



SPONSORSHIP

Promotional mix tools

Peer lecture (Group assignment)

DEFINING SPONSORSHIP

Approach	1980's	Commercial
Description	<ul style="list-style-type: none">“Provision of financial assistance to an activity by a company in return for exploitable commercial objectives.” Meenaghan (1983)	<ul style="list-style-type: none">“Sponsorship is a commercial activity whereby one party permits another an opportunity to exploit an association with a target audience in return for funds, services or resources.” Fill (2013)

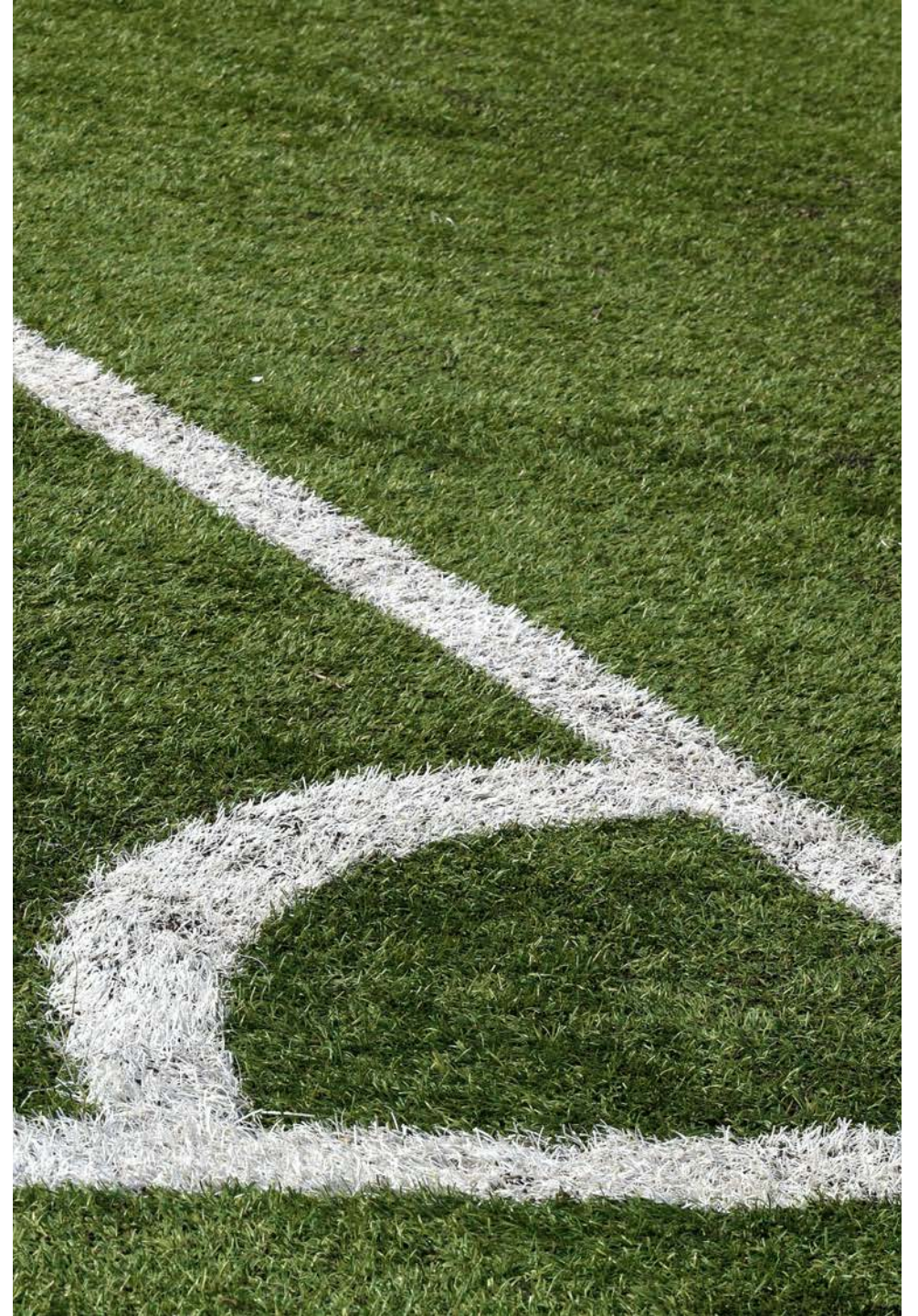
Approach	Relationships and networks	Function- and image-based
Description	<ul style="list-style-type: none">“Relationship marketing is compatible in many ways with the characteristics and range of benefits associated with sponsorship.” Farrelly et al. (2003), Fill (2009)Sponsorship as having an interactional relationships and a network. Olkkonen (2001)	<ul style="list-style-type: none">Degree of fit between the sponsor and sponsee can be considered in terms of two main dimensionsFunction-based similarity: the product is used in the event being sponsoredImage-based similarities (main dimension): reflects the image of the sponsor in the event. Fill (2009)

GUIDING PRINCIPLES

“There is a commonly held expectation that organisations should contribute to their local communities with a view to being seen as participative, caring and involved with local affairs.

