

# **(SP) CONSUMER OPINION AND MEGA EVENTS A LONGITUDINAL ANALYSIS OF OLYMPIC GAMES SPONSORSHIP**

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## **Introduction**

'Mega-events' sport properties such as the Olympics, the Tour de France, the World Cup of Soccer, the All-Blacks Rugby Tours and the Super Bowl, have become central elements of an emerging culture (Wise & Miles, 1997). Sponsorship programmes of these major international events offer optimal positioning tools for corporations seeking to communicate global messages (Fareilly & Quester, 1997). Sponsorship of these mega-events' involve multi-million dollar investments by corporations in return for official association with the event and direct access to very large samples of their target markets. Of all mega-events, the Olympics because of its particular global interest, provides an interesting context for assessing sponsorship (Newell, Henderson and Wu, 2001).

Sponsorship is a significant revenue source for such events, in some cases providing a significant proportion of overall revenues. As an example, the total contribution of the 10 TOP sponsors to the IOC, for the 2005-2008 quadrennial will be \$866 million or an average of US \$86 million in cash, products or services (International Olympic Committee, 2006). The increasing investment in sponsorship by corporations as part of their promotional mix and the leveraging of these sponsorships is evidence of the effectiveness of a well-planned sponsorship relationship. Clearly, sponsorship has become an important promotional tool and mega-events provide one of the most lucrative and effective platforms from which to implement a sponsorship program.

In a cluttered media market, sponsorship may be a superior choice to advertising (Arthur et al., 1999; Meenaghan & Shipley, 1999) and its effectiveness at the Super Bowl has been demonstrated (e.g. Lyberger & McCarthy, 2002). Given that its impacts are significant and growing rapidly (Kolah, 2004), an understanding of the effectiveness of such sponsorships over time, would be of significant value to the event proprietors and those considering sponsoring mega events. Should consumers' interest in the event, consumers' awareness of sponsors and the consumers intent to purchase sponsors' products and services decrease, the value of the event would decrease and, in turn, the sponsorship revenue generated would decline.

## **Methods**

The current work is a longitudinal empirical study via a large, mass-market survey undertaken in mid west and north east markets, in the United States, following the 2000, 2002, 2004 and 2006 Olympic Games. The Consumer Perception Index (CPI) was utilized as a means to measure consumer interest, awareness, and consumers' intent to purchase. The CPI is a five-part questionnaire which is designed to measure consumer opinions of advertising, commercialization, sponsorship, ambushing, levels of interest, knowledge, purchase behavior, and demographics as they relate to sponsored sport events. Relative comparisons and t-test were carried out to identify significant

differences between the 4 respondent populations. Bonferroni corrections were implemented to control for inflated alpha levels. The CPI was administered via the mall intercept technique. A total of 3,620 valid surveys were collected.

## **Results**

Stratified random samples of the mean scores for each of the respondent populations (2000, N=1499; 2002, N=798; 2004, N =441; 2006, N=882) were utilized to identify perceptual differences. A preliminary analysis of the random sample of respondents from each group found that significant differences existed in relation to perceptions of commercialization, intent to purchase, ethics of association, and support for sponsors. A complete set of descriptive statistics with ANOVA's by age and gender as well as a t-test comparison of Winter and Summer Game populations will be presented. Significant between group differences were found in relation to associating with the Games without being an Olympic sponsor. The data from 2006 indicates a much more accepting attitude to the behavior. Measures of awareness consisted of 5 absolute measures and 2 Likert scale measures. Sponsorship recall measures showed that long time Olympic sponsors such as Coca-Cola, McDonalds and Visa, were consistently recalled across each respondent group.

## **Discussion**

Each group of respondents recognized the value of sponsorship to the Olympic Games. They believe that sponsors help send athletes to the Olympic Games. For commercial success it would appear appropriate that sponsors focus communication on this particular support, mixing both the national and global appeal of the Games. As reported in research related to Super Bowl sponsorship, the continued decline in the impact that Olympic sponsorship has on intent to purchase is a worrying feature for both sponsor and sponsee. The trend is particularly worrisome given that US consumers have traditionally embraced the concept of sponsorship as it relates to sport. Long time Olympic sponsors who have actively leveraged their partnerships with the Games might be seen as an antidote to the trend. It also indicates the value of a long term relationship with a mega event, including the use of longitudinal sponsorship recognition programs, utilizing strong educational components which may help break through the sponsorship clutter, enhance consumer distinction, and aid recognition of sponsorship to the benefit of sponsor and sponsee. The results indicated that the Olympics maybe losing some of its viewing audience, but may not, in the minds of the consumer, be losing their appeal. Consumers do not feel that sponsorship impedes the ideals of the Games while most are unsupportive of illegal association with the Games. Interestingly, sponsors were seen to represent higher quality products in 2006, suggesting an interesting juxtaposition in relation to intent to purchase.

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