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# Comparison study of sponsorship effectiveness between on-site and web-based sponsorship activities

Issadee Kutintara

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UNIVERSITY OF NORTHERN COLORADO

Greeley, Colorado

The Graduate School

A COMPARISON STUDY OF SPONSORSHIP  
EFFECTIVENESS BETWEEN ON-SITE AND  
WEB-BASED SPONSORSHIP ACTIVITIES

A Dissertation Submitted in Partial Fulfillment  
of the Requirements for the Degree of  
Doctor of Philosophy

Issadee Kutintara

College of Natural and Health Sciences  
School of Sport and Exercise Science  
Program of Sport Administration

December, 2009

This Dissertation by: Issadee Kutintara

Entitled: *A Comparison Study of Sponsorship Effectiveness Between On-Site and Web-Based Sponsorship Activities*

has been approved as meeting the requirements for the Degree of Doctor of Philosophy in College of Natural and Health Sciences in School of Sport and Exercise Science, Program of Sport Administration

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## ABSTRACT

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Virtually no evidence exists that current sponsorship activities on sporting event Web sites enable corporations to achieve sponsorship objectives including, but not limited to, increasing sales, improving image, or increasing awareness. The purpose of this study was to determine if significant differences of sponsorship effectiveness measures (brand awareness, attitude toward sponsorship, and purchase intentions) existed among a sample of Generation Y participants exposed to various sponsorship activities (on-site, online, and both on-site and online). The study surveyed 228 participants (112 on-site fans, 56 online fans, and 60 both on-site and online fans) exposed to the ESPN Winter X Games 13.

Research findings revealed product sampling/trial as the most common activity that sponsors conducted at the event, while banners linking to the sponsors' Web sites were most often conducted by sponsors on the event Web site. Most sponsors also employed interactive activities on-site such as action sport related games, premiums or giveaways, and athlete autograph sessions. However, the majority of sponsors failed to capitalize on the interactive features of the event Web site.

In addition, attitudes toward sponsorship and purchase intentions for sponsors' products or services were not significantly different between on-site and online sponsorship activities. However, online sponsorship activities were less effective than on-site activities in terms of brand awareness. On-site sponsorship activities were more effective in increasing brand awareness than activities on the Web site. The findings suggested that online sponsorship activities could be more effective if sponsors fully capitalized on the Internet medium by employing interactive contents related to the sport. Online sponsorship activities may not replace but can support on-site activation in reaching larger target audiences.

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## CHAPTER I

### INTRODUCTION

Sponsorship has been widely considered by firms as one of the prominent forms of marketing communication (Roy & Cornwell, 2004). Sport sponsorships, in particular, have allowed corporations to offer more emotional appeal to customers than those offered by traditional advertising, because sponsorship reaches people in an environment conducive with their lifestyle as opposed to intruding on it (Meenaghan, 1991). In addition, sponsorship impels spectators and consumers to purchase products through on-site opportunities such as product trials and displays. These types of opportunities offer a marked advantage over traditional communication tools such as advertisements viewed on television or in magazines.

Currently, sport managers and sport organizations, whether at the professional, amateur, or university level, are increasingly dependent on sponsorship revenues. The increase in dollars spent on sports sponsorship by corporations in the past decade has been phenomenal. The International Event Group (IEG) Sponsorship Report indicated that sponsorship expenditure in the United States has grown from \$850 million in 1985 to a projected expenditure of \$16.6 billion in 2008 (“Forecast: Recession Slams Brakes on Sponsorship Spending,” 2008; “Sponsorship Spending to See Biggest Rise in Five Years,” 2004).

However, the worldwide economic downturn in 2008 impacted all sectors of the sport industry such as sport advertising, spectator spending, sport media, and endorsement. In June, 2009, IEG issued the first mid-year update to the annual spending forecast. This update projects North American companies would spend more than they did in 2008, but only by a small margin, that is, 1.1% compared with 2.2% growth predicted in the IEG 24<sup>th</sup> annual industry forecast issued at the end of 2008 (*IEG Revised Sponsorship Spending Forecast Cuts Growth Rate in Half*, 2009).

