# BRAND - EVENT IMAGE CONGRUENCE AND IMAGE TRANSFER

### **Abstract**

Sports sponsorship has become an important key to the success of corporations, turning the investment into community goodwill, brand awareness and incremental sales. Alongside, commercial sponsors' monetary support and creative ideas also help boost the development of sports. Past research on the effects of sports sponsorships on building brand image primarily focussed on generating brand awareness and virtually ignored brand image issues. As a result, the firms that desire to use sponsorship opportunities in brand positioning have little guidance to fall back on.

Far less research attention has focused on brand image issues in Indian context. Indeed, researchers have suggested that little is understood about what makes sponsorship "work," particularly with regard to image association (Javalgi et al. 1994; Lee, Sandier and Shani, 1997). The current paper is an attempt to throw light on the effect of event sponsorships on brand image. The paper focuses on transfer of event image to brand image. Cricket World Cup 2003 was used to evaluate the transfer of event image to sponsoring brands. The brand image of all the three brands (LG, Pepsi and Hero Honda) that were involved with the world cup 2003 as sponsors were evaluated pre and post championship and their congruence with the world cup image were also evaluated. The major findings of the study indicate that the post championship brand images of all the three sponsoring brands were altered and their congruence with the world cup image became significantly closer.

**Key Words:** Brand Image, Image Congruence, Image Transfer, Event Image, Event Image transfer to Brand Image

## Introduction

Brand image has been defined as "perceptions about a brand as reflected by the brand associations held in memory" (Keller, 1993). This definition is based on the premise that brand image is based upon linkages a consumer holds in his/her memory structure regarding the brand. Based on past research, Keller, (1993) suggested that brand associations could be influenced when a brand is associated with a sporting event through sponsorship activities. In these cases, the existing event image associations held in consumers' memories get linked in memory with the sponsoring brand. Thus, the event image is transferred to the brand and brand image gets modified in line with the event image.

The image associated with sporting events are derived from the type of event, the event's characteristics (e.g., professional status, venue, size, etc.), and individual consumer factors such as one's past experiences with the event (Gwinner,

1997) for evaluating the implications of sponsoring an event on the brand image. Therefore, the brand managers considering sponsorship arrangements should not only consider exposure issues (i.e., brand awareness) but should also take into account the congruence between a sporting event's image and the image/positioning goals for their brands, if this image transfer process is occurring. In a sponsorship arrangement the image transfer may take place in both the directions i.e. from event to the brand and from brand to the image. Image transfer is more likely to move from event to brand rather than brand to event as the events generally have a strong established image relative to the sponsoring brand. Also, since the primary focus of the spectator is typically on the sporting activities rather than on the sponsoring brands, the event's image is likely to be more salient in their mind, ensuring that the image transfer process would move from event to brand. Musante and Milne (1999) thus appropriately pointed out that if the key to event sponsorship was to improve the image of the brand then the key selection issue for companies should be the event image (Meenaghan 1983, 1991, Irwin and Asimakopoulas 1992).

# **Review of Research**

A large number of studies have evaluated the effects of matching the characteristics of spokespersons with the characteristics of the products that they endorse (Lynch and Schuler, 1994). Generally, these studies have found that higher the match between endorser and brand, greater are the positive outcomes for firms including enhanced brand ambassador credibility, greater positive attitude toward the ad, more positive attitude toward the brand and higher brand awareness. These studies have found strong support for the belief that advertising effectiveness is higher when the image of the sports event converges with the sponsored product image. These findings suggest that both event managers and sponsorship agencies should try and ensure that there is considerable fit between the 'image' of the event and the sponsoring brand in order to maximise the sponsorship benefits to the sponsoring brands. If the preliminary research indicates that the event and the sponsor do not have commonly held brand associations, then the sponsor may have to consider a range of promotional campaigns in order to build such associations. Alternatively, it may be more appropriate for the company to find alternative event that is more suited to the image they are trying to portray for their brand.

Kahle and Homer, (1985) were among the first to propose and empirically examine "match up" hypothesis using celebrity endorsement. They found support for the notion that advertising effectiveness is higher when the image of the brand ambassador converges with the image of the endorsed brand. Their findings specifically included that a physical attractive celebrity endorser of a beauty-enhancing product would have positive influence on consumer's brand attitudes. So, this should also be true when a brand is endorsed by an event. Speed and Thompson (2000) argued that a number of sponsorship researchers have highlighted the importance of 'fit' between the sponsoring brand and the sports event (Crimmins and Horn 1996; Otker and Hayes 1987; Stipp and Schiavone

1996). Speed and Thompson (2000) supported the earlier findings (Crimmins and Horn 1996) that consumer's response to the sponsorship arrangement is stronger when the 'fit' between sponsoring brand and the sponsored event is perceived to be stronger.

