

# Measuring sponsorship effects on consumer purchasing intentions

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## ABSTRACT

In this paper the role of sponsorship in achieving the managerial goals of a firm is studied. In addition, it is examined whether sponsorship can be attributed to the Public Relation Theory and Practice. A survey is conducted and a questionnaire was distributed to consumers living in Athens in order to examine whether firms, which use sponsorship as a strategic tool aiming to form relationships with the consumers, actually achieve their goal. The questionnaires which were distributed to the consumers were statistically processed using SPSS. Various aspects which may affect a firm's managerial decision in undertaking sponsorships are analyzed. The obtained results are also used to investigate whether there is a connection between the organizational goals (related to sponsorship) and consumers' behavioral/purchasing intentions.

## INTRODUCTION

Sponsorship constitutes one of marketing's communication tools. According to Tripodi (2001), it is the element with the largest development in comparison with the rest of the communication tools. Nevertheless the research undertaken in order to examine sponsorship effectiveness is in a rather premature stage. It is still questionable whether the use of sponsorship as a strategic tool gives a firm a competitive advantage or has an influence on consumers' purchasing intentions.

For the needs of this study a questionnaire was designed and distributed to consumers. Fundamental goal of the study is to examine whether investing in sponsorship strategies assists a firm to accomplish organization goals or not. Sponsorship is a communication tool.

Sponsorship originates from the Greek word "horigia". "Horigia" coming from the words "horos" (dance) and "ago" (leads), literally means *lead the dance* but actually means sponsor the dance and play/drama (Else, 1965). Nowadays "sponsorship can be regarded as the provision of assistance either financial or in kind to an activity by a commercial organization for the purpose of achieving commercial objectives" (Meenaghan 2001). It is a multidimensional communication tool used to achieve a variety of objectives (Lardinoit & Quester, 2001, Grimes & Meenaghan, 1998), involving a business transaction (Thwaites, 1994) and an economic – based partnership (Quester and Thompson, 2001). Sponsorship constitutes a part of a wider marketing mix (Kotler, 2000) working as a communication tool for the improvement of the firms' image and for approaching publics. According to Crowley (1991) sponsorship objectives can be categorized to community relations, awareness/recognition, image/reputation,, corporate responsibility, revenue/sales, to match customer's lifestyle and employee morale. A firm sponsors an event individually or with other firms, it "buys" in a way the right to connect with the events' image and identity (Meenaghan & Shipley, 1999).

Due to the indirect effects of the usage of sponsorship for the organization, it has been among the years often confused with other communication tools and mainly advertising. An explanation that can be given for this confusion is the very tight linkage between the communication tools, since on the one hand all tools are used for the achievement of promotional objectives (Abratt and Grobler, 1989, McDonald, 1991, Sander and Schani, 1989, D'Astous and Bitz, 1995), while on the other hand in order to have a successful sponsorship campaign sponsorship must be combined with the rest of the communication tools such as advertising and public relations.

As a communication tool, sponsorship differs from advertising. In sponsorship both medium and creative message are not tightly controlled by the sponsor ((Javalgi, Traylor, Gross and Lampman, 1994, Meenaghan and Shipley, 1999, Tripodi, 2001, Dolphin, 2003).

Sponsorship has also been confused with patronage (Meenaghan, 1983). Nevertheless patronage is actually an altruistic activity or a donation with no expectation of return (Dolphin, 2003).

By using sponsorship firms seek to exploit the increased possibility this tool has in order to achieve awareness, rising of image and approach of specific target group (Meenaghan & Shipley, 1999). According to Kitchen (1993), companies saw sponsorship as overlapping between general/corporate and marketing communication.

The next section exhibits the firms' techniques of measurement when undertaking a sponsorship campaign, while in section three follows an analysis of the scale on which the questionnaire was based. Section four depicts the research method used in the study. Sections five, six and seven include the results obtained by the statistical analysis. Finally, the concluding remarks are presented in the last section.

## MEASURING SPONSORSHIP EFFECTIVENESS

As mentioned above, sponsorship is being used as a communication tool. A firm uses sponsorship to support an event in order to reach a specific or a wider target group and achieve corporate and commercial objectives (Javalgi, Traylor, Gross and Lampman, 1994). Sponsorship audience may be existing and potential customers, general public, workforce, local and business community, suppliers and last but not least shareholders (Crowley, 1991). The theme of the events may concern sports, arts and any other similar activity of interest to the general public. Following this policy, the firm expects that the image transferred from the event will have a positive effect on itself (Gwinner, 1997, Gwinner and Eaton, 1999, McDonald 1991). Thus, the choice of the event is of significant importance.

Despite the increase of the amounts invested on sponsorship worldwide, the research undertaken in order to evaluate sponsorship effectiveness on consumer perception is insufficient (Thjomoe, Olson and Bronn, 2002). While trying to measure the effectiveness of sponsorship the major problem which arouses is the lack of evaluation/measurement techniques. This lack of techniques, which owes its existence to the intangible nature of sponsorship, makes it extremely difficult to prove its contribution to the firms' development (Thwaites, 1995, Bennet, 1999). Moreover it is difficult isolate the effects that are caused by the use of sponsorship from either effects of other tools of the communication mix which are used coinstantaneously or the effects of promotional strategies used in the past (Meenaghan, 2001).