The largest impact of the economic recession may be felt by the sport sector as many companies attempt to save money by cutting sport sponsorship budgets. For example, General Motors and The Home Depot dropped out of the partnership with the United States Olympic Committee (USOC). Bank of America may also drop its sponsorship with the USOC unless the federation provides more value for the \$12 million it spends supporting American athletes (Associated Press, 2009). The case of Bank of America implies that sponsors expected sport entities to provide a higher return in exchange for their sponsorship spending. Sponsors develop partnerships with sport entities to use sports as a channel to connect with their target audiences and ultimately achieve their marketing and corporate objectives.

In order to leverage the partnership with sport properties that are a unique, commercially exploitable entities such as sport associations, sporting events, and professional leagues and teams, corporations need to send meaningful messages to their target audiences in effective ways. Thus, corporations invest money in various marketing activities around sporting event properties to communicate with their

audiences. The “Decision-Maker Survey: Sponsors Report Activation Budgets Have Never Been Higher” (2007) conducted by IEG/Performance Research reported the average amount sponsors spend to promote and leverage their partnerships as nearly twice the rights fees, which is the payment made by a sponsor to a property. The typical sponsor spends \$1.90 on activation for every \$1 it pays properties to associate with them, and this surpassed the 1.7:1 ratio reported in 2006 (“Decision-Maker Survey”). In addition, the percentage of overall marketing budgets devoted to sponsorship has risen since 2003. It could be that the majority of sponsors continue to see an increased Return on Investments (ROI) each year. On the other hand, a higher number of sponsors did not know how their ROI was trending and indicated spending no additional money to promote their sponsorships beyond the rights fees, including no additional spending in research and measurement (“Decision-Maker Survey”). This phenomenon was also congruent with the IEG/Performance Research study of the United States sponsors cited by Meenaghan (2005). In the study, researchers found that 32% of respondents spent nothing on research in evaluating sponsorship effects, while 48% spent less than 1% of the property right fee on measuring the effects of their sponsorship programs. If corporations do not evaluate sponsorship effects, they do not know if ROI meets their marketing or corporate objectives.

Sport marketers throughout the world and at all levels of the sport industry are rapidly working on incorporating emerging technology into their market strategies. Improvements in computer information technology and Web site development have generated great interest among sport practitioners as an effective marketing tool to



reach target audiences. The Internet is a viable media channel that provides information on sporting events for sport fans who traditionally sought information from newspapers, television, and magazines. Furthermore, the Internet also enhances the sport experience with a capacity to develop sponsor-related content and activities on the Web site (Gillentine, 2003).

Internet usage is becoming a daily habit. EMarketer (2008) predicted that 217 million Americans will be online by 2012. This number is approximately 71% of the population. Madden (2003) stated that 52 million Americans accessed the Internet to check sports scores and information, with 14 million reported daily access. The emergence of the Internet brings new opportunities for business; sports business is not an exception. Sponsors in partnerships with mega-sporting events have begun to leverage their sponsorship fee by employing the Internet as a new medium (Brown, 2003). To reach a highly desirable target market and to reduce operational cost, researchers recently conducted research related to the Internet and its benefits to sport organizations (Brown, 1998, 2003; Carlson, Rosenberger, & Muthaly, 2003; Filo & Funk, 2005; Seo & Green, 2008).

Despite the many advantages of sport sponsorships, concern persists that sponsorship has become saturated (Cordiner, 2002). For example, many sporting events are now excessively cluttered with title sponsors, presenting sponsors, supporting sponsors, cam-sponsors, official product sponsors, and pouring or concession rights. This clutter is not what sponsors want; therefore, several sponsors are seeking alternatives by moving to action or extreme sports.

