

This item was submitted to [Loughborough's Research Repository](#) by the author.  
Items in Figshare are protected by copyright, with all rights reserved, unless otherwise indicated.

## **An investigation into the attitudes of specialist sports retailers towards sponsorship of local sport**

PLEASE CITE THE PUBLISHED VERSION

PUBLISHER

© W.F. Fearon

PUBLISHER STATEMENT

This work is made available according to the conditions of the Creative Commons Attribution-NonCommercial-NoDerivatives 4.0 International (CC BY-NC-ND 4.0) licence. Full details of this licence are available at: <https://creativecommons.org/licenses/by-nc-nd/4.0/>

LICENCE

CC BY-NC-ND 4.0

REPOSITORY RECORD

Fearon, W.F.. 2019. "An Investigation into the Attitudes of Specialist Sports Retailers Towards Sponsorship of Local Sport". figshare. <https://hdl.handle.net/2134/32884>.

**LOUGHBOROUGH  
UNIVERSITY OF TECHNOLOGY  
LIBRARY**

AUTHOR/FILING TITLE

FEARON, W F

ACCESSION/COPY NO.

004605/02

VOL. NO.

CLASS MARK

<del>2 MAR 1987</del>	LOAN COPY	4 JUN 1997
	17 FEB 1992	
30 JUN 1989	17 MAR 1992	- 3 OCT 1997
6/7/1990	- 3 JUL 1992	23 NOV 1997
	- 9 OCT 1992	
15 MAR 1990	28 JUN 1995	
<del>10 JUN 1991</del>	27 FEB 1993	

*sarah*

000 4605 02





## A B S T R A C T

A summary of the field of sponsorship in general and significant prior research is undertaken in order to reveal areas relevant to the specialist sports retailer's involvement in local sports sponsorship.

Subsequently, a model is developed of retailer attitudes towards local sports sponsorship through application of the results of a survey of the sports retail trade. Results are statistically tested in a series of hypotheses revealing such factors as : the beneficial effects of sponsorship on the business; the perceived 'ideal' and 'practical' attributes of sponsorship; the constraints on sponsorship activity, such as finance and time; the effects on sponsorship activity of a lack of active involvement in local sports by the sports retailer; the influence of business size on retailer attitudes towards sponsorship; and the considered future support for local sponsorship by the sports retail trade as a whole.

The model of retailer attitudes is combined with the findings from a small survey of local sports club attitudes towards business sponsorship in order to create a model of the 'circular exchange process of sponsorship', based on theories outlined by Kotler, Levy and Bagozzi in their studies of marketing transactions and transfers in general. Thus, sponsorship is aligned to the marketing of a saleable commodity, involving sponsor, sponsoree, and other interested parties in the exchange of a series of needs and wants. The 'marketer' is perceived as the sponsor and/or sponsoree, and the importance of giving consideration to the 'coincidence of wants' of all parties involved in a sponsorship programme emphasised.



An Investigation Into The Attitudes Of Specialist  
Sports Retailers Towards Sponsorship Of Local Sport.

by

W. F. FEARON.

A Master's Thesis

Submitted in partial fulfilment of the requirements  
for the award of  
Master of Philosophy of the Loughborough University of  
Technology.

September 1983

© by W. F. Fearon 1983

Loughborough University	
of Technology	
Date	May 84
Class	
Acc. No.	004605/02

### ACKNOWLEDGEMENTS

Thanks to Joni, wife and typist, and John Dawe, Head of Business Studies, Barking College of Technology, without whom this piece of work would not have been possible.



## P R E F A C E

" . . . . one thing companies do seem to have in common is a realisation of the advantages to them of getting closer to the community in which they operate. We need to encourage the understanding that even the smallest forms of help coupled with a continuing interest in the activity being supported can turn into a much more enriching relationship than simply a faceless cheque."

(Sara Morrison. Formerly Director of the General Electric Company).<sup>1</sup>

## C O N T E N T S

	Page
INTRODUCTION.	
I SPONSORSHIP - A BACKGROUND STUDY: .....	1
1) Definitions of Relevance to the Investigation .....	2
2A) Research Into Sponsorship .....	2
2B) Statistical Background .....	4
3) The Development of Sponsorship .....	7
4) Sponsorship in the Retail Trade .....	8
5) Growth in Local Sponsorship Activity .....	10
6) Justifying Sponsorship in Commercial Terms .....	12
7) The Sponsorship Policies of Large-Scale Businesses ...	15
II SIGNIFICANT PRIOR RESEARCH .....	21
III THE PRINCIPLES UPON WHICH THE RESEARCH IS BASED ....	31
IV RESEARCH APPROACH AND METHODOLOGY .....	35
V UNDERLYING ASSUMPTIONS AND LIMITATIONS .....	40
VI PRESENTATION OF SURVEY FINDINGS .....	49
VII SUMMARY OF SURVEY FINDINGS .....	84
VIII SERVICING THE SPONSOR .....	93
IX LOCAL SPONSORSHIP AND THE PROCESS OF EXCHANGE .....	107
X CONCLUSIONS .....	126
APPENDICES	
1) The Policies of Two Major U.K. Sponsors,.....	130
2) Hypotheses.....	133
3) Mail And Telephone Questionnaires.....	137
4) Personal Interview Questionnaire.....	139
5A) Results of Mail and Telephone Questionnaires,.....	141
5B) Personal Interview and Mail and Telephone Questionnaires Comments Summary.....	144
6) Statistical Findings. ....	161
7) Sponsorship and Taxation.....	162
8) Sponsorship and V.A.T. ....	164
9) Advisory Sponsorship Agencies.....	165

## SELECTED BIBLIOGRAPHY

## I N T R O D U C T I O N

This investigation will attempt to discover the key factors in the attitudes governing the sponsorship activities of the specialist sports retailer.

A summary of the field of sponsorship in general will be undertaken to identify areas worthy of further investigation relevant to the activities of the sports retailer in his local area.

A theoretical model will be established of the factors influencing the sports retailers attitudes towards sponsorship. The model will be evaluated by testing a series of hypotheses and sub-hypotheses based on information obtained from a sample survey of specialist sports retailers undertaken in 1982.

Subsequently, a further model developed from established marketing principles will be drawn up to reveal the overall "exchange process" of sponsorship involving sponsor (The sports retailer) and "sponsoree". In order to facilitate presentation of this model, a small survey of sponsoree attitudes was also undertaken.

As both surveys are of a "behavioural" nature involving identification and evaluation of "attitudes", conclusions will necessarily be of a subjective type, and the emphasis throughout the thesis will be upon explanation rather than prediction.

The central purpose of this investigation is to develop a personal interest in the subject of sports sponsorship, which stems from experience previously gained as an agent supplying the sports retail trade, together with involvement as a participant, administrator and teacher of a variety of sports, combined with an academic interest in the subject of marketing.

## I SPONSORSHIP - A BACKGROUND STUDY

This section will outline the development of sponsorship activity up to the present day. Particular attention will be given to those factors which are of relevance to the sports retailer. In this way factors worthy of further investigation will emerge. A variety of viewpoints on a range of issues will be expressed in an attempt to highlight the value of this study in providing further information of relevance to sponsorship activities in general, and local sponsorship by the sports retailer in particular.

## I SPONSORSHIP - A BACKGROUND STUDY

### 1. DEFINITIONS OF RELEVANCE TO THE INVESTIGATION

#### a) Sponsorship

According to the English Tourist Board 'sponsorship' is "the financial or material support of a leisure activity existing separately from the sponsor's primary commercial aims, but from the exploitation of which the sponsor will gain considerable benefit."<sup>2</sup>

In contrast, they define 'patronage' as 'the financial, material, or professional expertise given by a commercial company to an activity for philanthropic reasons. The company does not look for any material reward or benefit neither does it always expect recognition, but rather seeks to improve the quality of life.'

The distinction drawn between sponsorship and patronage is important, and the sports retailer's attitude in this respect will be investigated, as it is felt that he may consider support for local sport as either (or a combination of both); this distinction may influence the trader's general attitude towards the "benefits" of sponsorship.

#### b) Local Sport

The term "local sport" is used with regard to sports involving competition generally below national level, concerning events, clubs and individuals based in the immediate area served by the sports retailer.

### 2A. RESEARCH INTO SPONSORSHIP

Mintel offer a viewpoint which is largely accepted by those undertaking research into sponsorship - they suggest that market research techniques cannot generally help a great deal when evaluating sponsorship effects beyond answering the basic questions of interest, understanding and

# I SPONSORSHIP - A BACKGROUND STUDY

awareness : "The whole delicate relationship between sponsorship activity and ultimate product sales remains something of a mystery."

They further suggest that marketing has become "pseudoscientific and organised" to such an extent that it is in "relatively uncharted areas like sponsorship that hunch and flair still survive."<sup>3</sup>

Mintel express a commonly held view that it is virtually impossible to evaluate the effectiveness of any single piece of sponsorship, however, it is possible with the larger ventures at least to measure the increase in awareness, or measure the common images of "free advertising". For example, Cornhill Insurance estimated that after one season in test-match cricket that 65% more people had heard of them and knew they were an insurance company.

Business also increased significantly, and the assumption was made that this particular marketing "hunch" had proved profitable. There are of course examples to the contrary, such as Colgate who terminated their sponsorship of golf and tennis because, as with Gillette's experience of county cricket, the name of the company became lost in the event and so it was not cost effective.

Mintel again reflect a common viewpoint when suggesting that public relations men "resist the slide rule of the marketing researcher on the grounds that such activity cannot be scientifically evaluated." Sponsorship, they suggest "should be viewed in much the same light,"<sup>4</sup> in so far as a sponsor attempts to obtain publicity without paying for advertising coverage.

# I SPONSORSHIP - A BACKGROUND STUDY

## 2B. STATISTICAL BACKGROUND

### a) Sports Retail Market Structure

	1979	1980	No. Of Outlets	
Specialist retailers	65%	58%	2,800	(43%)
Department and other stores	18%	19%	1,900	(29%)
Mail order	10%	12%	-	-
Supermarkets	2%	5%	800	(12%)
Newsagents	2%	3%	500	( 8%)
Others	3%	5%	500	( 8%)
	100%	100%	6,500	(100%)

### Market Share By Type Of Sports Retail Outlet<sup>5</sup>

The figures suggest the independent specialist may be losing out to mail order and supermarkets (The unreliability of this type of data due, for example, to sampling errors, limits any conclusions). However, a common view is expressed by "Lancelot" who suggests that supermarkets will not last in a market demanding such a wide breadth of stock, low stockturn, and low profitability in comparison to their usual product range.<sup>6</sup> The average profit margin in the specialist sports retail sector is currently under 55% - this represents approximately a 5% increase in the last 15 years.

The sports trade is only a small sector of the "leisure industry", and during the last six years the growth of the former has been only slightly above consumer spending.

The most universal games are soccer, fishing, rugby and darts. Purchasing has recently been at a low level in virtually all sports, the most frequent spenders being the 15-24 age group.

## I SPONSORSHIP - A BACKGROUND STUDY

In the 12 months ending December 1980, the specialist sports retail market was £157 million. This compares with £164m. in 1979, a fall of 4.2% or £7m. (These figures do not take inflation into consideration).<sup>7</sup>

An encouraging factor for the sports trade emerged in June 1982 with a Sports Council publication of a ten year plan for sport : £215m. was made available over a five year period; it is hoped over the ten year period to attract a further 5,600,000 people to sport; by 1993 the Council would like to see a 15% increase in participation by men, and a 35% increase by women in outdoor sports.

### b) Sponsorship Expenditure

Commercial Sponsorship Expenditure (Excludes sponsorship by public bodies) :

<u>Year</u>	<u>Sports</u>	<u>Arts</u>	<u>Total</u>
1972	£12m.	£0.5m.	£12.5m.
1974	£16m.	£2 m.	£18m.
1976	£20m.	£4 m.	£24m.
1978	£25m.	£5 m.	£30m.
1980	£30m.	£5 m.	£35m.

(Source : Mintel Estimates)<sup>8</sup>

There was an overall increase in commercial sponsorship expenditure in the 1970's compared to the late 1960's, due largely to Government restriction on advertising by the tobacco industry. Mintel estimates the Government itself spent some £40m. on sponsorship of the Arts in 1980, and Sports Council grants in 1979/80 amounted to £15.6m. (The latter is mostly in the form of capital expenditure, team travel and coaching).<sup>9</sup>

An E.I.U. Report on sponsorship estimates there was a doubling of sponsorship activity in general (Including Government sponsorship) in the period 1977 - 1980, and growth at 1981 price levels is at an average annual rate of around 19%, outstripping the 42% rise in the retail price index between 1976 - 1979.



## I SPONSORSHIP - A BACKGROUND STUDY

The report estimates that total expenditure on sponsorship will be £75m. in 1983.<sup>10</sup>

Private statistical research carried out by the current sponsorship consultant of the Sports Council indicates that in the U.K. in 1982, 700 companies spent £50 millions on sponsorship in fifty different sports and pastimes.

In his view the recession has had little effect, and he offers as proof the fact that in 1981, forty new companies appeared as sponsors on t.v., only eight disappearing. He suggests the future will bring further growth in all forms of sponsorship. It is one intention of this study to establish likely activity of the sports retailer in this respect in the future.

In 1981 the Sports Council appointed its first sponsorship consultant. His job is to act as "marriage broker" between sports and sponsors. The Chairman of the Sports Council stated that they were prepared to put up 'risk capital', the prime aim is to give sports, predominantly the minor ones, the opportunity to meet prospective sponsors and offer them the advice of an independent organisation before embarking upon a sponsorship scheme. It is hoped that with the backing of the Sports Council the consultant will help establish ethics and rules nationwide.<sup>11</sup>

It is estimated that the Arts taken as a whole are now the second fastest growing sponsorship beneficiary behind motor sports in financial terms. 'Marketing' magazine has suggested the reasons for this are twofold : firstly, there is an increasing recognition of 'social responsibility'; secondly, it is still possible with the Arts to find "effective and distinctive sponsorship at lower costs than for many sports."<sup>12</sup>

## I SPONSORSHIP - A BACKGROUND STUDY

### 3. THE DEVELOPMENT OF SPONSORSHIP

Sponsorship can be traced back to the mid-nineteenth Century, but it developed most rapidly in the late 1960's and early seventies. A good indication of commercial attitudes towards sponsorship of sport during this period is given in an article in the Financial Times in August 1971. An example is cited of a successful sponsorship of Sunday amateur soccer by Watney Mann, leading to increased sales for the company in the area; a market research study showed a more favourable attitude towards the company among consumers as a result.

It was suggested that there was a movement at the time towards greater emphasis on the 'unity' aspect of sponsorship, for example, Brooke Bond Oxo sponsored a steeplechase for local farmers due to its diversification into meat in the West country. Midland Bank are described as dominating horse trials due to the fact that they have always been strong in rural areas, and sons of prosperous agricultural customers would benefit from this form of sponsorship.

The article further suggests "there is a great deal to be said for being first in the field (for example, Gillette's early cricket sponsorship)... but companies that enter sponsorship on the 'me too' basis have rarely succeeded."

Finally, from this same article, a viewpoint is expressed which remains as true to-day as it was in 1971 : "The effort must be well directed, it must be thought through as a marketing exercise, and there must be research afterwards."<sup>13</sup>

'The Economist' in 1973 gave further evidence of commercial attitudes towards sponsorship at that time. The observation was made that no companies had (nor indeed have since) conducted a successful general publicity campaign by sponsorship alone, or even by relying heavily on it.

## I SPONSORSHIP - A BACKGROUND STUDY

The article states, however, that sponsorship "has the advantage of not being exclusively commercial in origin. It taps on existing enthusiasm, hitting at the soft underbelly of public interests and preoccupations." The point is made that sponsorship is no substitute for direct advertising, "it is mostly of value in changing or polishing corporate image, rather than generating publicity for a particular product."<sup>14</sup>

A final point of value made in 1973 concerns the lack of sponsorship support for the "grass roots" events : "Some sports, like professional golf, are already well sponsored, but the regional youth and female events of many sports - and women's sports in particular - are wide open for sponsorship. So are many do-it-yourself sports like cycling, darts, snooker, chess and sailing."<sup>15</sup>

### 4. SPONSORSHIP IN THE RETAIL TRADE

Considering more specifically sponsorship in the retail sector, E.J. Ornstein has made the observation that retailing has "made great strides over the last three decades chiefly by reducing the amount of service it gives."<sup>16</sup> If one considers that the majority of specialist sports retailers are small independent traders, and many such retailers survive by offering a personal service which often is not available from the larger chain stores, it may be that sponsorship of local sport could provide an additional opportunity to offer a personal service.

Ornstein stresses that shop 'character' is crucial, and points out that this character bears a direct relation to the amounts and nature of promotion required. He suggests two main reasons why character is important : firstly, the store with character will attract customers who are likely to be satisfied by it; and secondly, a shop with character reduces "the remoteness gap" between customer and shop. He states : "People are prepared to pay for a character they like. Low price is not the only motivator."

## I SPONSORSHIP - A BACKGROUND STUDY

In relation to this, sponsorship at local level 'may' be seen as an effective means of promoting shop character and, furthermore, it has often been suggested that proximity of the retailer to his customers makes his job of measuring the effectiveness of promotion much easier. A successful local sponsorship programme may provide this proximity by putting the sports retailer in direct contact with potential customers.

As previously indicated, the large majority of sports retailers are small independent traders, and Ornstein observes that local shopkeepers have an advantage over chain store managers in so far as their interests may be unambiguously identified with the locality. This may be used to advantage if the retailer values his 'image' in the community by associating himself with influential members of the community who may speak favourably about the shop or its management. Local sponsorship may be seen as a means of enhancing the image of the shop in the locality, and the attitude of the sports retailer in this respect will be investigated in this study.

There is substantial evidence to show that larger chain stores throughout the retail trade recognise the value of a good 'image' in the local community, and encourage store managers to participate in a variety of public relations activities.

For example, Multibroadcast encourage and subsidise branch managers in local activities such as Rotary charity functions; Carrefour place public relations in the hands of the store managing director, who is encouraged to become "part of the community". Boots encourage managers to participate in the community's affairs, but only in small towns where participation in local activities is considered easy and effective.<sup>17</sup>

## I SPONSORSHIP - A BACKGROUND STUDY

### 5. GROWTH IN LOCAL SPONSORSHIP ACTIVITY

This study is specifically concerned with sponsorship at local level, and an indication of increased activity in this area comes from the E.I.U. who have suggested that evidence shows that in recent years many sponsors have been particularly careful "to make every pound count," and switched to greater involvement in participant sports such as fishing and bowls, and "grass roots" schemes - (The latter refers to the lower levels of sport which typically includes basic training and competition of youth). They further point out that one consequence has been that more individuals are benefitting from sponsorship and the end result is to encourage more participation.<sup>18</sup>

If "big money" sponsors are looking towards local areas, this would suggest that there may be some 'gain' to be made. Whilst the exact nature of this gain may be as yet unclear, there would appear to be two possible outcomes : firstly, it may act to encourage sports retailers to participate, particularly if one result of their sponsorship could be increased sporting activity in the very market they seek to serve; secondly, in contrast, the sports retailer may find local sponsorship opportunity saturated in their area.

This movement towards grass roots sponsorship raises the question of whether sports retailers are aware of the opportunities, or alternatively whether there are specific reasons for their lack of support ? Martin Watts of Olympus Sportswear, a large chain group, has stated : "We, the retailers, have failed to innovate, force change, and create demand. We have been happy to let it happen, be led by the suppliers and just fulfil demand. Little wonder that certain market sectors which we believed were sacrosanct have been gradually eroded."<sup>19</sup>

# I SPONSORSHIP - A BACKGROUND STUDY

While not referring specifically to sponsorship in his statement, the speaker seems to be suggesting the existence of a general attitude of near lethargy in the sports retail sector, which if only partially true, could directly affect commitment to sponsorship activity at local level.

Further support for the view that local sponsorship is increasing in popularity came from a 1978 report by the C.C.P.R. - a survey of companies involved at the time in sponsorship revealed the following :<sup>20</sup>

- 20% were interested in sponsorship primarily at local level.
- 20% of the responding companies were interested in sponsoring events of mainly youth appeal and participation.
- 40% were interested in sponsoring events with women participants.

These areas are the ones sports retailers seek to serve. A movement of sponsorship activities by experienced sponsors towards local areas 'may' as previously mentioned, motivate the sports retailer to involve himself in sponsorship. There is growing evidence that an increasing number of firms of all size and nature are looking towards sponsorship as a means of supporting activities in their local community.

One example of this is a North Hampshire amateur soccer league, which has received £10,000 from a local sports equipment firm. The three year agreement will pay many of the league's overheads and will allow clubs to concentrate their own financial resources on improving facilities for players. A director of the sponsoring firm justified his company's sponsorship by stating that : "Having been able to earn our living through sport, we believe it is only fair to return the compliment in the best way we can."<sup>21</sup>

## I SPONSORSHIP - A BACKGROUND STUDY

At national level, the view is often expressed by potential sponsors and beneficiaries that sponsorship is fast approaching (and in certain respects has already reached) saturation point, for example, in the sports of tennis, golf and to a lesser extent cricket.

In addition to this near saturation of certain sports, a further factor points to a general movement in sponsorship activity from national to regional or local level - the following statements made in 1980 by the Marketing Manager of a large company highlights this trend : "Many of the U.K.'s major sponsoring companies have had their fingers so badly burned that they will never touch sponsorship on the same scale again." He stresses that others are tired of the trouble and expense of keeping events going, and that "names that were for so long emblazoned on racing cars and cricket trophies are looking for other more cost effective ways of reaching the public."<sup>22</sup> For example, British Meat and Schweppes have recently announced intentions to cease sponsorship of major athletics and cricketing events respectively.

One example of many large companies now sponsoring at grass roots level concerns Saab who have invested £200,000 in junior tennis -the company's press officer has stated : "Our approach to sponsorship is very much soft sell; at the junior level the programme benefits sport, and is an investment for the future."<sup>23</sup>

### 6. JUSTIFYING SPONSORSHIP IN COMMERCIAL TERMS

The Directory of Social Change suggests that businesses to-day are having to find new ways of promoting their goods and services, of helping to build a responsible corporate image within the community, and of extending both internal and external public relations. They further suggest that companies will only enter into sponsorship on the basis that they can justify it "strictly in commercial terms", and that "if the promotion or sponsorship cannot be justified in terms of the extra products it helps to sell, then the company will try to justify it in public relations terms in some way or other."<sup>24</sup>

## I SPONSORSHIP - A BACKGROUND STUDY

The D.S.C. offers the view that large companies in particular are seeking a more positive return on their corporate philanthropy:

"They want to see results in return for the money they are giving away by doing something positive about problems that concern them(e.g. youth unemployment), and by being seen to be responsible corporate citizens."

The D.S.C. further suggest that sponsorship is present to a degree in company philanthropy, in as much as any good publicity for the projects they are supporting becomes associated with them.

A further point of relevance to the commercial justification of sponsorship concerns the frequent linkage between the sponsor's business and the sponsored event. For example, there is a product relationship in the Dunlop Masters Golf Tournament; Everest Double-Glazing sponsor equestrian events in an attempt to reach their potential market; Midland Bank sponsor Covent Garden activities with similar intent; and Zanussi seek to promote their 'modern technical image' by sponsoring hot air ballooning; Leyland sponsor the Williams Formula 1 Team in order to entertain business partners; and Perkins Engines sponsor the Peterborough Concerts as a result of a geographical linkage. These are all examples of relatively large scale sponsorship activities, nevertheless, it would not be unreasonable to assume that the same principles could be scaled down to the level of the independent or chain sports retailer and his local sports participants.

Giving consideration to the fact that money spent by companies on sponsorship exceeds that spent on corporate philanthropy, the D.S.C. suggests that "perhaps in these hard economic times, companies need to be able to justify to some extent the money they give away to good cause activities by obtaining some form of return for their expenditure ... and certainly the results of any sponsorship expenditure are much more visible than corporate philanthropy." It is felt that the sponsor can bring a more professional approach to the organisation being sponsored, which encourages the sponsored party to pay more attention



# I SPONSORSHIP - A BACKGROUND STUDY

to what the sponsor requires. For example, the sponsorship of snooker has changed the image of the sport, and has increased participation at all levels throughout the country.

Gill Strahan, formerly of the Commercial Relations Department of the English Tourist Board, suggests an important reason why companies may to-day wish to sponsor regional or local events : "Companies are realising that single-minded profit making can be self-defeating. They need to get the community behind them, they need to become involved in the community; and this is where local sponsorship can fit in."<sup>25</sup>

An example of the attitude behind the policy of a successful local sponsor is given by Sandy Erskin, Chairman of the organising committee of the Perkins Engines Annual Industrial Concert. Perkins are the world's leading manufacturers of diesel engines, and sponsor in their base town of Peterborough. Erskin states : "The basic reason for our involvement in sponsorship is 'enlightened self-interest'. While I readily accept that there may be sponsors who want nothing more in return for their support than the warm corporate glow that comes from having done something worthwhile, I doubt whether the majority of sponsors would fall within this category."<sup>26</sup> The company employs one thousand people in Peterborough, and feel they have a duty "to put something back into the area which supplies them with their workforce." The industrial concert brings music to Peterborough which would otherwise only be heard in London.

Erskin claims : "We organise this event partly to do something for our local community. But it is also something through which we achieve international prestige." Perkins are also involved in sports sponsorship, supporting a local soccer team, with advertising at the ground among other things, they sponsor show jumping at the East of England Show and Burleigh, and also support the local museum with a permanent exhibition. The point is made that Perkins direct all sponsorship efforts towards the local community "with a spare eye on the benefits of international prestige." Erskin suggests : "I believe that a majority of sponsors operate similarly and expect similar returns for their money ...

## I SPONSORSHIP - A BACKGROUND STUDY

sponsorship is for us a form of corporate promotion particularly at a local level, and every company needs to seek prestige in one way or another. I doubt if any of our concerts or other sponsorships have ever directly sold a single diesel engine."

