



SPONSORSHIP EFFECTIVENESS: CONSUMER RECALL, RECOGNITION AND PERCEPTIONS OF OFFICIAL SPONSORSHIP AND AMBUSH MARKETING IN THE 2010 FIFA WORLD CUP™

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DECLARATION

This work has not previously been accepted in substance for any degree and is not being concurrently submitted in candidature for any degree.

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STATEMENT 1

This dissertation is being submitted in partial fulfilment of the requirements for the degree of Magister Technologiae: Marketing

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STATEMENT 2

The dissertation is the result of my own independent work/ investigation, except where otherwise stated. Other sources are acknowledged by giving explicit references. A bibliography is appended.

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STATEMENT 3

I hereby give consent for my dissertation, if accepted, to be available for photocopying and for interlibrary loans, and for the title and summary to be made available within the Vaal University of Technology and to outside organizations.

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DEDICATION

This work is dedicated to:

My mother Mrs Masentle for her encouragement and immeasurable support in all difficulties I went through. My sincere appreciation is extended towards my family members for their support, especially my young sister Ms. Reitumetse for her everlasting support. Special thanks goes to my girlfriend Ms. Joyce Ranthimo who provided me with unconditional love and support I needed to complete my study.

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ABSTRACT

The phenomenal growth of special events sponsorship as a promotional tool is evident in the increase in the number of companies and their expenditure on sponsoring events. Currently, football (for the purpose of this study, the term football and soccer are used interchangeably) has become the most heavily sponsored sport in terms of value and number of sponsorship deals. International events such as the Federation of International Football Association (FIFA) World Cup™ and the Olympic Games are the biggest sporting events staged globally which makes them particularly lucrative for sponsor investment. The high media coverage and duration offers an ideal platform to create high brand awareness, consumer's recall and recognition for the participating sponsors. The FIFA Soccer World Cup™ tournament with its huge audience is perhaps the premier place for companies to display their brands on an international stage.

Millions of rands are spent on sponsorship in general every year and on sports sponsorship in particular. Yet little is known about the effectiveness of this expenditure. Sponsors are often unsure whether only their brands benefit from a sponsorship or whether competing brands in the same product category also benefit from their efforts.

The primary objective of this study was to determine sponsorship effectiveness through consumers recall and recognition. In addition, the study sought to determine the perception of official sponsorship and ambush marketing during the 2010 FIFA World Cup™. The event attracts billions of viewers and a huge number of companies associate their products with this event.

A quantitative approach was adopted for the study. The data was collected using a convenience sample of 462 fans, supporters and followers of the 2010 FIFA Soccer World Cup™ in Gauteng, South Africa. To determine sponsorship effectiveness, consumer-aided and unaided recall tests were conducted after the 2010 FIFA World Cup™ in an attempt to quantify sponsorship recall of official and non-official responses. In addition, the study sought to establish consumers' perceptions of official sponsors and the

purchase intentions of their products and brands. Finally, consumers perceptions towards unofficial (ambush marketers) sponsors were ascertained.

The high frequency of inaccurate responses through unaided recall suggests that there was confusion in the minds of respondents regarding those who were official sponsors of the 2010 FIFA World Cup™. This has serious implications for both marketers and sponsors as the effectiveness of sponsorship as a marketing communication tool comes into question. This may work to the advantage of ambush marketers who could effectively use the confusion in consumers' minds to market their products and brands. Possible reasons for the inaccurate responses could be attributed to the fact that the World Cup™ is a once-off event that attracts individuals because of the novelty of the event and the multiple distractions that are associated with the event. The inaccurate responses may also have implications for future purchase intentions of the product since a recall level of awareness could be a determining factor in the purchase decision.

This study revealed that sponsorship recall is enhanced by aided recall and prior knowledge of the sponsor. The responses with regard to aided recall suggest that consumers were able to recognise brands that were housed and marketed in South Africa. Brands such as Seara, Yingu Solar, Satyam, NeoAfrica, Aggreko and Prasa are relatively unknown brands in South Africa – therefore they were not easily recognised by the respondents. From a marketing perspective, the question arises whether it is feasible for foreign-based companies such as Emirates and Mahindra Satyam to invest in sponsorship ventures that are unlikely to achieve the desired results. These companies did not widely advertise in the local South African market. However, because the 2010 FIFA World Cup™ had a worldwide impact, this does not mean that global brands failed to achieve their objectives elsewhere in the world. In other words, they could have been playing to a much wider audience, in much stronger markets than that of the host country.

An interesting revelation was that most consumers were able to recall brands that were global, mass-marketed and consumer-oriented such as Coca-Cola and McDonalds. This may partially be because during the event they were

intensively engaged in advertising their sponsorship in the 2010 FIFA World Cup™.

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CHAPTER 1

INTRODUCTION AND PROBLEM ORIENTATION

1.1 INTRODUCTION AND BACKGROUND TO THE STUDY

The phenomenal growth of special events sponsorship as a promotional tool is evident in the increase in the number of companies and their expenditure on sponsoring events (Sandler & Shani 1989:9). Currently, football (for the purpose of this study, the term football and soccer are used interchangeably) has become the most heavily sponsored sport in terms of value and number of sponsorship deals (Russ 2006:7). International events such as the Federation of International Football Association (FIFA) World Cup™ and the Olympic Games are the biggest sporting events staged globally which makes them particularly lucrative for sponsor investment (Russ 2006:1). The high media coverage and duration offers an ideal platform to create high brand awareness, consumer recall and recognition for the participating sponsors. The FIFA World Cup™ with its huge audience is perhaps the premier place for companies to display their brands on an international stage (Tripodi & Sutherland 2000:412).

The sponsorship of international events or broadcast programmes enables sponsors to achieve awareness effects with the audience generated by the event and they further benefit in image enhancement by being associated with an event (Meenaghan 1994:77). Diverse national and multi-national companies such as MTN, Vodacom, Wrangler Jeans, Kentucky Fried Chicken, and McDonalds, all have full-time special-events managers to choose, plan and monitor sponsored activities. Grohs, Wagner and Vsetecka (2004:121) affirm that sponsorship offers a number of powerful attractions to marketers with reference to positioning and brand awareness through the association with major international sport events. Sponsorship serves as a powerful medium through which a large audience is attracted. For example, in the 1998 Soccer World Cup™ 37 billion television viewers around the world watched the event (Lardinoit & Derbaix 2001:167).

1.2 SPORT SPONSORSHIP AND AMBUSH MARKETING

Sport sponsorship accounts for the largest part of commercial sponsorship (Russ 2006:12). A major sporting event such as the 2010 FIFA World Cup™, which is the world's largest football event, offers numerous opportunities for simultaneous access to audiences globally (Dhurup 2010a:2). For example, multinational marketers such as Adidas, Coca-Cola and Budweiser find that commercial sponsorship is a unique opportunity to highlight their products and to build brand image (Russ 2006:17). Preuss, Gemeinder and Seguin (2007:243) asserted that hosting an event such as the 2010 FIFA World Cup™ is a complex and expensive undertaking requiring the support of the private sector. Without the support of the business community with its technology, expertise, personnel, products, telecommunications and financing, the FIFA World Cup™ could not be hosted successfully.

A widely accepted definition of sponsorship does not exist and instead the concept is very loosely used by different organisations to describe a wide range and level of support (Sandler & Shani 1989:10). The current study adopts the definition of Sandler and Shani (1989:10) who view sport sponsorship as 'provision of resources (e.g. money, people, and equipment) by an organisation directly to an event or activity in exchange for a direct association with the event or activity. The sponsoring organisation can then use this direct association to achieve either their corporate, marketing or media objectives.

With the escalation of the interest in sports globally, sport sponsorship has emerged as an avenue that provides sponsoring companies with an ideal opportunity to secure a competitive advantage (Benekas 2006:11). Sponsorship is employed to enhance a brand's image or to increase awareness of a brand. In spite of the huge number of soccer fans watching the Soccer World Cup™, there are some doubts if sponsors really achieve the awareness levels they hope for. Russ (2006:2) is of the view that a high a level of awareness and recall does not guarantee that consumers like or even purchase the brands they associate with the event.

Contiguous with the growth in sponsorship is the concept of 'ambush marketing'. This practice tends to create confusion in the minds of consumers', thereby denying the legitimate sponsor opportunities afforded to them in terms of the sponsorship agreement (Tripodi & Sutherland 2000:413). Ambush marketing is a tactic utilised by organisations in associating themselves directly with an event in an effort to reap some of the benefits as the official sponsor of such an event, without incurring the same costs or engagement with the event organiser (Quester 1997:4). Meenaghan (1994:79) describes ambush marketing as "the practice whereby another company, often a competitor, intrudes upon public attention surrounding the event, thereby deflecting attention toward themselves and away from sponsors". Sandler and Shani (1989:11) define ambush marketing as a "planned effort (campaign) by an organisation to associate themselves indirectly with an event in order to gain at least some of the recognition and benefits that are associated with being an official sponsor". In this manner, an ambush marketer associates his or her own brand with the sponsored activity without securing formal rights which frequently results in weakening the impact of an official sponsor's activity (O'Sullivan & Murphy 1998:351). McKelvey (1994:20) defines ambush marketing as "a company's intentional efforts to weaken or ambush competitor's official sponsorship by engaging in promotions and advertising that trade off the event or property's goodwill and reputation as a means to confuse the buying public as to which company really holds official sponsorship rights of an event".

1.3 PROBLEM STATEMENT

Sponsorship effectiveness remains an acute problem in the sport sponsorship industry (Pham 1991:47). With the presence of ambush marketers, consumers are often confused about who the legitimate sponsors of major sport events are (Grohs *et al.*, 2004:121). This denies official sponsors a clear recognition of their sponsorship role, which may eventually damage the integrity and financial basis of a sporting event (Tripodi & Sutherland 2000:413).

While event organisers recognise the presence of ambush marketers, they fail to recognise that the proliferation of ambush marketing may be one of the

reasons of the underlying problems of consumer confusion regarding a sponsored event (Sandler & Shani 1989:11). Hence there is no clear evidence as to why consumers incorrectly identify sponsors of major events although it is known that consumers heavily involved in the event stand a greater chance of being confused about who the sponsor is, especially when the ambusher is a market leader or a highly visible competitor (Farrelly, Quester & Greyser 2005:340). The effects of ambush marketing on consumers are apparent in Sandler and Shani's (1989:14) study, where the authors found that 11 of the 20 brands were mistakenly identified as official sponsor of the Winter Olympic Games. In only four of the seven product categories did the respondents recall the official sponsors more than they recalled the ambushers.

In South Africa, the international soccer body FIFA and the Local Organising Committee (LOC) took steps to prevent the prevalence of ambush marketing. FIFA has shown it has an effective game plan for taking on ambush marketers and that it has the will, commitment and resources to prevent ambush marketing (Dhurup 2010a:10).

1.4 OBJECTIVES OF THE STUDY

1.4.1 Primary objective

The primary objective of this study is to determine the sponsorship effectiveness through consumers recall, recognition and perception of official sponsorship and ambush marketing during the 2010 FIFA World Cup™.

1.4.2 Theoretical Objectives

The following theoretical objectives are formulated for the study in order to substantiate the purpose of the study from a theoretical perspective:

- To conduct a literature review on sport sponsorship;
- To conduct a literature review on ambush marketing; and
- To conduct a review of literature on sponsorship effectiveness through consumer recall and recognition of official sponsors and ambush marketers.

1.4.3 Empirical objectives

The primary objective of the study will be achieved through the following empirical objectives:

- To determine the effectiveness of sport sponsorship through levels of consumer recall and recognition of official sponsors compared to ambush marketers.
- To establish consumer perceptions of official sponsorship and ambush marketers.

1.5 RESEARCH DESIGN

Secondary data was collected through a review of literature. The empirical study was undertaken using a survey method.

1.5.1 Literature review

A general review of literature on sponsorships, sponsorship effectiveness, consumers' recalls, recognition and perceptions of official sponsors and ambush marketers was undertaken. The study utilised a variety of reference material that included textbooks on sport sponsorship, sport marketing and ambush marketing, journals, government publications and relevant legislation and the Internet in order to support the theoretical objectives of the study.

1.5.2 The empirical research

An empirical investigation was undertaken in order to provide a practical basis to ensure that a reasonably objective measurement of the purpose of the study is given. In designing the empirical study, a quantitative research approach was followed. Quantitative research is a method that seeks to quantify data and typically apply some form of statistical analysis, through a large number of representative cases (Creswell 2003:95; Malhotra 2004:137).

Consistent with marketing studies, the following steps as alluded to by Malhotra (2004:329) were followed in developing the sampling procedure for the empirical study:

1.5.2.1 Target population

The target population is defined as “the total group to be studied, the grand total of what is being measured” within a defined area (Burns & Bush 2003:102). The target population in this study was restricted to the fans, supporters and followers of the 2010 FIFA Soccer World Cup™ in Southern Gauteng. For the purpose of the study, the population comprised males and females over 18 years who watched the 2010 Soccer World Cup™ games on television, read about it in the printed media or attended the games. The study included four main population categories (race groups).

1.5.2.2 Sampling procedure and sample frame

A non-probability sampling technique was used in the study. In non-probability sampling, the chances of selection for various elements in the population are unknown (McDaniel & Gates 2002:67). Snowball and judgment sampling were used. These techniques enabled the researcher to select the elements that are within the required age and population groups. In the absence of a sample frame, the survey region was used to guide the selection of the sample, taking into account the demographics of the region.

1.5.2.3 Sample size

Sample size refers to the number of elements to be included in the study (Benekas, 2006:38). Based on past research studies by (Grohs *et al.*, 2004:126; Quester 1997:7; Lee, Sandler & Shani 1997:166; Tripodi, Hirons, Bednall & Sutherland 2003:446 and Sandler & Shani 1989:12) a sample size of 500 respondents was deemed adequate.

1.6 METHOD OF DATA COLLECTION AND THE MEASURING INSTRUMENT

Data was collected by means of a self-administered structured questionnaire. The questionnaire comprised three sections. Section A addressed sponsorship effectiveness through consumers' recall and recognition of sponsors. Section B focused on consumer perceptions of official sponsorships and ambush marketing with reference to the 2010 FIFA World Cup™. Section C sought the demographic information of the respondents, questions on the

length of time consumers were associated with the sport and frequency of attendance of major sport events.

1.7 RELIABILITY OF THE INSTRUMENT

The reliability of the questionnaire is related to the degree to which measures are free from random error and therefore yield consistent results (Zikmund 2000:375). One way to assess the reliability of the study is with an internal consistency reliability technique (McDaniel & Gates 2002:298). Cronbach alpha was used to establish the reliability of the scale.

1.8 VALIDITY OF THE INSTRUMENT

Validity can be examined from a number of different perspectives, including face, content, criterion-related, and construct validity (McDaniel & Gates 2002:301). The study made use of content, construct, convergent and predictive validities.

1.9 ETHICAL ISSUES

According to McDaniel and Gates (2002:660) ethics are moral principles or values generally governing the conduct of an individual or group. Ethical behaviour is not, however, a one-way relationship. The researcher maintained research integrity by avoiding misinterpretation, omission of pertinent research data and by treating respondents fairly. In addition, respondents were not forced to participate in the study and were assured of anonymity and confidentiality. The data gathered were analysed in aggregate and responses were not ascribed to any particular respondent.

1.10 STATISTICAL ANALYSIS

Descriptive statistics were used to analyse the composition of the sample. Statistical techniques employed in the descriptive analysis included, central tendency (mean, mode and median), distribution (frequency of distribution) and measures of dispersion (skewness and kurtosis). The Statistical Package for Social Sciences (SPSS-Version 17.0 for Windows) was used to establish the reliability and validity of the questionnaire.

1.11 CHAPTER CLASSIFICATION

Chapter 1: Introduction and background of the study

This chapter comprises a discussion on the background and scope of the study. It highlights the problem statement, research objectives and the research methodology.

Chapter 2: Sport Sponsorship and ambush marketing

This chapter covered elements of sport and event sponsorship, sponsorship effectiveness, an overview of ambush marketing and consumers' perceptions about 2010 FIFA World Cup™.

Chapter 3: Research design

The design and method of research used in the study was covered in this chapter. The sampling, data collection methods, data analysis and statistical techniques were discussed in detail. In addition, reliability and validity were described.

Chapter 4: Results and findings

This chapter addressed the analysis and interpretation of the research findings.

Chapter 5: Conclusion and recommendations

Recommendations emanating from the study were discussed in detail. Conclusions were made based on the data analysis and findings. Limitations and implications for further research are also highlighted in this chapter.

1.12 DEFINITION OF KEYWORDS

Sponsorship

Sponsorship is defined as the provision of resources (e.g. money, people, and equipment) by an organisation directly to an event or activity in exchange for a direct association with the event or activity (Sandler & Shani 1989:10).

Ambush marketing

This refers to a company's intentional efforts to weaken or ambush competitor's official sponsorship by engaging in promotions and advertising

that trade off the event or property's goodwill and reputation as a means to confuse the buying public as to which company really holds official sponsorship rights of an event (McKelvey 1994:20).

Recognition (aided recall)

Recognition is the process of perceiving a brand as previously encountered and relates to consumers' ability to confirm prior exposure of the brand from a list of potential advertisers (Keller 2003:466).

Recall (unaided recall)

Recall is defined as the consumer's ability to remember the brands strictly from memory with no out-side cues (Pitts 1998:12).

1.13 SYNOPSIS

In this chapter the foundational context for the study was established by discussing the introduction and background to the study.

The problem statement and the objectives of the study were also delineated in this chapter. The research design was briefly outlined namely, literature review, target population, sampling procedure, sample size and the measuring instrument. In addition, a brief description of the statistical analysis of the data was provided.

The classification of chapters for the entire study was provided. The key words emanating from the study were described.

The following chapter provides a detailed description of the literature pertinent to the study.

CHAPTER 2

SPORT SPONSORSHIP AND AMBUSH MARKETING

2.1 INTRODUCTION

The preceding chapter provided a background to the study. The problem statement and objectives of the study and the research methodology were briefly outlined. This chapter provides an overview of sport sponsorship and ambush marketing. The first section of the chapter entails discussion of the nature of sport and event sponsorship, definition of sport sponsorships, as well as an overview of history and growth of sport sponsorship. The different types of sport sponsorship are discussed. The second section addresses the history of ambush marketing. The definition of ambush marketing, incidences and tactics or ambush practices are also provided. The chapter will conclude with the discussion of the history, staging and sponsorship of the 2010 FIFA World Cup™.

There is a general endorsement of the view that sponsorship is a valuable area within the marketing concept and the majority of organisations plan to extend their hand in the sponsorship area (Benadie 2006:17). With escalating interest in sports globally, sport sponsorship has emerged as a platform that provides sponsoring companies with a chance of securing a competitive advantage (Amis, Slack & Berrett 1999:251). Events of high profile such as the 2010 FIFA World Cup™ which is the world's largest football event hosted in South Africa (SA), offer opportunities for simultaneous access to audiences globally (Dhurup 2010a:3). The sponsorship of major events is immense business and a significant revenue source for the owners of major sporting events such as the Federation of International Football (FIFA) (Payne 1998:323). International events have the potential to provide commercial advantages to sponsors who choose to associate with such events. Sponsorship provides opportunities for companies to reach consumers through their "hearts and minds", presenting sponsors with an opportunity to promote their companies and brands (Nicholls, Roslow & Dublish 1999:365). For example, multinational marketers such as Coca-cola and Budweiser find

commercial sponsorship a unique platform from which to promote their standardized messages worldwide (O'Sullivan & Murphy 1998:350). Major sport events comprise partners for companies keen to increase their brand awareness or appeal, or multiply interactions with various stakeholders on a global scale (Bal, Quester & Plewa 2010:40). Events such as the FIFA World Cup™ cannot take place without the financial benevolence of official sponsors (Lee *et al.*, 1997:159).

2.2 SPORT AND EVENT SPONSORSHIP

In the following section the definition, growth, types and objectives of sport sponsorship is discussed.

2.2.1 Definition of Sport Sponsorship

Sponsorship can be either philanthropic or commercial (D'Astous & Bitz 1995:7). According D'Astous and Bitz (1995:7) philanthropic sponsorship implies the support of a cultural or social cause. In this type of sponsorship, the sponsors' participation is generally less prominent and financial support of this nature should not be part of sponsorship since the firm that is making donation does not expect any benefit in return. In most instances, sponsorship is commercial whereby a firm associates itself with a public event in order to gain direct commercial benefits i.e. increase in consumer awareness, improvement in image and sales (D'Astous & Bitz 1995:8). Although sponsorship was once mainly philanthropic, it has now become overtly commercial as companies bid for sponsorship rights and pay premiums to attain certain exclusive rights (Hoek & Gendall 2002:80). A widely accepted definition of sponsorship does not exist. The concept is however mostly used tentatively by various organisations to describe a wide range and levels of support (Sandler & Shani, 1989:10).

Lee *et al.* (1997:161) criticize the lack of a widely accepted definition as well as the 'loose' use of the existing ones. They rightfully blame this vagueness for the common misunderstanding and confusion between sponsorship and other communication activities such as advertising and ambush marketing. Sandler and Shani (1989:10) offer a definition that is of practical merit and provides a workable point of departure for the discussion describing

sponsorship as “the provision of resources, for example, money, personnel and equipment by an organisation directly to an event or activity in exchange for a direct association to the event or activity. The providing organisation can then use this direct association to achieve either their corporate, marketing or media objectives”. Sandler and Shani (1989:11) further state that this definition is broad enough to include any organisation providing support to any activity for any objective and the support is provided directly to assist the production of the event and the sponsor obtains the right to use the association to achieve their objectives.

Meenaghan (1991:5) suggests that sponsorship is “an investment, in cash or in kind, in any activity, in return for access to the exploitable commercial potential associated with that activity”. Sponsorship is an element of the communication mix where a firm provides some financial support to an entity, which may be an individual, an organization or a group, in order to allow this entity to pursue its activities and, at the same time, benefit from this association in terms of global image and consumer awareness of the firm’s offerings (D’Astous & Bitz (1995:6).

Quester (1997:1) concurs with Meenaghan’s definition and characterises sponsorship as a communication activity whose target is to create profits. Javalgi, Traylor, Gross and Lampman (1994:48) are of a view that sponsorship is “the underwriting of a special event to support corporate objectives by enhancing corporate image, increasing awareness of brands, or directly stimulating sales of products and services. Sponsorship can be a one-time affair or a continuing series of activities”. McDaniel and Kinney (1998:386) define sponsorship as “a cash and or in-kind fee paid to property... in return for access to the exploitable commercial potential association with that property”.

Pope (1998:124) is more detailed about precisely what can be sponsored and about the diverse types of objectives sponsorship can achieve. The author defines sponsorship as “the provision of resources (e.g., money, people, equipment) by an organisation (the sponsor) directly to an individual, authority or body (the sponsee), to enable the latter to pursue some activity in return for benefits contemplated in terms of the sponsor’s promotion strategy, and which

can be expressed in terms of corporate, marketing or media objectives.” In the definition, Pope (1998:124) alludes to the fact that both parties benefit from a sponsorship whereby the idea of creating mutually beneficial relationships has become a major theme in sports marketing thought.

The definition by Meenaghan (1983:9) in which sponsorship is seen as the provision of assistance either financial or in kind to an activity by a commercial organisation for the purpose of achieving commercial objectives is widely recognised as the basis from which all other definitions evolved. It is on the bases of various definitions that Maxwell and Lough (2009:189) suggest that sponsorship involves two main activities: firstly, it is an exchange between sponsor and sponsee whereby the latter receives remuneration (either cash or in-kind payment) and the former obtains the right to associate itself with the activity sponsored and secondly the marketing of the association by the sponsor. Both these activities are necessary if sponsorship fees are to be meaningful investments.

Sponsorship for the purpose of the study will be defined as the relationship through which support is offered in return for attaining certain rights. These rights, according to Van Heerden and Du Plessis (2003:24) include, but are not limited to, the right of the organisation to use a logo, name or trademark associated with the product or event, or the right to an exclusive association within the product, service or event. These rights can also include a right of entitlement (naming rights) to the facility or an event or a right to conduct promotional activities concurrent with the sponsorship agreement.

2.2.2 Growth of sport sponsorship

Sponsorship evolved from a small-scale activity to a major industry worldwide both in terms of money spent and adoption levels by companies (Benekas 2006:3). Sport sponsorship has emerged as the communication technique, which has attracted enormous budgets from companies around the world outperforming in the process other promotional tools in terms of growth (Quester 1997:1). The scale of sponsorship growth can be seen from the worldwide increase in sponsorship expenditure over the years. The increasing importance of sponsorship in the promotions mix is demonstrated by the

growing number of companies sponsoring events, the increasing amount spent on sponsorship in total and the growing number of corporations hiring experts to supervise special events (Gardner & Shuman 1986:11). Corporations spent more than \$1 billion in corporate sponsorship in 1985 compared to \$300 million spent in 1980 (Gardner & Shuman 1986:11). The expenditure worldwide escalated from US\$ 2, 5 billion in 1984 to US\$18.1 billion in 1997 (Meenaghan & Shipley 1999:328). Speed and Thompson (2000:227) are of a view that major sporting events in particular have become dependent on sponsorship. Although the worldwide sponsorship market rose from an estimated US\$2 billion in 1984 to US\$16.6 billion in 1996, the 1996 Atlanta Olympics raised US\$540 million in sponsorship, thus portraying a dramatic growth in sponsorship.

Meenaghan (1991:6) reported that sponsorship expenditure in the United Kingdom showed a more than 20-fold increase from \$18 million in 1974 to \$228 million in 1990. During the 1990's the increase in sponsorship activities globally was over 12 per cent while sponsorship expenditure has rocketed over the past years with the estimated amount of 25 billion dollars invested worldwide during 2001 (Benekas 2006:3).

The increases in the fees official sponsors have to pay over the years; to associate themselves with major events also illustrates this phenomenal growth. The rights to individual sponsorships for the three consecutive Football World Cups of 1994, 1998 and 2002 rose from US\$15 million, to US\$27 million and US\$30 million respectively (Lardinoit & Derbaix 2001:167). Big companies such as Coca-Cola and Kodak each paid \$40 million to sponsor the 1996 Atlanta Olympic Games (Crimmins & Horn 1996:11) while IBM and Telstra had to pay \$100 million for the 2000 Sydney Olympic Games (Benekas 2006:4; Speed & Thompson 2000:228). Visa alone was estimated to have spent \$886 million on its official sponsorship of the 2008 Beijing Olympic Games (Pitt, Parent, Berthon & Steyn 2010:2).

In South Africa millions of rands are spent on sponsorship in general every year and on sports sponsorship in particular (Boshoff & Gerber 2008:1). Sponsorship's move to the upper stages of the marketing strategy hierarchy is not only demonstrated by the copious amount of money spent on it but also

from the fact that sponsorship decision-makers nowadays are senior managers instead of product and brand managers (Benekas 2006:4).

Van Heerden and Du Plessis (2003:21) state that South Africa has enjoyed a remarkable growth in sport sponsorship since early 1990s, largely as a result of SA's re-admission to the international sport area and the substantial increase in television coverage of sporting events of high profile. Sport sponsorship and advertising expenditure in South Africa exceeded R1, 9 billion in 1999 and total sport sponsorship spending rose to R1, 986 billion in 2000. Table 1 illustrates the historical run of SA sponsorship spending since 1992.

Table 2.1: Historical trends in sport sponsorship spending in South Africa

Year	Sponsorship	Change	Back-up	Change	Total	Change
	(R million)		(R million)		(R million)	
1993	285	4%	238	0.10%	523	2%
1994	321	13%	272	14%	593	13%
1995	418	30%	340	25%	758	28%
1996	522	25%	420	24%	9942	24%
1997	642	23%	530	26%	1172	24%
1998	885	38%	740	40%	1625	39%
1999	1049	19%	852	15%	1901	17%

Source: Van Heerden and Du Plessis (2003:22)

The biggest changes occurred in 1998 when South Africa was re-admitted to the international sporting arena and participated for the first time in the Cricket World Cup; 1995 Rugby World Cup; and 1998 close to Cricket and Rugby World Cup tournaments (Van Heerden & Du Plessis 2003:21). Boshoff and Gerber (2008:2) state that in South Africa, sport sponsorship increased from \$460 million in 2003 to \$685 million in 2006. The limelight sporting events such as rugby, soccer and cricket received large sponsorships and those events with low profile struggled to get sponsorship funding (Van Heerden & Du Plessis 2003:22).

Van Heerden and Du Plessis (2003:22) further identified sporting codes such as motor racing (track), soccer, rugby, golf, and cricket that received a major slice of the cake from sponsorship with more than R30 million each. Horse racing, athletics, road running, and motor rallies (off-road) received between R10 million to R25 million, while the following codes received hardly any substantial sponsorship (less than R 1 million each): karate, baseball/softball and netball. The perceived unattractiveness to sponsors of these codes might emanate from lack of marketing strategies, unprofessional officials or most probably the lack of media coverage. The growth in sponsorship expenditure, if Olympic Games and World Cup are taken into consideration, underlines the vitality of sponsorship within the overall marketing strategy of an organisation (Benadie 2006:24). Sponsorship expenditure for the 2000 Sydney Olympic Games rose dramatically from the 1996 Atlanta Olympic Games. This is reflected by the rise in the cost of \$100 million to become an official sponsor in the 2000 Sydney Olympic Games compared to \$40 million paid to be an official sponsor of 1996 Atlanta Olympic Games (Benadie 2006:24).

From all the above it is clear that sponsorship no longer involves the limited set of activities it did decades ago but it has emerged now as a very popular medium of corporate communication (Benekas 2006:4). Meenaghan (1991:5) suggests various reasons that largely contribute to the mammoth growth in sponsorship. The reasons mostly identified are:

- Government policies on the advertising of tobacco and alcohol;
- Escalating costs of media advertising;
- New opportunities because of increased leisure activity;
- The proven ability of sponsorship;
- Greater media coverage of sponsored events; and
- Inefficiencies in traditional media.