Action sports are an emerging genre of individual sports that is not mainstream or traditional and often includes risk, danger, or unconventional rules and/or techniques. Action sports also differ from traditional team sports because athletes compete most often on an individual basis (Bennett, Henson, & Zhang, 2002; Petrecca, 2000). Action sports include, but are not limited to, skateboarding, snowboarding, rock climbing, mountain and BMX/freestyle bike riding, and in-line skating (Gladden & McDonald, 2005). Often, media advertisers, and sport marketers refer to this group of sports as eXtreme Games or X-Games in order to provide consumers, especially young consumers, with alternative sport selections (Bennett et al., 2002).

Sponsors of action/extreme sports found these markets less cluttered, and the events have a strong relationship with 18- to 24-year-old consumers (Cordiner, 2002). McCarthy (2001) reported the action sports market consisted of 58 million consumers between the ages of 10 and 24 who have a potential buying power of \$250 billion. Action sports have grown rapidly during the last decade. In 2004, Life's Good (LG), a Korean corporation, reported that action sports included 150 million participants worldwide, is growing by 30% a year, and 85% of the audience is 12 to 34 years old (Salmon, 2004).

However, the youth market remains a consumer segment that is difficult to both reach and influence. The current youth market has been called the Echo Boom Generation, but it is commonly known as Generation Y (Bennett & Lachowetz, 2004). Generation Y has been referred to as a group of people born between 1977 and 1996 or young sport consumers between the ages of 10 and 24 (Gladden & McDonald, 2005).

Bennett and Lachowetz pointed out that “as the number of Baby Boomers decrease (individuals born between 1946 and 1964), the spending power and influence of Generation Y will subsequently increase” (p. 239). This size of Generation Y, coupled with the reported spending habits of young people, marks this group as a desirable target for corporations and sport marketers.

The growth of action sports has been demonstrated by increased media coverage and the addition of major action sport tours and events. Additionally, Bennett and Lachowetz (2004) observed increased numbers of athlete endorsements and corporate sponsorships. The marketing and promotion of action sports merge with music, apparel, movie industries, and video games to form a larger sport culture. Generation Y understands technology, utilizes the Internet extensively, and is globally oriented (Fanning, 2004). These characteristics enable sponsors to employ both on-site and media outlets such as television, video games, and the Internet in reaching this market segment. For this reason, this study compared the effects of on-site sponsorship to online sponsorship activities in the action sports event setting. The Entertainment and Sports Programming Network (ESPN) Winter X Games 13 (Winter X Games) were chosen as the focus for this comparison, because the event has been recognized as one of the most famous action sport events. In addition, sponsors of the Winter X Games conducted a number of marketing activities both on-site and on the event Web site.

## Rationale of the Study

Current sponsorship exposure at sporting event Web sites raises the questions of whether Web users actually notice such a logo, recall the title, and visit the sponsors' Web sites to learn more about their businesses or ultimately study the sponsors' products. No evidence exists showing current sponsorship activities on sporting event Web sites enable corporations to achieve their sponsorship objectives such as increasing sales, improving image, or increasing awareness. As mentioned earlier, the majority of sponsors spend less than 1% of the property rights fee on evaluating sponsorship effects (Meenaghan, 2005). Other sponsorship research confirms the result that sponsors are reluctant to undertake adequate levels of evaluation of sponsorship effects (Cornwell & Maignan, 1998; Meenaghan, 2001; Walliser, 2003). Sponsors tend to rely on relatively basic methodologies such as internal feedback and media exposure.

