

**CORPORATE SPONSORSHIP:
MEASURING ITS EFFECTIVENESS**

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ABSTRACT

The purpose of this report is to explore corporate sponsorship and the difficulties associated with measuring its effectiveness. We reviewed the literature to date on sponsorship and performed an in-depth analysis on an article that specifically addressed measuring sponsorship effectiveness. We have included a detailed summary of the different types of sponsorship, the objectives commonly pursued with sponsorship, and the different methods for measuring sponsorship effectiveness.

Our analysis revealed the difficulty in quantifying sponsorship effectiveness. Measuring consumers' awareness of the sponsorship is one way to determine the effectiveness; however, we found this measurement on its own to not be sufficient. It is our belief that by incorporating additional measurement methods such as determining sales effectiveness and purchase intention will result in a more accurate assessment of sponsorship effectiveness. Although this report does not test the usefulness of these additional measures in the form of a study, we do provide sufficient evidence for the importance of their inclusion in the measurement of sponsorship effectiveness.

DEDICATION

Eric:

I would like to dedicate this project to my mother, father and sister. Your unconditional support and incredible patience over the years was instrumental in helping me get where I am today.

Maury:

I would like to dedicate this project to my parents, John and Lori Lum, who have dedicated their lives to me. I hope that I am able to contribute as much to your lives as you have to mine. I love you both.

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EXECUTIVE SUMMARY

The purpose of this paper is to understand corporate sponsorship as part of the promotional mix and how to measure its effectiveness. A detailed summary of the types of sponsorship, the objectives commonly pursued with sponsorship, and the various methods for measuring sponsorship effectiveness are included in this report. Through the literature search, analysis and evaluation of an article, it is our objective to provide a comprehensive and practically employable framework that companies can use in determining the effectiveness of their sponsorships

The literature search demonstrated that the awareness construct plays an important role in the determination of sponsorship effectiveness. As a result, we chose an article to analyze that took an in-depth look into the use of different prompts in the determination of the level of awareness. Our analysis of the article revealed that sponsorship effectiveness is exceptionally difficult to quantify using only awareness as a measurement tool. We have concluded that to successfully measure sponsorship effectiveness, multiple measurement criteria are required to capture the full effectiveness of a sponsorship.

It is our recommendation that purchase intention and sales effectiveness be ascertained through various sub-measures in order to fully determine a sponsorship's effectiveness. Consumer awareness and attitude towards a brand play key roles in determining purchase intention and need to be part of the measurement process. Sales effectiveness is best determined through comparative analysis of various sales figures over time (e.g. this year vs. last year, pre-post sponsorship, etc.) and then seeing if a link can be made between the sponsorship and any fluctuations in sales. Our

recommendations are summarized in a framework that we developed for use by companies in order to fully evaluate their sponsorship effectiveness.

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1 UNDERSTANDING CORPORATE SPONSORSHIP

1.1 Introduction

Corporate sponsorship as we know it does not have a rich history, yet it has become an increasingly important element of the promotional mix, in addition to being one of the fastest growing areas in marketing (Pope, 1998). The importance of corporate sponsorship is reflected in the growing number of companies that sponsor events, the increased amount of money spent such activities, and the growing number of organizations hiring experts to supervise and evaluate sponsorship activities (Gardner and Shuman, 1987). Furthermore, corporate sponsorship expenditures have increased from \$2 billion USD in 1984 to approximately \$23 billion USD in 1999 (Sponsorship Research International, 2000). As such, the increase in both the number of sponsored events as well as the dollar amount spent on sponsorship, both lend support to its growing importance. In years to come sponsorship is expected to continue to grow in importance as it will assist sponsors in cutting through the clutter of the more traditional advertising channels and help them cope with the ever changing media viewing habits (Gardner and Shuman, 1987).

1.2 Corporate Sponsorship Defined

Sponsorship has been widely studied in academic literature, yet there have been conflicting opinions with regard to its definition. Pope (1998) argues this is due to sponsorship often being confused with charity, endorsement, philanthropy, and/or patronage. Arguably, the most complete characterization comes from Abratt et al. (1987) who define sponsorship as "An agreement in terms of which a sponsor provides

some aid to a beneficiary, which may be an association, a team, or an individual, to enable the latter to pursue some activity and thereby derive the benefits contemplated in terms of its promotion strategy. The aid provided may be financial or a service of expertise, whereas the benefits may be media exposure, creating name awareness of the product/company, and overall publicity". Important to note however, is the notion of Cornwell and Maignan (1998) who add that sponsorship does not only designate the association between a sponsor and a sponsee, but also includes all marketing and communication efforts undertaken by sponsors to leverage their instrument in the sponsored activity or event.

Although part of the promotional mix, corporate sponsorship is distinctly different from conventional advertising in that the sponsoring company does not closely control the medium or the creative message. As such, sponsorship is usually not handled through conventional media (Gardner and Shuman, 1987) but tends to involve the staging of an event around which general advertising may or may not take place. Furthermore, because sponsorship is often used to reach a specific audience, it can be a valuable tool for setting strategic communication links and complementing more conventional marketing techniques (Javalgi, Traylor, Gross and Lampam, 1994).

Sponsorship is also distinct from both patronage and cause-related marketing. Patronage tends to be charity-based and include an altruistic activity in which the patron holds little expectation for concrete benefits (Gross, Taylor and Shuman, 1987). Cause-related marketing can be defined as marketing programs that strive to achieve two major objectives: improving corporate performance and helping worthy causes, by linking fund-raising for the benefit of the cause to the actual purchase of the organization's products/services (Varadarajan and Menon, 1988). Finally, Bigne (1997) provides additional insight by stating that sponsorship is nor advertising, sales promotion, or

public relations; yet from a conceptual and practical point of view, it has something to do with all of them.

1.3 Components of Sponsorship

D'Astous and Bitz (1995) found there to be four general components of sponsorship; nature, origin, frequency, and strength of the link between the entity (or event) and the sponsoring organization. The nature of the sponsorship can either be philanthropic or commercial. Philanthropic sponsorship implies the support of a cultural or social cause where the sponsor's participation tends to be less prominent. However, Aaker and Keller (1991) argue that philanthropic sponsorships create greater positive feelings among consumers due to their association with humane causes. More prominent however, is the existence of commercial sponsorship where a firm associates itself with a public event in order to gain direct benefits such as improved corporate image, increased consumer awareness, and/or increased sales (Aaker and Keller, 1991).

The origin of sponsorship pertains to the idea that the sponsored event can either be created specifically by the sponsor or it can exist by itself. According to (Aaker and Keller, 1991) when a firm associates itself with an existing event, it should benefit more in terms of credibility and overall image. Conversely, consumers tend to have negative attitudes when they know an event has been created specifically to promote the sponsor's image and/or products.

The third sponsorship component states that sponsorship can be continuous or a one-time initiative. It appears that the majority of scholars agree that continuous sponsorship is more likely to have an impact on the public than a one-time initiative due to sponsor's credibility increasing over time. Meenhagan (1991) however, notes that the

novelty of a one-time sponsorship may lead to greater attention from the media in comparison to continuous sponsorship. This study found that continuous sponsorship led to a gradual decrease in interest for either event or the association between the event and the sponsor.

Finally, D' Astous and Bitz (1995) mention the association between the sponsor and the event as the one component that makes sponsorship most attractive. This association results in the transfer of the event's 'aura' to the firm's corporate image (Otker and Hayes, 1987). As such, a well perceived symbiosis between the sponsor and the event is thought to have positive effects on the sponsor's image.

2 TYPES OF CORPORATE SPONSORSHIP

2.1 Introduction

Firms that consider sponsorship as a part of their promotional mix have two primary choices in terms of the type of event to associate themselves with; sport related (e.g. team, event, venue), or social-cause related (e.g. charities, not-for-profit organizations). This is an important choice as each type of sponsorship, despite sharing common benefits, has its own attributes that can be leveraged to the sponsor's advantage. The two types of sponsorship are outlined below.

2.2 Social Cause

Selecting a social cause or charitable event to sponsor is a popular choice for firms to make (Becker-Olsen and Simmons, 2002). The logic for selecting an event of this type is that consumers are believed to view the firm more favourably due to the nature of the event (Becker-Olsen and Simmons, 2002). Barone, Miyazaki, and Taylor (2000) demonstrated how social sponsorships can engender favourable affective and behavioural responses towards a firm, thus building brand equity. The apparent intent of sponsoring local charities and not-for-profit organizations is usually two-fold (Dean, 2002): to suggest the business is fulfilling a social obligation to the community from which it draws its customers, employees and investors, and/or to generate goodwill and enhance the image of the business. Dean (2002) also found that respondents had a more favourable perception of companies following a charitable sponsorship than before and did not view the firm as acting out of self-interest.

