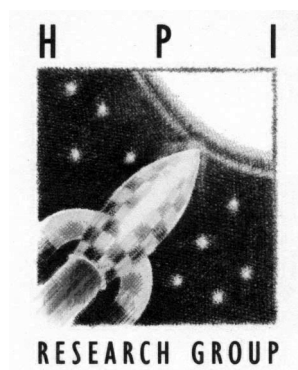


The changing sponsorship scene

By Alan Cooper, HPI Research Group



The changing sponsorship scene

Alan Cooper, HPI Research Group, asks what brand owners should be demanding from sponsorship and how market research should respond

IN AN MRS conference paper in 2000 Jackson and Lowde suggested that commercial sponsorship was worth \$20 billion worldwide (1). This sum referred to the cost of acquiring the rights to sponsor the 'property' (for example, the sports team or event, the TV programme, the sports/media celebrity, and so on). Easily two to three times that sum is spent marketing and promoting the sponsorship. Sponsorship is big business.

Yet, commercial sponsorship is only just over 30 years old. In 1970, it has been estimated that the total value of sponsorship in the UK was just £4 million (2) – now it is worth at least 100 times that.

The beginnings of mainstream sponsorship

From the mid-1970s to the end of the next decade sponsorship expenditure mushroomed in the UK. On average it rose by over 100% each year during this period.

For some companies, such as tobacco and alcohol manufacturers, sponsorship was almost the only outlet that offered them TV exposure for their brand. For others, sponsorship (often in sport) enabled their brand name to be exposed to millions via TV and press coverage at a

fraction of the cost of advertising. In many circumstances, the choice of which property to sponsor was secondary to the amount of media coverage that it would achieve. So long as the team or event received high national coverage, the nature of the association was less relevant. Marketing departments and research companies tended to evaluate sponsorship in two principal ways.

1. Reach – how many people were potentially exposed to the sponsorship by media coverage? Often this would include the hypothetical exercise of calculating how much it would have cost to achieve similar exposure via paid-for advertising.

2. Awareness – How many recalled the brand that was sponsoring the property?

Even as recently as the early 1990s the importance of these objectives was highlighted in a survey among those who managed their company's sponsorship in professional football (3). Putting aside trade/client goodwill, media attention and aspects of awareness emerged as two of the remaining six of the top eight factors surveyed. References to more developed outcomes such as changing the image or perception of the brand were relegated to 15th – just above personal interest in the sport itself (see Table 1).

Developments in sponsorship over the last ten years

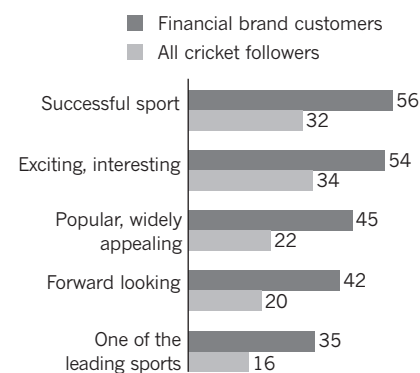
As the demand for sponsorship opportunities increased in the 1990s, so too did the fees being charged by the property owners. The cost, coupled with marketers' growing astuteness in using it, engendered a climate in which more was being demanded of sponsorship and its role in the communications mix.

In particular, three factors have triggered this new way of thinking. The profusion of media channels (principally TV) resulted in more and more sports events being broadcast to fill available air time. The newer channels are generally more tightly targeted, offering the sponsor the chance of a better-quality audience.

FIGURE 1

Sponsorship targeting

Image of cricket among financial services customers (%)



Broadcast sponsorship has flourished in the last decade, having started in 1989. This enables brands not only to have their name associated with a specific programme, but also to air short trailers around it. These trailers can impart relevant images about the brand, although the ITC code does restrict how much of a branding message can be portrayed. Thus, brand image enhancement comes not only from the trailers but also from the appropriateness and nature of the relationship between brand and programme. For example, the then recently launched Beamish stout used its sponsorship of a detective programme on TV in the UK not only to raise awareness but also to imply discernment in beer drinking.

Finally, the concept of media-neutral planning commands increasing attention. This charges sponsorship, like all other channels of communication, including advertising, with the task of resonating the brand's values and positioning.

Consumers are becoming sponsorship literate

Just as consumers today are literate about advertising, so they are becoming more appreciative of sponsorship. In HPI's experience, consumer response to

TABLE 1

Football sponsorship

Rank	Objectives (selected)	Mean
1.	Increase public awareness	5.76
2.	Increase media attention	5.24
3.	Community involvement	5.17
4.	Build business/trade relations/goodwill	5.03
5.	Guest hospitality	5.03
7.	Increase current product/brand awareness	4.28
8.	Increase target market awareness	4.14
15.	Alter target market perception of product/brand	2.93
17.	Personal objectives (hobby motive)	2.00

Note: mean scores are based on a seven-point scale: 1 = no contribution, 7 = major contribution

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any sponsorship can be far more perceptive than 'They are doing it to make their name more well known.' Consumers increasingly are active users of sponsorship. They are seeking to interrogate and understand sponsorships to satisfy themselves better about them. HPI's research has demonstrated that those sponsorship associations that are less easy to understand often find it difficult to achieve awareness and recall in the first place.