Human minds process various cues which a person gets from various sources including self use experience to form image of a brand. Schema theory provides one of the most comprehensive arguments in favor of the ability of human minds to comprehend such complex situations (Lynch and Schuler, 1994; Misra and Beatty, 1990). A schema is a cognitive structure that represents information about a stimulus, for example, a person, event, or object (Bartlett, 1932; Lord and Foti, 1986). First proposed by Bartlett (1932), the schema theory says that we possess a set of knowledge structures that guide our attention, behavior, and assist us in the reconstruction of our memories.). The word, 'schema' is therefore a generic term, and over the years, other terms like 'script' (Schank and Abelson, 1977), or 'frame' (Minsky, 1975), have been used to explain more specific circumstances. Schema represents a mechanism to allow individuals to function in a complex environment. That is, instead of having to recall from memory what behaviors are appropriate in a specific situation (e.g., boarding a Indian airlines flight) or what evaluations have been made of some specific person (e.g., Dr. Manmohan Singh) or specific object (Amul Butter), one is able to simply recall knowledge related to the general type of situation (airline boarding), person (Prime Minister), or object (Butter).

The match-up theory has found mixed support in the previous research especially the results are different when the dependent variables are different. Some of the research outcomes support the theory and the others do not. Out of the five research studies carried out to test the match-up hypothesis using purchase intension as dependent variable (Kamins, 1990; Koernig and Page, 2002; Kamins and Gupta, 1994; McDaniel, 1999), only one supported the hypothesis (Kahle and Homer, 1985). Out of the five studies carried out using brand attitude as the dependent variable only two supported the hypothesis (Kahle and Homer, 1985; Misra and Beatty, 1990); two did not support the hypothesis (Kamins, 1990; McDaniel, 1999); one yielded mixed results (Kamins and Gupta, 1994). Out of the four studies that used ad attitude as the dependent variable, three found support for the match-up hypothesis (Kamins, 1990; McDaniel, 1999; Stafford et al, 2002) and one did not (Kamins and Gupta, 1994). Out of the four studies that used trust worthiness and credibility measures as dependent variables two studies found support for the match-up hypothesis (Koernig and Page, 2002; Stafford et al, 2002) and two gave mixed results (Kamins, 1990; Kamins and Gupta, 1994). With regard to the use of schema theory in support of the match-up hypothesis, (Misra and Beatty, 1990) found evidence of a "filtering model," which suggested spokesperson characteristics that are incongruent with brand schema characteristics would be "filtered out" and not encoded as well as congruent information.

The relevant question at this stage is to understand the basis on which the event could be linked to the brand image. (McDonald, 1991) discusses the importance

of product relevance to the sponsored event, suggesting that it might occur directly or indirectly. Direct congruity implies a synergy between what the company does in its business and the detail of the sponsorship while, indirect, uses a matching of images between sponsor and sponsee. Consistent with (McDonald, 1991), (Gwinner, 1997) has used the terms "functional based" and "image based similarity" to refer to the potential congruence between events and the brands/companies that act as sponsors. Functional based similarity can occur when the sponsored brand "is actually used by the participants during the event" Examples of this type of similarity would include Pepsi being an official drink at the cricket world cup 2003. Sponsorship by Pepsi provided functional similarity to the event as the advertisements were displayed during the event. Image based similarity has been described as occurring when the "image of the event is related to the image of the brand" (Gwinner, 1997). For example Pepsi could be linked to the Cricket World Cup through its youthful and bubbly image and Hero Honda and cricket may be similar in terms of a prestige image (Esp. match against Pakistan). Drawing on the schema theory discussed earlier, it can be argued that event-brand associations in the form of either functional or image based similarity will lead to greater image transfer.

Celebrity endorsement is not only used to strengthen the current image the brand has but also to reposition a brand (Kaikati, 1987). In this regard, a certain level of incongruity is necessary (Sujan and Bettman, 1989) to make changes in the perception. However, if 'match-up' theory was true in all cases, then it would imply that using a celebrity to reposition a brand would never be successful. Yet, we know this hypothesis is not true because as evident from various studies that the image of a brand changes when a celebrity with different image from the brand is used (Langmeyer and Walker, 1991a, 1991b). Some brands, of course, may be more resistant than others to being repositioned. Thus, the theory of celebrity-fit effecting image transfer must also be able to explain the differential ease with which a celebrity can facilitate the repositioning task.

## Methodology

**The Study:** The study involved a survey of Cricket Match viewers to evaluate whether sponsoring events helps brands in imbibing the event personality traits in their brand traits.