2.3 Sport Sponsorship

Sport sponsorship makes up the largest part of commercial sponsorship (Meenaghan & Shipley, 1999). Sports, sporting events, and/or sporting teams are appropriate for promotional purposes due to the repetitive exposure gained through signs, logos, etc. (Pope and Voges, 2000). In addition, firms receive coverage through the mass media as well as the sponsor's presence on team souvenirs such as replica jerseys (Hultman and Lindgren, 2001). Hultman and Lindgren (2001) also suggest that sport sponsorship allows those brands or products not typically associated with sports or athletes to benefit from consumers prior associations with these entities. Sport sponsorship may also be engaged in to reach a core group of consumers based on demographics or other commonalities (i.e. sex, age, sport participants).

Several marketing scholars have argued that sport's effectiveness as a promotional vehicle lies in its ability to shape corporate image as opposed to increasing intention to purchase (Armstrong, 1988; Marshall and Cook, 1992; Javalgi et al., 1994; Copeland et al., 1996). In contrast, Pope and Voges (1999) found no significant relationship between the belief that a company sponsors a sporting event and enhancing its corporate image. Consumers however, can associate sporting events with particular meanings. Meanings associated with sporting events are derived from the type of event, the events characteristics (e.g. professional status, venue, size, etc.), and/or a consumer's past experience with the event (Gwinner, 1997).

3 SPONSORSHIP OBJECTIVES

Sport sponsorship can support many organizational objectives. Dean (2002) for one, found that managers had both economic (i.e. increased revenue, profit, awareness, channel member interest) and non-economic (goodwill, corporate image, employee morale, pure altruism, recruiting new employees) objectives when choosing to sponsor a charitable cause (Dean, 2002). Cornwell and Maignan (1998) and Javalgi et al. (1994), found the most important objectives for managers to be non-economic; more specifically, the enhancement of corporate/brand image and the generation of goodwill.

Additional studies have been carried out all over the world to identify particular objectives of corporate sponsorship. In New Zealand, Hoek et al. (1990) studied 19 companies in order to rank their sponsorship goals in degree of importance. They found that improving goodwill was ranked as the most important objective, followed by improving corporate image, increasing awareness, and improving profitability. In a similar study conducted by Marshall and Cook (1992) on the top two hundred UK companies, they found that 'access to specific target audiences' and 'the enhancement of corporate image' were the two major objectives of corporate sponsorship. Moreover, Pope (1998) identified four categories under which sponsorship objectives fall; corporate, marketing, media, and personal. Each of these categories has a number of elements as illustrated in the following chart.

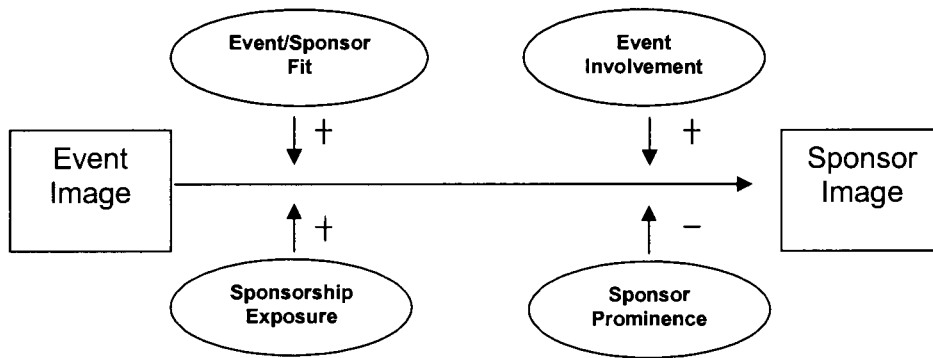
Figure 1 Aggregate objectives for corporate sponsorship. Pope, 1998. Used with permission.

SPONSORSHIP OBJECTIVES			
Corporate	Marketing	Media	Personal
<ul style="list-style-type: none"> ⇒ Public awareness ⇒ Corporate image ⇒ Public perception ⇒ Community involvement ⇒ Financial relations ⇒ Client entertainment ⇒ Government relations ⇒ Employee relations ⇒ Compete with other companies 	<ul style="list-style-type: none"> ⇒ Business relations ⇒ Reach target market ⇒ Brand positioning ⇒ Increase sales ⇒ Sampling 	<ul style="list-style-type: none"> ⇒ Generate visibility ⇒ Generate publicity ⇒ Enhance ad campaign ⇒ Avoid clutter ⇒ Target specifically 	<ul style="list-style-type: none"> ⇒ Management interest

Shannon (1999) argues that companies engage in sponsorship activities with the primary purpose of winning public esteem and thus improving corporate image. Bennet (1999) however, highlights improving corporate image and sales, reaching a narrow selection of people, and attracting and retaining competent employees as being most important.

Sponsorship may also be pursued by firms hoping to leverage some of an event's attributes as perceived by consumers, and transfer these positive images to their own brand via the sponsorship. This process is known as image transfer and is optimized when the event and brand are matched on either an image or a functional basis (Gwinner and Eaton, 1999). This process is what brands rely on when they make use of celebrity endorsement. Here it is hoped that a celebrity's "star" qualities (i.e. image) will be transferred to the product to increase its appeal to more consumers. Figure 2 below illustrates this process.

Figure 2 Image transfer model. Gwinner and Eaton, 1998. Used with permission.



Despite sponsorship being able to meet many corporate objectives, there appears to be overwhelming agreement around the primary benefits being closely associated with corporate image and goodwill.

4 SPONSORSHIP COMMUNICATION

4.1 Introduction

Sponsorship is the union of a firm with an event. Typically both parties are reaping some form of benefit from the relationship or else it would not have been formed. As a result of this strategic relationship either one or both parties can communicate the partnership to the public for potential rewards. The literature has revealed that the party who communicates the relationship is an important determinant as the effect on consumers can vary.

4.2 Source of Sponsorship Message

When a sponsorship relationship is announced by the firm, consumers can regard the sponsorship as mechanism for increasing sales (Becker-Olsen and Simmons, 2002). However, when announced by the cause itself consumers tend to think about the sponsorship from the perspective of the cause and therefore have a more positive reaction to the relationship (Becker-Olsen and Simmons, 2002). This is especially true and relevant for sponsorships of low-fit. When it is not obvious why a firm has associated itself with a particular event or the connection between the two is unclear, the fit is considered low. In this case, one would consider the firm to be acting out of self-interest if it were to communicate the relationship.

A not-for-profit event can have an additional benefit for firms with respect to the communication of the sponsorship. Having the not-for-profit organization act as the source for all communication and promotional activities has generally resulted in more favourable responses than when the company has acted as the source (Becker-Olsen

and Simmons, 2002). Becker-Olsen and Simmons (2002) found that this is achieved by reducing the salience of the firm's self interest in the sponsorship as part of their promotional strategy.

4.3 Limits of Sponsorship Communication

Sponsorship however, is argued by some to be limited in its ability to communicate detailed, product-based information (Meenaghan, 1991). As a result, sponsorship may be more valued as a tool to generate awareness for a brand and communicate corporate images in a general sense (Abratt, Clayton, and Pitt 1987; Hoek, Gendall, and West 1990; Kuzma, Shanklin, and McCally 1993; Marshall and Cook 1992). From a hierarchy of effects perspective, sponsorship can be thought of as being most valuable at early stages of awareness development (Cornwell, Roy, and Steinhard II, 2001). Higher order effects such as preference and actual purchase are more difficult for any communication medium to achieve, especially for sponsorship on its own (Lavidge and Steiner 1961).

5 EVALUATION OF SPONSORSHIP FIT

5.1 Introduction

Consumers can use different criteria in their evaluation of the firm – event relationship. This is an important process to understand due to its potential implications for both parties (i.e. the event and the firm). The concept of “fit” is a popular criterion that individuals employ to help them evaluate a firm - event sponsorship connection. Becker-Olsen and Simmons (2002) found that the effect of sponsorship is moderated by the perceived fit between the firm and the sponsored cause in addition to the source of the message.