Meenaghan (1991) considers that there are three main methods to evaluate sponsorship effectiveness. The evaluation can be based on: a) Effectiveness of sales. Despite the fact that the increase of sales cannot be derived directly from the use of sponsorship a number of firms associate sponsorship effectiveness with effectiveness of sales. b) Media coverage of the event. Nevertheless evaluating sponsorship effectiveness depending on the time and inches (for the press) that the media have dedicated for covering the event can be misleading, since this technique measures only the length of exposure on the media and not the effects of sponsorship on consumers. c) Communicational effect. This technique examines the communicational effects (awareness, attitude and perceptions) of sponsorship on consumers.

According to Cornwell and Maignan (1998) the measurement methods can be summarized to a) Exposure – Based Methods, which examines the media coverage and estimates the audience b) Tracking Measures, which constitutes the most popular method used in research studies and involves the evaluation of awareness, familiarity and preferences and c) Experiments, which according to Pham (1991) should be the only acceptable method since *experimental designs allow control of extraneous variables* and thus provide information of the true impact of sponsorship.

There is neither specific nor unique way to measure the contribution of sponsorship. Most firms use one of the aforementioned techniques. Despite the growth of the amounts spent on sponsorship, research is still in premature stage. (Cornwell *et al.* 2001). The vagueness of sponsorship's objectives and benefits for the firm consist the main problem for sponsorship (Javalgi, Traylor, Gross and Lampman, 1994, Meenaghan 1983, Thwaites, 1995, Bennet, 1999). Hence, one should turn to indirect techniques, observing the variation of characteristic parameters such as corporate image, corporate awareness, brand image, brand awareness, sales and the reputation of a firm. The raising of these parameters constitutes sponsorship's main objectives (Javalgi, Traylor, Gross and Lampman, 1994, Meenaghan, 1991a, Tripodi, 2001, Dolphin, 2003, Thwaite, 1995, Cornwell *et al.* 2001). Since there are only a few attempts made during the past years trying to examine how to measure the effectiveness of sponsorship (Abratt and Grobler, 1989, Cornwell and Maignan, 1998, Helgesen, 1992, McDonald, 1991) it is one of the main goals of this paper to construct a trustworthy scale which will combine the aforementioned techniques and characteristic parameters. This scale is tested on consumers.

## SCALE CONSTRUCTION

The reasons that firms choose to invest in sponsorship vary depending on the needs of the firm. Sponsorship objectives, which seem to have moved to issues concerning consumer behaviour. It may be used in order to: a) improve the sales of a firm (Marshall & Cook, 1992; Varadarajan & Menon, 1988), b) reach a specific target group which would have been difficult to be reached with other promotional tools c) form relationships with specific publics such as consumers, community, employees, stakeholders and shareholders (Gardner & Schuman, 1987; Quester & Pascale, 2001; Thjomoe, Olson & Bronn, 2002). Once becoming part of a well organized marketing plan sponsorship may gain positive publicity and add value to the general image of the organization (Rosenberg & Woods, 1995). According to Grohs Reinhard, Wagner Udo & Vsetecka (2004) the main reasons that firms invest in sponsorship are to raise the awareness level of the firm/brand and to build a strong corporate/brand image.

As previously mentioned sponsorship is mistakenly confused with other communication tools. Nevertheless the similarity of sponsorships objectives with the correspondingly objectives of Public Relations and the indirect way the two tools contribute to the fulfillment of the firms goals is worthy of remark.

Relying on Cutlip, Center & Broom (2006) three phase evaluation of public relations model McNamara (1992) created the Pyramid Model of PR Research (Diagram 1)

The model includes the stages of "inputs", "outputs" and "results". The stage of "inputs" represents the base of the pyramid and is consisted of the adequacy of background information, the appropriateness of the medium and the message content and the quality of message presentation. Moving the evaluation one stage up it proceeds to the "outputs" stage which includes the number of messages sent, placed in the media, supporting objectives and the number who received and considered the messages. The last stage examines the "results" by investigating the number of consumers who learn the message, change attitude and behave in a desired manner and whether the objectives were achieved or the problem has been solved.

Due to the lack of a reliable evaluation model for the measurement of sponsorship effectiveness and based on the Pyramid Model of PR Research this research moved a step further by providing a general model for Sponsorship Evaluation (Diagram 2).

The Sponsorship Evaluation Pyramid comprises three stages: "Facts", "Output" and "Impact". On the bottom lies the stage of the "facts". In this stage the firm sets the strategy and selects the activity which will be sponsored. The opportunity to attract the attention of consumers is to select an activity which interests them. This is the reason that most sponsorships are made to support different kind of events (Parker, 1991). The significance of the type and the characteristics of an event is unquestionable, since firstly the image, and in some occasions the result, of the event is transferred to the firm (Gwinner, 1997; Meenaghan & Shipley 1999) and secondly the wider the media coverage and the acceptance of the event the better for the sponsor (Bauer, Sauer & Schmitt, 2005; Meenaghan & Shipley 1999; Fan & Pfitzenmaier, 2002). The chosen events usually concern sports, arts, environmental issues, media and social matters (Meerabeau, Gillet, Kennedy, Adeoba, Byass & Tabi, 1991; Astous & Bitz, 1995; Fan & Pfitzenmaier, 2002). The choice of each event reveals the firms aim to approach consumers. When a firm sponsors sports it is interested in approaching a wide target group which has knowledge and seeks involvement with the sport. For these particular events the dimension of team identification should not be neglected during research. The linkage between the potential/existing consumer and the team he/she supports seems to have an impact on the sponsoring firm (Madrigal, 2000; Gwinner & Swanson, 2003; Crimmins & Horn, 1996; Cornwell, Weeks & Roy 2005). By sponsoring arts the firm is interested in approaching a specific target group which is difficult to be reached with any other communicational tool such as advertisement (Quester & Thompson, 2001). By sponsoring events concerning environmental issues or social matters a firm aims to prove its value to society and create community relations (Wise & Miles, 1997; Polonsky & Speed 2001; Dean, 2002).