Bill Kallaway, sponsorship consultant of Kallaway Limited considers why, in general, businesses are prepared to sponsor sport and the Arts, and suggests that the usual answer given by those whose job it is to persuade industry to sponsor "is bound by expressions covering the quality of life, culture, maintenance of standards etc."

He expresses the view that this area of opinion is both unrealistic and out of touch with the real motivation behind sponsorship. He considers that sponsorship is used by industry as an extension of its public relations and marketing activities. With regard to sport he states : "Sport has a common appeal in that it is competitive, instantly understood and accessible; it has little or no conceit, it has many folk heroes and no hidden language." Kallaway further suggests that in sport "administrators are available, approachable and have a creative talent for developing schemes of interest."<sup>27</sup>

## 7. THE SPONSORSHIP POLICIES OF LARGE-SCALE BUSINESSES

National Westminster Bank PLC has increased its sponsorship budget from an initial £100,000 ten years ago to a current £500,000 per annum. Ernest Heath, the marketing manager, explained the Bank's approach to sponsorship : "When we decided to go into sponsorship we tried to assess it on the basis of whether it was worth doing for the returns we would get for our money alone. We decided that it was not. And although we do expect some return in the form of publicity or public relations, we see our sponsorship programme as an extension of our donations programme."<sup>28</sup>

Whilst National Westminster Bank make clear their view that a return on their investment is considered 'secondary' they do not appear to consider

## I SPONSORSHIP - A BACKGROUND STUDY

to what extent sponsorship, publicity, and public relations can benefit their business beyond recognising their 'likely' existence. This is a common situation with sponsoring firms in so far as they often give little serious consideration to financial and other business benefits despite acknowledging their value.

In 1981, National Westminster pledged 1.5 million to County Cricket over a five year period, and their marketing manager expresses the view that despite the strictly promotional nature of the venture they also believe they are assisting cricket at all levels, and thereby are providing a social benefit as well. This raises two points worthy of consideration : firstly, how does a firm classify its support of an event in terms of 'promotional' sponsorship, and sponsorship in the form of 'donations'?; secondly, having made a classification, to what extent does it both recognise the existence of the alternative element of sponsorship and take steps to measure its value.? (See Appendix (1) for an explanation of the sponsorship policies of National Westminster and Midland Banks).

In summary, this background study of sponsorship has revealed several major factors worthy of further consideration.

Firstly, a necessary distinction was drawn between the terms 'sponsorship' and 'patronage'. Next, the extent to which the effects of sponsorship (as a branch of marketing) may be scientifically researched was considered, and the general conclusion drawn that 'hunch' and 'flair' remain very important in this area. It was observed that the relationship between sponsorship and sales remains to this day unsuccessfully researched - among those who classify sponsorship as a form of public relations, some would argue that the methods employed in scientific analyses are not relevant in measuring the influence of sponsorship in this respect.

## I SPONSORSHIP - A BACKGROUND STUDY

A general background of sponsorship and the sports retail trade was presented, and the specialist retailer was seen to be losing market share to mail order firms and supermarkets ; however, growth in the leisure industry as a whole was predicted by the Sports Council as a result of increased participation in sport in the future. In addition, it was revealed that there has been a marked increase in commercial sponsorship activity in recent years.

Attitudes towards sponsorship in the seventies were outlined, and the following points were observed : there was recognition of the value to the sponsor of supporting a sponsoree with a common interest, thus permitting promotion of a company's trade image, for example, Brooke Bond Oxo sponsored a local farmers steeplechase because they were diversifying into meat in that area : secondly, the point was stressed that sponsorship, at that time, was considered no substitute for direct advertising, but was felt perhaps to be most valuable in improving corporate image : finally, the lack of support for "grass roots" events by sponsors in the seventies was revealed.

Turning to the present, examples were cited of large multiple retail outlets following a policy of direct involvement with their local communities through sponsorship. In view of this movement by the larger operators, it may be argued that local sports sponsorship gives the specialist sports retailer the opportunity to improve his image in the local community, and at the same time offer an additional service to his customers.

Further, in observing a movement towards increased sponsorship at local levels, examples were given of large firms who previously had sponsored at national and international levels but who had switched their support to local activities partly as a result of the depressed economic climate, and partly due to saturation of these larger events.

It was also suggested that sports retailers should be aware of the dangers of lethargy in serving their market, one effect of which could be a self-imposed restriction of their local sponsorship activities.

## I SPONSORSHIP - A BACKGROUND STUDY

The role of sponsorship as a public relations activity was stressed. This was aligned to the need in the current economic climate to "make every pound count" when supporting a charitable venture, thus, sponsorship was seen as providing the opportunity for businesses to improve their trading image (and perhaps performance) whilst, at the same time providing charitable support to worthwhile causes.

Perkins Engines were cited as an example of a company seeking to justify its charitable expenditure in a business sense by gaining prestige from sponsoring, in this case, a cultural event. The company regard sponsorship as an extension of their public relations activities, and the 'visibility' of sponsorship was seen as an advantage in terms of justifying expenditure to staff and shareholders etc.

The sponsorship policies of National Westminster Bank raised the question of whether businesses, even of a large scale, seriously estimate the business benefits to be gained from sponsorship i.e., the extent to which they consciously distinguish between sponsorship primarily for promotional purposes and sponsorship as a form of charitable venture.

It has been the intention of this background study of sponsorship to reveal some of the more pertinent questions surrounding sports sponsorship by the sports retailer. Those factors so far considered will be added to further key issues, and together will be arranged in a series of hypotheses for closer investigation.

Before presenting and analysing the relevant data it is necessary to outline significant prior research within the field of sponsorship.

End Notes :-

- <sup>1</sup>Michael Norton, ed., Raising Money from Industry (Directory of Social Change, 1981). This publication consists of material originally published in a set of fund-raising notes of the same title, together with edited material from two seminars on fund-raising organised by the Directory of Social Change in 1980.
- <sup>2</sup>"The Give and Take of Sponsorship", English Tourist Board, 1980.
- <sup>3</sup>Mintel Estimates, November 1980.
- <sup>4</sup>Ibid.
- <sup>5</sup>B.M.R.B./Mintel, April 1981.
- <sup>6</sup>Lancelot, "One Man's View". Sports Trader (28th January 1982).
- <sup>7</sup>Ibid.
- <sup>8</sup>Mintel Estimates, November 1980.
- <sup>9</sup>Ibid.
- <sup>10</sup>Sponsorship 1980/1981, E.I.U. Special Report No. 86, ed., Jean Simkins.
- <sup>11</sup>John Rodda, "Sport is Given a 'Marriage-Broker'", The Guardian, 15th December 1981).
- <sup>12</sup>"Sponsors Go For Arts", Marketing (15th October 1980).
- <sup>13</sup>"Sponsored Sport: The Winners and The Losers", The Financial Times, 7th August 1971.
- <sup>14</sup>"These Sporting Sponsors", The Economist (28th July 1973).
- <sup>15</sup>Ibid.
- <sup>16</sup>E. J. Ornstein, The Retailers: A Study in Successful Marketing and Promotion (Associated Business Programmes 1977).
- <sup>17</sup>Industrial Sponsorship and Joint Promotions, ed., Michael Norton (Directory of Social Change, 1981). Publication consists of edited material from two seminars organised by The Directory of Social Change in 1978 and 1980.
- <sup>18</sup>Sponsorship 1980/81 E.I.U. Special Report No. 86.
- <sup>19</sup>Martin Watts (Olympus Sportswear), "The Sports Shop in The Eighties", Sports Trader (23rd November 1978). Report From Sports Trader Conference.
- <sup>20</sup>A Report of a Survey on sponsorship, Central Council of Physical Recreation, February 1978.
- <sup>21</sup>"Cash and Carry Sport to Sponsor North Hants., A.F.C.'s", Sports Trader (May 1941).
- <sup>22</sup>Kim Pearl, John Clemson, "Sponsorship: The Name of the Game", Marketing (1st October 1980), pp. 22,23.
- <sup>23</sup>Ibid.
- <sup>24</sup>Industrial Sponsorship and Joint Promotions, Directory of Social Change.

End Notes :- (contd.)

<sup>25</sup>Ibid.

<sup>26</sup>Ibid.

<sup>27</sup>Ibid.

<sup>28</sup>Ibid.

## II SIGNIFICANT PRIOR RESEARCH

There has been no previous research into sponsorship by sports retailers alone, however, the following is a summary of relevant research covering the wider field of sponsorship. The purpose of summarizing specific examples of prior research is to reveal pertinent issues which are worthy of investigation in this present study.

1. A 1981 E.I.U. report outlines recent sponsorship expenditure in individual sports, and asks the question 'Why sponsor?' It also considers the different methods of sponsorship, and considers advantages and disadvantages of being sponsored.

The report suggests that public relations, and contact with the local community, are positive reasons for sponsoring, as they may assist the setting up of a new business or branch, and help improve the company's image in the locality. It also points out the dangers of an amateurish approach towards sponsorship: "A great deal of money can be wasted if projects are ill-chosen or badly timed; if the sport or activity to be sponsored is inefficiently run; or if ongoing sponsorship is not carefully costed and controlled by the sponsors."

Other points raised by the report worthy of further consideration include the following :

- i) Sporting bodies are more enthusiastic about sponsors who do not just supply money, but involve themselves in the activities.
- ii) Success depends upon good contacts with the media.
- iii) The more carefully a sponsorship venture is selected and controlled, the greater the range of aims that can be achieved.
- iv) The relationship between the two parties involved should never be half-hearted.
- v) Contracts should state clearly all requirements and termination conditions should be specified.



## II SIGNIFICANT PRIOR RESEARCH

Amateur sponsorship requires special understanding, as the contractual control of performers is less than in professional sport due to the contrasting nature of governing bodies.

- vi) Sponsorship should be costed regularly and assessment made of effectiveness in terms of company aims. The sponsor should check the estimates of total costs made by the sports administrators.
- vii) It is becoming increasingly difficult to make a sponsorship programme distinctive in an advertising sense and, therefore, a need for a professional approach from both sides is increasingly important.

The E.I.U. further outlines some of the major advantages to sponsorship recipients arising from a well organised sponsorship programme : Increased resources for the sport such as new equipment; competitions and prize money raise the standard by attracting greater competition; improved spectator facilities encouraging greater interest ; professional skills may be made available at local level; and publicity may encourage greater support both from new participants, supporters and financial sources.

Finally the report indicates growing support for sponsorship at 'grass roots' level. It is suggested that sponsorship of large international activities has reached saturation point and is in danger of "pricing itself out of the market." Furthermore, it is held that it remains preferable to sponsor events rather than individuals in most sports, as sponsors are becoming increasingly suspicious of sports where large payments to individuals "have helped foster an image within the sport of greed, tantrums and unreliability."<sup>1</sup>

## II SIGNIFICANT PRIOR RESEARCH

2. The C.C.P.R. carried out a survey in 1978 which examined the policies of public relations and advertising companies concerned with sports sponsorship. The thirty-two respondents sought the following benefits for their clients :

- media exposure - 32
- promotional spin-offs - 15
- contact with the client's target audience - 15
- helping to promote a better society - 1

The C.C.P.R. also investigated the activities of companies from industry, manufacturing, commerce, retail and service industries in the U.K. - 390 returns were received from a questionnaire distributed to 560 companies involved in sponsorship at that time (To the total value of £6m. p.a.). The following facts emerged :

- 90% of the firms gave financial sponsorship.
- 60% gave cash, plus their own staff support and assistance.
- 20% gave other support such as printing, transport and postage.
- 15% of sponsorship was at regional or branch level.
- 70% were satisfied, and 10% were not satisfied with local radio coverage for the sponsor.
- 40% felt the national press gave insufficient coverage to the sponsor.
- 95% were satisfied with the local newspaper coverage.

These findings in general indicate that there may be a profitable return for the sponsor of local or regional events as an alternative to national sponsorship.

- 30% of the sponsors indicated they would welcome the opportunity to assist in the administration of the sponsored event.

## II SIGNIFICANT PRIOR RESEARCH

Finally the C.C.P.R. report revealed the following benefits sought by the sponsoring companies:

- 80% media exposure.
- 80% increased product sales.
- 80% reinforced marketing policy.
- 80% to create a 'good image' locally or nationally.
- 40% to benefit the community.
- 10% to support a sport allied to the firm's business activities<sup>2</sup>.

3. In 1976 Dr. Nigel Waite sought to analyse the benefits achieved by sponsorship through its position in the promotion mix. A model of the overall sponsorship process, and a methodology for empirically testing the model were devised. A questionnaire was forwarded to the marketing directors of 385 companies in varied sectors of the economy involved in sponsorship. In analysing the benefits actually claimed to have been achieved from sponsorship experience, the following were among those put forward:<sup>3</sup>

	<u>% Of Total Respondents</u>
Increased or reinforced company awareness	30 %
Improved company image	22 %
Greater product awareness	19 %
Increased sales	11 %
Goodwill to the company	5 %
Improved publicity	5 %
Demonstrated social responsibility	5 %
Support from distributors achieved	1 %
Gained a foothold in a new market	1 %
Improved media relations	1 %

4. In 1976 Gillette undertook a large-scale survey to determine men's attitudes to sponsorship, concentrating on Gillette's support of a county cricket cup competition.

## II SIGNIFICANT PRIOR RESEARCH

587 men over 15 years of age were interviewed : 4 out of 5 said they felt sponsorship was good for both cricket and the sponsor; however , of importance was the majority opinion that companies sponsor out of self-interest; 5% disapproved of this situation, whilst 17% approved ; 2 out of 9 strongly approved of firm's sponsoring out of self-interest.

Gillette suggested that this proved from the spectator's point of view that sponsor's self-interest, did not affect approval of sports sponsorship.

A further point of interest from the Gillette research concerns the discovery that consciousness by spectators etc., of the company sponsoring the event is not cumulative year after year. For example, 'real' awareness of Gillette's activities measured by 'probed' questioning was at the time of the survey 37% of all men interviewed, which was the lowest for five years.

Benson & Hedges and John Player, further cricket sponsors, have experienced the same decline in awareness. Lack of public awareness was a major reason for Gillette's later termination of their cricket sponsorship programme.<sup>4</sup>

5. In 1973 'System 3', a market research company, carried out an in-depth study of sponsorship activity in the U.K. A questionnaire was sent to 3,000 of Britain's largest companies, and in-depth discussions were held with thirty large companies involved in sponsorship at the time. An analysis of sponsors and non-sponsors categorized through turnover, number of employees, and areas of trading etc., did not reveal any significant correlations with regard to sponsorship activity.

The 1973 study revealed the following reasons behind sponsorship activity of existing sponsors :

	<u>Most Important Reason</u>	<u>Also Significant</u>
* Public relations	40 %	42 %
Enhancing company image	13 %	48 %
Specific brand promotion	7 %	15 %
Press or T.V. coverage	5 %	22 %
Entertain clients	7 %	13 %
Improved staff relations	6 %	—
Developing personal interests in the sponsored activity	—	5 %
An opportunity for social altruism	4 %	23 %
Other	18 %	25 %
	<hr/> 100 %	<hr/> (% of total respondents considering this reason important.)

A summary of the results of the survey by 'The Director' suggests that if a company is to be involved in sponsorship it is essential that it has a clear understanding of what it hopes to achieve from it : "Subsequent success has been more nearly correlated with constructive thought than with financial outlay."

The survey summary suggests the chances of success of a sponsorship programme, even costing less than £1,000, are greatly increased if consideration is given to the following :

- i) Profiles should be drawn up of spectators and participants of a sport in basic demographic or more precise terms e.g., women and youth have been overlooked as consumers in the past.
- ii) Coverage in the press and/or television should be secured.
- iii) Examine the sporting calendar to avoid clashes - in this respect it is preferable to be the sole sponsor from a certain sector of industry.
- iv) The duration of the sponsorship - 'one-off' sponsorship, it is suggested, is more difficult and costly to set up than an on-going programme, which will have solved the initial problems of inefficiency etc.

---

\* Note :- Example - 40% of respondents who were sponsors selected 'Public Relations' as the main reason for their sponsorship; 42% felt it was significant without being the most important reason.

## II SIGNIFICANT PRIOR RESEARCH

- v) A knowledge of the sponsored activity is necessary.
- vi) Knowledge of one's own company is important as the sponsorship may affect company image with employees, the locality, and the general public.
- vii) It is important to be aware of sponsorship opportunities, as advantages can be gained "from pioneering the less supported sports."
- viii) All of the aforementioned factors should be inter-related.

It was found from the 1973 survey, however, that only a small percentage of respondents considered all or most of the factors listed. "The majority of companies have based their decisions on approaches made to them which 'seemed like a good idea', or on personal predilection in the leisure field."

At the time 'The Director' estimated that sponsorship averaged 2% of total promotional budgets of all U.K. firms - a small proportion of expenditure on advertising and public relations. 'The Director' in considering the effects of sponsorship expresses the view : "Only very rarely, where, for example, sponsorship is contractually linked with franchises, can a comforting and definitive measure of the overall effects of sponsorship, e.g., on sales, consumers, company image etc., be obtained." It is suggested that the effects of sponsorship on company image, sales, consumers, the media, clients, the general public and the activities sponsored are by their very nature substantially unquantifiable.

Finally, in light of the 1973 report, "The Director" expressed a common opinion at the time in seeking to justify business involvement in sponsorship by stressing that it may be complimentary to other forms of promotion; it is suggested that it is not certain that sponsorship is any less appraisable than advertising or public relations; and finally, that, "sponsorship is perhaps the only - and certainly the cheapest - method of affecting people in so many ways, and in particular of reaching people in non-commercial situations."<sup>5</sup>

## II SIGNIFICANT PRIOR RESEARCH

Given this growing awareness of the values of sponsorship in the early seventies, it is important to establish its stage of development in the early eighties. It is significant to note that the Government have expressed a desire to monitor the progress of sponsorship through the launching of a Committee of Enquiry in September 1981. The Enquiry is financed by the C.C.P.R. and proposes to look at all aspects of sponsorship of sport in order to : "Protect the integrity of sport : investigate the significance of sponsorship to sporting bodies and sponsors ; and to assess the importance of the impact of sponsorship on the growth, development and welfare of British Sport, and to make recommendations."<sup>6</sup>

---

In this summary of significant prior research in the field of sponsorship, a recurring finding has been the development of regional/local sponsorship at the expense of national events. This development can be traced, for example, from an enquiry into sponsorship by the National Sports Council in 1972 when the priority of the majority of sports sponsors was considered to be the securing of maximum television coverage, followed by national press coverage.<sup>7</sup> Research carried out since 1972 has shown a change in priorities due in part to saturation at national level in a time of recession ; bad publicity due to poor behaviour of sponsored individuals; and growing recognition of the financial viability of sponsorship at local level. Other priorities, such as improvement of company image remain, however, the major change is occurring in the scale of financial commitment, and as a consequence the use of the media. As a result, local press and radio coverage has increased in importance.

Another development of note since the 1972 report can be seen from the claim made at that time by many of the smaller sports bodies that their search for sponsorship was hopeless due to an inability to offer television coverage, together with a lack of expertise in the sponsorship field.

## II SIGNIFICANT PRIOR RESEARCH

Wide scale approval was given at the time to the English Table Tennis Association (An example of a smaller sports body) suggestion that the sports Council should offer a consultant-type service to sports governing bodies on sponsorship. Significantly, 1981 saw the appointment of the first sponsorship consultant by the Sports Council as an encouragement to those seeking sponsorship from both sides and at all levels.

In conclusion, one of the most significant factors to have been identified in this summary has been an apparent move by sponsors of all sizes and nature away from large-scale national programmes towards regional and local support. It is, therefore, hoped to determine the sports retailers involvement in this movement, and further establish the reasoning behind such activity or inactivity as the case may be.



End Notes

- <sup>1</sup> Sponsorship 1980/81, E.I.U. Special Report No. 86, ed. Jean Simkins.
- <sup>2</sup> A Report of a Survey on Sponsorship, Central Council of Physical Recreation, February 1978.
- <sup>3</sup> Dr. Nigel Waite, The Management of Sponsorship, N.S.N. Management Projects, 1976.
- <sup>4</sup> Report on a Survey into Sponsorship, Gillette 1976.
- <sup>5</sup> Sponsorship : The Facts that Make it a Worthwhile Gamble, The Director (January 1973).
- <sup>6</sup> John Rodda, "Spotlight on the Sponsors", The Guardian 16th September 1981.
- <sup>7</sup> An Inquiry into Sponsorship, The Sports Council, 1972.

### III THE PRINCIPLES UPON WHICH THE RESEARCH IS BASED

The overall objective is to establish a model of the prevalent factors influencing the attitudes of the sports retail trade as a whole towards sponsorship of local sport. The model outlined overleaf will be used to identify the areas requiring investigation, and thereby reveal those factors which are predominant through analyses of a series of hypotheses and sub-hypotheses (See Appendix (2)).

The model will perform the primary function of 'explanation' rather than 'prediction', however, these functions are considered to be closely related. As the model is to be of attitude investigation, it must be classified as a 'behavioural' study of a subjective nature.

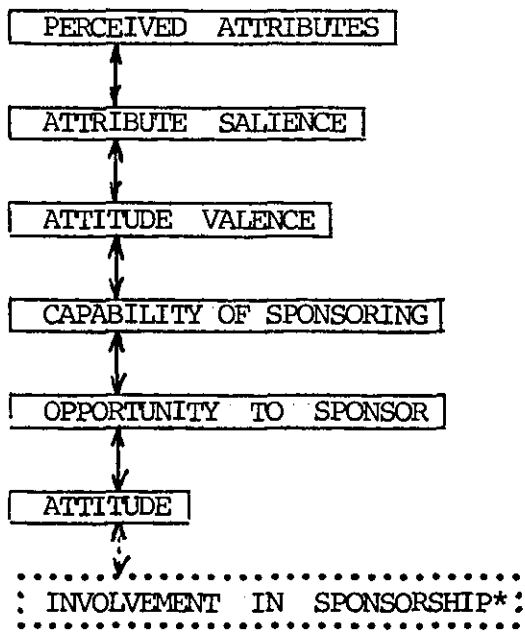
'Attitude' is considered to be a function of beliefs and values, and in order to investigate the sports retailer's overall attitudes towards sponsorship the following will be considered :

- a. Identification of what the sports retailer considers to be the attributes of local sports sponsorship.
- b. Examination of the importance of each attribute to the individual retailer, and,
- c. Evaluation of the extent to which that attribute actually accrues to a potential sponsorship activity (In the model overleaf the importance of the attribute is referred to as 'attribute salience', and the evaluation of its existence is termed 'attitude valence').

Before any conclusions can be drawn on attitudes towards sponsorship, the retailers 'enabling variables' must be considered. These refer to the 'capability' and 'opportunity' of the sports retailer to sponsor, examples of which may include financial and time constraints imposed by the business ; lack of active involvement in local sports ; and perceived lack of sponsorship opportunity in the sports activities favoured by the retailer.

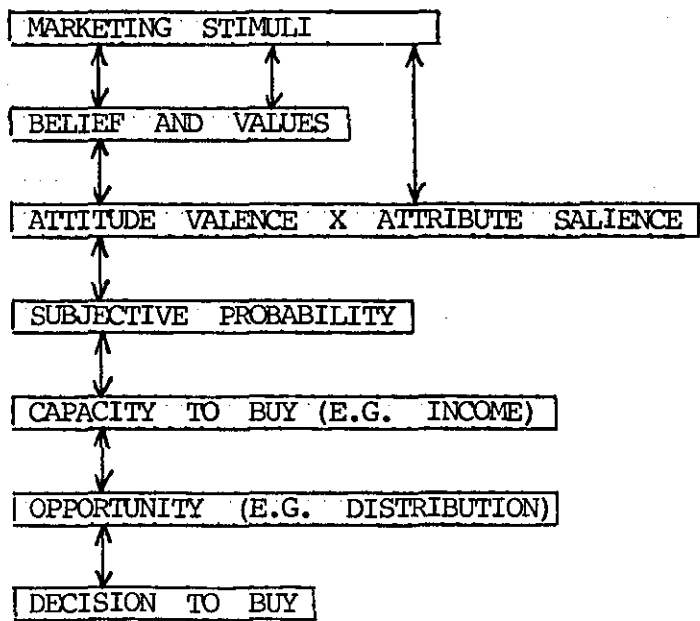
III THE PRINCIPLES UPON WHICH THE RESEARCH IS BASED.

MODEL OF FACTORS INFLUENCING THE SPORTS RETAILER'S ATTITUDE TOWARDS SPONSORSHIP



\*Note :- The model is an 'explanatory' rather than 'predictive' one, therefore, this represents only the 'subjective probability' of involvement in sponsorship.

The model is a modification of one developed by G.D. Hughes (Which itself is similar to one presented by Lavidge & Steiner<sup>1</sup>), which is a graphic model of 'changes in attitudes associated with the buying decision'<sup>2</sup>. The model identifies three levels; cognitive (beliefs), affective (valence), and conative (motives or subjective probabilities of buying a brand) - see below :



### III THE PRINCIPLES UPON WHICH THE RESEARCH IS BASED

Hughes develops the Lavidge & Steiner model by introducing attribute salience, and signifies the fact that mental states change in two directions, depending on the origin of the change, with double-headed arrow. In addition, a distinction is made from the earlier model in Hughes' definition of 'motive'. He defines motivation as an "evaluation of a need and a means for meeting the need."

Consequently, to measure motivation in the marketing sense he points out the need to measure the probability of buying the generic product and the probability of buying a brand.

The model presented here is a modification of that designed by Hughes in the following respects : firstly, the objective of the model is neither to identify key influences in a buying decision nor measure motivation in the marketing sense, but rather to reveal the attitudes influencing the decision of whether or not to become involved in sponsorship; secondly, Hughes' 'marketing stimuli' is replaced in this model of trader behaviour by 'perceived attributes' pertaining to local sponsorship activities; thirdly, in this model, 'attitude' towards sponsorship is the final link in a model seen as having developed as a result of the other influences identified.

#### Model of The Sponsorship Exchange Process

Having established a model of retailer attitudes towards sponsorship, consideration is given to those factors which the 'sponsee' may be able to offer in return. Thus, a model based on recognised marketing principles reveals the 'sponsorship exchange process', involving sponsor and sponsee. (See section - "Local Sponsorship And The Process of Exchange").