In particular, legal restrictions on advertising alcohol and tobacco products in many countries (e.g. United Kingdom, SA and Australia) are one of the core factors behind sponsorship's growth (Meenaghan 1991:6). According to Jalleh, Donovan, Giles-Corti and Holman (2002:36) sponsorship, particularly of sporting events, attained magnificent impetus in Australia when tobacco

companies sought ways to continue to promote their brands following bans on television advertising and later on other forms of promotion. Given the tobacco companies' apparent success in maintaining brand awareness and image through sponsorship, other companies led by the major brewery and soft drink marketers embarked on sponsorship as part of their promotional mix (Jalleh *et al.*, 2002:36).

Quester (1997:2) maintains that the increased clutter of established communication tools has made sponsorship more appealing as it allows some isolation from competitor's messages and the ability to cross cultural boundaries. By associating their brands with major events like the Olympic Games and the Football World Cup™, companies such as Coca-Cola and Mastercard reinforced their global status (Quester 1997:2). Sponsorship provides the opportunities for both sponsors and sponsees to promote their brands and to achieve their communication objectives. In addition, sponsees are given the opportunity to offer an enhanced product and develop competitive advantage (Pitts & Slattery 2004:43).

2.2.3 Types of sponsorship

According to Benadie (2006:25) sponsorship can range from sponsoring an event at a "grass root level" to regional, national or international event. Because of this range, exposure can be extensive, for example, during the Sydney 2000 Olympic Games an estimated 3.7 billion viewers in 220 countries tuned in to watch 11 000 athletes from 19 countries compete in 28 sports over 16 days of competition. Companies choose to sponsor a variety of different types of sport and other events according to their corporate objectives. Potential sponsors have a variety of entities and activities that they can choose to sponsor: sports, arts, music broadcast and charities, stadium naming rights, event entertainment, product demonstrations at an event, tournaments, individual personalities or events and teams (Bennett 1999:292).

Benadie (2006:25) identified several sponsorship categories which include the title sponsorship of an event and/or league (for example the Winston Cup in motor racing), the naming rights of a stadium and/or arena (an example of this type of sponsorship is the Fedsure Stadium in Cape Town), the sponsoring of

a club and/or league (for example Mr Tyre sponsoring a local tennis club), the sponsoring of a corporate hospitality area (e.g. the Mercedes hospitality at the Mercedes Tennis Series) as well as sponsoring of a sport team (Nike sponsoring the Springbok Team) and individual athletes (Target Stores sponsoring Tiger Woods). Busser, Benson and Feinstein (2002:5) are of the view that sponsorship management is directly related to the proper selection of the sponsored event as it offers varying opportunities to communicate with current, prospective and future customers. Companies as diverse as Wrangler, Kentucky Fried Chicken and Marriott have full-time special events managers, who plan, select and execute sponsored activities on behalf of their companies (Javalgi, Traylor, Giles-Corti & Holman, 1994:47).

According to Abratt, Clayton and Pitt (1987:301) there are five main methods by which sport may be sponsored. These are:

- Sponsorship of sport in general;
- Sponsorship of a sport in particular;
- Sponsorship of a competition within a sport;
- Sponsorship of a team within a competition; and
- Sponsorship of an individual sportsperson.

In the UK event sponsorship is the most popular type of sponsorship activity, followed by team sponsorship. Individual sponsorship is considered less attractive because of the high risk of injury of players, players being off form and bad behaviour by such individuals.(Birring 2006:11). Abratt *et al.* (1987:302) are of a view that sponsorship of a sport, in general is usually undertaken by a sponsor with philanthropic motives for the general benefit of the society as a whole. This sponsorship is not limited to large-scale or national involvement. Local municipal authorities provide funds to develop local sport in general by funding multi-sport facilities. The purpose of such sponsorship is to make the sport available and at affordable prices.

Sponsorship of a sport in particular, is seen as a method of development and is therefore encouraged. Sports clinics are a regular feature at South African schools with athletics, soccer, tennis and swimming featuring prominently in these activities. Often a sport itself sponsors training programmes. For

example, the Highveld Lions often arranges short coaching courses for all interested cricketers and the Union pays for the coaches.

Businesses are more interested in sponsoring a specific competition within a sport. Some random examples include South African Breweries (SAB)) Currie Cup (cricket) and Canon Football League (soccer; UK). In this form of sponsorship public awareness of a brand is developed. For example, Lexington had a sponsorship to cover the entire Sunshine Golf Circuit in terms of which, based on a points system for each individual tournament, the leading 20 golfers shared an additional R50 000. Therefore, Lexington receives a limited amount of publicity per tournament over an extended period.

With sponsorship of an individual team within a competition, the team may receive equipment, money and managerial expertise, coaching assistance, transport or combinations of these. The danger of this kind of sponsorship is that if the team does badly in a competition, it will not receive very much publicity. If the team is involved in adverse publicity, this can rebound on the sponsor. Examples of this include crowd violence and disturbances at soccer matches. This type of sponsorship is very popular with local teams (for example, neighborhood firms sponsor the local team in a regional league) (Abratt *et al.*, 1987:302).

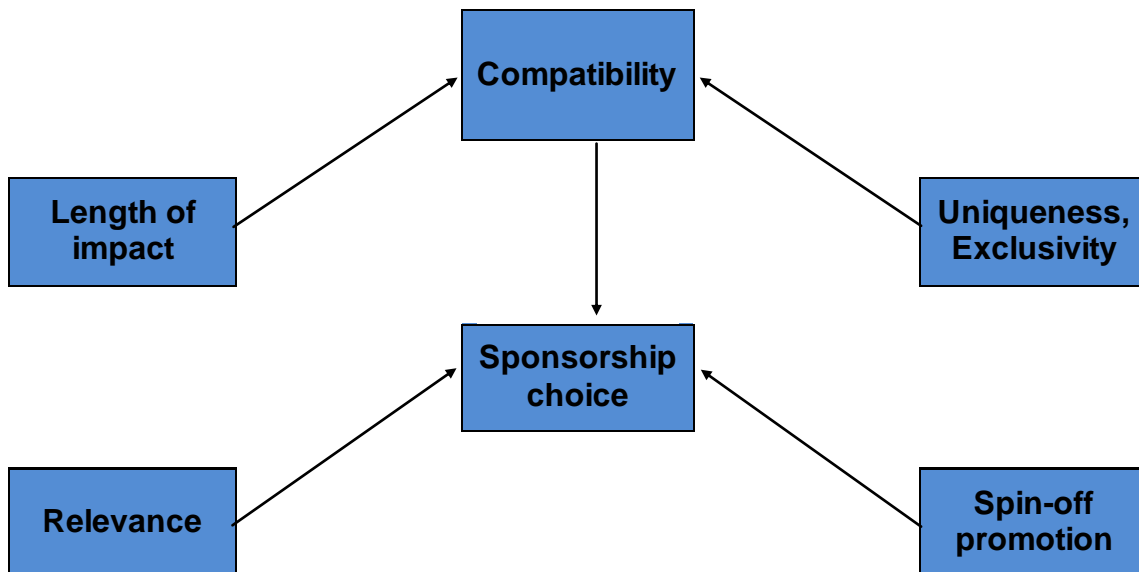
In the sponsorship of an individual sportsman, a player is sponsored for a variety of reasons. For example, it may be to bring about name and brand awareness of the sponsor. Jimmy Connors was paid \$350 000 to wear a McDonalds logo on his sleeve, in addition, he was required to make personal appearances. This form of sponsorship includes payment of an agreed amount of money, payment of transport costs, equipment or a combination of these (Abratt *et al.*, 1987:302).

2.2.4 Factors influencing sponsorship choice

2.2.4.1 Choosing the right sports entity to sponsor

A number of factors need to be considered before a sponsorship decision is made. Brassington and Pettit (2000:813) formulated the following factors illustrated in Figure 2.1.

Figure 2.1: Factors influencing sponsorship choice



Source: Brassington and Pettit (2000:813)

- **Relevance**

This is the first most important factor, which necessitates the match between the chosen sponsorship and the target audience that the organisation needs to influence.

- **Length of impact**

Once-off events, unless of a very high profile such as the Soccer World Cup, do not generally have the same capacity to build community relations or to establish brand familiarity by comparison with that which the sponsoring of a sports league or a series of events could accomplish. However, if the objective is to raise a short-term awareness for a new product for instance, a once-off event could be useful. Sponsorship of a single sport event or game for instance, does not provide the same positive effects in terms of raised awareness and recall when compared to long-term commitments (Abrahamsson, Forsgren & Lundgren 2003:12).

- **Uniqueness**

A sole sponsor is desirable, though nearly impossible to accomplish especially for large international events or sports entities, due to the very high costs. Sponsoring a major league can provide uniqueness without being the sole

sponsor as the awareness of the company could rise drastically through television, print media, broadcast media and other forms of media coverage.

- **Spin-off promotion**

The potential of spin-off promotion is another important factor to consider. Spending more money on advertising and other forms of promotion along with sponsorship could maximize the impact of the actual sponsorship.

- **Compatibility**

It is always important to ensure that there exists a compatibility with the sponsor's overall promotional objectives. Sometimes the personal interest of a key person in the sponsoring organisation could cloud judgment over the real fit with commercial objectives and with the cost-effectiveness of the sponsorship in question. In that sense, it is obviously recommended that sponsorship decisions should be calculated and unemotional and taken from a corporate perspective as are any other promotional decisions.

However, organisations may have different objectives (or reasons) for their association in sport sponsorship which may or may not include the intention to ambush (Benadie 2006:30). These objectives could translate into the benefits that organisations search for when entering into sport sponsorships. Although getting involved with sponsorships has its benefits, it also has some drawbacks associated with it. The corporate objectives to get involved in sponsorship will be discussed in the following section.

2.2.5 Objectives/ purpose of sponsorship

Sponsorship is highly regarded for its perceived ability to accomplish certain objectives relating to overall corporate communications such as enhancing corporate identity, awareness or image (Meenaghan 1991:8). Large-scale sponsorship arrangements are often entered into to achieve both corporate and brand image objectives (Farrelly & Quester 2004:56). Sponsors should come to a decision exactly why they are entering into a specific sport sponsorship (Van Heerden & Du Plessis 2003:23). This in return provides a guideline for selecting the events or activities that enable the sponsors to develop a clear set of selection criteria with which to evaluate effectively the

success of the sponsorship. A clear outline of a sponsor's primary objectives is essential in order to justify the part of the budget to be invested in sponsorship activities (Lough & Irwin 2001:205).

There is an agreement between the sponsor/sponsoring body and the beneficiary to provide certain agreed-upon benefits (Benadie 2006:31). One significant issue with sponsorship that needs often to be brought up is that, the achievement of objectives serves as a benchmark against which the company can measure its performance (Meenaghan 1983:15) but some companies engage in sponsoring activities without clear objectives in mind, which bedevils evaluation (Javalgi *et al.*, 1994:48).

Abrahamsson *et al.* (2003:7) claim that sponsorship objectives can be categorized into direct and indirect objectives. The direct objectives focus on short-term consumer behaviour in order to increase sales while indirect objectives will also ultimately lead to increased sales but focus more on generating awareness and on creating the desired image for the brand.

Lough and Irwin (2001:204) remind us that development of awareness, enhancement of image, increased exposure; brand recognition, product sales and brand loyalty have been found to be principal sponsorship objectives for companies occupied with sport. Meenaghan (1983:40) identified the following important objectives of sponsorship in terms of broad corporate objectives:

- Creating and maintaining a corporate image;
- Brand and product promotion ; and
- Cost-effective coverage and effective targeting of specific markets.

Javalgi *et al.* (1994:48) maintain that sponsorship is the underwriting of a special event with the object of sustaining organisational objectives by enhancing corporate image, increasing awareness of brands, or openly invigorating sales of products and services. According to Roy and Graeff (2003:359) two primary reasons a firm enters into a sponsorship agreement with an event are to shape or enhance their corporate image (a corporate objective) so that they can influence the perceptions of their brands (a marketing objective). The second objective is to increase sales (Roy & Graeff 2003:359). Sales can be affected directly by a sponsorship (e.g. Coca-Cola's

Olympics sponsorship includes rights to sell its products) or indirectly (e.g. awareness or positive brand feelings created by a sponsorship that ultimately leads to a brand purchase).

Jalleh *et al.* (2002:36) are of the view that sponsorship has both trading objectives and communication objectives. Trading objectives refer to securing merchandising rights at events. For example, Heineken sponsors a number of golf tournaments, and as part of their sponsorship arrangement, they sought exclusive merchandising rights so that only Heineken beer is available at the sponsored tournament. Trading objectives equates to structural change objectives for health promotion sponsorship, for example, smoke-free zone requirements, provision of low-alcohol alternatives as a condition of the sponsorship.

The two main communication objectives for sponsorship are brand awareness and brand attitude (Jalleh *et al.*, 2002:36). These objectives are more focused on process evaluation (for example, amount of exposure in various media), consumers' awareness of event sponsors and the influence of this awareness on corporate image or attitude.

According to Benadie (2006:34) one of the objectives for engaging in sponsorship agreements most often cited by South African organisations is that sport sponsorship permits organisations to become involved in the encouragement of sport at a grassroots level. This involvement may influence the community's perception and perspective that the sponsor cares about the community which could lead to the establishment of a positive relationship between the organisation and the members of communities. An example of this may be ABSA Bank sponsorship of cricket development in rural areas. Empirical evidence confirms that all-embracing research has been done to establish the objectives or reasons for the involvement of organisations in sponsorship (Abratt *et al.*, 1987:305; Meenaghan 1991:8; Pope 1998:124).

2.2.5.1 Corporate objectives

Pope (1998:124) argues that little empirical evidence exists for the impact of sponsorship on image development. However, Javalgi *et al.* (1994:50) attest to the fact that the corporate image captures the subjective perceptions of the

company so sponsorship should theoretically have a direct impact on it. More precisely, company image refers to the impressions of a particular company held by some segment of the public. Corporate image-building may often involve the desire to influence society in a general way, which frequently involves interaction with specific groups among the organisation's many distinct publics (Meenaghan 1983:19). According to Abratt *et al.* (1987:305) a variety of sponsorship objectives can be identified in these interactions; as a medium for community involvement, to increase public awareness of the company, to alter public perception of the company, to build goodwill among opinion-formers and decision-makers and to facilitate prospecting for the sales force.

2.2.5.2 Marketing objectives

According to Meenaghan (1983:22) many of the objectives under this heading are similar to those suggested for corporate image i.e. to increase product/brand awareness, to reinforce or alter market perceptions of the product/brand and to identify the product/brand with a particular market segment. Although few companies view sponsorship in terms of an immediate or short-term sales result, it is important to recognise that all expenditure on marketing must ultimately contribute to the corporate sales and profit objectives. In this type of objective, some evidence exists for accepting sales increase measures as a means of evaluating the impact of sponsorship (Pope 1998:124). For example, Visa attained market share gains after the 1988 Olympic Games while Volvo realised six dollars in return for every dollar spent on its sport sponsorship programmes (Pope 1998:124).

2.2.5.3 Media objectives

One of the most important objectives for any company engaging in sponsorship is the achievement of media coverage (Meenaghan 1983:23). The importance within these objectives varies with the sponsor. Companies in the tobacco and drinks industries regard media coverage as being of paramount importance. Abratt *et al.* (1987:305) are of the view that companies, which consider name awareness and company awareness as their main reason for entering into sponsorship, coverage of the event is vital

from a cost-effective point of view. Importantly, consumer awareness will provide some form of benefit to sponsoring corporations in terms of consumer attitudes to the corporation itself resulting in the purchase of the companies' brand (Pope 1998:124).

Abrahamsson *et al.* (2003:7) appropriately encapsulates the main objectives in sponsorship as follows:

- **Awareness**

Brand awareness is achieved by exposing the brand to as many potential consumers as possible to create awareness or to elevate awareness of the company's products, services, product lines or corporate name. Dolphin (2003:177) states that, in generating, brand awareness sponsors want to achieve name recognition raising the profile of the corporate brand. For example, Canon increased its level of awareness from 18.5% to 70% over a 3-year period of sponsorship of the English Football League (Meenaghan 1996:104).

- **Competition**

Meeting competitive threats on the sponsorship market is another objective. In other words, if companies do not make the sponsorship investment, their competitors will. However, ambush marketing by competitors can undermine the sponsorship. Brands that do not want to share with others the costs of expensive sports sponsorship often turn to ambush marketing. Ambush marketing has a negative effect on everyone involved with the event and in the end, the sport itself. Event organisers find the value of their rights diminished.

- **Reaching target markets**

One of the most important benefits of sport sponsorship is the ability to reach people with shared interests. Sporting events are a natural form for psychographic segmentation of consumers. By entering into such sponsorship, the company reaches consumers with comparable activities, interests and opinions. Therefore, sponsorship can be used effectively to reach target markets.

- **Relationship marketing**

Constructing relationships with clients or putting the principle of relationship marketing to work is another sponsorship objective. The existence of luxury corporate boxes at stadia and arenas is evidence that corporate sponsors will go to great lengths and spend hefty amounts of money to maintain and build successful relationships with their clients.

- **Image building**

Possibly, the most significant reason for sponsorship is to provide a positive association with the brand. The main principle is that the image of the sports entity should be congruent with the actual or desired image of the sponsored organisation and/or their products. Sport sponsorship is deemed to be an effective tool with which to modify and boost a company's image and reputation locally, nationally and internationally.

- **Sales increase**

Sales increase is the eventual objective for almost all the sponsoring organisations, though sometimes indirect or through a hierarchy of effects. The assumptions underlying sponsorship objectives relating to sales are that consumers will be aware of the sponsorship activity and be aware of the sponsorship corporation's brands (Pope 1998:125). Occasionally, sporting events are created for making a profit. Without sponsorship, the event would lose its ability to do so.

2.2.6 Sponsorship effectiveness

Nicholls *et al.* (1999:366) comment that with such copious amounts of money being poured into sponsorship, measures of effectiveness are of high importance, although there appears to be a vacuum when it comes to developing the tools that permit companies to appraise the effectiveness of sponsorship as a communication technique (Quester 1997:3). Companies try to achieve a number of goals by setting objectives to facilitate the process of measuring their sponsorship effectiveness (Benekas 2006:16). Javalgi *et al.* (1994:48) argue that companies engage in sponsorship activities without clear objectives in mind and that their objectives tend to be vague and do not

provide any help to measure sponsorship effectiveness. One of the most commonly used techniques for measuring sponsorship effectiveness focuses on measuring media exposure, such as the duration of radio and television coverage or the actual presence in the press (Quester 1997:3).

Bennett, Henson and Zhang (2002:176) propose two important categories in measuring sponsorship effectiveness. These categories comprise direct and intermediate research on sponsorship effectiveness. Direct research focuses on whether or not individuals will consume the product after being exposed to it through sponsorship activity, whereas intermediate research examines the response of sport consumers to sponsorship activity. Measurement of consumers' ability to recall and recognize sponsors of an event is a well-established intermediate method for examining consumer awareness of sport sponsorship (Bennett 1999:295; Lardinoit & Derbaix 2001:171; Pitts 1998:12; Pope & Voges 1999:18). Pitts and Slattery (2004:44) are of a view that there are influencing factors that positively affect recall and recognition association between the brand and the event, the degree of involvement by the sponsor, geographical consistency and sponsor's domain of activity with the event.

According to Pitts (1998:12) "intermediate research asks if consumers remember the sponsorship enough to recognise or recall the advertisements, the company or brand name". Intermediate research on sponsorship may include both recall and recognition (Bennett *et al.*, 2002:176). Recognition (aided recall) is the process of perceiving a brand as previously encountered and relates to the consumers ability to confirm prior exposure of the brand from a list of potential advertisers (Keller 2003:466). Wells (2000:15) argues that recognition does not measure memory of sponsorship as much as it indicates interest in the sponsor. Thus, the ability of consumers to recognize a sponsor could connote the interest level of those individuals in the product being promoted. Recognition of a sponsor may mean that a consumer was able to identify sponsorship-associated products when they encounter the related sponsorship activities. The respondent reacts to the choices or to some external cues and selects the previously seen or heard company name. Pitts and Slattery (2004:44) stipulate three types of recognition test; yes/no (simple reacting to one choice), forced choice (more than one item or

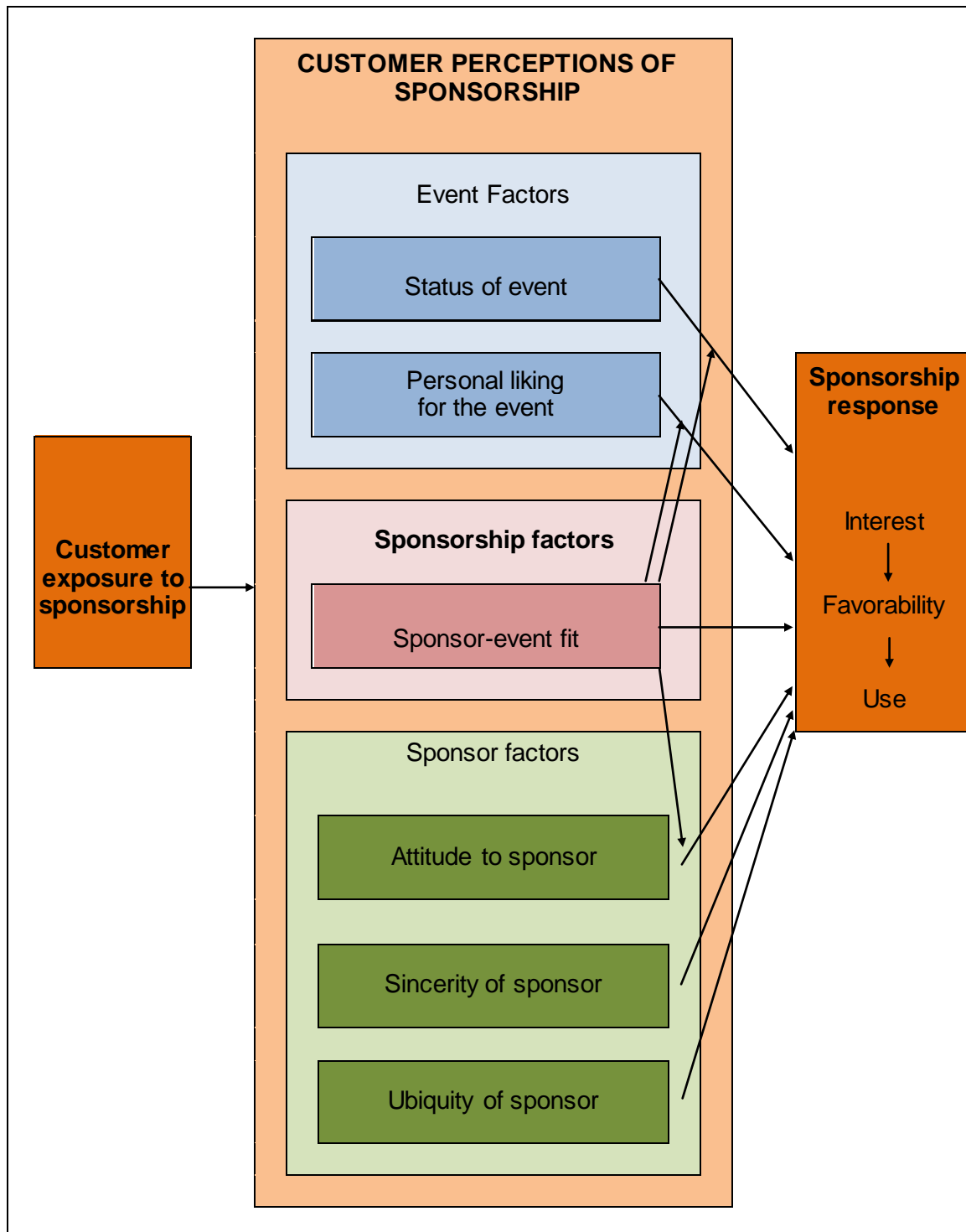
company given at one time) and batch-testing procedures (all sponsoring companies and distracters are given at once). Adding fake or dummy (non-official) sponsors to the list is often used to examine the effects and implications of ambush or incidental ambush marketing on events.

According to Stotlar (1993:39) recall (unaided recall) testing methodology is considered to be a more powerful methodology because it requires the respondent to retrieve the name from memory. Recall (unaided recall) is the consumer's ability to name the brand strictly from memory with no external cues (Pitts 1998:12). This means that the message is active in the memory of the consumer. Quester (1997:8) claims that the greater involvement of those attending the event itself and the opportunities for exposure to signs and products at the site suggested the recall would be greater in the case of those attended the event. Sponsorship recall towards sponsors is based on people's attitudes towards the sponsor and their perception of the congruence between sponsor and event (Speed & Thompson 2000:230). Attitude towards the sponsors is an important factor to determine the recall of the sponsor and the brand. However, in most sponsorships the link between a sponsor and an event is not natural, logical or obvious (Crimmins & Horn 1996:12). Since there is often no "natural" or obvious link between a sport sponsorship and the sponsor, the ability of consumers to recall the sponsor signifies a successful sponsorship campaign. In other words, sponsors recall requires that consumers correctly generate the sponsor from memory (Crimmins & Horn 1996:12). D'Astous and Bitz (1995:7) conclude that recall of the name of the sponsoring firm depends on the sponsor's degree of involvement, the amount of prior consumer knowledge about the sponsor and consumer interest in the sponsored activity.

In order to extend the literature on sponsorship, Speed and Thompson (2000:227) developed a conceptual framework (see Figure 2.2) using classical conditioning, which examines sponsorship response. Classical conditioning research suggests the size of the conditioned response will depend on (1) respondent's attitude toward the unconditioned stimulus (the ad or the endorser), (2) respondent's prior attitude toward the conditioned stimulus (e.g. the brand) and (3) respondent's perception of congruence

between unconditioned and conditioned stimulus (the ad/endorser and the brand). This led to the authors' conclusion that sport sponsorship is affected by (1) attitudes toward the event, (2) attitudes toward the sponsor and (3) perception of congruence between the sponsor and event.

Figure 2.2: Conceptual Framework for current study



Source: Speed and Thompson (2000:228)

The first category 'attitudes toward the event' consists of two sub-categories namely 'status of event' and 'personal liking for the event'. Stipp and Schiavone (1996:24) argue that high-status events such as the Olympics or the Soccer World CupTM create opportunities for sponsors because the audience has a high regard for the event even if they are not fans of the sport itself. D'Astous and Bitz (1995:9) found that respondents who perceived the event to be attractive and interesting believed it would have a stronger impact on the sponsor's image. Sponsors may benefit from "gratitude" from those fans that have a strong liking for the event (Crimmins & Horn 1996:17) and their attraction to the event can strengthen a sponsor's image. Sponsors may also profit from the audiences' high regard for a high status event. Individuals respond favourably to events like the FIFA World CupTM and the Olympics regardless of whether they have any interest in the event (Roy & Graeff 2003:366). For example, many people who are normally not interested in football follow the World CupTM. Speed and Thompson's (2000:229) research results only partially support the supposition that 'attitudes towards the event' are positively associated with sponsorship response.

The second category 'perceived congruence between sponsor and event' deals with sponsor-event fit, which is arguably positively associated with sponsorship response. Fit between a sponsoring brand and an event occurs when consumers perceive an association between a brand and event (Roy & Graeff 2003:360). Sponsorship researchers have also highlighted the importance of the link or the fit between the sponsor and the sponsored event (Stipp & Schiavone 1996:25; Crimmins & Horn 1996:13). A good perceived symbiosis between the sponsor and the event is thought to have positive effects on the sponsors' image (D'Astous & Bitz 1995:9). When consumers perceive a strong link between the sponsor and the event they have a more positive attitude towards the sponsor.

The third category 'attitudes toward the sponsor' is divided into three categories: 'attitude toward the sponsor', 'perceived sincerity of the sponsor' and 'perceived ubiquity of the sponsor' (Speed & Thompson 2000:229). Experimental and survey-based sponsorship research has highlighted the importance of attitude towards the sponsor in effective sponsorship (Stipp &

Schiavone 1996:24). These researchers suggest that sponsors who have a favorable image receive a more positive response to their sponsorships than those who do not. The first two subcategories are positively associated while 'perceived ubiquity' is negatively associated with sponsorship response. Perceived sincerity presumes that sponsors who are more motivated by philanthropy achieve superior responses, while perceived ubiquity's assumption is that a company which is engaged in a large number of sponsorships simultaneously appears to be less committed to the individual sponsorship (Speed & Thompson 2000:229). The category 'attitude towards sponsor' assumes that brands with a favourable brand image prior to the sponsorship receive a more positive response (Russ 2006:12).

Speed and Thompson (2000:230) identified that sponsor-event fit is an important aspect of sponsorship. This was covered in their framework by the category 'perceived congruence between sponsor and event'. This is a very important area of sponsorship research because sponsor-event fit can have a direct impact on brand image, which has a direct impact on brand equity. A natural or 'interpreted' perceptual fit between the sponsor and the event in combination with a positive attitude toward the brand and sponsorship-linked marketing can even lead to a 'halo effect', which might suggest that the sponsors' products are superior in comparison to non-sponsors products (Stipp & Schiavone 1996:25). For example, while Budweiser is the official sponsor of the FIFA World CupTM, some consumers might argue that this is an inappropriate sponsor for a sports event, especially considering the devastating effects alcohol has on society and the number of children following the event. On the other hand, others might consider Budweiser to be an ideal partner for the FIFA World CupTM because beer consumption plays a major part for many people while watching the Soccer World CupTM. This example shows that sponsor/event fit is relatively subjective (Russ 2006:17).

