The Investigation of On-Site Sponsorship Activations and Consumer-Focused Sponsorship Outcomes

Chi-Wen Yang, Texas Woman’s University
Kimberly Miloch, Texas Woman's University
David Nichols, Texas Woman’s University
David Rylander, Texas Woman’s University

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“Knowing the return on investment (ROI) of sponsorships is more important than ever” (Maestas, 2009, p. 99). In this tough economic climate, all marketing budgets are under scrutiny, including sponsorship investment. ROI plays a critical role in sponsorship decision making or sponsorship renewal. CEOs and finance directors are under growing pressure to scrutinize the potential ROI of sponsorships prior to making decisions to venture into sponsorship investment (Chudy, 2008; Green, 2008; Maestas, 2009). Consequently, it is critically necessary for sponsorship rights owners to provide blueprints that assist prospective or current sponsors in meeting or exceeding expected ROI. Sponsorship activation is an essential element in that blueprint.

Consumer-focused sponsorship outcomes were defined as the sponsorship outcomes that can be utilized to determine sponsorship effectiveness in communicating with target audiences (Cornwell, Weeks, & Roy, 2005). Previous studies have suggested that increasing sponsorship activation contributed to greater consumer-focused sponsorship outcomes (Dardis, 2009; Grohs, Wagner, & Vsetecka, 2004; Johar, Pham, & Wakefield, 2006; Vale, Serra, Vale, & Vieira, 2009). Furthermore, several studies advanced our understanding of sponsorship activation by suggesting that on-site activations providing more interaction show better performance in consumer-focused sponsorship outcomes (Coppetti, Wentzel, Tomczak, & Henkel, 2009; McCarville, Floord, & Froats, 1998; Sneath, Finney, & Close, 2005). However, the marketing literature does not clearly identify the effectiveness of specific sponsorship activation on specific sponsorship outcomes.

Accordingly, the purpose of this study was to determine the effects of on-site activations on three types of consumer-focused sponsorship outcomes. In this study, on-site activations consisted of signage, in-game promotional activities, advertising, on-site product sampling/display/sales, and PA announcements, while consumer-focused sponsorship outcomes included a cognitive outcome (sponsorship awareness), an affective outcome (brand preference), and a behavioral outcome (purchase intentions). This study also compared the impact of various on-site activations in explaining the variance of three types of consumer-focused sponsorship outcomes. The findings of this study expand understanding of the effectiveness of activating sponsorships and produce guidelines for the strategic implementation of sponsorship activation. Taking advantage of the findings may assist in generating a greater ROI for both sponsees and sponsors.

The participants in this study were spectators of a sport event hosted by an Independent Professional Baseball (IPB) team. The selected spectators were males and females eighteen years or older. During the event, the spectators might be exposed to various on-site sponsorship activations. Data collections were conducted at the three games during the month of August 2011. Due to a limited number of data collectors and the expected heavy traffic of departing spectators, data collections started soon after the end of the sixth inning. Data collectors were assigned to concession areas and each exit of the facility to disseminate the questionnaires and asked every third potential spectator to complete a questionnaire.

Stepwise multiple regression analyses were utilized to determine the relationships between five on-site sponsorship activations (signage, in-game promotional activities, advertising, on-site product sampling/display/sales, and PA announcements) and three consumer-focused sponsorship outcomes (brand awareness, brand preference, and purchase intentions). The independent variables were participation in five separate on-site activations. Each independent variable had two levels, participation in an on-site activation and non-participation in that on-site activation. The three dependent variables were brand awareness, brand preference, and purchase intentions. Stepwise multiple regression analyses were run three times with each dependent variable separately.

Results of regression analyses revealed significant relationships between on-site sponsorship activations and brand
awareness (F=5.0, p< .05) and between on-site sponsorship activations and purchase intentions (F=4.0, p< .05). Product display/sampling/sales (t=2.3, p< .05) and signage (t=2.1, p< .05) made significant contributions to brand awareness. The two dimensions together accounted for 5% of the variance in brand awareness. Product display/sampling/sales had the most impact in explaining the variance in brand awareness. Signage (t=2.0, p<.05) was found to make a significant contribution to purchase intentions; therefore, it has the most impact in explaining the variance in purchase intentions. It alone accounted for 2% of the variance in purchase intentions.

Results of the study suggested that sponsors should arrange multiple sponsorship activities in a given sponsored event in order to attain better consumer-focused sponsorship outcomes, especially when the marketing goal is to increase brand awareness. The findings supported the implications of past studies (Cuneen & Hannan, 1993; Jalleh, Donovan, Giles-Corti, & Holman 2002; Miloch & Lambrecht, 2006; Papadimitriou & Apostolopoulos, 2009; Pitts, 1998; Sandler & Shani, 1993; Shilbury & Berriman, 1996; Stotlar, 1993). Moreover, this study found that the level of interaction with audiences provided by sponsorship activation is a key factor in its effectiveness concerning consumer-focused sponsorship outcomes in professional sports events.

The findings are supported by prior studies (Coppetti et al., 2009; McCarville et al., 1998; Sneath et al., 2005). Therefore, sponsors should ask for the inclusion of sponsorship activation featuring a high level of interaction with audiences in their sponsorship packages in order to obtain greater consumer-focused sponsorship outcomes. Sponsorship rights owners should package such activation for higher-tier sponsors rather than lower-tier sponsors to ensure that sponsors that pay more can obtain greater return of investment on sponsorship. However, results of the study revealed weak relationships between on-site sponsorship activations and consumer-focused sponsorship outcomes. This study provided strategies of improving the effectiveness of sponsorship activation, including its integration with relationship articulation, goodwill, and team attachment. In relationship articulation, team sponsors can cooperate with the team to articulate the relationship between both parties (e.g., the sponsor has regularly supported baseball activity) or to tout a sponsor’s non-commercial sponsorship investment to event spectators (Coppetti et al., 2009; Weeks, Cornwell, & Drennan, 2008). Examples of goodwill activities that can be integrated into on-site sponsorship activation are the support of youth sports, army appreciation, or any charitable event initiated by the team or its sponsors (Tsotsou & Alexandris, 2009). Examples of applying team attachment to sponsorship activation are sponsor autograph sessions with team players or any promotion in which team coaches or players can endorse sponsors’ products/services (Tsotsou & Alexandris, 2009).