End Notes :-

<sup>1</sup>R.J. Lavidge, and G.A. Steiner, "A Model for Predictive Measurements of Advertising Effectiveness", Journal of Marketing, Vol. 25 (October 1961), pp 59-62.

<sup>2</sup>G. David Hughes, Attitude Measurement for Marketing Strategies (Illinois: Scott, Foresman, 1971).

#### IV RESEARCH APPROACH & METHODOLOGY

The research information was obtained from the following sources :

##### A. MAIL QUESTIONNAIRE (See Appendix (3))

This was distributed as a loose insert with a 'Freepost' return address in the 1st April 1982 issue of 'Harpers Sports & Leisure', which has a readership of approximately 3,000 retail sports goods distributors, and is one of two fortnightly trade journals serving the trade in the U.K.

The questionnaire was accompanied by an editorial encouraging specialist sports retailers to respond.

It should be noted that because of the method by which the questionnaire was dispatched, it had to be designed to satisfy three conditions; firstly, there was a limit on the physical size; secondly, it had to be written in a style suited to the journal - the editor emphasised the need for "straightforward, non-controversial" questions; thirdly, and importantly, there was a strict time limit imposed on preparation in order to meet the journal's own schedules, which to some extent restricted design.

##### B. TELEPHONE QUESTIONNAIRE (See Appendix (3))

Specialist sports retailers were selected according to geographical location and scale of business (Based on shop size; product range ; and siting e.g., high street). This information was obtained in 1980 by the researcher when operating as a sports goods suppliers' agent. Agents operated in designated areas throughout the U.K., and were required to supply this information on current and potential customers to Head Office. Selection of respondents was based on the assembled lists with the aim of selecting a representative cross-section of the trade. The questionnaire followed the same basic format as the mail questionnaire, but was adapted for the purpose.

#### IV RESEARCH APPROACH & METHODOLOGY

The importance of flexibility was recognised in this time-restricted form of questioning.

##### C. PERSONAL INTERVIEWS (See Appendix (4))

Personal interviews were conducted with specialist sports retailers in the Essex Area, selected at random from the same information source as used in the telephone questionnaire. Essex was considered to offer a representative cross-section of sports retailer attitudes throughout the U.K. as it encompasses urban, commercial, suburban and rural areas. It was, therefore, considered that bias in conducting personal interviews in one geographical location was minimised due to the contrasting areas of trade in which sports retailers operate in the Essex Area.

Questioning followed the format of the mail questionnaire, but concentrated on encouraging respondents to expand on their answers so as to obtain further information on their attitudes towards sponsorship of local sport.

#### SIZE OF RESPONSE

##### A. MAIL QUESTIONNAIRE

A total of 52 replies were received. Twelve of these were disregarded in the final statistical analysis of data because the respondents had not answered the questions, but had summarized their view in a general comment on the subject. Their comments were, however, noted and are quoted in the findings.

It is felt the small response was largely due to the fact that there was no incentive for the retailers to respond, for example, through receipt of a free gift i.e., the response suffered as a result of a "what is in it for me?" attitude.

#### IV RESEARCH APPROACH & METHODOLOGY

This view is borne out by R.C. Copeman, Managing Director of Sports Technology Research and Development Limited, in a written communication, who states : "I think the chief problem would have been respondees identifying what benefits they would get out of the time and effort involved in your study. I have found that successful studies have always involved personal interviews with myself completing the questionnaire based on their answers, and then giving them a hefty book which was usually sponsored itself - however none of mine were in the sports field."

##### B. TELEPHONE QUESTIONNAIRE

28 telephone calls were made, of these only 3 were unwilling to answer the questions asked.

##### C. PERSONAL INTERVIEWS

25 interviews were carried out, all are considered to have provided useful information.

From a target population of 2,800<sup>1</sup> specialist sports retailers, the sample survey constituted 90 respondents (3.2%)

---

Information received from mail and telephone questionnaire respondents was classified together when processing the data, with the exception of questioning of attitudes towards perceived 'ideal' and 'practical' achievements of sponsorship of local sport. It was felt that there was insufficient time on the telephone to give an accurate reply to this question area.

Personal interview findings were not classified along with data obtained from the questionnaire, but were used for the following purposes:

- a. Interviews were conducted prior to the drawing-up of the questionnaire as a 'pilot study' in order to assess required areas for questioning.



#### IV RESEARCH APPROACH & METHODOLOGY

- b. Specific interviewee comments were used where appropriate, in comparison or contrast with findings from the questionnaire.  
(See Appendix 5B)
- 

##### Classification of Size of Business

It was necessary to classify sports retailers into groups according to size of business operations, this was carried out according to the following groupings based on 'gross annual turnover':

- Small = respondents with a gross annual turnover below £250,000 p.a.
- Large = respondents with a gross annual turnover in excess of £250,000 p.a.

Note:- The above classification does not relate to any published information source, but is based on a general consensus among the twenty-five Essex traders interviewed personally on what broadly constitutes a 'small', as opposed to 'large' turnover classification in the specialist sports trade.

---

##### Investigation Into The Attitudes of the Sponsoree

A small subsidiary investigation was undertaken through personal interview with representatives from eight amateur sports clubs (See section - 'Servicing the Sponsor'). These findings, together with a previously published example of a successful local sponsorship programme<sup>2</sup>, were used together with the retail survey results, to produce an overall model of 'the sponsorship exchange process'.

End Notes :-

<sup>1</sup>B.M.R.B./Intel, April 1981.

<sup>2</sup>Industrial Sponsorship and Joint Promotions, Directory of Social Change Publication, 1981.

## V. UNDERLYING ASSUMPTIONS & LIMITATIONS

### A. Drawing Final Conclusions

Any conclusions drawn from analysis of information gathered is subject to the commonly identified statistical limitations of a small sample, which in this case represents 3.2% of the population.

### B. A Definition of Sponsorship

The term sponsorship is used in its widest sense e.g., a small donation towards a club's expenses. Respondents to the mail and telephone questionnaires and those interviewed personally were given a very broad definition of 'sponsorship' for two main reasons : firstly, those who only gave small donations to local sport would not be excluded from the survey; secondly, the broad definition gave respondents the opportunity to express their own views on what they consider to be 'sponsorship' as opposed to 'charitable' support.

### C. Basis Upon Which The Hypotheses Are Drawn

The overall purpose of the hypotheses and sub-hypotheses is to determine the key factors in the sports retailer's attitudes towards sponsorship of local sport as previously outlined (See model page 32).

The hypotheses were established by reference to the following information sources :

- a. Personal opinion based on knowledge and experience drawn primarily from (i) time spent as a commission agent for a number of sports goods manufacturers and suppliers, and (ii) active involvement in a variety of local sports, including two years teaching physical education in a secondary school.

## V UNDERLYING ASSUMPTIONS & LIMITATIONS

- b. A study of relevant published research and comment in the field of sponsorship.
- c. A 'pilot' study to investigate the attitude of sports retailer's, carried out through personal interviews in the Essex Area.

### D. Assumptions Upon Which The Hypotheses Are Based

#### Hypothesis 1a:

"The greater proportion of specialist sports retailers (51% or more) are not currently involved in sponsorship of local sport."

This was based on views expressed (a) in personal interviews with sports retailers in Essex, (b) in local newspapers by sports participants and administrators, and (c) in the national newspapers and other media.

In general from comments made, the current situation with regard to sponsorship of local sport was seen as exhibiting two main features; firstly, there was insufficient sponsorship in general; secondly, a majority of existing sponsors were from outside the sports retail trade, thus, for example, banks, building societies, and insurance companies, and suppliers of a wide range of products and services not associated with sports goods frequently dominate sponsorship activity at national and local level.

#### Hypothesis 1b:

"A greater proportion of specialist sports retailers (51% or more) are likely to sponsor local sport in the future."

This was based on the assumption that improvement in the economy as a whole may encourage some additional sponsorship activity in general, which would include local sponsorship by the sport's retailer.

## V UNDERLYING ASSUMPTIONS & LIMITATIONS

### Hypothesis 2:

"A greater proportion of specialist sports retailers (51% or more) believe that sponsorship of local sport is not beneficial to their business."

This Hypothesis is an extension of the view that there is in general a lack of sponsorship by sports retailers. It was based on evidence from the pilot study, together with media comment which suggested that many sponsors are reducing the scale of their commitment because of the disappointing results. A further factor thought to influence the retailer's attitude towards sponsorship was again the depressed state of the economy.

### Hypothesis 3a:

"The sports retailer identifies certain 'ideal' achievements which may result from sponsorship of local sport."

Commonly identified 'ideal' achievements include the following :

- The business is recognised as a socially responsible concern.
- Improved business standing in influential areas.
- Increased sales.
- Greater advertising exposure.
- Improved coverage in press, radio and t.v.
- Increased participation in sport due to the sponsorship."

This Hypothesis assumes that regardless of involvement, the majority of sports retailers could identify 'ideal' attributes accruing to local sponsorship. The 'achievements' listed were based on findings from previous research into the field of sponsorship and other published comment in general, together with views expressed in the pilot study.

## V UNDERLYING ASSUMPTIONS & LIMITATIONS

Further, the list of six 'ideal' achievements were necessarily inter-dependent to a greater or lesser extent, thus, the main objective of 'greater advertising exposure' and 'improved coverage in press, radio and t.v.,' was seen to be 'increased sales', which was itself an alternative achievement. Similarly, a significant reason for wishing to see 'the business recognised as a socially responsible concern' may have been to 'improve ones business standing in influential areas'. However, the list of 'ideal' achievements falls into two main categories: the 'profit' motive; and the 'charitable' motive. Thus, those respondents placing 'recognition as a socially responsible concern' high on their list would be seen to be those with a predominantly charitable motive.

The other five ideal achievements are more readily identified with the profit motive, however, all respondents were given the opportunity to suggest other achievements of their own not listed, and, therefore, had the opportunity to suggest further 'non-commercial' motives.

### Hypothesis 3b:

"The sports retailer identifies certain 'practical' achievements which may result from sponsorship of local sport.

Commonly identified 'practical' achievements include the following :

- The business is recognised as a socially responsible concern.
- Improved business standing in influential areas.
- Increased sales.
- Greater advertising exposure.
- Improved coverage in press, radio, t.v.
- Increased participation in sport due to the sponsorship."

## V UNDERLYING ASSUMPTIONS & LIMITATIONS

This Hypothesis is based on the same principles as 3a, but the purpose was to identify those achievements which the sports retailer believed were actually attainable. This does not consider whether those 'practical' achievements are, or have been achieved, but simply whether the respondent believes they can be. The purpose is to investigate the attitude and, therefore, 'explain' the overall trend, and not to measure the 'effectiveness' and so 'predict' trends in sponsorship activity.

Once again, the opportunity to put forward other practical achievements not listed was given to respondents.

### Hypothesis 3c:

"Recognition of 'ideal' achievements is frequently at variance with what is seen to be achievable in 'practice' from sponsorship of local sport by the sports retailer."

The purpose of this Hypothesis was to identify the relationship between what respondents recognised as 'ideal' achievements and what they believed were achievable in 'practice'. Thus, Hypotheses 3a, 3b and 3c, helped identify and examine the importance of 'ideals', and evaluated the extent to which these attributes are seen to actually exist through measurement of perceived 'practical' achievements, and their correlation with chosen 'ideals'.

### Hypothesis 4a:

"A greater proportion (51% or more) of small specialist sports retailers (gross annual turnover below £250,000) consider 'recognition of the business as a socially responsible concern' a likely practical achievement."

### Hypotheses 4b:

"A greater proportion (51% or more) of small specialist sports retailers (gross annual turnover below £250,000) consider 'improvement of their business standing in influential areas' a likely practical achievement."

## V UNDERLYING ASSUMPTIONS & LIMITATIONS

### Hypothesis 4c:

"A greater proportion of large specialist sports retailers (gross annual turnover in excess of £250,000) are concerned with achieving a financial return on their sponsorship than smaller traders."

These Hypotheses are based on the assumption that the larger trader has the finance available for significant investment in sponsorship in relation to the smaller business, and as a consequence is more likely to demand a return on his investment in the same way as any other form of expenditure on advertising or sales promotion. In comparison, the small trader, while also hoping to improve his sales in the long-term, considers improvement of his image in the community as a more realistic immediate target.

This is itself based on the assumption that a significant scale of financial commitment is necessary to attract a significant number of new customers in the short-term through sponsorship. When the financial commitment is relatively small, only a small number of potential new customers will be influenced by the sponsorship activity, and, therefore, improvement of the shop's image is more likely to be the immediate benefit.

### Hypothesis 5a:

"A greater proportion of specialist sports retailers (51% or more) who operate a sponsorship budget are likely to consider 'increased sales' as a likely practical achievement."

### Hypothesis 5b:

"A greater proportion of specialist sports retailers (51% or more) who operate a sponsorship budget are likely to consider 'greater advertising exposure' as a likely practical achievement."



## V UNDERLYING ASSUMPTIONS & LIMITATIONS

These Hypotheses are based on the assumption that those sports retailers who operate a sponsorship budget are likely to include those with a relatively significant financial commitment to sponsorship. It is further assumed that these are likely to be the larger traders and, therefore, as indicated in Hypothesis 4c, are considered more likely to demand an immediate financial return on their investment.

### Hypothesis 6a:

"A greater proportion (51% or more) of specialist sports retailers are encouraged to sponsor local sport if 'the local community' is likely to benefit."

### Hypothesis 6b:

"A greater proportion (51% or more) of specialist sports retailers are encouraged to sponsor local sport if the 'individual, team or event' sponsored are likely to benefit."

### Hypothesis 6c:

"A greater proportion (51% or more) of specialist sports retailers are encouraged to sponsor local sport if the 'sport in general' is likely to benefit."

These Hypotheses are based on the assumption that the majority of sports retailers like to be charitable or 'be seen' to be charitable.

The Hypotheses do not assume that a desire to be charitable is the primary motivating factor in sponsorship, but simply seek to register the extent to which charity is seen as a positive factor. Neither do they consider whether charitable support is considered to improve business.

## V UNDERLYING ASSUMPTIONS & LIMITATIONS

### Hypothesis 7:

Involvement of the specialist sports retailer in sponsorship of local sport may be reduced by lack of 'opportunity' in the following respects :

### Hypothesis 7a:

"The greater proportion (51% or more) perceive the existence of a local sport which they would like to sponsor but feel they are prevented from so doing."

### Hypothesis 7b:

"The greater proportion (51% or more) who are 'not currently involved' in sponsorship, are not actively involved as participants of sport."

### Hypothesis 7c:

"The greater proportion (51% or more) who are not currently involved in sponsorship are not actively involved as spectators of sport."

### Hypothesis 7d:

"The greater proportion (51% or more) who are 'not currently involved' in sponsorship are not actively involved as sports administrators."

These Hypotheses assume that the attitude of the sports retailer towards local sponsorship is influenced by his 'opportunity' to sponsor.

In Hypotheses 7b, 7c, and 7d, it is assumed that opportunity may not be consciously limited, but rather, a lack of personal involvement in local sport, perhaps reflecting a lack of 'interest' will restrict the trader's involvement in sponsorship. This is based on findings in the pilot study which showed a general lack of active involvement had the effect of limiting interest in local sports sponsorship.

## V UNDERLYING ASSUMPTIONS & LIMITATIONS

Similarly, it is felt that preference for a specific sport or sports may reduce involvement in sponsorship if those sports are perceived as lacking sponsorship opportunities.

Hypothesis 7a considers 'perceived' rather than 'actual' lack of opportunity. The retailer may consider there is no opportunity to sponsor his favourite sport, when in fact there is much potential. The 'perceived' lack of opportunity is, however, considered sufficient to influence sponsorship commitment.

### Hypothesis 8:

"A minority (49% or less) of specialist sports retailers who believe sponsorship can be beneficial to their business believe the following are constraints on their sponsorship activities :

- a. Financial limitations.
- b. Time constraints imposed by the business."

Hypothesis 8 a) and b) tests the view that financial and time constraints significantly influence the sports retailer's general attitude towards sponsorship in terms of whether he considers it can benefit his business. Thus, the assumption is that if the trader is restricted by financial and time constraints in potential sponsorship activity, this will lead him to conclude that commitment to such activity would be against business interests.

# VI PRESENTATION OF SURVEY FINDINGS (See Appendix (5A))

(See Appendix 5B for quotations relevant to individual hypotheses.)

## HYPOTHESIS 1a:

The greater proportion of specialist sports retailers (51% or more) are not currently involved in sponsorship of local sport.

### A. Results :-

Respondent Category	Involvement : Currently Involved
Percentage of total respondents	75 %
Independent traders	69 %
Chain store outlets	100 %
Gross annual turnover :-	
- £1 - 250,000	70 %
- £251,000 - 500,000 (plus)	88 %

(Tables show percentage of respondents in first column who fall into subsequent categories e.g., 75% of 'total respondents' are 'currently involved' in sponsorship).

Note:- i) 94% of total respondents were independent traders.  
ii) 23% of total respondents were previously but are not currently involved in sponsorship.

### B. Statistical Findings :- (See Appendix (6))

$p = 25\%$  (not involved).  $n = 65$ .

$$\sigma_x = \sqrt{\frac{0.25(1 - 0.25)}{65}} = 0.0537$$

Therefore, we are 95% confident that the population proportion lies between,

$$\begin{aligned} & 0.25 \pm 1.96 \times 0.0537 \\ = & 0.25 \pm 0.11 \end{aligned}$$

Therefore, at the 95% confidence level, the population proportion lies between 36% and 14%.

## PRESENTATION OF SURVEY FINDINGS

### Conclusion :-

Hypothesis 1a is rejected on the grounds that at the 95% level of confidence between 36% and 14% of the population are not currently involved in sponsorship i.e., below the required 51%.

---

### C. CONCLUSIONS

Findings show Hypothesis 1a to be negative. It was found that the majority of respondents to the mail and telephone questionnaires were involved in sponsorship in some way.

Before any positive conclusions are drawn however, the following factors must be considered: (a) it is reasonable to assume that those currently involved in sponsorship, and who look favourably upon their sponsorship activity were more likely to take the time to respond to the mail questionnaire than those with less favourable attitudes.

This may have the effect of exaggerating current sponsorship involvement of the sports retail trade as a whole; (b) the definition of sponsorship activity given in the mail and telephone questionnaires was deliberately broad so as to classify even the smallest donation as a form of sponsorship. The questionnaire, therefore, did not attempt to determine the extent of "significant" sponsorship activity.

A summary of views expressed in the personal interviews revealed that around half were committed to sponsorship on a "serious" rather than "casual" basis (Respondents were asked whether they considered their sponsorship involvement "serious" or "casual").

Classification of respondents according to "business type" (independent or 'chain') and "geographical location" revealed no significant trend beyond a fairly even distribution of sponsorship activity in both groups. There was some evidence, however, to suggest that a greater proportion of sports retailers in the higher gross annual turnover grouping are currently involved in sponsorship; positive conclusions, are, however, restricted by the small number of respondents who gave their turnover figures.

PRESENTATION OF SURVEY FINDINGS

Hypothesis 1b:

A greater proportion of specialist sports retailers (51% or more) are likely to sponsor local sports in the future.

A. Results:-

Respondent Category	Future Involvement : Will Sponsor in The Future
Percentage of total respondents	77 %
Independent traders	79 %
Chain store outlets	100 %
Believe sponsorship beneficial to business	85 %
Believe sponsorship not beneficial to business	46 %
Gross annual turnover :-	
- £1 - 250,000	90 %
- £251,000 - 500,000 (plus)	100 %

Respondent Category	Future Sponsorship By Trade : Believe Trade Will Increase
Percentage of total respondents	50 %
Telephone respondents	20 %
Mail respondents	69 %
Currently involved	43 %
Believe sponsorship beneficial to business	63 %
Believe sponsorship not beneficial to sponsorship	8 %
Will sponsor in future	56 %
Will not sponsor in future	25 %

## PRESENTATION OF SURVEY FINDINGS

### B. Statistical Findings :-

p = 77% (likely to sponsor in the future).

n = 65.

$$\sigma_{\bar{x}} = \frac{\sqrt{0.77(1-0.77)}}{65} = 0.0522$$

Therefore, at the 95% level of confidence, the population proportion lies between,

$$\begin{aligned} & 0.77 \pm 1.96 \times 0.0522 \\ = & 0.77 \pm 0.10 \\ = & 87\% \text{ and } 67\%. \end{aligned}$$

### Conclusion :-

Hypothesis 1b is accepted on the grounds that the parameters exceed the required 51% level.

---

### C. CONCLUSIONS

Findings show Hypothesis 1b to be positive. Respondents who stated they would consider sponsorship in the future represented an increase of 2% on those currently involved.

However, related findings in general suggest that any increase in sponsorship activities will be small.

When asked to consider future sponsorship activity by the trade as a whole, respondents were exactly split i.e., 50% indicating there would be an increase. However, it is felt this may not be a reliable measure of likely future involvement of the trade as a whole, due to the depressing effects on future trading predictions of the current economic recession.

A far smaller percentage of telephone respondents stated they expected an increase in sponsorship by the trade as a whole than mail respondents.

#### PRESENTATION OF SURVEY FINDINGS

This fact was however, exaggerated to some extent by the limitation to a "Yes/No" answer, and a lack of opportunity for clarification during telephone interviews.

A majority of respondents indicating they believe sponsorship can be beneficial to their business intend to sponsor in the future, but interestingly, a significant proportion (46%) of those who do not feel it can be beneficial indicated that they intend to sponsor in the future. The latter group may, therefore, be motivated by a "philanthropic" desire to support sponsorship. The great majority of this group, however, indicated that they did not believe sponsorship by the trade as a whole would increase in the future.

Finally, grouping into "business types", "geographical location", and "gross annual turnover", produced no marked indication of trends beyond generally suggesting continued support slightly above current rates throughout the sports retail trade.



## PRESENTATION OF SURVEY FINDINGS

### Hypothesis 2:

A greater proportion of specialist sports retailers (51% or more) believe that sponsorship of local sport is not beneficial to their business.

### A. Results :-

Effect of Sponsorship on the Business :	
Respondent Category	Beneficial
Percentage of total respondents	74 %
Independent traders	74 %
Chain store outlets	100 %
Gross annual turnover :- £1 - 250,000	79 %
£251,000 - 500,000	100 %

Sponsorship Involvement:		
Attitude towards Sponsorship	Currently Involved	Not Currently Involved
Beneficial to business	77 %	23 %
Not beneficial to business	54 %	46 %

### B. Statistical Findings :-

$p = 26\%$  (Believe sponsorship is not beneficial to business).

$n = 65$ .

$$\sigma_{\bar{x}} = \sqrt{\frac{0.26(1-0.26)}{65}} = 0.0544$$

Therefore, at the 95% confidence level, the population proportion lies between,

$$\begin{aligned} & 0.26 \pm 1.96 \times 0.0544 \\ = & 0.26 \pm 0.11 \\ = & \underline{37\% \text{ and } 15\%}. \end{aligned}$$

## PRESENTATION OF SURVEY FINDINGS

### Conclusion :-

Hypothesis 2 is rejected on the grounds that the population parameters fall below the required 51% level.

### C. CONCLUSIONS

Findings show Hypothesis 2 to be negative. However, it is likely that those who responded to the mail questionnaire were more in favour of sponsorship in general and, therefore, are more likely to claim it can be beneficial to the business.

Around 20% of those claiming sponsorship can be beneficial to the business are not currently involved in sponsorship. This may possibly be explained in two ways : firstly, the current economic recession and the difficult times the sports retail trade in general is experiencing as a result, is responsible for reducing commitment to sponsorship activity; secondly, despite a belief in certain beneficial aspects of local sponsorship, some sports retailers are not prepared to risk involvement on any marked scale due to discouraging factors e.g. lack of experience, knowledge and communication with potential sponsored parties; or failure on the part of local sport to offer a sufficiently attractive sponsorship programme.

Over half of those indicating they do not believe sponsorship can be beneficial to their business are currently involved to some extent. This may give support to the view that local sponsorship is perceived by a large proportion of sports retailers in largely "philanthropic" terms.

Results suggest that the larger sports retailers (Classified by "gross annual turnover") may in general view local sponsorship more favourably than the smaller trader in a business sense. This may be due in part to the latter having less money available for 'marketing' purposes. Personal interviews supported these findings, with several independent sports retailers in the lower turnover bracket claiming that sponsorship

### PRESENTATION OF SURVEY FINDINGS

was more acceptable for the large companies as they can, for example, "write-off" sponsorship expenditure along with other expenses, and so benefit from reduced taxation rates. These findings are consistent with those in Hypothesis 1a in so far as a greater proportion of respondents in the higher turnover classification are currently involved in sponsorship.

Classification of sports retailers into geographical locations revealed no noticeable trends beyond a majority view in support of the view that sponsorship of local sport can be beneficial for the business.

---

### Hypotheses 3a: 3b: 3c:

Note :- Hypotheses 3a, 3b, and 3c were not considered suitable for statistical analysis due to the following :-

1. It was necessary in analysing the results to distinguish between mail and telephone respondents due to the difference in time available for answering. Analysis required further sub-division of results, and it was felt the quantity of data was insufficient to justify statistical analysis of these specific hypotheses.
2. Due to the time constraint on telephone respondents, only the first three 'ideal' choices were considered, and only the 'practical' achievements were ranked.

Statistical analysis would have 'ignored' those achievements not selected in the first three, which may have been significant, particularly in view of the fact that they are to some extent 'inter-dependent'.

### Hypotheses 3a:

The sports retailer identifies certain 'ideal' achievements which may result from sponsorship of local sport. Commonly identified 'ideal' achievements include the following :

- The business is recognised as a socially responsible concern.
- Improved business standing in influential areas.

PRESENTATION OF SURVEY FINDINGS

- Increased sales.
- Greater advertising exposure.
- Improved coverage in press, radio, t.v.
- Increased participation in sport due to the sponsorship.