5.2 Sponsorship Fit and its Effects

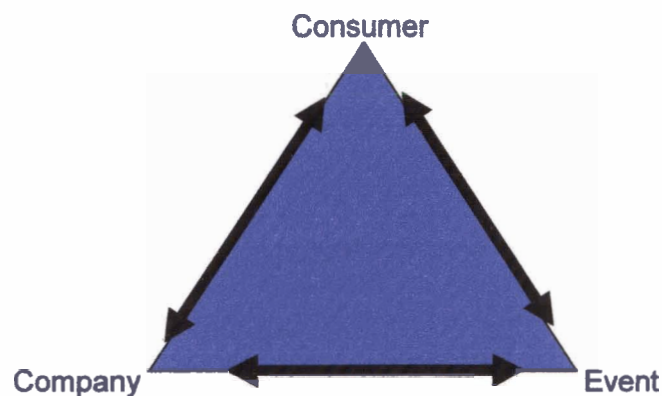
The idea of fit is based on the degree of similarity between the firm and the event on the basis of image and function. High-fit sponsorships can build brand equity while low-fit sponsorships can dilute equity (Becker-Olsen and Simmons, 2002). Gwinner and Eaton (1999) found that the more congruent the sponsorship, the more believable and attractive the spokesperson is and the more favourable the product attitude. These positive feelings however, can be lost when the firm – event fit is low, reducing the favourability of attitudes (Becker-Olsen and Simmons, 2002). Mandler (1982) explains these unfavourable thoughts to be a result of the incongruity between the two parties. Low-fit sponsorship situations have also shown to reduce the value of a brand as a signal (Erdem and Swait, 1998). This can be explained by the low-fit making consumers less certain of a firm’s positioning (i.e. less certain of what can be expected from the firm) (Becker-Olsen and Simmons, 2002). Becker-Olsen’s and Simmons’ (2002) study found

that low-fit sponsorships generated: less favourable thoughts and attitudes toward the sponsorship, saw firms' positioning as less clear, and generated less favourable affective and behavioural responses towards the firm. Becker-Olsen and Simmons (2002) also compared their findings against a "no sponsorship" situation (i.e. control condition) which revealed that low-fit scenarios decrease equity relative to the "no sponsorship" scenario while a high-fit scenario increases equity.

5.3 Theories used in the Evaluation of Fit

The hypothesized ability of charitable event sponsorship to affect the perception of consumer community involvement is drawn from balance theory and attribution theory (Dean, 2002). Balance theory suggests that consumers' value harmony among their thoughts and that they are motivated to reconcile incongruent ones. Evaluation of an object is affected by how the evaluation will fit with other related attitudes currently held by the consumer (Dean, 2002). Sponsorship evaluation may involve three elements linked together in a triangle, the sponsor, the event, and the consumer (Dean, 2002). The evaluation is typically viewed from the consumer's perspective as this is the perception that is primarily of interest. The triangular relationship is illustrated in figure 3 below.

Figure 3 Triangular relationships.



Congruity theory (Osgood and Tannebaum, 1995) is an extension of and improvement over balance theory by predicting both the degree and direction of an attitude change. Application of congruity theory is used to explain how a firm's sponsorship of a charitable event may pose a problem to the sponsee (i.e. the sponsored event/cause). Congruity theory postulates that the presence of any incongruity between the firm and event may prompt an attitude change toward the other elements in the triangle (i.e. the sponsor and the event) (Dean, 2002). This could have negative repercussions for both parties. This should be a warning for all charitable organizations that despite having a need for additional resources, managers should remain vigilant when forming alliances with companies held in disregard (Dean, 2002). The risk for charitable organizations is their most precious asset; their reputation (Dean, 2002).

Attribution theory suggests that consumers will act as naïve scientists, attempting to understand why a sponsor has contributed financial or other resources to a charitable event (Kelly 1973; Kelly and Michela, 1980). Here a consumer will try to develop a commonsense explanation of why actions have occurred and then make causal inferences (Dean, 2002). The discounting principle, a corollary of attribution theory, states that people will discount the effect of an attribution for an action when an alternative explanation could account for the same behaviour (Dean, 2002). These theories combined, highlight the importance for a firm to ensure that their sponsorship activities are not interpreted as being for pure economic benefits if they are concerned about consumer's perceptions.

5.4 Firm's Influence on Perceptions of Sponsorship Fit

To some degree a firm also has control over what they expose consumers to and what consumers experience with respect to their brand in terms of sponsorship. This

gives firms the opportunity to try and position their brand how they would like; hopefully leading to favourable evaluations and perceptions by consumers. This can be especially helpful when the fit between an event and firm is not obvious. In these situations, a firm through its promotions and messaging can both interpret the fit and communicate the sponsorship linkage to consumers (Dean, 2002).

Cornwell, Roy, and Steinhard II (2001) found that a long-term sponsorship relationship is essential to the development of unique outcomes that competitors cannot duplicate. From the consumer side, duration of the sponsorship (i.e. repeat partnering of the same event) may influence the strength of brand association in memory (Johar and Pham, 1999). Seeing the same sponsor associated with the same event year after year, provides a firm multiple opportunities to elaborate on the significance of the brand/product sponsorship relationship. This repetition helps to create a stronger association in the memory for the consumer (Keller, 1993).

6 MEASURING SPONSORSHIP EFFECTIVENESS

6.1 Introduction

Despite the increased use of sponsorship over the past decade, many companies do not have formal evaluation procedures in place to measure sponsorship effectiveness. (Copeland et al, 1996). While a growing number of sponsoring companies have hired experts to supervise the sponsoring of special events (Gardner and Shuman, 1987), the issue of how to quantify the effectiveness of sponsorship remains for the most part unaddressed. Several studies have been conducted to determine the percentage of firms that have effective sponsorship measurement procedures in place. In one such study, Gardner and Shuman (1987) found that nearly half of the firms questioned admitted that they did not measure the outcomes of their sponsorship activities at all. Javalgi, Traylor, Gross and Lampman (1994) found that one possible explanation for organizations being reluctant to measure their sponsorship effectiveness was because responsible parties were concerned about jeopardizing their careers should a low return on sponsorship investment be found.

6.2 Approaches for Measuring Sponsorship Effectiveness

Two of the more commonly used approaches for measuring sponsorship's effects and effectiveness have centered on exposure-based methods and tracking measures (Cornwell et al., 1998). The exposure-based method evaluates the amount and type of free coverage the sponsorship receives and compares that to the estimated cost that would be required to obtain the same exposure through alternative communication mediums (Cornwell et al., 1998). Alternatively, tracking measures have been used to

measure sponsor recall, awareness of, and attitudes towards sponsors and their products/services (Cornwell et al., 1998).

In contrast to Cornwell et al. (1998), Meenaphan (1991) identified four specific methods for evaluating corporate sponsorship investments; sales effectiveness, media coverage/exposure gained, communication effects, and the continuing appropriateness over time. Sales effectiveness can be measured by econometric analysis. In fact, Meenaphan states that many sponsoring organizations judge the success of their sponsorship investments solely on the basis of subsequent increases and decreases in sales. The media coverage aspect incorporates measuring the duration of television coverage, including verbal and visual credits, the amount of press coverage measured in column inches, and monitored radio coverage. Media coverage/exposure gained is measured by placing an equivalent value on the exposure gained if the sponsoring company had purchased rate-card advertising. Meenaphan (1991) argues that a third method for evaluating sponsorship effectiveness is monitoring the audience level for the sponsored activity to ensure that a proper fit between the event and the company exists as well as to gauge the general market perception of the activity. Finally, the communication effects can be used to measure awareness and image variability among consumers by evaluating the cognitive effects of the sponsorship based on actual consumer perceptions. The following section will provide a more detailed view on three approaches used for measuring sponsorship effectiveness.

6.2.1 Brand Awareness

Brand awareness is also often used to measure sponsorship effectiveness. To date, the concepts of recognition and recall have been the most commonly used indicators in the measurement of brand awareness. Recall involves going through two

steps in memory, search and then recognition. In contrast, recognition requires only one step (Singh et al. 1988).

6.2.2 Purchase Intention

Higher purchase intention has been found for those individuals who believe a company to be involved in sponsorship over those not believed to be involved in sponsorship. Also, respondents who reported a prior use of the brand had a higher purchase intention scores than those who did not report a prior use. Results show a significant relationship between purchase intention and a belief that the company was a sponsor. A relationship was also found between purchase intention and the brand prompt itself. In addition to a direct relationship between sponsorship awareness and purchase intention, a significant relationship between a company's corporate image and an intention to purchase that company's product. This finding is also supported in the literature (Laroche & Brisoux, 1989; Laroche et al., 1996). As such, measuring purchase intention in combination with corporate image and brand familiarity can lead to more meaningful information regarding sponsorship evaluation.

