

## 2019 Sport Marketing Association Conference (SMA XVII)

### Assessing the Impact of Sponsor Asset Selection, Intangible Rights, and Activation on Sponsorship Effectiveness

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10:30-10:55 AM, Chi. River (A, B, C)

25-minute oral presentation  
(including questions)

#### Introduction

Firms engage in sport sponsorships for a number of reasons. Previous studies of the USA Olympic festival, the NCAA corporate sponsor program, professional niche sport, NCAA mid-major Division I conferences, and NCAA member schools at Division's I-A, II-A, III-A, found the most frequently-named objectives of sponsors are to: (a) increase brand awareness, (b) access media coverage, (c) enhance company image, (d) increase sales, (e) increase market share, (f) promote community involvement, (g) increase brand recognition, and (h) gain access to promotional opportunities (Papadimitrou & Apostolopoulou, 2004; Greenhalgh & Greenwell, 2013; Tomasini, Frye, & Stotlar, 2004; Weight, Taylor, & Cuneen, 2010). Despite extensive sport sponsorship academic literature, little is known about the incremental effects of the selection of specific types of common assets the sponsor may choose to purchase as part of a comprehensive sponsorship rights package. In addition, it is unclear whether the selection of certain intangible sponsorship rights, such as product category exclusivity or official status designation, impacts the sponsoring firm's ability to achieve greater sponsorship effectiveness. Finally, no study to date has assessed whether a commitment towards on-site activation at live sporting events is predictive of sponsorship effectiveness. Thus, this study seeks to investigate the effects of specific sponsorship assets and intangible rights, as well as an allocation of resources towards on-site activation, on the sponsoring firm's effectiveness in the form of brand awareness.

#### Research Questions

Based on an extensive review of sport and non-sport sponsorship literature, the following research questions were developed:

- RQ<sub>1</sub>. Is sponsor brand awareness predicted by the selection of LED ribbon board advertising?
- RQ<sub>2</sub>. Is sponsor brand awareness predicted by the selection of video board advertising?
- RQ<sub>3</sub>. Is the purchase of official sponsor designation predictive of sponsor brand awareness?
- RQ<sub>4</sub>. Is the purchase of category exclusivity predictive of sponsor brand awareness?
- RQ<sub>5</sub>. Is an investment in on-site activation predictive of sponsor brand awareness?

#### Method

Data for this study were gathered through an electronic survey emailed to all season ticket holders and individuals who purchased a ticket to an NCAA Division I intercollegiate football game in a Power Five athletic conference in the southeast. A total of 7,710 potential respondents were contacted. Surveys were completed by 688 respondents ( $n=688$ ), for a response rate of 8.9%.

Binary logistic regression analysis modeling was utilized to ascertain whether sponsor recognition rates were predicted by the type of asset selected, whether or not the sponsorship agreement included official status designation or category exclusivity, and whether or not the sponsor invested in on-site activation. In addition, a hierarchical (i.e., nested) model building approach (e.g., Jensen & Cornwell, 2017) was utilized to test whether each block of variables related to the aforementioned control variables, sponsorship assets, intangible rights, and the choice of investing in on-site activation each predicted a significant amount of the incremental variance in brand recognition.

#### Results

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The dependent variable in the model was brand recognition. The five independent variables were (a) LED ribbon board signage, (b) video board signage, (c) official sponsor designation, (d) exclusivity, and (e) on-site activation. Control variables in the model were (a) gender, (b) age, (c) income, (d) season ticket holder status, and (e) fan identification.

Each of the four blocks of variables predicted a significant amount of the incremental variance in brand recognition, as the chi-square tests related to the incremental variance predicted by the control variables,  $\chi^2(5) = 79.160, p < .001$ , sponsorship assets,  $\chi^2(2) = 1655.872, p < .001$ , intangible rights,  $\chi^2(2) = 569.047, p < .001$ , and on-site activation,  $\chi^2(1) = 11.229, p = .001$ , were all significant at the  $\alpha = .01$  level. To begin, the analysis showed significant differences based on season ticket holder status,  $\chi^2(1) = 7.401, p < .001$ , and identification,  $\chi^2(1) = 16.860, p < .001$ . As suggested by interpreting the odds ratio ( $\text{Exp}(B) = 1.177$ ), season ticket holders were 17.7% more likely to recognize sponsors than non-season ticket holders. As noted, to measure consumers' level of identification with the sponsored organization (the university), the Point of Attachment (POI) Index was utilized (Robinson & Trail, 2005). Results indicated that fans highly identified with the team were 5.5% more likely to recognize sponsor messaging than casual fans ( $\text{Exp}(B) = 1.055$ ). Age,  $\chi^2(1) = 8.715, p = .003$ , and income,  $\chi^2(1) = 47.557, p < .001$ , also had a significant effect on brand recognition, but gender did not,  $\chi^2(1) = 3.183, p = .074$ .

The results of the logistic regression model were then used to answer each of the research questions. Related to the investigation of the impact of the purchase of LED ribbon board advertising (RQ1), when controlling for gender, age, income, season ticket holder status, and level of identification, the purchase of LED ribbon board branding was a significant predictor of recognition rates ( $B = .412, p < .001$ ). Fans were 51% more likely to recognize a sponsor utilizing in-venue LED ribbon board messaging, when compared to a sponsor which did not use the technology ( $\text{Exp}(B) = 1.510$ ). With regard to the effectiveness of video board advertising (RQ2), when controlling for gender, age, income, season ticket holder status, and fan identification, video board advertising was a significant predictor of recognition rates ( $B = .901, p < .001$ ). Fans were nearly 2.5 times more likely to recognize sponsor messaging on the in-venue video board than compared to sponsors who did not utilize video board messaging ( $\text{Exp}(B) = 2.461$ ). When controlling for gender, age, income, season ticket holder status, and identification, official partner status (RQ3) was also a significant predictor of recognition rates ( $B = .605, p < .001$ ). Fans were 83.1% more likely to recognize official sponsors of the university athletic department than sponsors who were not in the official partner category ( $\text{Exp}(B) = 1.831$ ). With regard to RQ4 related to the effectiveness of exclusivity, when controlling for gender, age, income, season ticket holder status, and identification, category exclusivity was a significant predictor of recognition rates ( $B = .907, p < .001$ ). Fans were 2.48 times more likely to recognize an exclusive sponsor of the university athletic department than sponsors not in the exclusive category ( $\text{Exp}(B) = 2.478$ ). The final research question (RQ5) related to the assessment of the effectiveness of an investment by the sponsor in on-site activation. When controlling for gender, age, income, season ticket holder status, and identification, on-site activation was also a significant predictor of recognition rates ( $B = .254, p = .001$ ). Fans were 29% more likely to recognize a sponsor who allocated resources towards on-site activation than sponsors who did not activate ( $\text{Exp}(B) = 1.290$ ).

### Discussion

The results of this study indicate that even when controlling for a wide variety of demographic (such as gender, age, and income) and psychographic (i.e., identification) variables, the types of sponsorship assets and intangible rights selected by the sponsor, as well as the decision whether to activate on-site at the event, were all significant predictors of the levels of brand awareness resulting from the sponsorship.

### References

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