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## **Sport sponsorship: a company resource**

A qualitative case study of the Norwegian sponsors of the FIS Nordic World Ski Championships in Oslo 2011

**Master thesis in Sport Sciences**

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## **Abstract**

The objective of the study was to investigate in what ways the FIS Nordic World Ski Championships in Oslo 2011 could function as a resource for major and minor Norwegian sponsors. Sponsors from all the four sponsorship levels (presenting sponsor, official sponsors, national sponsors and official suppliers) were part of the study.

First, the sponsors' motivations and background for entering the sponsorship was investigated. Results indicate few differences between the motivation and background for the major and the minor sponsors to enter the sponsorship. Nevertheless, there were differences between the experienced and the inexperienced sponsors. Few sponsors in this study sponsored out of philanthropic reasons, i.e. the sponsors used the sponsorship as part of a strategic plan to reach external and internal objectives.

Regarding sponsorship objectives, little association was found between sponsorship level and what the sponsors sought to achieve through the sponsorship. Most striking was the strong focus towards using the FIS Nordic World Ski Championships Oslo 2011 to reach internal objectives. All the sponsors interviewed in the study wanted to improve employee satisfaction. Some also wished to use the sponsorship to change or set focus on values, culture and attitudes among employees, and coordinating different departments and locations. Regarding external objectives, awareness, image, and bonding with partners and consumers were the most important objectives for the sponsors.

The sponsors in the study activated their sponsorships in different ways in order to reach these objectives. These activation methods are presented, and best practises for major and minor sponsors have been highlighted.

Regarding evaluation, most of the sponsors did plan to conduct an evaluation of their sponsorship. At the same time, none of the sponsors would measure the total effects of their sponsorship. More evaluation and specific measures of sponsorship effects are recommended as it gives potential sponsors more knowledge of what they can get in return by using a sponsorship of a one-time event as a resource.

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# 1. Introduction and purpose of the study

Amis, Pant, & Slack (1997), claim that sponsorship can be used as a resource to achieve a sustainable competitive advantage. Through sponsorship, organizations and their brands can reach various objectives, using different activities to activate the sponsorship (Meenaghan, 1991b; O'Reilly & Seguin, 2009; Sandler & Shani, 1993; Shank, 2009; Verity, 2002). Studies have highlighted the motivation behind sponsoring a one-time event and the objectives that can be reached through sponsoring these events (Apostolopoulou & Papadimitriou, 2004; Barros & Silvestre, 2006; Davies & Tsiantas, 2008; Tripodi & Hirons, 2009). It is noted that sponsors' objectives may differ depending on the rights acquired. In addition, the way sponsors activate their sponsorship rights may differ from one another (Davies & Tsiantas, 2008).

Sponsorship research in Norway is an emerging field of study compared to other countries such as the USA, since sponsoring is quite new in Norway (Thjømøe, Olson, & Brønn, 2002). Consequently, the need to gain additional insight into the inner workings of Norwegian sponsorships is increasing. For example, little is known about the internal and external strategies used by Norwegian companies to reach objectives and get a competitive advantage. Therefore the objective of the study was to investigate in what ways the FIS Nordic World Ski Championships in Oslo 2011 could function as a resource for major and minor Norwegian sponsors.

Results and experiences from this study will hopefully contribute to the body of literature on sponsorship and as such facilitate its use by sponsors and sponsees (the one being sponsored) as a tool that enables major and minor sponsors to use sponsorships as a company resource. Furthermore, the results of the study will be a helpful guide towards building successful sponsorships. Guidelines and examples for activation will provide some help for sponsors and sponsees on how to use sponsorship as a tool to reach external and internal objectives of their company. The focus will be on the Norwegian sponsors of the FIS Nordic World Ski Championships in Oslo 2011. Represented are four different levels of sponsors, with different list prices, different rights for promotion and hospitality. By understanding the sponsors motivation and background for entering the sponsorship, their objectives, activation methods, and ways

to evaluate the sponsorship, the aim is to show how sponsorships can be used as a resource both for major and minor sponsors of a one-time event.

The document will first, through chapter 2 present previous research, and chapter 3 presents the research questions. The theoretical part of the document starts with chapter 4. Chapter 4 describes the case and the sponsors involved in the study. Then, chapter 5 gives a better understanding of the development of sponsorship, how it can be activated, and the various ways it can benefit the sponsors. Chapter 6 introduces how sponsorship can be seen as a resource and the characteristics such a resource should have in order to give the holder of the resource (the sponsoring company) a sustainable competitive advantage. The last theoretical chapter, chapter 7, deals with the term “Return on Investment” and how to measure effects of a sponsorship.

The methods used in the study will be presented in chapter 8. Chapter 9 includes the results and discussions, whereas chapter 10 sum up the main findings tying the different sections in the results and discussion together. Last chapter, chapter 11, gives proposals for further research.



## 2. Previous research

The background for this study comes from different sponsorship literature. Even though much literature about sponsorship was available, four studies investigating the Grand National sponsors of the Olympic Games in Athens 2004 were of particular importance and used as background for this thesis. These four studies had investigated questions within the same area as the research questions in this thesis. Therefore, they were selected as the main references in this thesis and used as a background for guidelines and comparison of results.

First, Apostolopoulou & Papadimitriou (2004) examined the motivation and the objectives of national sponsors of the 2004 Olympic Games in Athens. They reported that almost half of the national sponsors interviewed invested in the Games for corporate responsibility reasons (helping the country and the citizens of Greece) as opposed to pure commercial interests. However, the authors limited their investigation to one level of sponsors and suggested that future research investigates all levels of sponsorship. This need to examine different levels of sponsorship was also highlighted by Seguin, Teed, & O'Reilly (2005) in their study of national sport organizations and their sponsorships. Therefore, this research project will investigate all four sponsorship levels of the FIS Nordic World Ski Championships in Oslo 2011.

Davies and Tsantas (2008), examined how sponsors of the 2004 Olympic Games exploited their sponsorship and whether they were satisfied with their Return on Investment (ROI). Results from their study showed that the way the sponsors promoted their products depended on how well consumers knew their brands and the level of awareness of the products sold by the sponsors. The authors developed an activation model for sponsorship. This model highlights the various activities used by sponsors to promote their brand externally depending on the position held by their brand in the market and the sort of product(s) they sell. For example, more consideration would be needed before buying a house compared to buying a soda. As a consequence, the different companies and products need to be addressed to the consumers in different ways. The purpose of the model is to understand the best leveraging activities for different types of brands to increase sales numbers (Davies & Tsiantas, 2008).

The model of leveraging activities is important for the current study for two main reasons. First, it contributes to our understanding of the activation strategies used by sponsors of a big sporting event and how these strategies may differ for different product categories. Secondly, the model focuses exclusively on external activation strategies and may be expanded to include internal activation strategies (Davies & Tsiantas, 2008). The use of internal marketing to satisfy employees and coordinate them in their work has increased the last decade (Chelladurai, 2006). Therefore, it seems appropriate to develop guidelines and examples that also include internal use of activities to reach internal objectives. Succeeding in the internal marketing is crucial in order to reach external objectives. Companies will struggle to reach broader company objectives if their employees are not motivated or if they do not see the importance of the work they are doing (de Chernatony, 1999; Harris & de Chernatony, 2001; Hickman, Lawrence, & Ward, 2005; Mitchell, 2002; Pichot, Tribou, & O'Reilly, 2008).

Another point of interest of this study will be the evaluation of the sponsorships. Davies & Tsiantas (2008) did investigate how sponsors evaluate their sponsorships. They found that few sponsors actually measured the effects of their sponsorship-investment (Davies & Tsiantas, 2008). This is also reported by Thjømmøe, Olson, & Brønn (2002) in their study of 400 of Norway's biggest firms (ranked by economic turnover). This study will investigate if and how Norwegian sponsors of the FIS Nordic World Ski Championships 2011 differ (in terms of evaluating sponsorship effects) from the ones used in the study by Davies & Tsiantas (2008) and those in the Norwegian study by Thjømmøe et al. (2002).

A third study by Papadimitriou, Apostolopoulou, & Dounis (2008) investigated how the same Greek sponsors used their event sponsorship as a strategic tool. Few were able to use it as a strategic tool, as they had few clear measurable objectives that could assist their effort to increase the value of their brand. Moreover, few of the sponsors would do evaluation of their sponsorship investment. In this study of the Norwegian sponsors of the FIS Nordic World Ski Championships in Oslo 2011 this strategic use will be investigated.

The fourth study of the Greek national sponsors of the 2004 Olympic Games in Athens, delved further into the leveraging activities of the Grand National sponsors

(Papadimitriou & Apostolopoulou, 2009). They sought to demonstrate how the sponsorship could be used as a resource to gain a sustainable competitive advantage given that certain criteria linked to the sponsorship and the activation were fulfilled. These criteria will be further explained in chapter 6. The need for more sponsorship research focusing on a resource-based view has been expressed by Papadimitriou & Apostolopoulou (2009).

With this as a background for my thesis, the research question was set up.

### 3. Research questions

*“In what ways can the FIS Nordic World Ski Championships in Oslo 2011 function as a resource for the Norwegian sponsors?”*

This main research question will be answered through investigating the following questions:

- a) What are the sponsors` main motivations and background for entering the sponsorship?
- b) How do the sponsors think that the FIS Nordic World Ski Championships in Oslo 2011 can function as a resource?
- c) What are the external and internal objectives of the sponsorships?
- d) How will the sponsors activate their sponsorship to reach their objectives?
- e) How will the sponsors evaluate their sponsorship, and what is seen as the main obstacles for those who do not plan to evaluate or measure the effects?

## **4. Context of the FIS Nordic World Ski Championships Oslo 2011**

### **4.1 *The event***

To understand the context, some background information is required about the event and its sponsorship program. A FIS Nordic World Ski Championship is not a mega event like the Olympic Games. It is a major event and Oslo, the capital of Norway, was the host in 2011. The Championships took place from 23<sup>rd</sup> of February to the 6<sup>th</sup> of March. During the 12 day long event, 21 competitions were held in cross country, ski jumping and Nordic combined. There were 650 athletes from 49 different countries, 1800 from the press, about 300.000 spectators and hundreds of millions of TV-viewers. In addition 2200 people worked as volunteers (Oslo2011a).

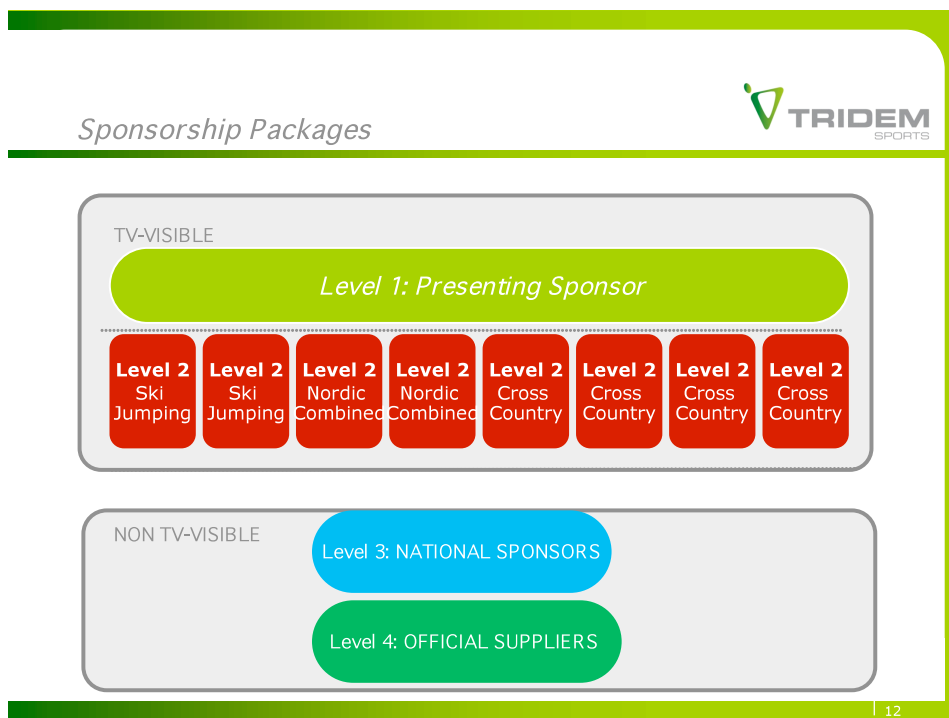
It is not the first time Oslo is host for such an event. The city has also hosted world ski championships in 1930, 1966, 1982. In addition Oslo has hosted the winter Olympics in 1952 (Oslo2011b). Regarding ownership of the event, the involved parties have created a limited company (Oslo 2011 AS). Oslo 2011 AS is owned by the Association for the Promotion of Skiing (Skiforeningen) (40 %) and the Norwegian Ski Federation (60 %). The city of Oslo owns the facilities (Oslo2011c).

### **4.2 *The Sponsors of the FIS Nordic World Ski Championships Oslo 2011***

Being a sponsor of an event like the FIS Nordic World Ski Championships Oslo 2011 is something special, and though it can be related to other types of event sponsoring, it differs. With regards to event-sponsoring, The Olympic Programme (TOP sponsoring group) at The Olympic Games is well known. Companies such as Coca-Cola, McDonald's and Visa are able to get a long-term association with the Olympics and gain benefits from this partnership (Davies & Tsiantas, 2008). Olympic TOP sponsor can use their sponsorship as a permanent part of their long term marketing strategy, evaluate and improve their sponsorship until the next Olympic Game (Davies &

Tsiantas, 2008). National sponsors of the FIS Nordic World Ski Championship 2011 do not have the same possibility and motivation to evaluate and improve the sponsorship. Their sponsorships are more time limited since this is a one-time event.

It is important to understand the setting and the context of the sponsorships that have been investigated in the study. The sponsorships are built up in a hierarchic model, where the presenting sponsor on top has the most rights (exposure, activities, free tickets etc.) and the ones in the lowest level have the least rights.



**Fig.1.** Sponsorship Packages. Modified from Tridem (2009)

The sponsorship rights for the event, as described by the marketing director of the Local Organizing Comity (LOC) (Storaas, personal communication, April 9, 2010; February 7, 2011) and the events homepage on internet (Oslo2011d) are as follows:

The International Ski Federation (FIS) holds all commercial rights to the FIS Nordic World Ski Championships 2011. They sold all their TV and commercial-rights to the European Broadcasting Union (EBU). EBU has chosen the international sponsor agent Tridem Sports AG with office in Switzerland to manage their commercial rights.

Tridem has made arrangements and signed sponsorship contracts with most of the official sponsors (level 2 in Fig. 1).

The other sponsorship agreements have been carried out by the marketing department of the LOC. They have been able to sign many Norwegian companies that wanted to sponsor the event. Norwegian companies are represented at all four sponsorship levels. The presenting sponsor Statoil (level 1 in Fig. 1), three of the official sponsors (DNBNOR, Aker Solutions and Lerøy) (level 2 in Fig. 1) and all the national sponsors and official suppliers (level 3 and 4 in Fig. 1) are all Norwegian companies. The sponsorship contracts that the LOC have made with Norwegian companies are authorized by Tridem, and the LOC received a commission for each sale.

A short description of the benefits and restrictions connected to the different sponsorship levels is provided in table 2:

***Table 1. The main differences between the four sponsorship levels***

<b>Level</b>	<b>Number of sponsors</b>	<b>List Price</b>	<b>Exposure in arena/TV-visible</b>	<b>Included VIP-tickets</b>
1	1	1.875.000€	+	240
2	8	700.000€	+	240
3	7	250.000€	-	120
4	30	50.000€	-	40

In addition, all sponsors (regardless of level) are promoted on the event's official web page, and they can use co-branding on all levels (for example use the logo of the event on cars used by the company, on their home page etc.).

## 5. Sponsorship

Sponsoring can be defined in various ways. Meenaghan (1991b, p. 36) defines commercial sponsorship as "an investment, in cash or kind, in an activity in return for access to the exploitable commercial potential associated with that activity".

Sponsoring is not a new phenomenon. Examples of sponsoring can be traced as far back in time as ancient Greek and the Roman civilisation (Meenaghan, 1991a). Decisions to sponsor were often linked to goodwill (Howard & Crumpton, 1995; O'Reilly & Seguin, 2009; Shwarz & Hunter, 2008; Sleight, 1989). Sponsoring was used more as philanthropy and not necessarily part of a marketing strategy. It was therefore not seen as an expense that was expected to give something in return (except from the improved goodwill) (Seguin, Teed, & O'Reilly, 2005).

In time, sponsoring has changed as a marketing communication tool (Meenaghan, 1998; O'Reilly & Seguin, 2009; Sandler & Shani, 1993; Shani & Sandler 1998). There are several reasons for the growth in sponsorships. Meenaghan (1991b, p. 37-38) mentions government policies on tobacco and alcohol, escalating cost of advertising media, the proven ability of sponsorship, new opportunities due to increased leisure activity, and greater media coverage of sponsored events. Others say that the most significant change and much of the reason for the growth in sponsorship and marketing in general, came in the mid 1950s caused by the technological developments that lead to a whole new way to connect with people (O'Reilly & Seguin, 2009). Either way, the fact is that sponsorships have increased both in numbers and in amounts spent (Crompton, 2004; Shank, 2009; Verity, 2002). This development is undeniable. Sponsorship has increased on a world basis from US\$500 millions in 1982 (Shanklin & Kuzman, 1992), to a total of US\$ 46.3 billion in 2010 (IEG, 2011). According to Tripodi (2001) and Crompton (2004) sponsorship has clearly outperformed other promotional tools in terms of growth. Meenaghan (2001a) claims that sponsoring has become more and more important part of marketing activities.



## **5.1 Sponsorship: a way to break through the clutter**

Sponsoring is seen as a strategic decision to achieve “a position of sustainable competitive advantage” (Amis et al., 1997, p. 81), and differs from other ways of doing marketing. It enables a company or brand to get in touch with consumers in a way that would be challenging through regular advertising (Bennet, Cunningham, & Dees, 2006; Crimmins & Horn, 1996; Crompton, 2004; Meenaghan, 2001b). Sponsorship persuades indirectly (Crimmins & Horn, 1996). The company or brand sponsoring is seen as giving a helping hand to the sport entity and differs from advertisers that just buy a place to do promotion (Meenaghan, 2001a). Emotions are also involved, and the consumer takes interest in the sport entity that the sponsor has given resources. Consumers will then have a relation to the sponsor in another way than if he/she just saw a random poster of advertising separated from the sponsee (Meenaghan, 2001b).

Sponsorship may help companies and brands to break through the clutter of different companies delivering and advertising for similar products (Mullin, Hardy & Sutton, 2000; Shani & Sandler, 1998). This clutter came partly as a result of the technological development making it easier for more companies to reach consumers through the increased number of radio and television networks (Howard & Crompton, 1995). By having a sponsorship you are not limited to one way of getting in touch with the consumers, and therefore it makes it easier to break through this clutter.

With a sponsorship, one will have the possibility to use different promotion tools in cooperation with the sponsee (Crompton, 2004). In other words, you can activate the sponsorship in many ways, meaning that you use it to do activities (sampling, advertising, competitions connected to the event you sponsor, arrangements for the employees with the sponsee etc.). According to various authors (Cornwell, Weeks, & Roy, 2005; Crompton, 2004; Seguin et al., 2005; Verity, 2002) the value of sponsorship is linked to one’s ability to activate it.

## **5.2 Activation**

When it comes to activation, there seems to be different methods used by sponsors depending on the type of product and sponsoring objectives (Davies & Tsiantas, 2008; Shank, 2009). Davies & Tsiantas (2008) suggest through their model of leveraging activities that the more involvement needed by the consumer and the more cognitive the process is related to buying the product, the more comprehensive the presentation of the product must be. It is important to show how the product differs from the products of competing companies within the same market. On the other hand, low-involvement products can be sold easier with “shock sellers”, meaning big posters with athletes etc. This is quite logic, as more consideration and involvement is needed when buying a house compared to buying a bottle of soda.