6.2.3 Sales

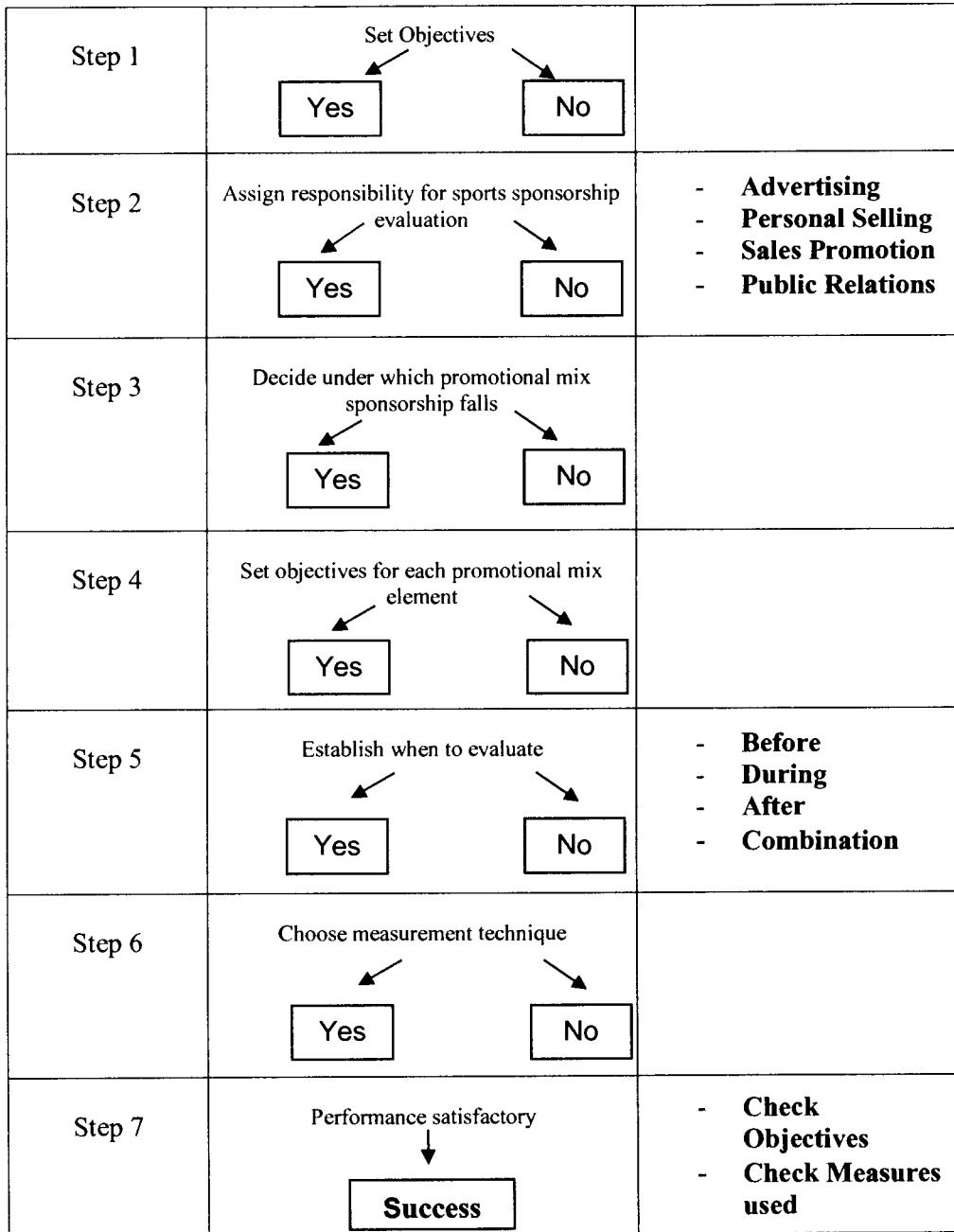
Other studies show that organizations may also use simulation measures such as an increase in sales, or the number of sales inquiries to determine the success of a sponsorship activity. However, Thompson and Quester (2000) voice their concern with this measurement tool by arguing that it is difficult to isolate the effect of sponsorship from other factors occurring at similar times (e.g. promotional campaigns or competitors' activities). In response, other sponsoring organizations have adopted cost-benefit analyses to compare revenue changes and associated sponsorship costs. In studying

this particular measurement tool, Miyazaki and Morgan (2001) often found it to be complicated and ambiguous.

6.3 Challenges with Sponsorship Evaluation

Based on the aforementioned examples, it becomes apparent that individuals have had limited success in evaluating sponsorship effectiveness. In addition to its inherent complex nature, there has also not been an agreed upon measurement standard due in large part to poorly defined sponsorship objectives. In fact, Pham (1991) notes that no method for evaluation can be successfully employed without clear objectives. Bennet (1999) and Pope (1998) further stress the importance of comparing sponsorship effectiveness with pre-established sponsorship objectives. Their findings are based on earlier work performed by Abratt and Grobler (1989) that developed an evaluation process based on measuring predetermined sponsorship objectives. To date, this has been the only model developed to overcome the challenges of sponsorship evaluation. Figure 4 illustrates the model.

Figure 4 Sponsorship evaluation model. Abratt and Grobler, 1989. Used with permission.



7 LITERATURE DISCUSSION

Corporate sponsorship as a part of the promotional mix has received a considerable amount of attention in the literature. Research has addressed such aspects as management's objectives, corporate image enhancement, and possible ways to measure its effectiveness. However, many companies involved in sponsorship had varied, vague and in some cases lacked clearly defined objectives altogether. The idea of fit was also found to play an important role in image enhancement. The better the fit between the firm and the event, the more positive consumers' perceptions were towards both parties. With respect to measuring the effectiveness of corporate sponsorship, a number of different methods and applications have been addressed. These methods include economic (i.e. increased sales, profit, etc.) and non-economic (goodwill, corporate image, etc.) measures with no single method able to fully measure sponsorship effectiveness. From the literature reviewed, the authors will seek to provide the most appropriate combination of measures in order to capture and provide a comprehensive evaluation of sponsorship effectiveness. It is the authors' goal to provide a framework that companies will be able to use as a tool to measure return on sponsorship investments.

8 METHODOLOGY

8.1 Introduction

Equipped with a solid understanding of corporate sponsorship and the many challenges associated with the evaluation of its effectiveness, the following section outlines how the authors designed a methodology that would enable them to develop a framework for organisations to make use of for evaluating their sponsorship activities. This proposed framework would be based on the extensive evaluation of previous research, including a detailed analysis of one particular article.

8.2 Procedure

As previously mentioned, there have been very few studies that have focused on effectively measuring sponsorship effectiveness. Of particular interest to this study is the manner in which the effectiveness of corporate sponsorship should be measured from a firm's perspective. To address this issue we will focus on one article in particular that addressed the challenges of measuring sponsorship effectiveness. The article that we have chosen to evaluate for the purpose of this study is entitled "Cognitive Evaluation: Prompts used to measure sponsorship awareness", co-written by J. Tripodi, M. Hirons, D. Bednall and M. Sutherland. All of the authors were contacted in advance with each giving their approval for the use of their work in this particular study. Although this article mentioned a few methods that could be used to measure sponsorship effectiveness, it specifically focused on using sponsorship awareness to measure sponsorship effectiveness. With regard to this particular article, we will:

1. Analyze the methodology used and evaluate the research design employed for the purpose of measuring sponsorship awareness,

2. Evaluate the results obtained in the reviewed study. We will determine whether these results aided in providing additional insight into measuring sponsorship awareness. Furthermore, we will stress those areas within this study which we believe are useful and can be built-upon. Finally, we will address certain measurement constructs used by the authors that we believe showed very little incremental value and therefore do not need to be included in future studies on sponsorship awareness measurement, and

3. Recommend a more comprehensive framework that incorporates the best practices from the reviewed study in combination with other measurements in order to provide a more holistic view on the value of sponsorship. These recommendations will offer our suggestions as to other elements that should be included in the measurement of sponsorship effectiveness in addition to the awareness component.

The above mentioned methodology was selected to provide a more critical view of the research conducted to date on the concept of measuring sponsorship effectiveness. The following section provides a brief synopsis of the reviewed article followed by a thorough analysis of the major concepts and methodological procedures.

9 DATA – SYNOPSIS OF AN ARTICLE

9.1 Introduction

The article entitled “Cognitive evaluation: prompts used to measure sponsorship awareness”, presents the results of a study on three different ways of measuring sponsorship awareness. Before describing the methodology used to obtain sponsorship awareness figures, we will review the most relevant literature as discussed in the article. The synopsis will provide the reader with an overview of the literature, methodology and findings in this particular study.

9.2 Measurement Methods

According to the authors, measuring the effects of sponsorship has been considered a grey area in the literature. They argue that this is due in part to the lack of clearly articulated sponsorship objectives to justify future measurement and evaluation. The authors note that although there has been no consensus on a uniform method for evaluating sponsorship investments, if companies choose to measure sponsorship effectiveness, they typically adopt one of the following three methods (Meenaghan 1991).

9.2.1 Sales Effectiveness

The first method for evaluating sponsorships is using sales effectiveness and many companies do in fact judge the effectiveness of their sponsorship efforts solely on the basis of an increase in sales performance. The authors feel this is unfortunate as the

presence of other communication mix elements related closely with the sponsorship make it difficult to isolate the contribution of sponsorship to a company's sales results.

