

# Power play: An examination of power and ambush marketing

## Contact details

Name author(s): Benoit Séguin, Marie-Ève Gauthier, Dana Ellis & Milena M. Parent  
Institution(s) or organisation(s): University of Ottawa  
City and country: Ottawa, Canada  
Email address for correspondence: bseguin@uottawa.ca

## Aim of paper and research questions

Mega-events like the Olympic Games have become increasingly dependant on sponsorship revenues for funding. With millions of dollars at stake demands to protect sponsors from ambush marketing have become louder and measures like anti-ambush legislation have become an implicit requirement in the bidding process. The aim of this paper is two-fold. The first goal is to discuss the perceived power relationships that exist between Olympic stakeholders around the issue of ambush marketing. The second goal is to introduce theory into the highly descriptive field of ambush marketing literature.

## Literature review

Ambush marketing occurs when a non-sponsor of an event or organisation makes an effort to appear as though they are an official partner (Sandler & Shani, 1989). As the amount of money invested in sponsorship, and therefore the importance of brand protection has increased, so too has research in this area. However, despite the increasing interest, literature on ambush marketing has remained highly descriptive with little to no integration of theory. To date, the ambush literature has mainly focused on five themes: (1) definitions and explanations of the phenomenon (e.g., Sandler & Shani, 1989); (2) consumer reaction and sponsors recall (e.g., Séguin, Lyberger, O'Reilly & McCarthy, 2005); (3) ethical issues (e.g., O'Sullivan & Murphy, 1998); (4) strategies and remedies for ambush marketing (e.g., Séguin & O'Reilly, 2008) and (5) legal issues (e.g., McKelvey & Grady, 2008).

Power is a concept which is inherently found in numerous other theories and can be argued as omnipresent in studies of organisations and society. While even the most basic aspects of power are widely contested, the definition used in this paper is that of Weber (1947) who defines power as "the probability that one actor in a social relationship will be in a position to carry out his own will despite resistance, regardless of the basis on which this probability rests" (p. 152).

## Research design and data analysis

This research consists of 13 semi-structured interviews conducted with marketing executives representing the following groups: a) International Olympic Committee (IOC), b) Canadian Olympic Committee, c) Vancouver Organising Committee (VANOC), and d) Canadian National Sport Organisations (NSOs). A total of 10 interviews, lasting between 30 and 60 minutes, were done with the winter and summer NSOs and 3 interviews were done with the organising committees. Data were analysed using NVivo 7.0 analysis software. Data were examined for implicit and explicit discussion of both the possession and utilisation of power in relation to Olympic sponsorship and ambush marketing.

## Results

The ability of the IOC to influence governments to pass anti-ambush legislation with little consultation through implicit promises in the bid phase, as well as the creation of strict controls by VANOC over Olympic marketing materials suggests a measure of asymmetrical

power between the IOC/VANOC and other stakeholders. However, a reluctance to engage in conflict over such measures of control suggests acceptance by the NSOs that this asymmetry is unavoidable. Despite the above, a constructive working relationship between all parties is perceived based on an understanding of each side's viewpoints and a reasonably open system of communication.

### Discussion and conclusion

In relation to ambush marketing, a cyclical power relationship between Olympic stakeholders is evident. As rights holders to the Games, the IOC, and by extension VANOC, demonstrate legitimate power (French & Raven, 1957). By virtue of this conferred power, there is an asymmetrical power relationship between the IOC/VANOC and the NSOs. It appears that NSOs accept this asymmetry as unavoidable which then leads to the perception of a constructive working relationship with VANOC around the issue of fighting and preventing ambush marketing. However, to complete the cycle, this acceptance and constructive working relationship then continues to reinforce and feed the original asymmetrical power relationship by offering little resistance. Further questions must be asked in this area to help determine the positive and/or negative impacts of asymmetry and the potential for the relationships to change if negative outcomes, for instance questions around the overextension of power in creating anti-ambush legislation, are identified.

This study also takes an initial step towards introducing theory to the ambush marketing literature. From this study alone, there are numerous research implications which can draw on theory. For instance, taking the concept of power further and in various directions (e.g., Lukes, 1974) is an obvious way forward. Potential also exists to examine the NSOs' acceptance of asymmetrical power as a function of their resource dependence on the VANOC and the Olympic Games using resource dependence theory (e.g., Frooman, 1999).

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