A. Results :- 1) MAIL RESPONDENTS (40)

Selection of Achievement:		
Ideal Achievement	First Choice	Mentioned in first 3 choices
Increased sales	55 %	78 %
Social responsibility	18 %	43 %
Greater advertising exposure	5 %	43 %

2) TELEPHONE RESPONDENTS (25)

Selection of Achievement:	
Ideal Achievement	Mentioned in first 3 choices
Increased sales	28 %
Media coverage	16 %
Greater advertising exposure	12 %

- Note :-
- i) "Greater advertising exposure" was the second most popular choice (i.e. mentioned in first 3 choices) of telephone and mail respondents when taken together.
  - ii) "Improved business standing in influential areas" was the least popular choice of all respondents taken together.
  - iii) Telephone respondents were not asked to rank their 'ideal' choices due to lack of time for serious consideration.

## PRESENTATION OF SURVEY FINDINGS

### B. CONCLUSIONS

In general, findings would appear to support Hypothesis 3a.

In identifying favoured 'ideal' achievements from sponsorship of local sport, over half of the mail respondents selected 'increased sales' as their first choice. Telephone respondents, while not asked to rank their 'ideal' selections, also chose 'increased sales' above all others, although a smaller overall percentage did so. The second most popular 'ideal' choices of mail and telephone respondents differed with the former choosing 'increased social responsibility' and the latter 'improved media coverage'

'Greater advertising exposure' was the second most popular choice of all respondents (Measured in terms of their first 3 choices) when taken together.

Representative comments from those interviewed, together with mail and telephone respondents suggested that many sports retailers are critical of the attitude of potential sponsored parties, feeling they are only involved for their own gain, and are prepared to offer the sponsor very little in return for his support.

Another frequently expressed view worthy of consideration was the suggestion that more sports retailers should consider specialisation within a specific sport. It was suggested this would increase the likelihood of survival of the retailer in the face of heavy competition from an increasingly diverse range of competitors. It should also be noted that increased specialisation by the sports retailer could enhance local sponsorship commitment through a desire to support potential customers.

#### Hypothesis 3b:

The sports retailer identifies certain 'practical' achievements which may result from sponsorship of local sport.

Contd/...

## PRESENTATION OF SURVEY FINDINGS

Commonly identified 'practical' achievements include the following :

- The business is recognised as a socially responsible concern.
- Improved business standing in influential areas.
- Increased sales.
- Greater advertising exposure.
- Improved coverage in press, radio and t.v.
- Increased participation in sport due to sponsorship.

### A. Results :-

#### 1. Mail Respondents

Selection of achievement:	Mentioned in First 3 choices	First Choice
Practical Achievements		
Increased sales	50 %	25 %
Social responsibility	38 %	23 %
Greater advertising exposure	40 %	18 %

Note :- No one mentioning 'improved business standing in influential areas' (58%) selected it as their first choice .

#### 2. Telephone Respondents

Selection of achievement:	Mentioned in First 3 choices	First Choice
Practical Achievements		
Greater advertising exposure	96 %	72 %
Increased sales	56 %	28 %

- Note :
- i) 38% of total respondents (mail and telephone) chose 'greater advertising exposure' as their most important practical achievement (This was the highest first choice percentage).
  - ii) 28% of telephone respondents selected 'improved business standing in influential areas', 14% of these selected it as their first choice - this was the lowest first choice selection.

## PRESENTATION OF SURVEY FINDINGS

### B. CONCLUSIONS

In general, findings would appear to support Hypothesis 3b. Overall there was sufficient evidence to support the claim that the sports retailer identified certain 'practical' achievements which may result from sponsorship of local sport.

Mail respondents mentioned 'increased sales' in their first three 'practical' achievement choices more than any other, with 'increased advertising exposure' in second place. 'Increased sales' was also the most popular first choice 'practical' achievement with mail respondents; 'recognition as a socially responsible concern' was the next most frequently chosen first choice. The majority of telephone respondents selected 'increased advertising exposure' as their first choice, with 'increased sales' as the next most popular first choice. Taken together, the majority of mail and telephone respondents selected 'increased advertising exposure' as their first choice 'practical' achievement.

The variance in choice of 'practical' achievements by mail and telephone respondents was not great, and it is felt was largely due to two factors: firstly, mail respondents were volunteers and so likely to include a greater proportion who looked favourably upon sponsorship; in contrast, telephone respondents were contacted without warning and were, therefore, more likely to include those not in favour; secondly, telephone respondents had less time to consider their answers and may, therefore, have altered their reply marginally if responding to a mail questionnaire. The influence of these factors is felt to have been small, having its greatest influence on mail respondents support for 'recognition as a socially responsible concern' - a 'practical' achievement not widely recognised by telephone respondents.

#### PRESENTATION OF SURVEY FINDINGS

While the majority of mail respondents selected 'increased sales' as their first choice 'practical' achievement, there was widespread support for 'increased advertising exposure'. In contrast, telephone respondents favoured the latter, however, if one considers one of the main objectives of advertising is to increase sales, the difference in attitudes between mail and telephone respondents is narrowed.

Interview and questionnaire comments supported this observation with the commonly expressed view that local sponsorship can be an effective form of advertising leading to increased sales. Respondents also pointed out the value of careful selection of sponsored parties, as their sporting success could lead to business gain for the retailer.

Note :- Classification of respondents into business type (independent or chain group) and geographical location, revealed no significant trends concerning attitudes towards 'practical' achievements of local sponsorship.



### PRESENTATION OF SURVEY FINDINGS

Hypothesis 3c : Recognition of 'ideal' achievements is frequently at variance with what is seen to be achievable in 'practice' from sponsorship of local sport by the sports retailer.

#### A. Results

1. Achievements mentioned in the first three choices: (Mail and Telephone Respondents)

Ideal Choice \ Practical Choice:				
	Increased Advertising Exposure	Media Coverage	Increased Sales	Recognised Social Responsibility
Increased advertising expo.	94 % (25% of total respondents)			
Media coverage		90% (14% of total respondents)		
Increased sales			81 % (38% of total respondents)	
Recognised social responsibility				76 % (20% of total respondents)

Note:- The smallest relationship between 'ideal' and 'practical' achievements was for 'improved business standing' (6% of total respondents).

#### 2. First Choice Achievements : (Mail Respondents Only)

- (a) 32% of mail respondents selecting 'increased sales' as their most important 'ideal' achievement chose 'greater advertising exposure' as the most important 'practical' achievement. (18% of mail respondents).
- (b) 32% of mail respondents selecting 'increased sales' as their most important 'ideal' achievement chose 'increased sales' as the most important 'practical' achievement. (18% of mail respondents).

#### PRESENTATION OF SURVEY FINDINGS

(a) and (b) constitute the most significant relationships.

#### B. CONCLUSIONS

In general, findings were sufficiently consistent to suggest that Hypothesis 3c could reasonably be rejected. Overall, there was sufficient evidence to show that there is a relatively consistent relationship between recognition of 'ideal' and 'practical' achievements of sponsorship of local sport by sports retailers.

When considering the first three choices of 'ideal' and 'practical' achievements by all respondents (mail and telephone), 94% mentioning the 'ideal' also recognised the 'practical' possibility of securing 'increased advertising exposure'. (This represents 25% of total respondents). Only 'improved business standing' had below 75% dual selection. 38% of total respondents selected 'increased sales', which was the largest relationship.

A greater percentage of mail respondents selected 'increased sales' as their first choice 'ideal' achievement, of these, an equal proportion (32%) selected 'increased advertising exposure' and 'increased sales' as their first choice 'practical' achievements.

On questioning, it was found that a large proportion of personal interview respondents (In excess of 50%) had previously given very little conscious thought to possible 'ideal' or 'practical' achievements of sponsorship, but when consciously made to consider, they did recognise the existence of both phenomena to a greater or lesser degree.

## PRESENTATION OF SURVEY FINDINGS

### Hypothesis 4a

A greater proportion (51% or more) of small specialist sports retailers (gross annual turnover below £250,000) consider 'recognition of their business as a socially responsible concern' a likely practical achievement.

### A. Results

Gross Annual Turnover	Practical Achievement: (In first 3 choices)
	Social Responsibility
£1 - £250,000	59 %
£251,000 plus	38 %

### B. Statistical Findings

p = 59% (Those selecting this practical achievement)

n = 29

$$\sigma_{\bar{x}} = \sqrt{\frac{0.59(1-0.59)}{29}} = 0.0913$$

Therefore, at the 95% level of confidence, the population proportion lies between,

$$\begin{aligned} & 0.59 \pm 1.96 \times 0.0913 \\ = & 0.59 \pm 0.18 \\ = & \underline{77\% \text{ and } 41\%} \end{aligned}$$

### Conclusion

Hypothesis 4a is accepted on the basis that a significant proportion of respondents exceed the required 51% level.

### PRESENTATION OF SURVEY FINDINGS

The lower parameter, however, restricts any firm conclusion.

#### Hypothesis 4b

A greater proportion (51% or more) of small specialist retailers (gross annual turnover below £250,000) consider 'improvement of their business standing in influential areas' a likely practical achievement.

#### A. Results

Practical Achievement (in first 3 choices):	
Gross Annual Turnover	Improved Business Standing
£1 - 250,000	24 %
£251,000 plus	0 %

#### B. Statistical Findings

$p = 24\%$  (Those selecting this practical achievement)

$n = 29$

$$\sigma_{\bar{p}} = \sqrt{\frac{0.24(1-0.24)}{29}} = 0.0793$$

Therefore, at the 95% level of confidence, the population proportion lies between,

$$\begin{aligned} & 0.24 \pm 1.96 \times 0.0793 \\ = & 0.24 \pm 0.16 \\ = & \underline{40\% \text{ and } 8\%} \end{aligned}$$

#### Conclusion

Hypothesis 4b is rejected as the parameters fall below the required 51% level.

## PRESENTATION OF SURVEY FINDINGS

### C. CONCLUSIONS TO HYPOTHESES 4a AND 4b

The small number of respondents willing to indicate their gross annual turnover limits any firm conclusions, however, there is some evidence to suggest that a significant proportion of small traders see improvement of their image a realistic objective of sponsorship. This can be seen in the selection of 'social responsibility' as a 'practical' achievement by over a half of small respondents.

It is felt that further investigation may reveal that due to the small scale of financial involvement of the smaller sports retailer, he may consider financial gains from sponsorship in the short-term unlikely, whereas improvement of his image may be a more immediately achievable objective. In comparison, the larger sports retailer with more funds available for investment in sponsorship may consider financial gain, for example, through improvement of his sales, to be a realistic primary aim achievable in the short-term.

### Hypothesis 4c

A greater proportion of large specialist sports retailers (gross annual turnover in excess of £250,000) are concerned with achieving a financial return on their sponsorship than smaller traders.

Note :- The desire to achieve a financial return was measured from selection by respondents of the following practical achievements (in their first three choices):-

- (a) Increased sales.
- (b) Greater advertising exposure.

## PRESENTATION OF SURVEY FINDINGS

### A. Results

Gross Annual Turnover	Selected Practical Achievement : (In first 3 choices)	
	Increased Sales	Greater Advertising Exposure
(Large) £251,000 plus	75 %	50 %
(Small) £1 - 250,000	62 %	59 %

Note :- Large traders - 8 respondents  
Small traders - 29 respondents

### B. Statistical Findings

Hypothesis :  $\mu_2 \neq \mu_1$  (Where  $\mu_2$  = Small trader  
 $\mu_1$  = Large trader)

$$\alpha = 0.05$$

$$t = \frac{\bar{X}_1 - \bar{X}_2}{Sp \sqrt{(1/N_1) + (1/N_2)}}$$

- Assuming this statistic has a distribution with  $N_1 + N_2 - 2$  degrees of freedom.
- Reject Hypothesis if  $t < -2.92$
- $\bar{x}_1 = 62.5, \sum x_{1i}^2 - \frac{(\sum x_{1i})^2}{2} = 312.5$
- $\bar{x}_2 = 60.5, \sum x_{2i}^2 - \frac{(\sum x_{2i})^2}{2} = 4.5$
- $Sp^2 = \frac{312.5 + 4.5}{2} = 158.5$

PRESENTATION OF SURVEY FINDINGS

$$s_p = 12.6$$

$$t = \frac{62.5 - 60.5}{12.6 \sqrt{\frac{1}{2} + \frac{1}{2}}} = 0.16$$

Conclusion

The hypothesis is, therefore, accepted on the basis that it does not exceed  $-2.92$  (which would have meant  $\mu_2 > \mu_1$ ).

---

C. CONCLUSION

Hypothesis 4c is accepted. There is sufficient evidence to suggest that a greater proportion of 'large' than 'small' traders are concerned with achieving a financial return on their sponsorship. Furthermore, findings are consistent with the view expressed in Hypothesis 4a which suggested a significant proportion of small traders favoured non-financial achievements from sponsorship in the form of improvement of business image.

This gives further support to the view that the scale of investment in sponsorship may influence the traders expectations.

## PRESENTATION OF SURVEY FINDINGS

### Hypothesis 5a

A greater proportion of specialist sports retailers (51% or more) who operate a sponsorship budget are likely to consider 'increased sales' as a likely practical achievement.

### A. Results

54% of respondents who operate a sponsorship budget selected 'increased sales' in their first three choices of likely 'practical' achievements.

### B. Statistical Findings

$$p = 54\%$$

$$n = 35$$

$$\sigma_{\hat{p}} = \sqrt{\frac{0.54(1-0.54)}{35}} = 0.0842$$

Therefore, at the 95% confidence level, the population proportion lies between,

$$\begin{aligned} & 0.54 \pm 1.96 \times 0.0842 \\ = & 0.54 \pm 0.17 \\ = & \underline{71\% \text{ and } 37\%} \end{aligned}$$

### Conclusion

Hypothesis 5a is accepted despite the lower parameter falling below the 51% level, on the grounds that the upper parameter is significantly above 51%.



## PRESENTATION OF SURVEY FINDINGS

### Hypothesis 5b

A greater proportion of specialist sports retailers (51% or more) who operate a sponsorship budget are likely to consider 'greater advertising exposure' as a likely 'practical' achievement.

#### A. Results

60% of respondents who operate a sponsorship budget selected 'greater advertising exposure' in their first three choices of likely 'practical' achievements.

Note :- 54% of the total respondents operate an annual sponsorship budget.

#### B. Statistical Findings

$$p = 60\%$$

$$n = 35$$

$$\sigma_z = \sqrt{\frac{0.60(1-0.60)}{35}} = 0.0828$$

Therefore, at the 95% confidence level, the population proportion lies between,

$$\begin{aligned} & 0.6 \pm 1.96 \times 0.0828 \\ = & 0.6 \pm 0.16 \\ = & \underline{76\% \text{ and } 44\%} \end{aligned}$$

#### Conclusion

Hypothesis 5b is accepted on the grounds that the parameters satisfactorily encompass the required 51% level, with the upper limit significantly counteracting the lower.

## PRESENTATION OF SURVEY FINDINGS

### C. CONCLUSIONS TO HYPOTHESES 5a AND 5b

Results indicate that those retailers who budget for expenditure on sponsorship may be more likely to demand a financial return than those operating on an 'ad hoc' basis.

Hypotheses 5a and 5b are based on the assumption that those sports retailers who budget for sponsorship expenditure are more likely to include a significant proportion of the larger investors ; the smaller 'donators' are less likely to operate a budget, but will operate on an 'ad hoc' basis.

The findings from 5a and 5b are in general consistent if one accepts one of the major objectives of 'increasing advertising exposure' is to secure 'greater sales' in the long term.

Findings also support Hypothesis 4c in so far as those sponsors not operating a budget are more likely to include the smaller sports retailer who may not consider 'increased sales' a realistic objective in the short term due to the small scale of his involvement.

## PRESENTATION OF SURVEY FINDINGS

### Hypothesis 6a

A greater proportion (51% or more) of specialist sports retailers are encouraged to sponsor local sport if the 'local community' is likely to benefit.

### Hypothesis 6b

A greater proportion (51% or more) of specialist sports retailers are encouraged to sponsor local sport if the 'individual, team, or event sponsored' are likely to benefit.

### Hypothesis 6c

A greater proportion (51% or more) of specialist sports retailers are encouraged to sponsor local sport if the 'sport in general' is likely to benefit.

### A. Results

Respondents	Beneficiary:		
	Local Community	Individual or Team	Sport
Total respondents	65 %	69 %	57 %
Those currently involved	80 %	78 %	71 %
Those previously involved	80 %	73 %	73 %
Likely future sponsors	88 %	86 %	82 %
Future sponsorship unlikely	50 %	33 %	42 %

## PRESENTATION OF SURVEY FINDINGS

### B. Statistical Findings - Hypothesis 6a

$p = 65\%$  (Total respondents encouraged to sponsor if the community benefits)

$n = 65$

$$\sigma_{\bar{x}} = \sqrt{\frac{0.65(1-0.65)}{65}} = 0.0592$$

Therefore, at the 95% confidence level, the population proportion lies between,

$$\begin{aligned} & 0.65 \pm 1.96 \times 0.0592 \\ = & 0.65 \pm 0.12 \\ = & \underline{77\% \text{ and } 53\%} \end{aligned}$$

#### Conclusion

Hypothesis 6a is accepted, as the parameters exceed the required 51% level.

### Statistical Findings - Hypothesis 6b

$p = 69\%$  (Total respondents encouraged to sponsor if the individual team, or event benefits).

$n = 65$

$$\sigma_{\bar{x}} = \sqrt{\frac{0.69(1-0.69)}{65}} = 0.0574$$

Therefore, at the 95% level of confidence, the population proportion lies between,

$$\begin{aligned} & 0.69 \pm 1.96 \times 0.0574 \\ = & 0.69 \pm 0.11 \\ = & \underline{80\% \text{ and } 58\%} \end{aligned}$$

#### Conclusion

Hypothesis 6b is accepted, as the parameters exceed the required 51% level.

## PRESENTATION OF SURVEY FINDINGS

### Statistical Findings - Hypothesis 6c

$p = 57\%$  (Total respondents encouraged to sponsor if the sport in general benefits).

$n = 65$

$$\sigma_{\bar{x}} = \sqrt{\frac{0.57(1-0.57)}{65}} = 0.0614$$

Therefore, at the 95% confidence level, the population proportion lies between,

$$\begin{aligned} & 0.57 \pm 1.95 \times 0.0614 \\ = & 0.57 \pm 0.12 \\ = & \underline{69\% \text{ and } 45\%} \end{aligned}$$

### Conclusion

Hypothesis 6c is accepted on the grounds that the upper parameter significantly compensates for the lower which falls below the 51% level.

---

### C. CONCLUSIONS TO HYPOTHESES 6a, 6b and 6c

Results indicate a strong feeling of support from those currently and previously involved and those likely and unlikely to sponsor in the future, for the local community; the sponsored parties; or the sport in general to benefit from sponsorship activity. 'The individual, team or event sponsored' received the largest support from all categories of respondents.

The overall response in respect of the three broad categories of beneficiaries suggests a strong recognition by sports retailers, regardless of their involvement in sponsorship, of the need to support, or at least, 'be seen to support' a sponsorship programme which may be identified with objectives reaching beyond purely financial gain.

PRESENTATION OF SURVEY FINDINGS

It should, however, be stressed that 'recognition' of the value of supporting the community, participant and sport in general etc., is not necessarily sufficient justification by itself for entering into a sponsorship programme. Neither does it give any indication of the extent to which charitable support is itself seen to improve business.

## PRESENTATION OF SURVEY FINDINGS

### Hypothesis 7

Involvement of the specialist sports retailer in sponsorship of local sport may be reduced by lack of 'opportunity' in the following respects :

### Hypothesis 7a

The greater proportion (51% or more) perceive the existence of a local sport which they would like to sponsor but feel they are prevented from so doing.

### A. Results

Respondent Category	Sponsorship Opportunity:
	Restricted
Total respondents	22 %
Those currently involved	18 %
Those previously involved	33 %

### B. Statistical Findings

$$p = 22\%$$

$$n = 65$$

$$\sigma_{\bar{x}} = \sqrt{\frac{0.22(1-0.22)}{65}} = 0.0514$$

Therefore, at the 95% level of confidence, the population proportion lies between,

$$\begin{aligned} & 0.22 \pm 1.96 \times 0.0514 \\ = & 0.22 \pm 0.10 \\ = & \underline{32\% \text{ and } 12\%} \end{aligned}$$

## PRESENTATION OF SURVEY FINDINGS

### Conclusion

Hypothesis 7a is rejected as the population parameters lie below the required 51% level.

### Hypothesis 7b

The greater proportion (51% or more) 'not currently involved' in sponsorship are not actively involved as participants of local sport.

### Hypothesis 7c

The greater proportion (51% or more) who are 'not currently involved' in sponsorship are not actively involved as spectators of local sport.

### Hypothesis 7d

The greater proportion (51% or more) who are 'not currently involved' in sponsorship are not actively involved as sports administrators.

### A. Results - Hypotheses 7b, 7c and 7d

Respondent Category \ Involvement:			
	Participant	Spec-tator	Adminis-trator
Total respondents	75 %	65 %	38 %
Those currently involved	76 %	63 %	35 %
Those not currently involved	93 %	88%	63%

### B. Statistical Findings - Hypothesis 7b

$P = 7\%$  (Respondents not currently sponsoring and not participating in sport).

$n = 16$

$$\sigma_{\bar{x}} = \sqrt{\frac{0.07(1-0.07)}{16}} = 0.0638$$

Therefore, at the 95% level of confidence, the population proportion lies between,



PRESENTATION OF SURVEY FINDINGS

$$\begin{aligned}
 & 0.07 \pm 1.96 \times 0.0638 \\
 = & 0.07 \pm 0.13 \\
 = & \underline{0\% \text{ and } 20\%}
 \end{aligned}$$

Conclusion

Hypothesis 7b is rejected as the parameters fall below the required 51% level.

Statistical Findings - Hypothesis 7c

p = 12% (Respondents not currently involved and not spectators of local sport).

$$n = 16$$

$$\sigma_{\bar{x}} = \sqrt{\frac{0.12(1-0.12)}{16}} = 0.0812$$

Therefore, at the 95% level of confidence, the population proportion lies between,

$$\begin{aligned}
 & 0.12 \pm 1.96 \times 0.0812 \\
 = & 0.12 \pm 0.16 \\
 = & \underline{0\% \text{ and } 28\%}
 \end{aligned}$$

Conclusion

Hypothesis 7c is rejected as the parameters fall below the required 51% level.

Statistical Findings - Hypothesis 7d

P = 37% (Those not currently involved and not administrators of sport)

$$n = 16$$

$$\sigma_{\bar{x}} = \sqrt{\frac{0.37(1-0.37)}{16}} \times 0.1207$$

### PRESENTATION OF SURVEY FINDINGS

Therefore, at the 95% level of confidence the population lies between,

$$\begin{aligned} & 0.37 \pm 1.96 \times 0.1207 \\ = & 0.37 \pm 0.24 \\ = & \underline{61\% \text{ and } 13\%} \end{aligned}$$

### Conclusion

Hypothesis 7d is rejected on the grounds that the parameters do not satisfactorily encompass the required 51% level.

---

### C. CONCLUSIONS TO HYPOTHESES 7a, 7b, 7c, and 7d

Results do not support the hypothesis that involvement of the specialist sports retailer in sponsorship of local sport may be reduced by lack of 'opportunity' when considered in the following respects; firstly, only a minority of respondents indicated the existence of a local sport which they would like to sponsor but felt they were prevented from so doing; secondly, those respondents not currently involved in sponsorship showed no significant lack of involvement as participants, spectators, or administrators.

There was insufficient evidence to positively suggest that a significant proportion of sports retailers are restricted in their sponsorship activity due to a perceived lack of opportunity in their favoured sports. However, there is evidence to suggest that lack of opportunity in this respect is a problem, albeit a small one.

Soccer was the sport most frequently mentioned as lacking sponsorship opportunity, however, the fact that it is one of the country's largest spectator and participant sports necessarily increases the likelihood of it being mentioned.

It is felt that athletics, basketball, snooker and bowls which are all developing sports, are more likely at present to be seen as lacking sponsorship opportunity at local level due to the limited number of performers and clubs. Comments to this effect were recorded, however, small numbers of respondents specifying sports lacking sponsorship opportunity limits any conclusions.

#### PRESENTATION OF SURVEY FINDINGS

Results showed widespread participation in sport regardless of involvement in sponsorship activities - non-sponsors were shown to be slightly more active than current sponsors in terms of participation, spectating and administrating.

As a proportion of total respondents 'active' sponsors (i.e., participants, spectators, or administrators of sport) greatly exceeded 'active' non-sponsors, but this may be due to the fact that the mail questionnaire respondents may represent an enthusiastic sector of the sports retail trade with regard to sponsorship, and so exaggerate their level of activity in sport.

## PRESENTATION OF SURVEY FINDINGS

### Hypothesis 8

A minority (49% or less) of specialist sports retailer who believe sponsorship can be beneficial to their business believe the following are constraints on their sponsorship activities :

- (a) Financial limitations
- (b) Time constraints imposed by the business.

### A. Results

Constraint:				
Respondent Category	Finance	% of Total Respondents	Time	% of Total Respondents
Total respondents	69%	—	42%	—
Sponsorship beneficial to trade	69%	51%	52%	38%
Sponsorship not beneficial to trade	54%	11%	23%	5%
Those currently involved	59%	45%	45%	34%
Those previously involved	100%	23%	47%	11%
Likely future sponsors	66%	51%	46%	35%
Unlikely to sponsor in the future	75%	14%	33%	6%
Gross annual turnover £1-250,000	66%	—	55%	—
£251,000 plus	75%	—	63%	—

### B. Statistical Findings - Hypothesis 8a: FINANCE

$p = 69\%$  (Those who believe sponsorship is beneficial and find finance a constraint.)

$n = 48$

$$\sigma_x = \sqrt{\frac{0.69(1-0.69)}{48}} = 0.0668$$

### PRESENTATION OF SURVEY FINDINGS

Therefore, at the 95% confidence level, the population proportion lies between,

$$\begin{aligned} & 0.69 \pm 1.96 \times 0.0668 \\ = & 0.69 \pm 0.13 \\ = & \underline{82\% \text{ and } 56\%} \end{aligned}$$

### Conclusion

Hypothesis 8a is rejected as the population parameters lie above the required 49% level.