Gwinner (1997:147) argues that there are two different perceptual sponsor/event fits, which are referred to as 'functional based' or 'image based' fits. An example of 'functional based' similarity occurs when a product is actually used in the event. Adidas is a good example for a sponsor of the Soccer World CupTM, whose products (ball, jerseys and shoes) are actually

used in the Soccer World Cup™ (Russ 2006:17). An 'image based' fit can be created through sponsorship-linked marketing expressing feelings, which are congruent with the event. During the Soccer World Cup™, Coca-Cola's advertisements usually portray feelings such as passion or world unity to create an 'image based' similarity. The research reviewed so far has strongly argued that there is a strong relationship between product/event congruence and sponsorship effectiveness. Some authors argue that it is important for companies to avoid commercial sponsorship where the sponsor-event link is weak (D'Astous & Bitz 1995:19).

Despite the feasible reimbursement a sponsor can receive from linking with the Soccer World Cup™, there are threats to sponsorship effectiveness (Roy & Graeff 2003:359). First, a sponsor must realize that obtaining rights to associate its firm with the Soccer World Cup™ is only the commencement of a strategic marketing programme that links the firm with the games. Crimmins and Horn (1996:12) noted that sponsors that institute an association between their brands and the Soccer World Cup™ in consumers' minds by using complementary marketing communications such as advertising, sales promotion and public relations, increase the effectiveness of the sponsorships. Second, official sponsors must guard against ambush marketing efforts by competitors (Roy & Graeff 2003:359). The value of international events and the enormous cost associated with official sponsorship status has led to an increase in the number of companies investing in the promotional benefits of sponsorship. However, some companies were not willing to pay the price of official association but engage in strategies to ambush (Seguin, Lyberger, O'Reilly & McCarthy 2005:217).

2.3 OVERVIEW OF AMBUSH MARKETING

The FIFA World Cup™ provides a major platform for sponsors to communicate with global audiences. At the same time, the games provide avenues for ambush marketers to find creative means to get a slice of the marketing communication pie (Dhurup 2010a:3). Payne (1998:324) is of a view that the sustained charisma of ambush marketing, where non-sponsoring companies derive unpaid for advantages from associating with national and international events is a serious threat to the future of commercial

sponsorship. Ambush marketing has grown to become a feature in the Olympic Games as well as in many other international sporting events of high profile. (Payne 1998:324). Major global events such as the Olympic Games and Soccer World Cup™ provide a fertile ground for ambushing. This practice, known as “ambush” or “parasitic” marketing concurrently reduces the effectiveness of the sponsors’ message while undermining the quality and value of the sponsorship opportunity that the event owner is selling (Meenaghan 1996:103). The term parasite or ambush marketing refers to any communication or activity that implies, or from which one could realistically surmise that an organisation is connected with an event, when in fact it is not (Payne 1998:324). The evolution, definition, incidences and tactics of ambush marketing will now be discussed.

2.3.1 Evolution of ambush marketing

The evolution of and changes in the Olympic Games has been a foremost root for the growth in importance of sponsorship as a legitimate promotional tool and ambush marketing as a tactic used by non-sponsors (Shani & Sandler 1998:369). In parallel with growth in sponsorship, ambush marketing arose when companies that were formerly able to associate themselves with certain high-profile events (such as Olympic Games) were excluded from official sponsorship deals, by way either of increased costs or category exclusivities. Shani and Sandler (1998:369) propose that the 1984 Olympic Games in Los Angeles redefined the Olympic sponsorship market by separating supporters into three categories: official sponsors, suppliers and licensees. These exclusive categories reduced and limited the number of sponsors. However, this new strategy of limiting the number of sponsors and giving them exclusivity in a product category forced major competitors of an exclusive sponsor to resort to other tactics to be associated with the Olympic Games, thus ambush marketing was born.

Hoek and Gendall (2002:73) state that the practice of ambush marketing came to prominence in 1984, in Los Angeles during the Olympic Games. Whereas in the past, many sponsors could obtain rights to associate their brand with the Olympics, the 1984 Games developed sponsorship packages that entitled official sponsors to exclusivity within specific categories. The

aggrieved parties who bid unsuccessfully for sponsorship rights, as well as those who could not muster the financial resources required to compete at this level, turned to ambushing as a means of maintaining some association with the event (Hoek & Gendall 2002:73).

The Olympic Games and Soccer World Cup™ with their mammoth audiences were the foremost place for companies to showcase their brands, but the escalating number of corporate contestants found themselves in a grueling struggle alongside ambush marketing attempts by their competitors (Tripodi & Sutherland 2000:412). As sponsorship fees demanded by event owners escalated, some companies found the asking price to be outside the reach of their budget and they were compelled to look for other forms of communication. Television advertising continues to be a central medium for ambush campaigns throughout major events. In addition, the Internet has freshly grown into a notable marketing platform for non-sponsors and offered new and unexplored opportunities for marketers (Burton & Chadwick 2009:8).

On account of a restructuring of the International Olympic Committee (IOC) sponsorship programme by the organizers of the 1984 Los Angeles Summer Olympics, ambush marketing emerged as a considerable threat to sport sponsorship giving marketers a platform to associate with sport properties and event commodities such as the Olympic Games and the World Cup™, without contributing financially to the properties with the intention to secure official associations (Burton & Chadwick 2009:3). That is, without capital expense, ambush marketing threatens and undermines investments made by sponsors to commercial rights holders and devalues sport sponsorship.

2.3.2 Definition of ambush marketing

O'Sullivan and Murphy (1998:351) define ambush marketing as “an attempt by a company to associate its own brand with the sponsored activity without securing formal rights, and this frequency results in weakening of the impact of an official sponsor's activity”. Quester (1997:4) defines ambush marketing as “an attempt by some organisations to associate themselves with an event or sport so as to reap the same benefits as an official sponsor, without incurring the same costs”. Crow and Hoek (2003:1) describe ambush

marketing as “the practice whereby another company, often a competitor, intrudes upon public attention surrounding the event, thereby deflecting attention toward themselves and away from the sponsor”. Dhurup (2010a:3) defines ambush marketing as an advertising approach in which some firms endeavor to outmaneuver others and where one brand or firm seeks to upstage another.

Townley, Harrington and Couchman (1998:333) define ambush marketing from a law-practicing perspective in sport as the “unauthorized association by business of their names, brands, products, or services with a sports event or competition through anyone or more of a wide range of marketing activities”. Burton and Chadwick (2009:10) define ambush marketing as “a form of associative marketing which is designed to capitalize on the awareness, attention, goodwill, and other benefits, generated by having an association with an event or property, without an official or direct connection to that event or property”. Tripodi and Sutherland (2000:413) define ambush marketing as “marketing tactics which allow a company to associate with major sports property without large-scale investment in securing sponsorship rights, thereby, creating the opportunity to achieve brand awareness and brand image objectives at a low cost”. Sandler and Shani (1989:11) define ambush marketing as a “planned effort (campaign) by an organisation to associate themselves indirectly with an event in order to gain at least some of the recognition and benefits that are associated with being an official sponsor”.

These definitions imply that ambush marketing is well planned and premeditated. It also needs to involve an expensive campaign, for example, the ambush marketer may pay a premium price to attain a spot to flight a TV promotion before or during the event to embed perceptions in the mind of consumers that the ambush marketer is an official sponsor of the event (Dhurup 2010a:4). Ambush marketing has been reviewed as not only those activities that are aimed distinctively at undermining a competitor’s official sponsorship of an event but also those activities that seek to associate a non-sponsor with the sporting event itself (McKelvey & Grady 2008:553). Literature on ambush marketing suggests that, beyond this definition, ambush marketing can be more broadly defined to describe “a whole variety of wholly legitimate

and morally correct methods of intruding upon public consciousness surrounding the event” (Meenaghan 1994:79).

2.3.3 Goals and the impact of ambush marketing

According to Crompton (2004:1) ambushing has two complementary goals. The first is to abate the public’s perceptions of a competitor’s official association with an event, so official sponsors derive less benefit from that association than might have been anticipated. The second goal is to associate obliquely with the sports event in order to gain some of the recognition and benefits that are associated with being an official sponsor. Sandler and Shani (1989:11) are of a view that two key points about ambush marketing should be emphasized. Firstly, it is a well-planned effort, not a one-shot commercial or ad-hoc decision. Secondly, the major goal is not exposure per se since this could be achieved by ordinary advertising independent of the sport event (Lyberger & McCarthy 2001:131). Rather the main intent is ‘to create miscomprehension in the consumer’s mind about who the sponsor is and therefore gain the benefits associated with being a sponsor or weaken the impact of a main competitor being the exclusive sponsor of an event (Sandler & Shani 1989:11).

Much of the evaluation as to the impact of ambush marketing has been measured in terms of recognition and recall tests (i.e. sponsorship awareness). On such measures, the effects of ambush marketing on consumers are apparent in Sandler’s and Shani’s (1989:12) work, where the authors found that 11 of the 20 brands were mistakenly identified as official sponsors of the 1988 Winter Olympic Games. Only in four out of seven product categories studied, did the respondents recall the official sponsors more than ambushers. Tripodi and Sutherland (2000:414) state that ambush marketing efforts have a marked impact on respondents. In the 1994 Winter Olympics, only one official sponsor out of four product categories tested demonstrated a significantly higher mean score in relation to the sponsorship effects on the brand attitude than its competitor.

During the 1992 Olympics, 57 percent of respondents incorrectly identified Wendy’s (the ambusher) as the official fast-food sponsor while only 37

percent of respondents correctly identified McDonald's (Meenaghan 1996:108). Studies undertaken by Sandler and Shani (1989:12), Shani and Sandler (1998:377) examined sponsor recall, sponsor recognition and attitude toward Olympic sponsors and ambush marketers. They have consistently found that the level of consumer confusion is high and that companies active in ambush marketing usually perform better than companies that choose not to implement such strategies. The effect of ambush marketing has been proved to create uncertainty and confusion among consumers regarding the identity of the official sponsor (Townley *et al.*, 1998:334). It is therefore a challenge in the modern marketing world to thwart ambush-marketing efforts, to design and communicate sponsorships in a way that visitors classify sponsors and non-sponsors correctly (Grohs *et al.*, 2004:121).

2.3.4 Incidences of ambush marketing

Incidences of ambush marketing have occurred at many major events including the FIFA Soccer World CupTM and European Soccer Championships (Dhurup 2010a:4). On a global scale, ambush marketing has been most prevalent in the beverage (e.g., Coca-Cola and Pepsi), credit card (e.g., American Express, Master Card and Visa), fast food (e.g., Burger King, McDonald's and Wendy's) and sports apparel (e.g., Adidas, Nike and Reebok) industries (Farrelly *et al.*, 2005:340). Some of the notable events, spanning several years when there was a prevalence of ambush marketing were the following: Farrelly *et al.* (2005:340); Sandler & Shani (1989:11); Crow & Hoek (2003:2); Tripodi & Sutherland (2000:413); Dhurup (2010a:5); Hartland & Skinner (2005:233); Meenaghan (1994:79); McKelvey & Grady (2008:550) and Kelbrik (2008:26):

- In the 1984, Fuji Film won the sponsorship rights for the Los Angeles Olympic Games. Kodak could not just sit back and watch a major competitor receiving such exposure, so in response, it "ambushed" Fuji with a well-planned campaign. Kodak became the "proud sponsor" of ABC's broadcast of the Games, the "official film" of the U.S track team and obtained official Olympic rights for some of the company's cameras.

- In the 1988 Winter Olympic Games, McDonalds paid a huge amount of money for the right to be an official sponsor of the Olympics. Wendy's associated itself with the games for a fraction of the cost by featuring ski-racing posters announcing "We will be there", by printing Olympic stories on its tray liners. A subsequent national poll indicated that although only 37% of the sample knew of the status of McDonald's, 57% believed that Wendy's was actually the official sponsor.
- In the 1991 Rugby World Cup™, Stein-lager a, a brewing company was an official sponsor of the event. Foster's, a competing brand ran an advertising campaign around the theme "Swing Low, Sweet Carryout" in the U.K. "Swing Low, Sweet Chariot" is the rugby anthem of the English rugby team who were finalists of the tournament.
- During the 1992 Barcelona Olympic Games, when Reebok was the official uniform supplier to the U.S team, an agreement which required that Reebok apparel be worn at the opening and medal ceremonies. Nike concluded a deal for the uniform rights for the US track and field team in which the team wore Nike competition apparel during the Games
- In the 1996 Cricket World Cup™, Pepsi ran a series of advertisements titled "nothing official about it" targeting Coca-Cola, the official sponsor.
- In the 1996 Atlanta Olympic Games, Sprinter Linford Christie wore contact shades embossed with the Puma logo at the press conference preceding the 100 meters final, despite Reebok being the official sponsor.
- In the 1996 South Africa Comrades Marathon, Nike a non-sponsor persuaded some runners to put Nike stickers on their faces, when Reebok, a competitor was an official sponsor of the event.
- In the 2006 FIFA World Cup™, orange plastic Leeuwenhosen (garments) were given out by Bavaria, a Dutch brewery. Officials demanded that fans remove the offending garments, as Budweiser was the official sponsor.
- In the 2008 Beijing Olympic Games, countries across the world tuned into the opening ceremony and millions saw Li Ning light the torch. It was later revealed that he owned a shoe company bearing his name which was a

direct rival of Adidas and was quite famous in China, although he was not an official sponsor.

2.3.5 Tactics used in ambush marketing

Various approaches are used by ambush marketers. Seguin *et al.* (2005:219) demonstrate that events are able to offer a variety of promotional opportunities which provide an ideal environment for ambush marketing. Tripodi and Sutherland (2000:417); Seguin *et al.* (2005:219); Lyberger & McCarthy (2001:131); Dhurup (2010a:6) and Meenaghan (1996:106) identify a variety of ambush marketing tactics which may be employed by companies in order to generate an association with a sports property in the minds of consumers. These include:

- **Broadcast sponsorship of the event**

A straightforward and clinically executed form of ambush takes place when an organisation becomes a highly visible sponsor of the television broadcast of an event whereas its competitor is an official sponsor of the event (O'Sullivan & Murphy 1998:351). Lyberger and McCarthy (2001:131) are of the opinion that sponsorship is not advertising but instead advertising is the direct promotion of a company, through the purchase of space or airtime. The ambush marketer mounts an ambush by saturating the available television spots around the broadcast of an event which a rival company has sponsored (Dhurup 2010a:6). By purchasing advertising time during the broadcast of the major event, the ambusher exploits a perfectly legitimate sponsorship opportunity. Such an opportunity offers the potential to compete with a sponsoring competitor for public attention around an event (Meenaghan 1994:80). Tripodi and Sutherland (2000:417) view this stage as an opportunity for ambusher to become associated with the event to a much degree by appealing to a much larger audience than the on-site audience. (For example, three million spectators attended the 1994 Soccer World Cup in the United States but the cumulative worldwide television audience was 32 million).

- **Sponsoring subcategories within the event**

This is a widespread and very cost-effective method of association with an event of major public interest (Meenaghan 1994:81). Dhurup (2010a:6) is of an opinion that some companies may not wish to pay the high fees associated with being the top category sponsor, but can become indirect sponsors of sub-categories which may include individual athletes or teams. For example, in the 1996 Olympics, Nike sponsored the USA track and field events with Michael Johnson and his golden shoes that created a stir with the official sponsor, Reebok. By sponsoring such subcategories as individual athletes or teams, corporations can gain the type of association they are seeking without paying the costs of a full-event sponsorship (Lyberger & McCarthy 2001:132). If a competitor has the major category sponsorship locked up, the ambusher may be able to sponsor a lesser category associated with the event and undertake intensive promotional activity to magnify the extent of its involvement (Meenaghan 1996:106).

- **Purchasing advertising time around the event**

According to Meenaghan (1994:81), a company wishing to deny a competitor the full benefits of their event or broadcast sponsorship can engage in ambush marketing by purchasing advertising time in the slots around television replays of the events (e.g. commercial breaks). Companies often resort to promotional campaigns near the venue and time them to coincide with the event (Lyberger & McCarthy 2001:132). For example, at the 1998 World Cup, Nike was not an official sponsor but did have an endorsement contract with the favourite Brazil. Nike bought advertising slots worldwide in the breaks in the games and featured the Brazilian team in the adverts. Nike went further to build a football village near the Soccer World Cup's stadium in Paris and paraded its star teams there including the Brazilian team. The campaign was backed by a major poster campaign and with this Nike achieved a slightly higher awareness rating for the world Cup than Adidas, its main rival and official sponsor of the event (Crompton 2004:3). In an attempt to create an association with a particular event, companies often create advertisements, offering congratulatory messages to participating teams or players (McKelvey & Grady 2008:557).

- **Engaging in advertising that coincides with the sponsored event**

The ambusher can execute advertising that is intended to correspond with the sponsor's event (Meenaghan 1996:107). The legality and ethical basis of this approach depends on specific strategy, which may include themed advertising. This approach benefits the celebrity rather than the Olympic Federation. During the 1992 Winter Olympic Games, Wendy's restaurant chain contracted with Olympic gold medal figure skater Kristi Yamaguchi to feature in its advertising, while McDonalds was official sponsor of the US team's involvement in the Olympic Games. Large international sporting events, such as the Olympic Games or Football or Rugby World Cups attract very large audiences, at least some this number will see or hear advertising that is screened during interval periods (Crow & Hoek 2003:7). Rivals of the official sponsors have engaged in many different advertising and promotion activities. During the 1992 Barcelona Olympics, Nike held press conferences for Olympic athletes it sponsored and displayed large murals of members of the US basketball team on billboards in Barcelona, even though they were not the official sponsors. Lyberger and McCarthy (2001: 132) noted that: "...the sheer magnitude of (Nike's) presence at the venues effectively deflected attention from official sponsors."

- **Other ambushing strategies**

Tripodi and Sutherland (2000:418) are of a view that ambushers may use other creative and inventive strategies to suggest their involvement with major global events. One such example is, elite athletes wearing Mazda track club jerseys have been to the forefront of the New York Marathon sponsored by Mercedes. Another ambushing strategy is the use of photographs of famous sporting landmarks as a background in advertising that coincides with the event. In other strategies, the ambusher hands out licensed souvenirs or offers free trips to an event to suggest a sponsorship involvement (Meenaghan 1994:82). For example, during the 1990 Soccer World Cup™ a U.K. competitor of Mars, an official sponsor gave away free footballs and even developed its own Italia 90 logo.

According to Dhurup (2010a:7) ambush activity varies enormously and can be domestic or international. Whatever the scope, the primary objective is to persuade consumers that the ambusher's product or service has been authorized, sanctioned, endorsed or otherwise associated with an event, or to undermine a competitor's activities.

During the 2010 FIFA Soccer World Cup™ which was hosted in South Africa, both FIFA and the Local Organising Committee (LOC) have been at work trying to close possible loopholes to avoid ambush marketing. Various amendments to legislation have been passed to protect the rights of the official FIFA sponsors who have invested enormous sums of money to secure rights to various sponsorship categories (Dhurup, 2010a:7). The official sponsors of the 2010 Soccer World Cup™ had to be protected against ambush marketers. Since companies spend millions of rands in sponsorships, they legitimately expected the FIFA to provide them with legal protection from competitors wanting a free ride (Concerns 2010).

2.4 PROTECTION STRATEGIES TO COUNTER AMBUSHING

The level of promotion and maintenance of event integrity by event owners and by sponsors should guard the rights of official sponsoring companies (O'Sullivan & Murphy 1998:363). Official sponsors can pursue both legal and market avenues to protect their rights (Crompton 2004:7). Legal remedies are pursued when it is believed that ambushers appropriate property rights they do not own. For example, if the logo or symbol of a team or event was used without official authorization this would be an infringement of the entity's intellectual property rights. Event owners and communications managers aware of potential ambush marketing strategies need to act preemptively to protect their investment (Meenaghan 1996:110).

However, South Africa has no doubt led the way in giving protection to sponsors through the provision of legislation. Promptly after winning the bid to host the Rugby World Cup in 1995, the South African Government approved in principle legislation designed to prevent any other body other than an international sport federation rights owner from using descriptive terms such as "World Cup™" under the Merchandise Marks Act (Townley *et al.*,

1998:337). Apart from the protection afforded by the legislation of names and symbols as trademarks, legislation has been enacted in South Africa in order to grant protection to the organisers of high profile events such as the FIFA World Cup™ (Dhurup 2010a:9). This legislation include amendments to the Trade Practices Act of 1997 (section 9D), section 15A (1) of the Merchandise Marks Act of 1941 and the implementation of first and second 2010 FIFA World Cup™ Special Measures Act (FIFA Publication Information Sheet 2007).

FIFA has registered a variety of marks as trade marks in 124 countries in thirty-seven classes and filed over 500 trade-marks applications in South Africa alone (Kelbrick 2008:29). Section 15(A) of the Merchandise Marks Act 17 of 1941 prohibits the use of a trademark in relation to a protected event in a manner that is calculated to achieve publicity for the trademark and thereby to derive promotional benefit from the event without prior authority to do so by the organisers of such an event (Dhurup 2010a:9). A registered trademark offers strong protection to a name or logo. In other words, the advertisement and/ or marketing of any brand in association with the 2010 FIFA World Cup™ without the invitation of FIFA as a commercial affiliate amounts to abuse of trademark in relation to the event. In terms of Trade Practices Act (76 of 1976) no person shall, in connection with a sponsored event make, publish or display any false or misleading statement, communication or advertisement which represents, implies or even suggests a contractual or other connection or association between that person and the event, or the person sponsoring an event. The 2010 FIFA World Cup™ was also covered under this Act. That is the protection lasts indefinitely provided that renewal fees are paid and registration of the trademark protects the mark against any identical or confusingly similar marks used by another without authority. Trademarks, logos and slogans may enjoy protection under copyright law, the law against unfair competition and trademark law (Kelbrick 2008:26).

The Special Measures Act of 2006 deals with commercial activities, authorizing the presence of certain vehicles in a traffic-free zone, manner of display of notices and marking traffic-free zone, entering designated areas, prohibited objects, manner of dealing with seized objects, littering and

decency (RSA 2009). In South Africa, both Merchandise Marks Act 17 of 1941 and the Counterfeit Goods Act 37 of 1997 prohibit misleading trade descriptions (Kelbrick 2008:27). Although most of the restrictions in the Special Measure Acts are related to sale and promotion of certain products in and around the stadia at which World Cup™ matches took place, particular restrictions are imposed in relation to liquor marketing. Section 3(2)(b) of the second 2010 FIFA World Cup™ Special Measures Act restricts the marketing, distribution, consumption and advertising of liquor at a designated stadium or venue to commercial affiliates that have been recognised by FIFA (FIFA Publication Information Sheet 2007). Ambush marketing prohibition has also been built into the general terms and conditions (GTC) of sale of tickets. Tickets holders may not engage in any form of activity that may result in an unauthorized commercial association with FIFA, the event or parts thereof to the detriment of FIFA or its commercial affiliates, by way of an unconstitutional use of logos or other means (FIFA Publication Information Sheet 2007).

Moreover, on match days, tickets holders are austere prohibited from using, wearing, possessing or holding promotional or commercial objects and materials or offering to sell, selling or possessing with intent to sell drinks, food, souvenirs, clothes or other promotional and/or unauthorized commercial items. All such items may be removed or confiscated by the FIFA World Cup™ authorities. During the Rugby World Cup™ 1995, problems experienced by the organizers in relation to corporate hospitality included a number of tour operators offering all-in luxury packages including tickets to games and hospitality packages in halls featuring giant screens, seating for up to 1 000 viewers and unlimited alcoholic beverages (Townley *et al.*, 1998:336). Not all of this denotes that local businesses were not able to profit from the 2010 FIFA World Cup™. The event continued to present a gigantic marketing opportunity for those who were imaginative in how they promoted themselves and their products, while simultaneously being cautious not to infringe the legislation (FIFA Publication Information Sheet, 2007).

According to Dean (2009:3) FIFA secured its first ruling against ambush marketing by earning a court judgment against Pretoria's Eastwoods Tavern for infringing on the registered trademarks of the 2010 World Cup™ by

contravening the common law and illicit competition through violating Section 15A of the Merchandise Marks Act and Section 9(d) of the Trade Practices Act (Temkin 2009:1). Eastwoods Tavern had carried the legend “World Cup™ 2010” below the main signage on its roof. At the same time, it erected banners featuring the flags of a number of prominent soccer-playing countries accompanied by the numerals 2010 along with the words “Twenty Ten South Africa”. This bears testimony to the determined efforts by both FIFA and local organizing Committee (LOC) on effective game plan to eradicate and prevent ambush marketing. The judgment was so timely, coming two months prior to the Confederations Cup Tournament, the dress rehearsal for the 2010 FIFA World Cup™. It signals to any other organisation thinking of ambush marketing strategies that it would face unsolicited consequences.

Lagae (2005:78) proposes preservative tactics for blocking ambush marketing. The following measures are considered to be a more effective approach to the problem than taking legal action against ambushers after the event (by which time they may already have reaped the benefits of their activities):

- using unique logos and brand names for official sponsors;
- making clear exclusivity agreements;
- forming a sponsor’s protection committee “directed by competent sports lawyers”; and
- integration of official sponsor’s activities with examples such as providing exchange media for sponsors, organising associated events for official sponsors and encouraging pooling between official sponsors.

Whether or not, non-legislative measures such as blocking tactics will eventually have any real effect will always be debatable (Hartland & Skinner 2005:235).

By virtue of the substantial fees that sponsors of the tournament pay, it is of the greatest importance for FIFA to guarantee and deliver exclusivity of advertising exposure to sponsors in their various business fields. Detriment to the relationship between FIFA and its sponsors by detracting from the

exclusive rights given to sponsors could seriously damage FIFA and indeed place the staging of the World Cup™ in jeopardy (Dean 2009). The South African Football Association (SAFA) however, in its bid to host the FIFA World Cup™, had to request the government to provide a number of guarantees that were detailed in South Africa's original bid documents. The 17 guarantees provided by various government departments cover access to South Africa, safety and security, transport and communications, health services and hospitality. Host cities were also responsible for fulfilling the obligations in the host cities agreements signed by FIFA, with support from national and provincial government (SA 2010).

Dhurup (2010a:11) notes that with these fresh enactments of legislation, rivals companies who are not official sponsors of the 2010 FIFA World Cup™ were in for an uphill battle to gain a share of publicity. Notwithstanding the fact that events and official sponsors barely receive legal protection from ambushing, they have to develop market remedies to protect their investment. Laws alone are unlikely to be equal to the task of responding to the imaginative ambushing strategies of marketers (Crompton 2004:9). The most triumphant ambush marketing campaigns arise when a sponsor has not properly leveraged its investment. Sponsors who did not leverage their investment were likely to witness ambush marketing efforts by confusing consumers when attempting to identify official event sponsors (Tripodi & Sutherland 2000:418). The pre-emptive market tool remedy for combating ambushing is the contract. In the past, ambushing was facilitated by poorly written contracts that left some loopholes (Crompton 2004:9). Tripodi and Sutherland (2000:418) state that by sponsoring both the event and the broadcast of the event, the sponsor gains a dual benefit of communicating with its audiences and closes off the opportunity for ambush marketing via the broadcast. In an effort to protect against ambush marketing, media partners should regulate advertisements more strictly and prohibit the use of the phrase 'broadcast sponsor' and variations thereof within their broadcast contracts (Burton & Chadwick 2009:11). This prevents competitors from advertising before, during and immediately after the event broadcast. For example, Union of European Football Association (UEFA) as part of their sponsorship package purchased

all advertising time during their event broadcasts and distributes that time to their sponsors, stopping any broadcast sponsorship ambushing and forcing sponsors to better leverage their sponsorship (Burton & Chadwick 2009:11).

2.5 THE 2010 FIFA WORLD CUP™ IN SOUTH AFRICA

A brief history to the run up of the 2010 FIFA World Cup™ is provided together with the staging host cities and stadiums are provided in the next section.

2.5.1 History of the 2010 FIFA World Cup™

While the bid for the 2010 FIFA World Cup™ brought the largest number of African contenders for an event of first-order magnitude, there has been a marked increase in African activism in pursuit of major events since the late 1980s (Cornelissen 2004:1294). In 1998, at the Africa Cup of Nations final in Burkina Faso, the South Africa Football Association (SAFA) indicated its intent to launch a bid to host 2006 FIFA Soccer World Cup™ finals. When these bids failed, SAFA went further to bid for the 2010 FIFA World Cup™ event. This followed in the wake of South Africa's successful hosting of the Rugby World Cup™ in 1995 and the Africa Cup of Nations in 1996 (Cornelissen 2004:1295). What has been interesting was that African countries had demonstrated a high level of willingness to invest the volumes of resources required for their bid campaign. A much stronger sentiment had arisen in FIFA in support of Africa-hosted finals (notably through the vocalizations of Joseph Blatter, president of FIFA). In its campaign for the 2006 finals, South Africa strongly played on the potential bolstering effect that hosting the 2010 FIFA World Cup™ in Africa would provide to the continent's revival.

Cornelissen (2004:1303) states that the Bid Committee argued, "awarding" the World Cup™ to South Africa will advance football's globalisation and enhance FIFA's position as the pre-eminent sports organisation in the World". A South Africa World Cup™ can further the FIFA's Executive's Global diplomacy as supporters of South Africa's peaceful transition to democracy. South Africa was the only country to be designated to have the potential to host excellent finals. Egypt (contestant) was evaluated to have the capability and Morocco (contestant) the potential of organizing a very good World

Cup™. Therefore South Africa was awarded to host the 2010 FIFA World Cup™ event.

The FIFA World Cup™ is a FIFA event embodied in the FIFA Statutes. On 15 May 2004, the FIFA Executive Committee designated the South African Football Association (SAFA) as the Organising Association for the 2010 FIFA World Cup™. The Organising Association was responsible for organising, hosting and staging the final competition, as well as the security for the duration thereof. SAFA had set up a Local Organising Committee (LOC) in the form of an internal division to organise the final competition, in accordance with the List of Requirements (LoR) and the Organising Association Agreement (OAA) between FIFA and the Organising Association. SAFA and its LOC were collectively referred to as the Organising Association. The Organising Association was subject to the supervision and control of FIFA, which had the last word on all matters relevant to the 2010 FIFA World Cup™ (FIFA World Cup Regulations 2010).

