Cause-Related Sport Sponsorship as an Internal Marketing Strategy: Roles of Involvement and Motives

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Given significant costs associated with employee turnover (Boushey & Glynn, 2012), it is critical for a company to implement internal marketing, management strategies designed to satisfy the needs of employees and promote their retention (Berry, Hensel, & Burke, 1976). An internal marketing practice that has attracted increasing interest is cause-related sport sponsorship, the sponsorship of a sport property associated with a cause or a charity, such as a cause-related sport event (Irwin, Lachowetz, Cornwell, & Clark, 2003; Spanberg, 2012). The literature has suggested that the sponsorship of a sport property serves as an effective internal marketing strategy (e.g., Farrelly & Greyser, 2007, 2012; Hickman, Lawrence, & Ward, 2005). One rationale for the efficacy of sport sponsorship is that a company can generate the perception of goodwill by sponsoring a sport organization or activity with which its employees are highly involved (Meenaghan, 2001; Zepf, 2008). If this rationale is applicable to cause-related sport sponsorship, employees’ involvement with the sponsored sport can also be assumed to determine the effectiveness of this category of sponsorship in eliciting their positive responses. What is lacking in this assumption, however, is the potential role of employees’ involvement with the sponsored cause. Because of its affiliation with causes, employees’ reaction to cause-related sport sponsorship may be different from their reaction to regular sport sponsorship. Given the uniqueness of cause-related sport sponsorship, this study investigated the role of employees’ involvement with both sport and cause to explain how their response to this type of sponsorship is determined.

Theoretical Background and Hypotheses

Goodwill refers to an individual’s perception that the sponsorship of an activity provides benefits to the individual and society (Meenaghan, 1991, 2001). Such perception enhances sponsorship effectiveness by generating a favorable response to sponsorship (Meenaghan, 2001). Although the sponsorship of any activity produces goodwill, its extent varies by one’s level of involvement with a given sponsored activity (Meenaghan, 2001; Meenaghan & Shipley, 1999); the more involved a person is with the activity, the higher level of benefits and resultant goodwill the person perceives from the sponsorship of that activity. In cause-related sport sponsorship, employees may be involved with either the sponsored sport or cause. We thus hypothesize:

The higher levels of sport involvement and cause involvement employees have, the more positively the employees respond to cause-related sport sponsorship.

The sport consumer literature has examined various sources of motivation, or motives, to explain why individuals attend a sport event (e.g., Funk, Beaton, & Alexandris, 2012; Trail & James, 2001; Wann, 1995). The identification of an employee’s motives for attending a cause-related sport event is essential because such motives likely determine the effects of both sport involvement and cause involvement on his or her response to cause-related sport sponsorship. Specifically, in their examination of involvement with leisure activities (i.e., leisure involvement), Iwasaki and Havitz (2004) found an interaction between motivation and involvement in eliciting attitudinal responses. Drawing from this finding, we propose that selected motives of sport event attendance moderate the effects of sport and cause involvement on employees’ response to cause-related sport sponsorship. In particular, Funk et al. (2012) recently identified that some motives of sport event attendance are related to intrinsic motivation. Because such intrinsic motives may regulate an employee’s sport attendance behavior based on his or her interest in the sport activity itself (Funk et al., 2012), they likely activate the effects of sport involvement on the employee’s response to cause-related sport sponsorship. In contrast, the activation of sport involvement caused by the intrinsic motives of sport event attendance may undermine the effect of employees’ involvement with non-sport aspects of a cause-related sport event, such as the sponsored cause. We therefore hypothesize:
Employees’ intrinsic motives for sport event attendance increase the association between sport involvement and positive response to cause-related sport sponsorship, but decrease the association between cause involvement and this response.

Method

This study was conducted at the FedEx St. Jude Classic (FESJC), a PGA TOUR event that benefits St. Jude Children’s Research Hospital in Memphis, Tennessee. The sample of this study consisted of 131 event attendees who identified themselves as employees of an FESJC sponsor in a web-based post-event survey. Three scales used in this study were adopted from existing studies, including sport involvement (Ridinger, Funk, Jordan, & Kaplanidou, 2012), cause involvement (Lichtenstein, Drumwright, & Braig, 2004), and sponsorship response (Speed & Thompson, 2001). In addition, employees who attended the event based on the two intrinsic motives examined, performance and excitement (Funk et al., 2012), were identified through their responses to the question: "what was the primary reason you attended this event?"

Analysis and Results

Three regression models were performed to test the hypotheses. Model 1 was performed to test the direct associations of sport and cause involvement with sponsorship response. The results showed that cause involvement had a significant positive association with sponsorship response ($\beta = .47, p < .001$), whereas sport involvement had a non-significant association ($\beta = .09, p = .26$). In Model 2, we examined the positive interaction between sport involvement and performance and the negative interaction between cause involvement and this intrinsic motive. The results revealed a significant positive interaction between sport involvement and performance ($\beta = .29, p < .01$), but failed to identify the negative interaction of this motive with cause involvement ($\beta = -.06, p = .68$). In Model 3, the association of sport involvement with sponsorship response significantly increased for employees with the excitement motive ($\beta = .23, p < .05$), whereas the association of cause involvement with sponsorship response was unaffected by this motive ($\beta = .02, p = .81$).

Discussion

In sum, the results show that employees respond to the sponsorship of a cause-related sport event more positively if their involvement with the cause is higher. In contrast, employees’ involvement with the sport does not directly affect how they evaluate this sponsorship. The positive relationship between sport involvement and sponsorship response, however, appears if employees attended the event to satisfy their intrinsic need to consume the sponsored sport. Overall, the current investigation of how employees respond to cause-related sport sponsorship reveals the conditional effect of sport involvement, providing novel insight for the literature on sponsorship linked internal marketing (e.g., Farrelly & Greyser, 2007, 2012; Hickman et al., 2005). Furthermore, the findings of this study advance the literature on cause-related sport sponsorship (Fortunato, 2009; Inoue & Havard, in press; Irwin et al., 2003) by demonstrating that one’s processing of this category of sponsorship is distinguishable from that of both sport sponsorship and cause sponsorship. The current findings further carry implications for corporations engaging in cause-related sport sponsorship, particularly those utilizing the sponsorship as an internal marketing resource.