

Ambush marketing and the Olympic and Paralympic Marks Act: Stakeholders' perspective

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Aim of the Paper For two weeks in February, 2010 the world will focus its attention on Vancouver as it hosts the 2010 Winter Olympic Games. While the athletic competition will take place in front of the television cameras an equally fierce competition has already begun behind the scenes. Recently the Canadian government has followed in the footsteps of Australia and the United States by passing legislation to protect official Olympic sponsors and the Olympic brand by controlling perceived ambush marketing activities. The Olympic and Paralympic Marks Act (OPMA) provides an extraordinary level of protection to official Olympic marks despite the already widespread protection provided by the Trade-marks Act (Scassa, 2008). Beyond questioning the need for additional protection, concerns can be raised over the process of consultation and deliberation involved in the passing of Bill C-47. There was little debate over the necessity of 'anti-ambush' legislation and most importantly, the potential impacts on various stakeholders were not fully considered. The purpose of this paper is to explore perceptions about ambush marketing and the impact of the OPMA from the standpoint of various stakeholders including national sport organizations, the organizing committee and athletes involved in Olympic sports.

Theoretical Background: Ambush marketing occurs when a non-sponsor of an event or organization makes an effort to appear as though they are an official partner (Sandler & Shani, 1989). The ambush marketing literature has mainly focused on four themes: (1) definitions and explanations of the phenomenon (Sandler & Shani, 1989; Payne, 1998); (2) consumers' reaction and recall of sponsors (Sandler & Shani, 1993; Séguin & al, 2005); (3) ethical issues (Meenaghan, 1994; O'Sullivan & Murphy, 1998) and (4) strategies and remedies for ambush marketing (Townley & al, 1998; Hartland & Skinner, 2005). No studies can be identified which have examined the interests of stakeholders such as athletes, national federations, and international federations. Also, with the creation of the OPMA, no studies have demonstrated the impact of such legislation on those stakeholders. Clarkson described stakeholders as "people or groups that have, or claim, ownership, rights, or interests in a corporation and its activities, past, present, or future" (1995, p.106). There are three main components of a stakeholder-organizing committee relationship that stakeholder theory can focus on: 1) the organizing committee itself, 2) the stakeholders, and 3) the relationship between the organizing committee and its stakeholders (Freeman, 1999). In this research, we focus specifically on the first two components identified: the organizing committees and the stakeholders. Researchers have identified many possible stakeholders for a focal organization or organizing committee. Parent (2008) identified government (federal, provincial and municipal), community (residents, sponsors), sports organizations (international, national and provincial), delegations (athletes) and media (television, radio, etc.) as potential stakeholders for a sport event. This paper deals specifically on the organizing committees, sport organizations (national and international) and athletes.

Methodology: This research consists of 25 semi-structured interviews conducted with executives representing the following groups: a) International Olympic Committee; b) Canadian Olympic Committee c) Vancouver Organizing Committee d) International sport federations e) National sport federations and f) Canadian Olympic Athletes. Data were coded and categorized using NVivo 7.0 according to the 2 themes of interest: 1) perceptions and impacts of ambush marketing and 2) impacts of OPMA on their organization.

Results and Discussion: Our results suggest that ambush marketing can have negative impacts on the organizing committees because it diminishes the value of the sponsorship in the eyes of official sponsors. There is also the potential for ambush marketing to harm the reputation of the International Olympic Committee, the Canadian Olympic Committee or the Vancouver Organizing Committee as they are unable to provide the exclusivity that is promised to their sponsors. However while the organizing committees believe that ambush marketing can be a threat to sponsorship, the majority of respondents from the sport stakeholders stated that ambush marketing has no negative impact for their organization. In addition, while some studies have suggested that ambush marketing poses a threat to sponsorship (Payne, 1998; IOC, 1993), the respondents of this study did not support this claim. It was also noted that occurrences of ambush marketing seemed to have decreased significantly in recent years with fewer incidents being noted. Regarding OPMA, it is clear that for VANOC, COC and IOC this legislation will hopefully deter or prevent corporations from undertaking ambush activities or unauthorized use of the marks. It is believed that the Act will make it easier for the various stakeholders (NSOs, athletes, etc.) and potential ambushers to understand when they are acting improperly and if they are infringing on rights. The organizing committee believes that OPMA does not infringe on anyone's rights because the rights that are protected belong to either VANOC, the COC or the IOC. On the other hand, other stakeholders (NSOs, athletes) are not convinced of the need of such an Act. While some understand why it may be needed

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others argue that it's all about control and the organizing committees and the federal government have gone too far in protecting words that are not marks. The majority of respondents stated that the OPMA creates added challenges in raising revenue for potential sponsors by creating a list of dos and don'ts.