Measuring marketing effectiveness around major sports events:

A comparison of two studies and a call for action.

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1. Introduction

Over the years, major sports events have gained a place among the most appealing outlets for brands to communicate with their target customers. Such sports events draw unsurpassed media attention, and millions of people follow the coverage of these events. Companies see the opportunities to reach large audiences in a relatively short time, and invest heavily in marketing campaigns. When doing so, they basically can choose from three major strategies. Companies can become official sponsors by establishing an official relationship with the event (e.g., Mazodier & Quester, 2014 – this issue; Cornwell, 2008; Walliser, 2003; Walraven, Bijmolt, & Koning, 2013). Alternatively, companies can engage in so-called ambush-marketing strategies by using misleading communication which makes consumers believe that these companies are official sponsors (e.g., Mazodier, Quester, & Chandon, 2012; Payne, 1998). Finally, companies can express what could be called ‘opportunistic’ behavior by just taking advantage of the larger audiences around these events, without giving the impression that they are official sponsors. A such, these companies merely surf the waves of attention and enthusiasm of the consumers (e.g., Gijsenberg, 2014 – this issue).

Notwithstanding the widespread attention from both companies and consumers for these major sports events and the large (and still growing) marketing budgets devoted to the events, research coverage by the leading marketing journals on this topic has been rather scarce. It is therefore the more remarkable that this issue of the International Journal of Research in Marketing features two articles that focus on two of the aforementioned strategies, with the article of Mazodier and Quester investigating event sponsorship and the article of Gijsenberg investigating opportunistic behavior. While having a different focus and using different methodologies, both articles share an interest in obtaining insights on the dynamic effects of marketing around major sports events, an area of which little is known yet.
2. Views on marketing effectiveness

The growing concern for accountability of marketing investments (e.g. Rust et al., 2004; Verhoef & Leeflang, 2009) has put these investments under increasing scrutiny. Marketing managers are under pressure to measure and show the actual returns on their investments. As managers are mainly evaluated on what is found below the line, focus is mostly on sales and market share outcomes of marketing investments. However, companies often use marketing actions, and especially marketing communications actions, not only to increase sales in a direct way but also to improve their image and to build brand equity (e.g. Keller, 2003). This, in turn, should ultimately lead to higher sales. Companies that pursue such indirect strategies thereby merely focus on intermediate outcomes like brand awareness, brand liking and brand consideration, so-called mindset metrics. This dual path from marketing investments to sales outcomes is depicted in figure 1.

-- Insert Figure 1 about here --

In this issue, Gijsenberg investigates the direct connection between marketing investments (advertising) and sales. His work shows that sales effects of advertising, even though they are still significant, are in general strongly reduced around major sports events. Advertising campaigns around these events still increase sales, but relatively less then when the same investments would have been made during other periods of the year. This reduction of effectiveness appears not to be different for product categories with high or low fit with the event. Mazodier and Quester, on the other hand, investigate the connection between marketing investments (sponsorship) and mindset metrics (brand affect), showing that sports event sponsorship as such – making abstraction of the invested budget – can have beneficial effects on both sponsor-event fit and brand affect. The authors show that sport event
sponsorship improves the sponsor-event fit, and increases the brand affect. The authors also report a clear link between fit improvement and affect increase.

The final link in the model, between mindset metrics and sales, however, is not covered by these two studies. Srinivasan, Vanhuele, and Pauwels (2010, p.678) show that, when mindset metrics such as advertising awareness, brand liking and brand consideration are added to the analysis of marketing performance, these mindset metrics play a considerable role in explaining the total sales variance. By improving their brand image through sponsorships, brands can enhance brand affect, and hence in a second step exert a positive influence on their future sales. Taking into account the mixed findings on the evolution of the direct effects of marketing around the events, with advertising having less effect (Gijsenberg, 2014) and price promotions becoming more effective (Gijsenberg, 2014; Keller, Deleersnyder, & Gedenk, 2013), it is not clear to what extent these indirect effects would eventually contribute to the actual sales and market share of the brands. Obtaining insights on the relationship between brand affect evolution, induced by event related marketing, on the one hand, and final sales outcomes on the other, would hence be a promising avenue for future research.

3. Insights on sponsorship effects

Mazodier and Quester show how sports event sponsorship can have beneficial effects on both sponsor-event fit and brand affect. Compared to Gijsenberg, who uses a narrower product-benefit focused type of fit based on “functional fit” and “experience fit”, Mazodier and Quester use a wider and more brand-image focused type of fit. Whereas the former type of fit could be argued to be relatively stable over time, a dynamic operationalization of the type of fit used by Mazodier and Quester seems justified and clearly adds to our insights. The resulting finding that brands with a low perceived initial sponsor-event fit can benefit from
the sponsorship is appealing, although it should not come as a surprise: the further one is
away from the goal, the more there is to gain. If people already perceive a high level of fit
between the brand and the event when it comes to values, feelings and image, little margin is
left to increase that perceived fit even more. If, on the other hand, people only perceive a
small level of fit, companies still have large opportunities to increase that fit.