The level of Knowledge indicates how much the consumer/individual knows (Flynn & Goldsmith, 1999), about this study, about the sponsor and the event, whereas the level of Involvement indicates the level of interest that the consumer/individual has (Hallahan, 2000), in this study, for the sponsor and the event. For Cornwell, Weeks and Roy (2005) Knowledge and Involvement serve as components of the "Individual and Group factors" of the Model of Consumer-Focused Sponsorship-Linked Marketing Communication. Based on Knowledge and Involvement Hallahan (2000) makes a categorization of Publics (Table 1).

Aware Publics: are knowledgeable groups about a situation but with low involvement. This group usually serve as opinion leaders and should be filled in with information by the firm. Active Publics: share both high knowledge and involvement and are willing to share time and effort. Inactive Publics: believe that it is not worthwhile to seek a change in the relationship between them and the firm. Aroused Publics are publics which may have recognized an issue but lack knowledge. This group may eventually come to an active state. The non-Publics haven't yet received any knowledge or have shown any marks of involvement. (Hallahan, 2000). According to Pham (1992) and to Astous & Bitz (1995) consumer interest in the sponsored event has a positive impact on perceptions of the sponsor's image and on sponsorship objectives on the whole (Pope, 1998).

The utilization of the "Facts" and the effective application of sponsorship strategies result in effective "Outputs". The stage of "Outputs" is similar to the stage of "Implementation" of the "Preparation Implementation Impact (PII) Model" of Cutlip, Center and Broom (2006). It is under investigation whether the use of sponsorship has positive effects on consumer attitude and awareness. Sponsorship aims to: enhance corporate/brand awareness (Pope, 1998, Pope & Voges, 1999, Rodgers, 2004), cause goodwill (Meenaghan & Shipley, 1999), built community relations (Dean, 2002), create positive attitude (Speed & Thompson, 2000), establish relationships based on trust, commitment and satisfaction (Farrelly & Quester, 2004, Farrelly & Quester, 2003 Gwinner & Swanson, 2003, Farrelly, Quester & Mavondo, 2003, Selnes, 1998), rise corporate image (Javalgi, Taylor, Gross, Lampman, 1994, Haley, 1996, Pope & Voges, 1999).

The pinnacle of the pyramid is the final stage, which shows whether the communication effects and sponsorship strategies have been achieved. The firms desire is to obtain competitive advantage (Fahy, Farrelly & Quester, 2004, Amis, Slack & Berrett, 1999) and influence consumers' purchasing intentions positively towards itself (Bennet, 1999, Pitts & Slattery, 2004, Pope, 1998, Quester, 1997, Madrigal 2000).

## **RESEARCH METHOD**

The practical value of this study is twofold. On the one hand, the opinion and attitude of consumers concerning the sponsorship as an institution used by firms for commercial purposes will be examined, while on the other hand, the study attempts to examine the effectiveness of sport sponsorship. The survey was conducted between August and October 2006 via Personal interviews, where the interviewee had no clarification from the researcher. The age of the sample ranges from 25 to 40 years old with higher education and are permanent citizens of Athens. The questionnaires distributed were 197 while 165 were fully answered and used for elaboration with SPSS. The sample was consisted of 55 women and 110 men. Concerning Personal interview the researcher stopped to question randomly every third person passing by the point she/he was waiting. The particular sample was selected because of its knowledge and interest concerning almost all of the fields that may be used for sponsorship.

Before conducting the questionnaire previous studies as well deductions deriving from focus groups and from interviews with executives of firms which have undertaken sponsorship the last 5 years, were taken strongly into consideration. Main aim of the questionnaire was the covering of the scientific gap concerning the effectiveness of sponsorship as a communication tool.

In order to confirm that the questionnaire was clear, understandable and easy to answer, a pilot test was performed. A five-item Likert scale attempts to estimate the level of agreement and disagreement with the questions of the questionnaire.

## **RESULTS & DISCUSSION**

### **A) Descriptive Statistics**

According to the research, the interviewees seem to be influenced when a sponsorship supports (with preference order): Sport events, Music festivals, Sport teams, Educational causes, Environmental issues, Commercial exhibitions.

While examining the answers of the respondents it is found that a percentage of 80,6% of the interviewees seek to be informed about sports that interests them (which is mainly soccer and basketball), while a percentage of 73,9% feels so well informed about the matters that concern sports of their interest that are willing to undertake conversation. For the 80% of the interviewees sport is a type of amusement and thus it attracts attendance, including themselves. It is worthy of remark that over 50% of the respondents have strong "team identification" and feel actually proud when their team succeeds.