9.2.2 Media Coverage / Exposure Gained

The second method for measuring sponsorship effectiveness adopted by companies is based on the exposure gained from the sponsorship medium. Media exposure is measured by placing a value on the exposure gained if the company had purchased rate-card advertising. Although the authors argue that this is a somewhat valid indicator of exposure gained and publicity generated through sponsorship, they also mention that it does not necessarily show the effect that the exposure has on consumers.

9.2.3 Communication Effects

Thirdly, companies can also choose to measure sponsorship effectiveness by measuring awareness and image variables among consumers. These indicators are designed to reveal the cognitive impact of the sponsorship on consumers as opposed to simply measuring the extent of publicity gained through media coverage. The obvious benefit of this approach is that it takes into consideration actual consumer perceptions. Among the communication effects, the authors believe that measuring sponsorship recall, a form of sponsorship awareness, is the most compelling indicator of effectiveness.

The authors suggest that in order to successfully measure sponsorship effectiveness, rather than using only one of the above mentioned measuring tools, companies would greatly benefit from incorporating a sponsorship measurement framework that uses a combination of the above mentioned methods. They note however that the third method, measuring sponsorship awareness, is often the only

method employed by sponsoring companies to measure the effectiveness of their sponsorship efforts. As a result, this particular method; more specifically the question cues currently in use and those being suggested for measuring sponsorship awareness, are the main focus of the reviewed study.

9.3 Awareness Measurement

Tripodi et al. (2003) considered awareness as a sub measure of the communication effects category mentioned in the previous section. The authors argue that all awareness measurement involves some form of prompting. In most cases, it incorporates either brand prompting or category prompting and the authors argue that the differences between the two are similar to the differences between brand recognition and brand recall. Brand recognition measures consumers' ability to confirm prior exposure to the brand when prompted by the brand name. Brand recall simply measures consumers' ability to retrieve the brand when the product category is given as the cue. When it comes to sponsorship research however, Tripodi et al. (2003) review the work of different authors and conclude that the three most valid cues used for measuring sponsorship awareness are the brand sponsorship prompt, the event sponsorship prompt and the category sponsorship prompt – similar to the prompts used for measuring advertising awareness.

9.3.1 Awareness Prompts

The authors' objective for conducting this study is to fill the gap that currently exists in the sponsorship literature regarding sponsorship awareness measurement. As mentioned, the authors suggest three alternative cued sponsorship recall techniques they believed were worth testing in a study to determine the level of sponsorship awareness. Their reason for using these prompts is introduced by means of the

spreading activation theory which is based on an associative memory model. This model would predict that sponsorship memories can be assessed through different triggers, or prompts. The three prompts are:

1. Brand Sponsorship Prompts

'When you think of Brand/Company X, what sponsorships come to mind?'

According to the authors, the brand prompt would represent a direct measure of the ad-brand linkage. Respondents would be asked if they have recently seen advertising for a specific brand and what message the brand was trying to communicate through the ad.

2. Category Sponsorship Prompts

'When you think of Category X (e.g. banks), what sponsorships come to mind?'

The category prompt was aimed at providing a measurement tool to determine consumer memorability, also labelled as the strength of the ad-brand linkage. Here, the respondents were asked to describe any ads they have recently seen for a particular product category followed by what brand was being advertised as well as the nature of the message being advertised.

3. Event Sponsorship Prompts

'When you think of Event X, which sponsors come to mind?'

The event prompt has been predominantly used in the sponsorship research to date but has recently been confronted with increased criticism. Certain scholars argue that it is inappropriate to use the event prompt prior to asking respondents which brands/companies sponsored the event because it would have a high tendency to be

leading. The authors of this particular article however, still deemed it relevant to test the event prompt in their study.

4. Recognition Prompt

In addition to using the above mentioned prompts, the authors also devised a recognition prompt to test whether subjects were able to remember any of the sponsorship efforts by the top four companies in one particular product category. When measuring sponsorship awareness, the authors mention that recognition could translate into a question combining both the brand cue and the event cue. However, the authors are quick to note that event-brand recognition does not say anything about the strength of the relationship or whether it will be activated at the point of purchase.

The authors believed that using these four prompts would enable them to determine how people's awareness differed depending on the prompt they were subjected to. Their findings with respect to these prompts will be commented upon in the chapter.

9.4 Methodology of the Article Reviewed

To understand more about how the prompts were practically employed in the reviewed study, the particulars of the author's methodology will now be reviewed.

Tripodi et al. (2003) developed an experimental design in which they aimed at providing a systematic comparison between the three sponsorship prompts outlined above to measure sponsorship awareness. They hired a market research company who obtained 271 responses by combining a telephone survey technique with an experimental approach that allowed the three prompting methods to be compared directly. The respondents were randomly assigned to one of the three above mentioned sponsorship prompt groups with the focus of the questions being on the recall of sporting

sponsorships by Australia's four major banks for the Sydney 2000 Olympics.

Respondents in all three groups were then confronted with the same recognition prompt asking them whether they were aware of certain actual sponsorship efforts by the top four banks.

9.5 Findings from the Article Reviewed

Below is a list of the major findings from Tripodi's et al. (2003) study:

1. The event sponsorship prompt had the highest partial prompted recall percentage (32 percent) – prior to the full (recognition) prompt but the lowest total awareness percentage (50 percent).

2. Using event + brand sequence before the recognition question is likely to produce significantly lower overall estimates of recognition of the sponsorship than if brand + event before recognition sequence is used.

3. The spreading activation model showed potential for capturing the effects of varying prompts, both recall and recognition approaches to measuring sponsorship success.

4. Recall measures obtained need to be compared against those of competitors in order to provide a meaningful overview.

The above mentioned findings demonstrate the importance of the different types of prompts used to measure sponsorship awareness. Each of the three different prompts used in this study created a different level of awareness among respondents and as such we believe they should be subject to further examination and analysis. In order to

do so, the following section provides a detailed analysis of the procedures used for each of the prompting categories.

10 DATA ANALYSIS

10.1 Introduction

Tripodi et. al (2003) performed a study, measuring sponsorship awareness using three different prompting cues; event sponsorship prompt, brand sponsorship prompt and category sponsorship prompt. This section will identify and analyze each of the three different prompts as they were used in the study. The purpose of this analysis is to review and identify the prompt type which we believe to be the most appropriate for use in future studies on sponsorship evaluation.

10.2 Event Sponsorship Prompt

The table below summarizes the questions asked to respondents within the event sponsorship prompt scenario. The recall that was elicited from each question was recorded and then summated to represent the total awareness for this particular prompt.

Table 1 Event sponsorship prompt. Tripodi et al. 2003.

Questions	Recording	Type of Prompt
1. When you think of Event X, which sponsor comes to mind?	- First mention - Other mentions (probes)	Event Partial Prompt
2. Is any "category" a sponsor of Event X?	- Yes or No	Category Partial Prompt
3. Which sponsorships are you aware of that Brand/Company X, Y and Z (same category) supports?	- First mention - Other mentions (probes)	Partial Prompt Single Measure
Total		Three part-prompt measures were totalled to find partial prompt total

From the first event partial prompting question, one can infer that a large number of different answers would be obtained as the question is quite general in nature. This type of question would typically be asked to determine the number of people able to recall the sponsoring company with very little prompting; in this case only by referring to the event in question. It is our impression that the first question was not only asked to obtain a specific response but to put the respondents in the right frame of mind regarding the sponsored event. For this particular question, 14.4 percent of the respondents were able to correctly name the sponsoring company when asked who they believed sponsored the Olympics. The greater the number of people answering this question correctly, the stronger the apparent link between the sponsoring company and the event would be, as minimum prompting was required. For this particular case, the Olympics tend to have a large number of sponsors, most of which are well-known around the world. As such, the number of people that correctly named this small local bank as a sponsor of the 2000 Olympics was quite large.

The second question within the event sponsorship prompting category was a partial category prompt. Here, the respondents were asked a question very similar to the first, but this time with a particular category already narrowed down for them. In asking for companies within a specific category (banks in this case), it is to be expected that a larger number of people would correctly answer this question than was the case in the first question. This was indeed what occurred as 30 percent of respondents correctly identified the sponsoring company versus the 14.4 percent of the first question. The percentage however may not be entirely representative as those people who correctly identified the sponsoring company in the first question were also asked this question and as such, most likely answered the second question correctly as well.