### Statistical Findings - Hypothesis 8b: TIME

p = 52% (Those who believe sponsorship is beneficial and find time a constraint).

$$n = 48$$

$$\sigma_{\bar{x}} = \sqrt{\frac{0.52(1-0.52)}{48}} = 0.0721$$

Therefore, at the 95% confidence level, the population proportion lies between,

$$\begin{aligned} & 0.52 \pm 1.96 \times 0.0721 \\ = & 0.52 \pm 0.14 \\ = & \underline{66\% \text{ and } 38\%} \end{aligned}$$

### Conclusion

Hypothesis 8b is rejected as the population proportions do not significantly support it, despite the lower limit falling within the required 49%.

---

### C. CONCLUSIONS TO HYPOTHESES 8a and 8b

A majority of sports retailers who believe sponsorship of local sport can be beneficial to their business indicated that 'finance' and 'time commitment' were a problem. This suggests that sports retailers with a favourable attitude towards sponsorship are not significantly deterred by financial and time constraints. In addition, a greater proportion of those who believe sponsorship can be beneficial to the business than those who do not, indicated that finance and time were a constraint.

#### PRESENTATION OF SURVEY FINDINGS

Note:- No significant trends were revealed with regard to attitude towards 'finance' and 'time' as constraints on sponsorship when respondents were grouped into (a) type of business i.e., independent or chain group, (b) geographical location.

There is insufficient evidence to show conclusively that 'financial' and 'time' constraints significantly reduce the sports retailer's sponsorship activities.

Despite a majority response indicating that 'finance' is a constraint on sponsorship activities (and to a lesser extent 'time'), a large proportion of sports retailers currently involved, and with the intention of sponsoring in the future, suggested 'finance' and 'time' were constraints. This indicates that frequently, 'financial' and 'time' constraints are not sufficient in themselves to completely deter the sports retailer from sponsoring.

Those firms indicating relatively larger gross annual turnover showed no less recognition of the limiting influence of 'finance' on sponsorship activities. This possibly suggests that smaller firms, who it may be assumed have a smaller sponsorship budget, are not necessarily deterred from sponsoring purely because of financial limitation.

It should be noted that a large proportion of sports retailers indicating they are not currently involved in sponsorship and/or do not intend to sponsor in the future suggested 'finance' and 'time' were constraints on their sponsorship activities, however, these represented a relatively small proportion of total respondents.

## VII SUMMARY OF SURVEY FINDINGS

Before presenting a summary of survey findings, it is necessary to stress the limiting influence of the small sample (3.2% of the total population of specialist sports retailers).

Whilst results were subjected to standard statistical analyses designed specifically for small samples, final conclusions are tempered by the size of the sample survey. With statistical analysis of a small sample at the 95% confidence level, the percentage range covered by the parameters which determined whether hypotheses were positive or negative tended to be wide.

A larger sample population would obviously have given a more positive indication of the attitudes of the sports retail trade as a whole.

In addition, presentation of results of a small sample population in percentage form tends to exaggerate, and may distort the true situation as figures become 'inflated' when expressed as percentages of small populations.

The three methods of data collection employed, mail and telephone questionnaire, and personal interview, are all inherently susceptible to their own specific forms of bias, however, it is felt the most significant limiting influence concerns the mail questionnaire. Specifically, it has been pointed out that respondents to the mail questionnaire were more likely to include those sports retailers who held a favourable attitude towards sponsorship, as they took the trouble to reply; in addition, it has been stressed that the telephone respondents were restricted by the lack of time available for considered thought in answering certain questions; and finally, with respect to possible survey bias, personal interviews were restricted to one area of the country only, the county of Essex.

## SUMMARY OF SURVEY FINDINGS

### Current Involvement in Sponsorship.

It has been established that the majority of respondents from mail and telephone questionnaire and personal interview were involved in sponsorship of local sport to a greater or lesser extent.

While no significant trends emerged when sponsorship involvement of respondents was grouped into (a) type of business (independent or chain store outlet), or (b) geographical location, there was some evidence to suggest that a greater proportion of sports retailers with relatively greater gross annual turnover are currently involved in local sponsorship.

It has been stressed that respondents were given a very broad definition of the term 'sponsorship', and only in the personal interview was any attempt made to ask respondents to distinguish between a 'significant' commitment to sponsorship and a 'charitable' gesture or donation. Exclusion of small donations in a definition of sponsorship would have classified many small sports retailers as 'non-sponsors', when a central purpose of this study is to determine whether they consider small donations to be a form of sponsorship or simply a charitable activity.

### Future Sponsorship Activity by the Sports Retail Trade.

Findings suggested that there will be an increase in sponsorship of local sport by the sports retail sector in the future. This was based on the fact that the majority of respondents indicated they intend to commence or continue sponsorship in the future. However, opinion was split on the issue of whether the sports retail trade as a whole would increase its sponsorship in the future (The restricted value of this as a measure of future activity was stressed); a major restricting influence on attitudes concerning future activity was considered to be the depressed state of the economy.



### SUMMARY OF SURVEY FINDINGS

In general, those respondents who claimed that sponsorship was of some benefit to their business suggested there would be an increase in future sponsorship by the trade as a whole, while those not recognising any significant benefits took an opposing view.

Considering further the issue of whether sports retailers believe sponsorship of local sport can be beneficial to their business, findings suggested that the majority felt it could be. One fifth of those indicating sponsorship could be beneficial were not involved in sponsorship. The reasons for this were felt to be :-

- (a) discouraging influences, including a lack of experience and communication with local sport, and
- (b) a limited desire to risk involvement in the current economic climate.

A significant proportion of those respondents who did not believe sponsorship could be beneficial were actively involved in sponsorship. This may indicate the existence of a 'charitable' motive towards sponsorship in the trade, although this category of respondents did not constitute a significant proportion of total respondents.

Finally, in considering the beneficial nature of local sponsorship, it was found that the larger sports retailers are more likely to view it as beneficial to their business. This view was expressed by small and large traders alike, the main reason being the ability of the larger business to spend money on marketing projects and 'write off' sponsorship expenditure against tax along with other expenses.

### Ideal And Practical Achievements of Sponsorship.

It was found that a large majority of sports retailers identify specific 'ideal achievements' which they would like to see result from sponsorship of local sport. The most popular ideal achievement was found to be 'increased sales'.

#### SUMMARY OF SURVEY FINDINGS

Results also showed that a majority of sports retailers identify certain 'practical' achievements which may result from sponsorship of local sport. The most popular practical achievement overall was 'increased advertising exposure'. Telephone respondents differed from mail respondents in so far as the latter selected 'increased sales' as their primary practical achievement. However, it was concluded that as one of the main objectives of advertising is to increase sales, the attitudes expressed by the two sets of respondents were compatible.

It was concluded that there is a relatively significant relationship between recognition of possible 'ideal' and 'practical' achievements of sponsorship of local sport by sports retailers. There was a consistent relationship between all likely achievements, with 'increased advertising exposure' the most frequently mentioned as a likely ideal and practical achievement.

Not surprisingly, the majority of mail respondents who suggested 'increased sales' was their primary ideal achievement (This represented the greatest proportion from the 'ideal' achievements indicated) selected either 'increased sales' or 'greater advertising exposure' as their principal practical achievement (Telephone respondents were not asked to rank their ideal choices).

A number of respondents were critical of sports participants, claiming that too many will accept sponsorship purely for personal gain, and are not prepared to 'repay' the sponsor for his support.

Another viewpoint expressed was the possible benefit of specialisation by the retailer in a particular sport or sports, e.g., fishing tackle, snooker, and darts, bowls, team sports etc. The value of this, it was suggested, was the strengthening of the traders position in competition with a growing number of sports goods suppliers who are not primarily sports retailers, for example, discount stores such as 'Argos'.

#### SUMMARY OF SURVEY FINDINGS

Specialisation on the part of the sports retailer may, it is felt, lead to greater motivation to sponsor their relevant sports, as the retailer would be supporting the market he is seeking to capture.

It was also suggested that careful selection of potential sponsored parties was necessary as their sporting success could result in corresponding gain for the trader, for example, through increased publicity in the local press.

A summary of personal interview comments revealed a lack of conscious consideration of the ideal and practical achievements of local sports sponsorship. However, when made aware of the possible achievements through the survey questioning, a significant proportion acknowledged the existence of both.

#### Influence of Business Size on Sponsorship Activity.

It was concluded that the smaller sports retailer is more likely to seek to improve his 'image' in the community in the short term than the larger operator who is more concerned with likely financial gains obtainable from sponsorship of local sport. While conclusions were limited by the small number of respondents willing to reveal their gross annual turnover, it was suggested that the small scale of financial commitment of the smaller sports retailer may reduce the likelihood of him increasing sales as a result of sponsorship, at least in the short term.

A more likely objective of the smaller trader may be improvement of his image in the local community (which itself may lead to increased sales in the long term). By contrast, the larger sports retailer with more funds available for 'marketing' policies in general is more likely to consider improvement of sales a directly achievable objective.

## SUMMARY OF SURVEY FINDINGS

### Budgeting For Sponsorship

Findings indicate that those sports retailers budgeting for expenditure on sponsorship are more likely to demand a financial return than those operating on an unplanned 'ad hoc' basis. The relevant hypotheses were based on the assumptions that, (a) because of their greater financial commitment, the larger operators are more likely to operate a sponsorship budget and, (b) larger traders are themselves more likely to demand an immediate return from their investment because of the scale of their commitment.

Furthermore, it is felt that those operating a sponsorship budget are likely to include a significant proportion of 'serious' as opposed to 'casual' sponsors and are, therefore, likely to require some financial gain from their sponsorship activity.

### The Charitable Element in Sponsorship.

Results indicated that the large majority of sports retailers, regardless of their involvement in sponsorship, would like to see the local community, the sponsored parties, or sport in general benefit from sponsorship, suggesting the existence of a 'charitable' motive in sponsorship of sport at local level. Supporting the sponsored party was found to be the most popular factor.

It should be noted that the 'ideal' and 'practical' achievements previously identified in the survey did not reveal prominent support for the charitable motives. This gives support to the view that charity is not necessarily the prime aim of local sport sponsorship activity by a significant proportion of sports retailers.

Furthermore, the point was made that recognition of the value of a 'charitable' element in local sponsorship does not necessarily mean sponsorship will be undertaken by the sports retailer. However, it was concluded that the greater proportion of respondents would be encouraged to sponsor if the local community, sponsored parties, or sport in general were likely to benefit.

### SUMMARY OF SURVEY FINDINGS

The relevant hypothesis did not attempt to measure the extent to which 'charitable' support may itself be undertaken because it is seen by the sports retailer as a way of improving business.

#### The Opportunities to Sponsor

Findings showed there is no marked lack of 'opportunity' for sports retailers to sponsor, caused by their own lack of involvement in local sport as participants, spectators or administrators. It was found that there was widespread activity of this type, and non-sponsors were as active as current sponsors. This may suggest that active contact with local sports is not an essential factor in sponsorship activity.

Similarly, results did not indicate that sports retailers are limited in sponsorship opportunities due to their having a personal preference for particular sports which themselves are seen to be lacking sponsorship opportunities.

There was, however, evidence to suggest that certain sports do currently offer only limited sponsorship opportunity. These sports were, with the exception of soccer, all 'developing' sports which are likely at present to be limited in number of participants etc., and, therefore, may be perceived as lacking sponsorship opportunity by potential sponsors. In addition, those sports are likely to be less well organised in administrative terms, and may not present the potential sponsor with a sufficiently 'secure' or attractive sponsorship programme.

#### Financial and Time Constraints

Results indicated that sports retailers with a favourable attitude towards sponsorship i.e., those claiming it can be beneficial to the business, are not significantly deterred by financial and time constraints.

#### SUMMARY OF SURVEY FINDINGS

In addition, it was found that sports retailers who did not consider local sponsorship to be beneficial to their business did not identify financial and time limitations as significant constraints on their sponsorship activities.

It was concluded that while financial and time constraints had a restrictive influence on the sponsorship activity of a majority of respondents, there was not sufficient evidence to positively conclude that they significantly restrict sponsorship activity. This conclusion was based on evidence showing that a large proportion of sports retailers were prepared to continue their sponsorship activity despite the influence of financial and time constraints.

Classification of respondents into groups according to scale of 'gross annual turnover' revealed no significant trend with regard to the influence of financial and time constraints, it may, therefore, be tentatively concluded that smaller sports retailers are no more deterred from sponsorship activity due to financial and time constraints than larger traders, and further, these constraints may not be a significant deterrent in themselves.

---

As a result of survey findings, it is now possible to complete the model (previously outlined), summarizing the prevalent factors influencing the attitudes of the sports retail trade as a whole towards sponsorship of local sport :-

MODEL OF FACTORS INFLUENCING THE SPORTS RETAILER'S ATTITUDES  
TOWARDS SPONSORSHIP OF LOCAL SPORT

PERCEIVED ATTRIBUTES :-

- a) Sponsorship can be beneficial to the business
- b) Sponsorship is charitable



ATTRIBUTE SALIENCE :-

- a) Perceived 'ideal' achievements (Ranked in order of popularity)
  - (1) Increased sales
  - (2) Greater advertising exposure
  - (3) Recognition as a socially responsible concern.
- b) Charitable beneficiaries (Ranked in order of popularity)
  - (1) The sponsored party
  - (2) The local community
  - (3) The sport as a whole



ATTITUDE VALENCE :-

- Measured in terms of the relationship between perceived 'ideal' and 'practical' achievements (In rank order)
- (1) Increased sales
  - (2) Greater advertising exposure.
  - (3) Recognition as a socially responsible concern.



ENABLING VARIABLES :-

- No significant influences were revealed :-
- a) Capability to sponsor is partially limited by 'financial' and 'time' constraints.
- b) Opportunity to sponsor is not significantly reduced by :-
  - (1) Lack of active involvement in local sport
  - (2) Preference for sports activities perceived by the retailer as lacking sponsorship opportunities.



The trade as a whole has a FAVOURABLE ATTITUDE TOWARDS SPONSORSHIP OF LOCAL SPORT

- Measured in terms of :-

- a) Its beneficial effect on business
- b) Its charitable rewards for the sponsored parties



FUTURE INVOLVEMENT IN SPORTS SPONSORSHIP BY THE TRADE AS A WHOLE -  
will not decrease

## VIII SERVICING THE SPONSOR

This section will investigate the attitudes and policies of local sports clubs in an attempt to determine the extent to which local sport in general is sensitive to the needs of sponsors (or potential sponsors).

Information is based on interviews held with representatives from eight amateur clubs in the Essex area, together with a larger venture outlined by The English Tourist Board.<sup>1</sup>

The latter has been selected as it is a good example of a sponsored event which has been efficiently and effectively researched, organised and executed. The Essex sports clubs were selected for no other reason than their existence was known to the researcher. An effort was made to present a representative cross-section of sports clubs by selecting clubs from different sports, and of different size. With the exception of one club, the researcher had no previous knowledge of their sponsorship activities.

It will be seen that three of the clubs had virtually no involvement in sponsorship, three were keenly involved, and two had a fairly positive attitude towards it. Thus it is felt the clubs represent a relatively representative cross-section of sponsoree attitudes in the area. Final conclusions from such a small sample, however, are necessarily restricted.

### THURROCK RUGBY FOOTBALL CLUB

Established 1829.

Playing members - 250: full and associate members - 600.

#### Sponsorship Activity :-

- 1) Low cost loans from William Youngers Breweries to build a new club house in the 1970's.

#### Service to Sponsor (As a direct result of this sponsorship) :-

Sole rights to sell beer in the club bar.

- 2) A £350 donation, plus free beer for players, as sponsorship for a mid-week floodlit cup competition - total cost of beer £600.



### SERVICING THE SPONSOR

#### Service to Sponsor

- a) The competition bears the sponsor's name - The William Younger Floodlit Cup.
  - b) Regular name mentions through results and reports in local papers.
  - c) Name carried regularly in match programmes.
  - d) Substantial word-of-mouth advertising from players, officials and spectators.
  - e) Increased bar sales due to the staging of the competition.
- 3) Advertising space is sold in match-day programmes, and is fixed for a full season. It is a glossy style magazine with weekly inserts for teams and club news etc.,

#### Service to Sponsor

Company name awareness is increased. Note:- the main purpose of the programme is to improve inter-club communications, contact with the local community, and enhancement of club prestige in the rugby fraternity.

The Club Chairman explained the club do not need sponsorship for financial reasons, they can raise sufficient funds from their own sources. Sponsorship serves the main purpose of giving the club credibility and prestige in the rugby fraternity.

### GIDEA PARK & ROMFORD CRICKET CLUB.

Established 1863.

Total members - 105, approximately.

#### Sponsorship Activity

- 1) Allocation of cricket balls from D.F. Richards Veneers Limited, sponsors of the Senior Essex Cricket League in which the club competes.
- 2) Donations of expenses from club officials, for example, the secretary may not charge for postage.

### SERVICING THE SPONSOR

#### Service to Sponsor

None : The fixtures secretary (Who is also Chairman of the local District Cricket Association) claims the club has never actually sought a sponsor, he states : "Clearly our Club does not favour contact with sponsors ! This is not a planned approach but more the result of our inactivity."

---

### HORNCHURCH ATHLETIC SPORTS & SOCIAL CLUB .

Established 1936.

Total members - 120, approximately

Activities - soccer, cricket.

#### Sponsorship Activity

Allied Breweries, who hold the club bar rights, installed bar equipment and carried out minor reconstruction to the club house free of charge.

#### Service to Sponsor

None. The Secretary explained the club have never made a planned approach to a potential sponsor, any support received has been "incidental", he states : "The club's organising committees are served by some longstanding members who are happy to continue in the club tradition of self-help".

---

### REDBRIDGE SWIMMING CLUB

#### Sponsorship Activity

- 1) Small firms sponsor individual meetings and give away carrier bags etc.,
- 2) Costume manufacturers sponsor individual meetings, e.g., Arena, Speedo, Diana, German Solar.

### SERVICING THE SPONSOR

- 3) Large three-day meetings have have individual races sponsored by different firms.
- 4) Midland Bank set up a display stand at some meetings; and sponsor the County Champions for approximately £500 per annum.

Note :- Large clubs with star swimmers have changed their name to include the sponsor, for example, Wigan Wasps became William's Wasps. This usually lasts for only a limited period (It is very common in the U.S.A.).

### Servicing the Sponsor.

- 1) Individual meeting sponsors receive programme coverage and reports in local press, plus word-of-mouth advertising from large numbers of competitors and spectators.
- 2) Banners are frequent at meetings, and sometimes national newspaper, or t.v. coverage is secured for a small sponsor. (The club Secretary points out the same coverage would "cost a fortune" if secured through an agency).
- 3) The S.C.A.S.A. now permit logos to be worn by swimmers.
- 4) Officials and swimmers are encouraged to recommend products (Usually sports gear); however, the club secretary stresses : "I think you have to be careful with this - and honest."

Note:- A summarizing comment from the secretary: "We feel the sponsor must get a fair deal, the sports cannot just take their money and forget them. All the means at your disposal should be used to advertise the sponsor."

### WESTCLIFF HOCKEY CLUB

(One of the county's larger and more successful clubs).

### Sponsorship Activity

In 1981 the club sought and obtained sponsorship for a three year period from S.M.A.C. Group (Motor Cars) at a rate of £500 per annum, plus certain single payment additions.

### SERVICING THE SPONSOR

In one year, over half the sponsorship money was spent in providing tracksuits and sports bags carrying the sponsors' name for the first team. In years two and three, the money was straight additions to club funds.

### Servicing the Sponsor

- a) The sponsor's name is carried on the first team equipment.
- b) A thirty foot canvas advertises the sponsor on match days, and encourages word-of-mouth advertising.
- c) Free books of matches bearing the club and sponsors name are given free at the bar (The canvas and books of matches are donated by the sponsor).
- d) The sponsor's name is incorporated on weekly newsletters, headed notepaper, fixture cards, social menu cards and match day programmes.
- e) All match reports submitted to the press (local and national) carry reference to the sponsor.
- f) A scrapbook is kept of all items which carry reference to the sponsor, "so that he can see at a glance the efforts which we make to promote his company".
- g) Invitations to the annual dinner are issued to the sponsoring company's Directors.

Note :- The club Chairman states : "We seek to promote our sponsors in every possible way, and it is likely that some of their car sales originate directly or indirectly from members of our club."

The Chairman, who is a member of the National Hockey Association Committee states that hockey is well sponsored at all levels. Contracts, written or verbal, are on average for between three and five years. Contracts, in addition to finance, may include provision of marked clothing and equipment, administrative items such as notepaper and fixture cards, trophies for tournaments, and payments covering travel and accommodation costs.

In return, particularly at the higher levels, sponsors expect "a high degree of hospitality at major events", enabling them to entertain their customers.

### SERVICING THE SPONSOR

Westcliff Hockey Club share their ground for two weeks in the summer with Essex County Cricket Club, and open their pavilion bar to the public, including employees of their sponsor.

Hockey, like most sports has its own advertising code which restricts logo size and usage; for example, S.M.A.C. Group could not be advertised by a Westcliff player at the Olympic Games.

The Chairman suggests at national level, t.v. coverage "is not quite as important as in the past. At lower levels the emphasis on 'Commercial' diminishes, and is probably limited to possible mail shots, and probable newspaper advertising."

Another valid point is made : "There is no doubt 'image' can be a vital factor in the negotiation of sponsorship. Sponsors are likely to choose a sport which they believe reflects to some extent their type of customer and their type of business, whilst the sport is likely to choose sponsors whose business they believe to be compatible with their particular sport. For instance, a clean image sport like hockey offers some attraction to banks, insurance companies etc... There are without doubt certain commercial businesses which we would never approach."

The observation is also made that high ranking business officials may "pack a big enough punch" to commit their company to support a sponsorship venture aligned to a personal sporting interest.

---

### THURROCK SCHOOLS DISTRICT FOOTBALL ASSOCIATION

(The writer was Secretary of this Association)

#### Sponsorship Activity

- 1) Parents provide free transport and run occasional raffles to raise funds.

### SERVICING THE SPONSOR

- 2) The local council provide an annual grant to meet expenditure.

### Service to Sponsors

None. Approaches were made to two local sports retailers and a sports clothing manufacturer in 1979 to arrange some form of financial or material sponsorship, none was forthcoming. The main reason given was that such a venture would not be cost-effective. No further sponsorship has been secured since.

Other District Associations are sponsored, typically through provision of soccer strips and tracksuits bearing the sponsor's name.

Spectator support for soccer at this level is considerable from parents and friends etc., and success in competitions can mean cup final appearances before hundreds of people in professional stadiums.

### Service to Potential Sponsors

A personal view is that there is much potential through word-of-mouth and shirt advertising, coverage in local press, and on local radio , and possible national newspaper coverage in a successful season.

---

### REDBRIDGE SPORTS CENTRE (PUBLIC LEISURE COMPLEX)

#### Sponsorship Activity

- 1) Small individual firms sponsor tournaments and teams.
- 2) A sports goods manufacturer sponsors top international badminton players for large sums of money.
- 3) The centre Manager is sponsored personally by a squash equipment supplier.

#### Servicing the Sponsor

- a) With teams and events, an "appropriate" sponsor is always sought, so that the product or company being advertised can easily be related to the situation.

### SERVICING THE SPONSOR

The centre Manager states : "We would not ask the makers of 'Grecian 2000' to sponsor a junior badminton event... We would give the sponsor as much media coverage as possible depending on the size of event, through local press, radio, t.v. and any other means available.

Note :- A summarizing comment from the centre Manager : "I would say that anyone who sponsors an event at R.S.C. gets good value for money. However, to what extent it improves their own turnover I do not know. It is an area that usually cannot be quantified, and I doubt whether the sponsoring company looks at it in quite those terms."

---

### ATHENAEUM LAWN TENNIS CLUB.

Provides a fairly typical reaction from four other small local clubs contacted : "As we are a very small club we have never looked into the question of sponsorship and, therefore, are unable to help you."

---

The following example of a successful local sponsorship programme comes from information provided by J. Strahan, formerly of The Commercial Relations Department of The English Tourist Board.<sup>2</sup>

The 'Happy Eater' chain of restaurants based in the south east sponsor the 'Southern Rally' in conjunction with the Southern Car Club.

The company gave the following reasons for its involvement in the rally :

- 1) The company is roadside-orientated and relies on the motoring public for its trade.
- 2) The event is held in an area where the company are expanding.
- 3) Market research shows Happy Eater customers are in the 21-40 age group, and they normally arrive by car.

#### SERVICING THE SPONSOR

- 4) The company wants to create a friendly atmosphere for its staff.
- 5) They feel they should put something back into the motor industry on which they depend.
- 6) The company's logo is its main advertising weapon, and through the rally it is shown to far more people on posters, leaflets and other publicity material.
- 7) The rally starts and finishes at the company's hotel which increases turnover and helps make the event partially self-liquidating.

#### Servicing the Sponsor

The company were very pleased with the venture as it succeeded in increasing turnover, enhanced local advertising, and promoted staff involvement as a result of the following :-

- (1) The motor trade and local press gave large and enthusiastic coverage before and after the event.
- (2) Several thousand spectators were involved in immeasurable word-of-mouth advertising.
- (3) Spectator stages along the rally route allowed the company, in addition, to help charities and involve local people in the event.

Note :- A major reason for the success of the programme was held to be a very professional proposal presentation by the Southern Car Club to the company, who were persuaded the event would run along similar lines.

---

The following table is the writer's representation of the extent to which he considers the abovementioned clubs have serviced their sponsors :



SERVICING THE SPONSOR

<u>C. L. U. B.</u>	Not At All	To A Small Extent	Reasonably Well	Extremely Well
Rugby			X	
Cricket	X			
Soccer/cricket	X			
Swimming			X	
Hockey				X
Sports Centre				X
Tennis	X			
Car Club				X

No firm conclusions can be drawn from these findings, as the sample obviously is very small and may not constitute a nationally representative cross-section of sponsoree attitudes and policies. However, there is a strong indication that sponsors 'can' be well served by a sponsoree.

