they were slightly opposed to the practice. Nearly 50% of respondents agreed that it was not fair for companies to associate themselves with the Games without being a sponsor. The majority of respondents believed that the practice of ambush marketing was unethical, with Canadians having the highest level of opposition. German respondents had, by far, the least opposition to ambushing. In terms of effect on purchase, 35% of respondents were less likely to purchase products from ambushers. Thirty-six percent were annoyed by ambush marketing, while 42% thought that it was a clever form of marketing. Although German respondents demonstrated the lowest level of opposition, they were not significantly less annoyed, or significantly more likely to purchase from ambushers compared with French or U.S. respondents.

## **Discussion**

The study revealed that consumers recognized the value of sponsorship to the Olympic Games. They also believed that sponsors helped send athletes to the Games. For commercial success it would appear appropriate that sponsors focus communication on this particular support that they give to the movement. Specific knowledge related to the use of banners and regulations was relatively low and a large number of respondents had difficulty distinguishing the levels of Olympic sponsorship. Although this difficulty had been reported in previous research, the results of this study endorse the need to further define a) consumer awareness of sponsorship, b) consumer perceptions of sponsorship/product relationship, and c) the value of sponsorship to the consumer and its impact on intent to purchase. The use of longitudinal sponsorship recognition programs, utilizing strong educational components, may help break through the clutter, enhance consumer distinction, and aid the recognition of sponsorship. Such long-term programs would benefit all sponsors. As part of the discussion a brief comparison will be made with preliminary data collected, using the same instrument, from consumers during the 2004 Olympic Games.

## **References**

- Crimmins,J; Horn,M (July/August 1996): Sponsorship: From Management Ego Trip to Marketing Success. *Journal of Advertising Research Unknown*, 11-21.
- Kinney,L; McDaniel,SR (1996): Strategic Implications of Attitude-Toward-the-Ad in Leveraging Event Sponsorships. *Journal of Sport Management* 10, #3, 250-261.
- Ludwig,S; Karabetsos,JD (1999): Objectives and Evaluation Processes Utilized by Sponsors of the 1996 Olympic Games. *Sport Marketing Quarterly* 8, No. 1, 11-19.
- Meenaghan, T (July 1998): Ambush Marketing: Corporate Strategy and Consumer Reaction. *Psychology & Marketing* 15(4), 305-322.
- Meenaghan, T (July 1998): Guest Editorial Ambush Marketing: Examining the Perspectives. *Psychology & Marketing* 15(4), 301-304.
- Meenaghan, T (Fall 1996): Ambush marketing - a threat to corporate sponsorship. *Sloan Management Review*; Cambridge 38, Issue 1, 103.
- Meenaghan, T (September/October 1994): Point of View: Ambush Marketing: Immoral or Imaginative Practice? *Journal of Advertising Research Unknown*, 77-88.
- International Olympic Committee (1997): Olympic Market Research Analysis Report.

Sandler, D M; Shani, D (August/September 1989): Olympic Sponsorship vs "Ambush" Marketing: Who Gets The Gold? *Journal of Advertising Research* 29, Issue 4, 3-14.

Shani, D; Sandler, D M (July 1998): Ambush Marketing: Is Confusion to Blame for the Flickering of the Flame? *Psychology & Marketing* 15(4), 367-383.

Shani, D; Sandler, D M (1993): Sponsorship and the Olympic Games: The Consumer Perspective. *Sport Marketing Quarterly* 2, Issue 3, 38-43.

Stotlar, D K (1993): Sponsorship and the Olympic Winter Games. *Sport Marketing Quarterly* 2, Issue 1, 35-43.

Townley, S; Harrington, D; Couchman, N (July 1998): The Legal and Practical Prevention of Ambush Marketing in Sports. *Psychology & Marketing* 15(4), 333-348.

**Contact co-ordinates author**

Larry McCarthy, e-mail: [mccartla@shu.edu](mailto:mccartla@shu.edu)