From the sample the 33,3 % of the respondents are women, while 66,7% are men (table 2). Their educational level is depicted in table 3.

When examining consumers opinion towards the reasons firms invest in sponsorship, it emerges that they believe for: a) firms own promotion b) awareness increase and c) reputation empowerment

Over than 60% of the respondents feel signs of trust, satisfaction and commitment towards a firm that chooses to undertake sponsorship. Nevertheless the consumers reaction towards a sponsors products or towards the products of a firm that isn't a sponsor any more is quite weak.

## B) Statistical Analysis

### Chi-Square test ( $\chi^2$ )

Initially the correlation will examine whether the fact gender has significant relationship with what are considered to be the objectives of the sponsor. For the needs of the study the perceived objectives were estimated with the use of seventeen variables. The null hypothesis is  $H_0$ : there is no significant relationship between the variables. The correlation between gender and the use of sponsorship in order to increase awareness was the only one found statistically significant. The chi-square test is  $0,03 < 0,05$ , which means that there is positive correlation. In all other cases  $\chi^2 > 0,05$  this means that we accept the null hypothesis  $H_0$ , which is that there is no significant relationship between the two variables.

Continuing the correlation will examine whether the considered by consumers to be the objectives of the sponsor has a significant relationship with the purchasing intention. The null hypothesis is  $H_0$ : there is no significant relationship between the variables.. The seventeen variables used for the estimation of the perceived objectives of the sponsor were once again used. The correlation between a firm undertaking sponsorship in order to a) increase corporate image and purchasing intention ( $\chi^2=0,04 < 0,05$ ) b) improve relations with employees and purchasing intention ( $\chi^2=0,01 < 0,05$ ) c) present active management and purchasing intention ( $\chi^2=0,04 < 0,05$ ) d) communicate with target market and purchasing intention ( $\chi^2=0,024 < 0,05$ ) e) imitate competitors and purchasing intention ( $\chi^2=0,012 < 0,05$ ) f) achieve larger exposure from the media and purchasing intention ( $\chi^2=0,05 = 0,05$ ) g) increase awareness and purchasing intention ( $\chi^2=0,011 < 0,05$ ) is positive, which means that there is significant relationship between the variables, whereas the null hypothesis is not accepted. In all other ten occasions the  $\chi^2 > 0,05$  didn't give positive correlation which means that we accept the null hypothesis  $H_0$ .

Hereupon the correlation will examine whether the considered by consumers to be the objectives of the sponsor has a significant relationship with the creation of competitive advantage. The variables used to examine the perceived objectives are seventeen, whereas the variables used to estimate the creation of competitive advantage are seven. The correlation examined each and every variable of the perceived objectives with each of the seven variable used for estimating the creation of competitive advantage. Once again the null hypothesis is  $H_0$ : there is no significant relationship between the variables. The correlation between a firm that undertakes sponsorship in order to promote itself and customer satisfaction, which was found statistically significant. The chi-square test was found  $\chi^2=0,024 < 0,05$  which means that there is positive correlation between the above two variables. Now, the correlation between a firm undertaking sponsorship aiming to increase its corporate image and :

- 1) consumer satisfaction was found statistically significant. The chi-square test was found  $\chi^2=0,016 < 0,05$  which means that there is positive correlation
- 2) the development of long term relationships was found statistically significant. The chi-square test was found  $\chi^2=0,019 < 0,05$  which means that there is positive correlation
- 3) the empowerment of relationship with consumers was found statistically significant. The chi-square test was found  $\chi^2=0,02 < 0,05$  which means that there is positive correlation

In all of the aforementioned cases the null hypothesis is not accepted.

Furthermore the correlation between a firm undertaking sponsorship trying to accomplish the objective of satisfying a particular target group and :

- 1) consumer satisfaction was found statistically significant. The chi-square test was found  $\chi^2=0,01 < 0,05$  which means that there is positive correlation
- 2) the development of long term relationships was found statistically significant. The chi-square test was found  $\chi^2=0,015 < 0,05$  proving high correlation

In all of the aforementioned cases the null hypothesis is not accepted.

While examining the correlation between the firms effort to create goodwill through sponsorship and consumer satisfaction, the correlation was found high,  $\chi^2=0,03 < 0,05$  and the null hypothesis is not accepted.

A significant relationship was found between a firm undertaking sponsorship in order to improve competitiveness and a) sales increase,  $\chi^2=0,01 < 0,05$  and b) the empowerment of relationship with consumers,  $\chi^2=0,017 < 0,05$ . In both cases the null hypothesis is not accepted.

### **T-test**

T-test was used in order to examine whether there is statistical difference between gender and a) attitude towards sponsorship b) purchasing intention and c) creation of competitive advantage. In all occasions the differentiation between means of each gender is not statistically significant.

### **C) Factor Analysis**

Because of the extremely large number of variables the research will move further to a factor analysis so as to limit them.

Factor analysis is used in order to reduce the large number of variables that are included in some questions, so as to make correlations among these variables easier in a future study.

The first question in which Factor Analysis is implemented is “What are considered to be the objectives a firm when undertaking sponsorship?”