In a more commercial perspective, some organisations have used sponsorship as a means of reaching wider target audiences.“

Fill (2009)



THE DEVELOPMENT AND RESEARCH OF SPONSORSHIP

Over the past three decades, sponsorship
as part of the marketing mix has gained
great significance

- Need to develop softer brand associations and to reach niche audiences (fragmentation of society)
- Sponsorship have survived in economic downturns, but not during Covid 19 (no events)

“Unbundled era” 1980–99 → Internet era 2000–09

Fill, Hughes, De Francesco (2013)

- Technological and social changes opened up new possibilities for sponsorship in 1990’s
- Relationship marketing and IMC gained more important role (long-term, mutually benefiting relationships)
- Increased leisure time and activity among consumers, as well as events gained increased media coverage
- Raising importance for companies to participate in sponsorship activities

THE DEVELOPMENT AND RESEARCH OF SPONSORSHIP

- Research about the process of sponsorship is limited, but the effectiveness (measured as audience's responses) has been more covered in research (e.g. Cornwell & Kwom (2020))
- There's a better understanding of different relationship needs among different target audiences → this understanding enables companies to select the right methods of sponsorship
- The understanding of the nature of IMC within relationship marketing has helped to understand the role of sponsorship in the overall communication process
- Sponsorship is nowadays seen as network with multiple parties -- sponsor, sponsee, agencies, event organisers, media networks, and consultancies (e.g. Farrelly et al. (2003), Fill (2009))

WHY YOUR MARKETING PLAN SHOULD INCLUDE SPONSORSHIP

- Sponsorship has become an even more important strategic tool for companies (e.g. Sponsoribarometri 2020)
- Full potential is only reached when integrated with other promotional tools (cross-effects) → supporting role to marketing
- Consumers' interest into companies' ethical, sustainable and moral role increases: contributing to society reinforces favourable values (e.g. credibility, social responsibility, hospitality)
- Reaching the target audience indirectly through a third party can decrease negative effects associated with direct persuasion

“Sponsorship, a **part of public relations**, should be used as a part of and integrated approach to organisation's communications”
— Fill (2009)

WHY YOUR MARKETING PLAN SHOULD INCLUDE SPONSORSHIP

Sponsorship is a powerful tool for reaching
communication objectives

Brand benefits	Relationship benefits	Social benefits	Additional benefits
<ul style="list-style-type: none">• Long term brand building• Brand awareness, brand perception and associations• Shaping consumer attitudes• Differentiation from competitors	<ul style="list-style-type: none">• Customer loyalty• Reinforcing previous brand experiences and past consumer behaviour	<ul style="list-style-type: none">• Connect people• Employee motivation and future-employee attraction• Support dealers and other intermediaries	<ul style="list-style-type: none">• Increasing sales and new leads• Opportunities for media exposure and earned media

TYPES OF SPONSORSHIP TODAY

- Sports (e.g., athletes, teams, contests)
- Virtual and traditional events, trade shows
- Charity and non-profit organisations
- Public organisations
- Influencers and brand ambassadors
- Performing and visual arts, events, museums
- Educational programs, research, studies
- Media (e.g., podcasts, TV programmes)

Sponsorship goes beyond writing a check!

→ “Don’t buy sponsorship like it would be bulk”, the company should realise they have to be very active and integrate sponsorship to other marketing tools

WHAT CAN GO WRONG WITH YOUR SPONSORSHIP EFFORTS

- Not building strategic planning for sponsorships, not identifying objectives and overlooking needs to integrate sponsorship activities with the rest of the marketing. Do remember that the primary objective of sponsorship is to increase the overall brand equity of the company.
 - Not recognizing and choosing the right beneficiary with the audience the company wants to be recognized by.
 - Lack of commitment and trust prevent sponsorship relationship from developing into an alliance
 - Selecting too cluttered a sponsorship environment in where it is hard to win desired attention. Athlete/Team brand can also overpower the sponsoring brand in exposure.
- Not measuring the effectiveness. If you can't measure it, you can't manage and improve it! Pay attention to metrics that follow visibility, awareness, brand image, consumer affinity and sales.
 - Not communicating and creating timely contents.
 - Not speaking with a consistent voice.
 - Getting dirty by supporting miscreant athletes, teams, campaigns, events, projects...
 - Becoming accused of unethical practices. Looking fake in the eyes of consumers and becoming targeted by activist group

CASE EXAMPLE: LIDL

- Lidl supports sport and cultural projects across Finland.
- In 2019-2020, Lidl main sponsored the Football Association of Finland with a goal to promote wellbeing, health and fair play. This was a strategically chosen starting point for building the company's fame and engagement with the football players and connected audiences.
- Due to the EURO 2020, Football continued to play a key role in Lidl's marketing leading to a sizable football-themed multichannel campaigning.