2.5.2 Staging of the 2010 FIFA World Cup™

The FIFA Confederations Cup™ had been seen by some as the ultimate test of the host country's ability to stage the 2010 FIFA World Cup™. The FIFA World Cup™ was delivered on a bigger scale than was the case for the FIFA Confederations Cup™. The 2010 FIFA World Cup™ held in South Africa from June 11 to July 11 2010, constituted an unprecedented challenge for the nation's physical and human resources, and its logistics and infrastructure. It also placed South Africa at the center of the global media stage for one month, thereby guaranteeing the presence of official sponsors and a massive injection from the advertising budgets of innumerable enterprises both in South Africa and across the world.

In addition, the South African population was exposed to six months of blanket media coverage, embracing a constant flow of news items and thematic advertising campaigns and promotions intended to communicate and reinforce the message that 2010 FIFA World Cup™ was not merely a football tournament, but rather, it was a great African national cause. The 2010 FIFA World Cup™ is the world's largest single-sport event, attracting wide-ranging

interest from both sports fans and business people alike. Thus, the event attracted mass involvement on a scale not previously experienced in the country. The most tangible evidence of the effect was observable in the vast number of South African national flags draped from every type of building and every means of transport. This started in mid-March 2010 and peaked on the day of the Final in June 2010, when the host team played. What this implies is that sponsors targeting the South African market were given an ample timespan in which to maximize the message of their connection to the event. The FIFA's Commercial Affiliates, the host country and the 9 Host Cities, as well as the Local Organising Committee had all made significant contributions in order to make the tournament possible. These ranged from financial contributions, value-in-kind and human resource support, through the provision of infrastructure, transport and security. In return for this substantial investment, these entities – known as the FIFA Rights Holders – were guaranteed exclusive use of the Official Marks and exclusive marketing association with the 2010 FIFA World Cup™. Without this exclusivity, attracting official sponsors for the event would have been extremely difficult (FIFA 2010 Update Magazine).

2.5.2.1 Host cities

On the 4 December 2009 the eyes of the world turned to South Africa and more specifically on Cape Town, when the final draw of the 2010 FIFA World Cup™ was made. The 32 teams were drawn into their respective groups for the first round of the tournament. The 32 teams participating in the 2010 FIFA World Cup™ each had a team base camp, i.e. a hotel coupled with a training facility served as a base for the teams during their stay in the tournament. The teams had to fly or travel into the host city the day before a match and fly back out on the match day or day before depending on how far their base camp was from the match venue. The host cities included; Mangaung/Bloemfontein, Cape Town, Durban, Johannesburg, Nelspruit, Polokwane, Nelson Mandela Bay/Port Elizabeth, Tshwane/Pretoria and Rustenburg.

2.5.2.2 Airports

South Africa prepared excitedly for the influx of spectators and teams. One of the most important areas of preparations lay with South Africa's airports as they had to gear up for the 450 000 expected foreign tourists during the tournament. The Airports Company of South Africa (ACSA) had been hard at work ensuring that South Africa's airports could handle the increase in capacity before, during and after the 2010 FIFA World Cup™. The South African Government spent a total of R19.5 billion to improve airport infrastructure around the country, including the development of a new airport in the Durban area. The airports included; OR Tambo International Airport (Johannesburg), Cape Town International Airport (Cape Town), East London Airport (East London), Port Elizabeth Airport (Port Elizabeth), Bloemfontein International Airport (Bloemfontein), La Mercy Airport (Durban), Polokwane International Airport (Pretoria), Nelspruit Airport (Nelspruit) and Kruger International Airport (Nelspruit). The project implemented at airports varied from the rehabilitation and construction of runways and taxiways, construction of additional apron stands, upgrades of terminal buildings, provision of cargo facilities, additional public parking spaces and designation of public transport terminals within or near the airport (FIFA Update Magazine 2010).

2.5.2.3 Transport system

FIFA extended its hand to launch Bus Rapid Transport System (BRT). The first phase of the Rea Vaya Bus Rapid Transport System was implemented in Johannesburg on 31 August 2009. The new public transport provided 143 BRT buses on the road by the time the FIFA World Cup™ kicked off. Rea Vaya BRT buses transported spectators around Johannesburg using specific designated routes and enclosed bus stations along the routes. Buses operated in exclusive, dedicated lanes in the centre of existing roads with smaller feeder buses bringing people in from the outer areas to the stations on 'trunk' routes. Buses were either 75 or 112 capacity vehicles, depending on passengers' volume and operated from about 150 stations, positioned half a kilometre apart. This ensured that teams are reconnected with the communities that support them. For this reason, the buses were estimated to run every 10 minutes from 5 am to midnight (FIFA 2010 Update Magazine).

2.5.2.4 Stadia

As the 2010 FIFA World Cup™ raced towards kickoff on the 11 June 2010, construction at the stadia throughout the country was at a peak with all stadia more than 90% complete three months before the commencement of the World Cup. These stadia utilised the services of 20 000 employees. FIFA poured more than R300 billion into constructing 11 stadia to provide conducive conditions to cater for the 2010 FIFA World Cup™ with Green Point stadium alone costing R311 million upon completion. These stadia include: Free State Stadium (Mangaung/Bloemfontein) with the capacity of 48 000 seats, Ellis Park Stadium (Johannesburg) with the capacity of 61 000 seats, Loftus Versfeld (Tshwane/Pretoria) with the capacity of 45 000 seats, Royal Bafokeng (Rustenburg) with the capacity of 42 000, Green Point Stadium (Cape Town) with the capacity of 68 000 seats, Peter Mokaba Stadium (Polokwane) with the capacity of 45 000 seats, Mbombela Stadium (Nelspruit) with the capacity of 46 000 seats, Nelson Mandela Bay Stadium (Port Elizabeth) with the capacity of 45 931 seats, and Soccer City (Johannesburg) with the capacity of 91 500 seats.

Dhurup (2010a:216) claims that, the construction of the new 2010 FIFA World Cup™ stadia represented first-rate examples of stadia that can accommodate other types of sport (multi-purpose stadia) and which were built around the sport mall concept. These stadia provided many entertainment activities and provided opportunities for recreation other than for watching the game itself. For example, the Moses Mabhida stadium in Durban (Figure 2.3) with the capacity of 70 000 seats is a 365 days a year usage stadium with shops and recreation facilities built in Durban's King Park sporting precinct with two large archways above the stadium roof incorporating a cable tram. It is an excellent example of the sport mall concept applied to a stadium development.

Figure 2.3: Moses Mabhida stadium



Source: (FIFA Stadiums 2010)

The varied environment and exciting atmosphere provided an abundance of opportunities for sport consumers who were not yet fans, to move gradually up the sport and recreation consumption escalator which may have progressively increased fan attendance at sports events (Dhurup 2010b:216). The Organising Committee, FIFA and the FIFA Partners recognised the important role that construction workers had played in the preparation for the FIFA World Cup™ and rewarded their efforts through a Ticket Fund by providing them tickets to matches (FIFA 2010 Update Magazine).

2.5.2.5 Volunteers

The 2010 FIFA World Cup™ Organising Committee South Africa Volunteer Programme had a massive selection process on their hands, they received a total of 67 999 applications from 170 countries for the tournament. The total applications for the tournament exceeded the 48 167 volunteer applications received for the 2006 FIFA World Cup™ in Germany. The responses showed how excited people were about the football spectacular in South Africa. The applications were screened to select the required number of 15 000, with 6

378 applications for administration support, 5 537 for hospitality and ushering, 2 977 Fans Park services, 2753 information technology and telecommunications and 83 hopefuls had applied to work in sign language support. All the volunteers were trained before the 2010 FIFA World Cup™ kicked off (FIFA 2010 Update Magazine).

2.5.2.6 Ticketing

FIFA took into account that the 2010 FIFA World Cup™ was a premium global sporting event, irrespective of where the event was held. The ticket prices for the 2010 FIFA World Cup™ represented a well-balanced range that acknowledged the global nature of the FIFA World Cup™ as well as the needs of the domestic market. In Germany, the cheapest tickets were priced at €35 (approximately \$51). In South Africa, the lowest price was (R150). FIFA and the LOC felt there was a need to offer a significantly cheaper ticket to meet the demands of grassroots football fans that might not otherwise be able to afford to attend a FIFA World Cup™ match and thus be part of this once in-a-lifetime experience. Tickets were available in four different categories:

- Seats for Category 1 tickets were generally located alongside the pitch;
- Seats for Category 2 tickets were generally located adjacent to category 1 in the corners;
- Seats for Category 3 tickets were generally located adjacent to category 2 behind goals and in the corners; and
- Seats for Category 4 tickets were generally located behind goals. These seats were respectfully allocated exclusively to South Africans.

The prices for the 2010 FIFA World Cup™ tickets were as follows:

Table 2.2: 2010 FIFA World Cup™ tickets prices

	Category 1	Category 2	Category 3	Category 4	Wheel chairs
Opening match (No:1)	R 3,150	R2,100	R1,400	R490	R490
Group matches (No:2-48)	R1,120	R840	R560	R140	R140
Round of 16 (No:49-56)	R1,400	R1,050	R700	R350	R350
Quarter finals (No:57-60)	R2,100	R1,400	R1,050	R525	R525
Semi-finals (No:61-62)	R4,200	R2,800	R1,750	R700	R700
3 rd /4 th place match (No:63)	R2,100	R1,400	R1,050	R525	R525
Final (No:64)	R6,300	R4,200	R2,800	R1,050	R1,050

Source: FIFA Update Magazine (2010)

Based upon statistics for attendance at previous FIFA Word Cup™ matches the anticipated gross capacity at all South African stadia for this event was between 2.8 and 3.1 million spread over the 64 scheduled matches. This was in line with the number of tickets that went on sale for the 2002 and the 2006 FIFA World Cup™ finals. It was important to note that the number of tickets available for sale would not correspond to the gross capacity of the stadiabecause seats had also to be allocated to the media, VIPs, security and other factors that reduced the number of seats available. FIFA and the LOC were, however, able to determine the total number of tickets that were sold for any given match (FIFA.com).

An initiative of FIFA, the Organising Committee, FIFA Partners and Ticket Fund ensured that deserving South Africans were afforded the opportunity to be involved in the FIFA World Cup™ by providing them with complimentary tickets. The Ticket Fund resulted in 120 000 tickets for the tournament being distributed. 40 000 tickets went to the construction workers who helped in the building of stadia that hosted more than three million spectators and 32 teams during June/July FIFA World Cup™. The remaining tickets were handed out to the FIFA Partner programmes. These programmes were supported by the six FIFA Partners (Adidas, Coca-Cola, Emirates, Hyundai/Kia, Sony and Visa) through which the 80 000 FIFA World Cup

tickets were assigned to deserving South Africans. These allocations were designed for:

- ***Encouraging learning*** – Adidas awarded 15 000 tickets in partnership with the Department of Education and the Organising Committee to encourage kids to take part in educational and soccer-activities which formed part of the Official Schools Campaign, *My 2010 Schools Adventure*.
- ***Protecting the environment*** – A partnership with the South African Department of Education was established at the FIFA Confederations Cup™ where Coca-Cola hoped to create a generation of environmentally-aware kids when they introduced a recycling programme to young learners in grades 8 to 12 in schools across South Africa. As an incentive 20 000 tickets were assigned to that project.
- ***Instilling a healthy lifestyle*** – Recognising the importance of promoting a healthy lifestyle among young children, KIA Motors collaborated with Sporting Chance; a South African-based development organisation that ran Street Soccer leagues and health-education programmes in some of South Africa's poorest communities. 4 000 tickets were awarded through that programme.
- ***Combating HIV/Aids*** – Sony teamed up with Grassroots Soccer; a South African-based non-profit organisation which used football as a common starting ground for the promotion of the fight against HIV/Aids by introducing programmes which educated children and young adults across South Africa. Through that programme 15 000 tickets were distributed.
- ***Inspiring financial literacy*** – Through Visa's financial literacy live performances, low-income workers in the industrial and tourism sectors across South Africa got the opportunity to learn basic financial skills. Visa used 5 000 tickets as incentives during that programme.

A total of 2.2 million tickets were sold for the tournament. Of those tickets, 925, 437 were obtained by South Africans, 118, 945 by the United States of America, 67, 654 by the United Kingdom, 32, 269 by Germany, 29, 657 by

Australia and 16, 001 by Canada (FIFA.com). The remaining tickets were bought by individuals from 60 other countries.

2.5.3 FIFA sponsorship in the 2010 World Cup™

Current FIFA sponsorship programmes covered a period of 2007-2014, including the flagship World Cup™ in 2010 and 2014 in terms of its commercial strategy. FIFA worked all year around the world to ensure that its official trademarks and other intellectual property rights were properly protected and enforced. The marketing of sponsorship was classified into various categories: **FIFA Partners** (a maximum of six companies) enjoyed the highest level of association with FIFA, which meant they owned rights to a broader range of FIFA activities in the form of competitions, special events, development programmes as well as exclusive marketing assets, comprehensive packages on global advertising, promotional and marketing rights. **FIFA World Cup™ Sponsors** (a maximum of eight companies) had rights that were limited to the FIFA World Cup™ on a global basis as a second most comprehensive package. These comprised rights to category exclusivity, brand association, selected marketing assets and secondary media exposure. The **FIFA National Supporters** (a maximum of five companies) was a category of association, which allowed local companies (SA) to promote an association with the 2010 FIFA World Cup™ within the host country. These rights included category exclusivity, association, local marketing programmes and domestic media exposure. **Official Licensees:** These were entities which FIFA had granted the right to use the Official Marks on items of merchandise on a direct basis or through the Global Brand Group acting as FIFA's licensing representatives. **Official Broadcast Partners:** These were entities that FIFA had granted rights to broadcast and or transmit a feed of any match in the 2010 FIFA World Cup™ These included: SABC and MNET DSTV (Burns 2009:4).

The brands associated with the event were organised in clusters. Firstly, there were FIFA World Cup™ Partners: Adidas, Coca-Cola, Emirates, Hyundai/Kia Motors, Sony and Visa. Secondly there were 2010 FIFA World Cup™ Sponsors: Budweiser, Castrol, Continental, MTN, McDonald's, Mahindra Satyam, Seara and Yingu Solar. Finally, there were FIFA National Supporters

for the 2010 World Cup™: British Petroleum (BP), First National Bank (FNB), Neo Africa, Prasa and Telkom.

FIFA went further to develop and protect an assortment of logos, words, titles, symbols, and other official trademarks. These included The Official Emblem, The Official Mascot, The Official Poster and the 2010 FIFA World Cup™ Trophy. The most important trademarked terms included, but were not limited to: 2010 FIFA World Cup South Africa™, 2010 FIFA World Cup™, FIFA World Cup™, World Cup, World Cup 2010™, Football World Cup™, SA 2010™, ZA 2010™, South Africa 2010™, Ke Nako – Celebrate Africa's Humanity™, Soccer World Cup™ and Zakumi™.

The 2010 FIFA World Cup™ was set to be the most profitable of all FIFA World Cup™ events. The signed contract of sponsorship surpassed that of 2006 FIFA World Cup™ held in Germany by 25%. Agreements with six strategic partners for 2010 were in the region of €750 million. This overshadowed the €500 million revenue generated in the 2006 World Cup™. A sponsor paid \$125 million in order to be selected as one of the six official Partners for the 2010 World Cup™ (Burns 2009:4).

These new arrangements were fuelled by the desire to forge relationships with corporations which wanted to support football as a whole and not just the FIFA World Cup™ and the need to address the growing disparity in value and compensation among the partner agreements. The Rights Protection Programme aimed primarily at tackling organised ambush marketers, counterfeiters and unauthorised traders, who aimed to profit from an event to which they had not contributed

2.6 SYNOPSIS

The discussion in this chapter provided an overview of various aspects of sponsorship and sport sponsorship in particular. The vast amounts of money spent on sport sponsorship served as an indication that corporate organisations recognised the legitimacy of sponsorships as part of overall marketing strategy.

If sponsorship is not sufficiently underpinned by appropriate objectives, its effectiveness might come close to zero. Fans involvement through knowledge,

recall and recognition is an important factor in sponsorship effectiveness (Russ 2004:29). There are a number of factors which have impact on respondents' recognition and recall of an event (Quester 1997:18). Speed and Thompson's (2000:228) framework was discussed to give an overview of factors that have an impact on respondents' recognition and recall and perceptions of and attitudes towards official sponsors of an event.

According to Crimmins and Horn (1996:17) sponsorship can create feelings of gratitude among 'real' fans but it has been established that sponsorship should not only be seen as one part of the overall sponsorship success but also that it has to be supported by sponsorship marketing activities. These support activities can also be used to minimize the impact of ambush marketing. While mechanisms were put in place to combat ambush marketing, Dhurup (2010a:15) reminds us that the creative use of ambush tactics will subsist and will continue to be a source of irritation to event owners and their official sponsors as there is no limit to human ingenuity.

However, event owners are increasingly introducing strict measures in order to reduce the effects of ambush marketing (Russ 2004:29). This was reflected in South Africa during the World Cup™, when FIFA declared a zero tolerance stance to stamp out ambush tactics for the 2010 FIFA World Cup™ event. Amendments to legislation portray a stance by Government, FIFA and the Local Organising Committee (LOC) who put in place mechanisms to eradicate undesirable interferences with sponsorship.

Chapter 3 provides an overview of the methodology used in the study. Various aspects of the design of the study, data collection and statistical techniques used to analyse the data are discussed.

CHAPTER 3

RESEARCH METHODOLOGY

3.1 INTRODUCTION

In the previous chapter attention was given to a literature review. Sport sponsorship was briefly analysed, giving prominence to the following: its definition, an overview of sport sponsorship history; growth of sport sponsorship and the types of sport sponsorship. A discussion on objectives of sport sponsorship was also presented. The history of ambush marketing, incidences and ambush practices were elaborated on. The chapter concludes with the discussion of the history, staging and sponsorship of the 2010 FIFA World Cup™ in South Africa.

The purpose of this chapter is to describe the procedures used to answer the research objectives outlined in Chapter 1. The sections presented in this chapter include: (a) an overview of the quantitative and qualitative approaches and the approach used in this study (b) the sample design procedure for the empirical study (c) data collection and the survey instrument, (d) reliability of the measuring instrument (e) assessing validity of the measuring instrument and (f) the data analysis procedures and statistical procedures used in the study

3.2 QUANTITATIVE AND QUALITATIVE APPROACHES

Research information directly obtained by a researcher may be qualitative or quantitative in nature (Shiu, Hair, Bush & Ortinau 2009:170). According to Burns and Bush (2003:202) qualitative research involves collecting, analysing and interpreting data by observing what people do or say. Observations and statements are in a qualitative or non-standardized form. Quantitative research in contrast, is research involving the use of structured questions in which the response options have been predetermined in questionnaires or survey administered to a large number of respondents (Shiu *et al.*, 2009:171). Quantitative research is the technique that seeks to quantify data and apply some form of statistical analysis (Malhotra 2007:143) and to measure consumer behaviour, knowledge, perceptions, opinions or attitudes (Cooper &

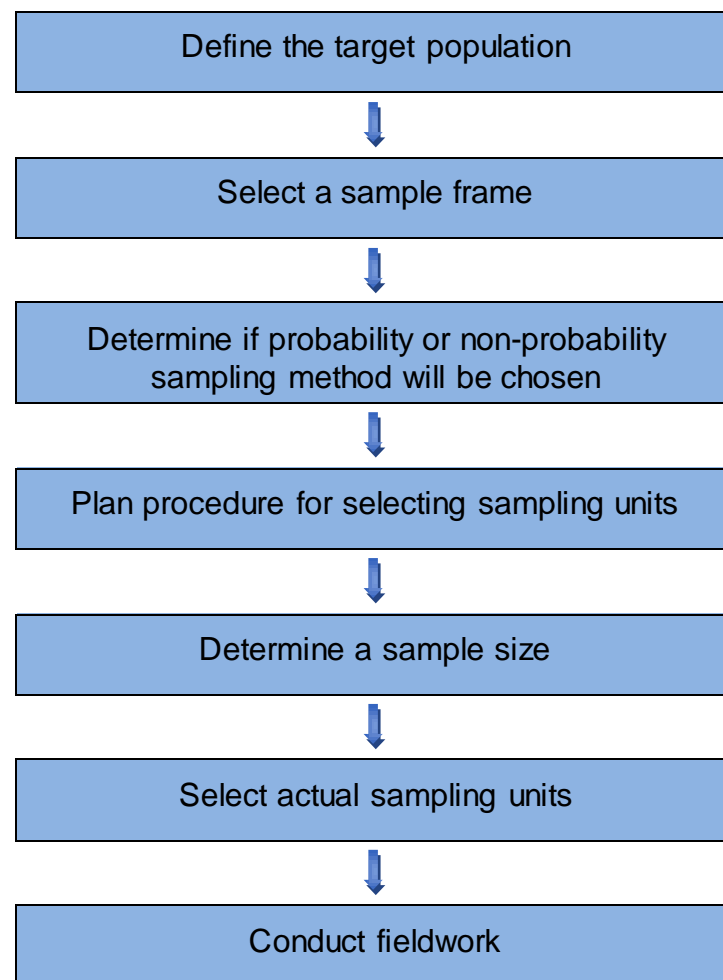
Schindler 2006:216). A quantitative research approach was chosen because the study is descriptive in nature with survey method and forms of numerical measurement utilised. Descriptive research design is viewed as a survey research method for collecting quantitative data that emphasises asking respondents structured questions from large groups of respondents (Shiu *et al.*, 2009:226).

3.3 THE SAMPLE DESIGN PROCEDURE

In order to achieve the aim of the study, it was necessary to conduct a survey based on the available literature, which formed the theoretical basis to describe the value of sport sponsorship effectiveness. In addition, a qualitative survey in the form of structured questionnaires was conducted to elicit recall, recognition and perception of consumers regarding official sponsors and ambush marketers. The information acquired in the literature survey, contributed towards the development of a questionnaire, which was utilised in the empirical part of the study.

Before taking a sample, researchers must make several decisions. When a decision is made to use a sample, a number of factors must be taken into consideration. The various steps involved in the design of the sampling process as highlighted by Zikmund and Babin (2007:406) and these are outlined below. Figure 3.1 presents these decisions as a series of sequential stages, but the order of the decisions does not always follow this sequence.

Figure 3.1: Sampling process



Source: Zikmund and Babin (2007:406)

3.3.1 Target Population

According to Burns and Bush (2003:102) the target population is defined as “the total group to be studied, the grand total of what is being measured”, whereas Boyce (2002:232) views target population as a group of entities that have some of the characteristics relevant to a study. Irrespective of how well the research instrument is designed, the data will lose value if the wrong people are targeted (Boyce 2002:232). It is critical at the outset to recognise the population properly and accurately. If the population has been defined fuzzily, the results will be fuzzy (Aaker, Kumar & Day 2004:374). It is of great importance for the researcher to be precise in specifying exactly what elements of the population are of interest and what elements are to be excluded.

The target population in this study will be restricted to the fans, supporters and followers of soccer specifically at the 2010 FIFA Soccer World Cup™ in Gauteng. For the purpose of the study, the population comprises males and females over 18 years who have watched the 2010 Soccer World Cup™ games on television, read about them in the printed media or attended the games not only because of a general interest but also because of the involvement of a favourite team they support.

3.3.2 The sample frame

Once the target population has been defined, the researcher must assemble a list of all eligible sampling units, which is referred as the sample frame. Malhotra and Birks (2003:359) concur that it is a depiction of the elements of the target population and it consists of a list of directions for identifying the target population. In the absence of a sample frame in this study, the survey regions were used to guide the selection of the sample taking into account the demographics of the region to meet the objectives of the study.

3.3.3 The sample procedure and sampling method

There are various ways of obtaining a sample and many decisions associated with generating a sample (Aaker *et al.*, 2004:379). Shiu *et al.* (2009:226) is of a view that adopting and implementing an appropriate sample technique for a study is crucial for the success of any marketing research project that requires the use of a sample for data collection. McDaniel and Gates (2004:276) state that the major sampling methods can be grouped under two headings: probability sampling methods and non-probability sampling methods. Probability samples are selected in such a way that every element of the population has a known, non-zero likelihood of selection. The chances of each member of the target population being included in the sample may not be equal, but everyone has some chance of being included (Churchill, Brown & Suter 2010:333).

In contrast with non-probability samples, there is no way of estimating the probability that any population element will be included in the sample and thus there is no way of ensuring that the sample is representative of the population. All non-probability samples rely on personal judgment in the process of

selecting respondents (Churchill & Iacobucci 2005:322). Due to the nature of the study a non-probability sampling technique through convenience, snowball and judgment sampling was used. Convenience sampling attempts to obtain a sample according to the element of convenience as the selection of sampling units is left primarily to the researcher and respondents often happen to be at the right place at the right time (Malhotra 2004:438). These techniques enabled the researcher to select the elements that were within the required age range and population grouping.

3.3.4 The sample size determination

A sample size can be defined as “a subgroup of the population selected for participation in the study (Malhotra & Birks 2003:357). Malhotra (2004:318) states that it is difficult to decide on the ideal size. For the research to be accurate it does not mean that the sample size should be large, in fact sometimes the smaller the sample size, the more accurate the research (Churchill & Iacobucci 2005:360). Based on past research studies by Grohs *et al.*, 2004:126; Quester 1997:7; Lee *et al.*, 1997:166; Tripodi *et al.*, 2003:446 and Sandler & Shani 1989:12 a sample size of 500 respondents was deemed adequate. The figure was perceived to be appropriate in order to gather rich data and unveil consumers’ recall, recognition and perceptions concerning official sponsors and ambush marketers in the 2010 FIFA World Cup™.

3.4 DATA COLLECTION METHOD

The data collection method used in this study was the survey method using questionnaires.

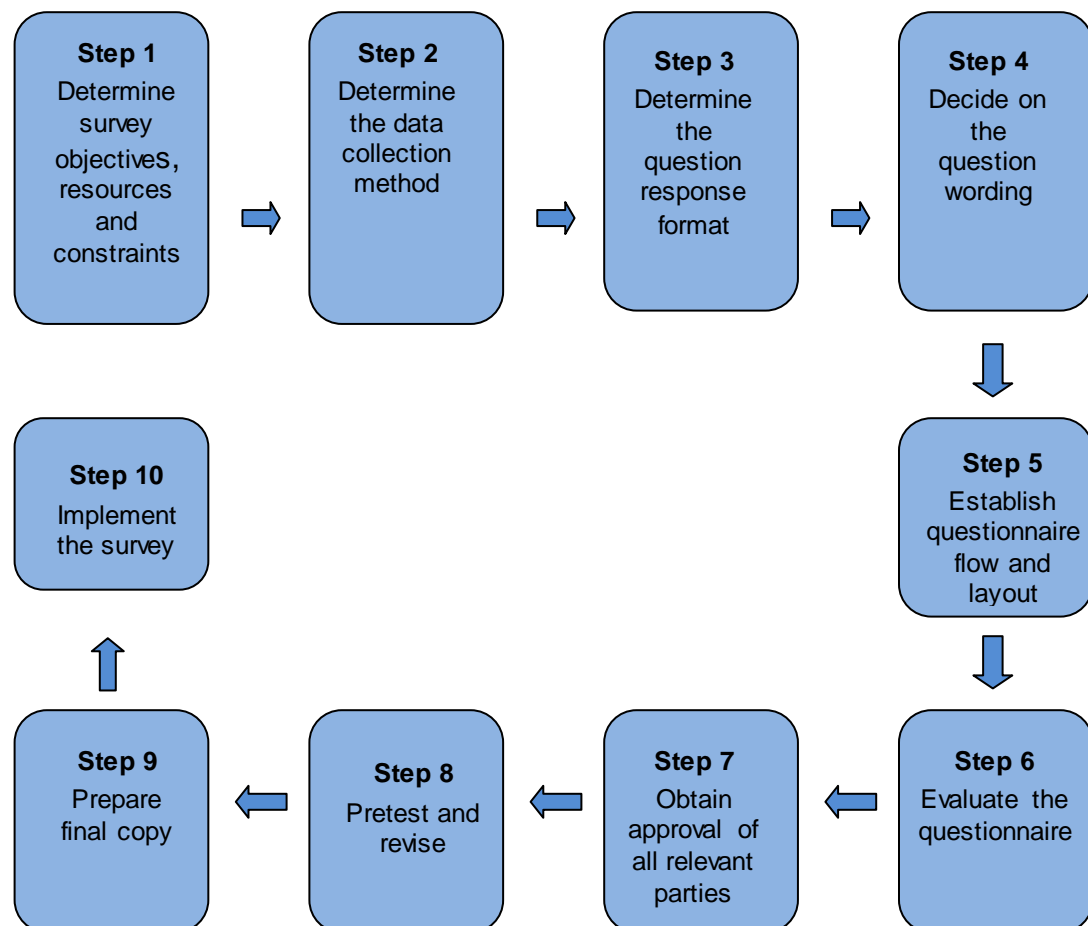
The survey method is one of the most dependable primary data collection methods (Burns & Bush 2003:233). A survey method is defined as a plan according to which the researcher will obtain suitable participants (subjects) and collect relevant information from them (Welman & Kruger 2002:46).

Through the survey method “respondents may be asked a variety of questions regarding attitudes, awareness, behaviour, intentions, motivations and demographic characteristics” (Malhotra & Birks 2003:224).

3.4.1 Questionnaire design

Designing a questionnaire involves a series of steps. The steps may vary slightly when performed by different researchers, but all researchers tend to follow the same general sequence. McDaniel and Gates (2002:356) stipulate the following steps in designing a questionnaire.

Figure 3.2: The questionnaire design process



Source: McDaniel and Gates (2002:357)

3.4.2 Questionnaire format

The questionnaires were designed in a structured format. The questionnaire breakdown according to the various sections are outlined below

In section A the following aspects were covered:

- **Demographic profile which** covered aspects such as gender, age group, marital status, educational level, monthly income and ethnicity.