The obtained results are illustrated in diagram 3:

On the horizontal axis are the 17 factors (as many as the variables included in the specific question), whereas on the vertical axis are the eigenvalues. The number of the factors that will be used is defined by the eigenvalues. From Diagram 1 it is evident, that there are five eigenvalues higher than 1.0. This means that the final analysis will include five factors (Table 4).

Table 3 presents the factor loadings. The loadings that are over 0,6 are considered high and are included in the procedure of naming the factors. The first factor has high loadings from four variables: communicating with the targeted market, building of goodwill, Promotion of product/services, Media exposure. A possible name which would summarize the common characteristics of the four variables could be “promotion of firm and of product/services”. The second factor has high loadings from two variables: Improving relations with employees and Satisfaction of particular target group. A possible name could be “Relations with personnel and consumers” The third factor has high loadings from two variables: Share increase, Sales increase. A possible name could be “Development of the firm in the market” The fourth factor has high loadings from two variables: Contribution to society, Firm Promotion. A possible name could be: “Promotion of the firm through sponsorships of social acceptance”. The fifth factor has high loadings from one variable: Imitating competitors. A possible name could be “Competitor relations”.

The next question in which Factor Analysis is implemented is “Which factors of the sponsored team influence the sponsor and the sponsors products”. The results are depicted in Diagram 4.

As shown from diagram 4 only two factors will be included for further analysis since they only have high eigenvalues.

The first factor has high loadings from five variables: There is a linkage between sponsor and athletes behavior, fans behavior scandals in which the team is involved, the sponsored teams failure to achieve objectives and the behavior of the teams management. A possible name which would summarize the common characteristics of the five variables could be “Deontological rules of sponsored teams”

The second factor has high loadings from one variable: The sponsors products are treated negatively from the fans of the rival teams. A possible name could be “Slandorous attitude towards sponsors products from fans of rival teams”.

The third question in which Factor Analysis is implemented is “Which factors contribute to the accomplishment of the sponsors objectives?”

The obtained results are illustrated in diagram 5

According to the eigenvalues only two factors will be used for further analysis. Table 6 illustrates the factor loadings.

The first factor has high loadings from six variables: Radio coverage, Coverage from sport newspapers, Coverage from political newspapers, Reference in sport shows, Number of fans attending, Reference in news broadcasts. A possible name could be: “Coverage from radio, press and fan attendance”

The second factor has high loadings from two variables: Relevancy between firm profile and sponsored event, Relevancy between product and sponsored event. This factor could be named: “corporate and product identity of sponsor and its relevancy with the sponsored event”

The last question which will be analyzed is “Which are the characteristics that a firms which undertake sponsorship fulfil in comparison with those who do not?”. The results are depicted in Diagram 6

From diagram 6 it is clear that only two factors have eigenvalues over 1.0. Table 7 presents the factor loadings.

The first factor has high loadings from five variables: Better products/services, Bigger response to consumer needs, Better management, Better working environment, High involvement in social issues. A possible name could be: “Corporate orientation aiming to fulfill consumer and personnel needs”

The second factor has high loadings from one variable: Only goal is how to earn more money. A possible name could be: “Corporate orientation with profit as an exclusive objective profit”

For all cases the results of the reliability analysis Cronbach a are satisfactory, over 0,7.

## CONCLUSIONS

It is not yet clear whether “sponsorship” as a communication tool constitutes a Public Relation or a Marketing Strategy. Surely both Public Relations and Sponsorship are parts of a wider marketing mix. Nevertheless it seems that this lack of clarification has actually been an obstacle in sponsorships research evolution the past years. This study underlined some of the similarities between the two tools aiming to take one step further the up to today research concerning sponsorship measurement. Based on PR measurement scales a Sponsorship Evaluation method was extracted.

The evaluation method:

1. takes into account granted consumers knowledge and involvement with the type of events that are chosen by firms to be sponsored
2. examines whether consumers attitude, awareness level, relationship towards a firm and corporate image of a firm are being affected by sponsorship on their own and in combination with consumers knowledge/involvement and type of event.
3. investigates the bottom-line impact sponsorship has in the firms development by creating competitive advantage and raising/creating purchasing intentions

From the obtained results it was concluded that:

1. A sponsorship is more effective when the sponsored event concerns sports and social sensitivity matters
2. The most important reasons that a firm undertakes sponsorship according to the respondents are a) firms own promotion b) awareness increase and c) reputation empowerment
3. Consumers reaction towards a sponsors products or towards the products of a firm that isn't a sponsor any more is quite weak. Meaning that when a consumers doesn't find while purchasing the sponsors product he/she will buy the product of the competitor. Moreover if a firm ceases being a sponsor the consumers will not punish the firm by boycotting the products

From the statistical analysis it was indicated that there is a correlation between (a) sex and the objectives of sponsorship (b) sponsorship objectives and purchasing intentions (c) sponsorship objectives and the creation of competitive advantage (d) effort to create goodwill and relationship with consumers.

There was no statistical difference between gender and a) attitude towards sponsorship b) purchasing intention and c) creation of competitive advantage when using T-test for the analysis.

