Sponsorship in Marketing

Chapter 2: The Sponsoring Process

WHY SPONSORSHIP, NOT PARTNERSHIP?

The word "sponsorship" indicates that one entity supports or accepts responsibility, in some way, for another entity (typically financial).

There are innumerable types of partnerships that arise, whether in business or society. Adopting the unique term "sponsorship" provides added clarity and differentiates the discussion.

That said, well managed, positive relationships become partnerships, and the word partner should be used.
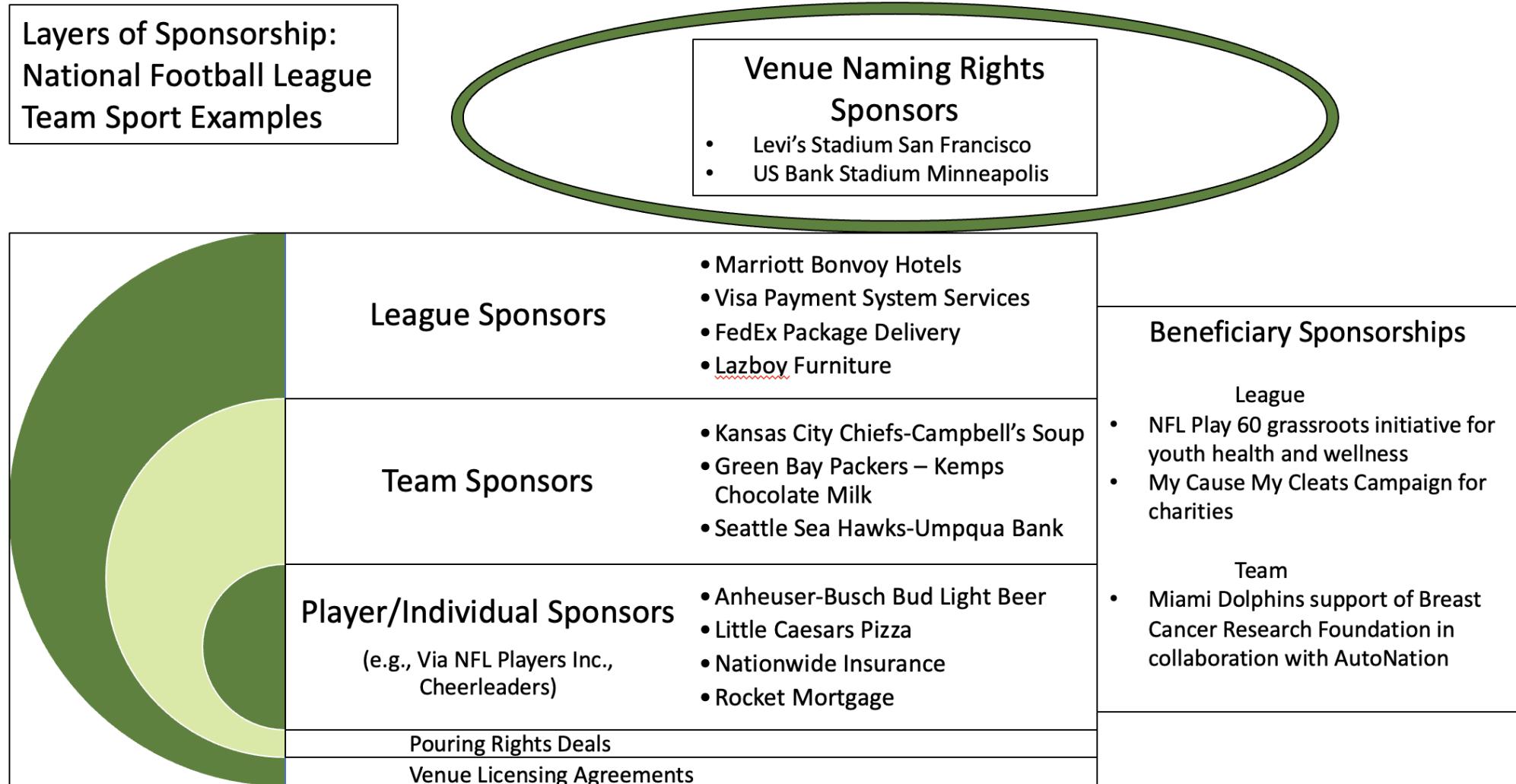
WHAT IS SPONSORED?