- **Viewership which** covered aspects such as number of games of 2010 FIFA World Cup™ watched on SABC TV, DSTV, Fans Parks or listened to on the radio.
- **Attendance and general questions which** comprised questions relating to attendance of 2010 FIFA World Cup™ games at stadia and difficulties of the Internet as well as publicised venues as a means of purchasing 2010 FIFA World Cup™ tickets.

Section B comprised questions on unaided recall of sponsors or brands.

Section C comprised questions on perceptions towards official sponsors which covered questions relating to sponsor-fit, personal liking of the event, attitude towards the sponsor, perceived ubiquity, perceived sincerity, status of the event, favourability towards sponsors, interest, and use/allegiance/purchase intentions. Respondents rated the items using a five-point Likert scale triggered by labels ranging from ‘strongly disagree (1)’ to ‘strongly agree (5)’.

Section D comprised questions on the 2010 FIFA World Cup™ sponsorship knowledge.

Section E comprised questions on sponsorship recognition (aided-recall by products/service categories and company/brands/logos) which requested respondents to recognise sponsors from a possible list of sponsors of the 2010 FIFA World Cup™. Respondents were asked to indicate a “YES” or “NO” next to the company/brand or logo. YES was used to denote an official sponsor and NO was used to denote an unofficial sponsor.

Section F comprised questions which sought the perceptions of respondents towards ambush marketers (Non-official sponsors). A five-point Likert scale was used triggered by labels ranging from ‘strongly disagree (1)’ to strongly agree (5)’ to assess the perceptions of respondents towards ambush marketers.

3.4.3 Administration of the questionnaire

The method of data collection used in order to elicit information regarding the study consisted of a paper and pencil-based self-administered questionnaire.

In order to facilitate the research project timeously, the researcher and two research assistants administered the questionnaires.

According to Malhotra (2007:414) adequate training of interviewers, research assistants and field work is a precondition of any research. Training of field workers is critical to the quality of data collected.

Training was done by the researcher with the help of the supervisor. The research assistants were provided with clear instructions concerning their duties as well as the purpose of the study. The trainees spent almost three hours per day over two days. Training covered making the initial contact, asking the questions, probing, recording the answers and terminating the interview. The interviews took place from the 02 to 03 July 2010 as the main survey was done immediately after the end of the 2010 FIFA World Cup™ that ended on 11 July 2010.

3.5 PRE-TESTING THE QUESTIONNAIRE

The pre-testing process allows researchers to determine whether or not respondents have any difficulty understanding the questionnaire and whether or not there are any ambiguous or biased questions (Zikmund & Babin 2007:376). According to Aaker *et al.* (2004:330) there are certain issues that should be pre-tested. These issues are listed below:

- Flow of the questionnaire;
- Skip patterns;
- Length; and
- Respondent's interest and attention.

McDaniel and Gates (2002:372) further suggest that in pre-test interviews are told to look for misinterpretations by respondents, lack of continuity, poor skip patterns, additional alternatives for pre-coded and closed-ended questions and general respondent reaction to the interview. Regardless of the expertise and experience of the designer of the questionnaire, pre-testing must be undertaken to ensure that questionnaire communicates the information correctly and clearly to the respondent (Surujlal 2003:147).

Churchill *et al.* (2010:312) emphasises that data collection should never begin until the questionnaire has been pre-tested and probably revised.

Ten questionnaires were sent to randomly selected students and five lecturers. The exercise gave valuable feedback and essential amendments were effected to the questionnaire. The respondents were informed that they were part of a pre-test and were therefore requested to comment and make recommendations in relation to the clarity of the sequence of questioning and the relevance of the questions.

3.6 PILOT TESTING THE QUESTIONNAIRE

McDaniel and Gates (2002:57) describe pilot studies as surveys using a limited number of respondents and often employing less rigorous sampling techniques than are employed in large quantitative studies. Although there is the temptation in a study to go straight to the distribution stage, the data collection instrument has to be piloted first, in order to determine whether or not the procedures and methods the researcher is going to use will actually work.

For this project, a pilot study took place immediately after the end of the 2010 FIFA World Cup™ (11 June 2010). This time was chosen with the thought in mind that the main survey had to be undertaken within a month after the 2010 FIFA World Cup™, in order to ensure that the event was still reasonably fresh in the minds of the respondents. The pilot study helped to further identify weaknesses in the methodology before it was used on a larger scale, and encouraged the researcher to think about aspects such as clarity of the instructions or the questions themselves, wording confusion, the time it took to complete the questionnaire and respondents' comments in general. The pilot-testing consequently strengthened the reliability and content validity of the questionnaire.

A convenience sample of 40 respondents was selected from the Vaal Triangle region for the pilot testing.

3.7 ADMINISTRATION OF THE MAIN SURVEY

After the pilot study, changes were made and the final questionnaire was administered to respondents. The respondents for the main survey were

selected from fans, supporters and followers of soccer and the 2010 FIFA Soccer World Cup™ in different regions around Gauteng namely Vaal Triangle region, Johannesburg and Pretoria. A three weeks data collection for the main survey was conducted from the 19 July to 08 August 2010. Using a convenient sample of 500, respondents were approached. 22 respondents refused to fill in the questionnaire and 16 questionnaires were discarded due to missing information. This left a viable sample of 462 respondees.

3.8 ASSESSING RELIABILITY OF THE MEASURING INSTRUMENT

Reliability is the degree to which measures are free from random error and therefore yield consistent results (McDaniel & Gates 2002:297). A measure is reliable when different attempts at measuring something converge on the same result (Zikmund & Babin 2007:320). One way to assess the reliability of the study is with an internal consistency reliability technique. Coefficient alpha (Cronbach alpha) was used as the method to determine reliability in the study.

Coefficient alpha (α) is the most commonly applied estimate of a multiple item scale's reliability. It represents the average of all possible split-half reliabilities for a construct (Zikmund & Babin 2007:320). The coefficient demonstrates whether or not the different items converge. Coefficient alpha ranges from 0 to 1 and a value of 0.6 or less generally indicates unsatisfactory internal consistency reliability, 0.70 to 0.80 reflect good reliability and 0.80 to 0.95 portray a very good reliability. The results of the reliability are reported in Chapter 4.

3.9 ASSESSING VALIDITY

Churchill *et al.* (2010:257) define validity as the extent to which differences in observed scale scores reflect true differences in what is being measured, rather than systematic or random error. Cooper and Schindler (2006:349) say that validity is the ability of a research instrument to measure what is actually being measured. The following measures of validity namely content, construct, convergent and predictive validities are discussed below as were used in the study.

- **Content validity**

Content validity is the adequacy with which the important aspects of the characteristics are captured by the measure (Churchill *et al.*, 2010:257). Zikmund and Babin (2000:320) state that, content validity is established when a scale's content logically appears to reflect what it was intended to measure. To ensure content validity of the research instrument, the questionnaires were sent to the supervisor, two academics in sport management and the statistician to assess validity. Question content, language and phrasing were assessed to examine their connection to the relevant frame of reference used in the study. Content validity was also assessed through pre-testing the questionnaire.

- **Construct validity**

Shiu *et al.* (2009:282) define construct validity as the extent to which the variables under investigation are completely and accurately identified prior to hypothesizing of any functional relationships. McDaniel and Gates (2002:304) view construct validity as the degree to which a measurement instrument represents and logically connects, via the underlying theory, the observed phenomenon to the construct. Construct validity was assessed through factor analysis and the assessment of reliability through the computation of Cronbach alpha values. Construct validity was assessed through the pilot testing of the questionnaire.

- **Convergent validity**

Convergent validity is ascertained when the researcher's measures of a construct are highly correlated with known existing measures of the same construct (Shiu *et al.*, 2009:282). McDaniel and Gates (2002:304) concur that convergent validity reflects the degree of correlation among different measures that purport to measure the same construct. Convergent validity was assessed by the correlation between recall and recognition of 2010 FIFA World Cup™ sponsors.

- **Predictive validity**

Shiu *et al.* (2009:282) attest that predictive validity is the extent to which a scale can accurately predict some event external to the scale itself. McDaniel and Gates (2002:304) affirm that predictive validity is a degree to which a future level of a criterion variable can be forecast by a current measurement scale. Predictive validity was ascertained by the computation of regression analysis.

3.10 DATA ANALYSIS AND STATISTICAL PROCEDURES USED IN THE STUDY

All data collected were sent to a statistician who captured all the data and entered it into the Statistical Programme for the Social Sciences (SPSS Version 17.0). The following methods were used to analyse the data for the study.

3.10.1 Descriptive statistics

The use of descriptive statistics is a technique that helps to state the characteristics or appearance of sample data (Zikmund 1999: 296). In a statistical analysis, the analysts calculate one number or a few numbers that reveal something about the characteristics of large sets of data (McDaniel & Gates 2002:488).

Descriptive statistics are used to summarise and describe the data obtained from the respondents using measures of central tendency (mean, median and mode), measures of dispersion (range and standard deviation) and measures of shape (skewness and kurtosis) (Churchill *et al.*, 2010:429).

3.10.1.1 Measures of central tendency

Measures of central tendency tend to describe the centre of the distribution. The three measures of central tendency are arithmetic mean, median and mode. The mean and the mode were used in the study.

According to Kent (1999:175) mean is the most commonly used measure of central tendency and it is calculated by summing all the observations and dividing by the number of observations involved. It is properly computed only from interval or ratio (metric) by adding the values for all the observations for a

particular variable such as age and dividing the resulting sum by the number of observations (McDaniel & Gates 2004:339). Mean as a measure of central tendency was used in section A, D and E of the study.

Mode is a measure of central tendency given as the value that occurs the most in the sample distribution. The mode is a location measure and returns the most frequently occurring value in a range of data. It represents the highest peak of the distribution. Section E involved the use of mode to assess respondents aided recall of companies/sponsors/brands that were official sponsors of the 2010 FIFA World Cup™ in South Africa.

3.10.1.2 Measures of dispersion

Although measures of central tendency connote typical values for a particular variable, measures of dispersion indicate the spread of the data (McDaniel & Gates 2004:340). To ascertain this, standard deviation was used in the study.

A standard deviation is the square root of the variance for a distribution. According to Zikmund and Babin (2007:437) using square root of the variance for a distribution eliminates the drawback of having the measure of dispersion in squared units rather than in the original measurement units. Standard deviation was computed for section D and E to assess sponsorship knowledge and aided recall of official sponsors of the 2010 FIFA World Cup™.

3.10.1.3 Frequencies

One of the most common ways to summarise a set of data is to construct a frequency table or frequency distribution. This is a set of data organised by summarising the number of times a particular value of a variable occurs (Zikmund & Babin 2007:431). Figures in a form of bar charts and pie charts were used in section A and D in this study to translate numerical information into visual form so that relationship may be easily grasped.

Frequencies and descriptive statistics were calculated to determine if differences existed in recall and recognition rates of sponsors and purchase intentions based on the 2010 FIFA World Cup™ event. Frequencies were computed in Sections B, C and D of the study.

3.11 FACTOR ANALYSIS

Factor analysis is a technique of statistically identifying a reduced number of factors from a larger number of measured variables (Zikmund & Babin 2007:608). The factors themselves are not measured, but instead, they are identified by forming a variate using measured variables. Malhotra (2004:560) suggests circumstances under which factor analysis is used. These circumstances are discussed below.

- To identify underlying dimensions, or factors that explain the correlations among a set of variables. For example a set of lifestyle statements may be used to measure the psychographic profiles of consumers
- To identify a new, smaller set of uncorrelated variables to replace the original set of correlated variables in subsequent regression analysis
- To identify a smaller set of salient variables from a larger set for use in subsequent multivariate analysis.

Factor analysis was used to examine consumers' perception towards the 2010 FIFA World Cup™ sponsors (section C). A principal component analysis as a method of factor analysis that can be used when the objective is to summarise information in a larger set of variables into fewer factors was used in this study.

A factor is a variable or construct that is not directly observable but needs to be inferred from the input variables (Aaker *et al.*, 2004:567). Each measure in factor analysis is first weighted according to how much it contributes to the variation of each factor. Then a second set of weights is often selected so that the second factor accounts for most of the residual variance, and this process continues until all the variance is accounted for. When conducting factor analysis it may be difficult to interpret relationships between factors and variables and this can be solved by rotation. Rotation is a technique use to provide a more simple and interpretable picture of the relationships between factors and variables (Cooper & Schindler 2006: 634). Each time the factors are rotated the pattern of loadings changes as does the interpretation of the factors (Aaker *et al.*, 2004:567). There are two methods of rotation namely varimax (orthogonal rotation) and promax (oblique rotation).

In varimax rotation, each factor tends to load high on a smaller number of variables and low or very low on other variables to make interpretation of the resulting factors easier. In oblique rotation, the factors are rotated for better interpretation such that the orthogonality is not preserved anymore. The varimax rotation with Kaiser Normalization was used in this study

Eigenvalues, the scree test and the percentage of variance were used to determine the number of factors to be extracted. The items were then loaded on each factor to measure the correlation between each factor score and each of the original values (Aaker *et al.*, 2004:567). Factor loadings vary from +1.0 to -1.0 and any items that did not load higher than 0.40 on each factor were deleted because they did not possess sufficient validity.

3.12 SYNOPSIS

This chapter covered the research methodology and a brief overview on the statistical methods used in the collection and analysis of data. The sample design procedure was explained. For this study, non-probability sampling was utilised. The methods of data collection, pre-testing and pilot testing were also discussed. The quantitative research method was appropriate for this study because it entails the use of a large sample size which gives an accurate representation of the entire population.

Techniques that were applied to determine the reliability and validity of the research questionnaire were elucidated. This involved the discussion of content, construct, convergent and predictive validity used in verifying the study. Finally, the data analysis and statistical procedures that were used in the study were briefly discussed.

Chapter 4 provides analysis and interpretation of the empirical findings in line with the objectives of the study.

CHAPTER 4

RESULTS AND DISCUSSION

4.1 INTRODUCTION

In Chapter 3 a discussion of the research design and methodology of the study was presented. A detailed description of the sampling technique, questionnaire development, data collection and statistical analysis was provided.

This chapter focuses on the results obtained from the survey and the statistical procedures which were applied to analyse these findings. The results of the pilot test are explained, followed by the explanation of the main survey results.

4.2 PILOT STUDY

A pilot study of the questionnaire was conducted amongst a convenient sample of 40 respondents from Southern Gauteng. The purpose of initially pilot testing of the questionnaires was to examine the reliability.

The reliability was obtained by computing the Cronbach-alpha coefficient for section C, (perceptions towards the 2010 FIFA World Cup™ sponsors and section F (perceptions towards ambush marketers). The results obtained gave a satisfactory indication of the reliability of the instrument. A Cronbach alpha reliability value of 0.887 for section C was achieved which exceeded the suggested level of 0.70 (Malhotra 2004:268). No changes were made to the questionnaire to be used in the main survey.

4.3 ANALYSIS OF THE MAIN SURVEY

Section A covered the demographic aspects of the respondents. Section B elicited information on sponsor recognition (unaided recall) whereby respondents were requested to recall from memory and name companies/sponsors/brands that sponsored the 2010 FIFA World Cup™. Section C contained variables used to determine the perceptions towards official sponsors. The variables in section C were transformed into a five-point Likert scale with 5 denoting strongly agree and 1 denoting strongly disagree.

Section D covered aspects on sponsorship knowledge whereby respondents were asked to indicate either YES or NO for the statements provided.

Section E covered aspects on sponsorship recognition (aided-recall by products/service categories and company/brands/logos) which required respondents to recognise sponsors from a possible list of sponsors of the 2010 FIFA World Cup™. Respondents were asked to indicate a “YES” or “NO” next to the company/brand or logo. YES was used to denote an official sponsor and NO was used to denote an unofficial sponsor. Section F sought information on the perceptions of respondents towards ambush marketers (non-official sponsors). A five-point Likert scale was used, with 1 = strongly disagree and 5 = strongly agree to assess perceptions of respondents towards ambush marketers.

A convenience sample of 500 respondents was used for the main survey restricted to the fans, supporters and followers of soccer and the 2010 FIFA Soccer World Cup™ in Gauteng. A total number of 22 respondents refused to participate in the survey resulting in 478 respondents who filled in the questionnaires. A total of 16 questionnaires were incomplete and were discarded resulting in 462 (92.4%) usable questionnaires.

The findings from the main survey are summarised and these results are discussed in the sections which follow.

4.3.1 Descriptive analysis: Section A-demographics, viewership and attendance

Respondents were requested to provide personal information such as gender, age, marital status, educational level and income level, ethnicity, frequency of viewership and attendance.

Figure 4.1 reveals that of the 462 respondents who participated in the survey, 224 (48.5%) were male and 238 (51.5%) female.

Figure 4.1: Gender

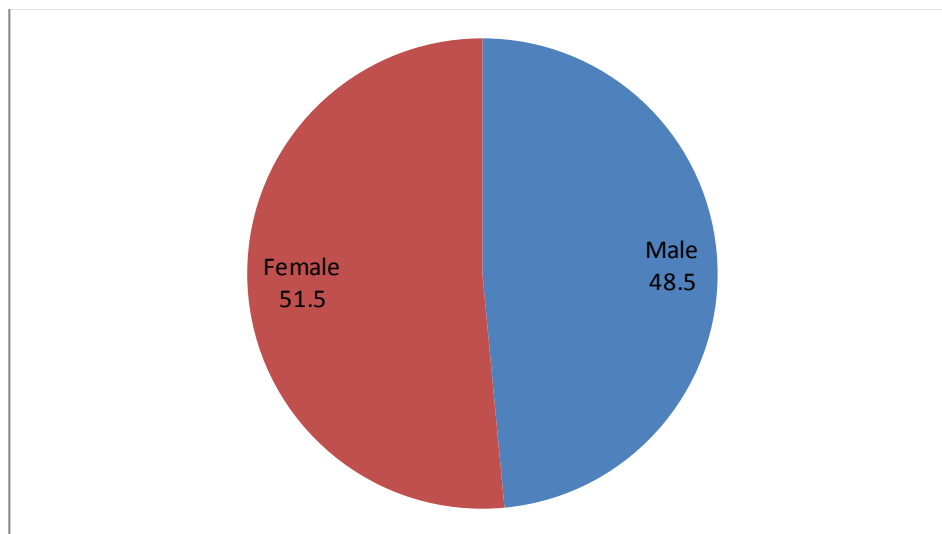
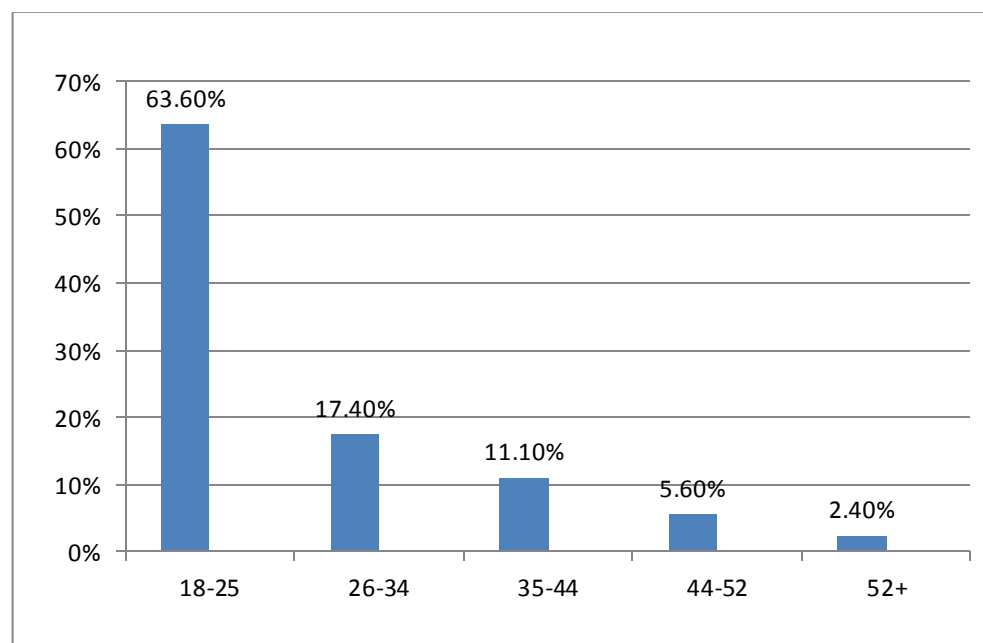


Figure 4.2 reports on the age composition of the sample. The majority of fans, supporters and followers of soccer and the 2010 FIFA Soccer World Cup™ in Southern Gauteng comprised younger people between 18 and 25 years old 293 (63.6%). Approximately 77 (16.7%) were over 35 years and 12 (2.4%) were over 52 years old.

Figure 4.2: Age



Respondents' marital status is reported in Figure 4.3. Of the 462 respondents, 320 were single (69.3%), 112 married (24.2%), 26 separated (5.6%). A total of 4 respondents (0.9%) did not indicate their marital status.

Figure 4.3: Marital status

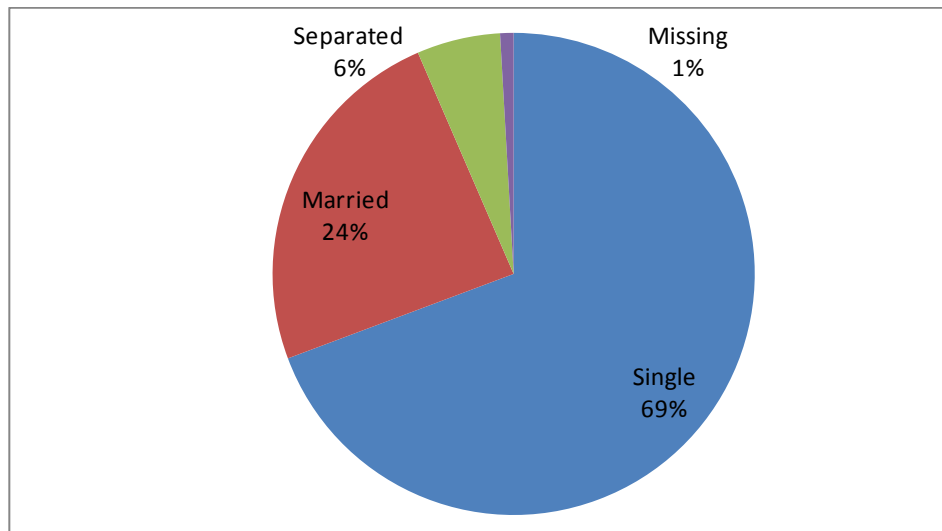


Figure 4.4 reports on the educational level of fans, supporters and followers of soccer and the 2010 FIFA Soccer World Cup™. Majority of the respondents 345 (74.7%) had some level of university education, followed by those who had some further education and training 56 (12.1%). A small portion of the sample 2 (0.4%) had no formal education or some basic education 6 (1.3%).

Figure 4.4: Educational level

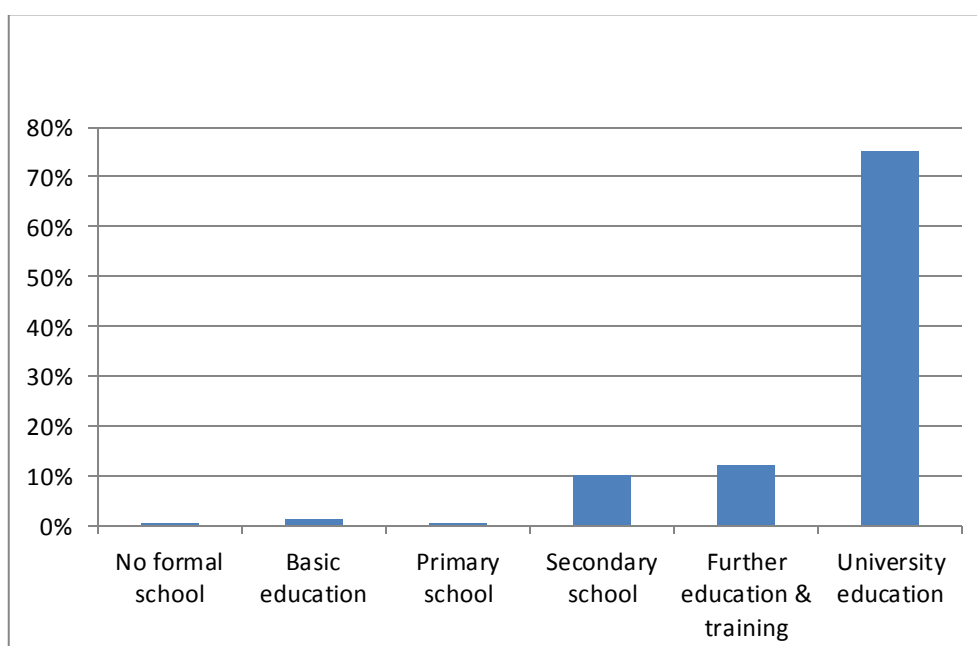


Figure 4.5 reports on the income levels of respondents. A small portion of the sample 27 (5.8%) earned a monthly income above R30 000. A total of 59 respondents (12.8%) earned less than R5 000 per month. However, a large proportion of the sample was unemployed 217 (47%).

Figure 4.5: Income level

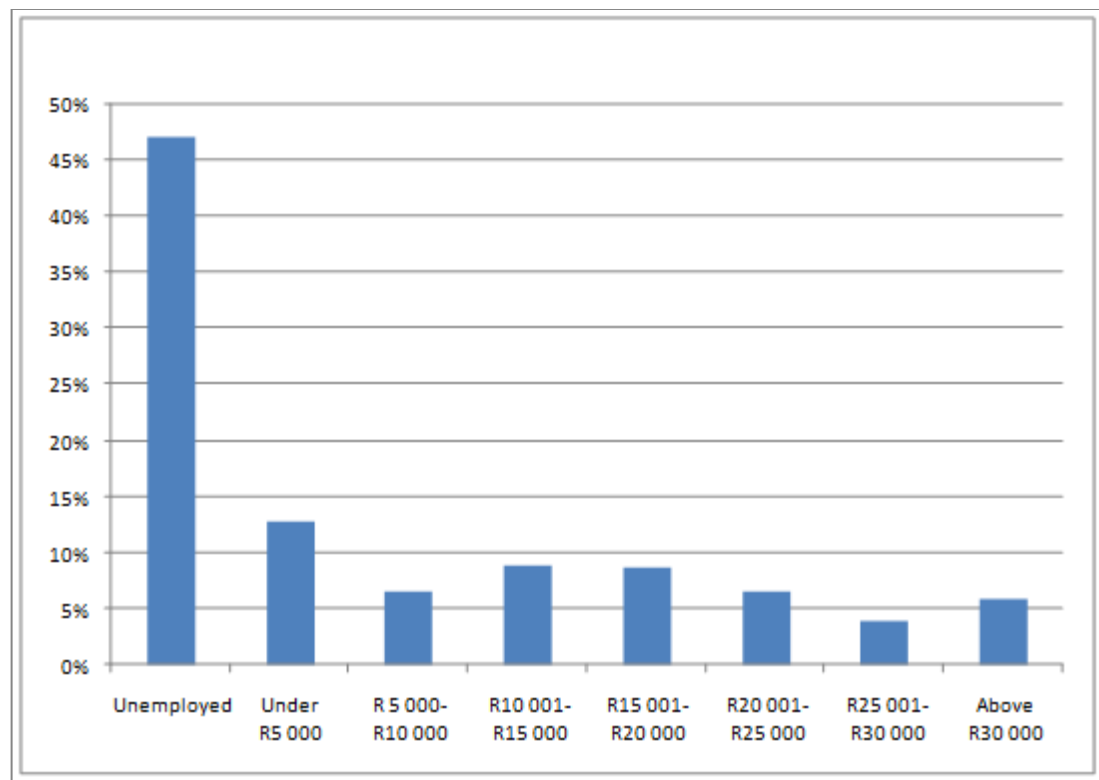
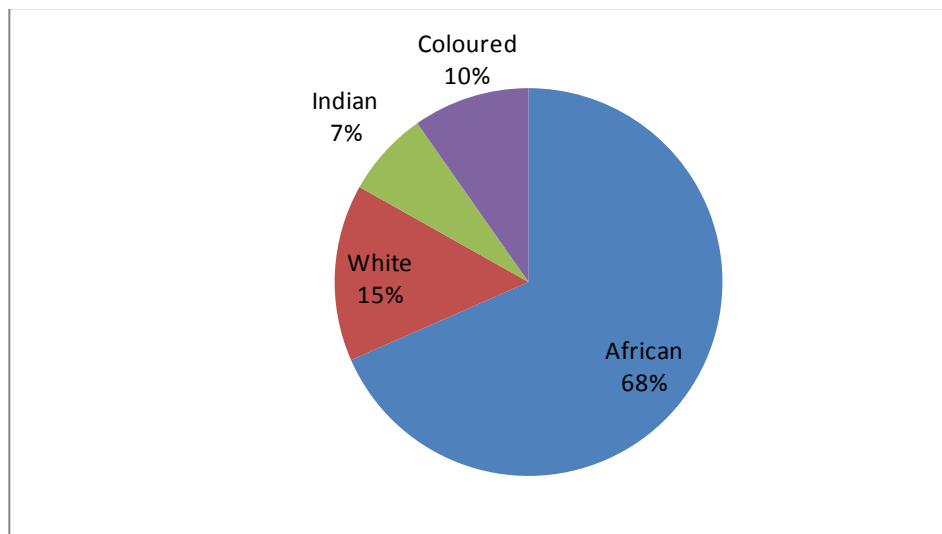


Figure 4.6 provides the breakdown of population groups (ethnicity). The majority of the respondents were African 315 (68%) followed by white 68 (15%), Coloured 45 (10%) and Indian 33 (7%).

Figure 4.6: Ethnicity



The frequency of viewership on both SABC and DSTV is reported in Figure 4.7. Of the total of 64 matches played in the 2010 FIFA World Cup™, the majority 251 (54%) fans, supporters and followers watched less than 5 matches both on SABC and MNET (DSTV). A total number of 109 (24%) fans watched between 5 to 15 matches on SABC, 105 (23%) fans watched matches on DSTV while 42 (9.1%) fans watched between 16 to 26 matches on SABC and 61 (13%) on DSTV. However, 58 (13%) fans watched more than 26 matches on SABC and 42 (9%) on DSTV.

