Examining the Value Transfer Effect of Olympic Sponsorship: The Case of the 2018 Pyeongchang Winter Olympic Games

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It is widely known that sponsorship plays an important role in sporting events, as brand marketing personnel spent $61 billion worldwide in 2016, up 4.6 percent from 2015 (IEG, 2017). However, research regarding the beneficial outcomes of sponsorship activities consist mainly of brand awareness (Levin, Joiner & Camera, 2001), brand image (Gwinner & Eaton, 1999), brand loyalty (Levin, Beasley & Gamble, 2004), and financial performance (Mazier & Reza, 2013). Among these outcomes, brand image has been identified as an important outcome that plays a role in influencing consumer behavior. Meanwhile, sports events have values sought by the event itself beyond profit-seeking to more fundamental values such as peace, respect, excellence, friendship and courage (Chatziefstathiou, 2012). While brand image is the sum total of beliefs, ideas, and impressions about a brand (Kotler, 1988), values are more specific and represent both the individual needs and desires, as well as the perceived societal demands towards the entity (Grube, Mayton, Bali-Rokeach, 1994). Thus, it is essential that studies investigating how the values sought by sports events are transferred are conducted in order to better develop and promote sports events. Therefore, the purpose of the study was to analyze the perceived values of the Olympics and to investigate the transfer of these Olympic values to the sponsoring companies, by utilizing Gwinner’s (1997) Model of Image Creation and Image Transfer (AMICIT).

A total of 445 participants were recruited during the 2018 PyeongChang winter Olympic Games. Questionnaire items included three major constructs; (1) Consumers’ evaluation of the five Olympic values (economic, culture & social, environmental, experiential and moral values), (2) Two versions of news articles (Olympic-sponsoring company vs Non-sponsoring company), (3) Consumers’ assessment of the company’s values.

Multiple regression analyses results indicated that for the Olympic-sponsoring company, the perceived economic value ($β=0.276$, $p<0.001$), cultural & social Value ($β=0.152$, $p<0.05$), environmental value ($β=0.403$, $p<0.001$), experiential value ($β=0.365$, $p<0.001$), and moral value ($β=0.162$, $p<0.05$) all significantly influenced the respective perceived company values.

For the non-sponsoring company of the Olympics, only the perceived economic value ($β=0.186$) and environmental value ($β=0.257$) of the Olympics had significantly influenced the perceived economic and environmental values of the company respectively ($p<0.05$).

The results indicate that consumers who evaluated the values of the Olympics positively also assessed the companies that sponsor the Olympics positively across all values, while only a partial transfer of values were found in companies that decided not to sponsor the Olympics. In other words, values also display the property of being transferred, of which the effects change depending on the decision to sponsor an event or not.

This study holds significance in that it is the first attempt to study and empirically test the transfer of values. Furthermore, this study provides a theoretical basis for investigating the transfer of values outside the context of sporting events. Practically, results indicate that marketers should consider the values being advocated by events when making decisions about which events to sponsor, or even consider sponsoring.