CASE EXAMPLE: LIDL

- Junior football was given the visibility alongside with the company's **Kaikki Eväät Menestykseen** (All that is needed to succeed) - multichannel Lidl marketing campaign that grew large this summer promoting football, street food and other Lidl's products.
- The campaign took Jari Litmanen, the national football hero himself, to cook and serve street food for the junior players.
- Strategically, EURO 2020 was lurking just behind the corner.



OFFICIALLY CELEBRATING FOOTBALL

LIDL

Plus

kupongilla - 20 %

Kalkki eväät menestykseen

Jari Litmanen
Jalkapallolegenda,
Grillimaisteri

LIDL SUOMI X SPEKTI

AY MAKARENA

Kesäilmiö 2021: Lidl x Makia

Kesän näyttävien yhteistyö on tässä! Ole ajoissa liikkeellä, sillä tuotteita on rajattu määrä. Jokaisesta myydyistä tuotteista lahjoitetaan 5 € Finkey Foundationille nuorten harrastustoiminnan hyväksi.

VAIN LIDLISTÄ!

49.99

Lidl x Makia -huppari

LIDL FUTIS-TV JAKSO 4

Kaikk...

mene...

ERÄ!

4.99

FOOTBALL MIX
1200 g

SWEET CORNER

Makeissekoitus

3.99

1.99

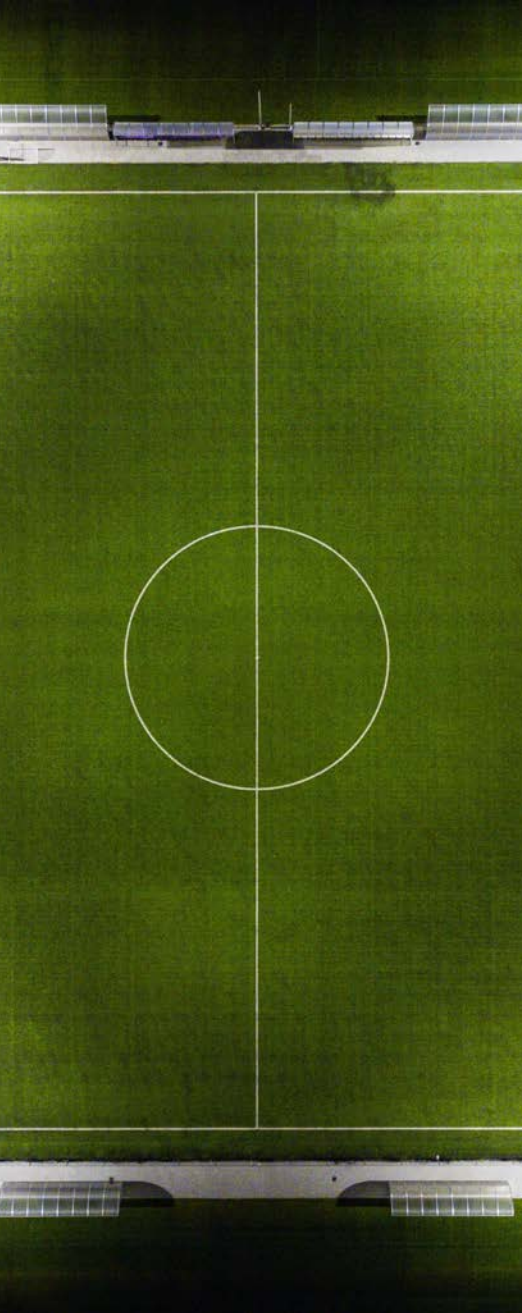
3.99

2.99

1.69

THE FUTURE OF SPONSORSHIP

- In a post-pandemic world, brands are expected to shift their broad advertising strategies to meaningful interactions
 - Growth of sponsorship is driven by growing, diverse and lucrative opportunities for companies but also by a decrease in public funding.
 - Growth of sponsorship is no longer about billboards, shirt logos and corporate hospitality opportunities, but driven by technological advancement that allows new ways for companies to build visibility (social media, event-specific apps, virtual reality. e-sport). Sponsors will require unique, innovative ideas to connect with audiences.
 - New sports events and tournaments provide avenues for new sponsorship opportunities
- Integrated sponsorships will bring multiple departments together for funding and participation. HR will look for employee branding or employee engagement opportunities while the giving arm seeks for social good programs along with diversity and inclusion initiatives.
 - Companies learn to evaluate the effectiveness and risks of their sponsorship programs closer.
 - Social responsibility related to sponsorship activities will gain growing importance
 - Risk of unequal opportunities for e.g., children sport teams in the future, if public funding decreases and the sponsoring efforts focus on “successful” teams → dependence on the sponsors, kids may be not relating to the brand



THANK YOU

31.08.2021

Integrated Marketing Communications

Peer lecture (Group assignment)

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