In order for sponsorship to give the best effect as a resource there is a need for additional activation. This is actually one of the key points that differentiate those who will be able to use it to gain a competitive advantage and those who do not (Amis, Slack & Berrett, 1999). The activation and its role as a contributor to creating a competitive advantage will be further discussed in chapter 6. Though there is little use for in depth investigation of all the different ways an event sponsorship can be activated in this theoretical section, a list of the activities of the most successful national sponsors of the Olympic Games in Athens 2004 is presented based on the findings of Apostolopoulou & Papadimitriou (2009). The reasons for presenting these activities are two folded: First of all to present activation that will improve the effects of such a sponsorship and secondly one can compare these activation methods to the activation of the sponsorships of the Norwegian sponsors of the FIS Nordic World Ski Championship in Oslo 2011. Then similarities and differences can more easily be uncovered. Below is the list of activities of the more successful activation initiatives of the Greek sponsors (Apostolopoulou & Papadimitriou, 2009).

- Additional advertisement (TV, radio, print, and internet advertisements explaining their role as a sponsor and their connection to the event)
  
- New event related products (Athens Gold Visa as an example by the bank)

- Competitions where the consumers could win tickets to the event or event merchandise.
- Customer hospitality (Inviting important clients from around the world).
- Employee programs (Employees could work as volunteers on regular salary).
- Internal magazines (Available for employees and collaborators).
- Special events (Road show visiting different cities with competitions and information both about the games and about the sponsors' products).

These are some of the activities that a sponsor can use. Still activation is not just done in order to directly reach objectives. It is also in order to prevent ambush marketing. Ambush marketing will be further explained in the next section.

### **5.3 Ambush marketing**

Ambush marketing can be seen as a non-sponsor trying to associate itself with the sponsee without paying the sponsorship fee. Shwarz & Hunter (2008) describe two main categories in ambush marketing.

The first one is called *Flagrant*. This is an illegal way of marketing, and is used for ambushing a rival brand. Breaking the rules of copyright or to use a trademark without being licensed are examples of a flagrant ambush. These are actions that may end up being handled in court and the punishment can be brutal. The other type of ambush is called *Ambiguous*. For this category of ambush marketing, the legal aspects are often not obvious. The ambusher may not do anything illegal, but the action is not always well accepted. Thus, what it sometimes comes down to is the ethical aspect.

With much clutter in the market and the risk of ambush marketing, activation of the sponsorship as described in 5.2 is crucial in order to make a link between the sponsor and the sponsee. Sufficient effort must be used on activation of the sponsorship to avoid that consumers are confused about whom the sponsors are. According to Shani &

Sandler (1998), doing ambush marketing is not as effective if consumers know who the sponsors are. Consequently, through activation tying a clear link between sponsor and sponsee, ambush marketing could be prevented.

Of importance to this study of the Norwegian sponsors will be the analysis of the sponsors and their activation programs on all levels. As suggested in previous research, sponsorship of events (major or minor) can be used to reach corporate objectives (Maynard, 1995). The aim is to show how companies and brands objectives can be reached through activation on all levels; i.e. from Presenting Sponsor to being official supplier (lowest level).

Focus has through 5.1, 5.2 and 5.3 been set on the development of sponsorship as a marketing tool, and how it can be used to reach objectives through activation. The next section will give further explanation of the objectives and benefits that can be reached through a sponsorship.

#### **5.4 Sponsorship: objectives and benefits**

Verity (2002, p. 162) divides sponsorship objectives into two main groups:

- Corporate; Increase public awareness of the organization, enhance company image, alter public perception, increase community involvement, build business/trade relations and goodwill, enhance staff/employees` relations and motivation
- Or
- Product/Brand: Increase target market awareness, built positive image dimensions, brand preference, increased sales, and blocks the competition.

Sandler & Shani (1993) divides sponsorship objectives into three main groups;

- broad corporate objectives (referring to objectives related to company/corporate image)
- marketing objectives (brand promotion and sales increase)
- media objectives (reaching target groups/markets and cost effectiveness).

Historically, companies have often become sponsors as a consequence of personal objectives held by the management. More recently, it has been reported that this has changed. Now corporate objectives like awareness, image and reputation are the most important objectives, followed by marketing objectives (Hartland, Skinner, & Griffiths, 2005).

Apostolopoulou & Papadimitriou (2004) and Davies & Tsiantas (2008) made the Greek sponsors in their study list the most important objectives they had set for being a sponsor of the Olympic Games in Athens 2004. The sponsors in the studies listed to improve corporate image as the most important objective. Also of importance was to increase sales/market share, gain a competitive advantage, and work to reach internal objectives.

Some of the already mentioned objectives will now be more thoroughly explained to give an understanding of how it can benefit the sponsors.

### **Media benefits**

As a sponsor, one expects to be promoted in the best way possible. This should be done in cooperation with the sponsee. Therefore, a central issue in a negotiation of a sponsorship is to gain knowledge regarding how the sponsor will be promoted (Howard & Crompton 1995). It is important to know if the event will be broadcasted, if interviews will be made, the estimated numbers and demography of the people that will watch the broadcasting, and what sorts of newspapers will be present to cover the event. These things should all be considered before signing a contract (Howard & Crompton 1995). Massive media exposure can help linking the event to the sponsor (O'Reilly & Seguin, 2009), and sponsorship is often seen as a cost effective way to get exposure in the media (Meenaghan, 1991b). We often talk about media benefits of sponsoring. What is meant by that is the total exposure of your company or brand. Not only through the exposure a sponsor gets through posters seen in the arena during an event, but also the massive exposure through various TV channels, newspapers and web in the time before, during and after the event. In that way a sponsor is able to reach consumers outside the audience of the event without paying any additional fee for it (Meenaghan, 1991b). In

addition to being connected to the event, the sponsor also wants exclusivity in its product category.

### **Exclusivity-block the competitors**

By being a sponsor, one can make sure that the company or brand is the only one promoting a certain type of product. An example is the TOP sponsors for the Olympic Games. These companies pay huge sums of money. In return, they get exclusive worldwide rights in their product categories to use the five ring logo for marketing programs (O'Reilly & Seguin, 2009). This is also the case for the sponsors of the 2011 FIS Nordic World Ski Championship where only one sponsor is allowed per product category (Storaas, personal communication, April 9, 2010).

According to Shank (2009), one of the benefits of 'exclusivity' within a sponsorship is the ability to 'block' the competition. In other words, a competitor would not be able to associate itself with the event and get the same type of acknowledgement and benefits of being a sponsor. At the same time ambush marketing is always an option for competing non-sponsoring companies. Ambush marketing has already been shortly described. The subject will receive more attention in chapter 6 which focuses on sponsorship as a resource.

### **External branding**

Branding is an objective that most companies seek through sponsorship. Branding can be described as "a name, design, symbol or any combination that a sports organization uses to help differentiate products from the competitors" (Shank, 2009, p. 206). Much has been written about brands and branding (Aaker, 1997; Kotler & Keller, 2006, Kotler, Keller, Brady, Goodman, & Hansen, 2009), and a brand consists of elements such as brand personality, identity etc. Still the ultimate goal of branding is to achieve what is known as brand equity. This is the added value to the organization or specific product (Kotler & Keller, 2006). Cornwell, Roy, & Steinar II (2001) claims that sponsorship can increase brand awareness and improving brand image. According to Shank (2009), the image building may actually be the most important reason for sponsoring a sport entity. Even though one might first of all think of branding and

creating an added value as an external benefit, it is also effecting the internal relations. Having a recognised brand/organization with a positive image, will make employees take pride in being part of the work force of the company (Pichot et al., 2008). What is important (both for external and internal relations) is to choose a sponsee that can reflect values that you, as a sponsor, are trying to communicate that your product/brand has, i.e. to get a fit (Shank, 2009).

At the same time as you can be linked to positive values of the sport entity through a sponsorship, it is a challenge communicating to the consumers how the brand differs from other competitors and achieve the added value (Cornwell et al., 2001). Meenaghan (1991a) highlights the same challenges, i.e. that sponsorships give exposure that can increase awareness and image, but struggle to communicate a message of product information, differentiation from competitors etc. As mentioned by Davies & Tsiantas (2008), products that need high involvement and are more based on a thought-through decision (like buying a car) the consumers must gain more knowledge about the product through the sponsorship, compared to for example a sponsor selling soda.

Cornwell et al. (2001) also highlight this need for thought-through activation in order to show how the products differ from the once offered by the competitors. They suggest that if a sponsorship is to differentiate the company or brands from competitors, and in that way be a resource to gain a competitive advantage, one must activate the sponsorship, and use additional resources on top of the sponsorship fee. It is this added value and the differentiation that is not imitable by competitors. This subject will be further discussed in chapter 6.

### **Hospitality and entertainment for external and internal use**

Hospitality and entertainment are also significant benefits that are important when a sponsorship contract is being negotiated (O'Reilly & Seguin, 2009). The hospitality can, for example, include a number of tickets, making it more accessible for the employees to watch the games of the entity that they are sponsoring. This can work as a great motivation factor in the sponsors company among employees and can make it easier to build a bond between people in the firm (Hickman et al., 2005; O'Reilly & Seguin, 2009). Then, the people working for the sponsor will have something in

common. In addition, entrance tickets for single events may also be a way for the sponsor to invite and meet companies they are cooperating with or might want to do business with in the future (Berrett & Slack, 2001).

## **Sales**

According to Crompton (2004) and Shank (2009), the main objective of any sponsorship must in the end be to increase sales and increase the bottom line. There are of course several factors that will affect the sales numbers, but brand equity is seen as important since it gives added value and makes the consumer choose one company or product over the others (Cornwell et al., 2001). Sales come as a result of external objectives as awareness, association, and understanding of the quality of the product and how it differs from the other companies offering “the same product”. Behind all this, there is also an organization with individuals (de Chernatony, 1999; Harris & de Chernatony, 2001; Hickman et al., 2005; Mitchell, 2002; Pichot et al., 2008). Therefore, one can say that the external objectives can first be reached through succeeding with building up an organization where the employees function both as individual and as a group (Chelladurai, 2006). This will be investigated in the section below.

### ***5.5 Internal marketing-objectives and benefits of a sponsorship***

Pichot et al. (2008) describes how external objectives (that more directly seeks to increase sales) differ from the internal objectives (concerning relationships, company pride, and employee motivation). As regards to internal objectives, not much has been written on this subject compared to all the literature on external objectives (Cunningham, Cornwell, & Coote, 2009). The sponsor can use the sponsorship as a way to reach objectives of employee identification and motivation through internal marketing (de Chernatony, 1999; Hickman et al., 2005; Mahoney, Madrigal, & Howard, 2000; Mitchell, 2002; Pichot et al., 2008).

Internal marketing can be seen as a management strategy seeking to improve the productivity and the quality and is aimed at the people inside the company (Chelladurai,



2006). For a long time, marketing has been done to establish relations with consumers and get long-term buyers of the products. At the same time, marketing has not been used in the same way towards employees of the companies until recently (Chelladurai, 2006). Now, more companies see the importance of internal marketing and the employee as a consumer who will need to be stimulated the right way to stay in the job and perform good services that can help the company reach its goals of better products and production (Chelladurai, 2006; Crimando & Riggarr, 2006; Hickman et al., 2005).

Sponsorships have mainly been used to reach external objectives (Tropidi, 2001). However, research suggests that many sponsors have started to consider motivation among employees and other internal use of the sponsorship as important (Hickman et al., 2005; Pichot et al., 2008). An example of this is how Guinness Breweries used their sponsorship of Rugby World Cup to give tickets to staff (Rines, 2001). By doing that, they could bond the employees around a common interest and something that they could do together. Rosenberg & Woods (1995) explains through their study how a bank bonded their employees by using the sponsorship of the Chicago Marathon 1994 and had activities related to the arrangement of the event.

These examples show how sponsorship can be used to manage and maximize human resources. Such internal use of the sponsorship can give effects related to motivation, and it can mobilize the employees who should be seen as the companies' most valuable resource (Pichot et al., 2008). In addition, a social identity can be established through internal activation where employees get to know each other better. Social identity can be seen as a classification or mapping of the human world and where a person find him or herself in that world. According to Jenkins (2008), you see yourself in a connection to other people and the place you have in a society and among the people there. In addition, a sponsorship can link the group of employees closer together and also link them closer to the company (Hickman et al., 2005; Mitchell, 2002).

A sponsorship can also give them a common understanding of the values the company is based on and the product it sells (Mitchell, 2002). Selling the brand and the organization values internally is essential to be able to sell it to consumers. By doing so you will "help employees make a powerful emotional connection to the products and service you sell" (p. 99). This is a critical point, since one has to believe in the brand if you are to convince others (consumers) that it is worth using their money on it

(Mitchell, 2002; Pichot et al., 2008). Therefore one must always start with “selling” the brand inside the firm or company, both for employees to share the same values, but also to create internal pride (Mitchell, 2002). By succeeding in the internal marketing and work with creating values and motivation among the employees, “employees are unified and inspired by a common sense of purpose and identity” (Mitchell, 2002, p. 99).

Working with human resources is therefore an important part of internal marketing (Crimando & Riggarr, 2006), and the study will highlight how sponsorship can be used to achieve such internal marketing objectives. For a company using sponsorship as a resource to achieve a competitive advantage, the main objective must be to build a group identity where employees understand their place and belonging in the group (de Chernatony, 1999). By succeeding in these internal processes, they will work better as a group that in the end will affect the bottom line (Hickman et al., 2005).

## 6. Sport sponsorship as a resource

This section will describe how sponsorship can function as a resource that gives the company a sustainable competitive advantage. The theoretical framework has been used as a tool to help analyse some of the findings in the study and to more fully understand the implications this will have for the sponsors. Although some marketing related theoretical frameworks exist, few seemed appropriate for this kind of study. Since the aim of the study is to see how sponsorship can be used as a tool to reach various objectives, it seems appropriate to view sponsorship as a resource, obtained by the company in order to get something in return.

There are a wide range of authors (Amis et al., 1999; Amis et al., 1997; Barney, 1991; Grant, 1991) focusing on this resource based view (RBV from now on). The RBV gives guidelines for characteristics needed for such a resource to give a competitive advantage. Some authors (Amis et al., 1999; Amis et al., 1997; Fahy, Farrelly, & Quester, 2004) used this framework and more specifically addressed it to sponsorship and how it can function as a resource. This view of sponsorship as a resource is chosen, as a tool to understand how a sponsorship of the FIS Nordic World Ski Championships in Oslo 2011 can function as a resource for different kind of companies. Further explanations of the theoretical framework and how to use it in this study will now be presented.

A company consists of various resources, and authors have different ways to divide them into groups. Barney (1991) divides the resources into three groups; Physical capital resources (described as the technology, equipment, geographic location, and access to materials), human capital resources (described as the people in the firm and their intelligence, experience etc.), and company capital resources (including planning, reporting structure, controlling, coordinating between individuals and groups etc.)

There are a lot of resources within and connected to a company. Thus, by choosing the right sponsorship and using it as a resource to reach objectives, sponsoring is seen as a strategic move to achieve “a position of sustainable competitive advantage” (Amis et

al., 1997, p. 81). When choosing an entity to sponsor, the sponsor should take time to evaluate the sponsorship as an investment and understand how it can help the company to reach wanted objectives (Cornwell, 1995; Grant, 1991). According to Grant (1991, p. 115) there are five steps a company must take to get resources that can give them a competitive advantage. By “analyzing the firm’s resource base; appraising the firm’s capabilities; analyzing the profit-earning potential of firm’s resources and capabilities; select a strategy; and extending and upgrading the firm’s pool of resources and capabilities”, the firm can achieve a competitive advantage. Related to sponsorships, this means that the potential sponsors must investigate if/how such a resource can help them to upgrade their “pool of resources” and reach objectives that will give them a competitive advantage. Such an evaluation of the usefulness of a sponsorship for a company is also highlighted by Cornwell (1995), who explains how a sponsorship can be used as a strategic marketing tool. In order to fully utilize a sponsorship as a company resource, the sponsor should approach the sponsorship following a six step model. The six steps recommended by Cornwell (1995) consist of analyzing the current situation, define objectives, sponsorship-linked strategy development, establish sponsorship link, implementation, and evaluation.

The sponsorship can either be a resource by itself or it can be used in combinations with other resources to reach a position where the company or brand has a competitive advantage (Amis et al., 1999). According to Grant (1991) the most valuable resources are those that are: durable, difficult to identify and understand, imperfectly transferable, not easily replicated, and owned or regulated by rights making them untouchable for competing companies or brands. This is also supported by Barney (1991) who highlights approximately the same characteristics for a resource to be a competitive advantage. In addition, he also highlight that the resource must be of value to the firm. A resource of value is any resource that will improve the efficiency and effectiveness of the firm.

Amis et al. (1997) claims that, “for a potential resource to be capable of proffering a sustainable advantage, it must be heterogeneously distributed across the industry, imperfectly imitable, imperfectly mobile, and associated with ex-ante limits to competition (Amis et al., 1997, p. 84). Amis et al. (1999) also lists similar criteria. All the authors mentioned above describe characteristics for a resource to be a sustainable

competitive advantage in different ways (Amis et al., 1997; Amis et al., 1999; Grant, 1991; Barney, 1991). Though articulated in different manners, basically the same characteristics are pointed out by all authors. The following characteristics (\*) will be the ones the thesis work will focus on when investigating how the sponsors identifies the sponsorship as a resource to gain a sustainable competitive advantage:

**\*Of value:**

As mentioned, the resource should be of value to the organization in order to help them achieve a competitive advantage. What is also pointed out is that the resource (sponsorship in this study) should be valued by the consumers (Amis et al., 1999). In order for the sponsorship to have a positive effect on the consumers, the consumers must have some interest in the event, the sponsorship, or both.

**\*Durable:**

Durable means that the resource will last. This will be discussed later on. One challenge for the sponsors in this study is that they are not committed to a long-term agreement. So the question will be if the sponsors think they can make the resource last, and how they plan to do this.

**\*Exclusive:**

Only one company or brand can have that specific resource. This should be taken care of since there is exclusivity among the sponsors within the same product groups. At the same time ambush marketing can threaten this exclusivity (Shani & Sandler, 1998). If other companies or brands (non-sponsors) promote themselves as a sponsor and a contributor to the event, it can decrease the consumers' understanding of the link between the real sponsor and the event. The sponsorship might no longer be able to create the added value to the company or brand that the sponsors seek through their investment. As mention in chapter 5, these ambushers are often not breaking laws, and can therefore be hard to concur. Still, enough activation to create a clear connection between sponsor and sponsee should prevent ambush marketing, as ambush marketing is not as effective when the consumers know who the sponsors are (Shani & Sandler, 1998).

At the same time as exclusive rights to do promotion is of importance, so is also the exclusive rights to use the sponsorships for internal use. The sponsors might use athletes to give talks about motivation in their company, and they can get special tickets to the event and related hospitality rights for employees. These are also exclusive rights that will be of importance, and the way these can be used will be discussed more thoroughly in the results and discussion sections in the document.

### **\*Not replicable:**

It is important that the resource is not easy to copy. A sponsorship is of course not a easy resource to copy in the first place, because it needs planning and is an investment where the outcome is never known in forehand (Pichot et al., 2008; Shank, 2009). Still, this is also a criteria that might seem easier to fulfill than it really is. With a growing sponsorship market and more and more clutter in the sport sponsoring world, “those companies keen to use sponsorship to differentiate themselves from their competitors have to be innovative (Amis et al., 1999). In order to avoid competitors to either have direct access to the resource or to copy it, a strong impression must be made through activation. Amis et al. (1999) suggest that this can be done by including the sponsee in other marketing campaigns in order to build a strong link between sponsor and sponsee. Therefore one can say that the exclusivity and the characteristic of not being replicable are linked. This is because the exclusive rights to create a link between sponsor and sponsee is there, but activation is needed in order to make this link clear for consumers and make the link as a contributor to the sponsee not-replicable by competing non-sponsors (Amis et al., 1999). In addition the ability for this specific sponsorship to function as a non-replicable resource and in that way have unique effects compared to other kinds of sponsorships will be discussed through the results and discussions in chapter 9.

