Sponsorship and Scandal in College Sport: A Case Study of the University of Louisville and the Decision-Making Processes of Their Sponsors

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Sponsorship managers recognize the commercial value of associating their business with professional sport teams, leagues, and players with the aim of achieving a multitude of objectives that include increasing brand awareness, company image, altering public perception, and increasing sales (Mullin, Hardy, & Sutton, 2007). As a result of increasing spending, several studies have been conducted to investigate the effectiveness of the sponsorship and evaluate the return on investment to justify the sponsorship manager’s decision to pursue such an investment (Walraven, Koning, & Bottenburg, 2012). Most of such studies have focused on fans’ attitudes and perceptions to determine whether a particular sponsorship was effective in increasing awareness of the sponsor, altering image of the sponsor, and increasing the intention to purchase the product of the sponsor (Alexandris et al., 2012; Biscaia et al., 2013; Zaharia et al., 2016). The findings from these studies only reflect how sponsorship works in the minds of the consumer and ignores the understanding of objectives a sponsor wants to achieve through sponsoring a particular sport property, thus being of very little help for the sport organizations in their attempt of securing corporate support. Additionally, few studies have sampled sponsors directly to better understand the objectives sponsors aim to achieve through sport sponsorships (Apostolopoulou & Papadimitriou, 2004; Greenhalgh & Greenwell, 2013; Irwin & Asimakopoulos, 1992; Lough & Irwin, 2001; Lough, Irwin, & Sutton, 2000).

Wilson et al. (2008) noted that scandals can have deleterious effects on those involved both directly and indirectly. As a result, some sponsors discontinue their partnerships while some play the wait-and-see game (Broadway, 2014). Similar to the sport sponsorship objectives literature, research in this area has also focused on fans’ attitudes and behaviors towards the team or athletes involved in the scandal and their image and purchase intention of the sponsors’ products (Chien et al., 2016; Doyle et al., 2014; Kelly et al., 2014; Pope et al, 2009; Sassenberg, 2015). Limited research has examined the potential effects scandals can have on sponsors and their partnerships with the teams and/or athletes involved. In fact, no prior research has studied sponsorship managers’ decision-making processes when terminating or continuing their association with a team associated with an intercollegiate athletic department. The University of Louisville (UofL) offers an illuminating case study as they have recently been involved in multiple scandals involving their athletic department (i.e., bribery of recruits and using escorts to lure recruits). Therefore, the purpose of this research is to measure the objectives of sponsoring UofL’s athletic department through the lens of sponsors’ decision-making processes. Specifically, this research investigates factors that influence sponsorship managers’ decisions to invest in a university that has recently been immersed in scandal.

The study will use a survey design consisting of open and close-end questionnaires that will be emailed to a purposive sample of UofL sponsors, both previous and current. Data collection is expected to be completed by end of December’2018 post which data analysis will take place thus allowing the authors adequate time to interpret it prior to NASSM’2019.