When implementing factor analysis on the question “What are considered to be the objectives a firm when undertaking sponsorship?” the factors that appeared were five. The five factors were named “Promotion of firm and of product/services”, “Promotion of the firm through sponsorships of social acceptance”, “Development of the firm in the market”, “Relations with personnel and consumers”, “Competitor relations”. Factor analysis was also implemented on question “Which factors of the sponsored team influence the sponsor and the sponsors products” the factors were two and were named “Deontological rules of sponsored teams” and “Slandorous attitude towards sponsors products from fans of rival teams”. Continuing the implementation of factor analysis on question “Which factors contribute to the accomplishment of the sponsors objectives?” the factors arising were two and were named “Corporate and product identity of sponsor and its relevancy with the sponsored event” and “Coverage from radio, press and fan attendance”. Finally factor analysis was implemented on question “Which are the characteristics that firms which undertake sponsorship fulfil in comparison with those which do not?”. The two factors which appeared were named: “Corporate orientation with profit as an exclusive objective profit” and “Corporate orientation aiming to fulfill consumer and personnel needs”

Due to the small sample of 165 respondents the results may be limited. However this work by combining an in depth literature review and practical research intended to take sponsorship evaluation

one level higher of what it was today. Hence, we hope that the obtained results encourage the further study of sponsorship that could be of remarkable significance.

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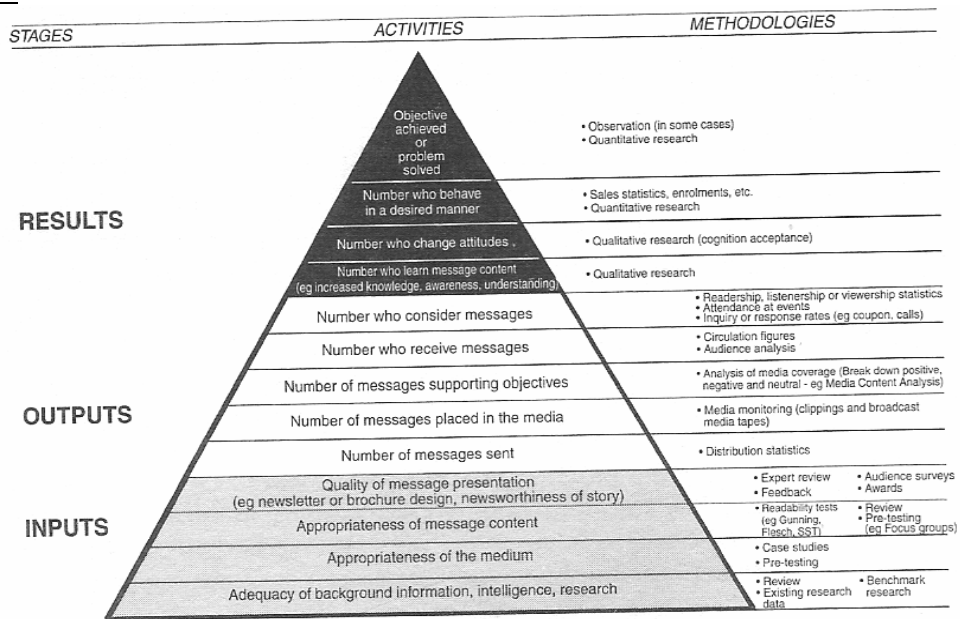
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## TABLES & FIGURES

Diagram 1



Source: Kitchen, 1997

Diagram 2

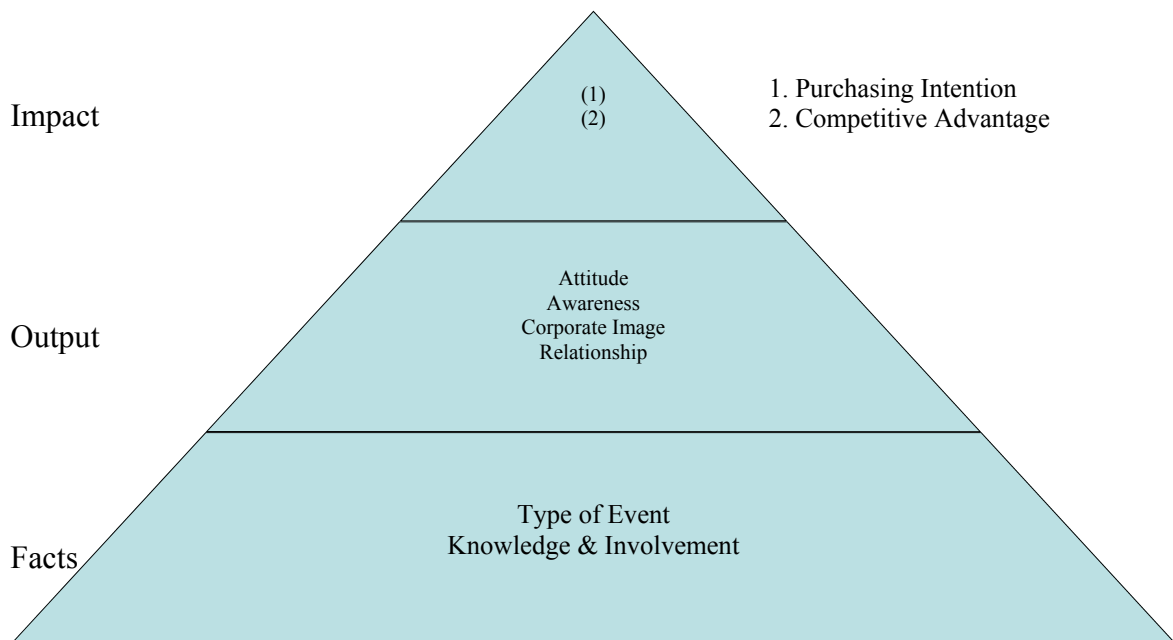


Table 1

	<i>Low Involvement</i>	<i>High Involvement</i>
<i>High Knowledge</i>	<b>Aware Publics</b>	<b>Active Publics</b>
<i>Low Knowledge</i>	<b>Inactive Publics</b>	<b>Aroused Publics</b>