### **Experience and capabilities**

With a sponsorship, Amis et al. (1999) stresses the value of a long-term agreement to produce an outcome that will give the best advantage. This is linked to the resource and whether or not it is durable. As mentioned, this is one of the characteristics that can give a competitive advantage and is especially important for the processes related to sponsoring that take a longer period of time. For an image, link and reputation to

effectively develop and be favored by consumers, the need for a long-term agreement is crucial. Establishing image and reputation is not done over night (Amis et al., 1999), and it is important for the sponsor and sponsee to work close together to create the image wanted by doing strategic activation (Sandler & Shani 1993; Seguin & O'Reilly, 2009; Shank, 2009; Verity, 2002). By creating such tangible assets (image, reputation etc.) you will increase the chance of creating a competitive advantage as these intangible assets depreciate relatively slow (Grant, 1991). One of the reasons for the value of a strong image and reputation is that it is non-imitable (Amis et al., 1997).

In addition to creating such a unique image and reputation, experience within sponsoring will give them capabilities (within sponsoring) that will help them to develop sponsorship as a distinctive competence (Amis et al., 1999). This is the main reason why Amis, et al. (1999) stress the importance of a long-term agreement. Even though it might be favourable to establish a long-term sponsorship, the event in this case study cannot provide these circumstances. The criteria of having a long-term agreement will be discussed throughout the results and the discussion in chapter 9.

Some of the firms sponsoring the FIS Nordic World Ski Championships Oslo 2011 have done a lot of sport sponsorships in the past, and are doing related sponsorships with the Norwegian Ski federation at the same time as they are sponsoring this specific event. In this way, it is part of a long-term relationship with skiing.

Others sponsoring the event have little experience and no other sponsorships besides this event. What will be interesting is to see how the companies who only sponsor this one-time event view it as a resource and how/if it can be defended as an investment that can give lasting effects. Their views might highlight different perspectives regarding the need for a long-term involvement, stressed by Amis et al., (1999).

Although sponsors who seek to improve image and reputation might need a long-term commitment, sponsors who have other objectives might not need to meet the criteria of a long-term involvement to be able to use it as a resource. One example can be marketing of a new product by a firm already known to consumers and with a solid reputation. In other words; objectives that are aimed at specific projects that do not need

a long-term agreement and a long-term activation to be fulfilled. Such short-term objectives can also be capabilities that the company aim to acquire.

Grant (1991) claims that a company's capabilities can be more durable than the resource. This can happen when they get the capabilities to replace resources as they wear out. Fahy et al. (2004) also focus on these capabilities. These authors see the value of such capabilities, but not only for future use on various projects. The authors claim that the capabilities the sponsors have when they enter a sponsorship will affect whether or not a sponsorship is effectively used to gain a sustainable competitive advantage. Capabilities that will be of importance in order to succeed in the management of a sponsorship are "experienced sponsorship managers, market orientation capabilities and organizational routines" (Fahy et al., 2004, p. 1022). This suggests that the sponsors in the study with the best developed capabilities to manage a sponsorship will show evidence of more thought through use of their sponsorship. In other words; the most experienced sponsors will be the ones using the sponsorship most strategically to reach objectives and get a competitive advantage. This can be related to Amis et al. (1999) who suggest that a long-term agreement can lead sponsors to develop sponsorship to become a distinctive competence of the company.

Still, these capabilities must be developed at one point. Therefore, what the inexperienced sponsors learn from the sponsorship of this one event (FIS Nordic World Ski Championships Oslo 2011) might be used to go into other sponsorship programs in the future. In this way capabilities can be an asset that may be utilized in future sponsorship programs, resulting in durable competitive advantage as it is over time developed to a distinctive competence (Fahy et al., 2004).

Understanding sponsorship as a resource indicates that the sponsorship is an investment for the company. Investing in a resource will also demand an evaluation of whether the investment helped them reach their objectives (Cornwell, 1995). In other words: Did they obtain the intended return from their investment. This will be discussed in the following chapter, focusing on the term Return on Investment, ways it can be measured, and the challenges of evaluating sponsorship effects.



## 7. ROI and sponsorship evaluation

The main motivation for doing sponsorships must be seen as getting a satisfying Return on Investment (ROI). ROI is often referred to as what a sponsor gets in return for investing money or other resources into a sport entity (O'Reilly & Seguin, 2009). When one look at sponsorship as a resource, ROI is of great importance (Cornwell, 1995). If a company is not able to understand how the resource has worked and how/if it has given them any benefits, it will be difficult to defend as an investment. This is also acknowledged by Crompton (2004), who claims that all sponsoring relationships are linked to the exchange theory. This theory states that “(1) two or more parties exchange resources, and (2) the resources offered by each party must be equally valued by the reciprocating parties” (Crompton, 2004, p. 268). The important key in this exchange relationship is that the exchange is seen as fair by both sides (Crompton, 2004). With this in mind, the sponsor can ask for return in line with the resources spent on the sponsorship.

There has been an increasing demand to be able to see the result of the sponsorship, and measure if they get a satisfying ROI (DeGaris, 2008; Cousens, Babiak, & Bradish, 2006; Currie, 2004; Shank, 2009). Sponsorship evaluation has also been recommended in order to use sponsorship as a strategic marketing tool (Cornwell, 1995). The ability to measure the effect of a sponsorship has improved, and there are now more ways to measure the effects of sponsorships (Cousens et al., 2006; O'Reilly & Madill, 2009). Synovate and Sponsor Insight are two companies that specialize in measuring both external objectives (like media exposure, awareness and image) and internal objectives (related to relationships, company pride, and employee motivation). It should be noted that several of Norway's biggest sport sponsors are using Synovate or Sponsor Insight to measure the effects of their sponsorships. This suggests that sponsorship is evolving and as such, this research will provide some insights into possible changes since Thjømmøe et al. (2002) and Davies & Tsiantas (2008).

### **Methods and metrics**

There are various ways to measure if sponsors get the ROI they seek through their sponsorships. Post event evaluation by marketing staff, track sales numbers,

questionnaires of the spectators, pre and post surveys that focus on recall are some examples. These are all methods that can be used to examine if the sponsors have achieved the expected results from the sponsorship (O'Reilly, Nadeau, Seguin, & Harrison, 2007). Though various methods for effect measurement exist, sponsors tend to measure awareness as an effect variable. They are relying on its ability to report about the effects of their sponsorship investment. Although awareness is important, it does not tell the sponsor that the consumers intention to purchase have changed (O'Reilly & Madill, 2009).

Another common way to measure is by analyzing exposure value. This can be done by converting minutes on TV with logo exposure to the cost of buying the same amount of advertising (Olson & Thjømøe, 2009). Still, 10 seconds of in focus logo exposure is not the same as 10 seconds of informative advertisement (Cornwell et al., 2005). In addition, one might argue that such methods fail to take into account that all other happenings in the "media world" will affect the value of the exposure that the sponsors get. Thus, methods to measure sponsorship effects exist. However existing methods are only assessing in measuring some of the effects of the sponsorships, and some of the most used methods tell little about the effects the sponsorship has had on the consumers' intention to purchase which will be affecting the companies' bottom line. It has been shown that even though consumers have a positive attitude towards the sponsors, it does not necessarily mean that they will buy their product and become loyal consumers (O'Reilly, Lyberger, McCarthy, Séguin, & Nadeau, 2008). The lack of ability to uncover the total ROI is also highlighted as problematic in the literature, as there are still no standard metrics to measure the total effect of the sponsorship (O'Reilly & Madill, 2009; O'Reilly & Seguin, 2009).

Even though methods for measuring sponsorship effects are available, the study by Thjømøe et al. (2002) found that very few of the 400 companies in their study measured the effect of their sponsorship. Most of those who did not measure claimed that they saw the metrics and ways to measure the effect of a sponsorship as being underdeveloped, and were open to do more measuring if the methods improved. Since some methods for sponsorship evaluation do exist (O'Reilly & Madill, 2009; Olson & Thjømøe, 2009) one should assume that sponsors of the FIS Nordic World Ski Championship 2011 would use more effort to measure the effects of their sponsorships.

## **8. Methods**

In order to address the questions identified for this study, I have opted for a case study approach (2011 FIS Nordic World Ski Championships) using qualitative methods (interviews, document analyses, and observations) as a means to collect data. The reasons for choosing this specific case and the listed methods will be presented in this chapter. The validity, reliability and ethical considerations of the study are also presented.

### **8.1 FIS Nordic World Ski Championship Oslo 2011 as a case**

Choosing the case can be done out of three reasons and serve different purposes (Stake, 2005). The case can either be intrinsic, i.e. chosen because the case itself is of interest, or it can be instrumental, i.e. chosen to provide insight or to be able to generalize with this case as a background. The third angle is multiple case studies, with less interest in the specific cases investigated but more interest in the population, phenomenon or general condition (Stake, 2005). In the present study the case was used mostly instrumental as it provides insight to how sponsorship of a one-time event can function as a resource for a variety of sponsors.

Researchers are affected by the environment when choosing a topic (Singelton & Straits, 1999). My study was no exception. The Norwegian School of Sport Sciences was involved in a research project using the FIS Nordic World Ski Championships in Oslo 2011 as a case. Since my area of interest is sponsoring, I wanted to focus my thesis on some questions concerning the sponsors of the event and how such a sponsorship could be used as a resource for different levels of sponsors. Furthermore, I felt that a project in which I could both be part of a large research group working on the same case and at the same time have the possibility to develop my own project and research questions, was a great opportunity.

Norwegian sponsors from four different sponsorship levels (Presenting sponsor, official sponsors, national sponsors and official suppliers) were interviewed. The reasons for choosing the four different levels were:

- 1) The different sponsor-levels offered different types of rights regarding exposure and hospitality.
- 2) The sponsors' rights gave them different starting points and possibilities as to how they could activate the sponsorship. For example an official supplier would not be allowed to have big banners inside the arena.
- 3) The aim was to examine how sponsors on all levels could activate the sponsorship as a resource in order to reach their objectives. Therefore, by investigating all four levels, it should be possible to determine how internal and external marketing can be used on all levels in order to reach objectives, even though there are differences in the rights and benefits offered on the different levels.

## **8.2 Case study: choosing methods for data collection**

The researcher must choose the method based on their ability to explore, describe and explain (Yin, 2009). Exploratory studies seek new insight and a better understanding of a subject or a problem. It can start out by investigating a problem area, and then narrow the research. The main intention of descriptive studies on the other hand is to describe a phenomenon. An explanatory study differs, by seeking cause and test hypothesis. What the study sought was to understand how sponsors can use their sponsorships as a resource to reach internal and external objectives and gain a competitive advantage through different activities. With this in mind, focus was mainly on exploring and describing.

This led to the choice of a qualitative research approach for the data collection. Qualitative approaches seek to find much information on one subject and go in-depth (Creswell, 1998; Holme & Krogh, 1991; Krogh, Theil, Iversen, Reinton-Evang, & Egeland, 1998; Thomas & Nelson, 2001). In addition, it is useful when the researcher investigates a field in which data is lacking or where the data must be seen in a complex context (Richards & Morse, 2007). This is also the case in this study, since there is a lack of research within the field in Norway. The complexity was caused by the different

types of companies, their rights to exposure and hospitality rights, and all the various objectives of the sponsors that led them to use their sponsorships in different ways.

For this study, the main focus was not only to list the motivation and the background for becoming a sponsor, their objectives, activities involved, and if they would measure the effects of the sponsorships or not. The study sought to investigate why the sponsors decided to become a sponsor and what they thought it could give them as a resource. Next step was to investigate their objectives and a thorough investigation of the activities used to reach these objectives. When it comes to measuring the effects of the sponsorships, there was also a need to examine why the sponsors measured the effect or why they did not. To answer all these questions there was a need to go in-depth. Therefore, to be able to find what was behind the numbers and statistics and in a context (Richards & Morse, 2007), a qualitative approach was chosen. The qualitative approach of the study clearly differs from the quantitative methods that focus more on finding detailed information on many variables and show results through statistics (Creswell, 1998; Krogh et al., 1998; Thomas & Nelson, 2001).

This case study focused on the onetime event in Oslo in 2011. Data from a wide range of sources were used to help getting a better understanding of the “hows” and “whys” I wanted to uncover (Yin, 2009). Procedure and methods for data collection will now be explained.

### **8.3 *Choosing the informant and data collection***

Before starting the data collection a request was sent to Norwegian Social Science Data Services (NSD) in May 2010. NSD is an organisation that authorises research projects and secure that the projects are in line with rules of anonymity and storage of data. After the request was processed and accepted in the end of summer 2010, informants for the interviews were selected and contacted.

The reason for choosing the informants I did was based on information gained from interviews with the marketing director in the LOC. The LOC had a list with the people in the sponsoring companies being the person responsible for their sponsorship

engagement. I was advised by the marketing director of the LOC to contact these persons (mainly marketing directors or daily leaders of the companies) and ask whether they were willing to participate in this study as informants regarding their sponsorship of the event. All potential informants (11 in total) were contacted and all agreed to participate in the study.

### **Document analysis**

The first objective of this study was to collect information of the different sponsors by doing document analysis to get an understanding as to what sort of contracts the different sponsors had with the sponsee and the rights and possibilities for exposure, free tickets etc. that were included. The sponsor's contracts were confidential. However, I was able to get the "basic contracts" from the marketing director of the LOC. These contracts indicate the differences regarding rights offered and the limitations for each sponsorship level, without giving specific information about each specific contract between sponsor and sponsee.

In addition, I searched for background material on the sponsors, their history with sponsoring and other relevant information that was available through homepages and other company documents available. Among the words that I searched for was *history, sponsoring, strategies, rights, athletes, event, FIS Nordic World Ski Championship Oslo 2011*. This was done in order to have a basic knowledge of the sponsors history, market position, other sponsorship activities, and all over strategies. Document analysis was used as a method since it helps the researcher to develop knowledge about the subject and the informant. This can improve the questions that will be asked during the interview, and it is easier to get specific information needed to answer the research questions. Also, it is important to be as prepared as possible before doing the interviews. If the informant experience a well prepared interviewer, it is easier for the informants to use his/her time to provide useful and detailed information, and he/she will feel that their contribution is important to the development within the field through this study (Pitney & Parker, 2009).

In addition to the document analysis before the interviews, documents were also used to further investigate findings from the interviews.

## Interviews

Fontana and Frey (2005) describe three different interview formats: structured, unstructured, and semi-structured. While the structured type is directive, based on a fixed guide and low in flexibility, the unstructured interview holds the opposite format. The semi-structured interviews are a mixture of these two forms of interviews. This type of interview will have a list of subjects that you are to go through with each interviewee, but you also give them the possibility to speak freely, making it possible for the researcher to obtain rich information and allows the respondents' opinions to be appreciated and better understood. For the purpose of this study, the semi-structured interviews were used. The interview guide included six themes, and each theme had between two and six questions (see appendix).

Even though pilot interviews should have been conducted, this was not the case. The reason was that the first informant I contacted could only do the interview a few days after he was contacted. I had suggested to do the interview a few weeks later, but then he would not have been available. This led to a lack of pilot interviews, and a learning-by-doing-process was the result. Though this might not be recommendable, the first interviews did not fail to give vital information helping me in the process to answering the research questions. Still, the interview guide was improved and changed a bit for each interview. Questions that seemed unclear to the informant or for other reasons did not function as planned were either taken away or changed, and questions that I felt missing after the first interview were added. In addition, some questions were either taken away or added caused by the information retrieved through document analysis before the interviews.

During the period of interviewing, I understood the saying that interviewing is a process of learning, and that you might not get the most out of the first interviews. In my case this was caused by the lack of follow-up questions, especially in the first interviews. For a researcher new in the field or inexperienced in interviewing, this is quite common (Rubin & Rubin, 2005). The ability to do follow-up questions during the interviews improved from the first interview. Still, I had to contact 5 of the 11 of the informant by e-mail after the interview for follow up questions related to answers that appeared unclear after the interviews.

## **Observation**

I found observation before, during and after the event to work as insurance for some of the findings in the interviews. All of the interviews were conducted before the event. What sort of activities the sponsors would do was described during these interviews. I knew what they had planned to do before, during, and after the event. At the same time, observation seemed useful for two reasons. First of all, it was used to see that the activation planned was implemented. It is easy to talk about all the things that you will do and hope to do as a sponsor. At the same time, not all ideas are implemented. Secondly, observation of the different activities gave me a subjective understanding of how well it worked. When the marketing director of a sponsoring firm described what they would do and how well it would work, it was easy to become blinded by all the positivism. Doing observation gave me an idea of what activities that actually worked and were visible and those that did not. Gratton & Jones (2004) also highlight the same purpose of observation. While interviews tell the story from the informant's point of view, the observation gives another angle and sees the situation from the outside.

Not being supported by quantitative data, I will not be able to conclude on the activities that worked and those who did not. At the same time it is affecting an overall understanding of how well the sponsors have fulfilled some of their external objectives, since external activities is what could be observed through arena observation and observation of outside arena activities like commercials, advertisements, competitions, stand etc. Unfortunately, observation was of limited help in order to investigate the internal activations.

### **8.4 *Transcription and analyzing of the interviews***

The interviews where audio taped and notes were taken during the interviews. Interviews lasted from 25-60 minutes, and all except one was done in meeting rooms at the informants' workplace without interruptions. The only exception was with the bank DNB NOR, which was done on a café during daytime. Although a location like this is not optimal, there were no other costumers there and little disturbance.



All the interviews (11 in total) were done in person and were transcribed by me within days after they were recorded, since I saw the importance of transcribing shortly after the interviews. This is also recommended by Gratton & Jones (2004) and Rubin & Rubin (2005) since impressions (like tension related to some particular questions, mimics etc) that might be of importance are still fresh. In the transcription, I have therefore been able to add how informants react on specific questions, things they hesitate to answer, and other impressions that are important to the overall understanding of the informant and his/her views of the topics being discussed.

Theme coding was used to analyze the transcribed texts. This was done by highlighting different themes. In the beginning I had 12 themes, represented by 12 different color codes. Later on, some of these themes seen as quite similar were grouped together, ending with 6 different themes and 6 color codes. This can ease the job with structuring and analyzing a large database (Creswell, 2007). In my case I used the themes resource/strategy, objectives, motivation and background, activities, history, responsible for sponsoring decisions, other important information. In addition, some emerging theoretical topics was highlighted and marked with headlines. This is common to do as the researcher finds links between themes, that can lead to new theoretical implications (Rubin & Rubin, 2005). These “categories” (themes and theoretical topics) were again put into a table to compare the different sponsors and the information related to the topics. Using a word document like this with a simple table allows the researcher to look for differences and similarities (Creswell, 2007).

## **8.5 Limitations**

Even though the qualitative approach by doing an exploratory and descriptive case study seems like a fruitful project, it also demands a lot from the researcher. Interpreting this amount of documents, interviews and observation material is time consuming. Interviews and document analysis have been practiced throughout the bachelor in Sport Management. However, I was not trained in transcription, in-depth analyses etc, which has been done in this study.

Another limitation by doing a case study might be the ability to generalize (Yin, 2009). Although the results might give insight to how the sponsors can use an event sponsorship as a resource, such a case study will not necessarily be able to claim that these findings reflect all other companies and brands sponsoring an event. What it does, is that it helps create an understanding of the Norwegian sponsors in the setting of a big event. At the same time, the study can contribute to a theoretical generalization or proposition (Yin, 2009). This can be done by creating a theoretical framework that might work as guidelines for further research. Even though this is just one case (covering the Norwegian sponsors of one specific event), the theoretical contributions from the study can be used on other sponsor groups in future research to develop theory of sponsoring as a resource even further.