Figure 4.7: Frequency of viewership on SABC and MNET (DSTV)

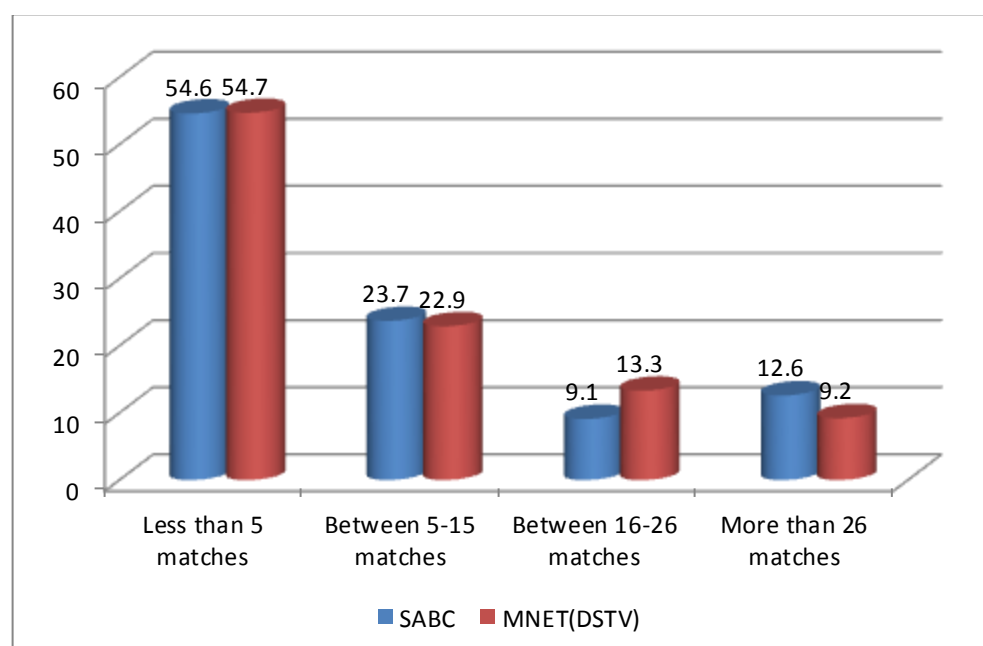


Figure 4.8 reports on the frequency of viewership on fans parks. Of the 462 fans, only 138 (29.4%) watched 2010 FIFA World Cup™ matches at the fan parks. Approximately 91 (19.7%) fans watched between 1 to 3 matches and 44 (9.5%) fans watched more than 3 matches at fan parks. A total of 324 (70.1%) fans did not watch any matches at the fan parks.

Figure 4.8: Frequency of viewership on Fans Parks

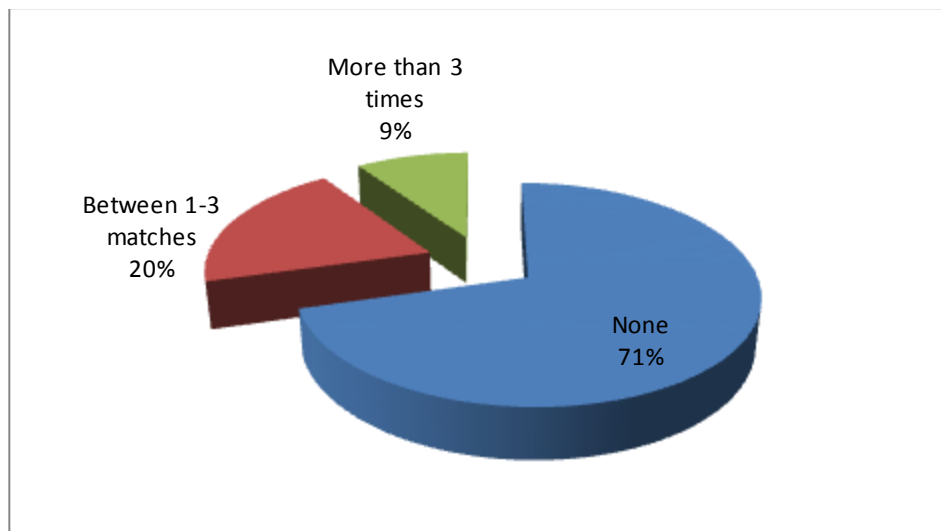
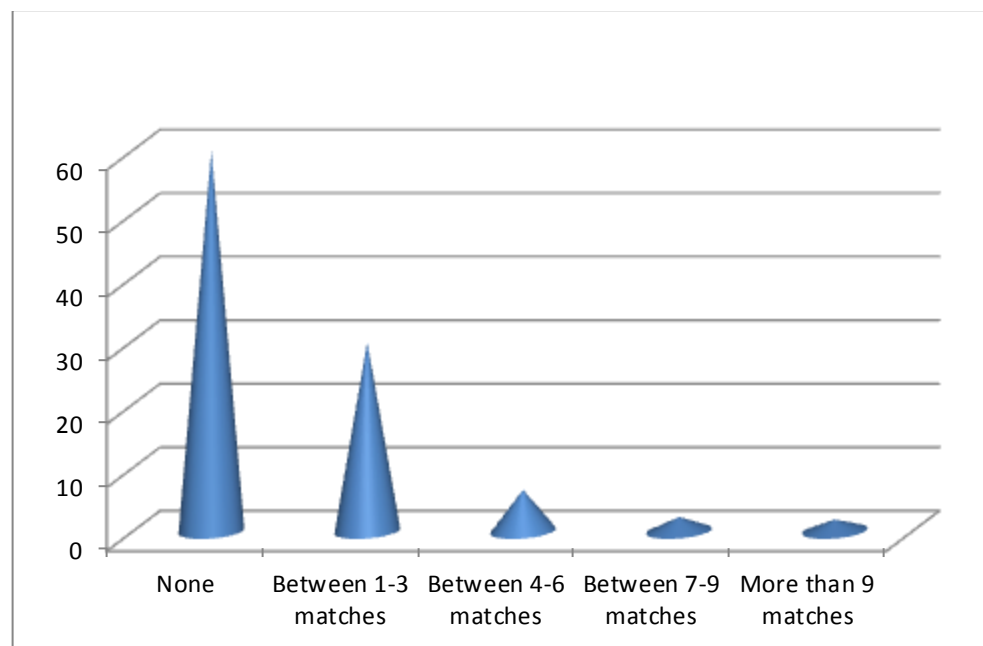


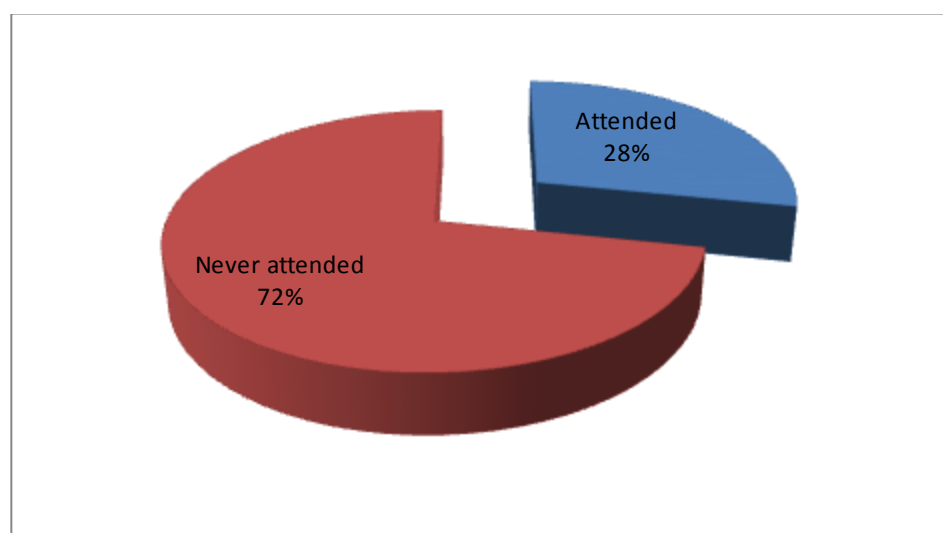
Figure 4.9 reports on respondents' frequency of listenership on the radio. Majority of the fans 167 (59.9%) did not listen to any matches on the radio, while 83 (29.7%) listened between 1 to 3 matches on the radio and only 5 (1.8%) listened to more than 9 matches on the radio.

Figure 4.9: Frequency of listenership on Radio



The frequency of attendance of respondents to the 2010 FIFA World Cup™ games at the stadium is reported in Figure 4.10. A total number of 130 (28.2%) fans attended games, the majority of fans 331 (71.8%) did not attend any games.

Figure 4.10: Frequency of attendance at stadiums



4.3.2 Descriptive analysis: Section B-sponsorship recognition (unaided recall)

Unaided recall of sponsors' names was measured by asking respondents to provide a list of up to 14 companies/sponsors/brands that came to mind that sponsored the 2010 FIFA World Cup™ in South Africa. Table 4.1 reports on the unaided recall of sponsors. Only thirteen percent of the respondents (n=60) could correctly identify three official sponsors, ten percent of the respondents (n=50) could correctly recall six official sponsors and three percent (n=14) could recall ten official sponsors of the event.

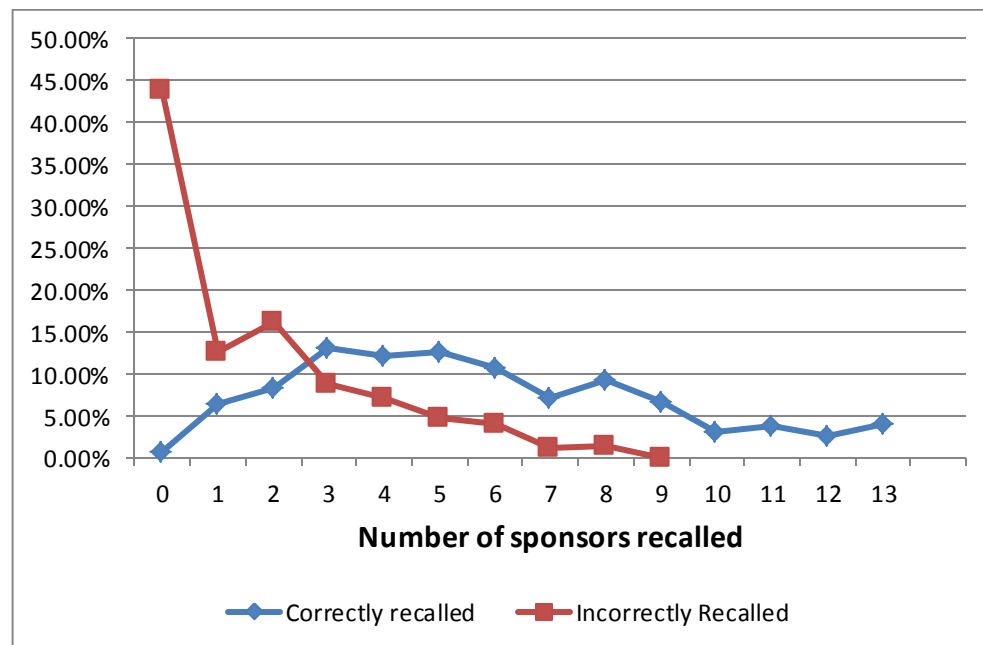
A substantial number of respondents were inaccurate in their recall. A total number of 203 (43.9%) respondents incorrectly recalled companies that sponsored the 2010 FIFA World Cup™. Seventy five (16.2%) respondents incorrectly recalled 2 sponsors and 2 (0.4%) respondents incorrectly recalled 9 sponsors. The breakdown of unaided recall is illustrated in Table 4.1.

Table 4.1: Unaided recall of sponsors

Correctly Recalled			Incorrectly Recalled		
Valid	Frequency	Percent	Valid	Frequency	Percent
0	3	.6	0	203	43.9
1	29	6.3	1	58	12.6
2	38	8.2	2	75	16.2
3	60	13.0	3	40	8.7
4	56	12.1	4	33	7.1
5	58	12.6	5	22	4.8
6	50	10.8	6	18	3.9
7	33	7.1	7	5	1.1
8	43	9.3	8	6	1.3
9	31	6.7	9	2	.4
10	14	3.0	10	0	0
11	17	3.7	11	0	0
12	12	2.6	12	0	0
13	18	3.9	13	0	0
Total	462	100.0	Total	462	100.0

A graphical representation of correct and incorrect recall is shown in Figure 4.11 which indicates that the incidence of incorrect recall was much higher than those of correct recall.

Figure 4.11: Sponsorship recognition (unaided recall)



The next section provides an overview of the analysis through exploratory factor analysis. Exploratory factor analysis was conducted on the data extracted from Section C of the questionnaire in order to examine consumers' perception towards the 2010 FIFA World Cup™ sponsors.

4.3.3 Descriptive analysis: Section C-perceptions towards the event and official sponsors

This section sought to obtain information on respondents' perceptions towards the 2010 FIFA World Cup™, the sponsors and allegiance and purchase intentions of the sponsors' products. With the exception of the section on 'attitude towards the sponsor' the questions were based on a 5-point Likert scale with 1 denoting strong disagreement, a value of 5 denoting strong agreement and a value of 3 denoting moderate agreement to the statements. For the section on 'attitude towards the sponsor' a 5 point semantic differential scale was used. A discussion of each of the variables is pursued in the subsequent section. For the purposes of analysis the scale responses were combined (strong disagreement and disagreement = disagreement and

agreement, strong agreement and moderate agreement= agreement) to facilitate explanations and for the sake of brevity.

4.3.3.1 Sponsor-event fit

Five questions relating to sponsor-event fit were solicited from respondents. The results are reported in Table 4.2. Sponsor-event fit examines the congruency of sponsor to the FIFA World Cup™.

Table 4.2: Sponsor-event fit

No	Description	SD		D		M		A		SA	
		No	%	No	%	No	%	No	%	No	%
C1	There is a logical connection between the FIFA World Cup™ and the sponsors	4	9	7	1.5	65	14.1	182	39.4	202	43.7
C2	The image of the FIFA World Cup™ and the image of the sponsors are similar	66	14.3	55	11.9	192	41.6	95	20.6	51	11.0
C3	The sponsors and the FIFA World Cup™ fit together	18	3.9	25	5.4	84	18.2	157	34.0	174	37.7
C4	The sponsors and the FIFA World Cup™ stand for similar things	61	13.2	80	17.3	164	35.5	80	17.3	74	16.0
C5	It makes sense to me that these companies sponsored the FIFA World Cup™	11	2.4	10	2.2	46	10.0	108	23.4	284	61.5
SD= Strong Disagreement; D= Disagreement; M= Moderate Agreement; A=Agreement; SA=Strong Agreement. Sample size=462.											

Majority of the respondents agreed that there was a logical connection between the FIFA World Cup™ and the sponsors (65+182+202=449=97%), the image of the FIFA World Cup™ and the sponsors (192+95+51=338=73%), the fit of the FIFA World Cup™ and the sponsors (84+157+174=415=90%), the perception that the FIFA World Cup™ and the sponsors stand for similar aspects (164+80+74=318=69%) and the sense of association of the sponsors to the FIFA World Cup™ (46+108+284=438=95%). The results from the analysis suggest that there is a positive relationship between attitude towards the sponsor and the event.

Consumers tend to perceive greater fit between events such as the FIFA World Cup™ and sponsors that they like. The more positively consumers view sponsorships of sporting events, the more likely they are to perceive a positive brand/event fit. Thus, the level of fit between the sponsoring company and the sponsored event is positively associated with level of sports sponsorship response.

4.3.3.2 Personal liking for the event

Personal liking for the event was measured on a five item, 5-point Likert-type scale. The items were framed as statements about the respondents' attitude toward the 2010 FIFA World Cup™ event and degree of liking and respondents were asked to indicate the level of agreement with each statement. The results are reported in Table 4.3.

Table 4.3: Personal liking for the event

No	Description	SD		D		M		A		SA	
		No	%	No	%	No	%	No	%	No	%
	Personal liking for the event										
C6	I am strong supporter of the FIFA World Cup™	15	3.2	16	3.5	117	25.3	89	19.3	223	48.3
C7	I wanted to attend the FIFA World Cup™	15	3.2	13	2.8	80	17.3	68	14.7	284	52.4
C8	I enjoyed following the coverage of the FIFA World Cup™	8	1.7	24	5.2	104	22.5	82	17.7	242	52.4
C9	The FIFA World Cup™ games is important to me	54	11.7	80	17.3	101	21.9	61	13.2	164	35.5
C10	I had a pleasant experiences watching the FIFA World Cup™ games	11	2.4	11	2.4	88	19.0	88	19.0	261	56.5
SD= Strong Disagreement; D= Disagreement; M= Moderate Agreement; A=Agreement; SA=Strong Agreement. Sample size=462.											

The majority of respondents reported that they were strong supporters of the FIFA World Cup™ (117+89+223=429=93%), wanted to attend the FIFA World Cup™ (80+68+284=432=94%). They reported that they enjoyed the coverage of the FIFA World Cup™ (104+82+242=428=93%), 2010 FIFA World Cup™

was important to them (101+61+164=326=71%) and also reported that 2010 FIFA World Cup™ was a pleasant experience for them (88+88+261=437=95%). The results suggest that relative to personal liking for the 2010 FIFA World Cup™, respondents who perceived the event to be attractive, interesting and those with a strong liking for the event believed it would have a stronger impact on the sponsor's image. This indicates that personal liking of the event was positively associated with sports sponsorship response.

4.3.3.3 Attitude towards the sponsor

To measure attitude towards the sponsor a 5 point semantic differential scale was used. The results are shown in Table 4.4.

Table 4.4: Attitude towards the sponsor

No	Description	SD		D		M		A		SA	
		No	%	No	%	No	%	No	%	No	%
C11	My attitude towards the sponsors was: Bad-good	5	1.1	27	5.8	125	27.1	112	24.2	192	41.6
C12	My attitude towards the sponsors was: Dislike-like	8	1.7	36	7.8	110	23.7	114	24.7	193	41.8
C13	My attitude towards the sponsors was: Unpleasant-pleasant	9	1.9	32	6.9	105	22.7	118	25.5	196	42.4
C14	My attitude towards the sponsors was: Unfavourable-favourable	8	1.7	32	6.9	105	22.7	109	23.6	206	44.6
SD= Strong Disagreement; D= Disagreement; M= Moderate Agreement; A=Agreement; SA=Strong Agreement. Sample size=462.											

Respondents had a favorable attitude towards sponsors of the 2010 FIFA World Cup™ (125+112+192=429=93%) and liked the sponsors (110+114+193=417=90%). Respondent attitude towards FIFA World Cup™ sponsors was pleasant (105+118+196=419=91%) and favorable (105+109+206=420=91%). The results of the analysis indicated that consumers were favorable to FIFA World Cup™ and enjoyed the 2010 FIFA World Cup™. The results highlighted the importance of a positive attitude

towards sponsors in effective sponsorship. This suggests that sponsors who have a favorable image receive a more positive response to their sponsorships than those who do not. Therefore, attitude toward the sponsor was positively associated with the level of sports sponsorship response.

4.3.3.4 Perceived Ubiquity of the sponsor

Ubiquity of the sponsor was measured on a three-item, 5-point Likert-type scale. The items were framed as statements about the sponsorship activities undertaken by the sponsor and their degree of focus. The results are reported in Table 4.5.

Table 4.5: Perceived Ubiquity of the sponsor

No	Description	SD		D		M		A		SA	
		No	%	No	%	No	%	No	%	No	%
C15	The sponsors sponsor many different sports	13	2.8	19	4.1	104	22.5	162	35.1	163	35.3
C16	It is very common to see these sponsors sponsoring sport events	23	5.0	80	17.3	114	24.7	81	17.5	161	34.8
C17	I expect these companies to sponsor major events	13	2.8	28	6.1	55	11.9	106	22.9	258	55.8
SD= Strong Disagreement; D= Disagreement; M= Moderate Agreement; A=Agreement; SA=Strong Agreement. Sample size=462.											

There was a high level of agreement among respondents that, sponsors sponsor many different sports (104+162+163=429=93%) and perceive it is very common for sponsors to sponsor sport events (114+81+161=356=77%). Respondents expect these companies to sponsor major events (55+106+258=419=91%). Based on the results, respondents suggested that their response would be strong towards sponsorship of firms they perceived to engage in large number of sponsorships. This indicates that perceived ubiquity of the sponsor is positively associated with the level of sports sponsorship response.

4.3.3.5 Sincerity of the sponsor

Four questions relating to sincerity of the sponsors were solicited from respondents on a 5-point Likert-type scale. The items were framed as statements about the sponsor's motivation (altruism versus commercial), likely behavior and respondents were asked to indicate the level of agreement with each statement. The results are reported in Table 4.6.

Table 4.6: Perceived Sincerity of the sponsor

No	Description	SD		D		M		A		SA	
		No	%	No	%	No	%	No	%	No	%
C18	The sport of soccer would benefit from this sponsorship at the grass roots level	12	2.6	17	3.7	90	19.5	126	27.3	215	46.5
C19	The main reason the sponsors would be involved in the FIFA World Cup™ is because the sponsor believes the event deserves support	21	4.5	32	6.9	70	15.2	91	19.7	246	53.2
C20	These sponsors would be likely to have the best interest of soccer at heart	135	29.2	84	18.2	89	19.3	62	13.4	90	19.5
C21	These sponsors would probably support the FIFA World Cup™ even if it had a much lower profile	167	36.1	73	15.8	102	22.1	55	11.9	62	13.4
SD= Strong Disagreement; D= Disagreement; M= Moderate Agreement; A=Agreement; SA=Strong Agreement. Sample size=462.											

Respondents believed that the main reason sponsors got involved in the FIFA World Cup™ was because the sponsor believed the event deserved support (70+91+246=407=88%). Majority of respondents believed that sponsors had the interest of soccer at heart (89+62+90=241=52%), although most of the respondents did not believe that sponsors would probably support the FIFA World Cup™ even if it had a low profile as this is portrayed by a low level of agreement by respondents (102+55+62=219=47%). The results of the analysis suggest that the stronger a respondent's perception towards the

sponsor, the more favorable would the impact on the sponsor's image be. Perceived sincerity of the sponsor was thus positively associated with the level of sports sponsorship response.

4.3.3.6 Status of the event

Perceived status of the sponsored event was measured on a six-item, 5-point Likert-type scale. The items were framed as statements about the importance and significance of the FIFA World Cup™ event locally and internationally. Respondents were asked to indicate the level of agreement with each statement. The results are reported in Table 4.7.

Table 4.7: Status of the event

No	Description	SD		D		M		A		SA	
		No	%	No	%	No	%	No	%	No	%
C22	The FIFA World Cup™ has international significance	6	1.3	7	1.5	23	5.0	103	22.3	322	69.7
C23	The FIFA World Cup™ is a significant sporting event	1	0.2	10	2.2	31	6.7	93	20.1	327	70.8
C24	The FIFA World Cup™ is important for South Africans	5	1.1	5	1.1	24	5.2	66	14.3	361	78.1
C25	The FIFA World Cup™ is watched worldwide	3	0.6	3	0.6	7	1.5	47	10.2	401	86.8
C26	The FIFA World Cup™ is important for the African continent	5	1.1	18	3.9	46	10.0	70	15.2	322	69.7
C27	The FIFA World Cup™ is important for millions of children in Africa	21	4.5	27	5.8	69	14.9	58	12.6	286	61.9
SD= Strong Disagreement; D= Disagreement; M= Moderate Agreement; A=Agreement; SA=Strong Agreement. Sample size=462.											

Majority of the respondents were in agreement that the 2010 FIFA World Cup™ was a significant sporting event (31+93+327=451=98%), had an international importance (23+103+322=448=97%) and it was watched worldwide (7+47+401=455=98%). They reported that the FIFA World Cup™ was important to South Africans (24+66+361=451=98%), important for the African continent (46+70+322=438=95%) and for millions of children in Africa

(69+58+286=413=89%). The results from the analysis suggest that special high status events such as the 2010 FIFA World Cup™ receive high consideration from the respondents. The results suggest that perceived status of the sponsored event will be positively associated with sports sponsorship response.

4.3.3.7 Favorability (attitude) towards sponsors

Favourability (attitude) towards sponsors was captured on a five-item, 5-point Likert-type scale. The items were framed as statements about respondents' favourability toward the sponsor and respondents were asked to indicate the extent to which they believe sponsorship of the 2010 FIFA World Cup™ event by a particular sponsor will affect their attention to the sponsors. The results are illustrated in Table 4.8.

Table 4.8: Attitude towards sponsors

No	Description	SD		D		M		A		SA	
		No	%	No	%	No	%	No	%	No	%
C28	The FIFA World Cup™ sponsorship makes me feel more favourable towards the sponsors	10	2.2	34	7.4	186	40.3	129	27.9	102	22.1
C29	The FIFA World Cup™ sponsorship would improve my perceptions of the sponsors	15	3.2	44	9.5	166	35.9	140	30.3	95	20.6
C30	The FIFA World Cup™ sponsorship would make me like the sponsor more	25	5.4	61	13.2	158	34.2	126	27.3	90	19.5
C31	I have a favourable image towards the FIFA World Cup™ sponsors	13	2.8	63	13.6	150	32.5	121	26.2	113	24.5
C32	Companies that sponsored the FIFA World Cup™ are financially successful	3	0.6	10	2.2	56	12.1	97	21.0	292	63.8
SD= Strong Disagreement; D= Disagreement; M= Moderate Agreement; A=Agreement; SA=Strong Agreement. Sample size=462.											

Majority of respondents agreed that FIFA World Cup™ sponsorship made them feel more favourable towards the sponsors (186+129+102=417=90%). The 2010 FIFA World Cup™ sponsorship improved respondents' perceptions towards sponsors (166+140+95=401=87%) and showed greater propensity to like the sponsors (158+126+90=374=81%). The respondents agreed that they had favourable image towards companies that sponsored the FIFA World Cup™ (150+121+113=384=83%) and the majority believed that successful companies sponsored the FIFA World Cup™ (56+97+292=445=96%). The results of the analysis suggest that the stronger a respondent's favourability towards the sponsor, the more positive will the perception towards the sponsor's image be. The results suggest that, favourability (attitude) towards the sponsor of a particular event will be positively associated with respondents' perceptions of the sponsor and sports sponsorship response.

4.3.3.8 Interest and purchase intentions

Six questions regarding respondents interest and purchase intentions were solicited from respondents. The items were framed as statements about respondents' behavioural intentions towards the FIFA World Cup™ sponsors products and respondents were asked to indicate the extent to which they believed sponsorship of the 2010 FIFA World Cup™ event by a particular sponsor will affect their attention to the sponsors and its other promotions. The items for these scales are listed in Table 4.9.

Table 4.9: Interest and purchase intentions

No	Description	SD		D		M		A		SA	
		No	%	No	%	No	%	No	%	No	%
C33	The FIFA World Cup™ sponsorships would make me likely to notice the sponsor's name on other occasions	25	5.4	71	15.4	111	24.0	93	20.1	160	34.6
C34	The FIFA World Cup™ sponsorships would make me likely to pay attention to the sponsor's advertising	36	7.8	69	14.9	126	27.3	90	19.5	139	30.1

No	Description	SD		D		M		A		SA	
	Interest and purchase intentions	No	%	No	%	No	%	No	%	No	%
C35	The FIFA World Cup™ sponsorships would make me likely to remember the sponsor's promotion	29	6.3	77	16.7	111	24.0	100	21.6	143	31.0
C36	These sponsorships would make me more likely to use the sponsor's product	123	26.6	78	16.9	84	18.2	79	17.1	96	20.8
C37	These sponsorships would make me more likely to consider these company's products the next time I buy	122	26.4	85	18.4	67	14.5	89	19.3	96	20.8
C38	I would more likely to buy from these sponsors as a result of their sponsorship	142	30.7	83	18.0	81	17.5	71	15.4	81	17.5

SD= Strong Disagreement; D= Disagreement; M= Moderate Agreement; A=Agreement; SA=Strong Agreement. Sample size=462.

Most respondents believed that the FIFA World Cup™ made them recognise sponsors names on other occasions ($111+93+160=364=79\%$), paid attention to the sponsor's advertising ($126+90+139=355=77\%$) and were likely to remember the sponsor's promotion ($111+100+143=354=77\%$). Majority of the respondents indicated that they were more likely to use the sponsor's product ($84+79+96=259=56\%$), consider the company's products the next time they buy ($67+89+96=252=55\%$) and were more likely to buy from sponsors because of their sponsorship ($81+71+81=233=50\%$). The results of the analysis suggest that promotional awareness and personal liking of sponsors will make respondents more likely to support the sponsors by purchasing their products. That is, positive attitude towards the sponsor will be positively associated with interest and purchase intentions of sponsors' products.

4.4 DESCRIPTIVE ANALYSIS: 2010 FIFA WORLD CUP™ SPONSORSHIP KNOWLEDGE (SECTION D)

This section sought to ascertain respondents' knowledge regarding sponsorship relating to the rights of 2010 FIFA World Cup™ sponsors. Table

4.10 reports that approximately half (56%) of the total number of respondents were knowledgeable about 2010 FIFA World Cup™ sponsorship.

Seventy percent of the respondents recognised that FIFA World Cup™ logo was an official logo that could not be used by any company during the FIFA Soccer World Cup™ games. However, only 260 (57%) of the sample responded correctly when asked about broadcast rights associated with sponsorship.

The results indicate that there was much more confusion with regard to advertising during the 2010 FIFA World Cup™ telecast such that respondents believed that whoever advertised during the telecast was an official sponsor. This indicates that the use of advertising during the event could be a very effective ambush tactic (Shani & Sandler, 1998:376). Lyberger and McCarthy (2001:134) opine that it was important and beneficial for sport properties to integrate TV-ad purchases into sponsorship packages in order to protect and raise awareness of official sponsors. Only 131 (29%) correctly identified the level of financial support that official partner provides. The results indicate that respondents could not make a distinction between the level of financial contribution and status of official partners and official sponsors.