Meenaghan (2005) cited an IEG/Performance Research study showing internal feedback (53%) and media exposure analysis (television and print, 52%) as the most widely used methods of evaluation. He pointed out, "primary consumer research, which enables the measurement of sponsorship effects such as sponsorship awareness, sponsorship image and sales-related effects, still seem a relatively low priority for many sponsors today" (p. 250). Meenaghan (2005) added that the use of media coverage analysis has been reported as the most common form of sponsorship evaluation undertaken by sponsors. As online sponsorship exposure becomes increasingly important as a leveraging medium, sponsors monitor the media hits such as pages

viewed per day, average daily visits, average visit length, highest hits, and total hits. However, these media exposures are not a measure of the effects of such publicity wrought upon the consumer. Sponsorship is more than a media buy. Therefore, other sponsorship effects related to consumers such as sponsorship awareness, sponsorship image, and sales-related effects were suggested by Meenaghan (2005), and these effects have been included as variables in measuring sponsorship effectiveness in several sport sponsorship research studies.

Several researchers have suggested that marketing tactics and marketing mix, which have been traditionally practiced, can be used in developing successful Internet marketing campaigns (Brown, 2003; Carlson et al., 2003; Filo & Funk, 2005). Brown (2003) cited a number of studies examining the Internet's impact on the marketing mix and effective management of the marketing mix through Internet marketing communications. Filo and Funk also found a number of venue-based psychological features associated with consumers of sport teams and sporting events such as aesthetics, interest in team, drama, and interest in sport could be utilized in developing sporting event Web site content. These researchers suggested the Internet is a viable medium and an effective communication tool to reach sponsors' target audiences.

Similarly, sponsorship exposure on the Internet, especially on the sport properties' Web sites, can apply marketing tactics. Measurement of sponsorship effectiveness such as sponsorship awareness, sponsorship image, and especially intent to purchase sponsors' products/services in online activation is important to study. It would be valuable to sponsors if similar techniques from traditional on-site sponsorship activa-

tion could be employed in the sporting event Web sites. Choi, Stotlar, and Park (2006) stated that sporting event participants may notice traditional sponsorship components that the sponsors activated at the sporting event, but did not place any importance on them. However, placing products actively in the hands of the customers is primary. This result could raise the issue if Web surfers actually notice sponsors' banners or logos on the sporting event Web site. Placing only sponsors' banners or logos may be ineffective.

Pedersen, Miloch, and Laucella (2007) stated that sporting event Web sites are expected to be interactive. The interactive media allows consumers to form social networks or consumer-to-consumer relationships such as message boards, blogs, online discussions, live chats with players, promotions, and sweepstakes and games. Currently, a number of professional leagues' Web sites offer these interactive features with title sponsors. Pedersen et al. argued that these interactive features may possibly create distractions among the Web users while they surf sporting event information. Thus, it is crucial to understand if Internet consumers react positively to these sponsorship activations on the Internet.

Currently, major action sports events and tours such as the ESPN X Games and Action Sports Tour (AST) Dew Tour attract a number of audiences to the event as well as millions of viewers on television. Action sports sponsorships target the market of Generation Y. Sponsorship activation at the action sports event uses various activation components such as showcasing their products, involving spectators in their activities, and sponsoring live music. As Generation Y members are also heavy Internet users,

sponsorship activation on event Web sites should also be examined to see if this new medium delivers sponsorship messages to target audiences. In this study, the Winter X Games were selected to determine the differences of sponsorship effectiveness between on-site and online sponsorship activation from the Generation Y perspective. The results of this study would be beneficial to sponsors, sport properties, marketers, and Web designers in developing the sponsorship activities on the sport property Web site. In addition, the study provides an insight into the sponsorship activities affecting sponsorship awareness, attitude toward sponsors, and purchase intentions by giving concrete data on effectiveness of online and on-site sponsorship activation.

#### Purpose of the Study

The purpose of this study was to determine if significant differences exist on sponsorship effectiveness measures (brand awareness, attitude toward sponsorship, and purchase intentions) among Generation Y participants exposed to various sponsorship activation settings. The study also investigated the activation components sponsors employ on-site and on the sporting event Web sites. Further, the relationships between the level of participation in sponsorship activities and sponsorship effectiveness measures were examined.