A third limitation in this study is related to the timing of the interviews. All the informants were interviewed before the event. When talking about activities they would do in order to activate their sponsorship, most of them would talk about something they would do 2-5 months after the interview took place. Some of the informants did not at that point have it all figured out. Others had lots of plans. Still, you cannot at this point know how much of their plans that will be implemented and how much activities will be added from the time the interviews were conducted until the time for implementation. Therefore observation before, during and after the event to look for activation of the sponsorships, were used to prevent me from writing about activities that were never implemented or not writing about implemented activities that were not planned at the time I did the interviews. By that, I could decrease the limitation related to timing.

Still, this only makes it possible to look at external activities. Internal activities were harder to spot, and therefore follow up interviews would have been useful. Follow up interviews would also have given me useful insight regarding the effects of the sponsorships, and by doing so one could be in a better position to see what sort of activation was successful, and which was not. Though given the limited time to finish the project, there was not enough time to do thorough interviews after the event.

## **8.6 Validity and Reliability in qualitative case study research**

### **Validity**

To construct validity, Yin (2009) recommends three tactics that will increase the validity. The first is to use multiple sources of evidence, also called triangulation. This has been done in the study. Document analyses has been done and interviews followed by analyses and follow up questions by mail. Then further document analyses based on findings in the interviews were conducted. Finally, observations have been done before, during and after the event in order to investigate if the sponsors implement the activities they planned. Observation also helped to uncover if other activities were used, activities that were not mentioned during the interviews conducted before the event. In this way, the three methods of data collection have overlapped each other and increased the validity of the study.

Secondly, it is important to establish a chain of evidence, so it is a clear path from the findings to the conclusions. In this study this has been done by making sure that the findings can both be supported through the interviews, documents and observations.

The third tactic is to let key informants review the draft of findings. All informants were offered to see the transcription, and the quotations used from their interviews in the final document. None of the informants wanted the full transcription. Some of the informants wanted minor adjustments on the quotations.

### **Reliability**

Reliability is also of importance to the study. In general one can say that reliability is the ability to copy the study with the same results in a later investigation. This can be done by documenting the steps of the research thoroughly (Yin, 2009), and has been done in this study by securing all the important documents explaining the different steps along the way towards the final research document.

Still, this is a case study of one specific event that will not take place at the same location, with the same people and under all the same conditions once again. There are therefore several factors that will make it hard to do the same study and get the exact same results at a later point.

## **8.7 Ethical considerations**

There are several important aspects that need to be taken into account when looking into ethical considerations related to this study. Concerning the informants there are according to Payne & Payne (2004) three aspects that should be taken into account.

First of all, the interviewees should be informed about the project, that participation is voluntary, and that they can terminate their involvement in the project at any point. This has been done and each informant has signed an agreement explaining their rights as informants. Secondly, their identity should also be protected, though they can also give their consent for the researcher to use their full name. Together these two elements make up the third; that no harm is done to the informants. In my case I interviewed the Norwegian sponsors of the FIS Nordic World Ski Championships in Oslo 2011. I did not use the name of the informants. Still, stating their position or the company they represent, limits the number of people to the point where it is no longer possible to give them full anonymity. At the same time, all informants who would be quoted have been sent the quotations to give their approval before they were used. That way, they also accepted these quotations and knew that recognition would be possible.

Another aspect that needs to be taken into consideration, is the ethical responsibility one has towards the informants vs the ethical responsibility you have to report if you understand that firms are bending the rules and in the worst case breaking Norwegian law. In addition, there might be informants that tell about things that would be of great interest for the purpose for the study, but you are not allowed to use. This could be information told after the recorder has been switched off or something said that the informant afterwards refused to be cited on. This will be an ethical dilemma, though the way to go about it should always be to not publish anything that the informant has not given his/hers consent to.

## **9. Results and discussion**

The sponsors investigated in this study represent differences concerning size, the markets they work in, and products they sell. This also led to different approaches regarding their sponsorship of the event. These sponsors had different types of objectives, they activated their sponsorships in different ways, and there were also differences in how conceptual the sponsors were in their marketing approaches. In other words; there were significant differences regarding how this sponsorship of a one-time event was used as a resource. This will be described through the results and discussion.

The first part of the results and discussion (9.1) gives a description of the sponsors. The sponsors' background and motivations for entering the sponsorship and the ways it has been approached as a resource by the sponsors are discussed. Then, focus is set on how the sponsors viewed this sponsorship as a resource that can give them a competitive advantage and what sort of capabilities that are needed to get the most out of such a resource. The next sections (9.2, 9.3 and 9.4) demonstrate how the sponsors have used the sponsorship as a resource. Section 9.2 presents their objectives, and 9.3 presents the sponsors' activation of the sponsorships and discussions of the activation. Finally, section 9.4 presents how the sponsors planned to measure the effects of this specific sponsorship and the challenges related to doing such sponsorship evaluation. Then chapter 10 sums up the main findings in the study and discuss the implications this will have for sponsors and sponsees in the future. In the last chapter, chapter 11, findings that are not directly related to the research questions, but considered important to take into consideration for future research are presented.

### **9.1.1 The sponsors**

The sponsors investigated in this study are companies of different sizes and they are operating in different markets. Before presenting the results and the discussion, the sponsors are presented (Table 2) to give a better understanding of the sponsors and their peculiarities.

*Table 2. Peculiarities of the sponsors.*

Company and Sponsor level	Sponsorship Level	The company	Sponsoring history	Employees/Size
Statoil	1	International energy company working with oil and gas production	More than 20 years. One of the main sponsors of the Norwegian Ski Federation	More than 20.000 employees and offices in 34 countries
DNB NOR	2	Banking services and real estate.	More than 20 years as the biggest sponsor of culture and sport in Norway	13.317 man-labour years, and 200 locations all over Norway
Aker Solutions	2	International company creating solutions for drilling for oil and gas. Statoil is one of their customers.	Limited. Aker ASA (the mother company) became sponsor of the Norwegian Ski Federation this season (2010/2011)	22.000 employees and offices in 30 different countries
Viking	3	Road side assistance. Company with franchise owners all over Norway.	Limited. Some of the franchise owners have small local sponsorships.	150 service stations, served through franchise contracts. Totally more than 1.200 employees. 120 of them are working at the call center.
VVSEksperten	3	Chain of plumbers.	Limited. Started this year to sponsor 3 athletes	220 plumber firms are under their umbrella, a total of 1.200 employees in the chain
OSL NB: Shared sponsorship with Flytoget	3	Main airport Oslo	Sponsored the "trial" world championships 2010 and Eurovision (big song contest) 2010	700 employees
Flytoget NB: Shared sponsorship with OSL	3	Train from Asker (right outside Oslo) to the airport OSL	Sponsor of the Norwegian Alpine team (men) 2001-2003 Sponsored the "trial" world championships 2010 and Eurovision (big song contest) 2010	300 employees
Elixia	4	Nordic gym chain, with offices/gyms in Norway(33), Finland(10) and Sweden(2)	Some sponsoring of volleyball World Cup	Approximately 2.000 employees, and more than 160.000 members that uses the gyms
Norengros	4	Delivers office supplies. Have franchise owners all over the country.	One of the main sponsors of the Norwegian national cross country team for men since 2003	13 members of the chain. These firms and the administrative part of Norengros have in total approximately 300 employees
Nærbakst	4	Bread and pastry, delivering to bakeries and grocery shops. Part of the chain "Din Baker". Location in the bigger cities in Norway	Limited. Has produced a bread where some of the income will go to support a project of the The Association for the Promotion of Skiing (Skiforeningen)	About 300 employees in total

### 9.1.2 Sponsoring as a resource: Main motivations and background for entering the sponsorship

The main motivations and background for entering the sponsorship for the national sponsors of the FIS Nordic World Ski Championship in Oslo 2011 is presented in table 3. The motivation and background for entering the sponsorship will be described with examples and discussed based on the theoretical frameworks presented earlier in chapter four, five six and seven.

*Table 3. Motivations and background for entering the sponsorship*

Sponsors	Level	Social responsibility	Extension of earlier activities with skiing or other sport sponsorships	Association as a sponsor of the event	The sponsorship was requested by their members	Increase focus on specific external or internal projects
Statoil	1	X	X	X		X
DNBNOR	2			X		
Aker Solutions	2					X
Viking	3			X		
OSL	3	X				
Flytoget	3	X		X		
VVSEksperten	3				X	
ELIXIA	4			X		
Nærbakst	4		X			
Norengros	4		X	X		

According to Grant (1991) the firm should do an investigation of its resources and what the company needs in order to gain a competitive advantage. In other words, a sponsorship should be a thought through decision creating valuable outcomes that can assist the company to reach overall objectives. Results from the interviews

demonstrated that the sponsors investigated in this study had different motivations and backgrounds for sponsoring this specific event (see table 3).

### **Social responsibility**

Three of the sponsors (OSL, Flytoget and Statoil) decided to sponsor this event mainly for social responsibility reasons. As described by the marketing director in OSL:

*We wanted to take a social responsibility... That was basically how it started... But when we had taken the decision that we will do this (and signed the sponsorship agreement), the question was what we could get out of it (personal communications, November 26, 2010).*

This statement shows how the sponsorship was not part of a strategic plan. They entered to help the city hosting the event. After they had signed the contract that they started to investigate how they could use the sponsorship and what they could get in return. While they eventually did identified objectives and ways to activate this sponsorship (as will be discussed later on), the literature (Cornwell, 1995; Grant, 1991) suggests that sponsors should get into a sponsorship after careful considerations as to how it will contribute to reaching business objectives and act as a resource. Interestingly, some of the sponsors' approach to entering a sponsorship is in contrast with the models of Cornwell (1995) and Grant (1991), but similar to findings of Apsostolopoulou & Papadimitriou (2004) who reported that many national sponsors of the 2004 Olympic Games felt obligated to support the event because they "were needed". By doing so, it appears as if the leaders of these companies have a strong need to contribute to a "national" cause. Entering a sponsorship for such reasons can be seen as something more belonging to the past when charity was the main reason for sponsoring a sport entity (Howard & Crumpton, 1995; O'Reilly & Seguin, 2009; Shwarz & Hunter, 2008; Sleight, 1989).

However, taking a social responsibility can also function as a way to get goodwill from the society, which can be important for companies depending heavily on their reputation and goodwill among consumers and the society in general (parliament, other companies they work with etc.) in order to do their work or to sell their products. Statoil gets massive criticism for their drilling of oil and by doing this they are blamed for "destroying nature". Their brand consultant said that they seek to improve their



reputation. The aim is to make people less hostile, and as a “good corporate citizen” they will be able to do their work without such massive criticism. They call it “Licence to Operate”, which is seen as the reputation and the goodwill in the society.

### **Extension of earlier activities with skiing or other sport sponsorships**

Results from the interviews showed that those who have used sport sponsorship as a communication tool for many years (Statoil, DNB NOR, Norengros) wanted to use this sponsorship to underline their position as sport sponsor or sponsor of cross country skiing. In that way, they create an image as sponsor of sport and as a committed partner. One example is Norengros. Their sponsorship was partly used to block their biggest competitor from sponsoring the event. As a sponsor of the men’s cross country team since 2003, Norengros felt that sponsoring this event was an important way to demonstrate its commitment to the sport of cross country skiing. Thus, avoiding confusion in the marketplace as to whom has been the sponsor of cross-country skiing over the past few years became an important element in its decision to sponsor the event. Exclusive rights and blocking the competitors from achieving the same benefits are seen as an important reason for investing in sponsorships (Shank, 2009). Using a resource this way is also in line with what is recommended by Grant (1991). The sponsorship is used as a resource and a strategic decision that supports its commitment to the sport of cross-country skiing. The company has invested much resource over a long period of time to increase awareness of their name in order to ease the job of their sales department (who approaches potential members). Having a well known connection with a sport that holds such an important place in the heart of Norwegians is yet, another tool that its sales department can use when approaching potential members. This subject of sponsoring over time and the importance of a long-term commitment will be further discussed in section 9.1.3.

Nærbakst, on the other hand, got involved because of an earlier collaboration with the Association for Promotion of Skiing for which they created a “fundraising program” called the “Ski bread”. They sold the “Ski Bread” and part of the income generated through this program was given back to the association to support their work towards children and skiing. Therefore LOC in cooperation with the Association for Promotion

of Skiing saw it as natural to ask Nærbakst if they were interested in being the official supplier of bakery products for the FIS Nordic World Ski Championships 2011.

### **Associated as sponsor of the event**

Six out of the ten sponsors interviewed believed it was important to be part of this one time opportunity to sponsor an event that meant so much for Norway given the traditions with the sport of skiing. As the head of the sponsoring department in the bank DNB NOR said:

*We have a strategy to be the preferred bank for all Norwegians. As a part of that strategy we want to be associated with happenings, events, federations, culture... We want to be associated with the things people in Norway are interested in... People are very interested in the FIS Nordic World Ski Championships. We want to be associated as a main sponsor and wish to create the best World Ski Championships possible for Norway (personal communications, October 11, 2010)*

Two out of these six sponsors also specifically mentioned that being seen as a significant contributor to the success of this event was important. This is in line with Meenaghan (2001a), and his description of the differences between sponsorship and regular advertising. While companies buying space for the use of advertisement gain limited link to something positive (besides the product they sell), the sponsor can gain recognition as a contributor to the sponsee (Meenaghan, 2001a). The way sponsoring differs from advertising was also highlighted as important by the marketing manager in Norengros. The marketing manager claimed that there is a difference between buying advertisement and being a sponsor. "Being a sponsor is seen as a partner who contributes and helps the sponsee. Companies who just buy advertisement space in order to be visible, will not gain the same recognition as a contributor" (personal communications, February 10, 2011).

### **The sponsorship was requested by their members**

VVSEksperten decided to become a sponsor based on a request from the members. The members wanted the sponsorship as it could motivate them in their work and help them bond across the company. Having 'employee motivation' as a main reason for sponsoring could be considered a way of appreciating their members, an issue that

seems more and more important in companies now that members of chains and employees have started to demand more from the company they work for (Hickman et al., 2005). In that way, VVSEksperten entered in this sponsorship following the requests of members, and as a result, it is suggested that this sponsorship worked as a resource as it improved internal relations.

### **Increase focus on specific external or internal projects**

Aker Solutions and Statoil both wanted to sponsor this event in order to increase focus on internal and external projects of the company. Statoil used this event as an arena to signal the message of their program for young athletes called “Heroes of Tomorrow”. Aker Solution’s efforts were directed towards the employees, where competition and striving to improve has been an important element of the corporate culture. For example, the sponsorship was used as a platform to emphasise its internal campaign called “People and Performance”, which sought to motivate employees to adopt a competitive attitude such as the one of athletes’ competing at the highest level. As stated by the communications manager from Aker Solutions:

*For us it is important to continue to build our company culture with focus on performance. We started this process a long time ago and shall continue this value-driven leadership. We continuously introduce new initiatives with a red thread through all that we do... Everything has focus on our values” (personal communications, October 10, 2010)*

Statoil and Aker Solutions both used the sponsorship as a resource to increase focus on important projects to their respective company. In this way, it is used strategically and in line with Grant’s (1991) model suggesting that sponsors should help them to achieve objectives (either alone or as part of a bigger puzzle).

### **Discussion of main findings**

Few sponsors entered the sponsorship of philanthropic reasons, which seems in line with the general development towards using sponsorship as a cost-effective way to reach objectives. The marketing director of the LOC said that in the process of getting sponsors, they started to ask previous sport sponsors, and primarily those who had sponsored skiing before if they wanted to become sponsors for the FIS Nordic World

Ski Championships 2011 (personal communications, October 5, 2010). This may also explain why four sponsors stated that their earlier connection with skiing (and other sport sponsorship) was a key factor in their decision to sponsor this event.

Most of the sponsors had strategic reasons for entering the sponsorship, as opposed to the Greek national sponsors of the Olympic Games in Athens 2004 (Papadimitriou et al., 2008). Still, there are differences regarding the way the sponsors viewed this sponsorship as a resource, and the way it can be used as a resource. According to Fahy et al. (2004), those who have used sponsorship for a long time should be able to use it in a more sophisticated way throughout the whole company than those who lack experience within the field. Sponsorship should among the experienced ones have become a distinctive competence (Amis et al., 1999). The results from this study suggest that experienced sponsors differ from the less experienced ones in the way they assess the potential value of sponsorship as a resource. This need for sponsorship experience and knowledge is discussed in more details below. In addition, the main differences between the experienced and inexperienced sponsors are highlighted.

### *The experienced sponsors*

Those sponsors who had extensive experience in sponsorship tended to integrate it as part of a broader marketing strategy (externally and internally). This can be linked to what Fahy et al. (2004) describes as capabilities. These capabilities are seen as important in order to fully be able to use the sponsorship as a resource and gain a competitive advantage. For example, an experienced sponsor may be better armed to develop activation programs that will be difficult to replicate. As a result, the connection between sponsor and event may be stronger which makes it harder for ambushers to succeed. The activation will be further explained and discussed in section 9.3.

This importance of experience emerges again when analyzing how sponsors use their sponsorship. The sponsorship of the FIS Nordic World Ski Championships 2011 seems to be part of a broader strategy with sponsoring and other marketing strategies. In addition, they tend to have written aims for sponsoring activities, stating different

objectives that each of their sponsorships should either fulfil in total, or at least fulfil a number of the given criteria. For illustration, two examples are used:

Presenting sponsor Statoil has used sponsorship to support young talented individuals in sport, culture and education. The program called “Heroes of Tomorrow” sponsors junior level athletes with the goal to help them achieve better results and work their way to the top. Using the the 2011 Championships as a main event, Statoil wished to send out a message that they are sponsoring the heroes of tomorrow, the talented young Norwegian population. “All Norwegians know about Statoil you know. We do not need to get logo exposure. What we need is to communicate a message” (brand consultant Statoil, personal communication, October 25, 2010)

This approach seems in line with Grant (1991), claiming that the sponsorship should be part of a broader plan, in this case showcasing their support of Norwegian youth. In this way the sponsorship is strategically used as a resource, helping Statoil communicate their support of Norwegian youth.

In addition to have strategic objectives related to the sponsorship, Statoil also has specific aims for what to sponsor and what to achieve from each of their sponsorships. All sponsorships should be based on activities to increase local activation, internal involvement, be project based and focus on talent development. In addition, an overall strategy for all sponsorships is to “Create internal pride, and drive reputation externally” (brand consultant Statoil, personal communications, October 25, 2010)

DNBNOR is the other example. They have 20 years of experience with using sponsorship as a communication and marketing tool. They stated that all initiated sponsorships should help them accomplish three things, ARM:

A: Association as a sponsor and helper of sport and culture

R: Reputation

M: Motivation among clients and employees

DNBNOR has the experience that is seen as important in order to be able to use the sponsorship to gain a sustainable competitive advantage (Fahy et al., 2004), and uses this experience to get the most out of the sponsorship. They were very clear as to how they would activate their sponsorship in all ways both externally and internally. The head of sponsoring also stated that their ability to be innovative in their activation was caused by the experience and capabilities within sponsoring. It also involved taking risks in order to do something new that no other companies had done before them. The ability to create a unique link between the sponsor and a sponsee will be further explained in section 9.1.3 and 9.3.

### *The inexperienced sponsors*

Some of the sponsors had limited experience, at least with large-scale sport events like the one investigated in this study. The way experience can develop to a distinctive competence has already been discussed. It is clear that the strategic way to enter a sponsorship might be to have guidelines to follow regarding what a sponsorship should help achieve. One example was ARM that are criteria that all of sponsorships of DNBNOR should achieve. Still, when the sponsorship deal is signed for the inexperienced that do not have these guidelines, the point is to get the most out of it. It is suggested that experience is needed in order to get the most out of a sponsorship (Amis et al., 1999; Fahy et al., 2004). Still, this view should be debated as capabilities and experience needed for the inexperienced sponsor can be available, just not within the sponsoring company.