*No Knowledge/  
No Involvement*

**Non-Publics**

Five Publics Model Based on Knowledge and Involvement

Source: Hallahan, 2000

Table 2

GENDER OF SAMPLE		
Gender	NUMBER	PERCENTAGE
Female	55	33,3%
Male	110	66,7%
SUM	165	100%

Table 3

EDUCATION OF SAMPLE	
LEVEL OF EDUCATION	PERCENTAGE
University Graduates	42,4%
Master/PhD	37,6%
SUM	100%

Diagram 3

### Scree Plot

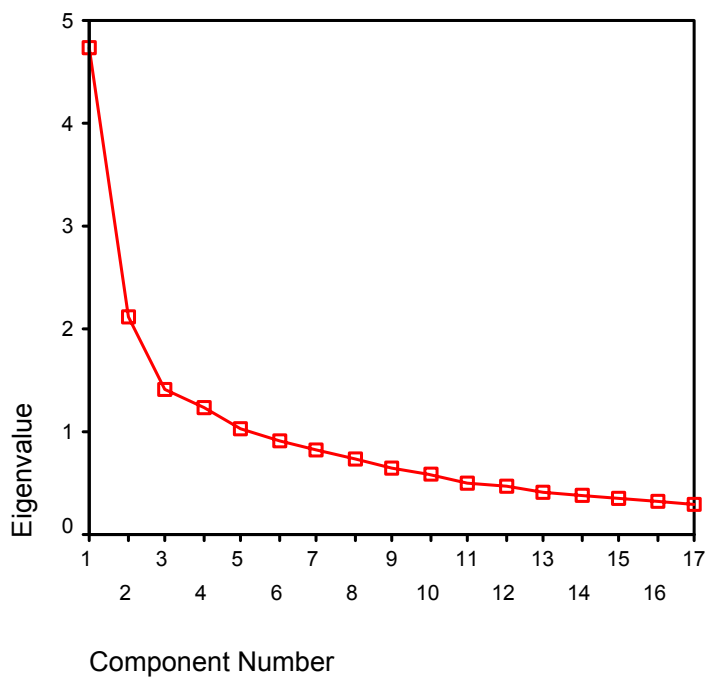


Table 4

**Rotated Component Matrix(a)**

	Component				
	1	2	3	4	5
Communication with target market	,812	,105	,208	,050	-,026
Consumer knowing the firm	,705	,189	,111	,081	,062
Promotion of product/services	,640	,074	,388	,186	-,095
Media exposure	,626	-,189	,241	,274	,012
Awareness of corporate image	,521	,191	-,202	,417	,101
Building Goodwill	,466	,389	,022	,339	-,008
Improving relations with employees	,230	,805	-,074	-,098	,092
Satisfaction of particular target group	-,045	,799	,113	,014	,038
Competitiveness improvement	,293	,520	,419	-,129	,018
Share increase	,105	,097	,798	,067	,075
Sales increase	,312	,000	,776	,172	,103
Contribution to society	,182	-,053	,053	,813	-,086
Firm Promotion	,269	-,201	,181	,688	-,064
Good relations with government	-,037	,412	,185	,533	,415
Imitating competitors	-,029	,064	,298	-,032	,726
Active management	,379	,292	-,034	,124	,554
Awareness of product/service	,186	,190	,339	,289	-,536

Extraction Method: Principal Component Analysis. Rotation Method: Varimax with Kaiser Normalization.

a Rotation converged in 8 iterations.

