

Sponsorship of Sport Mega Events: A Conceptual Approach for Creating Shared Value

Cook, David; Biscaia Rui and Papadas, Karolos-Konstantinos

Coventry University, United Kingdom

ab5622@coventry.ac.uk

Aim

Sport mega events represent an important platform that sponsors can use to communicate with prospective consumers. Although literature exists on value creation within sport (e.g. Woratschek, Horbel, & Popp, 2014), little attention has been afforded as to how sponsor brands and hosts may create value for consumers and other stakeholder groups within this important context. Therefore, this study aims to conceptualise the Creation of Shared Value (CSV) in sport mega events.

Theoretical Background and Conceptual Framework

Although investment in Corporate Social Responsibility (CSR) activities has long since become expected of corporations, it has been suggested that these no longer provide either a point of differentiation or a viable option for addressing and facilitating genuine societal change (Porter & Kramer, 2011). CSV refers to “*policies and operating practices that enhance the competitiveness of a company while simultaneously advancing the economic and social conditions in the communities in which it operates*” (Porter & Kramer, 2011, p. 66). It focuses on identifying and expanding the connections between societal and economic progress (Porter & Kramer, 2011), and therefore, in a sport mega event context, it offers great potential for co-creation between sport mega events and sponsor brands to produce an enduring social footprint. In order to further explore how event properties and sponsors can utilise sport mega events to create shared value for a range of stakeholders, a conceptual framework including eight propositions is presented:

Antecedents of the creation of Shared Value

Sponsor Brand Capabilities: Consistent with the resource-based view, a firm's unique capabilities can yield long-term returns for both shareholders and society at large. Sponsor brand capabilities in the context of sport mega events refer to the unique, firm-specific resources embedded within the sponsor organisation, whose purpose is to improve the productivity of the other resources possessed by the firm and sport property. As noted by Maltz and Schein (2012), leveraging existing brand capabilities can lead to successful shared value creation.

Sponsor Brand Consistency: Sponsor brand consistency refers to the emphasis placed by a firm on profitability versus social benefit (Maltz & Schein, 2012). Within the context of sport mega events, brand consistency allows sponsors to integrate sustainability principles into business strategies in order to aid resource allocation decisions, measuring the link between social and environmental actions and financial performance.

Sponsor Brand Cultivation: To optimise shared value, a portion of value must be able to be cultivated by other entities beyond the boundaries of the firm. Whilst brand cultivation has been commonly referred to as a key element to trigger the creation of shared value, this assumption has not yet been tested in the context of sport mega events where sponsors should work with other stakeholders in order to achieve success.

P1-3: Sponsor brand capabilities (1), sponsor brand consistency (2), sponsor brand cultivation (3) has a positive impact on CSV.

Symbiosis between sponsor and sport property

We argue that a symbiosis between sponsor and sport property moderates the relationship between the three proposed antecedents (brand capabilities, brand consistency and brand cultivation) and CSV.

It is a widely held view that both parties can be both effectively and synergistically augmented over time (Stipp & Schiavone, 1996). Sponsors can create a symbiotic relationship with the sport property to legitimise their role as sponsor (Farrelly, Quester, & Greyser, 2005).

P4: Symbiosis between sponsor and sport mega event property moderates the impact of (a) sponsor brand capabilities, (b) sponsor brand consistency, and (c) sponsor brand cultivation on CSV.

CSV and its consequences

As noted by Maltz and Schein (2012), CSV is about finding ways to leverage the link between social and economic progress to create more value for multiple stakeholders. The benefits accrued by other stakeholder groups increase more as a result of a positive partnership between the sponsor brand and sport mega event property.

P5-8: CSV has a positive effect on (5) the sport mega event property, (6) the sponsor brand, (7) the host city or region, and (8) consumers and citizens.

Method

It is anticipated that individual, semi-structured interviews with industry managers will offer valuable insights into the plausibility of the constructs and propositions included within the current model. This approach encourages responses that are extensive and developmental, which may lead to the revelation of attitudes or facts and the ability to “find out what’s happening [and] to seek new insight” (Robson, 2002, p. 59).

Implications

This proposed conceptual model represents an initial step towards exploring how sponsor brands and sport event properties can utilise the event to create shared value for a range of stakeholders. It is intended to further develop the model empirically, by conducting semi-structured interviews with sport mega event and sponsor brand managers, with the aim of providing a conceptualisation of CSV, and actionable insights for practitioners and scholars.

References

- Farrelly, F., Quester, P., & Greyser, S. A. (2005). Defending the co-branding benefits of sponsorship B2B partnerships: The case of ambush marketing. *Journal of Advertising Research*, 45(3), 339-348.
- Woratschek, H., Horbel, C., & Popp, B. (2014). The sport value framework - a new fundamental logic for analyses in sport management. *European Sport Management Quarterly*, 14(1), 6-24.
- Maltz, E., & Schein, S. (2012). Cultivating shared value initiatives: a three Cs approach. *The Journal of Corporate Citizenship*, (47), 55.
- Porter, M., & Kramer, M. R. (2011). *Creating Shared Value*. Harvard Business Review, 89(1/2), 62-77.
- Robson, C. (2002). *Real World Research: A Resource for Social Scientists and Practitioner-Researchers* (2nd ed.). Oxford, UK: Blackwell Publishing.
- Stipp, H., & Schiavone, N. P. (1996). Modeling the impact of Olympic sponsorship on corporate image. *Journal of Advertising Research*, 36(4), 22-28.