

Naming rights of sport facilities in Lithuania: the owners and customers perspective

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Taking into account the fact that the sports sector continues to grow and also has a growing part of the leisure industry, business entities increasingly include sports sponsorship in their marketing strategies (DeSchrive & Jensen, 2003). Recently one of the most popular forms of such sponsorship is the acquisition of the naming rights to the sports facilities (Boyd, 2000). Naming rights concept is quite new in Lithuanian sport market. However some practices already exist as a background for scientific investigation. Naming rights as a tool of sport marketing connecting sport and business communities in creating various added-value aspects could be foreseen as a social innovation.

While the three largest Lithuanian sports arenas have commercial names, there is a lack of significant insight and research on the subject in the country. The main problem of this study is what are the benefits of acquired naming rights to sport facilities received by the business entities and what is the customers attitude towards the naming rights holders? The aim of this work is to analyze the benefits of acquired naming rights to sport facilities to business entities and to find out what is an attitude of customers of these facilities towards the naming rights buyers. In order to achieve the aim following tasks were set: 1) to provide the special features of the naming rights to sports facilities sale and purchase, focusing on the negative aspects of naming rights deals; 2) to investigate the Lithuanian arenas customers opinion about the buyer of the arena name and their attitude towards buyer's trademark; 3) to investigate and evaluate the benefits of the companies who acquired naming rights to Lithuanian arenas.

The following research methods were used: 1) semi structured interview with three individuals directly involved in purchasing the naming rights (a qualitative research); 2) customer's survey (n=208) of the three arenas during the basketball competition (quantitative research); 3) statistical data analysis.

Sports facility naming rights deals – acquisition of name rights to existing or newly built facility in return for arena operator's offered conditions: advertising positions, sales spaces, develop promotional campaigns around product sales during events, luxury boxes, invitations to events, etc. The research results showed that arena customers fully recognizes and knows the purchaser of sport facilities in Lithuania. Customers are likely to buy products and services from the brand that contribute to the maintenance of sports facilities. Companies that purchased Lithuanian arenas naming rights increased the name awareness. The main advantage of the naming rights that such form of brand advertising and promotion provides significant visibility in various media.

The wider understanding of the benefits of the naming rights will lead to the disclosure of other arenas owners and managers to promote the process, which could bring additional revenues for further business expansion as well as create social communication networks with current and potential customers.

References

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