The sponsors with little sponsorship experience were guided by the LOC marketing department in setting up objectives. The LOC placed substantial efforts in signing Norwegian sponsors, especially level 3 and 4 sponsors. As a consequence of the lack of sponsorship experience among sponsors on level 3 and 4, the LOC used a lot of time on each sponsor in order to show how they could use the sponsorship externally and internally (even though the contracts contained many limitations compared to the major sponsors of the event). Such efforts by the LOC can be of great value for sponsors interested in using it as a resource to gain a competitive advantage. In fact, in this case, the marketing director of LOC became a valuable resource for sponsors (especially inexperienced sponsors).

Most of these inexperienced sponsors lacked the capabilities urged by Fahy et al. (2004). As a result that may not have used the sponsorship as distinctive competence such as experienced sponsors (like Statoil and DNB NOR) can do according to Amis et al. (1999). However, the LOC appeared to have some of these capabilities and knowledge regarding sponsorship practice, and how to assist companies reach their objectives. By using resources within LOC, the inexperienced sponsors might have been able to use the sponsorship throughout their company just like the experienced ones, and that way more strategically than the sponsors in the study by Papadimitriou et al. (2008). As stated by one of the sponsors who had limited experience with sponsoring such a big sporting event:

*They (LOC) took responsibility by starting the process by inviting Flytoget and OSL (sharing one sponsorship package) and had a workshop. The aim was to develop some binding objectives if you can call it that... Well, we would develop the objectives. They (LOC) in a way tried to help us to start this process (marketing director OSL, personal communications, November 26, 2010).*

While it is clear that these sponsors have gained valuable knowledge about how to manage a sponsorship and how to use it, one can question its value as a resource if the objectives were developed by the LOC rather than based on needs related to an overall strategy developed by the sponsor.

Sponsorship can be an ideal tool to increase awareness etc. as mentioned by Cornwell et al. (2001). This is especially the case for those who gain massive exposure in the media (signage, advertising, etc.) and use it as a cost-effective way to get logo exposure. As suggested by Meenaghan (1991b), this is an important benefit of sponsoring. Still, if the company or brand sponsoring an event is widely known, awareness may not be the objective desired through sponsorship. The sponsorship should instead have objectives of signalling a message about the product or assist in distinguishing the brand from its competitors. The model of activities suggested by Davies & Tsiantas (2008) recommends activities that go beyond logo exposure and allow consumers to learn more about the sponsor's offering. In other words, the sponsors should base their management of the sponsorship on a thorough investigation of their marketing position, HR work and other external and internal relations, to see if/how they can use it to improve their company externally and internally. If the LOC can assist the potential

sponsor through this process of analyzing the companies' needs in a broader strategy before suggesting objectives, the help from LOC could be of great value.

Sponsorship experience and the views of sponsors regarding the importance of such experience in gaining a competitive advantage varied widely between sponsors of the FIS Nordic World Ski Championships 2011. During the interviews I asked sponsors whether they saw this experience within sponsoring as important in order to use it as a resource for the company:

#### 1: Lot of experience-the key to a competitive advantage

Those who had a lot of experience referred to experience as one of the main reasons for enabling the firm to achieve a competitive advantage through their sponsorship. This was related to their belief that being a sponsor over time and having learned the best ways to activate a sponsorship through the whole company would be so unique that it would differentiate them from their competitors. In addition, they stated that their ability to be innovative and always be one step ahead makes their position as a sponsor non-replicable. This can be related to how sponsorship can be developed into a distinctive competence over time (Amis et al., 1999).

#### 2: Other capabilities

There were sponsors who have no prior experience. Still, they claimed that they used other capabilities like project leadership and human relations management to get the most out of it. One example is Aker Solution. They claimed that sponsors do not need sponsorship experience in order to get the most out of it. Running a sponsorship is a project and a process. Since they had worked with a number of big projects, the company was well suited through these experiences to handle a sponsorship according to their spokesperson. Thus, the capabilities might not have to be directly linked to sponsorship experience, as long as the sponsor has experience with processes and projects that demands some of the same capabilities as a sponsorship.



### 3: Using LOC and external companies

All sponsors were invited to meet with the marketing managers of LOC to have a workshop with the LOC and the other sponsors at the same sponsorship level to discuss ways in which their sponsorship could be used. In addition, some sponsors hired external companies to assist them, especially with specific campaigns. By doing so, they claimed to have gained the needed competence to achieve the expected effects of their sponsorship.

### 4: A learning process

Almost all of the sponsors on level 3 had either limited sponsorship experience in general or limited sponsorship experience in sport. They claimed that entering a sponsorship for them was a learning process. In fact, two of the four sponsors at this level suggested that they were learning by doing. This was surprising since three had prior experience with sponsorship, albeit not in sports or not for an event of this magnitude. This questions the learning process from their prior sponsorship involvement. It might be that this can be linked to a lack of evaluation. Without evaluating, learning from the process can be problematic.

Characteristics of a resource that can give a competitive advantage was investigated to understand how the FIS Nordic World Ski Championships in Oslo 2011 matches these characteristics.

### **9.1.3 How did the sponsors think that the FIS Nordic World Ski Championships in Oslo 2011 could function as a resource?**

The four characteristics of a resource that are believed to give a competitive advantage that will last have been highlighted in chapter six. Findings regarding these characteristics will now be presented and discussed.

#### **Valuable**

It is important that the resource is valuable, both for the sponsor and for the consumers. As mentioned in the section about motivations and background for entering the sponsorship, six of the sponsors mentioned that they wanted to be associated as a sponsor of the event because of the special position skiing has in the Norwegian culture. Skiing is the national sport, and is of great value for many Norwegians. Being associated with an event that is of significant value to the consumers brings the sponsor one step closer to gaining a competitive advantage (Amis et al., 1999).

At the same time, there are differences in the ways this sponsorship can be of value for different companies sponsoring the event. The bank DNB NOR has all Norwegians as their target market since they sell banking products needed by most people. Their aim was to keep the customers they have today, improve its reputation as a contributor to sport and culture, and in the end make potential consumers choose them over the competing companies. Statoil on the other hand will not be able to sell oil platforms to the Norwegian people. Still, the event as a resource might be of value to the company. By being seen as a contributor to something of value to people in all the markets where Statoil operate, it can help improve Statoil's image and reputation. Improving image is one of Statoil's main objectives with all the sponsoring activities they do, as it gives them the mentioned "Licence to Operate".

In addition to being valuable for the consumers, the resource needs to be of value to the company using it. It should be considered of value since it can help them reach objectives that will help them in the end achieving a competitive advantage (Barney, 1991).

Still, the difference between value for the consumers and the company is not always easy to identify. For those who use the sponsorship primarily for internal purposes without any external promotion, the event might also fulfil the characteristic of creating value for the consumers. Chain companies like VVSEksperten have a lot of members, and their members who wanted the sponsorship are their main “consumers”.

These examples show that the event should be of value to all sponsors as it is of value to the consumers and the companies. Still, this is just one of the characteristics that a sponsorship should hold in order to be a resource that can give a lasting competitive advantage.

### **Durable**

Amis et al. (1999) stress the value of a long-term agreement to produce an outcome that will give the best advantage. This is especially the case where sponsorship objectives are linked to image and reputation. Establishing image and reputation is not done overnight. This is especially the case when one hopes that transfer of image occurs between sponsor and sponsee (Amis et al., 1999). This was also underlined by the marketing director from the official supplier Norengros that has also been one of the main sponsors of the men’s cross country national skiing team since 2003:

*The first four years there were hardly any effects of our sponsorship. Nothing at all. We increased the knowledge of our company within the target group from 8 % till 10 %. But the last four years we have increased from 16 % till 30 %. I believe that is because we have been patient. It is because it takes time... I think this highlights how patience is crucial (personal communication, February 10, 2011)*

This ability for the event to be durable as a resource is challenged with a one-time event, not giving the time needed according to Amis et al. (1999). The event itself will have problems helping a sponsor improve the image or reputation because the relation and the association between the event and the sponsor are not given enough time to develop in the mind of consumers.

The sponsors were asked if they thought the event could be durable and give lasting effects. They had different views on this matter. The results indicate different opinions

related to the ability for this event to give effects and a competitive advantage that is durable.

### 1) No durable effects alone

The FIS Nordic World Championships by itself has limitations in terms of resource offered. It only has a life span of one or two weeks (duration of the actual event) or a year (including preparation towards championships). As a result, one could argue that the sponsorship alone is worth little. In fact, sponsoring such an event should be part of a larger strategy (i.e. other activities) in order to create an effect according to the head of sponsoring in the bank DNB NOR:

*A single sponsorship, if it is limited to a year or two years... It is a waste of money. A project is a project. Ski World Championship can not last for two years. It is two weeks, barely. Ten days. Olympic Games in Beijing are limited to two weeks. Olympic Games in Vancouver were the same. These are all projects that in a way are there, and then it is over (personal communications, October 11, 2010)*

Six out of the ten sponsors interviewed had other sport sponsorships parallel to the FIS Nordic World Ski Championship in Oslo, or they planned to start sponsoring after the event. One example was Viking. This event sponsorship was their first big sponsorship investment. Their aim was to further develop the association between sport and the company and show how their company values correspond with the values in sports, i.e. the fit (Shank, 2009). The way they plan to do this (and get enough time to create the association as a sponsor) was either through sponsoring a team or specific athletes after the event. They also stated that they would use experience gained as a sponsor of the event in future sponsorship investments. This way they would enter new sponsorships with the experience Fahy et al. (2004) claim is needed in order to get the most out of a sponsorship.

### 2) Capabilities and pride that can outlast the resource itself

Effects like creating pride and relations with clients could last longer than the event. Some, like the supplier Elixia exemplified how people continued wearing the event clothing and merchandise (like jackets etc.) from the Olympic Games in Lillehammer

1994 for a long time after the event. They hoped for some of the same effect after this event.

Grant (1991) highlights how capabilities can be more durable than the resource it self. This can happen when the holder of a resource gets the capabilities to replace resources as they wear out. This can reflect what has been mentioned by some of the sponsors. They will gain capabilities that will help them improve as a company related to human resource management, coordination of different locations and positions. Moreover, they can also use their experiences from this sponsorship in future marketing activities that demands some of the same capabilities.

### **Exclusivity**

The event should establish the basis for the criteria of exclusivity to be fulfilled. Given that there should only be one sponsor representing a specific type of product, this should not be a problem. Exclusivity is a key benefit of sponsoring compared to other types of promotion. A sponsor should be the only company or brand within your product category to be linked to the event, and this again should prevent other companies that are non-sponsors to be able to be associated with the event (Shank, 2009).

At the same time there is always a chance for non-sponsors to use “ambush marketing” to make a connection with the event. These ambush marketing activities can take various forms. Findings in this study indicate that non-sponsors did use ambush marketing as a way to link themselves with the event and gain some benefits. This is an important issue because if non-sponsors can establish a link to the event as sponsors, it suggests that the resource (i.e. sponsorship) is imitable which then creates challenges to use the sponsorship as a resource to gain a competitive advantage.

During the time before and during the event a significant number of ambush marketing activities threatened the exclusivity of sponsors. For example, Santa Maria, one of the main personal sponsors for two of the Norwegian Nordic combined athletes (Magnus Moan and Petter Tande) used mass advertising on billboard in the city and radio spots. While they never claimed to be a sponsor of the event and as such played by the rules, their connection to high profile athletes competing in the event may have led to some

confusion as to whom the official sponsor was. The commercials informed consumers that they could win event tickets to the Nordic World Ski Championships. These tickets were hidden inside a few of the products they sold. For those who work with sponsoring and sponsoring related activities, it might have been obvious that Santa Maria was not a sponsor of the event. For most people on the other hand, they were probably seen as a sponsor just like the ones who paid to be associated with the event. This might indicate that sponsoring athletes and use ambush marketing, which in most cases will be less expensive than sponsoring the event, can be effective.

Another example is Elkjøp, a company that sells electronics like TV, computers etc. They used the slogan “we sponsor the national celebration” in their campaign in the time around the event. Never claiming to be a sponsor or using the logos of the event, they still made associations to the event. In addition, they had massive exposure of Norwegian flags and gold medals in their campaigns and on their product packaging. This campaign gained massive critique in the media, and had to be drawn back. Such critique indicates that ambush marketing is not seen as an ethical and accepted marketing strategy in Norway. Maybe this should be considered as a tactic to prevent ambushers in the future. By clearly pointing out the ambushers in the media and getting similar effects of massive criticism, other potential ambushers might not be tempted to do the same, fearing for their good reputation among Norwegian consumers.

The last example is Pågen. They are a supplier of bakery products and rolls, and are therefore a competitor of Nærbakst, the official supplier of bakery products for the event. On one of the days during the event, Pågen strategically placed people at a tram station where spectators and volunteers going to the arena got off. Pågen handed out free lunch boxes with rolls. If there were anyone who should have the right to have a stand and give out free bakery products it should have been Nærbakst. At the same time, there were limited restrictions outside the arena, and even less resources were used to make sure that non-sponsors did not do activities that could link them to the event. By doing this ambush, Pågen might be the one bakery that the audience remember. Since Nærbakst also had limited visibility inside and outside the arena linking them to the event, this ambush used by Pågen might have damaged the weak link Nærbakst had as a sponsor and a contributor to the event.

Thus, there were some incidences of ambush marketing during the event. In addition to the ones mentioned above there are several producers of snacks that had “Championship editions” with flags, gold and other symbols often linked to the event in the mind of consumers. None of the ambushers clearly broke any rules (e.g. using the event logo in their promotions etc.). That way, most of the ambushes stayed within a ‘grey zone’ and could be categorised as ambiguous. This also means that the ambushers were most likely aware of what they were doing and did not risk legal actions as a result of ambush activities.

Though it is not within the scope of this study to investigate how the LOC planned to prevent ambush marketing, it is obvious that it was a problem and this should be given more attention in future events, because the LOC has a responsibility (together with the sponsors) to plan activation and implement restrictions for activities of non-sponsors in order to protect the exclusive rights of the sponsors. Interestingly, during the pre-event interview with LOC’s marketing director, it was suggested that ambush marketing was not expected to be a problem. With many incidents of ambush marketing around the event, it could be questioned whether sponsors who sought an association with the event as a main objective got the desired effect (Shani & Sandler, 1998).

This is an important issue because if sponsors feel that a lack of protection led to fading benefits and to lowering the value of their sponsorship, this can jeopardize the ability of future events to raise funds from sponsorship. While few of the major sponsors were ambushed by competing firms, a number of non-sponsoring companies created connections to the event (e.g. unauthorised commercials or handouts of merchandise). This could decrease the effect of the link between the real sponsors and the event. With many companies creating a connection to the event, more might be a consequence.

With the exclusivity threatened it could result in fewer companies wanting to invest money in a sponsorship. Without sponsors, most large-scale events, like the one investigated in this study, could not be held at the spectacular level as they are today. It would be too costly.

### *Not Replicable*

According to Amis et al. (1999) there is a need to do strategic activation in order to make sponsorship a resource that can give a competitive advantage. While the link between the sponsor and the event is always there, it will be hard to understand for the consumers unless activation is done in order to make their sponsorship harder to copy. Given that the RBV is used, a resource is not worth much if other companies can easily do the same and get the same effect. When you create a link through sponsorship, it is important that you (as a sponsor) are seen as a contributor to the event. This can be done by activating the sponsorship both externally and internally. This activation should not depend only on using a big amount of tangible assets (money). This, according to Fahy et al (2004) would be easily imitable by other competing firms. Hence combining intangible assets and capabilities that are linked to employee contribution and skills of the company may be unique to the sponsor and not easily replicated (Fahy et al., 2004). This way the sponsorship should not only be used to buy additional advertisement but should be activated in a unique way throughout the whole company. As stated by the spokesperson from ELIXIA:

*In order to get benefits from sponsorships, I think that the transaction in itself is not enough. It is also very important to do a lot of effort in getting max out of our investment. For instance; marketing – both internally and externally, be present and visible at the event and have internal activities towards our employees and customers (personal communication, November 11, 2010)*

Applying such an approach to sponsorship makes it unique and makes it difficult to do a similar sponsorship of another event and get the same results (Amis et al., 1999). The internal activation is especially hard to copy, as sponsors are given exclusive rights to use the LOC, athletes, and first rights to special event related happenings. This is one exclusive aspect that makes it difficult for non-sponsors to copy.

The sponsors were asked if they thought of this sponsorship as a unique resource. They were also asked what made the event and their involvement as a sponsor unique and not replicable for other companies. The three main ways to look at the ability of the sponsorship to be non-replicable are now discussed:



### 1) Nothing makes the FIS Nordic World Ski Championships 2011 non-replicable

Some sponsors doubted the uniqueness and non-replicable characteristic of their event sponsorship. Not surprisingly this was the case for two of the suppliers (level 4) that did not invest as much as the sponsors on the levels above. One of the sponsors did not believe that it was possible to do something so unique that others cannot copy. Others suggested that there were bigger companies within the same market with more resources and could, therefore, have the ability to get similar or even surpass the effects by using other event sponsorships as resources.

### 2) A unique event with a unique place in the Norwegian culture

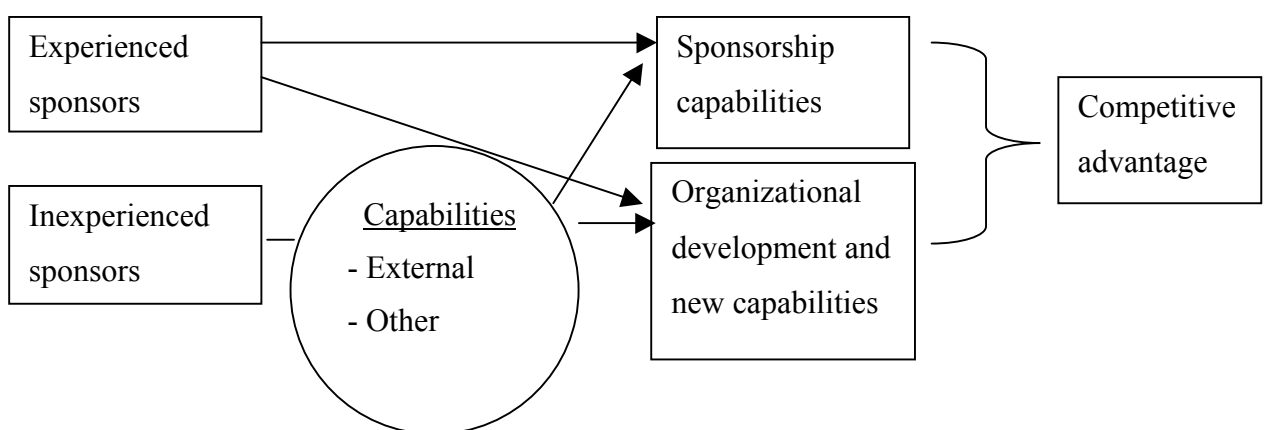
The second point highlights the unique position the event holds in the Norwegian culture. As such it was different than all other sponsorships available. Most of the sponsors who claimed that this event sponsorship would be hard to copy as a resource believed that the event and its non-replicable characteristics was based on the fact that this was a one time event in our “national sport” and therefore so unique that no other company would have the opportunity to do something similar in the coming years. The sponsors pointed out that this was an event that other events can’t compare to, because of the cultural position it held in Norway and for the Norwegian people. “It is not the same to sponsor other sports. Skiing is typical Norwegian and has a special position in the culture” (marketing director of Viking, personal communication, November 24, 2010).

