

# SPORT SPONSORSHIP MANAGEMENT PRACTICES IN LESS MATURE SPONSORSHIP MARKETS: THE CASE OF CYPRUS

Mary Charalambous Papamiltiades  
PhD Cand. Loughborough University, UK  
[m.charalambous@euc.ac.cy](mailto:m.charalambous@euc.ac.cy)

## Introduction

The realisation of the importance of sponsorship led to a remarkable number of organisations using sponsorship as the means for achieving their commercial objectives. Although there is not much sport sponsorship evidence with regard to the Cyprus market, during the last two decades sponsorship has grown importantly, with the highest sponsorship spending being directed to the football sector. As Michael (2007) argued, the term sport sponsorship associatively leads to football, which is the most popular team sport in Cyprus. In specific, the football sector constitutes the main pillar of the sport industry in Cyprus, representing 1.84% of the GDP of Cyprus (Theophanous & Kartakoullis, 2008).

## Aim of paper – research question

- To conduct an extensive systematic review of the global sport sponsorship literature from the early 1980s to 2010, which is expected to provide information on the sport sponsorship mechanisms and structures employed world-widely, and it is going to highlight differences with regard to sport sponsorship that exist in different contexts.
- To use the findings of the systematic review as the platform for examining the sponsorship management practices that exist in a much less developed sponsorship context such as Cyprus. The goal is to investigate the degree to which the mechanisms and patterns identified in the systematic review exist in the Cypriot context.

## Literature review

The systematic review of the literature suggested that the original charitable and philanthropic conceptualization of sponsorship (Gratton & Taylor, 1985) lent its place to a more professional sponsorship activity (Cornwell, 2008). Nowadays, sponsorship is used as a means for developing corporate strategy (Cunningham et al., 2009) and as a resource towards the development of competitive advantage (Amis, 2003). It was also found that sponsorship is effective in fostering the creation of partnerships and relationship building strategies (Olkkonen et al., 2000). Objective setting appeared as one of the heavily explored areas (Shanklin & Kuzma, 1992; Irwin & Asimakopoulos, 1992) whilst recently there seems to be a shift from image and awareness objectives to more sophisticated goals such as positioning within a certain target market (Goldman & Johns, 2009), or internal marketing goals (Cunningham et al., 2009). Other areas that received remarkable research attention involved the audiences reached through sponsorship, (Meenaghan, 1991; Crowley, 1991), leveraging practices (Papadimitriou & Apostolopoulou, 2009; Thwaites, 1995) and motivation of the sponsors (Thwaites & Carruthers, 1998; Lough & Irwin, 2001). The main findings of the systematic review revealed the existence of epistemological and philosophical differences between countries. In more developed contexts there is a more commercial orientation of sponsorship, being characterized by purely professional motives, integrated sponsorship management and leveraging, cross-functional responsibility and control over sponsorship related decisions, emphasis on corporate objectives, and involvement of middle level management in sponsorship decision-making. Moreover, larger and private sponsors appeared to adopt more professional sponsorship approaches as compared to smaller entities or governmental organizations investing in sport sponsorship.

## Methodology

A systematic review was adopted, which allows the researcher to avoid the negative aspects of a narrative review that has been highly criticized by several researchers for being simply descriptive and highly biased (Craik, 2006). A deductive categorization of the findings of the systematic review was used for the development of the interview protocol. The protocol was used as the platform for the conduction of detailed, semi-structured interviews with key decision makers representing companies investing in football club sponsorship. A total of 10 interviews were conducted with local and international companies investing in football sponsorship in Cyprus, representing both small and large entities. Therefore, a multiple case study design (Creswell, 2013) was employed. In addition, the philosophical background chosen to inform the present study was the critical realist paradigm (Bhaskar, 1978) which is regarded as allowing the researcher to investigate and identify the several underlying structures that impact significantly on the sponsorship management activities performed by different sponsorship decision makers operating in the particular cultural context. The findings of this qualitative research design were analyzed through NVivo software.

## Results, discussion

The results of the study seem to confirm that differences exist between governmental and privately-owned companies, whilst at the same time, the size of the sponsor appeared as determining at large the approach adopted. In addition, it appeared that rational and sophisticated sponsorship arrangements were adopted mainly by the international sponsors, whilst at the same time modes of much less rationality and sophistication were depicted by sponsors of the local market.. The findings also revealed the interdependence of global and local processes within the sponsorship-related practices, suggesting that sponsorship arrangements in this specific context were marked culturally by processes of “glocalisation” (Robertson, 1992).

Sponsorship practices enacted by both local and international sponsors had been redefined and adapted by the local culture so that to better fit the particular aspects, characteristics and needs of the local sport context in which those sponsorships take place. Factors that interfered with the sponsorship activity involved paternalistic and clientelistic relations, nationalism, localism, the structure of the football market, the sponsor's organizational structure and culture, and the structure of the sponsor's industry.

## **Conclusions**

The systematic review of the literature provided concrete and reliable empirical evidence confirming or rejecting beliefs about sport sponsorship. It also highlighted areas deserving more research attention, whilst it was used to inform empirical work. The results of the multiple case study in Cyprus provided invaluable evidence for the variety of practices employed in a single sponsorship context, the impact of the broader social and cultural context upon sponsorship related decisions, and the several underlying mechanisms influencing sport sponsorship. The findings provide explanations that are particularly helpful for both sport practitioners and sponsors operating in similarly developed sponsorship markets. Therefore, information and knowledge generated through the certain study can be transferred to other settings sharing similar characteristics, values, qualities, and systems.

## **References**

- Cook, D.J, Mulrow, C., & Haynes, B. (1997). Systematic Reviews: Synthesis of Best Evidence for Clinical Decisions. *Annals of Internal Medicine*, 126 (5), 376-380.
- Gratton, C., & Taylor, P. (1985). The economics of sport sponsorship. *National Westminster Bank Quarterly Review*, 53-68.
- Lough, N. L., & Irwin, R. L. (2001). A Comparative Analysis of Sponsorship Objectives for U.S. Women's Sport and Traditional Sport Sponsorship. *Sport Marketing Quarterly*, 10(4), 202-211.
- Papadimitriou, D., & Apostolopoulou, A. (2009). Olympic Sponsorship Activation and the Creation of Competitive Advantage. *Journal of Promotion Management*, 15(1/2), 90-117.
- Olkkonen, R., Tikkanen, H., & Alajoutsijarvi, K. (2000). Sponsorship as relationships and networks: implications for research. *Corporate Communications*, 5(1), 12-18.