
ALIGNING INTERESTS OF A FOOTBALL CLUB AND ITS SPONSORS - THE CASE OF MALMÖ FF

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Abstract

Aim

The aim of this case study is to demonstrate how a transition from an unfocused sponsor strategy towards a more focused one, can affect the club sponsor relationship in a positive way. The case study of Malmö FF aims to show potential tensions in the relationship between sponsors, the club, and its supporters, where the commercial interest of sponsors and club can be in conflict with the interest of identity among supporters.

Literature Review

A very typical way of claiming value for sponsors in Swedish football is to offer exposure on the team shirts, which often leading to a high number of visible sponsors. However, this is a quite harmful path to follow since it has a negative effect on club image and wasteful for the individual sponsors (Mikhailitchenko, Tootelian, & Mikhailitchenko, 2012). Exposure on match day has a positive effect on sponsor brand loyalty (Vale, Serra, Vale & Vieira, 2009), but it seems like it is quite important to strive for a balance between the number of sponsors and the potential turnover when attracting sponsors. Several studies have shown that the typical shirt sponsor programme is based on the expectation on short term returns (Chadwick & Thwaites, 2006). Short term transactions however rarely lead to success, but rather the long term relationship where interactions and commitment even stretches beyond the context of the sponsorship (Bühler, Hefferman, & Hewson, 2007). It has also been shown that investments in more complex sponsor programmes, such as platinum and gold sponsorships, do lead to higher levels of brand awareness effects (Vale, et.al., 2009). Regardless of what is the actual effect of a sponsorship, the club has to take the perception of the sponsor into account.

However, the club-sponsor relation is not just about trying to maximise financial transaction, but also to understand non-financial effects. Sponsorship programmes does not necessarily just lead to positive effects, it has been shown that a main sponsor of one club risk to experience a harmful effect on brand equity among rival supporters (Bergkvist, 2012). The passion for a club can definitely translate into loyalty for a sponsor brand (O’Keeffe & Zawadska, 2011). This relation between commitment to the club and the orientation towards brands sponsoring the club has also been shown by Shaw & MacDonald (2006), which in turn implies that a successful relationship to sponsors is also very dependent to a successful management of the relation to committed supporters.

Methodology

The empirical study is based on a qualitative case methodology. Semi structured interviews with key sponsors, key staff in the club, and representatives from supporter clubs are complemented with observation and analysis of postings in supporter discussion forums. Primary data is furthermore supported by secondary data mainly consisting of publications and internal reports of Malmö FF.

Results

Malmö FF began the transformation towards a comprehensive sponsor strategy 1999, when they was relegated from Allsvenskan and were to play in the second league for the first time since 1933. The goal was clear; MFF should be back in the first league again immediately. In this process ‘The Network’ (Nätverket) was born, a number of local companies joining forces to strengthen the financial platform for the club to realise this goal. Many of the sponsors involved were joining in because of a strong emotional relation to the club, which was more or less symptomatic for all sponsors of the club. Malmö FF changed their sponsor strategy in relation to the opening of the new stadium in 2009.

Before this deliberate change, as many as 144 sponsors were exposed at the same time in the stadium. The new policy explicitly implies that maximum 16 sponsors are exposed in the stadium on match day, ranging from naming rights of the stadium to official partner.

The case study reveals the notion of tensions that can arise in the conflict of interests between sponsors and their target market – the supporters. The case of Malmö FF demonstrates how a football club can align sponsor interests with the interests of the club and it supporters to gain long term benefits for sponsors and the club.

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