The third question asked respondents in the event sponsorship prompting group to identify sponsoring activities for specific companies within a specific category. Rather than only mentioning a particular category, respondents were now presented with a number of specific companies within the same category as in question two. However, while the respondents were presented with specific companies, there was no longer the mentioning of a particular event. Despite that, one would expect the number of respondents answering this question correctly to not fall below that of question two as these questions are very closely related. However, the percentage of respondents who answered this question correctly dropped to 25.6 percent from 30 percent in question two. This came as somewhat of a surprise as the nature of the question did not change significantly. The overlap of respondents described in question two also exists here in that those respondents who answered questions one and/or two correctly were in large part also those who answered question three correctly. One possible reason for the third question showing a lower number of correct answers might be attributed to the spreading activation theory. This theory states that continuing to add more prompting information will not necessarily result in improved recall as it can both facilitate recall (the difference between questions one and two) or interfere with it (the difference between questions two and three).

Of importance to note for the event sponsorship partial prompt total is that 29 out of 90 people questioned correctly identified the sponsoring company prior to the recognition prompt. This number far outweighs the totals for the remaining two prompting categories listed below. Part of the reasoning behind this could be that people's familiarity with and interest in the Olympics would mean that they need less prompting to correctly identify the sponsors.

10.3 Brand Sponsorship Prompt

The table below summarizes the questions asked to respondents within the brand sponsorship prompt scenario. The recall that was elicited from the question was recorded and represents the total awareness for this particular prompt.

Table 2 Brand sponsorship prompt. Tripodi et al. 2003.

Questions	Recording	Type of Prompt
1. Which sponsorships are you aware of that Brand/Company X, Y and Z (same category) supports?	<ul style="list-style-type: none"> - First mention - Other mentions (probes) 	- Partial Prompt Brand total measure
Total		Partial prompt brand total

For the brand sponsorship scenario, only one partial prompt was relevant due to the nature of this category. One might expect a lower level of recall in this brand prompt scenario versus the event prompt scenario mentioned in the previous section. This could be the result of the respondents in the event prompting category having been exposed to two partial prompts preceding this question and thus may have primed/activated their memory around sponsorship. However, the one partial brand prompt may elicit a similar level of recall to the first partial prompt in the event situation regarding what brands sponsor event "X"? This is because in both prompting situations subjects are only given one variable, the event or the brand, and are required to identify the brand or event respectively.

As subjects were only partially prompted once in this situation to see if correct recall can be achieved, one would not expect a similar level of total partial prompt recall as in the previous event prompting scenario. This is in fact what happened as from the

brand sponsorship partial prompt there was a 15.6 percent recall as compared to the 32.2 percent total partial prompt recall in the event sponsorship prompt category. It should be noted that this difference in recall level is not indicative of a superior prompting sequence or style. Rather the learning here is that multiple partial prompts allow additional opportunities to trigger or cue subjects so that they are able to recall a brand-sponsorship linkage more successfully. This fact accounts for the difference in recall levels between the event and brand prompts used and is not suggestive of one being superior of the other.

10.4 Category Sponsorship Prompt

The table below summarizes the questions asked to respondents within the category sponsorship prompt scenario. The recall that was elicited from each question was recorded and then summated to represent the total awareness for this particular prompt.

Table 3 Category sponsorship prompt. Tripodi et al. 2003.

Questions	Recording	Type of Prompt
1. Which sponsorship are you aware of that any of the "Category" support?	- First mention - Other mentions (probes)	- First mention Partial prompt - Other mentions Partial Prompt
2. For each that you are aware of, mention the name of the "Category" company and what it sponsors.	- Names and event.	
3. Which sponsorships are you aware of that Brand/Company X, Y and Z (same category) supports?	- First mention - Other mentions (probes)	- Partial Prompt Single Measure
Total		Three part-prompt measures were totalled to find partial prompt total

From the first partial prompt in the category scenario one might expect a lower level of recall as compared to the previous two scenarios. The answer for this may reside

in how the human memory functions. Individuals may remember and store things by brand or event, not category, unless a brand is for all intensive purposes, 'the category', in the case of a clear market leader (e.g. Kleenex). This is particularly the case due to most media being engrained in our minds with the focus and importance being on brands and events, not the category.

Furthermore, subjects are prompted with specific brand names within the category and asked what events they sponsor. One would expect the highest level of recall here due to the nature and sequence of the question. As this question is narrower in scope, it will more easily trigger ones memory. In addition to being able to capture new correct responses, it will also include those who were previously able to identify the correct sponsoring company.

The total partial prompt recall for this category was 17.6 percent, in the middle for total level of recall from partial prompts, slightly above that of the brand prompt at 15.6 percent. As mentioned, multiple partial prompts in this scenario may have provided the additional opportunities and exposure to allow respondents to activate deeper held memory areas of sponsorships they have. As one can see, no single measure from the category situation is greater than the one recall from the brand situation. It is only when the cumulative recall is counted that a greater recall is reached. This fact supports the notion that the more partial prompts given, the greater the recall from partial prompts.

10.5 Recognition Sponsorship Prompt

The table below summarizes the question asked to all respondents within each of the sponsorship prompting categories. This full prompt was used once all of the partial prompts for each respective prompt category were asked. The purpose of using the recognition prompt was to determine the number of respondents who were not able to

correctly identify the sponsoring company when prompted by one of the three partial prompt categories, but who were aware of the sponsorship upon being made aware of it by means of a full prompt.

Table 4 Recognition sponsorship prompt. Tripodi et al. 2003.

Questions	Recording	Type of Prompt
1. For each brand/company, could you tell me whether you were aware of the sponsorship before today? (actual sponsorships were used)	- Yes / No Answers	- Full prompt measure

The final prompt respondents were confronted with was the recognition (full) prompt. As mentioned, respondents in all three prompting categories were asked the exact same question outlined in the table above and were asked to respond with a simple yes or no. One would expect the recall figures for all three prompting categories to increase dramatically as respondents simply had to confirm that they were aware of the sponsorship after they were explicitly told about a company sponsoring a specific event. While the recall for the brand and category sponsorship prompt categories increased significantly, the event sponsorship prompt did not provide the same level of increased awareness. We believe a potential reason for this to be the fact that a large number of people correctly identified the sponsoring company at one of the partial prompting question stages. As a result, this left relatively fewer people eligible for the recognition question in the event prompt category. One could therefore conclude that the recognition prompt had very little added value within the event sponsorship group as they had already been exposed to the event, brand and single measure prompts prior to the full prompt. This would also explain why the recognition prompt had the greatest

impact on the brand sponsorship prompt group as they were only asked one question with limited prompting prior to being confronted with the full prompt question.

Finally, the following table provides an overview of the partial prompts used for each of the above outlined prompting methods as well as the total percentage of respondents (after recognition prompt) that were aware of the particular company sponsoring the 2000 Olympics.

Table 5 Sponsorship prompts – Overview. Tripodi et al. 2003.

Event Sponsorship Prompt	Brand Sponsorship Prompt	Category Sponsorship Prompt
Event Partial Prompt (x2)	Partial Prompt Brand total measure	- First mention Partial prompt - Other mentions Partial Prompt
Category Partial Prompt		- Partial Prompt Single Measure
Partial Prompt Single Measure		
32 percent Partial 50 percent Total aware*	16 percent Partial 64 percent Total aware*	18 percent Partial 59 percent Total Aware*

* Partial prompt + full (recognition) prompt.

10.6 Methodology Analysis

The methodology of a study is very important as it can largely explain the results of a study in addition to giving indications about a study's reliability and validity. The purpose of this section is to evaluate and critique the methodology employed by Tripodi et al. (2003) in the reviewed study.

The authors of this article developed an experimental research design. The data was obtained by using a random digit dialling telephone survey that resulted in non-probability sample of 271 people aged 18 or over. Telephone surveys have proven to be a relatively inexpensive way to collect data. Not only can the data be obtained in a small

period of time but this particular technique is also known to provide higher response rates compared to alternative techniques (door-to-door, mail, email). Furthermore, the telephone survey also provides the researcher with a wider potential distribution area to include a more representative sample of the population. This study did not provide details as to the areas that the telephone survey covered, but only mentioned that the study was conducted for a small local bank somewhere in Australia. A possible benefit of using this particular interviewing technique is that telephone surveys do tend to provide less interviewer bias than interviews conducted in person and also allows the interviewer to provide more explanation if certain questions were not clearly understood. Despite generally being known for offering relatively high response rates however, telephone interviews may not be considered a representative sample frame due to the existence of unlisted numbers.

For the purpose of this particular study 271 interviews were conducted. The respondents were divided equally into the three different prompting categories. The number of respondents per category appears to be large enough to provide a representative sample of the population, but it is our opinion that the sample size should be increased if the population variability or the precision required of the estimate are increased. Although we believe that each of these prompting categories would have benefited from including a minimum of 150 respondents, we did not feel it to be absolutely necessary given the nature of the study.