#### Research Questions

- Q1 What are the most frequent sponsorship activation components employed by sponsors at the ESPN Winter X Games 13 and on the official event Web site?
- Q2 What are the relationships between subjects' level of participation in sponsorship activities and on-site and online sponsorship interactions?

- Q3 Does the level of sponsorship awareness of the ESPN Winter X Games 13 differ among event attendees, Web site users, and both on-site and Web site users?
- Q4 Does the attitude toward sponsors of the ESPN Winter X Games 13 differ among event attendees, Web site users, and both on-site and Web site users?
- Q5 Do fans' purchase intentions of the ESPN Winter X Games 13 differ among event attendees, Web site users, and both on-site and Web site users?

### Delimitations

The study was delimited by the following:

1. The target population for this study represented Generation Y consumers. To prevent a complication in conducting research with minors, the participants were delimited to the 18- to 24-year age range. Due to financial and time considerations, a convenience sampling method was used for online participants. College students from a university in Colorado and visitors at the ski resorts in Colorado area represented participants of the sporting event Web site.
2. Two separate time frames for data collection included (a) during the event for on-site participants and (b) after the event at a university in Colorado for online participants. Data collection for three groups of participants could not be collected at the same time due to a limited number of data collectors.

### Limitations

1. Participants completed the questionnaire voluntarily and privately. The survey was a one-time, self-report questionnaire. It was assumed that the



questions would be answered accurately and according to the participants' true beliefs, feelings, and experiences.

2. Research participants were recruited on a voluntary basis. A convenience sample was conducted. In addition, data collections were collected on only one action sport event in the Colorado area. Thus, this sampling frame was sampled from a subset of Generation Y and may not represent the true members of the total Generation Y who viewed action sports.
3. The study compared participants exposed to on-site and on the Web site sponsorship activation; however, participants may also have noticed sponsors from other media outlets, especially television and magazines.

#### Definition of Terms

The following terms are used throughout this study and are defined operationally to eliminate multiple interpretations.

*Action sports.* Sports that are not mainstream or traditional and often include risk, danger, or unconventional rules and/or techniques (Bennett & Henson, 2003; Bennett, Henson, & Zhang, 2002, 2003).

*Level of participation.* Amount of time participants spent in following the ESPN Winter X Games 13 either on-site at the event or on the official event Web site.

*Online participants/Web site participants.* Group of participants in this study who did not attend the ESPN Winter X Games 13 but who visited the official event Web site ([www.xgames.com](http://www.xgames.com)) during the event period.

*On-site participants.* Group of participants in this study who attended the ESPN Winter X Games 13 at the Buttermilk ski area during the event period.

*On-site and online participants (both).* Group of participants in this study who attended both the ESPN Winter X Games 13 at the event and also visited the official event Web site during the event period.

*Sponsorship activation.* Defined by IEG as “the marketing activities a company conducts to promote its sponsorship” (IEG, 2008, ¶ 1).

### Summary

Corporations have leveraged their sponsorship by communicating with target audiences through marketing activities on sport organization properties. The emergence of the Internet as a new communication medium allows sport marketers to reach a wider range of consumers. Sponsorship visibility on the Internet has been in the form of logos, banners, or title sponsors. Recently, sponsors have attempted to create activities by using interactive features, hoping they would enhance sponsorship effectiveness. This study attempted to compare the Web site/online with on-site sponsorship activation in terms of sponsor awareness, attitude toward sponsor, and purchase intentions. Members of Generation Y were the target population in this study, because the members of this market segment are avid Internet surfers. The growth of action sports may be illustrated by increased media coverage and corporate sponsorship during the last decade. Therefore, this study contributes to the area of sponsorship evaluation especially with respect to Web sponsorship and the Generation Y market segment.