Diagram 4

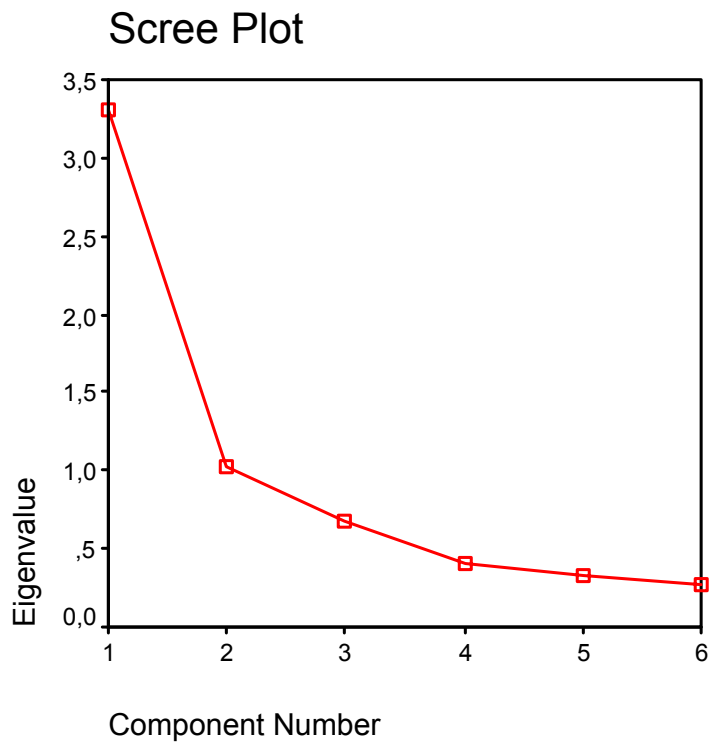


Table 5

**Rotated Component Matrix(a)**

	Component	
	1	2
There is a linkage between sponsor and athletes behavior	,875	,024
There is a linkage between sponsor and fans behavior	,852	-,037
There is a linkage between sponsor and scandals in which the team is involved	,843	,150
There is a linkage between sponsor and the behavior of the teams management	,815	-,059
There is a linkage between sponsor and the sponsored teams failure to achieve objectives	,636	,308
The sponsors products are treated negatively from the fans of the rival teams	,022	,966

Extraction Method: Principal Component Analysis. Rotation Method: Varimax with Kaiser Normalization. Rotation converged in 3 iterations.

Diagram 5

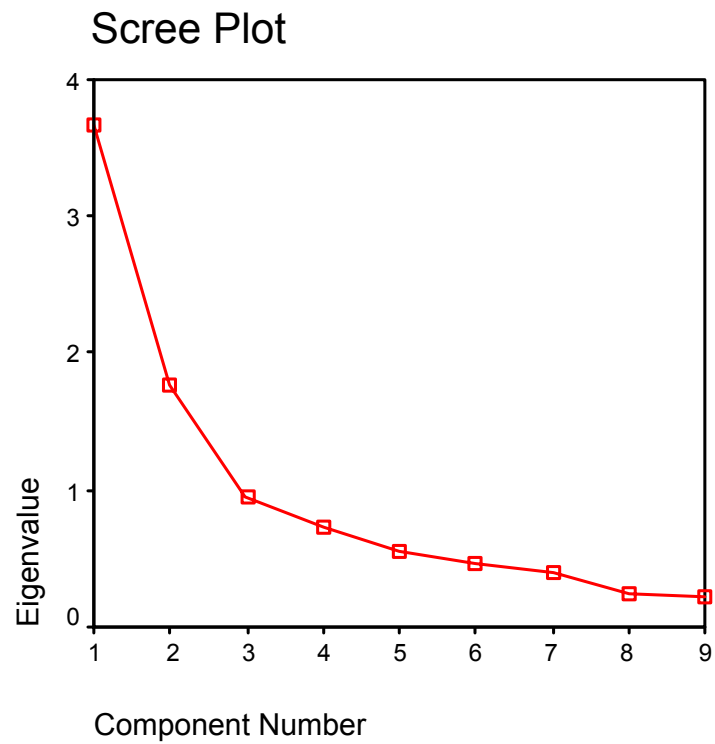


Table 6

**Rotated Component Matrix(a)**

	Component	
	1	2
Radio coverage	,847	-,119
Coverage from sport newspapers	,835	-,087
Coverage from political newspapers	,776	,003
Reference in sport shows	,747	-,066
Reference in news broadcasts	,713	-,041
Number of fans attending	,610	,054
Television Coverage	,444	,160
Relevancy between product and sponsored event	-,054	,934
Relevancy between firm profile and sponsored event	,021	,925

Extraction Method: Principal Component Analysis. Rotation Method: Varimax with Kaiser Normalization.  
a. Rotation converged in 3 iterations.

Diagram 6

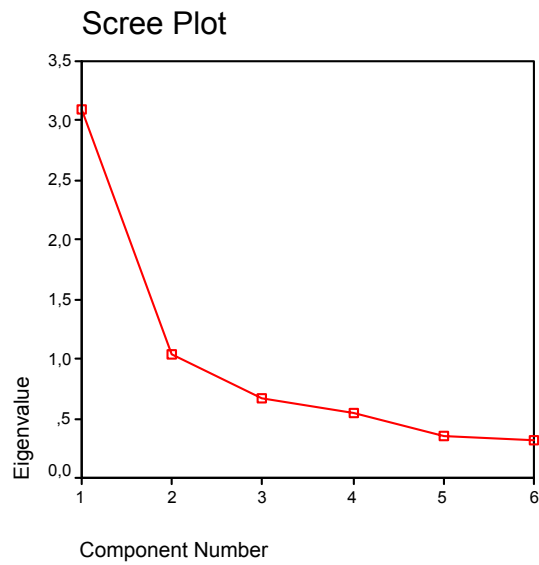


Table 7

**Rotated Component Matrix(a)**

	Component	
	1	2
Better products/services	,857	-,031
Bigger response to consumer needs μεγαλύτερη ανταπόκριση στις ανάγκες των καταναλωτών	,817	-,112
Better management	,776	,076
Better working environment	,766	-,151
High involvement in social issues έντονη συμμετοχή στα κοινωνικά ζητήματα	,633	-,435
Only goal is how to earn more money	-,013	,953

Extraction Method: Principal Component Analysis. Rotation Method: Varimax with Kaiser Normalization.

a Rotation converged in 3 iterations.