Depending on the country, nearly three-quarters of sponsorship spending is devoted to sports. The next most prominent category is typically entertainment, followed by causes, arts, festivals, fairs, annual events, associations, and membership organizations.

- *Venues, Equipment, and Things*
- *Activities, Events, and Programming*
- *Groups and Individuals*
- *Leagues, Organizations, and Associations*

SPONSORSHIP COMPLEXITY

Sponsorship offers so many opportunities and has grown so popular that any sponsor may encounter different layers of sponsorship by others. This situation sets the stage for potential conflict.

SPONSORSHIP COMPLEXITY

Layers of Sponsorship:
National Football League
Team Sport Examples

Venue Naming Rights Sponsors
- Levi's Stadium San Francisco
- US Bank Stadium Minneapolis

League Sponsors
- Marriott Bonvoy Hotels
- Visa Payment System Services
- FedEx Package Delivery
- Lazboy Furniture

Team Sponsors
- Kansas City Chiefs-Campbell's Soup
- Green Bay Packers – Kemps Chocolate Milk
- Seattle Sea Hawks-Umpqua Bank

Player/Individual Sponsors

(e.g., Via NFL Players Inc., Cheerleaders)
- Anheuser-Busch Bud Light Beer
- Little Caesars Pizza
- Nationwide Insurance
- Rocket Mortgage

Pouring Rights Deals

Venue Licensing Agreements

Beneficiary Sponsorships

League
- NFL Play 60 grassroots initiative for youth health and wellness
- My Cause My Cleats Campaign for charities

Team
- Miami Dolphins support of Breast Cancer Research Foundation in collaboration with AutoNation

Any sponsor–property relationship exists within an ecosystem. An ecosystem is an interconnected set of relational entities.

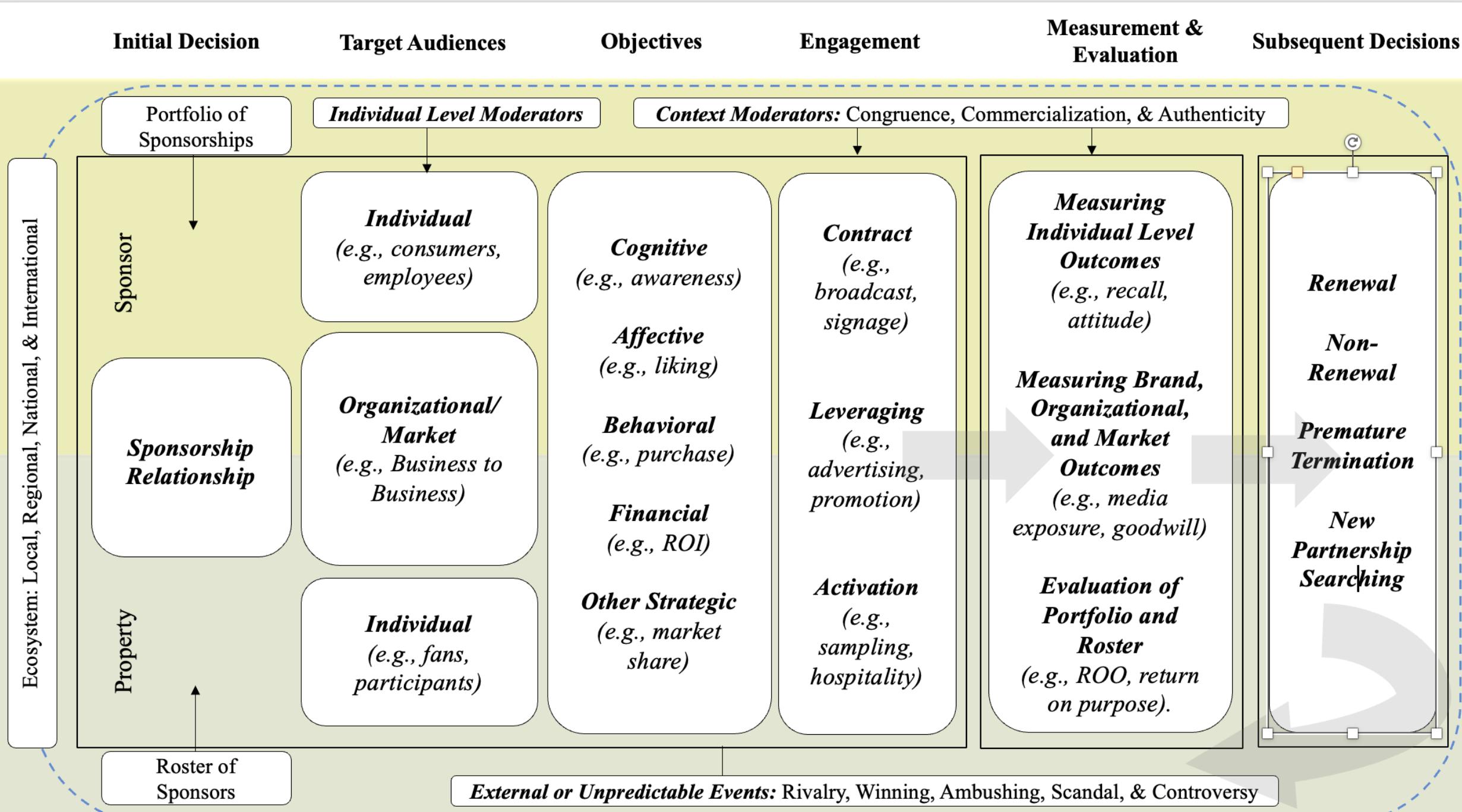Each ecosystem has its own particular characteristics, but they generally are bounded, interconnected, and dynamic.