## CHAPTER II

### REVIEW OF LITERATURE

#### Introduction

Sponsorship has been widely considered by firms as one of the prominent forms of marketing communication (Roy & Cornwell, 2004). Sponsorship definition has been mentioned by several researchers. IEG defined sponsorship in 1982 as “A cash and/or in-kind fee paid to a property (typically sports, entertainment, non-profit event or organization) in return for access to the exploitable commercial potential associated with that property” (IEG, 2008, p. 4). Researchers in the sport management area also defined sponsorship as “an investment, in cash or in-kind, in an activity, in return for access to the exploitable commercial potential associated with that property” (Meenaghan, 1991, p. 36; Roy & Cornwell, pp. 186-187; Ukman, 1995, p. 1). Harvey (2001) stated that sponsored events “generate more money than all media advertising combined” (p. 59). According to the IEG, sport sponsorships have allowed corporations greater emotional appeal to customers than those offered by traditional advertising. Sponsorship reaches people in an environment conducive with their lifestyle as opposed to intruding on it (Meenaghan, 1991). In addition, sponsorship attracts spectators and consumers to purchase products through on-site opportunities such as product trials and displays. These types of opportunities have a marked advantage over

advertisements viewed on television or in magazines since sponsors can engage target consumers by showcasing and allowing consumers to try their products.

### Sport Sponsorships

Today, sport managers and sport organizations, whether at the professional, amateur, or university level, are increasingly dependent on sponsorship revenues. The increase in dollars spent on sport sponsorship by corporations has been phenomenal over the past decade. The IEG Sponsorship Report indicated that sponsorship expenditure in the United States grew from a projected expenditure of \$850 million in 1985 to \$16.6 billion in 2008 (“Forecast: Recession Slams,” 2008; “Sponsorship Spending,” 2004). However, the worldwide economic downturn in 2008 impacted all sectors of the sport industry. IEG projected a 2.2% increase in total spending by United States and Canadian companies, the smallest growth rate in the forecast’s history (“Forecast: Recession Slams”). North American media spending was predicted to decrease 3.2% in 2009, and spending on business and consumer promotions was expected to grow at a rate of only 1.7% (“Forecast: Recession Slams”). Moreover, IEG issued the first mid-year update of annual spending forecast in June, 2009. The revision projected North American companies would spend more than they did in 2008, but only by a small margin of 1.1% compared with 2.2% growth predicted at the end of 2008 (*IEG Revised Sponsorship*, 2009).

The economic recession since late 2008 directly impacted the sports sector as many companies attempted to save money by cutting sport sponsorship budgets. For instance, The Home Depot and General Motors declined to renew long-term

sponsorships with the USOC, while Bank of America was considering dropping its sponsorship with the USOC (Associated Press, 2009; Judd, 2009). After 16 years of sponsorship, The Home Depot announced dropping its USOC sponsorship. The Home Depot contract brought the USOC \$15 million to \$20 million over 4 years. For The Home Depot's Olympic jobs program, the company had paid full-time wages and benefits for part-time work, which gave athletes more time to train. The sponsorship dropout left a hole in the budgets for as many as 100 Olympic athletes (Judd). Bank of America may also drop its sponsorship with the USOC unless the federation provides more value for the \$12 million it spends supporting American athletes (Associated Press).

A study by the sports marketing research firm Performance Research of American Consumers revealed that the majority would like to see less spending on sports sponsorships for companies experiencing difficulties (62%) and, particularly, by those accepting federal assistance (68%). The results also indicated the majority of respondents were less likely to purchase a ticket for a favorite sporting event (67%) than they were a year ago. However, for profitable corporations, over 77% of the respondents would like to see them spend the same or more on their favorite sports. Hence, respondents indicated that this period is not the time for stable companies to drop sponsorships, but to provide more value to consumers with their programs (*As Consumers Tighten Their Belts, They Expect Corporate Sponsors To Do the Same*, 2009).

