

EVENT SPONSORSHIP AS A MARKETING COMMUNICATION TOOL

Sponsorship is one of the most important tools of modern marketing communications, which are used by companies to achieve their marketing goals. Indeed, events are the main and the widest application field for sponsorship. Therefore, this topic illustrates the concept, importance, objectives, types and dimensions of event sponsorship.

Keywords: Event sponsorship; Goodwill; fan involvement; event-sponsor fit.

Research problem:

The traditional means of marketing communications have begun to lose their luster and to decline their role in the field of marketing gradually, so companies now are racing to find alternatives and modern tools through which to communicate with its stakeholders to achieve their various marketing objectives. That why the role of sponsorship has emerged as a modern mean and as one of the most important tools of marketing communications, not only to be supportive of traditional means, but also to compete with them.

Research objective:

The main aim of this research is to highlight the concept, types, objectives, dimensions and importance of event sponsorship as a contemporary marketing communications tool, which helps companies to achieve their marketing communications goals.

Introduction:

In the recent years, sponsorship has been one of the most important means which are used by companies to achieve their promotional objectives and to build brand loyalty to ensure their survival and continuity, even to have competitive advantages. Commercial sponsorship represents one of the most rapidly growing sectors of marketing communications activity. [9.p.328]

More recently as a result of globalization and digitalization, the use and selection of different marketing tools among the organizations is playing a key role in which the marketing ability impacts the financial success of a company. Indeed, in this environment, the ability to develop and implement new strategic communication tools such as sponsorship is becoming a key differentiator. [5. p.3] The importance of sponsorship as a marketing communications tool is well recognized and documented in the literature and annual sponsorship spending worldwide has been growing rapidly. [10. p. 319] According to the sponsoring report from 2016 which was published by IEG (The International Events Group) the total global expenditure grew from \$51.1 billion to \$60.2 billion in 2015. Out of this \$60.2 billion spending on sponsorship, the worldwide revenue of sport sponsorship is \$ 45.2 billion which is still growing year by year. Sponsorship of events in particular can be especially effective as a marketing tool because it can be a means of accessing a wide range of audiences such as decision makers in business, government entities, and of course customers. It can be particularly beneficial for companies that take part in international trade because sponsorship transcends cultural and language barriers. Events allow business owners or executives relate directly with their customers, while they give customers the opportunity to try out the products of a company firsthand. [1. p.69] The literature research underlined that sponsorship is not uniquely defined by scholars. [12. p.12]

So, there are different definitions for sponsorship. Sponsorship can be defined as follows:

“Sponsorship is the provision of assistance either financial or in kind to an activity by a commercial organization for the purpose of achieving commercial objectives.” [4] And we can define it as following: [15. p.21]

Author	Quotation
Sandler and Shani (1989)	“The provision of resources (e.g., money, people, equipment) by an organization directly to an event or activity in exchange for a direct association to the event or activity. The providing organization can then use this direct association to achieve either their corporate, marketing, or media objectives” (p. 10).

International Events Group(1999)	“... a cash and/or in-kind fee paid to a property (typically a sports, entertainment, non-profit event or organization) in return for access to the exploitable commercial potential associated with that property”.
Mullin, Hardy and Sutton (2007)	“... the acquisition of rights to affiliate or directly associate with a product or event for the purpose of deriving benefits related to that affiliation or association” (p. 254).
Gardner and Shuman (1988)	“Sponsorship is defined as investments in causes or events to support corporate objectives, such as an enhancement of corporate image or an increase in brand awareness” (p. 78).
Buehler (2009)	“Professional sports sponsorship is a business-related partnership between a sponsor and a sponsee based on reciprocity. The sponsor provides financial or non-financial resources directly to the sponsee and receives a predefined service in return in order to fulfil various sponsorship objectives” (p. 92).

Usually when we talk about sponsorship, we should be aware about an important point, which is event sponsorship. because there is a logical link between sponsorship and events, whereas for each event there should be a sponsor or more. Indeed, sponsorship is beneficial to both the event and the sponsor. Event sponsorship is a collective term given to the sponsorship of various activities in the fields of sports, arts, and causes and may involve the sponsorship of teams, players/artists and competitions. [8, p.98]

Types of Sponsorship: [12. p.15] the American approach developed by IEG (2011) categorizes the types of sponsorships in order of their monetary importance. This approach neglects media sponsorships totally and develops and assesses the categories:

- sports.
- entertainment tours and attractions.
- cause sponsorship.
- arts sponsorship.

