

On-site Sponsorship Leveraging Patterns of TOP and Domestic Partners: The Case of 2018 PyeongChang Winter Games

Ellis, Dana¹; Choi, Kyu Ha²; Leopkey, Becca²; Byun, Jinsu² and Zinn, Kathleen¹

1: Laurentian University, Canada; 2: University of Georgia, United States of America
kyuha.choi@uga.edu

Aim

Through their Olympic Partners (TOP) and domestic sponsorship programmes, the Olympic Games are arguably the largest and most significant sporting events heavily relying on sponsorship. Much research has focused on sponsorship leveraging strategies of TOP and domestic sponsors. However, these studies have tended to examine the consumers' responses to TOP or domestic partners. Moreover, less focus has been given to examining TOP and domestic partners at the same Games. Therefore, the aim of this study is to explore on-site sponsorship leveraging of TOP and domestic partners at the 2018 PyeongChang Olympics. This study aims to answer the following questions: 1) what modes of on-site sponsorship were conducted by the sponsors, 2) what themes or products/services were promoted by on-site sponsorship, and 3) are there similarities or differences in on-site sponsorship leveraging strategies between TOP and domestic partners?

Literature Review

TOP sponsors account for more than 40% of Olympic revenue, providing vital products and technical support to the Olympic community. TOP sponsors own exclusive worldwide marketing rights and the ability to use Olympic trademarks. Domestic sponsors have marketing rights within the host country and support various operational needs of Organising Committees. In this study sponsorship activation/leveraging is defined as any "collateral communication of a brand's relationship with a property" (Cornwell et al., 2005, p. 36). On-site sponsorship activation is a marketing communication tactic for leveraging corporate sponsors' investments by presenting products and services at the event venue during the event (Ferrand et al., 2012). On-site sponsorship can generate positive changes in the audience's attitude towards sponsors by providing various experiential activities (Schmitt, 2000). Corporations enter into sponsorship for many reasons, and their leveraging patterns are diversified by their sponsorship objectives and motivations (Cornwell & Maignan, 1998).

Methods

This study uses two types of qualitative data: photographs and reflective journals. The research team visited PyeongChang before and during the Olympics and collected photographic data on TOP and domestic partners' leveraging (e.g., location, modes of on-site sponsorship, etc.). The reflective journals were recorded to make intangible aspects of sponsorship patterns visible and were acknowledged as part of data generation, analysis, and interpretation (Ortlipp, 2008). Initial thematic data analysis was conducted to draw key themes of leveraging patterns. In addition to the scope of dimension developed by researchers, dimensions suggested by the optimal leveraging activity model (Davies & Tsiantas, 2008) were modified to code the emergent themes from our analysis.

Results, Discussions and Conclusion

Building off earlier research and given the results of this study, we are proposing an On-site Olympic Leveraging (OOLM) model which identifies and defines the emergent similarities and differences in domestic and TOP sponsors adopted on-site leveraging strategies.

Briefly there were several leveraging strategies used frequently by both TOP and Domestic sponsors. Olympic Park live-sites and the use of Olympic logos and official designations were the two most obvious modes of on-site leveraging. More specifically, both actively leveraged experiential live sites and booths in the Olympic Parks, and the official designations and logos were represented in their advertisement and products. In addition, many sponsors who leveraged the live site provided Olympic pins as a memento.

One key difference was noted in the themes, products, or services promoted. Domestic partners tended to focus on delivering specific products/services (e.g., Hyundai/Kia's specific models), while TOP delivered their images (Coca-Cola's refreshment and celebration). Such variations may be due to the domestic partners that had already established their corporate/product images within the domestic market; however, some TOP might have aimed to establish positive brand images in the domestic market via Olympic sponsorship. A more product-focused approach by domestic partners and a more brand focused approach for TOP partners, it supports the suggestion that at different levels of sponsorship the goals of the organizations involved are also different

The OOLM model allows for an understanding of how sponsorships are being leveraged on the ground at an Olympic event. It can provide insight to sponsors on how what they are doing differentiates them from their competitors, or where they might be missing out. It can also provide event organizers with an understanding of how their property rights are being leveraged, and therefore perhaps what is valued and promoted by sponsors when it comes to their investment in Olympic sponsorship. This could allow for greater efficiency and success in sponsorship servicing and valuation.

This model requires further research for testing, refinement, and the examination of relevance in a variety of Olympic contexts. For instance, looking for differences resulting from variations such as a Summer versus Winter Games, Games hosted in Asia versus North America, another Asian Winter Games context in a much larger city and so on. Continued research at upcoming Games alongside interviews with sponsors to discuss strategies, objectives, and the model itself would allow for further refinement and substantiation and expanding the scope of generalizability.

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