## Sponsorship Activations

Cornwell and Maignan (1998) stated that sponsorship involves two activities. The first activity is an exchange between sponsor and event property, where the event property receives compensation (rights fee) while the sponsor obtains the right to associate itself with the event. Second, the sponsor leverages the association by developing marketing activities to communicate with the target audience. In order to accomplish corporate objectives, sponsors need to deliver messages to their target audiences in meaningful ways through sponsorship activities around the sport properties; this is called sponsorship activation. Besides the sponsorship fee, sponsors also spend money on sponsorship activation. Sponsorship activation is defined by IEG as “the marketing activities a company conducts to promote its sponsorship. Money spent on activation is over and above the rights fee paid to the sponsored property” (IEG, 2008, ¶ 1). For example, in 2007, sponsors of the Oscar De La Hoya and Floyd Mayweather Jr. match spent more than \$50 million on in-store promotions, advertising, and billboards using the fight to sell their products. Sponsors paid approximately \$1 million in cash fees; this was insignificant compared with what sponsors did in terms of activation, which was much more valuable (“Sponsors Jumping on Board to Promote De La Hoya-Mayweather,” 2007).

The study by Performance Research in 2003 indicated that most sponsors spent \$1 or less on activation for every rights fee dollar. This amount was relatively low compared with the suggested ratio of at least \$3:\$1 to maximize sponsorship value (Performance Research, 2004). However, the percentage of overall marketing budgets

devoted to sponsorship has risen since 2003. In 2007, the typical sponsor spent \$1.90 on activation for every \$1 it paid properties to associate with them. This amount surpassed the 1.7:1 ratio reported in 2006 (“Decision-Maker Survey,” 2007). Despite increased spending in sponsorship activation, a high percentage of sponsors indicated spending no additional money to promote their sponsorships beyond what was spent on rights fees or research and measurement (“Decision-Maker Survey”).

In order to leverage the sponsorship, meaningful messages should be communicated to target audiences through sponsorship activities. Often, sport properties are more interested in selling their inventory than meeting sponsor requirements (Stotlar, 1999). According to the Sponsorship Evaluation Model proposed by Stotlar (2004), the sponsor should consider inventory or the exploitable sponsorship components as well as other marketing activities such as traditional media buys, point of purchase, sales promotions, cause-related marketing, personal selling, and public relations campaigns. The activated components would be ultimately determined by the corporate objectives and the property’s filter of viable inventory. The unique nature of each sponsor should also be considered, and the sponsorship proposal should be customized to benefit each sponsor (Stotlar, 2004). Activated components may consist of various forms such as venue signage, hospitality tents, in-game promotions, sales kiosks, program advertising, media coverage, ceremonies, cross promotion, title/naming rights, and value-in-kind (VIK) supplies. Some of the activated components are explained in the following paragraphs as well as the example from the sponsored activities in professional sports and Olympic sports.

Hospitality tents can be used to host key customers, clients, government officials, employees, very important persons (VIPs), as well as fans. In the event area, sponsors can run their marketing activities and provide hospitality such as dining, drinks, and other amenities. More importantly, sponsors can attract customers to interact with, build relationships, and learn more about prospects' business. In 2008, at the National Hockey League (NHL) Winter Classic at Ralph Wilson Stadium, Anheuser-Busch gave fans a place to escape the cold. They opened a hospitality tent to all in the fan celebration area. In the area, Bud Light logos surrounded people as they enjoyed beers and food (Mickle, 2008b).

Sponsors may do in-game promotions and provide giveaways to audiences. Lagae (2005) stated that sponsorship-related monetary incentives employed regularly in the activation of sports sponsorship include coupons, cash refunds, and saving cards. Contests and lotteries also may be linked to sponsorship projects. Sponsorship activities include a sponsor's product giveaways as part of the sales promotion. For example, buyers of a Japan's Victor Company (JVC) television set in the Netherlands received a ball from Adidas during Euro 2000. In the National Football League (NFL), McArthur supplied rally towels for conference championship games (Lefton, 2008b).