The time frame for this particular study is also subject to discussion. The telephone interviews were conducted prior to the 2000 Olympic Games but the study did not specify how long in advance they took place. One would expect the results to be significantly different had the interviews taken place days as apposed to weeks before the start of the Olympics. This difference would be a result of people's level of

involvement and interest for the Olympics increasing as the event draws nearer. It is our opinion therefore that this study would have greatly benefited from the use of a pre-post research design. It would have been interesting to compare the pre-and-post results to determine if the sponsorship recall for the bank in question had changed after the event had concluded. Of course the recognition aspect of the interviews would have to be omitted in order to not identify the sponsorships to the respondents at the pre-event stage. The recognition prompt however could have been added to the post-event interview questioning if desired by the researcher.

10.7 Data Analysis Conclusion

Through the process of analyzing the methodology and research design employed by Tridopi et al. (2003) it has become evident that the level of awareness among respondents was influenced by the type of prompt used. Therefore, it is important for the researcher to understand how each of the prompts used can affect the overall results in the study of sponsorship awareness. In addition, the use of full a recognition prompt should be cautioned due to its propensity to introduce bias to the results and thus diminish the reliability of the study.

11 RECOMMENDATIONS

11.1 Introduction

The recommendations that follow are designed to provide a more holistic view on how sponsorship effectiveness should be measured, building upon the methods employed by Tripodi et al (2003). Tripodi et al. (2003) introduced multiple measures that should be incorporated into the sponsorship evaluation process however, they only performed primary research on one of the measurement constructs; sponsorship awareness. Although they believed that companies should not solely rely on measuring awareness, Tripodi et al. (2003) did not recommend how other constructs such as sales effectiveness and media exposure should be measured. Our recommendation on the other hand will incorporate multiple measures that can be placed into one of two categories. The first category is labelled purchase intention of which awareness is a significant part. The second category we recommend including in the measurement process is sales effectiveness. The following section will introduce our proposed methodology followed by a detailed recommendation on how to measure the two above mentioned sponsorship measures; purchase intention and sales effectiveness.

11.2 Proposed Methodology

11.2.1 Introduction

This section will address our proposed methodology on how a study aimed at measuring sponsorship effectiveness should be conducted in future research. More specifically, we will recommend an experimental design, sampling frame, size and procedure and the method of administration to be employed. The purpose of this

methodology is to provide a more comprehensive study with the maximum validity and reliability in addition to being easy to employ.

11.2.2 Experimental Research Design

We propose using a one group, pre-test post-test design. This design will measure to be taken prior to and following exposure to the sponsorship. A one group, pre-test post-test design will give a better indication than a one-time post-test as it will allow the pre and post-test measures to be compared to determine the impact of the sponsorship. Recognition prompts as per Tripodi et al. (2003) study are to be omitted during the pre-test phase in order to allow for the post-test.

11.2.3 Method of Administration

Telephone interviews will be employed in order to measure all components of the purchase intention category as explained previously (attitude towards brand, corporate image, competitor's image, familiarity with brand and overall awareness of the company/brand). The interviewers will make use of computer aids that will provide prompts and standardized responses to potential queries in order to ensure consistency between the administrators.

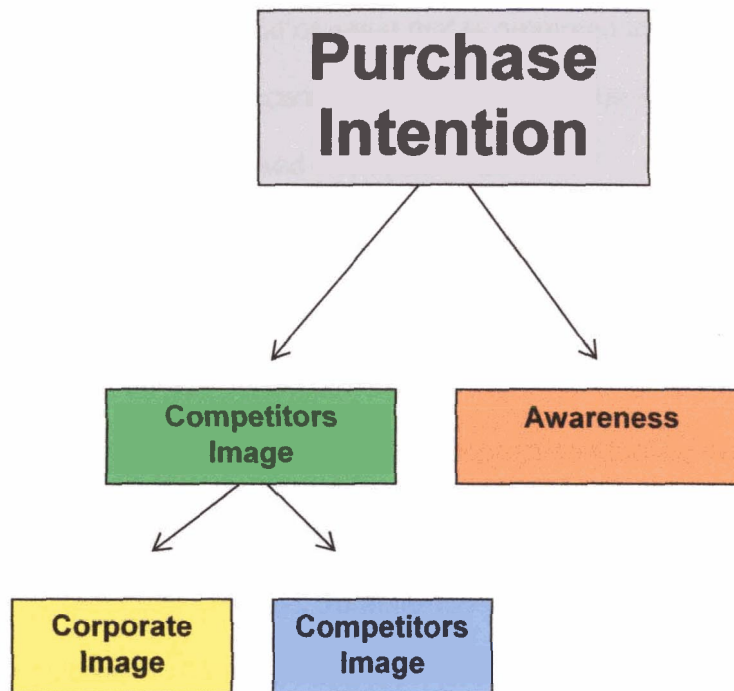
11.2.4 Sample

In order to obtain the most representative results, the study should be open to all people with a telephone number in the prescribed area. Random digit dialling + 1 should be used to reach prospective respondents. For all participating respondents, their contact information should be logged so that they can be re-contacted for the post-test portion of the study. We recommend obtaining a minimum of 250 completed and valid responses for the purpose of this study.

11.3 Purchase Intention

Purchase intention is determined by the interaction of two factors; attitude towards the brand and familiarity with the brand. Attitude towards the brand is further a function of corporate image and the image of its competitors. Familiarity with the brand is a function of brand awareness and can be determined by using the prompting categories identified by Tripodi et al. (2003). Familiarity can also be determined through questions relating to prior use and exposure. Each of these factors needs to be determined for the most accurate measurement of purchase intention. As a result, questions should be developed based on each of the factors outlined in figure five and should be included in interviews and or questionnaires that cover the purchase intention concept. Determining purchase intention is a very valuable measure as it is the closest indicator to actual purchase. At the end of the interview one question should be asked to determine the likelihood of actual purchase within a specified time period. For this particular question, a five-point Likert scale with the following descriptors at each level: definitely will buy, probably will buy, might/might not buy, probably will not buy, and definitely will not buy should be employed. Figure five illustrates the elements affecting the level of purchase intention.

Figure 5 Purchase Intention Category



11.3.1 Awareness

Awareness is an indication of the level of familiarity with a brand. As previously mentioned, the ability to recall a brand or company through the use of prompts is the most commonly used procedure in determining the level of awareness. Tripodi et al. (2003) employed three different prompts; event, brand, and category, in determining the total awareness for a brand or company. It is our belief that the solely using the event prompts and sequence as per the authors study, will lead to the most accurate measure of awareness. The event prompt scenario was chosen as it provided the best mix of questions related to both the brand and the event. This provided respondents with a sufficient amount of cuing without being explicit and providing them with the answer. The category prompt was not chosen as we did not believe prompting by category would trigger relevant recall among respondents due to the vague nature of the concept of 'category' and its potential for different perceptions of meaning by consumers.

Furthermore, using category prompts was found not to be relevant as it is not the category but typically the brand or event that is promoted to consumers in sponsorship activities. The brand prompt scenario was not chosen due to its limited opportunities for measuring recall as it only asked one specific question.

Furthermore, we recommend to not employ the full prompt (recognition) when measuring awareness as this would confound our results with our one-group pre-test post-test research design. Asking a recognition prompt prior to the exposure of the stimulus (sponsorship) would defeat the purpose of conducting the post-test interview.

As mentioned, familiarity is also a factor in determining awareness and subsequently purchase intention. To determine familiarity with the brand, additional questions could be asked to determine the level of prior exposure to, or experience with the brand. To determine the level of familiarity, multi-chotomous questions such as “Do you have first hand experience with the product, how long have you been using this product, how frequently do you use this product?” should be asked to determine frequency and duration.

11.3.2 Attitude and Image Towards the Brand and its Competitors

It is our recommendation that two attitudes should be measured; one for the brand in question and one for the each close or direct competitor. The reason for recommending this is that although a good consumer rating is desirable, it needs to be put in a practical context. A good review will mean less if a consumer also views the competitors in a favourable manner. Therefore, it is the comparative measurement specifically that is of value to the concerned organization.

Corporate image is influenced by a number of factors. As a result, questions pertaining to corporate image can vary in nature in order to capture its many aspects. As

such, possible questions should include “The company has good products/services, the company is well-managed, the company act in a socially responsible manner, etc.

Subjects should be asked to rate specific brands and/or companies on a scale of 1 to 5 (strongly disagree to strongly agree) for each dimension.

11.4 Sales Measures

The second category we recommend to include in the measurement of sponsorship effectiveness relates to a company’s sales measures. As mentioned, there has been an increasing demand for companies to deliver an ROI measurement for sponsorship activities. Despite these challenges there are some measures that an organization can pursue in order to acquire meaningful information on the level of sales during sponsorship activities.