- festivals, fairs and annual events.
- associations and membership organizations.

Astate-of-the-art aggregation, gathering the central orientations, divides sponsorship into: Sport sponsorship, culture sponsorship, social cause sponsorship, environmental sponsorship, educational sponsorship and media sponsorship.

The “Sponsoring Trends 2010” report for Germany shows that amongst the sponsorship portfolio, sport sponsorship is the most popular category with 81.1% usage, followed by cultural sponsorship and social cause sponsorship. So, there are lots of kinds of events, but the most important one in sponsorship field are sports events. Sports sponsorship spending worldwide attained US\$ 35 billion in 2011, or 28.8% of the sports market, which also includes ticketing, broadcasting and merchandising rights. Sports sponsorship is expected to grow at an average rate of 5.3% per year. [13. p. 56]

Objectives of sponsorship:

Literature provides a variety of different angles of potential objectives, which are presented in a summarized form in the following: [12. p.15]

- Enhance corporate image.
- Increase brand awareness.
- Stimulate and increase sales.
- Leverage corporate reputation.
- Gaining publicity.
- Creating entertainment opportunities.
- Fostering favorable brand and company associations.
- Improving community relations.
- Creating promotional opportunities.

Lagae (2005) categorises the objectives of sponsorship into three different types: [15. p. 24]

Cognitive Objectives	Affective Objectives	Behavioral (Conative) Objectives
Increasing brand awareness	Supporting and changing brand image	Increasing brand loyalty

Clarifying brand interpretation	Accentuating brand experience	Supporting and stimulating sales
		Creating distribution space

To summarize, sponsorship affects numerous objectives, as the integration potential provides extensive opportunities. Nevertheless, according to Madeja (2006) all the different objectives a sponsorship might target in the end contribute to the essential corporate objective every company is subjugated to, sales increase and to ensure a positive economic performance.

Dimensions of sponsorship:

There are many dimensions of sponsorship that have been discussed in marketing literature:

Goodwill: Consumer perception of sponsorship, and the positive attitude consumers convey toward a sponsor that supports and facilitates an event, team, or cause in which they are passionate. The largest factor distinguishing sponsorship from advertising. [3. p.81] The notion of goodwill is central to an understanding of sponsorship. Both Meenaghan (1991) and McDonald (1991) suggested that one of the prime factors that distinguishes sponsorship from advertising was the existence of goodwill. Such goodwill was believed to be driven by the appreciation of individuals who recognize the benefits of sponsorship to activities with which they are involved. [8. p.101]

fan involvement: The extent to which consumers identify with, and are motivated by, their engagement and affiliation with particular leisure activities. [8. p.106] involvement in case of sponsorship is a kind of genuine excitement caused by a strong and solid interest in a specific activity which results from the importance of this activity for an individual. We should know that the knowledge of consumer has a strong influence in increasing interest, considerable motivation on the sponsorship and bring about the benefit of sponsor. [11. p.89]

event-sponsor fit: The degree to which the pairing [of an event and sponsor] is perceived as well matched or a good fit, without any restriction on the basis used to establish fit. [7. p.5] It is generally accepted that if target audience see the sponsor

and sponsored objects as congruent, that sponsorship is more likely to arouse positive responses. Thompson and Speed (2000) found that consumers who perceive fit between the sponsor and the sponsee are more inclined to form positive attitudes toward sponsor and use sponsor's products. There are several studies which showed similar findings reinforcing the positive relationship between the perceived fit and behavioral intentions. [4. p.177]

Furthermore, there are another dimensions according to many studies, for example: Attitude toward Sponsor. [4. p.176] Attitude toward Sponsorship. [7. p.6] Perceived Sincerity of the Sponsor. [14. p.25] Sponsorship Awareness. [2. p. 291]

Conclusion:

As a result, event sponsorship has become one of the most important modern elements of marketing communications at these days, and it develops rapidly. Thus, all companies should give a special attention to this tool and be aware of its benefits If they want to communicate effectively with their stakeholders and in case they seek to have a strong marketing position in the market under the intense competition between companies.

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