Ecosystems also are permeable, plastic, and dynamic, such that they always are changing over time; yet reinforcing boundary characteristics can constrain such shifts.

THE SPONSORING PROCESS
Sponsoring Elements

The following Sponsoring Elements describe the process of interaction.

- *Initial Decision*
- *Target Audiences*
- *Objectives*
- Engagement
- *Measurement and Evaluation*
- *Subsequent Decisions*

- *Outcomes of the process depend on other influences (for example, authenticity of the relationship, rivalry, or winning).*

Initial Decision	Target Audiences	Objectives	Engagement	Measurement & Evaluation	Subsequent Decisions

Ecosystem: Local, Regional, National, & International

Portfolio of Sponsorships

Individual Level Moderators

Context Moderators: Congruence, Commercialization, & Authenticity

Sponsor

Property

Sponsorship Relationship

Roster of Sponsors

Individual
(e.g., consumers, employees)

Organizational/ Market
(e.g., Business to Business)

Individual
(e.g., fans, participants)

Cognitive
(e.g., awareness)

Affective
(e.g., liking)

Behavioral
(e.g., purchase)

Financial
(e.g., ROI)

Other Strategic
(e.g., market share)

Contract
(e.g., broadcast, signage)

Leveraging
(e.g., advertising, promotion)

Activation
(e.g., sampling, hospitality)

Measuring Individual Level Outcomes
(e.g., recall, attitude)

Measuring Brand, Organizational, and Market Outcomes
(e.g., media exposure, goodwill)

Evaluation of Portfolio and Roster
(e.g., ROO, return on purpose).

Renewal

Non-Renewal

Premature Termination

New Partnership Searching

External or Unpredictable Events: Rivalry, Winning, Ambushing, Scandal, & Controversy

1. In sponsorship ecosystems, geography represents a critical boundary. How do other ecosystem boundaries, such as culture, function?

2.Team sports have layers of sponsorship (e.g., venues, leagues, teams, players). What are some layers found in other contexts?

3. Name, Image, and Likeness legislation is evolving, and other sponsorship-related controls, such as the Olympics' Rule 40, are changing. What direction are they likely to take in the future?