Two factors are worthy of consideration in respect of the clubs interviewed. Firstly, it was the larger ones who were more actively involved in sponsorship, the smaller ones tended to take the attitude "we are too small to seriously consider sponsorship" (Confirmation of this situation is outside the intentions of this study however, personal experience of some very successful small club sponsorship programmes would lead me to question the justification of this attitude ). Secondly, those clubs who were involved in a well planned strategy, having given consideration to both sponsor and sponsoree requirements, had succeeded in establishing the most successful programmes.

---

In summary, with regard to sponsor expectations of servicing from the sponsoree, based on the information outlined above, it is suggested that the following factors should be specifically considered by sports

### SERVICING THE SPONSOR

people seeking sponsorship :

#### Presenting a Programme to the Potential Sponsor

- Is the sport, club, individual, or event compatible with the image of the company ?
- Is there a senior individual with a personal interest in our sport within the sponsoring organisation.?
- Be professional in presentation.

In presenting a professionally designed programme, the sponsoree must consider whether he can seriously provide the potential sponsor with the opportunity to achieve some or all of the following :

- 1) Increased sales.
- 2) Enhanced business image.
- 3) Extended media coverage - local and national newspapers; sports and trade press; local and national radio and t.v.
- 4) Greater advertising exposure - banners; event programmes; word-of-mouth advertising etc.,
- 5) Product promotion by performers e.g., squash equipment; swimwear.
- 6) Sales promotion e.g., logos ; display stands; carrier bags.
- 7) Assist the local community in general ; sportsmen ; or the sponsors potential customers.
- 8) Enhanced staff relations within the sponsor's organisation.

Support for these findings is provided by Victor Head, currently Sponsorship Director of Commercial Union, who offers sponsors in general, a rough guide for assessing the potential value of a sponsorship project, and asks them to give careful consideration to the following factors when assessing the benefits of embarking on a specific sponsorship programme :-

#### Characteristic of Potential Sponsor :

1. Natural link with sponsor's product or service.

Contd/...

### SERVICING THE SPONSOR

2. Aptness to corporate image.
3. Identification of audience with sponsor's selected targets.
4. Chairman's personal interest.
5. Geographical links with sponsor's business.
6. Benefit to sponsor's current community relations activities.
7. Benefit to sponsor's staff relations.
8. Aptness to sponsor's previous record in sponsorship.
9. Potential advertising exposure.
10. Potential press coverage.
11. Potential t.v. coverage.

Head is not specifically concerned with local sports sponsorsip, and, therefore, certain of his characteristics are not entirely relevant. However, he makes some further useful points with regard to servicing a sponsor :

1. He stresses the value of a handwritten sponsorship application.
2. He suggests : "A properly organised sponsorship 'salesman' will have taken a long view, to identify the right level of sponsorship for any potential client, whether a costly national or international event, or a local, even club event .... nor will he hesitate to advise a sponsor to change his tactics if he feels that this is in his long-term interests, even if it means reducing the scale and cost of sponsorship."
3. He further considers that close involvement of a sponsor in the venture will increase his confidence and allow him to bring in his own management expertise, such as printing or publicity.

The Sports Council for Northern Ireland<sup>3</sup> sets out a list of questions typically asked by potential sponsors, and thus provides further areas worthy of consideration by those seeking sponsorship. Typical questions include the following : what will it cost ; has the sport a large following ; what attendances are expected ; has the organisation real enthusiasm for its sport ; has the sport a proven record in competent administration and presentation ; is there an efficient and able liaison officer.

#### SERVICING THE SPONSOR

Finally, Victor Head makes a point which leads conveniently to the final area of the study; he suggests : "There is a demonstrable analogy in selling a sponsorship, even in the arts, with a straight-forward marketing exercise ... they (the sponsorees) do have a product, whether it be opera or a tennis match, and the product has to have customers."<sup>4</sup>

The final section of the work draws together the major findings of the study through application of certain recognised marketing principles, concentrating on the 'marketable' products and services available to sponsor, sponsoree and other interested parties.

---

End Notes

<sup>1</sup>Industrial Sponsorship And Joint Promotions, Directory of Social Change Publication (1981).

<sup>2</sup>Ibid.

<sup>3</sup>Sponsorship Advisory Leaflet No. 4, Sports Council for Northern Ireland. (1978)

<sup>4</sup>Victor Head, Sponsorship. The Newest Marketing Skill (Woodhead/Faulkner, September 1981).

## IX LOCAL SPONSORSHIP AND THE PROCESS OF EXCHANGE

This final section will summarize findings from the sports retailer survey, and combine these with observations made of sports club attitudes towards servicing the sponsor, through a presentation based on certain established principles of marketing. Before so doing, it is necessary to justify use of such principles.

Kotler states : "Marketing exists where people decide to satisfy needs and wants through exchange."<sup>1</sup> He defines exchange as being "the act of obtaining a desired object from someone by offering something in return," and together with Levy puts forward the view that "marketing is a relevant discipline for all organisations in so far as all organisations can be said to have customers and products."<sup>2</sup> Thus, the relationship between the sponsor and sponsoree at local level, may be seen as an exchange of needs and wants in the marketing sense.

More specifically Kotler states : "A marketer is someone seeking a resource from someone else and is willing to offer something of value in exchange ... In the event that both parties are actively seeking an exchange, we say that both of them are marketers and call the situation one of bilateral marketing."<sup>3</sup> It would, therefore, seem reasonable to classify the sponsor and sponsoree as one such example of "bilateral marketing."

Kotler, in examining the view whether marketing is restricted to the business area, or whether it can be applied to all areas where organisations attempt to relate to customers and other 'publics', outlines three stages of marketing 'consciousness', defining the third stage in the broadest possible sense as 'generic marketing' (Advocates of the other two stages of consciousness would take a narrower definition of the role of marketing). Specifically, at this stage, marketing is seen as applying to any social unit seeking to exchange values with other social units such as exists between the sponsor and sponsoree.

### LOCAL SPONSORSHIP AND THE PROCESS OF EXCHANGE

The generic concept of marketing according to Kotler "sees marketing specifically concerned with how transactions are created, stimulated, facilitated and valued." He stresses that "marketing takes place in a great number of situations, including executive recruitment, political campaigning, church membership drives and lobbying."<sup>4</sup> Thus, the sponsor and sponsoree may be seen as falling logically into this definition of 'generic marketing'.

Looking more specifically at Kotler's use of the term 'transaction', he states : "If exchange is the core concept of the discipline of marketing ... the discipline's unit of measurement is a 'transaction'."<sup>5</sup> He defines a transaction as a trade of values between two parties, and further stresses the need to distinguish between a 'transaction' and a 'transfer', the latter referring to a situation where A gives something to B but receives nothing explicit in return; he classifies gifts, subsidies and altruistic acts as examples of transfers. This raises the question : "Does sponsorship involve the parties in a transaction or a simple transfer."?

Importantly, and of direct concern to this study, Kotler suggests that transfer behaviour also includes "a concept of exchange", he claims : "The transferer gives a gift in the expectation of some immediate or eventual benefit, such as gratitude, a good feeling, relief from a sense of guilt, or the wish to put the other party under an obligation."<sup>6</sup> The latter may of course include the sponsor as the transferer seeking an exchange for his support from the sponsoree in the form of greater advertising exposure, media coverage, or increased sales etc.,

Kotler makes the valid observation that professional fund-raisers are very aware "of the reciprocal motives underlying donor behaviour, and try to supply the utilities being sought by the givers."<sup>7</sup>

### LOCAL SPONSORSHIP AND THE PROCESS OF EXCHANGE

He stresses that if they neglect such donors or show no gratitude, they will soon lose them. Indeed, in the survey undertaken, there was evidence of sports retailers dissatisfaction as a result of such neglect in some instances. For example, the opinion of one retailer from Surrey was quoted in the summary findings as follows : "There needs to be a radical change in attitudes of sportsmen with regard to their own behavioural standards, and the effort they are prepared to put into promoting the interests of sponsors."

Kotler emphasises that a potential transaction has a greater likelihood of being achieved if the 'marketer' makes a careful analysis of what the other party wants, and what the marketer might offer in return. Consequently, negotiation will take place, i.e., "the process of trying to find mutually agreeable terms."<sup>8</sup>

Kotler outlines the need for the marketer to establish a list of 'wants' for himself and his prospective client, the marketer being the one seeking the sponsorship deal, and may, therefore, be the sponsor and/or sponsoree. In a case of bilateral marketing, where both parties are actively seeking an exchange, such as may be the case with a sponsor and sponsoree, it would be conceivable that both parties would draw up a list of their own and each others wants. If there is sufficient overlap or match of wants, according to Kotler, there is a basis for a transaction and subsequently an offer, 'benefit bundle', or 'value package' may be formulated.

In the field of sponsorship, it is possible that the offer could be made by sponsor or sponsoree, and any resulting transaction would be the result of negotiation and agreement between the parties.

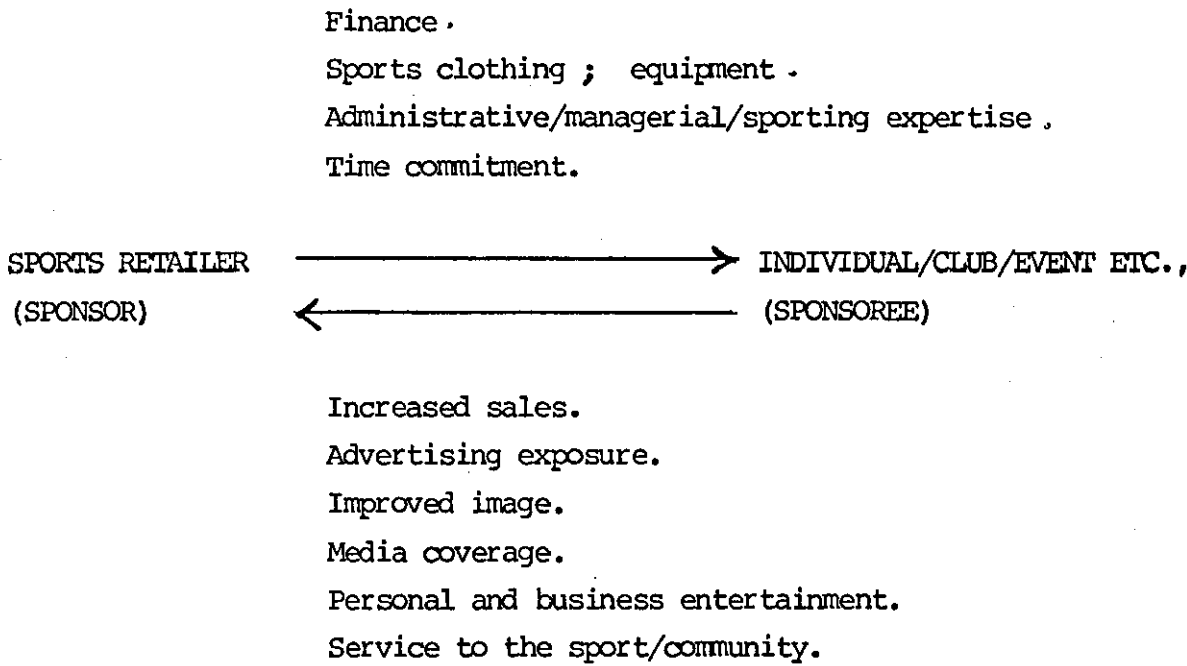
Kotler outlines a "two-party exchange system" which shows how the 'want lists' of the parties involved in a potential transaction may be drawn up.



LOCAL SPONSORSHIP AND THE PROCESS OF EXCHANGE

Thus, if the sponsoree is the marketer, he may develop a distinctive 'value package' that meets the needs of his target. Therefore, in a situation where the potential sponsor is the target, the sponsoree may draw up a list of the needs and wants of both parties highlighting the points to be stressed in presenting a programme proposal to his target.

A Two Party Exchange Map Showing Want Lists of Sponsor and Sponsoree



## LOCAL SPONSORSHIP AND THE PROCESS OF EXCHANGE

### HOW THE SPONSOREE MAY SERVE THE WANTS AND NEEDS OF THE SPONSOR :

Looking specifically at the ways in which a sponsoree may seek to serve the sponsor, the interviews held with various sports clubs previously outlined (See 'Servicing the Sponsor') revealed the following examples :

#### 1 Increased Sales

- a. Purchases of cars by members of the hockey club were attributed to the sponsors' support of club activities.
- b. William Youngers Brewery Company, sponsors of the rugby club, increased their bar sales as a result of a new mid-week cup competition.

#### 2 Advertising Exposure

- a. The swimming club members have sought to promote their sponsors' swimwear through word-of-mouth advertising with fellow competitors etc.
- b. The rugby and hockey clubs carry their sponsors' names in match programmes.
- c. The hockey and swimming clubs display sponsor's banners on match days or at meetings, and club members wear logos and badges on sports clothing.

#### 3 Improved Image

The hockey club stressed the importance of compatible sponsorship partners in terms of image, suggesting the banks, building societies and insurance companies etc., like the "clean cut" image of hockey. Consistent with this view is the interest in swimming, a similar "clean" image sport, expressed by Midland Bank, and the involvement of William Youngers in the 'beer-loving' game of rugby.

#### 4 Media Coverage

- a. The hockey club keep a scrapbook of all newspaper articles in which their sponsor is mentioned as evidence of their efforts to promote his name.

## LOCAL SPONSORSHIP AND THE PROCESS OF EXCHANGE

- b. The hockey, rugby and swimming clubs all pursue a policy of mentioning their sponsor's name in all match reports, local newspapers and radio stations.

### 5 Personal and Business Entertainment

- a. All the clubs interviewed who were involved with sponsors offer the best seats available when sponsors attend matches to make presentations, and may make special arrangements for their comfort. It is likely that any admission fees would be waived for employees of sponsoring companies.
- b. The hockey club are able to open their club house to their sponsor when Essex County Cricket Club are playing at the ground for a two-week period in the summer, and so provide them with a prime viewing position and bar facilities.

### 6. Charitable Service to the Performers of Sport

The majority of sponsorship donations contain a charitable element. The sponsoree seeking sponsorship is, therefore, well advised to initially approach potential sponsors who are known to have an interest in the individual, club, event or sport concerned etc.

While mutual interest is frequently the basis for a sponsorship deal no evidence of this was given by those clubs interviewed. Although it is known that the cricket club compete in a league sponsored by Richard Veneers Limited, Mr. Richards himself being a previous player in the league before it was sponsored.

---

Kotler's exchange analysis as previously shown in the 'two party map', is based on the assumption that people will seek to maximise their self-interest, however, he states : "Acting out of self-interest can include a concern for the interests of others, since the welfare of others can have an impact on one's self-interest."

### LOCAL SPONSORSHIP AND THE PROCESS OF EXCHANGE

This 'enlightened self-interest' may be interpreted as equally applicable to both the sponsor and sponsoree. For example, the sponsor may primarily want increased advertising exposure from the sponsoree, but knows this may depend on the latter's success in competitions. In contrast, the sponsoree wants financial support from the sponsor, but knows this is dependent on his making efforts to promote the sponsor's name.

Importantly, the self-interest postulate encourages the marketer to look at the potential exchange situation and identify what both parties may be looking for. Kotler suggests that interpretation of self-interest provides the marketer with "guidelines" for developing effective value packages."<sup>9</sup>

Bagozzi continues from the assumptions made in the generic concept of marketing, as formulated by Kotler (and Levy) to examine "marketing as exchange", and observes that "marketing exchanges often are 'indirect', they may involve intangible and symbolic aspects, and more than two parties may participate."<sup>10</sup>

He outlines the concept of "social marketing", and claims that it answers the question, "why and how are 'exchanges' created and resolved in social relationships?" He defines social relationships (as opposed to economic relationships) in terms of : family planning agent-client ; welfare agent - indigent; social worker - poor person etc., and states that "social marketing attempts to determine the dynamics and nature of the exchange behaviour in these relationships."

### LOCAL SPONSORSHIP AND THE PROCESS OF EXCHANGE

In this respect, social marketing is of undoubted relevance to a sponsor-sponsee relationship, however, it should be emphasised that this relationship may also contain, to a greater or lesser extent, elements of economic relationships, depending on the parties and particular programme involved. Thus, even at local level, there are potential sponsors who will, for example, not entertain a sponsorship programme unless it can guarantee some business benefit, such as local media coverage, even though they accept a portion of their 'donation' is for purely charitable reasons.

Within social marketing, Bagozzi stresses "the exchange is not the simple 'quid per quo' notion, characteristic of most economic exchanges. Rather social marketing relationships exhibit what may be called generalised or complex exchanges. They involved the symbolic transfer of both tangible and intangible entities, and they invoke various media to influence exchanges." Bagozzi's theory of social marketing is, therefore, a subset of the 'generic' concept of marketing in so far as it deals with the creation and resolution of exchanges in social relationships.

Bagozzi outlines what he terms "a complex circular exchange" within his concept, and defines it as a "system of mutual relationships between at least three parties." Each 'social actor', he claims "is involved in at least one direct exchange, while the entire system is organised by an interconnecting web of relationships."

The circular exchange in sponsorship may be seen as consisting of the following parties: the sponsor; the sponsee; spectators and other competitors. There are a number of direct exchanges between the parties concerned including sports goods, finance, advertising exposure and admission fees.

## LOCAL SPONSORSHIP AND THE PROCESS OF EXCHANGE

### Summary of Findings

In summary, the main purpose of this brief study of the marketing concepts outlined by Kotler, Levy and Bagozzi has been to identify local sports sponsorship as "a process of exchange", between sponsor and sponsoree, containing the following stages :-

1. Establishment of a list of needs or wants by the marketer, who may be the sponsor, the sponsoree or both.
2. Identification of any overlap of interests.
3. The making of an offer.
4. Negotiation of a transaction.

Once the offer has been accepted there then exists a situation of 'bilateral marketing', where both sponsor and sponsoree are actively seeking an exchange of wants and needs. Progression to this stage leads to the introduction of the third parties, spectators and other competitors, creating "a complex circular exchange."

The following figure is based on Bagozzi's 'complex circular exchange' concept, and resembles a later model developed by Kotler termed "the three-party exchange map"<sup>11</sup> (a logical extension of the previously outlined 'two-party' map), and represents a summary of the major findings from the retailer survey, and sports club interviews.

Note:- the model is based on information obtained from interviews held with sports clubs, and some of the exchanges identified, therefore, are not relevant to individually sponsored performers.

# MODEL OF THE CIRCULAR EXCHANGE IN SPONSORSHIP OF LOCAL SPORT BY THE SPORTS RETAILER

- \* - Finance (May include discounts on goods purchased).
- \* - Clothing/Equipment.
- \* - Administrative; managerial ; sporting expertise.
- Time commitment.

RETAILER  
(SPONSOR)

INDIVIDUAL; CLUB; EVENT etc.,  
(SPONSOREE)

- \* - Increased sales.
- \* - Advertising exposure.
- Improved image.
- \* - Media coverage.

- \* - Personal and business entertainment.
- Providing a charitable service to performers and/or sport in general.

- \* - Sports goods.
- \* - Event facilities (e.g. seating; equipment; programmes etc.)

- \* - Admission fee ; entry fee ; raffle and programme revenues etc.
- \* - Club bar revenue.
- Opportunity to improve sporting activity.

- \* - Club facilities.
- Entertainment/enjoyment (i.e. recreational opportunity).

- \* - Increased sales.
- \* - Word-of-mouth advertising.
- Improved image.
- Providing a charitable service to the local community.
- Enhanced staff relations.

SPECTATORS  
(AND OTHER COMPETITORS)

(Note :- \* - Direct Exchange)

## LOCAL SPONSORSHIP AND THE PROCESS OF EXCHANGE

### ASSESSMENT OF THE CIRCULAR EXCHANGE MODEL

Sponsor → Sponsee

(How the sponsor may satisfy sponsee needs and wants)

#### 1. Finance

The sponsor may assist in funding of the individual, team or event, to cover, for example, administration expenses, travelling expenses, competition entry fees, purchase of sports equipment etc. In addition, the sponsee may receive discounts on goods purchased from the sponsor. In the case of Westcliff Hockey Club, for example, members may be able to secure a discount on cars purchased from the Club's sponsors.

#### 2. Donation of Clothing and Equipment

This may bear the sponsor's name and so may be a useful form of advertising. For example, Westcliff Hockey Club first eleven tracksuits bear their sponsor's name.

#### 3. Administration and/or Management Expertise

The sponsor may be pleased to be given the opportunity to involve himself directly in the event; alternatively, he may prefer just to give his donation and remain in the background. His involvement may bring a more professional attitude to the organisation of the event, individual or team concerned, through application of practiced business techniques etc.

#### Sporting Expertise

The retailer may have played the relevant sport, or been involved in some other way, and may, therefore, have practical experience and expertise to share in improving the event, organisation, and/or the individual's or team's performance. This would be particularly likely if the retailer is an ex-professional or high-level amateur sportsman.



## LOCAL SPONSORSHIP AND THE PROCESS OF EXCHANGE

### 4. Time Commitment

As previously stressed, the sponsor may want to give time to the sponsoree, or he may want only to "turn up" at the end and present the prizes.

### Sponsoree → Sponsor

(How the Sponsoree may satisfy the needs and wants of the sponsor).

#### 1. Increased Sales

The survey has shown the importance of this factor to the sponsor, i.e. his donation is unlikely to be for purely charitable reasons. Consequently, the sponsor may expect increased custom from the sponsoree and from customers made through the sponsoree's promotional efforts.

#### 2. Advertising Exposure

The majority of sponsors will regard sponsorship as a form of advertising. It is up to the sponsoree to maximise the effectiveness of advertising opportunities. For example, by mentioning the sponsor's name in all match programmes, displaying logos on equipment, and banners at competitions etc.,

#### 3. Improved Image

The sponsoree can help improve the image of the sponsor in the eyes of customers, suppliers, competitors and the local community. A successful, well organised competition or event will assist in this respect, as will good behaviour on the part of the sponsoree in his sporting activities. The latter point was stressed by many retailers in the survey. Also, the need to match the images of sponsoree and sponsor has been stressed, for example, financial organisations like the 'clean cut' image of hockey.

## LOCAL SPONSORSHIP AND THE PROCESS OF EXCHANGE

### 4. Media Coverage

The importance of exposure in local newspapers and local radio was emphasised by many retailers in the survey, and is a factor obviously linked with increased advertising exposure. Westcliff Hockey Club were shown to make an effort in this respect, keeping all newspaper clippings where their sponsor was mentioned in a scrapbook to show the efforts being made, and mentioning the sponsor's name in all match reports in the local press.

### 5. Personal and Business Entertainment

A sponsor may require to entertain clients and/or suppliers at his sponsored event, thus, at least gaining prestige. Those clubs interviewed who were sponsored, recognised the importance of being good hosts to their sponsors. Typically, the sponsor would be given the best seats at matches that he wished to attend, and an area for private use with refreshment may be made available at the more important events, such as cup finals, when presentations would be made to winners etc.

### 6. Providing A Charitable Service to Performers or Sport In General

The survey revealed that the majority of retailers were encouraged to sponsor where the local community, performers, or sport in general would benefit from their support. The sponsoree, by his very nature, thus provides the opportunity for this 'charitable' service. In addition, in the long run, development of a favourable image in this way may lead to better business for the sponsor.

The sponsor is also given the opportunity to encourage greater participation in the relevant sport in the local area in so far as people, particularly the young, are encouraged to participate in sports and events which are well organised and provide winners with good facilities, and glittering medals and trophies etc. This has the effect in the long run of increasing participation, and improving the standard of the sport.

## LOCAL SPONSORSHIP AND THE PROCESS OF EXCHANGE

Commonly, a personal interest in a particular sport or club etc., gives a trader the opportunity to be charitable, through sponsorship, to something that has given him personal enjoyment.

### Sponsoree → Spectators And Other Competitors

(How the sponsoree may satisfy spectator and other competitors needs and wants).

1. The sponsoree provides spectators and other sports competitors with the facilities to either compete or spectate. Redbridge Swimming Club, for example, in holding events at its own pool provides other clubs and spectators with the opportunity to participate and spectate at an additional venue. It should be noted, however, that some events, regardless of the availability of facilities etc., could not be held at all without the support of a sponsor.

2. Also, in providing 'recreational opportunity', the sponsoree is providing enjoyment and entertainment for spectators and competitors.

### Spectators and Other Competitors → Sponsoree

(How spectators and other competitors may satisfy the needs and wants of the sponsoree).

1. The sponsoree may receive admission fees, competition entry fees, programme and raffle revenues etc., from spectators and competitors at events.

2. Bar revenues may be substantially increased at successful events, for example, Thurrock Rugby Club substantially increased bar sales as a result of their sponsored mid-week cup competition.

### LOCAL SPONSORSHIP AND THE PROCESS OF EXCHANGE

They also charge spectators for match programmes at first team matches, and run regular raffles and fund-raising social events, which again draws revenue from club supporters and competitors.

3. Fellow competitors provide the sponsoree with much needed competition, and, thus, may improve the standard of performance of individuals and clubs as a whole. Furthermore, spectators may provide extra incentive for participants to perform well.

#### Sponsor → Spectators and Other Competitors

(How the sponsor may satisfy spectator and other competitors needs and wants).

1. The sports retailer can supply spectators and other competitors with sports clothing and equipment through his shop, or alternatively by setting up a stall at sponsored events etc. This practice is also common with sponsors from other trades, for example, at Redbridge Swimming Club, Midland Bank set up display stands at meetings which they sponsor.

2. The sports retailer may supply facilities such as seating for spectators or equipment for the use of competitors, they may also provide event programmes, badges, carrier bags, or sun hats etc. A major badminton event at Redbridge Sports Centre, for example, would require seating facilities, these may be supplied, or financed by sponsors.

## LOCAL SPONSORSHIP AND THE PROCESS OF EXCHANGE

### Spectators and Other Competitors → Sponsor

(How the spectators and other competitors may satisfy the wants and needs of the sponsor).

1. The sponsor may benefit from increased sales from spectators and competitors of sponsored events either through their shops or stalls set up for the occasion.
  