Finally, over half of the respondents 312 (68%) recognised that corporations did attempt the practice of ambushing at the event. Although moderate levels of knowledge were identified, the disparity in the responses from high 324 (70%) to a low 131 (29%) indicated that consumer confusion existed regarding sponsorship of the event.

Table 4.10: 2010 FIFA World Cup™ sponsorship knowledge among respondents






Statements on sponsorship knowledge		Correct responses (%)	Correct responses	N
D1	The FIFA World Cup™ logo could be used by any company during the FIFA Soccer World Cup games	70%	No	324
D2	Only commercials of FIFA World Cup™ sponsors could be shown	57%	No	260



















	during the FIFA World Cup™ telecast			
D3	Companies that are official sponsors of the FIFA Soccer World Cup™ provide a higher level of financial support than companies that are official partners	29%	No	131
D4	Some companies try to present themselves as official sponsors without paying a fee to be official sponsors.	68%	Yes	312

4.5 SPONSORSHIP RECOGNITION (AIDED RECALL –SECTION E)










This section was designed to measure recognition (aided recall) of official sponsors of the 2010 FIFA World Cup™ in South Africa in the various products/service categories provided. A list of companies' categories is shown in Table 4.11. Dummy sponsors/non-official sponsors were added to the list of company/brand or logos (Pitts & Slattery, 2004:44). Recognition study required the respondents to choose a company from a list of potential sponsors by indicating a "Yes" or a "No" next to the company/brand or logo. Table 4.11 demonstrates the level of recognition with regard to the official sponsors.

Table 4.11: Sponsorship recognition

Major product/ Service categories of companies	Sponsors/non- sponsors	Official Sponsor Yes/No	Correct responses N	Correct Response s %	Incorrect responses N	Incorrect responses %
E1 Airlines		Yes	75	16	387	84
		No	249	54	213	46
		No	386	83	76	17
E2 Alcoholic drinks (beer)		No	236	51	226	49
		Yes	238	52	224	48

Major product/ Service categories of companies	Sponsors/non- sponsors	Official Sponsor Yes/No	Correct responses N	Correct Response s %	Incorrect responses N	Incorrect responses %
		No	384	83	78	17
		No	242	52	220	48
E3 Athletic gear/s		No	281	61	181	39
		No	351	76	111	24
		Yes	435	94	27	6
E4 Soft-drinks		No	357	77	105	23
		Yes	451	98	11	2
E5 Automobiles		No	347	75	115	25
		Yes	294	64	168	36
		Yes	138	30	324	70
E6 Fast foods		No	356	77	106	23
		No	401	87	61	13
		Yes	427	92	35	8
E7 Financial services (banks)		No	147	31	315	69
		No	181	39	281	61
		Yes	385	83	77	17
E8 Lubricants		No	346	75	116	25
		Yes	212	46	250	54

Major product/Service categories of companies	Sponsors/non-sponsors	Official Sponsor Yes/No	Correct responses N	Correct Responses %	Incorrect responses N	Incorrect responses %
		No	334	72	128	28
E9 Multi-media services		Yes	339	73	123	27
		No	323	70	139	30
		No	322	70	140	30
E10 Credit cards		No	322	70	140	30
		Yes	371	80	91	20
		No	428	92	34	8
E11 Tyres (and flat-run systems)		No	448	97	14	3
		No	414	90	48	10
		Yes	256	55	206	45
E12 Mobile phones		Yes	440	95	22	5
		No	266	56	196	44
		No	422	91	40	9
E13 Food suppliers		Yes	146	31	316	69
		No	428	93	34	7
E14 Energy providers		Yes	128	28	334	72
		No	405	88	57	12
E15		Yes	144	31	318	69

Major product/ Service categories of companies	Sponsors/non- sponsors	Official Sponsor Yes/No	Correct responses N	Correct Response s %	Incorrect responses N	Incorrect responses %
Fuel		No	361	78	101	22
		No	336	72	126	28
E16 Fan Parks (Fan Fest/ outdoor entertainment)		No	443	96	19	4
		Yes	143	31	319	69
E17 Energy		Yes	152	33	310	67
E18 Telecommunica- tions/network		Yes	396	86	66	14
		No	413	89	49	11
E 19 Transport		Yes	110	24	352	76
		No	334	72	128	28

4.5.1 Summary of correctly identified sponsors













The companies/brands associated with the 2010 FIFA World Cup™ event were organised in clusters. Firstly, there were FIFA Partners for the 2010 FIFA World Cup™: Adidas, Emirates, Sony, Coca-Cola, Hyundai/Kia and Visa. Secondly, were the FIFA World Cup™ sponsors: Budweiser, Castrol, Continental, MTN, Satyam, Seara, Yingu Solar and McDonald's. Finally, the FIFA National Supporters: British Petroleum (BP), Fist National Bank (FNB), Neo Africa, Aggreko, Prasa and Telkom.









As reported in Table 4.12, the results revealed that in the FIFA Partners category Coca-Cola (98%) achieved the highest recognition followed by Adidas (94%), Visa (80%), Sony (73%) and Hyundai (64%) while Emirates achieved a very low recognition as compared to other brand in their category. In the FIFA World Cup™ sponsors category, MTN and McDonald's achieved the highest recognition with MTN (95%) and McDonald's (92%). Continental and Budweiser ranged in the closely same recognition level respectively (55%

& 52%) followed by Castrol (46% and Seara (32%). Satyam and Yingu Solar obtained a relatively low recognition with Satyam (30%) and Yingu Solar (28%).

Finally, in the FIFA National Supporters category, FNB and Telkom gained high recognition level with FNB attaining (83%), Telkom (86%). BP, NeoAfrica and Aggreko recognition rates ranged from 31%, 31% and 33%. Prasa (24%) obtained the lowest recognition.

Table 4.12: 2010 FIFA World Cup™ sponsors recognition

Levels of sponsorship	Sponsors	Number identified	% identified
FIFA Partners		75	16%
		339	73%
		435	94%
		451	98%
		294	64%
		371	80%
FIFA World Cup™ Sponsors		427	92 %
		128	28 %
		212	46%
		138	30%
		238	51%
		256	55%

Levels of sponsorship	Sponsors	Number identified	% identified
		440	95%
		146	32%
FIFA National Supporters		385	83%
		144	31%
		143	31%
		152	33%
		396	86 %
		110	24%

4.6 CONSUMERS' PERCEPTIONS TOWARD AMBUSH MARKETERS (SECTION F)

This section measured the perceptual attitudes towards ambush marketing practices related to the non-official sponsors of 2010 FIFA World Cup™. Event organisers often urge the public to support official sponsors. Furthermore, event organisers should increase consumer awareness about the existence and possible impact ambushers might have on the FIFA World Cup™ (Shani & Sandler, 1998:378). This will create a negative environment for the practice of ambush marketing.

Table 4.13 presents the frequency (percentages) responses of items used to measure perceptual attitudes towards ambush marketing practices related to the non-official sponsors. Items were measured on a Likert scale ranging from (strongly disagree) to (strongly agree). Agreement with an item indicated a belief in ethical sponsorship practices. Results indicated a considerable level of respondents' apathy towards the practice of ambush marketing. Only 60%

(276) of the respondents agreed that the practice of misdirecting consumers' belief is unethical and 49% (226) of the respondents showed a low opinion towards companies that associated themselves with the 2010 FIFA World Cup™ without paying for sponsorship.

In addition, 51% (237) of the respondents felt annoyed with the practice of companies associating themselves with the event without being official sponsors. The majority 257 (56%) of the respondents indicated that it was unfair to associate with the event without being an official sponsor and only 243 (53%) believed it was unethical. A total of 46% (210) of the respondents indicated a reduced inclination to purchase products from companies that exercised the practice of ambush marketing.

Table 4.13: Perceptions towards ambush marketers (Section F)

Statements of perception towards ambush marketers		Level of agreement with statement (%)	N
F1	Non-official sponsors should not lead consumers to believe that they are official sponsors	60%	276
F2	I have a low opinion of companies who associate with the 2010 FIFA World Cup™ without paying for sponsorship	49%	226
F3	I am annoyed by companies who associate with the 2010 FIFA World Cup™ without being official sponsors	51%	237
F4	I am more likely to support sponsors if it is clear that spending helps athletes	56%	259
F5	It is unfair for companies to associate themselves with the 2010 FIFA World Cup™ without being official sponsors	56%	257
F6	It is unethical for companies to associate themselves with the 2010 FIFA World Cup™ without being official sponsors	53%	243

F7	I am less likely to buy products from companies with illegitimate ties with the 2010 FIFA World Cup™	46%	210
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The next section provides an overview of the analysis through exploratory factor analysis. Section C of the questionnaire on perceptions towards the event and official sponsors was used for exploratory factor analysis in order to determine sponsorship effectiveness in the 2010 FIFA World Cup™.

4.7 EXPLORATORY FACTOR ANALYSIS (EFA): SECTION C

This section elaborates on the factor analytical procedure that was applied to the data. Factor analysis is a multivariate statistical technique that allows the researcher to examine groups of variables that tend to be correlated to each other and, thereafter, identify the underlying dimensions that explain these correlations (Malhotra 2007:609). The main purpose of using this procedure was to examine the robustness of the factor structure among the research variables. In this section, methods of extraction and naming and interpretation of factors are also discussed.

4.7.1 An overview of the factor analysis procedure used in the study

Factor analysis is a multivariate statistical technique that allows the researcher to examine groups of variables that tend to be correlated to each other and, thereafter, to identify the underlying dimensions that explain these correlations (Malhotra 2007:609). In research, there may be a large number of variables, most of which are correlated and must be reduced to a manageable number of factors (Malhotra & Birks 2007:646). For factor analysis to be appropriate, the variables must be correlated. To test the appropriateness of factor analysis, formal statistics namely, Bartlett's Test of Sphericity and the Kaiser-Meyer-Olkin (KMO) measure of sampling adequacy were used.

According to Malhotra (2010:638) Bartlett's Test of Sphericity is a test statistic used to examine the hypothesis that the variables are uncorrelated in the population. The Kaiser-Meyer-Olkin (KMO) measure of sampling adequacy is an index used to examine the appropriateness of factor analysis. High values (between 0.5 and 1.0) indicate that the factor analysis is appropriate, with factors below 0.5 implying inappropriate factor analysis.

A chi-square transformation of the matrix determinants was also undertaken in order to obtain a test statistic for Sphericity (Malhotra 2007:614). The approximate chi square for Section C was 9129.169 with 406 degrees of freedom which is significant at $p < 0.0000$. The Kaiser-Meyer-Olkin measure of sampling adequacy (KMO) was 0.920 which is considered highly satisfactory for the use of factor analysis. The Bartlett's Test of Sphericity also affirms that factor analysis is appropriate for the data set. Both the KMO and Bartlett's tests are illustrated in the Table 4.14.

Table 4.14: KMO and Bartlett's test

KMO and Bartlett's Test		
	Kaiser-Meyer-Olkin Measure of Sampling Adequacy.	.920
Bartlett's Test of Sphericity	Approx. Chi-Square	9129.169
	df	406
	Sig.	.000

4.7.2 Determining the method of factor analysis

Exploratory factor analysis was performed whereby variables were analysed using Principal Component Analysis with Varimax rotation that facilitated data reduction (Aaker *et al.*, 2004:565). Varimax rotation was also used in order to reduce the number of variables with high loadings on a factor, thereby increasing the interpretability of factors (Malhotra & Birks 2003: 582). Variable loadings of 0.5 and above were deemed appropriate (Churchill & Iacobucci 2002: 369). The Principal Component Analysis method was selected because it considers the total percentage of variance in the data as the primary concern is to determine the minimum number of factors (principal components) that will account for maximum variance in the data (Hair *et al.*, 2000:590).

4.7.3 Extraction of factors

The purpose of this phase was to examine whether or not the factors extracted form an appropriate factor structure. Three methods of extraction of

factors were used to establish the number of factors that are appropriate, namely the eigenvalues, percentage of variance and scree plot methods (Aaker *et al.*, 2004:568). These stages are discussed in the sections that follow.

4.7.4 Extraction of factors based on eigenvalues

The determination of factors to be extracted was based on eigenvalues. An eigenvalue represents the amount of variance associated with the factor. Factors with a variance greater than 1 were included. Factors with variance less than 1.0 are not considered because they are no better than a single variable (Malhotra 2010:643). The eigenvalue extraction for the study illustrated that six factors were extracted. The factors and their eigenvalues are illustrated in Table 4.15 below.

Table 4.15: Total variance explained by the factors

Component	Rotation Sums of Squared Loadings		
	Total	% of Variance	Cumulative %
1	5.629	19.411	19.411
2	3.610	12.449	31.860
3	3.294	11.358	43.218
4	3.045	10.500	53.719
5	2.891	9.971	63.689
6	1.462	5.042	68.731

4.7.5 Percentage of variance as a method of factor extraction

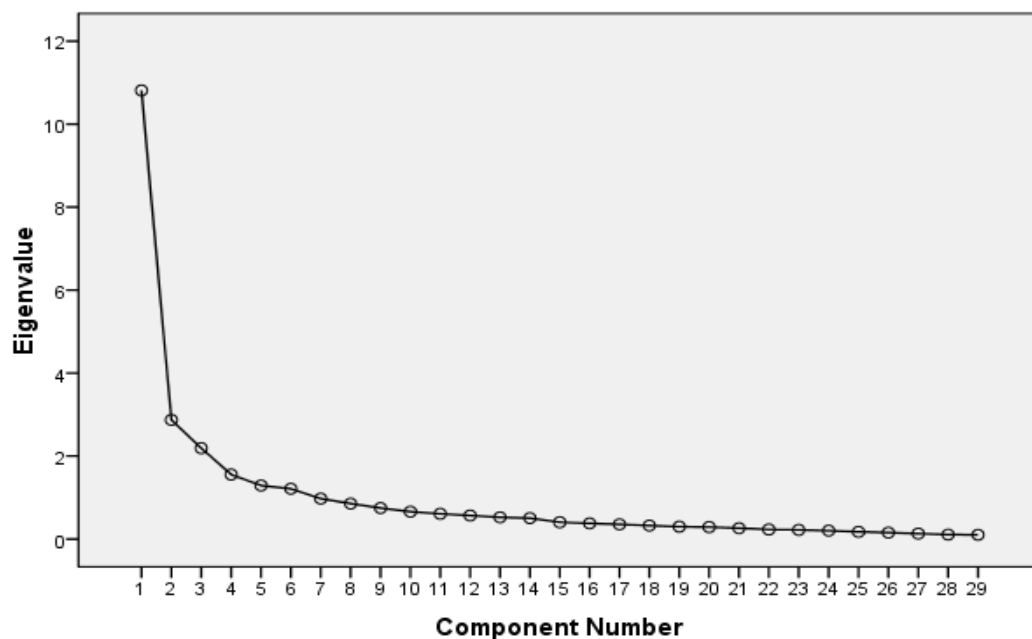
The other method of extraction used was the percentage of variance. In this approach, the number of factors extracted is determined so that the cumulative percentage of variance extracted by the factors reaches a satisfactory level (Chuck 2000:246). Malhotra (2007:654) states that a satisfactory percentage of variance should be in the region of 60% or above.

For the current study the cumulative percentage was 68.7% as reported in Table 4.15.

4.7.6 The scree plot as a method of factor extraction

A scree plot is a plot of the eigenvalues against the number of factors in order of extraction (Malhotra 2010:643). The shape of the plot is used to determine the number of factors and the plot has a distinct break between the steep slope of factors with large eigenvalues and a gradual trailing off association with the rest of the factors. The true number of factors is denoted at the point at which the scree begins. According to the scree plot six factors seem to be appropriate for the study. Figure 4.12 reveals a flattening of the scree after six factors.

Figure 4.12: Scree plot of eigenvalues: Six factors



4.7.7 Final factor structure

In the main survey of the study factor loadings of 0.50 and more were considered significant. Items C1, C3, C5, C15, C17, C18, C19 and C21 were removed from the final analysis because they reflected either low-inter-item correlations or low factor loadings. Application of the factor analysis procedure and sequential deletion of items led to six components being identified as

variables that determine perceptions towards official sponsors and the event. Table 4.16 below depicts the rotated final component matrix.

Table 4.16: Rotated factor loading matrix

	Factors and variable descriptions	Factor 1	Factor 2	Factor 3	Factor 4	Factor 5	Factor 6
	Interest and purchase intentions (Factor 1)						
C16	It is very common to see these sponsors sponsoring sport events	.695	.017	.198	.146	-.065	.111
C20	These sponsors will be likely to have the best interest of soccer at heart	.677	.041	.128	-.005	-.014	.354
C33	The FIFA World Cup™ sponsorships will make me likely to notice the sponsor's name on other occasions	.716	.241	.168	.108	.310	-.146
C34	The FIFA World Cup™ sponsorships will make me likely to pay attention to the sponsor's advertising	.729	.229	.152	.152	.373	-.122
C35	The FIFA World Cup™ sponsorships will make me likely to remember the sponsor's promotion	.735	.217	.189	.124	.364	-.132
C36	These sponsorships will make me more likely to use the sponsor's product	.830	.130	.140	.067	.278	.102
C37	These sponsorships will make me more likely to consider these company's products the next time I buy	.848	.122	.152	.058	.271	.041
C38	I will be more likely to buy from these sponsors as a result of their sponsorship	.812	.137	.104	.038	.288	.075
	Personal liking for the event (Factor 2)						
C6	I am a strong supporter of the FIFA World Cup™	.206	.755	.184	.127	.159	.068
C7	I wanted to attend the FIFA World Cup™	.168	.799	.179	.069	-.006	-.027
C8	I enjoyed following the coverage of the FIFA World Cup™	.170	.811	.234	.112	.120	-.014
C9	The FIFA World Cup™ games is important to me	.148	.689	.211	.256	.258	.085
C10	I had pleasant experiences watching the FIFA World Cup™ games	.010	.747	.138	.169	.140	-.036

	Factors and variable descriptions	Factor 1	Factor 2	Factor 3	Factor 4	Factor 5	Factor 6
	Attitude towards the sponsor (Factor 3)						
C11	My attitude towards the sponsors was: Bad-good	.244	.266	.777	.102	.170	.012
C12	My attitude towards the sponsors was: Dislike- like	.185	.223	.843	.106	.164	.054
C13	My attitude towards the sponsors was: Unpleasant-pleasant	.201	.239	.835	.112	.165	-.018
C14	My attitude towards the sponsors was: Unfavourable-favourable	.217	.237	.816	.119	.165	.094
	Status of event (Factor 4)						
C22	The FIFA World Cup™ has international significance	.120	.132	.133	.675	-.066	-.052
C23	The FIFA World Cup™ is a significant sporting event	.169	.286	.148	.660	-.044	.006
C24	The FIFA World Cup™ is important for South Africans	-.132	.048	.006	.678	.179	.060
C25	The FIFA World Cup™ is watched worldwide	-.055	.059	.027	.633	.113	-.012
C26	The FIFA World Cup™ is important for the African continent	.210	.095	.049	.736	.144	.102
C27	The FIFA World Cup™ is important for millions of children in Africa	.320	.082	.095	.621	.185	.142
	Favourability towards sponsors (Factor 5)						
C28	The FIFA World Cup™ sponsorship makes me feel more favourably disposed towards the sponsors	.327	.199	.222	.108	.724	.078
C29	The FIFA World Cup™ sponsorship would improve my perceptions of the sponsors	.353	.208	.151	.180	.669	.095
C30	The FIFA World Cup™ sponsorship would make me like the sponsor more	.293	.093	.167	.167	.775	.055
C31	I have a favourable image towards the FIFA World Cup™ sponsors	.397	.220	.282	.157	.601	.063

	Factors and variable descriptions	Factor 1	Factor 2	Factor 3	Factor 4	Factor 5	Factor 6
	Sponsor-event fit (Factor 6)						
C2	The image of the FIFA World Cup™ and the image of the sponsors are similar	-.050	.064	.018	.030	.058	.787
C4	The sponsors and the FIFA World Cup™ stand for similar things	.212	-.056	.056	.106	.076	.740
Extraction Method: Principal Component Analysis. Rotation Method: Varimax with Kaiser Normalization. Rotation converged in 6 iterations.							

These factors were construed and named in the sections which follow.

4.7.8 Naming and interpretation of factors

Factor one, labelled *interest and purchase intentions* comprised eight variables and accounted for 19.41% of the variance. The items that loaded onto the factor related mainly to the level of interest towards the 2010 FIFA World Cup™ that determined respondents purchase intentions towards official sponsors products. Researchers argue that the more highly involved spectators are the more likely they will be to support the sponsors by purchasing their products (Pitts 1998:15). Consistent with literature on interest and purchase intentions, fans' purchase of merchandise may be due to in part to their superior knowledge of the sport product or desire to be affiliated or identified with the sport, team or players (Dees, Bennett & Villegas 2008:87). According to Russ (2006:52) football supporters perceived that World Cup™ sponsorship does not influence their purchase intentions but might have a subconscious impact and increase their brand awareness. The rotated factor loading on interest and purchase intentions factor is reported in Table 4.17.

Table 4.17: Interest and purchase intentions

VARIABLE	VARIABLE DESCRIPTION	FACTOR LOADING
Q16	It is very common to see these sponsors sponsoring sport events	0.695
Q20	These sponsors would be likely to have the best interest of soccer at heart	0.677

VARIABLE	VARIABLE DESCRIPTION	FACTOR LOADING
Q33	The FIFA World Cup™ sponsorships will make me likely to notice the sponsor's name on other occasions	0.716
Q34	The FIFA World Cup™ sponsorships will make me likely to pay attention to the sponsor's advertising	0.729
Q35	The FIFA World Cup™ sponsorships will make me likely to remember the sponsor's promotion	0.735
Q36	These sponsorships will make me more likely to use the sponsor's product	0.830
Q37	These sponsorships will make me more likely to consider these company's products the next time I buy	0.848
Q38	I will be more likely to buy from these sponsors as a result of their sponsorship	0.812

The second factor labelled ***personal liking for the event*** comprised five variables and accounted for 12.44% of the variance. The items loaded onto this factor related to the fans/followers/supporters personal liking for the event (2010 FIFA World Cup™ in South Africa). Personal liking for the event is a construct that taps into the benefits that individual respondents receive directly from the sporting event. D'Astous and Bitz (1995:9) revealed that respondents who perceived the sponsored event to be attractive and interesting believed it would have a stronger impact on the perceptions of the sponsor's image and products. Sponsors may benefit from "gratitude" from those fans that have a strong liking for the event (Crimmins & Horn 1996:17) and their attraction to the event can strengthen the sponsor's image. The variables that comprised personal liking for the event are illustrated in Table 4.18.

Table 4.18: Personal liking for the event

VARIABLE	VARIABLE DESCRIPTION	FACTOR LOADING
Q6	I am a strong supporter of the FIFA World Cup™	0.755

Q7	I wanted to attend the FIFA World Cup™	0.799
Q8	I enjoyed following the coverage of the FIFA World Cup™	0.811
Q9	The FIFA World Cup™ games are important to me	0.689
Q10	I had pleasant experiences watching the FIFA World Cup™ games	0.747

The third factor, ***attitude towards the sponsor*** comprised four variables and accounted for 11.36 percent of the variance. Table 4.19 provides a description of the variables that comprise the factor.

A review of literature shows that level of prior knowledge and strength of opinions respondents hold about the sponsor will determine the type of attitude respondents have towards sponsor (Speed & Thompson 2000:232). Highly involved fans and those displaying positive attitudes toward the sponsor are not necessarily the consumers that are most likely to support the company at the event (Dees *et al.*, 2008:86). The goodwill or attitude variable had the most impact on consumers' intentions to support the sponsors. Alexandris, Tsaousi and James (2007:137) are of a view that individuals who had a positive attitude toward sponsors were more likely to express positive purchase intentions.

Table 4.19: Attitude towards the sponsor

VARIABLE	VARIABLE DESCRIPTION	FACTOR LOADING
Q11	My attitude towards the sponsors was: Bad-good	0.777
Q12	My attitude towards the sponsors was: Dislike-like	0.843
Q13	My attitude towards the sponsors was: Unpleasant-pleasant	0.835
Q14	My attitude towards the sponsors was: Unfavourable-favourable	0.816

The fourth factor labelled ***status of event*** constitutes 10.50% of the variance. Table 4.20 provides a description of the variables that comprise the factor. The status of a sponsored event is a construct that taps into benefits that individual respondents receive indirectly from the sporting event and that a respondent may receive without any personal liking for the event (Speed & Thompson 2000:231). Stipp and Schiavone (1996:23) suggest that a special high status event such as Soccer World Cup™ creates opportunities for sponsors because the audience has a high regard for the event. Attitude toward the event reflects a consistently favorable or unfavorable response to an event (Lee *et al.*, 1997:163).

Table 4.20: Status of event

VARIABLE	VARIABLE DESCRIPTION	FACTOR LOADING
Q22	The FIFA World Cup™ has international significance	0.675
Q23	The FIFA World Cup™ is a significant sporting event	0.660
Q24	The FIFA World Cup™ is important for South Africans	0.678
Q25	The FIFA World Cup™ is watched worldwide	0.633
Q26	The FIFA World Cup™ is important for the African continent	0.736
Q27	The FIFA World Cup™ is important for millions of children in Africa	0.621

The fifth factor labelled ***favourability towards sponsors*** comprised four variables and accounted for 9.971% of the variance. High status events sponsors are favorably regarded by respondents for their support for such events (Barros, De Barros, Santos & Chadwick 2007:169). McDonald (1991:33) states that, the more respondents become aware that a certain company is a sponsor of a high status event the more favorable they become towards that particular sponsor. The variables that comprised favourability towards sponsors are illustrated in Table 4.21.

Table 4.21: Favourability towards sponsors

VARIABLE	VARIABLE DESCRIPTION	FACTOR LOADING
Q28	The FIFA World Cup™ sponsorship makes me feel more favourable towards the sponsors	0.724
Q29	The FIFA World Cup™ sponsorship will improve my perceptions of the sponsors	0.669
Q30	The FIFA World Cup™ sponsorship will make me like the sponsor more	0.775
Q31	I have a favourable image towards the FIFA World Cup™ sponsors	0.601

The sixth factor, ***sponsor-event fit*** comprised two variables and accounted for 5.04 percent of the variance. Sponsorship researchers have highlighted the importance of the link or the fit between the sponsor and the sponsored event (Crimmins & Horn 1996:14; Stipp & Schiavone 1996:25). Russ (2006:46) states that football supporters agree that sponsor-event fit has a positive impact on sponsorship effectiveness. Increasing the fit between the sponsor and event will increase the response to the sponsorship arising from personal liking, perceived status and attitude towards the sponsor (Speed & Thompson 2000:234). Table 4.22 provides a description of sponsor-event fit.

Table 4.22: Sponsor-event fit

VARIABLE	VARIABLE DESCRIPTION	FACTOR LOADING
Q2	The image of the FIFA World Cup™ and the image of the sponsors are similar	0.787
Q4	The sponsors and the FIFA World Cup™ stand for similar things	0.740

The study proceeded with the establishment of the reliability of the measuring instrument with reference to the interest and purchase intentions, personal liking of the event, attitude towards the sponsor, status of event, favourability towards sponsors and sponsor-event fit.

4.8 RELIABILITY ANALYSIS

To ascertain reliability, Cronbach alpha was calculated in the main survey for section C. Table 4.23 provides an overview of the reliability value for the six dimensions of perceptions towards official sponsors and the event. The reliability values for five of the six perception dimensions were satisfactory as they were above the benchmark level of 0.60 (Zikmund & Babin 2007:320). However, the reliability of the sponsor-event fit dimension was unsatisfactory. This dimension was included as Speed and Thompson (2000:227) identified that this dimension is an important aspect of sponsorship and may possibly have a direct impact on brand image and brand equity. A plausible reason for a low reliability value may be attributed to the notion that alcohol sponsorship (Budweiser in this case) is an inappropriate sponsor for sport events, considering the devastating effects alcohol has had on society and the number of children that may have followed the Soccer World Cup™. In addition, research undertaken by Russ (2006:17) revealed that sponsor/event fit is relatively subjective.

Table 4.23: Item reliability analysis

FACTORS	Number of items	Cronbach Alpha
Section C – Perceptions towards official sponsors		
Interest and purchase intentions	8	0.933
Personal liking for the event	5	0.877
Attitude towards the sponsor	4	0.926
Status of event	6	0.778
Favourability towards sponsors	4	0.877
Sponsor-event fit	2	0.503
Section F- Perceptions towards ambush marketers		
Perceptions scale	7	0.864

4.9 VALIDITY ANALYSIS

Different forms of research validity were assessed using a variety of measures. The following sections will highlight the types of research validity and the assessment techniques which were applied to justify the findings of this study.

4.9.1 Content and construct validity

Content validity was ascertained by pre-testing the questionnaire and through a review of the questionnaire by the supervisor and two academics in sport management and the statistician. The pilot-testing stage was undertaken to establish which changes had to be made to the questionnaire concerning the removal of items, addition of items, rewording and rephrasing of questions. The responses received from the pilot study are in line with the responses measured by the instrument for the main survey. Construct validity was ascertained through the computation of Cronbach alpha for the perceptions towards official sponsors scale.

4.9.2 Convergent validity

To assess convergent validity, a measurement of every item was restricted to loadings of factors and the underlying factors were allowed to correlate. Pearson's correlation coefficients were computed in order to examine the association among the six factors relating to perceptions of official sponsors. The results are presented in Table 4.24. The correlations among the six factors were positive ranging from $r = 0.129$ to $r = 0.681$ at $p < 0.01$ level of significance. Positive and significant loadings were taken as evidence of convergent validity.