**The Sample:** All the people residing at Indore who witnessed cricket matches of Cricket World cup 2003 constituted the population for the study. Judgmental sampling was used to select respondents for the sample. A sample size of 100 was taken for the purpose of the study.

## **Tools Used**

**Data collection:** The brand image and the event image were the two variables used in the study. A self-developed questionnaire containing 25 Brand Image items was used to collect responses from respondents. The responses were taken

on a Likert type scale of 1 to 5, where 1 indicated minimum presence of personality trait and 5 indicated maximum presence of personality trait. The personality traits were identified after reviewing the literature and discussions with the expert in the field of advertising and event management. The questionnaires were administered through personal interview after developing rapport with the respondents.

**Data Analysis:** Item to total correlation was computed to assess the internal consistency of the statements in the measure and to identify the statements that did not contribute significantly to the overall personality of product brand and event brand. The Images of the sponsoring brands were measured twice, pre-event and post-event. Pre and post event brand images were compared on each personality trait through Z-Test to evaluate if there were any significance differences in the brand personality of brands sponsoring Cricket World Cup 2003. Event brand match up was evaluated using correlation between the total on each brand personality traits (pre) and event's personality traits and also brand personality traits (post) and event's personality traits.

#### Results

Iterative item to total correlation was applied on the responses received from the respondents, and the columns representing statements were dropped until all the correlation coefficients became significant (values >0.1946 at 98 degrees of freedom) at 5% level of significance, and the remaining items were retained for further analysis. The final questionnaire is placed at annexure-1.

Table1: Indicating the z-Values between the Pre and Post Brand Images of the Three Brands Associated with the Cricket World Cup 2003.

Brand	Mean- Pre	Mean Post	SD-Pre	SD-Post	Z-values between pre and post images
Pepsi	65	60.1	11	10.4	3.02
LG	51	71	9.3	10	10.04
Hero Honda	57	54	10	9.1	2.13

• H<sub>o1</sub>: There is no difference between the pre and post Cricket World Cup 2003 brand image of Pepsi the proxy sponsor of the event.

Hypothesis is rejected, as the z-test value (z = 3.02) computed between the mean brand Images of Pepsi evaluated before and after the Cricket World Cup 2003 is significant at 5% level of significance. The results indicate that there is a significant change in the brand image of Pepsi after the event sponsorship.

•  $H_{02}$ : There is no difference between the pre and post Cricket World Cup 2003 brand image of LG the main sponsor of the event.

Hypothesis is rejected, as the z-test value (z = 10.04) computed between the mean brand Images of LG evaluated before and after the Cricket World Cup 2003 is significant at 5% level of significance. The results indicate that there is a significant change in the brand image of LG after sponsoring the event.

•  $H_{03}$ : There is no difference between the pre and post Cricket World Cup 2003 brand image of Hero Honda sponsoring an event.

Hypothesis is rejected, as the z-test value (z = 2.13) computed between the mean brand Images of Hero Honda evaluated before and after the Cricket World Cup 2003 is significant at 5% level of significance. The results indicate that there is a significant change in the brand image of Hero Honda after sponsoring the event.

Table2: Indicating the z-Values between the correlation coefficients computed between the Pre and Post Brand Images of the Three Brands and the Cricket World Cup Image.

Brands	Correlation	Correlation	$SE (r_{pre} - r_{post})$	T - Values
	Pre- event	post-event		
Pepsi	.0239	.1396	.020	5.783
LG	.0805	.5227	.020	22.107
Hero Honda	.1244	.4414	.020	15.844

• H<sub>04</sub>: There is no difference between the relationship of Pepsi's brand image and World Cup's image pre and post sponsorship relationship.

Hypothesis is rejected, as the t-test value (t = 5.783) computed between pre and post Cricket World Cup 2003 correlation coefficients between the brand images of Pepsi and the Cricket World Cup 2003 is significant at 5% level of significance. The results indicate that there is significant change in the relationship of Pepsi and Cricket World Cup 2003 images after the event, the higher post World Cup relationship indicating that the two images having come closure after their association.

• H<sub>05</sub>: There is no difference between the relationship of LG's brand image and World Cup's image pre and post sponsorship association.

Hypothesis is rejected, as the t-test value (t = 22.107) computed between pre and post Cricket World Cup 2003 correlation coefficients between the brand images of LG and the Cricket World Cup 2003 is significant at 5% level of significance. The results indicate that there is significant change in the relationship of LG and Cricket World Cup 2003 images after the event, the higher post World Cup relationship being closure as indicated by higher correlation coefficient between the two images post event.

• H<sub>06</sub>: There is no difference between the relationship of Hero Honda brand image and World Cup's image pre and post sponsorship association.