Beyond straightforward name association, consumers can – or strive to – appreciate sponsorships on three levels.

1. Does the intended audience empathise with the event, team or programme being sponsored? Stella Artois' involvement with film on TV is very much in line with the interests of its young discerning target audience. Financial services and cricket, both with relatively middle-class and middle-aged consumer profiles, have produced many sponsorship associations. HPI's research on behalf of one of these sponsoring companies shows that its cricket-following customers have a considerably more favourable image of the sport than the 'average' cricket follower (Figure 1). This evidence helps to underpin the argument

for the overall effectiveness of the sponsorship targeting.

2. Is the role of the brand in the sponsored event or team felt to be a supportive one or an exploitative one?

This is particularly relevant for sports teams or events in which those involved (as participants or spectators) are passionate and care a great deal. It is clearly known that money is given by the company, but often such passive supportiveness on its own may be interpreted as 'just a commercial deal' – the company is merely exploiting the popularity of the property for its own ends. Supportive associations are seen where the sponsor adds value to the team/event – a partnership role.

When a team is involved in a high profile event, brands will become 'associated' with it either as official sponsors or as 'opportunists' leveraging heightened public interest. The simple opportunist may be spotted by the astute consumer and regarded as being merely exploitative when the team/event is in the spotlight, with the brand selfishly gathering the benefit. Meanwhile, the official sponsor may be viewed more positively as being genuinely supportive. During World Cup 2002, HPI monitored consumer atti-

tudes towards the official sponsor and an opportunist brand that linked itself to a national football team. Despite creating a high profile for itself, the opportunist brand gathered far less goodwill and predisposition than the long-term official sponsoring brand.

3. Is there a perceived fit or appropriateness between the property being sponsored and the brand associated with it?

It rewards consumers if they can understand the link between the two and frustrates them to the point of relegating it to the back of their mind if they cannot. Figure 2 takes three prime-time TV programmes and shows how strongly consumers perceive the sponsoring brands to be appropriate to them. Despite the sponsorships having been in place for similar periods, the levels of awareness of the brands' associations differ significantly in relation to their perceived fit with the TV programmes. Perceived fit exists on two levels.

Stature: where they are both big, national or international – such as national power companies sponsoring national weather forecasts.

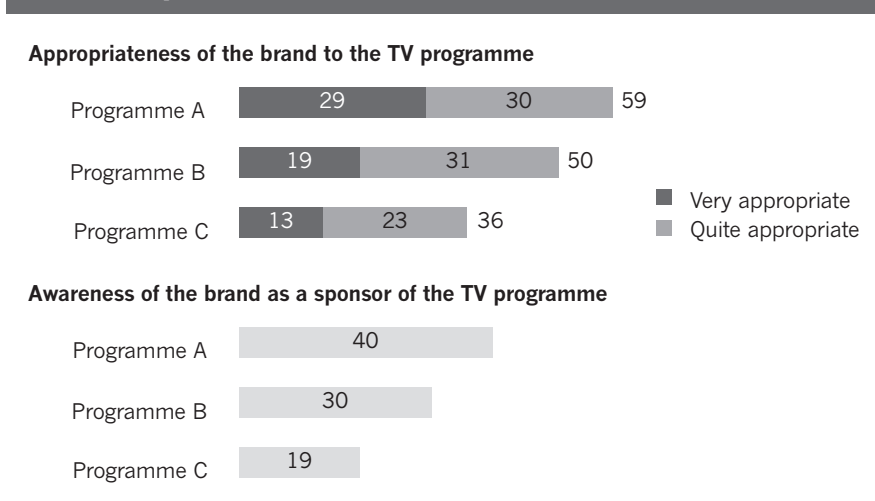
Shared values: the image or values of the sponsored property link with those of the brand (or those that it aspires to) – such as Muller yoghurts with its campaign 'Mullerlove' sponsoring a TV dating programme.

The latter level (shared values) has potential for greater long-term brand success as there are richer points of contact between brand and property – more 'sponsorship velcro'. In the quest to have strong synergy with a brand's desired positioning, companies are looking beyond existing properties and are creating their own. Nike has established the London 10-kilometre run in the last couple of years to challenge the public to 'Just Do It'.

The challenge for market research?

To evaluate fully the effectiveness of sponsorship, research needs to go well ►

FIGURE 2
Relationship between brand 'fit' and awareness



beyond the measurement of awareness of the association – just as nowadays no ad tracker simply measures the extent to which advertising generates awareness. Sponsorship research should learn from advertising and brand research, and develop or adapt measures to evaluate the real benefits of sponsorship investment. Consumers are active users of stimuli from sponsorship, rather than passive recipients, and they use sponsorship cues in a similar way to advertising cues, to build or modify impressions of brands.