### 3) Sponsoring over time as a way to prevent replicates

The third view was held by those involved with other sport and culture properties in addition to this event. They suggest that their role as a contributor through sponsoring can’t be challenged or copied by others because of their considerable involvement. The bank DNB NOR said that due to their massive sponsorship contribution in sport and culture they do not fear that other banks can copy what they have done over the years. There is only one bank supporting sport and culture, and that is DNB NOR!

### Discussion of main findings

Sponsoring as a resource was the main focus of this study. The previous sections have discussed how sponsoring of a one-time event is seen as a resource. The event and its ability to meet the characteristics of a resource that can give a sustainable competitive advantage were also discussed. It is obvious that there are different views regarding ways in which this event can be used as a resource and what it can accomplish. The event can either help the sponsor cultivate sponsorship to become a distinctive competence by sponsoring over time (by also sponsoring other sport entities as exemplified with Statoil and DNB NOR), or it can help create capabilities that can be used in other ways (than sponsorship), and benefit the company in such ways that it might give them a competitive advantage. The need for capabilities within sponsoring has been discussed, and it appears as if such experience might not be needed in order to create a competitive advantage. Assistance for those who do not have capabilities regarding the use of sponsorship has been particularly highlighted as important. In fact, it can help inexperienced sponsors get more out of their sponsorship investment. It has also been argued that other capabilities such as project management can be used as a substitute for the lack of sponsorship capabilities and experience within sponsorships. Based on the results and the review of literature a model has been created in order to show this connection between sponsors and how it can be used as a resource.



**Fig 2. How sponsorship can function as a resource for the sponsors**

The characteristics of a resource that can give a sustainable competitive advantage have been investigated. Throughout the last section (9.1.3) these characteristics have been compared to the characteristics of the FIS Nordic World Ski Championships 2011. The durability has proven to be a characteristic that can be viewed in different ways. Either the effects of the sponsorship can be durable through sponsoring over time (i.e. this is one out of many sponsorships), or by giving the sponsors capabilities that will outlast the resource itself. Regarding the exclusivity and the resource's ability to be non-replicable, these characteristics are not necessarily seen as vital in order to gain a competitive advantage. This is because they are mostly connected to external objectives, which for some of the sponsors might not be the main motivation for doing this sponsorship. At the same time; if other competing sponsors use sponsorships in similar ways they might gain some of the same capabilities. Therefore sponsoring over time could be recommended as it helps further develop the capabilities making the competitive advantage more sustainable.

While focus has been on the different ways a sponsorship can function as a resource, the next sections investigate more specifically how the sponsors were able to use it as a resource. The objectives that the sponsors sought to reach through using the event as a resource, and how they activated and evaluated the resource will be presented and discussed. First, the objectives will be presented and discussed.

## **9.2 External and internal objectives of sponsors**

What seems clear from the literature is that sponsors often focus on external objectives like awareness, branding, image, and increased sales. However, few studies have examined internal objectives sought by sponsorship (Cunningham et al., 2009). Sponsors can use sponsorship as a way to reach objectives of employee identification and motivation through internal marketing (de Chernatony, 1999; Hickman et al., 2005; Mahoney et al., 2000; Mitchell, 2002; Pichot et al., 2008). The following tables show the most important objectives for the sponsors, followed by a discussion of the findings. The discussions give a better description of how concrete and measurable the objectives were. Some suggestions regarding additional activation are also included.

**Table 4: External objectives of the sponsorship**

Sponsors	Level	Awareness	Image Reputation	Preference	Top of mind	Get new employees	Strengthen bonds with partners and costumers	Sales
Statoil	1		X			X	X	
DNBNOR	2	X	X				X	
Aker Solutions	2		X			X	X	
Viking	3		X	X			X	
OSL	3				X		X	
Flytoget	3			X	X			
VVSEksperten	3	X						
ELIXIA	4	X			X			X
Nærbakst	4	X					X	X
Norengros	4	X	X				X	

### **External objectives**

As mentioned by authors like Hartland et al. (2005) image and awareness are among the most important objectives for sponsors. They also mention hospitality for clients as important. Apostolopoulou & Papadimitriou (2009) and Davies & Tsiantas (2008) also mention image and awareness as important for the sponsors they investigated in their studies.

The main external objectives of sponsors were quite similar to the ones reported in the studies of the Greek national sponsors (Apostolopoulou & Papadimitriou, 2009; Davies & Tsiantas, 2008). In fact, all sponsors mentioned corporate image/reputation, awareness or top of mind as one of their main objectives.

Table 4 shows that many of the sponsors on level 3 and 4 had objectives that required exposure and visibility in order to be reached. Since the exposure and promotion at these levels were limited, additional activation was required. The way the sponsors

solved this challenge will be further explained in the section that presents activation (9.3).

A surprisingly strong focus throughout the group of sponsors is related to the internal objectives. In the following section, the table of internal objectives is presented and then further discussions of these results follows.

**Table 5. Internal Objectives of the sponsorship**

Sponsors/Levels	Level	Employee motivation and pride	Culture and values	Coordination and cooperation
Statoil	1	X		X
DNB NOR	2	X	X	
Aker Solutions	2	X	X	X
Viking	3	X	X	
OSL	3	X		X
Flytoget	3	X		
VVSEksperten	3	X		X
ELIXIA	4	X		
Nærbakst	4	X		X
Norengros	4	X		

**Internal objectives**

During informal conversations with the marketing director of the LOC, he explained that many of the sponsors had internal objectives related to their sponsorship. The results also indicate a strong focus on employees motivation and other internal objectives. Tripodi (2001) suggests that sponsorship has not been used much internally. Contradictory, the findings in this study indicate an increasing focus towards using a sponsorship to reach internal objectives. This development might reflect the increased focus on the internal marketing during the last 10 years (Chelladurai, 2006). The sponsors on level 3 and 4 had limited exposure given by the contract, and therefore focus towards using the sponsorship to develop the company and reach internal

objectives seem reasonable. Such a strong focus on internal effects can also be linked to the fact that some of the sponsors were advised by the LOC how they could use the sponsorship for internal purposes in order to help develop and improve internal relations in their company.

### Employee motivations and pride

The companies understood that this was a way to make the employees motivated and proud, and in that way also making their job more attractive. This can be linked to the way Hickman et al. (2005) describe the job situation today, where employees are no longer satisfied with just getting a decent sum of money, but the fact that employees must be seen as a consumer that must be treated the right way in order not to quit and find a new job (i.e. employee loyalty).

Companies like Statoil and Aker Solution specifically pointed out these objectives of employee satisfaction, as they think that a lot of potential employees think of them as boring and “old fashion”.

*The sponsorship can work in our favor by making us more visible to future employees and showing them that Aker Solutions is an interesting place to work. As working in the Norwegian industry is often seen as boring, slow and old fashioned, but really it is not. (communications manager from Aker Solutions, October 20, 2010).*

Instead they wanted to change this perception of being “old fashioned” and give their employees a challenging place to work, packed with motivating activities. That way they could also hold on to employees. In addition, they hoped that satisfied employees, together with their image externally as a fun place to work, would spread so that potential employees will want to work for them.

### Culture and values

In addition to Aker Solutions, Viking also entered based on a wish that the competitive values of the sport and the event could merge into their culture at work. The ability to work hard to reach goals, teamwork and other values of the sport are seen as something of great importance for all employees in all kinds of companies. These are the values

some of the sponsors like Aker Solutions and Viking have tried to create in the company through the activation internally that will be discussed later on.

By increasing the efficiency through merging these values one can achieve two things. First, it can make the company a more challenging and motivating place to work. This is needed according to Hickman et al. (2005), who highlight how employees today will not stay in a job if they are not satisfied with the conditions there. Secondly, making a more effective company will in the end increase the bottom line. According to Crompton (2004) this must be seen as the main objective for all sponsors.

### Coordination and cooperation

Half of the sponsors also sought to improve the coordination and the relations between different locations and departments in their company. How they managed to do this on all levels will be explained shortly in the section that presents activation (9.3).

### **Discussion of main findings**

The sponsors in this study have objectives to increase awareness, image, internal pride etc. Except from the strong focus on internal use, the objectives are quite similar to the most common objectives listed in the literature (Hartland et al., 2005; Sandler & Shani, 1993; Verity, 2002). As mentioned earlier, all the sponsors seem to have found objectives that they sought through the sponsorship. Still, none of the sponsors operated with specific numbers (for example how much awareness should improve). “You can say that it (the sponsorship) is well-thought-out, but we do not have concrete numbers (with regards to the set objectives)” (marketing director of Viking, personal communication, November 24, 2010). This reflects the trend among most of the sponsors investigated in the study.

This indicates that it will be difficult to see if the sponsors reached their objectives. This finding is quite similar to what has been seen as one of the major obstacles with evaluation in previous studies (Davies & Tsiantas, 2008). This subject will be further discussed in the result chapter focusing on evaluation (9.4).

### **9.3 How did the sponsors activate their sponsorship?**

There are different ways that the sponsors activated their sponsorship. How they activated the sponsorship was also depending on their objectives. While differences were found between sponsors, they all planned to activate both externally and internally. Table 6 and 7 indicate how activation was done externally and internally in order to reach objectives set by the sponsors on all four sponsorship levels. Then further explanations of the activation methods listed in the tables will follow. The ways activation can be done on all levels in order to achieve the different objectives is exemplified and discussed.

The reader might notice that some of the objectives have been grouped together. This has been done since the objectives demand some of the same activation methods. In addition, it makes the table easier to follow.



**Table 6. External activations by sponsors on level 1-4.**

External	Level 1	Level 2	Level 3	Level 4
<i>Awareness Top of mind</i>	NO	Logo exposure in and outside arena	Logo exposure outside arena	Logo exposure outside arena
	NO	Co-branding	Co-branding	Co-branding
	NO	Competitions with tickets and event merchandise	Competitions with tickets and event merchandise	Competitions with event merchandise
	NO	NAA	NAA	Hand out merchandise during event
	NO	NAA	Stands/activities inside arena	Stands/activities outside arena
<i>Image Reputation Sending a message Preference</i>	Logo exposure explaining message  Competitions with focus on their message  TV commercials Stands/activities	Logo exposure explaining message  TV commercials	Stands/activities inside arena  Stands/activities outside the arena	NO
<i>Strengthen bonds with partners and costumers</i>	Invite to VIP treatment under and after event days	Invite to VIP treatment under and after event days	Invite to VIP treatment under and after event days	Invite to non-VIP treatment under and after event days
<i>Increase sales around the time of the event</i>	NO	NO	NO	Be visible and sell event related products or event offers

*NO=Not an objective for any of the sponsors on the specific sponsorship level*

*NAN=No alternative activation*

### **The external activation**

All of the sponsors had strategies to activate their sponsorship in order to reach the objectives. There were limitations for lower levels sponsors regarding rights and benefits given through the event. First, the external activation will be discussed investigating some of the activation of level 1 and 2 sponsors, then alternative activities to reach objectives by sponsor level 3 and 4 will be examined. The presentation has

headlines stating the objectives, and examples of activation methods used by the sponsors will follow.

## **Level 1 and 2**

### *Awareness/top of mind*

The top level sponsors (level 1 and 2) got massive exposure through their contracts, giving them rights to promote their logo in the arena. They were also visible on TV through prints of logos inside the arena and along the tracks that were captured by the cameras. Level 2 sponsors had bought specific packages (as can be seen in Fig. 1), giving them logos on bibs and extra logo exposure inside the arena during the competitions in their package. Consequently, the sponsors on level 2 got massive exposure. So did Statoil as a presenting sponsor at level 1 as well, also having their logo as part of the official event logo (Still, awareness and top of mind was not one of their main objectives of this sponsorship)..

This kind of exposure delivers media benefits, together with additional reports from the event in the news on TV, in newspapers and on the web. The sponsors can receive substantial exposure and sponsoring can be a cost effective way to promote a brand, a company or both (Meenaghan, 1991b). By doing so, they can reach both the live audiences in the arena, and also the TV viewers and readers of newspapers, increasing the awareness and top of mind. DNB NOR did have awareness as one of their main objectives and were able to use this event to make consumers mindful of their role as a sponsor.

### *Image/reputation/message/preference*

It was noted that the bigger firms with more tangible resources (money) were able to use promotions as activation strategies. TV-commercials showing their role as sponsor have been used by two of the three top sponsors (level 1 and 2) in the study. This was used to highlight their involvement as a sponsor and strengthen focus on the message they are trying to send to the consumers. For example, DNB NOR wishing to send out a message that they are a bank for all Norwegians at all ages, started a campaign end of

2010 with a new slogan stating that they are a bank from A to Å (Å being the last letter in the Norwegian alphabet). They continued this marketing strategy by linking the new slogan to the sponsorship of the championships. For example, their commercial used skiing as a theme (picture scenes from skiing events) as the message that they are a bank for all Norwegians was communicated along as their role as a sponsor of the event. This sort of activation is crucial in order to create the added value and strengthen the bonds between sponsor and sponsee (Cornwell et al., 2005; Crompton, 2004; Seguin et al., 2005; Verity, 2002). Integrating the sponsorship (i.e. the event) in the sponsor's marketing campaign helps clarify the link between sponsor and sponsee and is recommended by Amis et al. (1999).

Both Statoil and DNB NOR had sponsored sport (and culture) for over 20 years. They had for a long time used athletes in their commercials and other activations that expressed their position as a contributor to sport. Thus, this event was just one more step in the building of an image and a good reputation that would have positive effects for the companies. "In a way we use this Ski Championships as a main event. In addition, we need to use other channels to build up around it. Both before the championship and after" (brand manager in Statoil, personal communication, October 25, 2010). Statoil also used the event to clarify their sponsorship program called "Heroes of Tomorrow", by having competitions during the event in order to increase the audience knowledge of their sponsorships of the junior athletes. The audience had to know the answers to questions focusing on "Heroes of Tomorrow". For example, a question could be if the audience knew the name of the junior ski jumper in the program. By submitting the right answer, the respondents could win event merchandise.

#### *Strengthen bonds with partners and customers*

Listed as important for both Aker Solutions and DNB NOR was the sponsorship's ability to help them in their work towards partners and customers and the strengthening of these bonds. They had a big amount of VIP tickets and used these tickets combined with dinners and shows downtown in order to strengthen the bonds with important partners and customers. This is seen as one of the major benefits of being a sponsor by authors like Berrett & Slack (2001). Moreover, the authors mention the possibility to use VIP treatment to build bonds with future partners and customers. However, a few

years ago the Norwegian government introduced restrictions regarding gifts given in work related situations. These restrictions however made it harder for sponsors to invite already existing partners, and especially difficult to invite potential partners. This will be further explained in chapter 11.

### **Level 3 and 4**

The Norwegian sponsors and suppliers on level 3 and 4 had fewer rights regarding arena exposure. This meant fewer opportunities to obtain media benefits than sponsors on level 1 and 2. As a result, those who sought exposure through the sponsorship needed to work harder and more creatively than sponsors on level 1 and 2 to reach their objectives. As the marketing director of the national sponsor Viking (level 3) said “You cannot just be a sponsor. You have to do things to tell people that you are” (personal communication, November 24, 2010)

#### *Awareness/top of mind*

Though sponsors interviewed on the lowest levels had no plans to do TV-commercials, they did have other ways to promote themselves as sponsors. Some used radio advertisements, showing how they sponsored the event. Others used competitions on the internet where people could win tickets or event merchandise and give increased attention and awareness towards the company or brand. The aim for the sponsors was that increased awareness would lead to consumers thinking of them before considering their competitors, i.e. increase top of mind.

Advertising on boards and newspapers were also used. One example is Noregros, using 5-6 times the invested amount in the sponsorship contract to have advertisement in the biggest newspapers in Norway (Aftenposten).

In order to show how the lowest level of sponsors can use the sponsorship, ELIXIA is used as an example by investigating three of the activities they used to be more visible and increase awareness about their role as a sponsor and about their products.

They also had a competition in their gyms. Customers could enter the contest by receiving a sticker each time they had a work out. When reaching a certain amount of

stickers, they became eligible to win official event merchandise such as a backpack. Although the cost of a few hats is quite small, the spokesperson of ELIXIA claimed that this program generated enormous interest among users of the gym. For them this was also very important as they did believe that the best way to get more users was by having a product that is of such quality that consumers would convince friends and colleges to become members.

ELIXIA did not have the right to have stands or printed advertisement inside the arena. In stead they had a stand close to the award winning ceremony, promoting them self as a sponsor and trying to sell memberships to the people who were there to see the ceremony. In the arena they were visible by performing the official event dance a few times each day. Their dance was shown on the big screens in the arena. In addition, they always had a number of employees (dancers) doing the dance live as the dance was shown on the screen.

They also handed out cowbells with ELIXIA logo. ELIXIA achieved two things through this activation method. First of all, they made the audience at the event more aware of ELIXIA. Secondly, there were lots of audience inside and outside the arena wearing these bells that were filmed and showed on TV. Hence, ELIXIA ended up benefiting from the media giving them “free promotion”. This is a cost-effective way to do marketing, also seen as one of the benefits of sponsoring (O’Reilly & Seguin, 2009; Shank, 2009). We can also se how ELIXIA as a supplier with lower sponsorship fee got exposure of great value through strategic planning of their activation.

Co-branding was also used by sponsors on all levels. All sponsors used it on their internet pages, and some also on their cars, having the official event logo showing how they were a sponsor. Viking also used the official event logo on all forms of communications (such as emails and letters). This co-branding gave all the sponsors on the lower level a chance to seek external objectives as they were able to show their contribution as a sponsor. Still, there is some uncertainty as to what sort of effects this had. More discussion of this topic follows under “discussion of main findings”.

### Preference

Viking claimed that differentiating in their line of business is hard. The other companies (two other big ones in Norway) offer products of similar quality and price. That way they wanted their involvement to be something to differentiate them from their competitors. They thought that through their visibility by also being the official supplier of road assistance at the event would make them visible and create this differentiation. Viking both had road assistant cars in the area and around the arena with event logos on, and in addition, a stand with a big truck together with an activity camp that Statoil had inside the arena. They also had, as the only sponsor on level 3 and 4, a commercial shown on the big screens inside the arena. That way they got a massive exposure.

### Sales

There were only two sponsors that stated increased sales during and right after the event as an objective. One of them was the bakery supplier Nærbakst. They planned to sell these products in grocery stores supported with point of purchase displays (e.g. posters) around the products. They hoped that this would increase the sales. According to the suggested model of leveraging activities by Davies & Tsiantas (2008), this is a preferred way to increase sales of low involvement products.

### Strengthen bonds

Sponsors on level 3 and 4 had fewer VIP tickets. Still, they had the opportunity to invite partners and clients. One sponsor changed their limited number of VIP tickets and got more regular tickets instead. They felt that most of their partners did not have the need for VIP treatment, and could by doing so afford to invite more partners.

### Discussion of main findings

Findings suggest that the activation methods used by the sponsors of the FIS Nordic World Ski Championships in Oslo 2011 are quite similar to some of the activation methods used by the sponsors in the study of Apostolopoulou & Papadimitriou (2009). Additional advertisements have been used on all levels. Competitions for customers to win tickets have been used and are especially seen as important for those with limited

rights to do promotions and be visible as a sponsor otherwise. Hospitality to strengthen bonds with partners has also been used by all the Norwegian sponsors. In that way, activation in order to clarifying the link between sponsor and sponsee has been done by most of the sponsors, which is seen as important by Amis et al. (1999). In addition, it can prevent competing ambushers by clarifying the position as a sponsor (Shani & Sandler, 1998). What differentiated the activation of the Norwegian sponsors from the ones in the study of Apostolopoulou & Papadimitriou (2009) was the lack of creation of event related products. DNB NOR in particular could have developed more new event related products, such as the bank in the study of Apostolopoulou & Papadimitriou (2009) who created a special event-credit card.