The resulting recommendation of Mazodier and Quester to look for events which do
not share a natural fit with the brand may be too general, and not without dangers, as the
authors more or less admit themselves. First, too large incongruence between the event and
the brand’s image may be hard to overcome, and may make consumers question the
relationship. Second, many brands indeed connect with an event in order to transfer the values
of the event and the feelings of the audience towards it to their own brand (e.g., Gwinner &
Eaton, 1999), and to hence improve their image and build brand equity (e.g., Keller, 2003).
As such, looking for events which do not share a fit with the brand only makes sense if those
events incorporate “new” values the brand wants to be associated with, other than the ones it
has been associated with in the past. This could consequently be an interesting option in case
of a repositioning of the brand. In the major part of the cases, however, brands may still want
to focus on those events that express the values and image they already have, thereby
strengthening the existing image.

A crucial observation of Mazodier and Quester is the fact that sponsorship activation
is likely to be one of the most important drivers of incongruence resolving, and consequently
of increasing perceived sponsor-event fit and brand affect. Both included brands in the study
by Mazodier and Quester invested heavily to leverage their sponsorship. As such, they are
probably among those brands that did significantly increase their Share-Of-Voice, and thus
among the brands which were most successful in capitalizing on the increased attention for
the events (see Gijsenberg 2014). This observation also raises questions on the possible
endogeneity of sponsorship decisions and effectiveness. Whereas the “opportunistic” behavior described by Gijsenberg is a rather common and easy way of benefiting from the attention for the events, sponsorship agreements require a more profound engagement of the brand, especially when they also have to invest in sponsorship activation by means of a fully integrated marketing campaign. Brands that take this step are consequently most likely the ones that are already convinced of the added value of the sponsorship, and that have experienced positive effects in the past. They are more likely to show a certain fit with the values of the event they associate themselves with, and are more likely to make the necessary additional investments to activate their sponsorship. Still, little knowledge exists on this issue, and further research is recommended.

4. Longitudinal methodologies to evaluate sports event related marketing effectiveness

Mazodier and Quester investigate sponsorship effectiveness at the micro-level of individual consumers. They therefore introduce Latent Growth Modeling as an interesting and powerful approach to model intra-individual changes in consumers perceptions and affect as a consequence of sponsorship. The authors point out themselves that data requirements are high, and that one of the main challenges this technique is facing is the attrition rate among participants. As their work shows, this technique is very useful for the evaluation of specific marketing campaigns (also beyond sponsorship) with relatively few data points on the time dimension. It can provide us with valuable insights on the effect of campaigns on individual consumers, and it can thus also help us to explain evolutions observed at the macro-level. However, when the goal of the analyses is the tracking of evolutions over longer periods of time (unfeasible for many data points in time), or establishing empirical generalizations (unfeasible for many brands), this methodology is less suited.
The latter findings are not without consequences for managers that want to track and analyze the effectiveness of their marketing investments over time. The vast majority of sponsorship activation programs is based on mass-marketing (mainly mass advertising). Micro-level insights on intra-individual evolutions are therefore of less direct interest to managers than macro-level insights in the evolution of the market. An interesting observation with regard to this is the fact that Mazodier and Quester show that, after the event had ended, neither for brand affect nor for perceived fit any significant difference existed between the experimental and the control group. As such, this could hint at using market-level time series response models with repeated cross section measurement of the included mindset metrics (e.g., Srinivasan et al., 2010). This would allow for tracking performance evolution over much longer periods of time, across multiple measurement points, and possibly across multiple brands.

5. Conclusion

Major sports events draw unsurpassed attention from media, consumers and companies alike. Companies consequently use these events to communicate with their customers and invest increasingly large amounts of money in marketing around these events. Up to now, however, attention by the leading marketing journals for this topic was rather scarce. This issue of the International Journal of Research in Marketing features two articles that focus on this topic. The study by Mazodier and Quester shows how perceived fit and brand affect evolve over time and influence each other, and thus provides a first step in understanding the longitudinal effects of such sponsorships on individual consumers. The work by Gijsenberg shows how advertising elasticities diminish around major sports events.

These two articles indicate the growing interest in the longer-term effects of marketing around such events. They also hint at the wide variety of research design options that are
available, as they each focus on a different strategy, use a different methodology, and use different outcome measures: brand affect (soft) and sales (hard). One of the conclusions that could be drawn from these studies, is the fact that in-depth knowledge about marketing effectiveness and – especially – marketing dynamics over time around these major sports events is still relatively limited. As such, they can be considered a call for further research in this area, with possible contributions from different types of research. Consumer behavior oriented research, for instance, could enhance our understanding of the psychological processes that take place in associating brands with the values incorporated by the events, and how it affects the evolution of a wide set of mindset metrics over time. It could also look at the effects of different degrees of internal reference of advertising messages to the events. Market response modeling oriented research, in turn, could provide us with better knowledge on the effectiveness evolution of the different marketing mix instruments around the events and the interplay among them. This type of research could thereby take into account effects of mindset metrics on actual sales evolutions and investigate the effects of different sponsorship activation strategies. A combined effort of different research streams would thus help us to better understand the dynamic effects of marketing around such events and could help managers in making better marketing investment decisions.
References


Fig. 1. Direct and indirect effects of marketing investments on sales.