

# Brand Governance in Canadian Non-Profit Sport Organizations

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## Aim

In the past 30 years, sport governing bodies in Western societies have been exposed to multiple forces in society, including more influential and involved stakeholders as well as social media. These trends have pushed NSOs to higher levels of professionalism and performance, including managing their brand. The purpose of this contribution is to examine how directors and managers of different types of NSOs (in terms of available resources; Kikulis et al., 1995) govern their brand, taking into account the influential role of stakeholders and social media. The three research questions are: (RQ1) How does brand governance fit within NSOs' overall governance? (RQ2) How important is brand governance in the relationship between the NSOs and their stakeholders; and (RQ3) What is the role of social media in the NSOs brand governance?

## Literature Review and Theoretical framework

Brand governance can be understood as a system of rules, practices, and processes by which an entity's brand value, as a long-term strategic asset, is directed and controlled through clear, actionable goals (Séguin, 2015). The "stakeowner" dilemma (Ferkins & Shilbury, 2015) cannot be denied in the brand governance of NSOs. Social media can serve as a vehicle to achieve strategic brand objectives (cf. Sanderson & Yandle, 2015), if social media is well developed and properly managed (Narraine & Parent, 2017). The interrelationships between NSOs' brand and organizational performance, stakeholders and social media is tested in this study.

## Method

The CEO and/or the Chair of the Board of 58 NSOs were invited to participate in an online survey; 32 NSOs responded (55%). The NSOs represented four segments: (1) small (n=7), (2) medium sized (n= 15), (3) large (n=8), and (4) very large (n=2). The size of NSOs is defined in terms of number of staff and budget.

The survey consisted of three sections: (1) baseline information of the NSOs (13 questions; e.g., number of staff, budget, ...); (2) governance and stakeholder relationships (19 questions; e.g., communication with stakeholders, accountability, ...); and, (3) branding and social media (20 questions). This contribution reports on:

Brand governance within the organization (8 questions).

Interrelationship between brand governance and stakeholder (4 questions).

The role of social media in brand governance (4 questions).

Responses were measured on a 5-point Likert scale (ranging from 1=not at all to 5= always), or as dummy variables (yes/no measures).

## Results and Discussion

Small NSOs seem to behave quite different when it comes to governing their brand. While they acknowledge the importance of brand, there is little they actually do in terms of management and governance of their brand. In contrast, medium, large and very large NSOs have done research, and have procedures in place to actually govern and manage their brand. This ties back to the fact that brand is important to them. Medium and larger NSOs are very

cognizant of their brand and are very conscious how they are perceived by external stakeholders.

Different types of communications are used with different types of stakeholders. This confirms the wide variety of stakeholders that NSOs are involved with (Parent et al., accepted). While medium and larger NSOs solicit some input from stakeholders regarding the governance of their brand (e.g., discussion of brand decision with external stakeholders), there is no operational involvement of stakeholders in brand management. NSOs actively manage and govern their brand internally. By doing so, NSOs avoid “stakeownership” (Ferkins & Shilbury, 2015), but also miss opportunities for brand co-creation strategies (Ferrand et al., 2012).

Overall, medium and larger NSOs see the importance of being cognizant how they use social media in terms of its effect on their brand. From a governance standpoint they control the message, which is in line with the fact that they like to manage the brand internally. The challenge is that NSOs may also lose control; for example, retweets of other stakeholders (athletes, volunteers, ...), may affect their brand negatively. Social media is a cost-efficient way for branding the organization, but consistency is particularly problematic with very large NSOs, which are often responsible to stage multiple events. This requires managing multiple brands, to the point that it can become very confusing. The potential negative brand impact, difficulty with consistency and lack of full control are major challenges which should not be underestimated.

## **Conclusion**

This study is a first exploratory study on brand governance in Canadian Non-Profit Sport Organizations. It analyzed interrelationships between NSOs’ brand and organizational performance, stakeholders and social media. It revealed a big discrepancy between small and larger NSOs. NSOs would benefit from actively involving stakeholders to co-create and strengthen their brand, without losing ownership. Social media offers opportunities for branding, but major challenges must be overcome. Next steps of the study will include interviews with key person of NSOs to further understand the notion of brand governance of NSOs in the current era.

## **References**

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