2. A successfully sponsored event may lead to substantial word-of-mouth advertising by spectators and competitors, such as occurred in the Southern Car Rally sponsored by the Happy Eater Chain. Increased name awareness is one of the major reasons why businesses sponsor at all levels; word-of-mouth advertising is obviously an effective medium in this respect. Redbridge Swimming Club did, however, point out that difficulties can emerge when seeking to openly promote the sponsor's product (as opposed to his trade name). For example, promotion of one manufacturer's swimwear may lead to loss of much needed sponsorship support by another manufacturer.
  
3. The sponsor can improve his image in the local community and with business associates through sponsorship. The importance of this to the retailer was identified in the survey, and it was noted that in the longer term, an improved image may lead to increased business.
  
4. The spectators and other competitors provide the sponsor with the opportunity of serving the local community in a charitable sense. The retailer survey showed a majority of respondents favoured helping the local community through their sponsorship activity. This is an active example of Kotler's assumption that people or businesses seek to maximise their self-interest, at the same time having concern for the interests of others, because their welfare can have a direct influence on self-interest. The retailers 'enlightened self-interest' constitutes a desire to be charitable, coupled with the hope that business will improve as a result of recognition of their charitable activities.

### LOCAL SPONSORSHIP AND THE PROCESS OF EXCHANGE

An example where the local community benefits from sponsorship is Redbridge Sports Centre, which as a profitable concern, well supported by sponsors, is able as a result to extend and expand the opportunities for local people to join the centre and enjoy a variety of sporting and leisure activities.

5. Relations between the sponsor and his staff may improve as a result of sponsorship, the staff having the opportunity to spectate or even compete. In addition, there may be a sense of pride in seeing the name of one's employer prominent at a successful, enjoyable sporting occasion.

---

This model of the circular exchange of needs and wants in local sponsorship represents the 'ideal' situation. Very few local sponsorship ventures can expect to achieve all the factors outlined, and the model's relevance to clubs rather than individuals has been stressed.

Efficient and effective planning, negotiation, and execution of programmes between the parties concerned will determine the extent to which the ideal situation is achieved. Many highly successful sponsorship programmes will not attempt to fulfill all the possible wants identified in the model, as they may represent unrealistic targets, or simply may not be required by either sponsor or sponsoree.

As previously indicated, having established a list of wants, overlapping areas will be identified and an offer or 'value package' drawn up, leading to negotiation between sponsor and sponsoree.

LOCAL SPONSORSHIP AND THE PROCESS OF EXCHANGE

Presentation of the circular exchange model allows final summaries and conclusions to be drawn.

End Notes

- <sup>1</sup>P. Kotler, Principles of Marketing (Prentice - Hall, 1980).
- <sup>2</sup>P. Kotler and S.J. Levy, "Broadening the Concept of Marketing", Journal of Marketing (January 1969).
- <sup>3</sup>P. Kotler, Marketing Management (Prentice Hall, 1980).
- <sup>4</sup>P. Kotler, A Generic Concept of Marketing, Journal of Marketing (April 1972).
- <sup>5</sup>Kotler, Principles of Marketing.
- <sup>6</sup>Ibid.
- <sup>7</sup>Ibid.
- <sup>8</sup>Kotler, Marketing Management.
- <sup>9</sup>Ibid.
- <sup>10</sup>R.P. Bagozzi, Marketing As Exchange, Journal of Marketing (October 1975).
- <sup>11</sup>Kotler, Marketing Management.



## X CONCLUSIONS

The presentation of this research study has, subject to certain specified deviations, followed recognised marketing principles. In particular, the model of "factors influencing the sports retailer's attitudes towards sponsorship of local sport," and the "summary of circular exchange in sponsorship" both took their basic format from celebrated marketing theorists. It has, however, as with any behavioural analysis (In this case of people's attitudes), been necessary to present final conclusions in terms of 'subjective probabilities', and so conclusions have been at times, necessarily tentative.

A broad definition of the term 'sponsorship' has been adopted throughout, as it was felt a narrower view would have restricted areas of investigation, and in particular, have excluded many sports retailers from the analysis, as their sponsorship activity would be so small as to reduce them to a classification of 'non-sponsor'. By including the maximum number of respondents in the retailer survey, it has been possible to present a wide range of views.

A model was drawn up based on a previously established one of consumer buyer behaviour, and relevant hypotheses were set up to test it. Statistical analyses, together with interview comment material gave rise to a completed model of retailer attitudes towards sponsorship. The limiting influence of a small sample population, however, was stressed.

The research was originally undertaken in the knowledge that there was room for considerable expansion of local sponsorship by sports retailers, but results proved that there is considerable appreciation of the benefits to be accrued, and in general, the future looks promising.

## C O N C L U S I O N S

Specifically, it was concluded that sports retailers are sympathetic to the charitable benefits of sponsorship for the sponsoree, and recognise the possibilities for improving their own trade.

The study has identified those attributes which the retailer recognises as existing in sponsorship, and has examined the importance of these to him. It was found that certain 'ideal' achievements were observed by traders ; in order of importance these were : increased sales ; greater advertising exposure ; and recognition of the business as a socially responsible concern.

In addition, it was found that the sports retailer is encouraged to participate in sponsorship if it can be seen to provide charitable benefit to the sponsored party, the local community, and sport as a whole.

The survey went on to evaluate the extent to which the above attributes are seen as actually accruing to potential sponsorship activities, and in order of recognition these were : increased sales ; greater advertising exposure ; and recognition of the business as a socially responsible concern. Thus, the consistent relationship between what the retailer sees as the ideal attributes of sponsorship, and those he considers he is likely to achieve in practice can clearly be seen.

Restrictions on retailer sponsorship activity were considered, and it was concluded that whilst financial limitations and time commitments were, to some extent, seen as constraints on sponsorship involvement, their influence was not considered to be significant.

## CONCLUSIONS

Further, investigations revealed that commitment to sponsorship is not significantly restricted by either the retailer's own lack of active involvement in local sport (The majority of respondents were involved, regardless of sponsorship activity), or by preference for sports which did not give the opportunity to sponsor (perhaps, for example, because they were already sponsored).

It was finally concluded that as a whole, the sports retail trade holds a favourable attitude towards local sponsorship due to its potential beneficial effects on business, and because of its charitable rewards for sponsorees. And in addition, it was suggested that future involvement in sponsorship by the trade as a whole will not decrease.

In order to facilitate presentation of an overall sponsorship 'exchange' model involving sponsor and sponsoree, consideration was then given to the attitudes and policies of existing sports clubs towards servicing potential or actual sponsors. A summary of interview findings revealed that sponsors may reasonably expect to secure from local sponsorship, subject to careful planning, negotiation, and efficient execution, some (or possibly all) of the following : increased sales ; enhanced image ; media coverage ; advertising exposure ; product promotion ; enhanced staff relations ; and feelings of charitable goodwill.

Finally, in an effort to combine findings from the retailer survey and (to a lesser extent) the sports club interviews, a summary of the "circular exchange" in sponsorship was drawn up, outlining 'want lists' of sponsor/sponsoree/and other interested parties, which may lead to establishment of an offer or 'value package' (by either sponsor or sponsoree), and subsequent negotiation of a sponsorship programme.

## CONCLUSIONS

Many positive factors have emerged from this study in terms of the benefits of local sports sponsorship, however, emphasis has been placed on the necessity to plan carefully from initial stages through to the execution of the programme, and the importance of a "professional approach" from both sponsor and sponsoree stressed. In addition, every effort has been made to present the negative elements of sponsorship, which may be as numerous as the advantages if there is no basis for a genuine 'exchange' between both parties in the sponsorship 'transaction'.

This professional approach to sponsorship is, I believe, currently lacking with the majority of specialist sports retailers, however, the study has revealed, in general, a favourable attitude by the trade towards local sponsorship ; as a consequence, I would suggest that in the future a growing number of these traders will, in the face of strong competition from fellow specialists and other trades seeking to serve the same market, increasingly recognise the potential benefits of professionally managed local sponsorship deals. The donations of £10 to the sports-day programme will continue to be made, but may form part of a sponsorship budget which itself is part of a planned sponsorship policy. Failure to do so may result in increased expenditure for no real purpose, coupled with a loss of opportunity to benefit from the possible advantages of a well planned sponsorship programme.

APPENDIX (1)THE POLICIES OF TWO MAJOR U.K. SPONSORS :A. Personal Interview With the Community Affairs Manager  
Of National Westminster Bank PLC

The Community Affairs manager explained that sponsorship is split between his department who pursue largely a philanthropic philosophy, and the marketing department who generally must justify support given in marketing terms. Both departments are, it was suggested, primarily accountable to staff, shareholders and customers. (Not in any specific order of importance).

The Community Affairs manager offered a personal view that it is impossible to measure the financial benefit of sponsorship from the Bank's point of view, as this would need to be measured by increases in customers. He feels the primary reasons for people opening accounts are : 'The influence of employers, parents, or branch convenience to home or work;' but that any influence caused by sponsorship is not calculable.

It was indicated that the policy of Nat. West is to 'keep a low profile' while being seen to be supporting the community. The manager likened the Bank's policy to that of Marks & Spencers', although the latter will not advertise their name on posters and programmes etc., unlike Nat. West. It was stressed that 'non-controversial' activities are selected for sponsorship.

The Community Affairs Department of Nat. West concentrate on assisting areas of 'need' including youth, the disabled, elderly and ethnic groups. By contrast, the marketing department will consider whether media coverage is sufficient to justify support at all levels of competition. Thus, sponsorship at local level would need to entertain a satisfactory degree of media coverage before support would be given.

APPENDIX (1)

It should be stressed that no indication was given by the Community Affairs manager that Nat. West. seeks to achieve a specific 'image' through its sponsorship activities in order to capture specific customer groups. However, he suggested the Bank encourages a 'good citizen' image through its total policy, consisting of donations to charities, secondments, and sponsorship of sport and the arts.

Nat. West. allows regions to have their own budgets for community affairs purposes, with London having the largest share. The policy is to concentrate on those areas in greatest need of money, the money generally goes to the central organising body of the sport concerned, however, individual clubs may apply for small sums independently.

Nat. West. approach sports bodies themselves in order to secure a 'balanced' programme of sponsorship, and favour squads or sports etc., which are 'likely to develop and be successful'. Current activities sponsored include the following : cricket; netball; lacrosse; squash; rowing; rugby; fencing; bowls; and darts. The Bank does not use sponsorship consultants, as it has 10 years experience of its own, which it considers sufficient experience. The Community Affairs manager suggests that there may be an increase in sponsorship involvement by the marketing department in the future.

Of interest, is the manager's opinion that sponsorship of the Arts secures 'greater publicity, press and glamour;' however, it takes a minority share in comparison to sponsorship of sports and the community. If this is indeed the true situation, it would appear to support the view that the Bank is primarily concerned with charitable support, with financial gains from advertising and promotional benefits secondary in their sponsorship activity.

## APPENDIX (1)

Finally, the Community Affairs manager suggested that all the major Banks had similar policies with regard to charitable donations, and indicated that Barclays have a similar sports sponsorship philosophy, while another of the major banks takes a more marketing-orientated approach.

---

### B. Results of Written Correspondence Made With Midland Bank

W.E. Wynne, Administration Manager of Midland Bank, outlines their policy on sponsorship of local sport as being similar to local arts sponsorship: "We aim to give back to the community something of what is given to us in the form of support for our business activities. This helps us to find a place in the life of the community beyond that of provider of financial services for which we are best known." The point is made that it is considered fair to spread support for community sports activities throughout England and Wales, and that without their support some activities would never have taken place at all.

Further evidence of Midland's prime aim with regard to local sponsorship is given : "The bank certainly considers that local sponsorship is justified. It is impossible to say whether it has a tangible result in business terms, but that is not our object." Once again the aim of this large organisation would appear to be, to be seen supporting local communities, with financial gain a secondary objective.

Again, measurement of any positive gain, it was suggested by the Midland's spokesman, is almost impossible to accurately assess.

APPENDIX (2)HYPOTHESESHypothesis 1a

The greater proportion of specialist sports retailers (51% or more) are not currently involved in sponsorship of local sport.

Hypothesis 1b

A greater proportion of specialist sports retailers (51% or more) are likely to sponsor local sport in the future.

Hypothesis 2

A greater proportion of specialist sports retailers (51% or more) believe that sponsorship of local sport is not beneficial to their business.

Hypothesis 3a

The sports retailer identifies certain 'ideal' achievements which may result from sponsorship of local sport. Commonly identified 'ideal' achievements include the following :

- The business is recognised as a socially responsible concern.
- Improved business standing in influential areas.
- Increased sales.
- Greater advertising exposure.
- Improved coverage in press, radio, t.v.
- Increased participation in sport due to the sponsorship.

Hypothesis 3b

The sports retailer identifies certain 'practical' achievements which may result from sponsorship of local sport. Commonly identified 'practical' achievements include the following :

- The business is recognised as a socially responsible concern.
- Improved business standing in influential areas.



APPENDIX (2)

- Increased sales.
- Greater advertising exposure.
- Improved coverage in press, radio, and t.v.
- Increased participation in sport due to the sponsorship.

Hypothesis 3c

Recognition of 'ideal' achievements is frequently at variance with what is seen to be achievable in 'practice' from sponsorship of local sport by the sports retailer.

Hypothesis 4a

A greater proportion (51% or more) of small specialist sports retailers (gross annual turnover below £250,000) consider 'recognition of their business as a socially responsible concern' a likely practical achievement.

Hypothesis 4b

A greater proportion (51% or more) of small specialist sports retailers (gross annual turnover below £250,000) consider 'improvement of their business standing in influential areas' a likely practical achievement.

Hypothesis 4c

A greater proportion of large specialist sports retailers (gross annual turnover in excess of £250,000) are concerned with achieving a financial return on their sponsorship than smaller traders.

Hypothesis 5a

A greater proportion of specialist sports retailers (51% or more) who operate a sponsorship budget are likely to consider 'increased sales' as a likely practical achievement.

APPENDIX (2)Hypothesis 5b

A greater proportion of specialist sports retailers (51% or more) who operate a sponsorship budget are likely to consider 'greater advertising exposure' as a likely practical achievement.

Hypothesis 6a

A greater proportion, (51% or more) of specialist sports retailers are encouraged to sponsor local sport if the 'local community' is likely to benefit.

Hypothesis 6b

A greater proportion (51% or more) of specialist sports retailers are encouraged to sponsor local sport if the 'individual, team, or event sponsored' are likely to benefit.

Hypothesis 6c

A greater proportion (51% or more) of specialist sports retailers are encouraged to sponsor local sport if the 'sport in general' is likely to benefit.

Hypothesis 7

Involvement of the specialist sports retailer in sponsorship of local sport may be reduced by lack of 'opportunity' in the following respects :

Hypothesis 7a

The greater proportion (51% or more) perceive the existence of a local sport which they would like to sponsor but feel they are prevented from so doing.

APPENDIX (2)Hypothesis 7b

The greater proportion (51% or more) who are 'not currently involved' in sponsorship are not actively involved as participants of sport.

Hypothesis 7c

The greater proportion (51% or more) who are 'not currently involved' in sponsorship, are not actively involved as spectators of local sport.

Hypothesis 7d

The greater proportion (51% or more) who are 'not currently involved' in sponsorship are not actively involved as sports administrators.

Hypothesis 8

A minority (49% or less) of specialist sports retailers who believe sponsorship can be beneficial to their business believe the following are constraints on their sponsorship activities :

- (a) Financial limitations
- (b) Time constraints imposed by the business.

## APPENDIX (3)

MAIL AND TELEPHONE QUESTIONNAIRESURVEY OF SPONSORSHIP OF LOCAL SPORT BY SPORTS RETAILERSNote to the manager

a) The term 'sponsorship' is used in its widest sense eg. a small donation towards a club's expenses. b) 'Local sport' includes locally based activities.

1. Do you consider that sponsorship of local sport by the sports retailer can be beneficial to his business: YES/NO/NO OPINION.
2. With regard to sponsorship of local sport which of the following applies to your business: (tick)

- a) currently involved ( )
- b) previously involved but not at present ( )
- c) never involved ( )

3. If possible give reasons to your answer in question 2.: \_\_\_\_\_

4. Which of the following applies to your business: (tick)

- a) you would consider sponsorship in the future ( )
- b) not likely to sponsor in the future ( )

5. Give reasons for your answer to question 4.: \_\_\_\_\_

6. Regardless of current involvement you may see a difference between what you would IDEALLY hope to achieve from local sponsorship, and what you consider in PRACTICE.

From the following list rank in order of importance, in column 'A' any achievements you consider IDEAL and in column 'B' any you feel are available in PRACTICE.

eg., IDEAL - b)1 f)2 a)3

- |   | A     | B        |  |
|---|-------|----------|--|
|   | IDEAL | PRACTICE |  |
| a) your business would be recognised as a socially responsible concern                | ( )   | ( )      | Note: Telephone respondents to consider only their three most important choices. |
| b) improved business standing in influential areas eg. your bank or local Round Table | ( )   | ( )      |  |
| c) increased sales  | ( )   | ( )      | Ideal choices not to be ranked.  |
| d) greater advertising exposure   | ( )   | ( )      |  |
| e) coverage in the press, radio, T.V.   | ( )   | ( )      |  |
| f) increased participation in the sport due to your sponsorship                       | ( )   | ( )      |  |
| g) other reasons not given above (please specify)                                     | _____ |          |  |

7. Which, if any of the following would increase your desire to sponsor local sport? (Rank in order of importance) (a) the local community benefits ( ) (b) the individual team or event benefits ( ) (c) the sport in general benefits ( ).

8. Name any sports you are regularly involved in as :-

- a) a participant \_\_\_\_\_
- b) a spectator \_\_\_\_\_
- c) an administrator \_\_\_\_\_
- d) a sponsor \_\_\_\_\_

9. Give any local sports which you would like to sponsor but currently do not (Give reasons) \_\_\_\_\_

APPENDIX (3)

10. Which of the following are or would be a problem for you with regard to local sponsorship (tick)
- a) the sum of money involved ( )
  - b) the time commitment required ( )
  - c) other constraints (please specify) \_\_\_\_\_
11. If possible explain your answer to question 10 : \_\_\_\_\_
12. Do you think that more sports retailers will sponsor local sport in the future ? YES/NO.
13. Give reasons for your answer to question 12 : \_\_\_\_\_
14. Are you a) an independent retailer or b) part of a chain (delete).
15. In which area do you trade ? \_\_\_\_\_
16. Please indicate your gross annual turnover (to the nearest £10,000)£ \_\_\_\_\_
17. Indicate approximately your maximum financial commitment to local sport if you have one £ \_\_\_\_\_:
- (PLEASE USE THE SPACES BELOW FOR ANY COMMENTS)

Note :- Telephone respondents - any other comments - probe general attitude to sponsorship. (Fold)

(Fold)	Sport Sponsorship Survey FREEPOST 7 Bourne End Hornchurch ESSEX RM11 1BR.	(Fold and tuck)
--------	---	-----------------

APPENDIX (4)PERSONAL INTERVIEW QUESTIONNAIRE

25 personal interviews to be conducted in Essex.

Interviews to be of 30 minutes duration approximately.

The term 'sponsorship' is to be used in its widest sense.

- 
- 1) Are you currently involved in sponsorship in any way ?
  - 2) Do you believe sponsorship can benefit your business ?
  - 3) Do you have any plans to change your sponsorship policy in any way in the future ?
  - 4) Do you think that sponsorship has - (Rank if possible)
    - a) improved your image in the local community ?
    - b) improved your business standing with either your fellow sports retailers or business men in other trades ?
    - c) increased your sales ?
    - d) given you greater advertising exposure eg. in the local press ?
    - e) helped the sport itself in your area ?

Note :- Ask to consider distinction between 'ideal' and 'practical' achievements.

- 5) When you sponsor, do you differentiate between 'charitable donations' and 'investments' for the benefit of your business - i.e., do you require a return on your sponsorship beyond a specific commitment.
- 6)
  - a) do you participate in any sports ?
  - b) are you a regular spectator of any sports ?
  - c) are you an administrator in any sports ?
- 7) Are there any sports you would like to sponsor but are unable to ?
- 8) Is your sponsorship restricted by financial constraints ?
- 9) Is your sponsorship restricted by time constraints ?
- 10) Do you think that more sports retailers will sponsor local sport in the future ?

APPENDIX (4)

- 11) Are you an independent retailer or part of a chain ?
  - 12) What is your gross annual turnover to the nearest £10,000 ?
  - 13) Do you budget for your sponsorship expenditure ? - how much do you spend in a year on sponsorship ?
  - 14) Do you have any other comments to make or opinions to express on sponsorship of local sport ?
-

APPENDIX (5 A)A. RESULTS OF MAIL AND TELEPHONE QUESTIONNAIRES

Q.1. Is sponsorship beneficial to the business :-

	<u>Mail</u>	<u>Telephone</u>	<u>Total</u>
YES	34	14	74 %
NO	2	11	20 %
NO OPINION	4	—	6 %

Q.2. Involvement in sponsorship :-

CURRENT	29	20	75 %
PREVIOUS	10	5	23 %
NEVER	1	—	2 %

Q.4. Sponsorship in the future :-

WILL SPONSOR	33	17	77 %
WILL NOT SPONSOR	5	7	18 %

Q.6. Selected Achievements (First 3 Choices) :-

		<u>IDEAL</u>			<u>PRACTICAL</u>		
		<u>Mail</u>	<u>Tele- phone</u>	<u>Total</u>	<u>Mail</u>	<u>Tele- phone</u>	<u>Total</u>
Social responsibility	-	43%	8%	29%	38%	56%	45%
Improved business image	-	28%	4%	18%	20%	28%	23%
Increased sales	-	78%	28%	58%	50%	56%	52%
Greater advertising	-	43%	12%	31%	40%	96%	62%
Improved media coverage	-	25%	16%	22%	30%	32%	31%
Increased sports participation		35%	8%	25%	20%	44%	29%



APPENDIX (5 A)

## Q.7. Favoured Beneficiaries of Sponsorship :-

	<u>Mail</u>	<u>Telephone</u>	<u>Total</u>
LOCAL COMMUNITY	32	10	65 %
INDIVIDUAL, TEAM EVENT	33	12	69 %
SPORT IN GENERAL	30	7	57 %

## Q.8. Involvement in Local Sport :-

PARTICIPANT	34	15	75 %
SPECTATOR	27	15	65 %
ADMINISTRATOR	19	6	38 %

## Q.9. Lack of Sponsorship Opportunity :-

YES - 14	<u>Total</u> (22%)
NO - 51	(78%)

## Q.10. Sponsorship constraints :-

MONEY	25	20	69 %
TIME	21	6	42 %

## Q.12 Future Sponsorship by Sports Retail Trade :-

THERE WILL BE AN INCREASE	27	5	49 %
THERE WILL BE A DECREASE	12	20	49 %

## Q.14. Business Type :-

INDEPENDENT	36	25	94 %
CHAIN STORE	4	--	6 %

APPENDIX (5A)

Q.16.	Gross Annual Turnover	<u>Mail</u>	<u>Telephone</u>	<u>Total</u>
	£1-250,000	26	3	45 %
	£251,000 plus	7	1	12 %
Q.17.	Sponsorship Investment :-			
	£1-1,000	13	2	23 %
	£1,000 - 5,000	7	1	12 %
	£5,000 plus	2	—	3 %

(Note : 10 additional respondents kept a sponsorship budget but did not reveal any figures.)

---

## APPENDIX (5B)

### Hypothesis 1a;

#### Personal Interviews Findings Summary

When questioned on their current involvement in sponsorship of local sport the following attitudes were expressed by sports retailers in Essex :

#### (a) Those Not Looking Favourably On Local Sponsorship

"Financially, margins in the trade are too low to sponsor with any gain ... large companies outside the sports retail trade can afford to lose the money they put into sponsorship ... there is a great deal of misconception about sponsorship. As a form of advertising people are not significantly influenced by sponsorship. A good product sells anyway ... this shop will give for charitable reasons but expects no gain - any business is a bonus" (Small independent: proprietor; ex-professional sportsman).

"Sponsorship is not cost effective. People go to their nearest sports shop because most stock basically the same range and brands. For this reason a team carrying my shop name from Dagenham to Harlow are doing me initially no good."

(Manager of small independent).

"We only give small donations like footballs and holdalls these bring in no extra business ... in the last two years the big cut price multiples such as Asda and Argos and The British Shoe Corporation have taken the cream off the sports retail market without putting anything back. I pay my rates etc., but am still criticised in the local paper along with other sports retailers for not giving enough facilities and equipment to local schools and clubs ... in no other business is demand for discounts from customers so great - everyone thinks they qualify. I don't like sponsoring some and not others. Good customers and clubs continue to give good business without being sponsored. Sponsorship is the same as advertising for my business i.e., not cost effective."

(Small independent: managed by ex-professional sportsman).

APPENDIX (5B)

"Small scale local sponsorship is not cost effective. Large-scale businesses inside or outside the trade should sponsor events involving substantial sums of money because they can swallow the lack of return which is a common feature."

(Medium sized independent : two shops, father and son management team).

"My great fear is being let down by the sponsored party and having my good name spoilt by their failure or poor conduct ... people who are sponsored have no loyalty - if it's cheaper elsewhere they will go there."

(Small independent proprietor; has no love for the sports world; has experience selling other marketable products).

(b) Those Who Favoured Local Sponsorship

"Sponsorship can benefit the business providing the sponsored party is successful. We prefer to sponsor good individuals rather than teams because there is more chance of them succeeding. Our sponsorship usually starts as a gesture of goodwill because you can never be sure of a return. We don't expect anything in return but hope the competitor will succeed for his and our sakes."

(A large well established sports retailer with four shops; heavily involved in a full range of sports).

"Sponsorship is only viable from a business standpoint if the investment is substantial - small donations have never noticeably improved our business, but it is important to be seen in the local community as contributing. The prime aim of my business is to offer a personal service which larger or non-specialist sports retailers cannot - sponsorship can help me in providing this service."

(Small independent retailer).

APPENDIX (5B)

"Small donations of £5 or so give no business benefit ... we will not sponsor individuals or clubs because competitors who are also potential customers do not like it. We will sponsor an event because this benefits all competitors, and if properly planned can benefit the business. The main advantages are that the event can take place, the shop name is promoted, sales may be increased, for example, by setting up a stall at the event."