The sponsors were all visible before and during the event. Still, a few of the sponsors were more visible than others. Statoil and DNB NOR had a lot of exposure. First of all, they were visible through logo exposure inside the arena and along the tracks. Secondly, they had commercials on the big screens inside the arena seen by the arena audience and TV-commercials seen by all viewers. Aker Solutions as the last of the top three Norwegian sponsors had less focus on exposure. Yet, they had a video presentation on the big screens at the arena, showing their role as a sponsor and how the company strived to reach objectives of effective production and perfection like the athletes and the event they sponsored. They had no additional advertising either on print or on TV. The reason for a lack of massive additional promotion compared to what was done by Statoil and DNB NOR, might be because Aker Solutions mainly had internal objectives related to their sponsorship.

Some of the sponsors on the lower levels had objectives related to visibility, like creating awareness, image, top of mind or preference. Still, one might question if they reached that objective through their activation. Viking is one example. Viking wanted to increase preference. They were in one way highly visible inside and outside the arena. Inside, they were visible by having the stand with Statoil and the commercial on the big screen and outside by using co-branding on their home page, on all communications (such as mails and letters) and on their cars. This might have helped them reaching these objectives. Still, the sticker with the event logo on the cars meant for co-branding was so small that few would recognise this sticker to indicate their role as a sponsor. The question is if the audience understood their role as a sponsor, or thought of them as paid

road assistance. Those who saw the cars outside the arena would have even less reason to understand their role as a sponsor, given that the sticker was so small that few could notice it.

Another example is Nærbakst. Some months before the event, they stated that their event bread and sweet rolls would be sold with a lot of logo exposure on posters surrounding the kiosks in the arena where they would sell their products and also point of purchase (i.e. posters etc) in grocery stores. These posters and logos were never seen during the observation inside and outside the arena.

Some of the ways in which activation programs as a means to reach external objectives have been exemplified and discussed. It is interesting to note that ELIXIA was the only sponsor (in the sample of this study) who handed out objects (cow bells) that made them more visible both to the audience and to the media that captured the audience and broadcasted them all over Norway and the rest of the world. Since the other sponsors had invested heavily in their sponsorship, this sort of activation would appear to be a quite inexpensive way to get additional media attention and exposure. An example is DNB NOR who has a strong focus on exposure. They could have used this type of activation to get even more out of their position as an official sponsor (level 2).

Moreover, it seems as if sponsors like DNB NOR should have used the sponsorship to tell consumers more about their products and how they differ from the ones of the competitors. The argument for doing such activation is based on the model of Davies & Tsiantas (2008) and their explanation of how high-involvement products need to be thoroughly introduced to consumers showing how they differ from the ones of the competing companies. This is of course the case for all sponsors on all levels, given that they are selling high-involvement products. Still, it is easier to tell a message about differentiation from competing companies and brands if you have the right for promotion as a major sponsor.

So far, the focus has been on the external activation. The next table presents internal activation that can be used to reach objectives on all levels. This table will be followed by further explanations, examples and discussion of the activation.



**Table 7. Internal activation by sponsors on level1-4.**

<b>Internal Objectives</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Level 4</b>
<i>Employee motivation and internal pride</i>	Use free VIP tickets Buy extra regular tickets	Use free VIP tickets Buy extra regular tickets	Use free VIP tickets Buy extra regular tickets	Use the <u>limited</u> number of free VIP tickets  Buy extra regular tickets  Change VIP tickets to regular
	Employees work as volunteers	Employees work as volunteers	Employees work as volunteers	NAN
	See the event together live  Private tents etc. at the event	See the event together live  Private tents etc. at the event	See the event together live  Private tents etc. at the event	See the event together live  See the event together at work
<i>Coordination and cooperation</i>	Invite employees from different locations and countries	Invite employees from different locations and countries	Invite employees from different locations	Invite employees from different locations
<i>Culture and values with focus on health and competitive attitude</i>	Have athletes to inform. Compete with athletes  Internal competitions that focus on health/exercise  Competitions that highlights values/wanted values of the firm	Have athletes to inform. Compete with athletes  Internal competitions that focus on health/exercise  Competitions that highlights values/wanted values of the firm	Have athletes to inform. Compete with athletes  Internal competitions that focus on health/exercise  Competitions that highlights values/wanted values of the firm	Internal competitions that focus on health/exercise  Competitions that highlights values/wanted values of the firm

*NO=Not an objective for any of the sponsors on the specific sponsorship level*

*NAN=No alternative activation*

### **Internal activation**

The level of internal activation somewhat dependent to the level of sponsorship acquired. For instance, sponsors from level 1 and 2 received more rights to VIP tickets, but they also seemed to have more additional resources to spend on internal activation. Some examples of how the sponsorships were used internally will be presented in the following section, explaining them more in depth based on the key points listed in table 7. Headlines will show the objectives and the various activation methods used by the sponsors will be exemplified and discussed.

## **Sponsor level 1 and 2**

### *Motivation and internal pride*

The sponsors on level 1 and 2 had a large amount of tickets and could invite many of the employees to the event. In addition they could have large-scale events for their employees related to the Championships. Aker Solutions invited all their employees present at the event to a private concert with food and drinks. Aker Solutions also had some of their employees working as “volunteers” during the event without reducing their normal salary. Such things can help motivate and is a way to offer a unique experience for the employees. This is in line with Hickman et al. (2005) and their explanation of how employees expect more from their employer than just money.

Also other activities have been used to increase the motivation among employees. Some sponsors have used athletes from the Norwegian teams at internal happenings and some have used important people in the LOC. These persons with high status were used to hold presentations, workshops etc.

### *Coordination and cooperation*

The big companies on level 1 and 2 had the resources needed to invite employees from many of the locations of the company. An example is Statoil. They invited employees from all over the world. The company booked a hotel for its employees in order to build and foster relationships, which, it was hoped, would facilitate work that needs to be coordinated between different locations within or outside Norway. Aker Solutions had a similar approach. They invited employees from outside Norway based on a competition that will be explained below.

### *Culture and Values*

One of Aker Solutions’ main sponsorship objectives was to improve the winning spirit and the focus on performance among employees. Being a company with offices in 30 countries, they planned to also involve offices outside of Norway. This involvement of other locations in other parts of the world would be done by having a competition where they could send in proposals for different “winning teams” from all of the locations of

the company. Their proposal had to be related to a well organized project that showed winning spirit and was in line with the winning culture that the company tries to establish both through the sponsorship of this specific event, but also through AKER ASA (that Aker Solutions are a part of) and their sponsorship of the Norwegian cross country skiing team. In this way, they use the sponsorship internally to create values and a competitive culture among employees. This is of great importance according to Mitchell (2002), and it is a basis for all companies that the employees function together in order for the company to succeed (Hickman et al., 2005).

### **Level 3 and 4**

Though fewer VIP tickets were included, and often the companies had fewer resources to use for activating the sponsorship, they were still able to find ways to activate the sponsorship in order to reach internal objectives.

#### *Motivation and internal pride*

Just like Aker Solution, Flytoget, one of the sponsors on level 3, offered some of their employees (ten employees) to work as “volunteers” during the event. They were paid regular salary. Flytoget felt that they got something in return for letting the employees work as volunteers. Their employees would be challenged in new ways that could help them develop skills that might be useful in their regular profession at Flytoget. In this way, they could improve important capabilities (Grant, 1991; Fahy et al., 2004) that can be useful for the company long time after the event. Such capabilities can also help the company in extending the effects of the sponsorship. Still, the motivating factor of doing something different than everyday-work, was the main reason why they gave employees the possibility to work as volunteers.

Most of the sponsors also tried to increase the internal awareness and to take pride in their sponsorship through writing about it in internal magazines. This was also done by the sponsors in the study by Apostolopoulou & Papadimitriou (2009), and is important in order for employees to have something to gather around and to feel proud about their company. According to Mitchell (2002) such pride and belief in the company is essential in order to work hard to sell the products of the company to consumers.

The minor sponsors (level 3 and 4) had few VIP-tickets. The sponsors solved this challenge in different ways. Some of the sponsors bought additional tickets. Others had internal competitions for the employees connecting them to the sponsorship. Then, they arranged for the winners of these competitions to go together to the event. In that way, they got more attention internally around their sponsorship, and saved the expenses of buying lots of additional tickets.

Some of the sponsors with few employees used their limited number of VIP tickets on their employees. They could do this since the number of employees was small. Others changed their tickets from VIP to regular tickets in order to be able to invite more employees. One sponsor created events connected to the event during office hours. The supplier Norengros encouraged leaders of all their locations to bring together employees to watch together one competition on TV during office hours for everyday of the Championships. This is a cost effective way to bond employees. Such activities can affect the social environment in a positive way and improve both motivation among employees and the relations among the employees that will be of importance in order to function better as a company (Hickman et al., 2005). At the same time, activities like this can be done without being a sponsor. Still, the authenticity that comes from being a sponsor of such an important event creates pride among the employees. While these effects are difficult to quantify, it is believed to be worth the investment. This subject will be further discussed in the section about evaluation (9.4).

### *Coordination and cooperation*

Though most of the sponsors on level 3 and 4 did not have the same resources to invite employees from other locations as for the sponsors on level 1 and 2, the sponsors still found ways to invite employees from different locations. Nærbakst is an example. They had a competition with a quiz on all its locations. The winners from each location were invited to the event. By doing this the employees were activated and taking part in the sponsorship. By doing this, they were also able to gather representatives from the different locations, and the employees could get a better knowledge about the different locations and their functions. This can be linked to the need for individuals to understand their role inside the company, but also to see your function as part of a society Jenkins (2008).

Another example is the sponsor OSL. They used this event to increase the focus on teamwork between the different groups and departments at the airport. They were hoping that through the different social arrangements connected to the event, employees would get to know each other better and in that way be able to cooperate at work and work more efficiently in the future. As stated by their head of marketing:

*We are an organization with many departments with different functions... At the same time, lots of these groups and departments must be coordinated in their work... So, we are in a way depending on people to be able to know who to contact and... What I am trying to say is that if you have good dialogs and a solid network in the company across all the different departments, I think that must have an effect (personal communication, November 26, 2010).*

In addition, they have a specific objective to test this ability to work together and coordinate with the different persons and departments. For instance, they established a set time that they should use to get passenger through check-in and security.

### Culture and Values

One example is Viking. They planned to have competitions between the different departments. For example, the call centre would have competitions ranking the most effective phone operator by counting the number of costumers they had helped during one period of time. Those who won could collect tickets to the event and other merchandise. Mitchell (2002) describes how a sponsorship can help to increase focus on wanted values and important functions in the company. The example above can reflect how a sponsorship can be used to increase focus on such values of the company or values that the management want to be dominant.

### Discussion of main findings

Regarding the internal activation, there are several aspects that should be discussed. There is a significant difference between the highest level of sponsors and those on the lower levels in the way they activated their sponsorship. The major sponsors (level 1 and 2) had more rights regarding tickets, but more importantly, the additional resources at their disposal as well as the willingness to use the sponsorship for internal activation. At the same time, most of the sponsors on the lower levels were smaller companies with fewer employees than for example Statoil and DNB NOR. In that way the number of

tickets was often enough to invite most of the employees that wanted to go. Regarding coordinating and creating values, this seems to be something that can be done on all levels. Still, it is easier to engage employees when companies have large amounts of additional resources that they can use on internal activation. Then they can invite athletes such as Marit Bjørgen (the most winning athlete during the event) to go jogging with the employees, or they can invite all employees that want to go to VIP arrangements at the event and host big parties with live bands later on. Thus, the ways the sponsorship can be activated and the activities the biggest sponsors can offer are quite unique, compared to the possibilities for those on the lower levels with less money to spend on the activation. Still, ways to reach internal objectives for minor sponsors have been shown through the results.

Based on the results of this study, it seems as it is possible to activate a sponsorship on all levels as a mean to reach internal objectives. Still, one should reflect on whether the same or similar objectives could have been reached without being a sponsor. The cost of just buying the event tickets and invite employees would not be near the cost of the sponsorship fee. This is the case for sponsors at all levels. It is easy to become critical in the approach when such a question is raised. At the same time, such questions are needed. What additional ROI does the sponsorship give if tickets and arrangements internally are the main purpose of the sponsorship? Then it seems, at first, as if the sponsors just should have bought the tickets and they would have had even more money left to do arrangements connected to the event.

Nevertheless, many of the sponsors have highlighted the internal pride the sponsorship creates among the employees, the motivation and other factors that are difficult to measure in hard money. They feel like they are an authentic part of the event and feel a special connection to the event as a contributor. These benefits might not have been achieved to the same degree just by going to the event as regular audience. In addition, it is also a matter of external effects that can be created in addition as a sponsor. These effects have already been discussed. What seems clear is that the sponsorship in total has a value and hopefully has helped the sponsors achieving various objectives. As a resource meant to help the sponsors achieving these objectives, evaluation of the effects of the sponsorship will be important (Cornwell, 1995). The next section will focus on

how the sponsors planned to evaluate their sponsorships and what the main obstacles for such evaluation were.

#### **9.4 How did the sponsors plan to evaluate their sponsorships, and what were the main obstacles for those who did not plan to measure?**

As mentioned in the theory chapter, the focus on evaluation of the sponsorships has increased (DeGaris, 2008; Cousens et al., 2006; Currie, 2004; Shank, 2009). Since it is seen as important to get a satisfying ROI, one would assume that the sponsors would invest money and time to assess the effects of their sponsorships. From a resource-based view, an evaluation of the effect should be performed (Grant, 1991). That way, the sponsor can see if the resource (the sponsorship) has helped them to achieve their objectives.

Both the studies of the Greek national sponsors Davies & Tsiantas (2008) and the study of sponsors in the Norwegian study by Thjømøe et al. (2002), described the lack of evaluation of sponsorships. One reason for the lack of evaluation was that the objectives were not quantitatively set, making it hard to carry out a cost-benefit analyses (Davies & Tsiantas, 2008). This was also the case with a majority of the sponsors of the FIS Nordic World Ski Championships 2011. The exception was Aker Solutions, who was the only sponsor with a quantitative objective. All sponsors had objectives to increase something (awareness, internal motivation, sales or others). Still, few had an idea of how much the increase should be in order for them to be satisfied with their ROI.

Nevertheless, it seems to be a trend among the sponsors in this study towards evaluating the effects of their sponsorships, when compared to previous studies (Davies & Tsiantas, 2008; Thjømøe et al., 2002). Six of the ten sponsors interviewed planned to measure effects of the sponsorship. None of the sponsors had found a way to measure the total effect of the sponsorship, which is also seen as problematic by authors like O'Reilly & Madill (2009) and O'Reilly & Seguin (2009).

Even though measuring the total effects was not done by any of the sponsors, most of the sponsors did plan to measure parts of the effects of their sponsorships. The methods they planned to use can be divided into three categories:

1) Measure if specific sponsorship objectives had been reached

Examples here are sponsors like Statoil, DNB NOR, OSL, and Viking. Viking had a main objective to increase preference. They sought to affect this by creating a link between them and the event, differentiating them from the competing companies since both price and product are quite the same in the markets they operate. They planned to do a survey among consumers before and after the event to see if they had achieved increased preference. One of the objectives that Statoil had was to spread the message that they are supporting the “Heroes of Tomorrow”. They planned to measure this specific objective by doing a survey investigating if the consumers understood the concept of “Heroes of Tomorrow”, and if they had gained some knowledge about the program and Statoil’s role as a sponsor of the program. Consequently, they would be able to see if they had reached increased knowledge about the program. Surprisingly, Statoil did not plan to measure the attitudes toward this sponsorship program among customers. In order for the program to give their company an improved reputation and image, and the needed “Licence to Operate”, the sponsorship must be of value to the customers. Thus, what such an evaluation will indicate is how the knowledge of their program “Heroes of Tomorrow” has improved. At the same time, it does not tell them if it has helped them build reputation and image as they do not know how people view their involvement in the program.

2) Measure effects of specific campaigns

Examples can be advertisement campaigns or competitions. Viking arranged a competition in which people could send in a text message and by that win tickets to the event. They planned to measure how many consumers that participated, making it easier for them to see the effects of this specific campaign and if they were able to reach consumers and by that increase their knowledge about Viking’s role as a sponsor. Three of the other sponsors (Statoil, DNB NOR and Norengros) planned to measure the exposure value they got through specific advertising campaigns related to the event.



None of them had specific objectives for how much exposure they should get, but still they used these numbers to justify their sponsorship. “We use it to support that we have chosen the right sponsorship... So, it supports our feeling that it works” (marketing director of Norengros, personal communication, February 10, 2010).

3) Those who did not plan to measure effects of the sponsorship at all

There were four sponsors that did not specifically plan to measure the effect of the sponsorship. However, they all planned to do some type of evaluation through regular meetings about the sponsorship and its effects, or evaluate based on how they had reached their different sponsorship objectives. Such evaluation was to be done by ranking goal achievements of the different objectives by satisfied, middle-satisfied, and not satisfied.

One of the sponsors that did not plan to measure sponsorship effects claimed that their company (and other companies that did not plan to measure) had no external objectives that could be measured. This indicates a lack of knowledge regarding how to evaluate a sponsorship as measuring internal effects is also an option. This is how the daily leader of one of the sponsoring companies responded when asked if they were able to measure if the sponsorship was worth the money they had invested:

*No... No, I do not see how we could do that. It is the feedback from our members that is the payback for us, that they are satisfied. That is the most important. They wanted it (to be a sponsor). So, if they are satisfied, it is worth the money (daily leader of VVSEksperten, personal communication, November 30, 2010)*

Others knew several ways to measure, but did not plan to do so. They claimed that the numbers they had on employee satisfaction etc. were on such a high level, that it would be hard to increase it. Therefore, they did not consider measure of the possible effect of the investment.

### Limitations and challenges related to measuring sponsorship effects

One of the issues highlighted, was the measurement of media exposure. Even though measuring such media exposure can indicate how much the same exposure would have cost by buying advertisement, this method and its validity was doubted by some of the sponsors. One marketing director claimed that if there was another large-scale media happening at the same time as the sponsor gets positive exposure, the sponsor's exposure might be "drowned". The marketing director claimed that the effect of such exposure must always be seen in a context as other happenings in the "media world" might affect the value of the exposure one gets. This issue has also been debated by Cornwell et al. (2005), who argue that logo exposure in the media differentiate from for example an informative advertisement. In addition, the same marketing director stated that even though a sponsor gets increased exposure, it does not automatically trigger changes in consumer behaviours – i.e. change their purchase intentions, as was also showed in the studies of O'Reilly et al. (2008). They found that even though consumers were positive towards the sponsors, it did not necessarily make them change purchase intention, and there were especially little evidence of an effect in the time after the sponsorship. The marketing director claimed that those who invest large sums of money on such sponsorship, must use these kinds of methods of exposure value in order to defend sponsorship as an investment. This is also admitted by the head of sponsoring in DNB NOR. DNB NOR is one of the sponsors who use these kinds of effect measurements most frequently. The head of sponsoring in DNB NOR did agree with some of the argumentation above regarding the method and its ability to measure "true" sponsorship effects. Still, he claimed that a company can use the worth of exposure they have received through the media coverage of the sponsorship to defend it as an investment, given that the value of the exposure indicate that you get more in return than what you have invested.

*"If we had to buy the exposure we got through internet, television and print in 2009, we would have to pay about 45.000.000 NOK (equals approximately 7.000.000 €) for a sponsorship with a sponsorship fee of 11.000.000 NOK (equals approximately 1.500.000 €)" (head of sponsoring in DNB NOR, personal communication, October 11, 2010)*

Another area of discussion among the informants was the lack of ability to measure the effect of sponsorships in processes that lasts for a longer period of time. One of these things is related to measuring the effects of hospitality towards partners and employees. The informants claimed that hospitality is an important contributor to help strengthening the bonds with the external and internal parts of the company. At the same time, it is hard to say that this specific activity (the sponsorship) is the reason that the partner or the employee wanted to continue their cooperation with the sponsor. In the end of a long process, the decision for a partner or an employee to decide to continue, start, or quit his/her involvement in the company will be based on multiple factors and isolating the effect of the sponsorship alone seems complicated.