Table 4.24: Correlations among factors – perceptions of official sponsors

	Factor 1	Factor 2	Factor 3	Factor 4	Factor 5	Factor 6
Factor 1	1	.427**	.498**	.355**	.681**	.192**
		.000	.000	.000	.000	.000
Factor 2		1	.555**	.409**	.494**	.072

			.000	.000	.000	.126
Factor 3			1	.340**	.534**	.129**
				.000	.000	.005
Factor 4				1	.421**	.172**
					.000	.000
Factor 5					1	.198**
						.000
Factor 6						1
**. Correlation is significant at the 0.01 level (2-tailed).						

4.9.3 Discriminant validity

The multivariate technique of factor analysis was used to assess discriminant validity of the instrument. Section C of the instrument was subjected to an exploratory factor analysis procedure. Factor analysis was done through Principal Component Analysis using Varimax rotation. The eigenvalues, total percentage of variance and scree plots were used to determine the number of factors to be extracted. These factors were identified by an iterative process of deleting items that did not load higher than 0.50 on any factor. The component matrixes that emerged from the factor analysis procedures for each section are depicted in Table 4.4 of this study. The factor loading matrix indicates that the six constructs loaded into six distinct dimensions (factors) with no cross-loadings, thus providing evidence of discriminant validity.

4.10 SYNOPSIS

In this chapter the emphasis was placed on the empirical results of the study. This entailed a detailed discussion of the pilot study and how the research instrument was purified. Descriptive analysis was undertaken in order to establish unaided and aided recall of official and unofficial sponsors in order to determine sponsorship effectiveness in the 2010 FIFA World Cup™.

To refine the scale, items with low correlations and those with multiple loadings were discarded. Loadings that were considered insignificant (<0.50)

were also removed in order to arrive at a refined scale. Application of the factor analysis procedure and sequential deletion of items led to six components being identified as variables that determine perceptions towards official sponsors and the event.

Validity and reliability assessment procedures were also performed, with reliability of scales computed and established using the Cronbach Alpha values for section C and F. Content, construct, convergent and discriminant validity was also established.

In the final chapter an overview of the study is provided. The theoretical and empirical objectives were re-visited in order to establish the attainment of the objectives. The conclusions, limitations and recommendations emitted from the study will also be discussed in the next chapter, as well as implications for future research.

CHAPTER 5

CONCLUSION, LIMITATIONS AND RECOMMENDATIONS

5.1 INTRODUCTION

The previous chapter reported on the results and analysis of empirical findings of the study. This chapter aims to evaluate the major findings with regard to the research objectives with a view to highlighting some key conclusions. Figures and tables were utilized to report on the empirical findings. Recommendations, limitations and implications for future research are also provided.

5.2 OVERVIEW OF THE OBJECTIVES OF THE STUDY

The primary purpose of this study was to determine the effectiveness of sponsorship through consumer recall, recognition and perceptions of official sponsorship and ambush marketing in the 2010 FIFA World Cup™ in South Africa. In order to fulfill this purpose, sport sponsorship was discussed providing definitions, growth, types and objectives of sponsorship.

Factors influencing sponsorship choice were discussed. These included relevance of the sponsorship, length of impact, uniqueness of the sponsorship and event, spin-off promotion and compatibility of the sponsor's overall promotional objectives and sponsorship effectiveness.

Despite the huge amounts of money spent on sponsorship and sport sponsorship in particular, there is a scarcity of research available regarding sponsorship practices within the South African context. Research done locally as well as internationally regarding sport sponsorship focused on establishing, determining and evaluating sponsorship objectives (Abratt & Grobler 1989: 355). The study focused on sport sponsorship concentrating on the sponsorship of mega events and the 2010 FIFA World Cup™ in particular. This study found that fans accept sponsorship and commercialization as important tools, which have to be accepted in order to be able to organise major tournaments such as the World Cup™. However, there are limits and if commercialization has a negative impact on the event itself, it will have a

negative impact on sponsorship effectiveness. Sponsors and ambushers carried out fierce battles during the World Cup™ because nearly every advertisement flighted on television employs images that are somehow connected to football, although FIFA implemented strict rules to prevent ambush marketing.

The sections that follow provide an outline of how the theoretical and empirical objectives were attained within the scope of the study.

5.2.1 Theoretical objectives

The theoretical objectives for this study were attained through analysis of relevant literature. The following theoretical literature objectives were set at the beginning of the study:

- Conduct a literature review on sport sponsorship;
- Conduct a literature review on ambush marketing; and
- Conduct a review of literature on sponsorship effectiveness through consumer recall and recognition of official sponsors and ambush marketers.

The **first theoretical objective** was addressed in section 2.2 where an overview on sport and event sponsorship was provided. It is evident from the literature review that there has been a worldwide increase in sponsorship expenditure over the years.

The **second theoretical objective** was discussed in section 2.3 from a literature review perspective. It was found that major global events such as the Olympic Games and the Soccer World Cup™ provide fertile ground for ambushing (Payne 1998:324).

With reference to the **third theoretical objective**, sponsorship effectiveness through consumer recall and recognition of official sponsors and ambush marketers was reviewed under section 2.2.6.

5.2.2 Empirical objectives

The following empirical objectives were formulated to support the primary and theoretical objectives:

- To determine the effectiveness of sport sponsorship through levels of consumer recall and recognition of official sponsors compared to ambush marketers; and
- To establish consumer perceptions of official sponsorship and ambush marketers.

With reference to empirical **objective number one**, consumer unaided and aided recall tests were conducted immediately following the event in an attempt to quantify consumers' knowledge of official sponsors and other companies not involved as sponsors in order to establish the effects of ambush marketing. Conclusions based on unaided recall were drawn on statistical findings in section 4.3.2 of this study.

Out of 20 sponsors, three percent (n=14) of the respondents recalled ten official sponsors of the event. The breakdown of unaided recall is illustrated in Table 4.1. Based on the unaided recall analysis, it may be concluded that ambush marketing has proved to be dangerous for official sponsors and the increase of sponsors' awareness levels on consumers is an immense challenge for sponsorship-linked marketing.

It is evident that only Adidas, Coca-Cola, Mc Donald's, Visa, MTN, FNB and Telkom achieved high levels of recognition while less than half of the FIFA World Cup™ sponsors attained low levels of recognition. Out of 20 sponsors, only eight sponsors received less than 40% level of recognition, namely Emirates, Yingu Solar, Mahindra Satyam, Seara, Ultimate BP, Neo Africa, Aggreko and Prasa. Considering the huge amounts companies had to pay in order to acquire the sponsorship rights, it is doubtful if this investment was worth the effort for some of the sponsors.

The high frequency of inaccurate responses through unaided recall suggests that there was confusion in the minds of respondents regarding who were official sponsors of the 2010 FIFA World Cup™. This has serious implications for both marketers and sponsors regarding the effectiveness of sponsorship as a marketing communication tool. This may work to the advantage of ambush marketers who could effectively use the confusion in consumers' minds to market their products and brands. Possible reasons for the

inaccurate responses could be attributed to the fact that the World Cup™ is a once-off event that attracts individuals because of the novelty of the event and the multiple distractions that are associated with the event. This belief is supported by Wright (1988:106) who contends that consumers find it difficult to remember brief advertisements presented to them in distracting situations, which inhibit recipients' abilities to think about messages. In a study by Bennett (1999:306) on spectators recall and false consensus it was revealed that the frequency of exposure to a brand considerably increases the likelihood of that brand being recognised by the consumer. The inaccurate responses may also have implications for future purchase intentions of the product since a recall level of awareness could be a determining factor in the purchase decision (Meyers-Levy & Maheswaran 1991:69).

However, in some instances a genuine misattribution of sponsorship occurred, thus demonstrating that ambush effects can occur without premeditation, benefiting successful firms involved in the same product category as the official sponsors (Quester 1997:17). A number of dummy/or non-official sponsors received high recognition as official sponsors namely, British Airways, Nandos, Cell C, American Express and Sasol. It may also be that despite no recorded attempts by these companies to ambush the event in any way, consumers exposed to peripheral advertisements and/or media coverage of these non-sponsor names may have become confused into believing in the involvement of these companies in the event. Some fans seem to consider ambush marketing as unfair but they do not have negative attitudes towards ambushers because they cannot identify them (Russ 2006: 72).

With regard to the **empirical objective two**, consumers' perception of official sponsorship showed a positive association between the sponsors and the event. This was reported in section 4.6 and section 4.7 in chapter 4 which described the descriptive analysis and a factor analysis procedure that was undertaken. Consumers' perception towards ambush marketers was reported in section 4.6 of the study.

This study revealed that sponsorship recall is enhanced by aided recall and prior knowledge of the sponsor. The responses with regard to aided recall

suggest that consumers were able to recognise brands that were housed and marketed in South Africa. Brands such as Seara, Yingu Solar, Satyam, NeoAfrica, Aggreko and Prasa are relatively unknown brands in South Africa – therefore they were not easily recognised by the respondents. From a marketing perspective the question arises whether it is feasible for foreign-based companies such as Emirates and Mahindra Satyam to invest in sponsorship ventures, which are unlikely to achieve the desired results i.e. to reach consumers through their “hearts and minds”, presenting sponsors with opportunity to promote their companies and brands (Nicholls *et al.*, 1999:365). These companies did not advertise widely in the local South African market. However, because the 2010 FIFA World Cup™ had a worldwide impact, this does not mean that global brands failed to achieve their objectives elsewhere in the world (Barros *et al.*, 2007:164). It is possible that they could have been playing to a much wider audience, in much stronger markets than that of the host country (Dhurup, Surujlal & Rabale 2011:228).

The relationship between recall and recognition of official sponsors and ambush marketers can be determined by the effect of time on sponsorship awareness. Consumers’ knowledge of sponsors improves accuracy of recall and recognition over the period of time measured (Pitt & Slattery 2004:44). The consumers’ reaction on recall and recognition depends on the context in which the exposure of the sponsor occurred.

An interesting revelation was that most consumers were able to recall brands that were global, mass-marketed and consumer-oriented such as Coca-Cola and McDonald’s. This may be partially due to the fact that during the event they were intensively engaged in advertising their sponsorship in the 2010 FIFA World Cup™.

5.3 RECOMMENDATIONS

Based on the findings of this study and a review of relevant literature, several recommendations are made for South African sport sponsorship managers and sport event organisers. This study appears to indicate that established brands are recalled and recognised more easily than un-established brands. For example, top national brands like Coca-Cola, MTN and Adidas were

recognised 90% to 98% of the time. On the other hand, un-established brands like Seara, Prasa and Emirates were recognised only to the extent of about 15% to 30%. Hence, it is recommended that companies continue to sponsor major events in order to increase their product and brand awareness.

It is recommended that sponsorship managers and event organisers should develop sponsorship packages that will enhance opportunities for sponsors to activate or leverage the sponsorship. Doing so will allow consumers to identify with the event sponsor's products and brands and perhaps create the likelihood for purchases. Activation strategies should be designed to form a link between the attendee and the official sponsor's products and brands. In order to achieve high levels of recall and recognition, it is necessary to invest in sponsorship-linked marketing activities such as advertising that is themed around sponsorship of mega events. However, it is worth considering whether or not the top brands were recognised more often because they are already established brands in the market.

The study confirmed that a positive response to a sponsorship will be affected by the attitudes consumers hold toward the sponsor, toward the event, and by their perception of sponsor-event fit. Attitude towards the sponsor and familiarity with the sponsors leads to purchase intentions (Glaser & Lum 2004:43). Purchase intention is a very valuable measure as it is the closest indicator of the actual purchase. It is recommended that two attitudes should be measured for both the sponsor and the direct competitor. The reason for recommending this is that although a good consumer rating is desirable, it needs to be put into a practical context. A good review will mean less if a consumer also views a competitor in a favorable manner. It is further recommended that familiarity with sponsors be determined through questions relating to prior use and exposure to the brand. Each of these factors needs to be determined for the most accurate measurement of purchase intention. In general sponsorship managers need to understand the driver of preferences towards their product in order to make a decisive decision on whether or not to sponsor a sporting event.

Results infer that the greater a respondent's knowledge of the sponsor, the more likely that he/she will remember the name of the sponsor. Although

moderate levels of knowledge were identified, the disparity in the responses from high to a low indicated that consumer confusion existed regarding sponsorship of the event. That is, respondents could not make a distinction between the level of financial contribution and status of official partners and official sponsors. Therefore it is recommended that sponsorship managers should equip respondents with enough information or prior knowledge regarding sponsors and their level of contribution towards the event. Managers should undertake additional promotional strategies to increase sponsorship knowledge well before the event.

It was found that the effect of ambush marketing created uncertainty and confusion among consumers regarding who the official sponsor was. The results of this study are in congruency with the study conducted by Townley *et al.* (1998:334) regarding confusion among consumers regarding official sponsors. As aggressively protecting contractual rights as a sponsor against ambush marketers' draws attention to the commercial goals of the sponsorship, it is recommended that event managers should help protect sponsors from such perceptions by policing ambush marketing activities. The level of promotion and maintenance of event integrity by event owners and by sponsors should guard the rights of official sponsoring companies.

5.4 IMPLICATIONS FOR FUTURE STUDY

Sport sponsorship managers and sport marketers should continue in their quest to determine exactly what effect sport sponsorship can have on consumers. Future research should compare recall and recognition levels of sponsors before and after the event to determine if there are significant changes. Pre- and post-recall and recognition levels of sponsorship could provide more interesting results. This was not possible because of time constraints and the difficulty in obtaining information on the various categories of official sponsors well before the event. Past research showed that prior knowledge of sponsors enhanced sponsors recall and recognition significantly (Quester 1997: 8).

In addition, research could extend to other forms of sport sponsorship such as sponsorship of individual athletes or other popular sports in South Africa like

rugby, cricket and athletics. Other survey research apart from football could reveal interesting results for comparison purposes as research of such a nature is largely undeveloped in South Africa.

In general, future research could determine exactly what kind of companies benefit most from sponsorship marketing/sport sponsorship. Further research should examine aspects such as fan involvement, and highly involved customers who are knowledgeable about the sport of soccer and the relationship with purchase intentions. As the study was conducted immediately after the 2010 FIFA World Cup™, further research into the potential longer-term effects of recall and advertising wear-outs should be undertaken in order to determine an optimal duration for recall of official sponsors of an event.

5.5 LIMITATIONS OF THE STUDY

Every piece of research is confronted with some limitations and this study is no exception. The main limitations of this study were time and sample frame restriction. To achieve sponsorship effectiveness through recall and recognition, data had to be collected immediately after the 2010 FIFA World Cup™ event. This time was viewed as being vital because respondents would still be equipped with information or knowledge of sponsors of the FIFA World Cup™.

The inability to specify a sampling frame led to the selection of a non-probability sample. Due to the sample being restricted to the Southern Gauteng province, South Africa, the generalisability of the findings must be treated with caution as the profiles of consumers may differ when compared to other provinces of the country. To be able to generalise the results across various sponsorship situations, future studies involving other mega events should be conducted. Responses from highly involved and knowledgeable consumers and attitudes towards corporate sponsors may differ greatly from a leisure consumer especially within the context of the hype that was generated around hosting the FIFA World Cup™ in South Africa and for the first time in the African Continent.

5.6 CONCLUDING REMARKS

Sport sponsoring has become more and more important to the sports entities since the costs are increasing at an alarming rate. Therefore, sport sponsoring objectives should be determined before entering into an agreement; this could result in more benefits for each party involved in the sponsorship.

The findings from this study imply that, both sponsorship and event managers need to have a good understanding of the attitudes held by their audience to maximize the value of the sponsorship. This is particularly relevant to the sponsorship selection decision and the development of the sponsorship leveraging strategies.

Consumer-aided and unaided recall tests were conducted after the 2010 FIFA World Cup™ in an attempt to quantify sponsorship recall of official and non-official responses. The findings of the study imply that sponsorship managers need to understand the drivers of preference towards their products and brands in order to decide whether or not to sponsor a sport event. Better knowledge of the sponsor and brand prominence may positively influence the ability of consumers to recall the sponsors and to purchase their products.

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ANNEXURE A

QUESTIONNAIRE

CONSUMER RECALL, RECOGNITION AND PERCEPTIONS TOWARDS OFFICIAL SPONSORSHIP AND AMBUSH MARKETING IN THE 2010 FIFA WORLD CUP™

Thank you for participating in this important research endeavour. We are interested in finding out details concerning various aspects of official sponsorship effectiveness and about ambush marketing in the 2010 FIFA World Cup™ hosted by South Africa. There are various sections to this questionnaire. Please complete all sections and answer the questions honestly.

SECTION A – DEMOGRAPHIC PROFILE /VIEWERSHIP AND ATTENDANCE

In this section we would like to know a little about the characteristics of respondents, their viewing/attendance patterns and general aspects of the 2010 FIFA World Cup™. Please place a cross (x) in the appropriate block.

A1	Gender	Male	Female
----	--------	------	--------

A2	Age category	18-25	26-34	35-43	44-52	Over 52 years
----	--------------	-------	-------	-------	-------	---------------

A3	Your current marital status	Single	Married	Separated
----	-----------------------------	--------	---------	-----------

A4	Education level you have attained	No formal schooling education	1
		Basic education (e.g. certificates, ABET)	2
		Primary school	3
		Secondary school	4
		Further Education & Training (FET)	5
		University Education (including Technikon / University of Technology)	6

A5	Your basic (gross) monthly income	Unemployed	1
		Under R 5000	2
		Between R5000 – R10 000	3
		Between R10 001 – R15 000	4
		Between R15 001 – R20 000	5
		Between R20 001- R25 000	6
		Between R25 001- R30 000	7
		Above R30 000	8

A6	Ethnicity	African	White	Indian	Coloured
----	-----------	---------	-------	--------	----------

A7	How many matches of the 2010 FIFA World Cup tm games have you watched on SABC TV channels	Less than 5 matches	1
		Between 5- 15 matches	2
		Between 16--26	3
		More than 26 matches	4

A8	How many matches of the 2010 FIFA World Cup tm games have you watched on MNET (DSTV) channels	Less than 5 matches	1
		Between 5- 15 matches	2
		Between 16--26	3
		More than 26 matches	4

A9	How many matches of the 2010 FIFA World Cup tm games have you watched by visiting fan parks (Fan Fest)	None	1
		Between 1 -3 matches	2
		More than 3 times	3

A10	How many matches of the 2010 FIFA World Cup tm have you listened to on the radio	None	
		Between 1-3 matches	1
		Between 4-6 matches	2
		Between 7-9	3
		More than 9 matches	4

General section

A11	The “one goal campaign” ... reads ... “education for all”	Yes	1
		No	2

A12	Buying a ticket on the Internet for 2010 FIFA World Cup tm was a difficult task for me.	Yes	1
		No	2
		Not app	3

A13	Buying a ticket for 2010 FIFA World Cup tm by standing in line at ticketing centres was a difficult task for me	Yes	1
		No	2
		Not app	3

A14	More publicised venues should have been available for ticket purchases for South Africans- for the 2010 FIFA World Cup tm	Yes	1
		No	2
		Not app	3

A15	I have attended the 2010 FIFA World Cup tm game/games at one or more of the the stadia	Yes	1
		No	2

SECTION B SPONSORSHIP RECOGNITION (unaided recall)

In this section please try to recall companies/sponsors/brands that come to mind that sponsored the 2010 FIFA World Cup tm in South Africa. Please write about 10 names of the companies/sponsors or brands. If you cannot recall ALL the sponsors that is fine. If you recall more than the 14 names please write the question number (B1) overleaf and list those names.

B1	The sponsors of the 2010 FIFA World Cup tm are:		1
			2
			3
			4
			5
			6
			7
			8
			9
			10
			12
			13
			14

SECTION C PERCEPTIONS TOWARDS OFFICIAL SPONSORS

This section examines your perceptions of the 2010 FIFA World Cup tm sponsors. Please indicate your level of agreement with each statement. Please be as honest as possible in your responses. Strongly agree = 5 and strongly disagree = 1.

Sponsor-event fit								
C1	There is a logical connection between the FIFA World Cup tm and the sponsors	Strongly disagree	1	2	3	4	5	Strongly agree
C2	The image of the FIFA World Cup tm and the image of the sponsors is similar	Strongly disagree	1	2	3	4	5	Strongly agree
C3	The sponsors and the FIFA World Cup tm fit well together	Strongly disagree	1	2	3	4	5	Strongly agree
C4	The sponsors and the FIFA World Cup tm stand for similar things	Strongly disagree	1	2	3	4	5	Strongly agree
C5	It makes sense to me that these companies sponsored the FIFA World Cup tm	Strongly disagree	1	2	3	4	5	Strongly agree

*Personal liking for the event								
C6	I am a strong supporter of the FIFA World Cup tm	Strongly disagree	1	2	3	4	5	Strongly agree
C7	I wanted to attend the FIFA World Cup tm	Strongly disagree	1	2	3	4	5	Strongly agree
C8	I enjoyed following the coverage of the FIFA World Cup tm	Strongly disagree	1	2	3	4	5	Strongly agree
C9	The FIFA World Cup tm games are important to me	Strongly disagree	1	2	3	4	5	Strongly agree
C10	I had pleasant experiences watching the FIFA World Cup tm games	Strongly disagree	1	2	3	4	5	Strongly agree
Attitude towards the sponsor								
C11	My attitude towards the sponsors was: Bad-good	Bad	1	2	3	4	5	Good
C12	My attitude towards the sponsors was: Dislike- like	Dislike	1	2	3	4	5	Like
C13	My attitude towards the sponsors was: Unpleasant-pleasant	Unpleasant	1	2	3	4	5	Pleasant
C14	My attitude towards the sponsors was: Unfavourable-favourable	Unfavourable	1	2	3	4	5	Favourable
Perceived ubiquity (to seem to be everywhere at once)								
C15	The sponsors sponsor many different sports	Strongly disagree	1	2	3	4	5	Strongly agree
C16	It is very common to see these sponsors sponsoring sport events	Strongly disagree	1	2	3	4	5	Strongly agree
C17	I expect these companies to sponsor major events	Strongly disagree	1	2	3	4	5	Strongly agree
Perceived sincerity								
C18	The sport of soccer would benefit from this sponsorship at the grass roots level	Strongly disagree	1	2	3	4	5	Strongly agree
C19	The main reason the sponsors would be involved in the FIFA World Cup tm is because the sponsor believes the event deserves support	Strongly disagree	1	2	3	4	5	Strongly agree
C20	These sponsors would be likely to have the best interest of soccer at heart	Strongly disagree	1	2	3	4	5	Strongly agree
C21	These sponsors would probably support the FIFA World Cup tm even if it had a much lower profile	Strongly disagree	1	2	3	4	5	Strongly agree

How do you rate the importance of the 2010 FIFA World Cup tm (Status of the event)								
C22	The FIFA World Cup tm has international significance	Strongly disagree	1	2	3	4	5	Strongly agree
C23	The FIFA World Cup tm is a significant sporting event	Strongly disagree	1	2	3	4	5	Strongly agree
C24	The FIFA World Cup tm is important for South Africans	Strongly disagree	1	2	3	4	5	Strongly agree
C25	The FIFA World Cup tm is watched worldwide	Strongly disagree	1	2	3	4	5	Strongly agree
C26	The FIFA World Cup tm is important for the African continent	Strongly disagree	1	2	3	4	5	Strongly agree
C27	The FIFA World Cup tm is important for millions of children in Africa	Strongly disagree	1	2	3	4	5	Strongly agree
Favourability/attitude towards sponsors								
C28	The FIFA World Cup tm sponsorship makes me feel more favourably disposed towards the sponsors	Strongly disagree	1	2	3	4	5	Strongly agree
C29	The FIFA World Cup tm sponsorship will improve my perceptions of the sponsors	Strongly disagree	1	2	3	4	5	Strongly agree
C30	The FIFA World Cup tm sponsorship will make me like the sponsor more	Strongly disagree	1	2	3	4	5	Strongly agree
C31	I have a favourable image of the FIFA World Cup tm sponsors	Strongly disagree	1	2	3	4	5	Strongly agree
C32	Companies that sponsored the FIFA World Cup tm are financially successful	Strongly disagree	1	2	3	4	5	Strongly agree
Interest								
C33	The FIFA World Cup tm sponsorships will make me likely to notice the sponsor's name on other occasions	Strongly disagree	1	2	3	4	5	Strongly agree
C34	The FIFA World Cup tm sponsorships will make me likely to pay attention to the sponsor's advertising	Strongly disagree	1	2	3	4	5	Strongly agree
C35	The FIFA World Cup tm sponsorships will make me likely to remember the sponsor's promotion	Strongly disagree	1	2	3	4	5	Strongly agree
Use/allegiance/purchase intentions								
C36	These sponsorships will make me more likely to use the sponsor's product	Strongly disagree	1	2	3	4	5	Strongly agree
C37	These sponsorships will make me more likely to consider these company's products the next time I buy	Strongly disagree	1	2	3	4	5	Strongly agree
C38	I will be more likely to buy from these sponsors as a result of their sponsorship	Strongly disagree	1	2	3	4	5	Strongly agree











SECTION D 2010 FIFA WORLD CUP tm SPONSORSHIP KNOWLEDGE





















This section seeks to find out the sponsorship knowledge among respondents. Please cross (x) either YES or NO for each of the following statements.





















D1	The FIFA World Cup tm logo could be used by any company during the FIFA Soccer World cup games	Yes	No
D2	Only commercials of FIFA World Cup tm sponsors could be shown during the FIFA World Cup telecast	Yes	No
D3	Companies that are official sponsors of the FIFA Soccer World Cup tm provided a higher level of financial support than companies that are official partners	Yes	No
D4	Some companies try to present themselves as official sponsors without paying a fee to be official sponsors.	Yes	No

SECTION E SPONSORSHIP RECOGNITION (aided recall-by product/service categories/company/brand/logos)

In this section please try to recall companies/sponsors/brands that come to mind that were official sponsors of the 2010 FIFA World Cup tm in South Africa in the various product/service categories provided. Please indicate a "yes" or a "no" next to the company/brand or logo. YES = Official Sponsor NO= not an official sponsor. Please do not refer to the previous sections.

MAJOR PRODUCT/SERVICE CATEGORIES OF COMPANIES	SPONSORS/NON-SPONSORS	YES (Official sponsor)	NO (not an official sponsor)
E1 Airlines		1	2
		1	2
		1	2
E2 Alcoholic drinks (beer)		1	2
		1	2
		1	2
		1	2
E3 Athletic gear		1	2
		1	2
		1	2

E4 Soft-drinks		1	2
		1	2
E5 Automobiles		1	2
		1	2
		1	2
E6 Fast foods		1	2
		1	2
		1	2
E7 Financial services (banks)		1	2
		1	2
		1	2
E8 Lubricants		1	2
		1	2
		1	2
E9 Multi-media services		1	2
		1	2
		1	2
E10 Credit cards		1	2
		1	2
		1	2

E11 Tyres (and flat-run systems)		1	2
		1	2
		1	2
E12 Mobile phones		1	2
		1	2
		1	2
E13 Food suppliers		1	2
		1	2
E14 Energy providers		1	2
		1	2
E15 Fuel		1	2
		1	2
		1	2
E16 Fan Parks (Fan Fest/ outdoor entertainment)		1	2
			
E17 Energy		1	2
E18 Telecommunications/network		1	2
		1	2
E 19 Transport		1	2
		1	2

SECTION F PERCEPTIONS TOWARDS AMBUSH MARKETERS (Non-official sponsors)

Perceptions								
F1	Non-official sponsors should not lead consumers to believe that they are official sponsors	Strongly disagree	1	2	3	4	5	Strongly agree
F2	I have a low opinion of companies who associate with the 2010 FIFA World Cup tm without paying for sponsorship	Strongly disagree	1	2	3	4	5	Strongly agree
F3	I am annoyed by companies who associate with the 2010 FIFA World Cup tm without being official sponsors	Strongly disagree	1	2	3	4	5	Strongly agree
F4	I am more likely to support sponsors if it is clear that spending helps athletes	Strongly disagree	1	2	3	4	5	Strongly agree
F5	It is unfair for companies to associate themselves with the 2010 FIFA World Cup tm without being official sponsors	Strongly disagree	1	2	3	4	5	Strongly agree
F6	It is unethical for companies to associate themselves with the 2010 FIFA World Cup tm without being official sponsors	Strongly disagree	1	2	3	4	5	Strongly agree
F7	I am less likely to buy products from companies with illegitimate ties to the 2010 FIFA World Cup tm	Strongly disagree	1	2	3	4	5	Strongly agree

Your honest responses are much appreciated.

Thank you
 Dankie
 Ngiyathokoza
 Ke a leboha
 Ke a leboga
 SiSwati: Siyabonga
 Xitsonga: Inkomu
 Tshivenda: Ndo livhuwa / Ro livhuwa
 IsiXhosa: Enkosi
 IsiZulu: Ngiyabonga

ANNEXURE B

STATISTICAL ANALYSIS CERTIFICATE



NORTH-WEST UNIVERSITY
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17th October, 2011

I hereby confirm that I have done the statistical analysis for the dissertation of Emmanuel Mothusi Rabale.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Aldine Oosthuizen'.

Aldine Oosthuizen
Campus IT Manager

Original details: Aldine Oosthuizen(10059598) P:\VDKADMIN\2011\Konsultasie\WUT\Jacquesmafan_Letter1.docm
23 August 2011

ANNEXURE C

LANGUAGE EDITING CERTIFICATE

ASOKA ENGLISH LANGUAGE EDITING

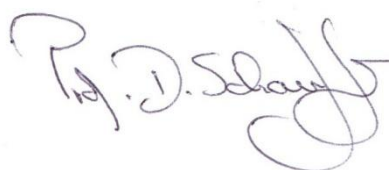


DECLARATION

This is to certify that I have English Language edited the dissertation:

Sponsorship effectiveness: consumer recall, recognition and perceptions of official sponsorship and Ambush Marketing in the 2010 Fifa World Cup.

Candidate: Rabale EM



Prof. D. Schauffer

SATI member number: 1001872