Sales effectiveness can be assessed through various measures using data internal to the organization. It should be mentioned from the outset however, that all sales results need to be closely scrutinized due to the number confounding factors that can be present. Typically, in an effort to leverage an organization’s sponsorship as much as possible, the company will increase their level of their advertising to co-promote both the brand and the sponsorship. This will have to be considered when interpreting the results in order to provide the most accurate assessment of a sponsorship effort. To help address this issue or if a company is trying to more accurately determine the results of a particular sponsorship, the company could choose to hold their level of advertising constant during the sponsorship period. The idea here is that from past experience the company should know the magnitude of the impact that their regular advertising has on their sales and this can then subtract from the results to obtain the effect of the sponsorship. Alternatively, if the situation allows, a company could refrain from all of its advertising efforts prior to and during the measurement period. The results obtained here

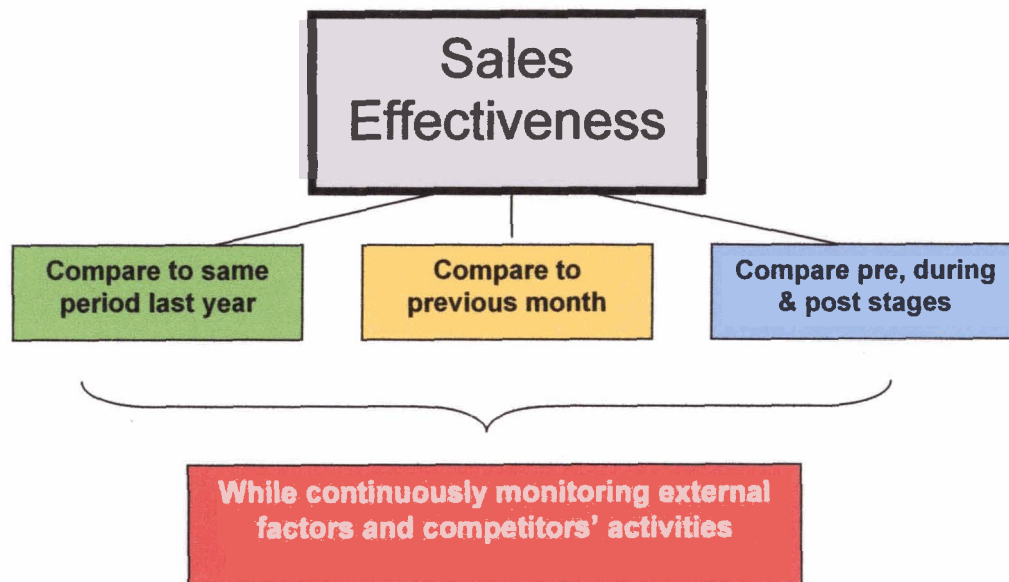
will be more easily attributed the sponsorship activities as there are fewer external influences. Regardless of the company's decision on which approach to follow, they should remember to also monitor the activity of their retail partners as they may also be manipulating their promotions during the measurement period which can also have an affect on sales.

Another way to incorporate sales effectiveness into sponsorship measurement would be compare sales figures from different but related points in time. As an example, sales figures from a specific time this year can be compared to figures obtained during the same time last year. The external factors as well as the firm's activities at this particular time should be noted in order to put data from this year in perspective when comparing them to last year's data. The reason for looking at last year's sales is that most products follow a cyclical pattern and using the 'same time last year' is typically a good reference point for comparison.

Alternatively, sales effectiveness can be evaluated by closely tracking sales trends. For example, sales activity can be measured prior to, during and following the sponsorship activities. Sales numbers from each stage should be compared against one another to determine if any significant trends are apparent that can be tied back to the sponsorship efforts. Lastly, if the budget and resources only allow for a one-time measurement, post-sponsorship sales activity should be the chosen measure. However, it will be advised to incorporate a brief lag-time after the sponsorship is over before commencing the data collection. The purpose of this is to allow time for consumers to respond to the sponsorship they were exposed to. The actual lag-time one should incorporate should vary depending on the nature of the sponsorship. It is our recommendation that lag-times should not be extended past one-month following the cessation of the sponsorship.

With respect to the external environment it may not be feasible for an organization to measure its sales activity in a broad region (nationally) due to the number of variables to monitor. It also may not provide relevant information if a sponsorship only takes place in one specific area. It is therefore highly recommended that all measurement take place in the area(s) that are most likely to be affected through the sponsorship so that the most accurate and meaningful data is collected. The figure below illustrates the most common time frames for sampling and measuring sales data.

Figure 6 Sales Effectiveness Category



11.5 Conclusion

By focusing on purchase intention, a company is able to not only address awareness as in the case of Tripodi et al. (2003) but to also relate the level of awareness to the intent to purchase. Purchase intention provides a company with a more valuable measure to determine sponsorship effectiveness. Sales effectiveness is an equally important measure in that it provides a company with a quantifiable measure that it can

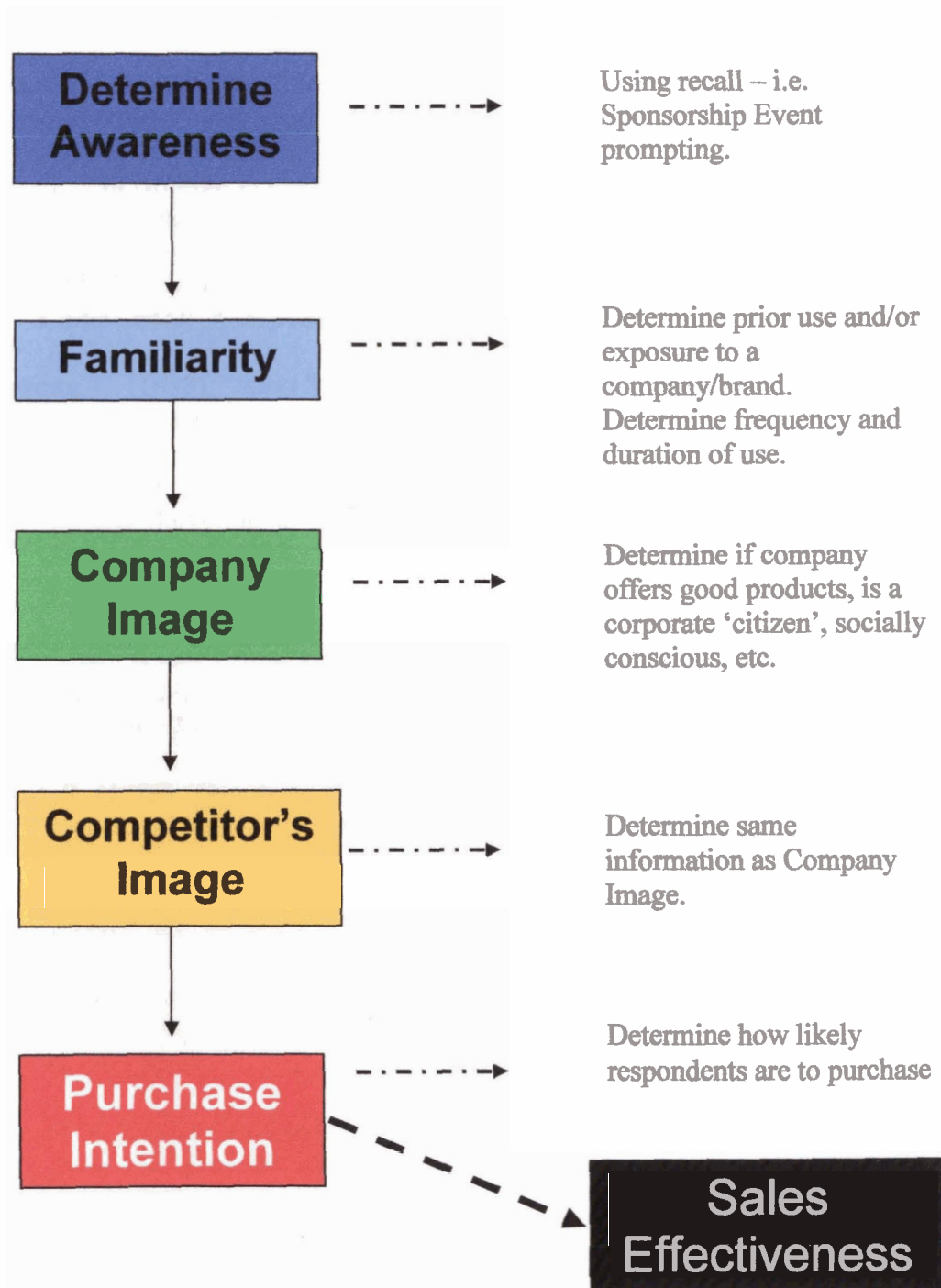
use to evaluate its sponsorship effectiveness. The framework below provides a more detailed overview of the above mentioned measurement categories.

11.6 Proposed Framework

Figure 7 Proposed Framework

Elements of sponsorship Effectiveness

Question Type



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