Hypothesis is rejected, as the t-test value (t = 15.884) computed between pre and post Cricket World Cup 2003 correlation coefficients between the brand images of Hero Honda and the Cricket World Cup 2003 is significant at 5% level of significance. The results indicate that there is significant change in the relationship of Hero Honda and Cricket World Cup 2003 images after the event, the higher post World Cup relationship being closure as indicated by higher correlation coefficient between the two images post event.

#### **Discussion**

The image transfer process: The test of Null Hypotheses indicates a transfer of image as evidenced by the majority of the personality congruence scores. The above results on image transfer have strong implications for both the parties involved in the sponsorship arrangement. First, on the sponsor side, brand managers should be clear about the event's image while deciding on the allocation of funds to be spent on various sponsorships. The sponsoring organization has to be clear about the purpose of sponsoring an event. The event may be sponsored to strengthen the current brand image of the product. In that case strong congruence between the image of the event and that of the brand is essential. But, if the objective is to alter the brand image than the event with desired image of the brand must be selected for sponsorship. The results of the study support the suggestion that brand positioning goals may be partially accomplished through event sponsorship. However, the potential to transfer an image inconsistent with positioning goals also exists. This implies that before entering into sponsorship arrangements it is advisable for the firms to take a proactive role in measuring their target consumers' event image in order to confirm that the event's image is consistent with the firm's brand positioning goals.

The study provides enough evidence to suggest that the event managers need to measure their event's image among various segments of the society and make the sponsoring organizations about this image to attract more sponsorship. The research findings about the image transfer studies suggest that event managers have opportunity to differentiate their events based on the image they would like to convey. An event management team might provide empirical evidence showing the various dimensions of their event's image that could be used to enhance or maintain the image of the potential sponsor, the existing ones and the new product sponsors. Indeed, cultivating a particular image may allow the event to demand an added premium from sponsoring firms that find the event image congruent with their brand image.

The Results of our study are in line with the proponents of match-up hypothesis and support the extension of celebrity endorsement literature to an event sponsorship context. The rejection of hypotheses 04-06 suggests that firms can leverage their sponsorship funding, in terms of image transfer, by selecting suitable events based on image transfer objectives. The results of the study find strong support in the works of Irwin and Asimakopoulos (1992) where they posit

that image association as one of the six primary sport sponsorship objectives for evaluating the attractiveness of sponsorship opportunities. It is pertinent to note that if image transfer is of concern, then event selection should be made with degree of similarity in mind. In the light of the findings of this study it seems relevant that the marketing manager may wish to alter the communication regarding the product prior to the event, to be more congruent with the image of the event to enhance the strength of image transfer in cases of event sponsorship through a flurry of advertisements linking the attributes of the event with the advertised product. Our findings indicate that if the matchup between the events image and product image could be made stronger, then the resulting image transfer will be higher.

### Conclusion

After having analysed and interpreted the findings, it is concluded that there is a significant change in the pre and post Cricket World Cup 2003 images of all the three brands that were associated with the World Cup in different sponsorship arrangements. The changes in brand images are in line with the match-up between the brand Images and the event Image before the sponsorship arrangement as the changes are higher for LG brand that had a closer relationship with the event image and low for Pepsi that had lower relationship with the event image. Also, the sponsorship arrangement has affected the transfer of event image to that of the brand image as the transfer is highest for LG brand which was the main sponsor of the event and lowest for Pepsi which used the event for promoting the brand but did not sponsor the event. The results of the study provide clear directions to the brand managers as to which events to select for sponsorship based on the brand-event image match-up. Also, that once the event has been selected for sponsorship the arrangement should be indicative of a close relationship such as main sponsor of the event to get maximum mileage from the sponsorship arrangement. The event sponsorships provide a good opportunity to brand managers to alter the brand image.

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# Annexure 1: Questionnaire to Measure Brand Image of World Cup 2003 and its Sponsoring Brands

Evaluate the level of personality traits given below, present in world cup 2003 and its sponsoring brands on a scale of 1 to 5, where 1 indicates minimum presence of the personality trait and 5 indicates maximum presence of the personality trait. Score the traits between 2 to 4 if the brand expresses the level of trait present in between the maximum and minimum levels.

Personality Trait	Brands					
-	World Cup 2003	Pepsi	LG	Hero Honda		
Calm						
Mature						
Leisurely						
Clean						
Formal						
Civilized						
Accurate						
Orderly						
Slow						
Fast						
Dangerous						
Exiting						
Aggressive						
Masculine						
Wild Historic						
Tactical						
Strategic						
Monotonous						
Energizing						
Thrilling						
Youthful						
Tough						
Brazen						
Elegant						