Understanding the impressions that are derived from a sponsorship association should, ideally, use both qualitative and quantitative research approaches. On an indirect level it is critical to understand the potential of a sponsored property to convey ‘messages’ about a brand. For example, ‘How much do you agree that the association with ... [insert property] gives the impression that ... [insert brand] is ... [insert elements from brand communication strategy]?’

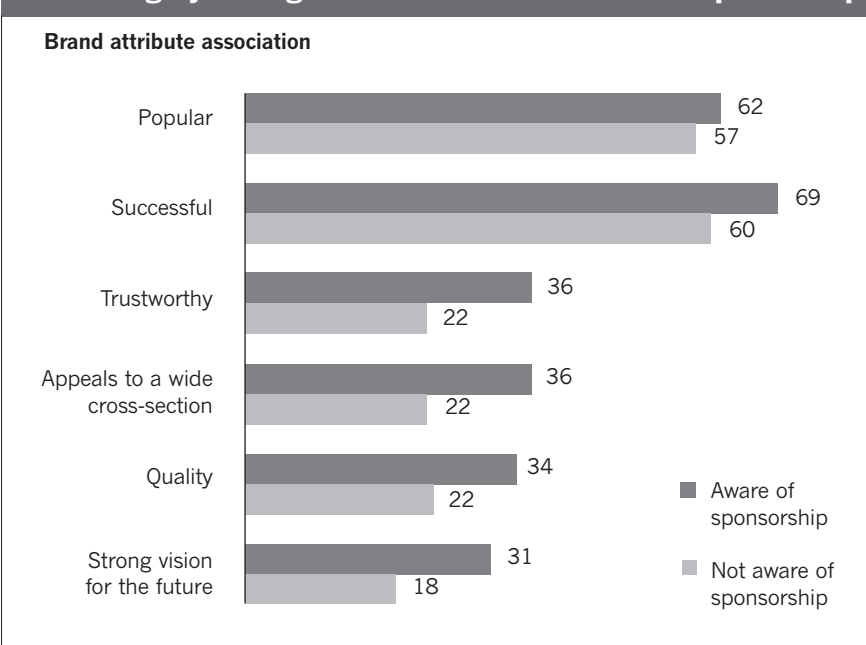
This approach could be used to pre-test candidate sponsorships before any decision or investment is made.

On a more direct level, it will become more the norm to track if, and how, brand perceptions are changing among those exposed to the sponsorship. Initially, this effect should be evident when comparing brand attitudes among those who are aware of the sponsorship association with a matched sample of those who are not. Figure 3 shows an initial survey at the end of the first season of a company’s sponsorship association with a Premiership (UK soccer) team. Already, sponsorship awareness is driving more favourable brand image on several key dimensions.

In the long term, the more potent imagery of the property among its audience should become increasingly shared by the sponsoring brand. This mirrors the way that brand tracking research first evaluates how a campaign is communicating and, subsequently, whether this communication is influencing consumers’ beliefs about the brand. HPI has evaluated the above-mentioned Premiership sponsorship for three seasons, and measured the image of the team and that of the sponsoring brand across many common dimensions. Not only has the perceived appropriateness of sponsor-

FIGURE 3

Brand imagery among those aware and unaware of sponsorship



ship association strengthened, but the level of synergy between the image of the brand and the team has become closer. The sponsorship is having a demonstrable beneficial effect on brand values. However, there is considerably more brand-building potential to be derived in the future from the association. (In this case synergy is expressed by calculating for each respondent the number of image attributes on which both brand and team are coded positively.)

The ultimate direct effect of much marketing activity is to strengthen consumers’ brand predisposition and commitment. Advertising is tracked regularly in this way, so sponsorship should be too. This would constitute a common metric that can compare the consumer effect of the two marketing investments on as similar a basis as possible. It will help marketers allocate and justify budgets behind these two quite different forms of brand building.

Returning to financial services sponsorship in cricket, there is a brand predisposition effect driven by sponsorship. Whether consumers are aware or not aware of the sponsorship makes very little difference in terms of being customers of the brand, but the brand consideration benefits derived from the

sponsorship are demonstrable.

Finally, just as advertising is evaluated in terms of consumers’ appreciation of it in its own context (for example, involvement, standout, enjoyment, and so on), so should sponsorship be. As we have seen, consumers can appreciate sponsorship in its own right, and this can influence the eventual brand effect. Thus, from a sponsorship perspective it will be important to evaluate consumer appreciation of the association by employing the type of measures referred to earlier.

1. Degree of empathy with event, team, programme that is being sponsored.
2. Perceived supportiveness of the brand in the sponsorship association.

By relating these measures to changes in favourable predisposition to the brand we will arrive at an improved sponsorship metric for the 2000s. ■

1. M Jackson and M Lowde: *Sponsorship, Oh we'll just add it to the brand tracking study.* Market Research Society Conference, 2000.
2. T Meenaghan: *Current developments and future directions in sponsorship.* International Journal of Advertising 17 (1), 1998.
3. D Thwaites: *Professional football sponsorship – profitable or profligate?* International Journal of Advertising 14 (2), 1995.

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