### **Discussion of main findings**

It seems like an increasing demand for measuring effects of the sponsorships (DeGaris, 2008; Cousens, Babiak, & Bradish, 2006; Currie, 2004; Shank, 2009) has lead to an increasing number of sponsors who are measuring effects of their sponsorships, compared to previous studies (Davies & Tsiantas, 2008; Thjømøe et al., 2002). Exposure seems to be of great importance to those who seek external benefits. Still, an increased awareness or top of mind will not automatically give more sales. Therefore, more surveys among the consumers to find out if their purchase intentions have changed due to the increased awareness or top of mind, is suggested. Being able to show such effects of successful sponsorships would also make it easier to evaluate if the expected effects will be worth the sponsorship cost, i.e. give a satisfactory ROI for potential sponsors.

Nevertheless, there are companies that planned to measure achievements of their objectives in ways that directly can tell if the main objectives have been reached or not. Statoil and their survey among audience concerning their knowledge of the sponsoring of “Heroes of Tomorrow” is one example. Another example is Viking, who would measure preference before and after the event.

Few of the sponsors planned to do any specific measurement of the effects related to their internal objectives. There are different opinions about whether or not it is useful to do such evaluation. Some sponsors, like Aker Solutions and Statoil were planning to do

evaluation of internal effects as part of an overall health and environment survey that they do every second year. It was only OSL who actually planned to do a pre and post survey among the employees and investigate the motivation and their support of the sponsorship. These sorts of surveys should probably be used by more companies aiming to improve internal relations. The companies should have a goal to increase motivation, pride and other objectives with a certain percent, and the post survey can show if they have reached the objectives. If the survey also includes ways for the employees to suggest improvements, this could function as a development of capabilities that could be used in other sponsorship engagements later on. This will also help establishing some quantitative measures of a sponsorship's value as a resource. This might be useful in future negotiations between sponsee and potential sponsors.

It is clear that methods to measure the effects have been used by most of the sponsors, and they all do some sort of evaluation. Still, the sponsors struggle to measure the total effects of their sponsorship. There seems to be a need for valid and reliable methods that can be used by sponsors in measuring effects of their sponsorships. One idea would be for the LOC to help the less experienced sponsors. Not only to come up with objectives and suggest how to activate the sponsorship, but also to suggest methods that can be used to determine the effects of their investment. As mentioned, the ability to assess and evaluate the effects of a sponsorship is important, and results from such an evaluation will make it easier to argue or convince potential sponsors to invest and to utilize the resource that sponsorship can be (given that the evaluation can show that previous sponsorships have been beneficial). At the same time, a lack of interest from the LOC to assist the sponsors in such evaluation might be a consequence of the nature of such a one-time event. Since the LOC did not plan to arrange the event again and do not need to get sponsors for future events, they had few incentives in helping the sponsors to measure effects of their sponsorships.

## **10. Summary and conclusions: Sponsoring as a resource**

Sponsoring is claimed to be a resource that can give the sponsor a competitive advantage. Sponsoring has moved away from its more philanthropic origin and should be seen as an investment with the ability to help the company to reach overall objectives or other objectives that must be reached before the broader objectives can be pursued.

A sponsorship should be considered as a resource. A resource is something of value to the company, and should fill holes in the company's "resource bank", functioning as a part of an overall strategy to achieve objectives.

The aim for all companies in a competitive market must be to achieve such a competitive advantage. Sponsorship can function as a resource by itself (giving the needed exposure through logo exposure and other direct effects of the sponsorship), or it can give the sponsor valuable capabilities such as marketing management skills, internal coordination and cooperation between employees. These are all factors that in the end will contribute to give the company a competitive advantage.

The resource based view was used to understand in which ways sponsorship of a one-time event could function as a resource, both by itself but also how it could provide capabilities that could benefit the sponsors in the future. It has been suggested how a sponsorship can function as a resource (the model in section 9.1.3), and how the objectives (section 9.2) and activation (section 9.3) explain how such capabilities can be developed through the sponsorship.

In order to see how sponsorship of a one-time event can function as a resource, different theoretical approaches were used. First, the aim was to investigate how the event was recognised as a resource by the sponsors and how it matched the given characteristics of a resource that could give a lasting competitive advantage (according to the resource-based view).

The sponsorship was found to be of value to the sponsors and their customers, because of the event's unique position in the Norwegian culture and also through the various objectives it could help the sponsors to achieve. The ability for the resource to be durable was challenged by the fact that the event only lasted for a short period of time and sponsors had limited time to create a link between them and the event. The limited duration of involvement might result in a very challenging task creating the added value that sponsorship is supposed to give to the sponsor. Some of the experienced sponsors did agree and claimed that if a clear link to the event and a wish to improve image and reputation are the main objectives, then this event alone is of limited value. Others claimed that it would be possible to get an effect from the capabilities gained through the sponsorship, capabilities that they would use in future sponsoring programs or other capabilities giving them a competitive advantage in the future. Improved health status or improved coordination of tasks and cooperation among employees internally are such capabilities. These capabilities will last much longer than the actual event and in that way the effects of a one-time sponsorship can be durable.

According to the resource-based view the resource should also be exclusive. The event had a policy of product exclusivity. Exclusivity is a factor that differentiates sponsoring from other kinds of promotions. The number of companies that can be associated as partners of the event is limited, and as a sponsor you should be the only one linked to the event within your product category.

Observation indicated that ambush marketing was a problem, and has threatened the exclusivity of the link between sponsor and sponsee. Examples are mentioned in the results. There are few companies (especially those who seek a strong link between themselves and the event) that will spend a lot of money to be a sponsor in the future, if the same recognition they have paid for is also awarded to some of the non-sponsors. Such a reduction of exclusivity reduces the total value of the sponsorship as a resource. In the end, it might result in lower number of companies that wants to sponsor in the future.

What is also agreed to be an important characteristic in the resource-based view is that the resource cannot be replaced or replicated by other competing companies. Many of the sponsors pointed out the importance of the event and its unique position in the

Norwegian culture and that it is a one-time event. Some claimed that this alone makes the resource non-replicable. Others claimed that one sponsorship alone is not enough, but through massive involvement in sponsoring and activation to show their involvement, no other competing companies can get the same effects as a sponsor and or the same image as a contributor to sports and culture. Also some of the inexperienced sponsors saw the need for sponsoring over time in order to improve image and reputation. They had decided to do additional sport sponsorships in the future to clarify the association as a sponsor of sport and gain benefits for this specific association. Creating such a link is of most importance for sponsors who seek to achieve external objectives such as image and reputation (Amis et al., 1999). This link can either be obvious (ski clothing brand sponsoring skiing), or it can be related to values of the sponsoring company and the link those values has to the ones of the sponsor (Shank, 2009). This has been show in this study by various sponsors who wanted their sponsorship to reflect their company values.

For those who seek such objectives, exclusivity, durability and non-replicable uniqueness of the resource will be important. On the other hand, for those seeking to use the sponsorship internally, the need for these characteristics in a resource might not be that important. Sponsors seeking internal objectives will have the pride of being a sponsor and be able to use it for internal effects even though other competitors might do similar sponsorships. More over, the sponsors get a special connection to the event, the LOC, and the athletes and can use them internally. This can't be done in the same way by those who try to copy their activities or go to the event without being a sponsor. This is based on the integrated part the sponsor becomes of the event, and the authentic relations built between employees and what they are supporting through their sponsorship. Consequently, as long as the resource is of value to the sponsor, it is suggested that it might give them a competitive advantage as it helps to improve internal relations (capabilities) that in the end will give a competitive advantage. Still, for these capabilities to be developed even further, sponsoring over time is suggested since competitors practicing similar sponsorship activities might gain some of the same capabilities.

### **Why sponsorship could take up bigger parts of the budgets**

Sponsorships are, as mentioned, an investment. Though there are different views regarding the characteristics such a resource should have, it is clear that all the sponsors have used it to reach objectives. It is also clear that while some of the sponsors in this study have used it more as an integrated part of an overall strategy, others have used it more to reach a few specific objectives or improve capabilities inside the company. Much focus has been on internal use, and it seems to be of increasing importance for the Norwegian sponsors. This way to develop companies, their capabilities and the motivation and pride among the employees are seen as important for getting a short term effect, but these capabilities can also be useful in the future in order to receive a competitive advantage. The question is whether these objectives can be reached without being a sponsor. To let employees work as volunteers, go together as a group and see the event, have internal competitions with focus on values and culture, are all activities that can be practiced without being a sponsor. Still, not being a sponsor means losing out on the aspect of creating pride among employees, and most of the sponsors have mentioned all the effects that they are certain are there but still are hard to see and measure. Being a sponsor does something with the employees according to the sponsors. In addition to this internal pride and other internal objectives that can be reached, external objectives can also be reached through the sponsorship.

Lots of alternatives are available when you are to promote a brand or a company. However, sponsoring can give several benefits that regular advertisement cannot provide; Exclusivity (as long as activation is done to prevent ambushers) and the added value as a sponsor and a contributor, linking you to the sponsee and its positive values. In addition, the sponsors can use all the promotion tools through a sponsorship making it possible to communicate through a variety of channels.

At the same time, only the biggest sponsors have rights to the massive exposure at the arena and through the media. The lower levels of sponsors can also get similar attention, but it demands investments in additional advertising or other activities making them visible. Still, some of the sponsors on the lower levels have shown (as explained and discussed in section 9.3) that sponsorships can, if exploited properly, give massive



media attention and can function as a resource to reach external objectives also for minor sponsors with limited exposure rights included in the contracts.

To sum up, the main conclusion is that sponsorship can be used as a resource, both internally and externally. A sponsorship can be used to reach a wide range of objectives, both for major and minor sponsors of a one-time event.

Sponsorships can also be used to reach objectives often covered by parts of the company budget not aimed at sponsorships. This can change, given the ability to show how sponsorship can affect external and internal relations mentioned in the study. It is not uncommon that a sponsorship budget is quite limited compared to the total marketing budget. By demonstrating how sponsorships can be used to reach objectives that the companies normally tries to reach through other channels like newspaper advertising etc, it will be easier for investors to understand the function of sponsoring as a marketing tool that can replace some or all of their spending on other types of promotion (although sponsorships also need additional promotion strategies to be effective).

Related to partners, sponsorship is a unique arena for strengthening bonds. This bond-building effect can also be used internally towards employees. Internal use is of importance to all the sponsors in the sample. This highlights two scenarios. The first is that sponsorships can be used to improve motivation, increase focus on values, coordinate departments and personnel. The second is that resources planned to be used on activities like HR-relations work, trips, and competitions can be partly or fully used at the sponsorship(s) with activities covering these areas and reaching the wanted objectives.

Based on the argumentation above, sponsorship should be a larger proportion of the budgeting of companies, as it offers a variety of possibilities for both external and internal use, with related benefits that can help the company reaching their objectives. This study has highlighted how the sponsors in this study used the sponsorship as a resource and how it can be activated externally and internally to give both short-term and long-term effects. Most important, is probably that the study investigated how such a resource could be used by a variety of companies, related to size, target market, and

experience. The results of the study could add information or probably be part of a guide for future sponsorship relationships as it highlights important external and internal objectives that can be reached through a sponsorship, and how activation could be done in order to reach the objectives for sponsors on all levels.

Still, more attention and research should be placed on the development of valid and reliable tests aiming to test the effects of sponsorships. If companies are to invest in such a resource, they should be presented facts about how the sponsorship can help them reach objectives and how this should be conducted through various activation methods. In addition potential sponsors need to be able to see the effects such a sponsorship investment can have. That way sponsorship may further strengthen its position as an investment and crave more space in the budgets of different companies.

## 11. Other findings and suggestions for further research

This chapter will present findings from the study that are outside the scope of the research questions. However, these findings are included in this perspective chapter due to the fact that these findings might be of importance for future sponsors and sponsees.

### Coordinate different sponsorship activities:

Some of the sponsors did combine the event sponsorship with one of their other sponsorships in order to do more cost-effective activation. One example was DNB NOR. In addition to being one of the biggest sponsors of the event, they were also a major sponsor of the National Theatre. They took advantage of the opportunities that this culture sponsorship gave them. The award winning ceremonies were held about 100 meters from the National Theatre. Because of their role as a sponsor, DNB NOR were able to use parts of the theatre and invite partners and employees. In this place they served food and drinks inside, and used the balcony to see the ceremonies just across the street. By doing this, they combined the event sponsorship and their role as a culture sponsor. The synergy of sponsorships is then used to gain a competitive advantage, through fully utilizing hospitality rights effects.

Another company taking advantage of other sponsorship activities was VVSEksperten. They are sponsors of the Red Cross. VVSEksperten have few employees in their administration. VVSEkspert wanted to be visible during the event and therefore, they had a stand close to the award winning ceremony together with the Red Cross, mostly run by volunteers from the Red Cross. Consequently, VVSEksperten could be visible without investing additional resources in stand and personnel.

These ways of using one or more sponsorships to maximise the effect of other sponsorship activities should be investigated even further. An approach could be to investigate what sort of sponsorships that would be most useful to a company in order for the sponsorships to complement each other.

### Hospitality is being challenged:

Norway has restrictions regarding hospitality. More precisely, gifts over a certain amount are subject to taxation. This means that you would have to pay taxes for gifts like being invited for a weekend to see the championships. One of the sponsors, Norengros, claimed this was seen as problematic. Earlier sponsorship has been seen as a way to invite potential partner and consumers to bond and to increase the chance that they will become partners or buy their products in the future. Norengros also planned to use sponsorship to approach potential members of their chain at the time they started to sponsor cross country skiing in 2003, but given the strict regulations, this does not seem possible any more.

More research is needed to determine the possible consequences of these restrictions for the sponsors, with regards to using sponsorship as an investment and how hospitality could be used most effectively without breaking the rules.

### Media cooperation:

One of the sponsors reported the interesting trend towards working closely with one specific media company. To have certain newspapers or TV-channels that the sponsor cooperate with whenever the sponsor you have something that should be covered by the press. By doing this the newspapers or TV-channels will get exclusive rights and the company gets the stories out to customers. This is a topic that should be investigated further. More exposure for the sport entities and the sponsors would make sponsorship a more attractive investment if exposure and external objectives are what a company seeks to achieve.

### Choosing the right level of sponsorship:

What seems clear is that different sponsors seek to achieve various benefits in return for their sponsorship investment. For those who wanted internal effects, exposure might not be of great importance. That way sponsors like VVSEksperten might have chosen the right sponsorship with little external promotion given in return for the sponsorship fee. Still they claimed that they wanted to do more activities related to the sponsorship, but

could not afford to activate it the way they wanted. This might indicate that they should have become an official supplier instead, and used more money on activation.

Another example is the official supplier ELIXIA. They wanted to do additional activation inside the arena, which they were not allowed to. Some of these activities might have been possible if they had been a major sponsor. Exposure is important to them. Still, they had limited rights to promote themselves in the arena. They used such an amount of resources on activation to get the wanted exposure that it would have cost them about the same amount of money to be an official sponsor on level 2, with massive exposure and TV-visibility.

Some of the sponsors seem to have chosen a sponsorship level that might not have been optimal for their needs and what they wanted to achieve. Further research could give a better understanding of the different sponsorship levels and how to choose the most appropriate level for different types of organizations based on their objectives.

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## Appendixes

## Interview guide

### **About the Company:**

- Get a short description of the company, market they work in etc. (if not known before the interview).

### **History:**

- What sort of sponsorship experience does your company have before this event sponsorship?
- **Non-** Why have you not used sponsorship before?
- How long have you used sponsorship as a communication tool?
- What is the function of sponsoring within your total strategies of the company?
- How does sponsorship differ from other sorts of promotion?
- What did you get out of your earlier sponsorships?
- In which ways have you evaluated and measured earlier sponsorship effects?

### **Motivation – Background:**

- What was the main reason that you decided to become involved as a sponsor of this event?
- Why choose to sponsor this specific sport event?
- What makes this event special compared to other sport entities?
- Who (department, person, group) in the company decided to invest money into this sponsorship?
- Structure: How do the company administrate the work with such a sponsorship (departments, persons involved)?

### **Objektives:**

- Have you set any concrete objectives that you seek to achieve through the sponsorship?
- What were the main external objectives of the sponsorship?
- What were the main internal objectives of the sponsorship?

### **Activation:**

- What sort of external activities do you do before, during and after the event?
- What sort of internal activities do you do before, during and after the event?



- How much do you use on external and internal activation in addition to the sponsorship fee?

### **Sponsorship as a resource:**

- In what ways do think sponsorship could be a resource for a company?
- In what ways can it as a resource be able to give a competitive advantage?

#### Characteristics

- **Durable:**
  - Some claim that sponsors need to commit to a long-term agreement to get the best effects. How do you view this statement?
  - This event sponsorship is not a long-term cooperation. In what ways can the effects of the event last more than the short period that the event lasts?
- **Exclusive:**
  - What makes this event sponsorship exclusive as a resource?
- **Not Replicable:**
  - What is it with your sponsorship of the event that makes it unique compared to other companies that wants to achieve the same effects through other sponsorships?

### **Evaluating - Measuring**

- What sort of evaluation have you planned to do after the event?
- Do you use specific measurement tools (which)?
- Do you use any firms (Synovate etc.) to measure sponsorship effects?
- **If not:**
  - Why not?
  - What are the main obstacles?

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Vår dato: 23.08.2010

Vår ref: 24541/2/TNS

Deres dato:

Deres ref:

#### KVITTERING PÅ MELDING OM BEHANDLING AV PERSONOPPLYSNINGER

Vi viser til melding om behandling av personopplysninger, mottatt 10.06.2010. All nødvendig informasjon om prosjektet forelå i sin helhet 23.08.2010. Meldingen gjelder prosjektet:

24541	<i>Sponsorship of FIS Nordic World Ski Championships: What do the Sponsors want in return and how will they measure it?</i>
Behandlingsansvarlig	<i>Norges idretthøgskole, ved institusjonens øverste leder</i>
Daglig ansvarlig	<i>Berit Skirstad</i>
Student	<i>Larald Sundgot-Borgen</i>

Personvernombudet har vurdert prosjektet og finner at behandlingen av personopplysninger er meldepliktig i henhold til personopplysningsloven § 31. Behandlingen tilfredsstiller kravene i personopplysningsloven.

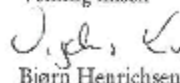
Personvernombudets vurdering forutsetter at prosjektet gjennomføres i tråd med opplysningene gitt i melde skjemaet, korrespondanse med ombudet, vedlagte prosjektvurdering - kommentarer samt personopplysningsloven/-helseregisterloven med forskrifter. Behandlingen av personopplysninger kan settes i gang.

Det gjøres oppmerksom på at det skal gis ny melding dersom behandlingen endres i forhold til de opplysninger som ligger til grunn for personvernombudets vurdering. Endringsmeldinger gis via et eget skjema, [http://www.nsd.uib.no/personvern/forsk\\_stud/skjema.html](http://www.nsd.uib.no/personvern/forsk_stud/skjema.html). Det skal også gis melding etter tre år dersom prosjektet fortsatt pågår. Meldinger skal skje skriftlig til ombudet.

Personvernombudet har lagt ut opplysninger om prosjektet i en offentlig database, <http://www.nsd.uib.no/personvern/prosjektoversikt.jsp>.

Personvernombudet vil ved prosjektets avslutning, 25.05.2011, rette en henvendelse angående status for behandlingen av personopplysninger.

Vennlig hilsen

  
Bjørn Heinrichsen

  
Tone Njølstad Slotsvik

Kontaktperson: Tone Njølstad Slotsvik tlf: 55 58 24 10  
Vedlegg: Prosjektvurdering