(A large independent with two outlets; has a good reputation with customers and fellow traders; advertises on local commercial radio).

"Everyone in local trade in general is sponsoring to some extent and so there is a competitive element in being seen to be making a contribution in this way."

(Manager of one shop forming part of a large independent group with several outlets).

"The proprietor will not allow the shop to sponsor. As the manager I would very much like to sponsor in a variety of ways because I believe it can benefit the business."

(Medium sized independent with two outlets).

"I concentrate on sponsoring children rather than adults, and concentrate on athletics. I am currently heavily involved in providing equipment for one particular young athlete and am acting as his sponsorship manager approaching other businesses on his behalf. My main objectives are to help the boy, to hopefully improve the image of my business in the long-term and to promote athletics as a sport ... I require anyone I sponsor to bring their custom to my shop where they will receive a discount any way."

(An ex-professional sportsman, attempting to establish a new independent business, having taken over from a former sports retailer who had failed).

APPENDIX (5B)

"Having experimented in the past with judging each sponsorship application on its merits the policy is now one whereby we will sponsor an event or league which benefits the maximum number of participants - we will not sponsor individuals or teams catering for the cream of the sport ... We provide trophies and meet over-heads, for example, for a local school's swimming gala ... Our policy is to choose events which are well established, well organised and well supported. We do not want to have to become involved in administration. We like then to be able to sit-back and bathe in the glory of the event's success. We also believe this success will benefit the business."

(A large independent retailer with two outlets and a gross annual turnover in excess of £400,000. Well respected by customers and competitors).

"We are heavily committed to sponsorship in a variety of sports. We have no sponsorship budget but would estimate annual expenditure at £4-5,000. The main reason for our sponsorship is to promote participation locally in the sport and so increase our business. Serving the local community through charitable donations is also important because in the long-term it can only improve our business."

(Medium sized independent).

"Because of our position we have no passing trade and rely entirely on word-of-mouth advertising. We give small donations to lots of one-off events because we like the sports administrators and officials to know we are involved ... We are wary of strangers for fear that our sponsorship support may be wasted on a venture which fails or a club which folds. We have supported the L.T.A. promotions of "short tennis" in our area due to the manager's personal interest in tennis, and a general lack of participation and facilities locally and nationally."

(Small independent; the owner employs a manager to run the shop).

APPENDIX (5B)Hypothesis 1b:Mail Questionnaire and Personal Interview Comments Summary

Comments made in the mail questionnaire concerning future involvement by the sports retail trade in local sponsorship included the following :

(a) Those Who Saw Sponsorship Growing

WEST YORKSHIRE - "As the sports trade and its outdated attitudes pulls itself into the 20th Century it will be realised that carefully researched planned and promoted sponsorship will benefit the sports trade."

EAST SUSSEX - "It will become clear that sponsorship of local sports participants should bring benefits in return for the sports specialist retailer."

NORTH YORKSHIRE - "We believe that sports retailers are becoming more marketing conscious."

AYRSHIRE - "When the sports retailers realise the benefits of sponsorship they will join the bandwagon."

SOUTH - "The specialist will have to increase sponsorship to combat increasing competition from mail order and multiple stores."

(b) Those Who Did Not See Sponsorship Growing

NORTH WEST - "You cannot give money away in business. In our area it is the more conservative retailers who have remained in business over the years at the expense of the newer discount and sponsorship-daft businesses."

NORTH EAST ANGLIA - "In our rural locality with its low population density, adequate returns cannot be achieved from sponsorship. It is difficult to reconcile a cash outlay if spread over a large number of sports."

APPENDIX (5B)

AVON - "Local sports clubs etc., buy their equipment where they get the biggest discounts, regardless of sponsorship."

BUCKS. - "Time taken in dealing with officials is out of proportion to the increase in sales value."

MIDLANDS - "Any expenditure as far as we are concerned has got to be looked upon as an investment, and the return likely on any amount at the moment is very little."

---

Personal Interview Findings Summary

When questioned on whether they felt sponsorship of local sports by the sports retail trade would increase in the future, the following attitudes were expressed in personal interviews.

(a) Those Believing Sponsorship Will Increase in the Future

"The decline in sponsorship of sport in general has I believe been media instigated, due to their blaming the economic recession. Once this is generally realised there will again be an upward movement."  
(Medium sized independent with two outlets).

"Sponsorship by all local traders declined in the past five years but this will be made up again as people's standards of living improve in the future."

(Manager of branch of large independent group).

"Sponsorship is likely to increase in the future as it is recognised as a very effective form of advertising."

(Manager of branch of large independent).



APPENDIX (5B)(b) Those Believing Sponsorship Will Not Increase in the Future

"Sponsorship as a whole has reached saturation point with all types and sizes of business."

(Large independent).

"The trade is not likely to increase sponsorship in the future because too many managers are restricted by their proprietors, who are ruled by their accountant, rather than any real desire to provide a service to the community."

(Manager of small independent).

"Sponsorship by sports retailers is likely to decrease in the future because of competition from multiple stores and mail order companies who now stock sports equipment."

(Proprietor of medium sized independent).

"Sponsors from other trades are more likely to increase local sponsorship in the future at the expense of the small independent sports retailer - their purpose will be to primarily increase their own business activities."

(Small independent proprietor).

APPENDIX (5B)Hypothesis 2Mail Questionnaire Comments Summary(a) Those Who Indicated Sponsorship Could Be Beneficial To The Business

WEST SUSSEX - "We believe giving encouragement to sports clubs is beneficial to the sport and the retailer, and encourages contact with club officials."

WEST COUNTRY - "We consider sponsorship more effective than press advertising."

BRADFORD - "Applications for sponsorship are assessed on whether they would be cost effective; produce customer loyalty; and offer good value, publicity and advertising."

(b) Those Who Saw No Business Gain From Local Sponsorship

AVON - "The time, money and effort put into sponsoring local sport is not reflected in improved sales figures."

NORTH WEST - "Virtually all profit goes to the clubs which is not the reason why I am in business."

SOUTH MIDLANDS - "Currently sponsorship is overloaded and is therefore losing its meaning. Companies are pulling out of sports sponsorship at national level, and this will spread locally."

SURREY - "There needs to be a radical change in attitudes of sportsmen with regard to their own behavioural standards, and the effort they are prepared to put into promoting the interests of sponsors."

APPENDIX (5B)Hypothesis 3aPersonal Interview and Mail and Telephone Questionnaire Comments Summary

Comments made by sports retailers on likely 'ideal' achievements from sponsorship :-

- "I would like, finance permitting, to increase sponsorship of athletics and become involved in a sports complex to encourage the family atmosphere of the sport which can be enjoyed by spectators and performers. I would also hope through my involvement to improve my own business sales."

(Small independent establishing a new business).

- "We neither put our name on sports equipment donated, nor expect a direct business return from other financial donations, but we hope for the benefit of word-of-mouth advertising through competitors, spectators and sports committees etc."

(Manager of chain store outlet).

- "I intend to sponsor in the future because it is important to keep your name in front of the public. There is no profit at first, but you hope it will come later."

(Small independent).

- "We are an ambitious firm and wish to expand - the business needs to build up its club and school business because this creates goodwill etc."

(Chain store outlet).

- "We specialise in bowls and like to support the sport on a wide basis so as to further our own reputation ... I think more sports retailers will have to specialise in a field in which they have a good knowledge, for their survival."

(Medium sized independent).

APPENDIX (5B)

- "We would only sponsor in the future if we felt that by so doing it would be cost effective, produce customer loyalty and generally give full cost effective publicity and advertising to our company."  
(Independent trader).

- "We are not currently involved in sponsorship because too many individuals and teams think they are 'owed a living' despite inadequate performances and in many cases rank bad behaviour and manners. We would consider sponsoring in the future only if there is a radical change in the attitude of players. Also there must be much more effort into promoting the interests of the sponsors."  
(Small independent). This retailers primary 'ideal' achievement from sponsorship is 'increased participation in sport': he indicated no previous 'practical' achievements.

- "Sponsorship is an increasing commercial involvement and has a certain mystique as to the benefits, to one who previously has not been involved."  
(Small independent). This respondent indicated 'increased sales' as his primary 'ideal' achievement.

APPENDIX (5B)Hypothesis 3bPersonal Interview And Mail And Telephone Questionnaire Comments Summary

The following comments were made on the 'practical' achievements of sponsorship of local sport :-

- "Sponsorship has definitely improved our image in the local community, but has not really improved our standing with other tradesmen; sales have increased (There was no real awareness of how much), and we believe we have certainly helped local sports activity itself."

(A large, well organised independent - two outlets).

- "It is important to compete with other retailers through sponsorship - it is a good form of advertising, and has improved our image in the community."

(Small independent).

- "There has been no obvious recognition of our business in the local community as a result of sponsorship - we don't know if sponsorship has improved our sales, although we believe it is a cheap form of advertising."

(Small independent).

- "Sponsorship can improve sales, providing the sponsored party is successful ... sponsorship of good quality entrants in any event must benefit the sport itself."

(Large independent with several shops).

- "Sponsorship has shown itself to be more effective than local press advertising."

(Small independent).

- "Sales are only increased when sponsorship is on a large scale ... it is not a cost effective form of advertising ... while thought is given to helping the sport and participants, it is hoped this will lead to improved business as well."

(Small independent).

APPENDIX (5B)

- "We currently only sponsor a five-a-side soccer competition and this benefits sales, although not easily quantifiable, in so far as the competition brings teams from outside into this area."

(Large independent with several outlets).

- "We previously sponsored a table tennis team based at a school - it improved contact with the local school and so improved sales in this sector, and also helped table tennis itself in this area, although we don't think it really improved our image in the local community."

(Medium sized independent with two outlets).

- "We specialise in cycling and our policy is to sponsor individual cyclists. This has improved our image in the local cycling fraternity and must itself benefit the business."

(Small independent).

- "We propose to do no more sponsorship. It has definitely not helped our sales in the past, neither has it assisted our image locally - we do not believe it benefits the sport on a local scale - it is a form of advertising but it is of no real significance."

(Small independent).

- "Local sponsorship is a cheap form of advertising and is an important part of building up contacts and customer support and awareness."

(Large independent with two outlets).

- "Virtually all profit goes to the sponsored party ... the only achievement of any possible relevance is increased sales."

(Small independent).

- "We only risk certain events about four times a year ... previous events have been fairly successful but do not appear to have helped turnover very much."

(Small independent).

APPENDIX (5B)

- "You do not get any improved sales for the time, money and effort ... local sports clubs etc., buy their equipment where they get the biggest discount ... it is not necessarily the local shop, who will probably be as cheap."

(Small independent).

- "The problem is, if you are seen locally as a sponsor, every other club, association, league etc., descend like locusts ! For this reason we keep away from soccer ... we allocate an annual budget in cash or goods and stick rigidly to it (Approximately £1,000 p.a.,) ... local sponsorship is good advertising value, and can be fun."

(Proprietor of medium sized independent outlet).

- "A close liaison with sports administrators is essential to the 'business status' of the sponsor."

(Medium sized independent with two outlets).

- "The money must relate to the sales. No sales potential - no sponsorship ... the time taken in dealing with the sports committees is out of proportion to the increase in sales value."

(Manager of chain store).

APPENDIX (5B)

Hypothesis 3c

Personal Interview And Mail And Telephone Questionnaire Comments Summary

- "It is very important to our sponsorship programmes that we receive publicity in editorial form in the local press, but this has been very disappointing."

(Large independent with two outlets).

- "I am involved in sponsorship in only a very small way through donations of sports bags or money for fete programmes. Ideally I would like to think this increased my sales but in practice this has never happened."

(Small independent).

- "As a sports retailer I feel I should say there are business gains to be had from sponsorship, but in truth I do not personally believe it is cost effective."

(Small independent).

- "We are undertaking a pilot scheme to assess the response of sponsorship ... we will consider sponsorship in the future subject to satisfactory results from the pilot programme."

(This retailer indicated that 'greater advertising exposure' was both his first choice 'ideal' and 'practical' achievement - small independent in rural area).

- "The reasons why we sponsor local sports are to put business competitors in the shade, to encourage customer loyalty, and to introduce new customers to the business."

(This retailer stated the list of likely 'practical' achievements in the questionnaire were not applicable because ... "we only participate in those sponsorships that will guarantee us the ideal situation of desired benefits." His first 'ideal' achievement was 'increased sales'.

- Independent trader).



APPENDIX (5B)Hypothesis 7Personal Interview And Mail And Telephone Questionnaire Comments Summary

- "I would like to sponsor squash locally but it is already covered by a national supplier."

(Independent trader).

- "Governing bodies of sports, particularly at amateur level, tend to be obstructive to over active sponsors, and demand low key involvement which is useless."

(Manager of chain group outlet).

- "I would sponsor football because it would generate more trade, but I don't because I dislike football and, therefore, have no (or very little) knowledge of the local 'scene'."

(Small independent).

- "I am not a participant, spectator, or administrator of any sports ... I am not involved with sponsorship, and have very little interest in it and so don't know what its benefits might be."

(Independent trader).

- "We have a very low budget for sponsorship and, therefore, tend to back events with some personal contact or involvement ... we have many requests for sponsorship and turn most down - perhaps we turn down certain projects which we should reasonably become involved in."

(Small independent outlet).

APPENDIX (5B)Hypotheses 8a, 8bPersonal Interview And Mail And Telephone Questionnaire Comments Summary

- "I look upon sponsorship as a form of advertising and require the display of my shop name for any form of donation. I judge requests individually as they are made. My decisions are decided by financial constraints, a lack of desire to give time outside of business hours, and a general lack of involvement in sport."

(Independent trader).

- "Finance is the 'age old constraint', time is also a constraint but not to the same extent."

(Independent trader).

- "I do not like the time involved, and going to events to watch - I would rather just turn up at the end to present the trophies."

(Small independent trader).

- "I have too many commitments already - there are not enough hours in a day to give to sponsorship."

(Independent trader).

- "Sponsorship is too time consuming - there are too many committees with non-commercial aims - and there are too many individual side deals."

(Medium independent).

- "If we like a sponsorship proposal, time and money are no problem so long as it fulfills our requirements - it must be cost effective, produce customer loyalty, publicity and advertising."

(Large independent with two outlets).

APPENDIX (5B)

- "A major constraint on our sponsorship activity is determining the feedback and cost value of sponsorship ... the amount of money and time are irrelevant - it depends on the worthiness of sponsorship, and whether it is cost effective, whatever the amount."

(Small independent with one outlet).

- "At the end of the day, one has to consider the economic viability of the business, one can easily waste time and money, though again one can easily effectively spend time and money when opportunities arise."

(Small independent).

APPENDIX (6)STATISTICAL FINDINGS

- The overall aim is to establish from the sample that the population proportion lies between certain parameters at a specified level of confidence.
- A normal distribution is assumed.
- All Hypotheses are expressed at the 95% level of confidence.
- The standard deviation of the sample ( $\sigma_{\bar{x}}$ ) is calculated as

$$\sigma_{\bar{x}} = \sqrt{\frac{p(1-p)}{n}}$$

where p = sample proportion.

n = sample size.

- Therefore, at a 95% level of confidence, the population proportion will be considered to lie between,

$$p \pm 1.96 \sqrt{\frac{p(1-p)}{n}}$$


---

APPENDIX (7)SPONSORSHIP AND TAXATION

Annual payments made by companies under a Deed of Covenant are deductible in computing total company profits for purposes of Corporation Tax.

A covenant payment should not result in any benefit to the donor if it is to be eligible for tax relief. However, a small level of benefit is permissible, for example, payment of membership subscriptions.

The Directory of Social Change consider : "Since the essence of sponsorship is that it is a business arrangement where the sponsor gets some very real benefits for itself in terms of advertising, marketing or public relations, it is unlikely that such payments could be made under covenant and be deductible against tax."

However, the payments may be made under covenant in certain circumstances when the term 'sponsorship' is defined loosely to describe the equivalent of a publicized donation. Another situation when benefits are not construed as substantial, includes corporate membership schemes giving preferential facilities for corporate entertainment.

Normally, a sponsorship payment is treated the same as any other business expense, as it is payment for a promotional or marketing service supplied to the company.

Two conditions must be met before it can be deducted as a business expense for tax purposes :

- 1) The payment must not be a capital payment, it must be of a revenue nature, for example, payments for buildings are not deductible i.e. there must be no element of philanthropy in the payment.

APPENDIX (7)

- 2) The payment must be incurred wholly and exclusively for the purpose of the company's trade.

The D.S.C. stress that in practice, so long as the payments are small in relation to the turnover of the company and the expenditure results in a 'reasonable' amount of advertising, publicity or public relations for the business, the Inland Revenue will normally raise no objections. The payment, however, must not be seen as clearly not in furtherance of company trade.

The Inland Revenue are also flexible in permitting a 'reasonable' amount of benefit in return for a covenanted donation, and will not examine in detail whether a sponsorship is exclusively for the purpose of trade.

The C.C.P.R. in their 1978 survey asked questions related to taxation to 25 companies sponsoring sport :

- 21 companies felt that a positive specific tax incentive for sports sponsorship would "guarantee substantial increase in their amount of sport sponsorship"
- 3 could not say.
- 1 thought it would make no difference to the amount spent on sports sponsorship.

If there was to be substantial "general" relaxation of the taxation levels :

- 15 companies felt that an increase in sponsorship would be probable.
  - 6 thought there would be a small increase.
  - 4 thought no change in the amount of sports sponsorship would be forthcoming.
-

APPENDIX (8)SPONSORSHIP AND V.A.T.

If the payment is a donation and not a payment for a service, it will be outside the scope of V.A.T.

Customs and Excise adopt different criteria from the Inland Revenue when considering whether the sponsorship is a donation or payment for a service. The Inland Revenue will decide whether the sponsor is receiving a 'substantial benefit' for his covenant payment in determining whether the tax benefit should be permitted.

In contrast, Customs and Excise must decide whether the payment is a payment in respect of a service supplied or a true donation. Most sponsorship is construed as a payment for a service supplied by the sponsored party to the sponsor.

Whether V.A.T. has to be charged or not, and the effect on the sponsor will depend on the V.A.T. status of both the sponsor and the recipient.

If the recipient of the payment is not registered for V.A.T. he will not charge the sponsor V.A.T. on the sponsorship payment received. If the sponsor is registered for V.A.T. he will treat the V.A.T. payment on the sponsorship as 'input' and be able to offset this against his 'output' of V.A.T. paid to him by his customers in his supplies to them, or to reclaim it from Customs and Excise.

---

APPENDIX (9)ADVISORY SPONSORSHIP AGENCIESNon Profit-Making :

Greater London and South East Sports Council.

Association of Business Sponsorship of The Arts.

The Arts Council.

The English Tourist Board.

Institute of Public Relations.

The Central Council of Physical Recreation.

The Sports Aid Foundation.

British Equestrian Promotions.

The Institute of Sales Promotion.

Profit-Making :

Kallaway (Consultants and Management) Limited.

System Three.

International Management Group (Mark McCormack).

Championship Sporting Specialists.

Barwell Sports Management.

Southern Council for Sport and Recreation.

The Bageral Harvey Organisation.

M.S.W. Promotions.

Harlow Sports Aid Trust.



## SELECTED BIBLIOGRAPHY

### B O O K S

Barnes McDonald and Tuck. Evaluating 'Below-the-Line' Expenditure. The Thompson Medals and Awards for Advertising Research. London 1969.

Blume, Hilary. Fund-Raising ; A Comprehensive Handbook. Routledge and Kegan Paul, 1977.

Boyd, H. W., and Levy, S. J. Promotion : A Behavioural View. Prentice - Hall, 1977.

Broadbent, Simon. Spending Advertising Money : an introduction to media planning, media buying and the uses of media research. Business Books, 2nd, ed., 1975.

Dakin, T., editor. Sales Promotion Handbook. Gower Press, 1974.

Davies, A. H. The Practice of Marketing Research. Heinemann in association with C.A.M., 1973.

Guberman, Reuben. A Handbook of Retail Promotion Ideas. U.S.A. : Addison - Wesley, 1981.

Head, Victor. Sponsorship. The Newest Marketing Skill. Woodhead/Faulkner, September 1981.

Hughes, G. David. Attitude Measurement for Marketing Strategies. Illinois : Scott, Foresman, 1971.

Kotler, P. Marketing Management. Prentice - Hall, 1980.

Kotler, P. Principles of Marketing. Prentice - Hall, 1980.

Lucas, D. B., and Britt, S. H. Measuring Advertising Effectiveness. McGraw - Hill Series In Marketing and Advertising, 1963.

Norton, Michael, editor. Industrial Sponsorship And Joint Promotions. Directory of Social Change, 1981.

Norton, Michael, Editor. Raising Money From Industry. Directory of Social Change, 1981.

Ornstein, E.J. The Retailers : A Study in Successful Marketing and Promotions. Associated Business Programmes, 1977.

SELECTED BIBLIOGRAPHY

B O O K S

Paul, G. W., and Walters, C. G. Consumer Behaviour.  
An Integrated Framework. Illinois: Richard D. Irwin Inc., 1970.

Petersen, C. Sales Promotion In Action. Associated Business  
Press, 1979.

Toop, A. The Sales Machine. London : Crosby, Lockwood and  
Sons, 1978.

Webster, F. E. Social Aspects of Marketing. New Jersey :  
Prentice - Hall, 1974.

## SELECTED BIBLIOGRAPHY

### NEWSPAPERS

(In order of date of publication)

Thorncroft, A. "Sponsored Sport : The Winners And The Losers." Financial Times, 7th August 1971.

"It's Good P.R. If Business Calls The Tune", The Guardian, 1st January 1974.

Rodda, John. "Spotlight On The Sponsors," The Guardian, 16th September 1981.

Rodda, John. "Sport Is Given A 'Marriage-Broker'", The Guardian, 15th December 1981.

Brasher, Christopher. "A Place For Pride." The Sunday Observer, 6th June 1982.

---

### JOURNALS, PERIODICALS, REPORTS, MAGAZINES

(In order of date of publication)

Lavidge, R. J., and Steiner, G. A. "A Model For Predictive Measurements of Advertising Effectiveness", Journal of Marketing, Vol. 25. (October 1961), pp 59-62.

Treasure, J. "The Real Cost of Advertising", I.A.A. Congress, 1965.

Kotler, P., and Levy, S. J. "Broadening The Concept of Marketing", January 1969.

"Consumer Response to Promotional Activity", A.G.B. for The Managerial Committee of the T.C.A., October 1971.

Kotler, P. "A Generic Concept of Marketing", Journal of Marketing, April 1972.

An Inquiry into Sponsorship. The Sports Council, 1972.

"Sports Sponsorship Survey. Opinion Research Centre, 1972.

"Sponsorship : The Facts That Make It A Worthwhile Gamble," The Director, January 1973.

## SELECTED BIBLIOGRAPHY

### JOURNALS, PERIODICALS, REPORTS, MAGAZINES

"Those Sporting Sponsors", The Economist, 28th July 1973.

"Sponsors Put 16 Million Dollars In U.K. Sports", Advertising Age, 22nd September 1973.

Phillips, C. "Sports Sponsorship Race Hots Up", Industrial Management, Vol. 3. (November 1973).

Thomson, H. "About Those Other Media", Marketing, December 1973.

Bray, T. E. R. "Evaluation of Background Advertising - a case study", A.D.M.A.P., December 1973.

Detailed Survey of Sponsorship. System Three, 1973.

Neville, Anthony. "Spectator Sports : The Market For Ten Major Spectator Sports With Forecasts For 1980," Morrell Publications Ltd., 1974.

Arnott, M., and Redknight, E. "Public Policy And Measuring The 'Open-Ended Situation'", E.S.O. M.A.R., 1974.

"Sponsors Are Not Fairy Godmothers", Campaign, 24th September 1975.

Bagozzi, R. P. "Marketing as Exchange", Journal of Marketing, October 1975.

Report on A Survey Into Sponsorship. Gillette, 1976.

Waite, Dr. Nigel. The Management Of Sponsorship. N.S.N. Management Projects, 1976.

Sponsorship In The U.K. Cranfield School of Management Marketing Communications, Research Centre, 1977.

Adler, Eric. Promotional Marketing. Headline Promotions, 1977.

A Report of A Survey on Sponsorship. Central Council Of Physical Recreation, February 1978.

Watts, Martin. (Olympus Sportswear). "The Sports Shop In the Eighties", Sports Trader, 23rd November, 1978. (Speech from conference held by Sports Trader).

Sponsorship. Sports Council For Northern Ireland, Advisory Leaflet No. 4, 1978.

## SELECTED BIBLIOGRAPHY

### JOURNALS, PERIODICALS, REPORTS, MAGAZINES

Murphy, N. "The Sponsorship Stakes", Building, 14th December 1979.

Clemison, John., and Pearl, Kim, "Sponsorship : The Name Of the Game", Marketing, 1st October 1980, pp. 22.23.

"Sponsors Go For Arts", Marketing, 15th October 1980.

"The Give And Take of Sponsorship", English Tourist Board, 1980.

Martin, W. H., and Mason, S. "The U.K. Sports Market," Leisure Consultants, 1980.

Mintel Estimates, November 1980.

B.M.R.B./Mintel, April 1981.

"Cash and Carry Sport To Sponsor North Hants. A.F.C.'s," Sports Trader, May 1981.

Sponsorship 1980/81. Simkins, Jean. ed. Economist Intelligence Unit, Special Report No. 86.

"One Man's View", Lancelot, Sports Trader, 28th January 1982.

Fry, Alan. "Trading With The Natives", Marketing, 22nd April 1982.

Advertising Association. Annual Summer Publication, 1982.

Guide to Sponsorship. I.S.B.A. Cavalier (Anglia) Printers, October 1982.

Etherington, Derek (Sports Sponsorship Computer Analysis Ltd.)

"Sponsorship - An Evaluation Of Its Role In Marketing", I.M.R.A. News Vol. X. No. 1. (Lecture given at London Section of 15th December 1982).

Advertising Expenditure. Media Expenditure Analysis Ltd. Quarterly Digest. 1981/82.