Sponsors may offer ticket access to the sporting event as sweepstakes. The access to prestigious games provides such experiences to target audiences. For example, the NFL team sponsors activating around the game include StubHub, with a Web-based contest offering tickets and sideline passes, and the Tampa Tribune and local Dodge Dealers, combining for a promotional in which seven winners receive



tickets and sideline passes to the game along with a key to a 2008 Dodge Ram Truck. Chargers sponsor, Sprint, raffled tickets and merchandise at local retail locations and tied in with some radio ticket giveaways (Lefton, 2008a).

Product sampling is the ideal promotion instrument to allow the consumer to try a product. “Sampling is certainly recommended for products with benefits that become evident after tasting just small quantities, such as chocolate bars and soft drinks” (Lagae, 2005, p. 192). “Sponsorship must motivate consumers to interact with the sponsor’s products whether that’s touching it, using it, speaking to a specialist about it, etc. and have them walk away with more knowledge about it” (“Product Integration: Not Just for Technology Companies Anymore,” 2004, p. 3). Sporting environments are eminently suitable for sampling activities as it is exciting and relaxing; plus, a concentration of a target group exists (Lagae). Lagae added, “sponsorship-related sampling is not limited to fast-moving consumer goods or food products: it can also be used in consumer durable products, e.g. a prospective new car buyer can be offered a test drive” (p. 192).

Sponsors may enhance their visibility through various media (local, national, or international) covering a sporting event. For instance, USA Basketball (USAB) sponsors activated around the Senior National Team’s mini training camp in Las Vegas in the fall of 2007 before the Fédération Internationale de Basketball Amateur (FIBA) Americas Championship 2007. With the intrasquad USAB Challenge game at the Thomas & Mack Center being broadcast on Fox Sports News (FSN), State Farm, title sponsor of the game, ran an on-air and in-arena spot with coach Mike Krzyzewski

indicating its USAB sponsorship. Other USAB sponsors advertising on the broadcast included Coca-Cola (Sprite), Gatorade, General Motors (GM [Chevrolet]), McDonald's, Nike, and Electronic Arts (EA) Sports (Lefton, 2007).

The VIK supplies are payments in full or a percentage of the sponsorship fee in goods or services rather than cash. The examples include the sponsorship of awards, transportation, communication systems, and various sport-specific equipments. As a first year sponsor of the New York Marathon, Toyota vehicles were prevalent throughout the weekend. Officials drove the Toyota Prius throughout the preparation period of the event. In addition, Toyota showed a presence at the finish line, as each race's winner took home a Prius ("Spons-o-Meter: ING Heads List of N.Y. Marathon Partners," 2007). Toyota benefitted in supplying the Toyota Prius to showcase their products. Another example of VIK sponsorship was Kodak's activation in Beijing 2008. Kodak operated a 20,000 square-foot Kodak Image Center for photojournalists; a polyclinic for diagnostic imaging and treatment of athletes' injuries; and accreditation badging for Olympic participants, families, volunteers, guests, journalists, and officials ("Kodak to End Role as TOP Olympic Sponsor After '08 Games," 2007).

Retail promotion or point of purchase promotion can be defined as any promotional material placed at the point of purchase, such as interior and window displays or printed material available at shop counters (Lagae, 2005). Many examples of integrated public relations and action communication exist at the point of sales. The presence of a sponsored top athlete at the opening of a refurbished or new retail outlet is one example. For instance, Cingular Wireless activation on their Mexican national

team sponsorship included retail promotions/point of sales and player appearances at stores in Hispanic neighborhoods. These appearances, combined with their grassroots soccer-themed tour to help open new stores in Hispanic neighborhoods, built a 360 degree connection between the brand and soccer (“Marketers Discuss World Cup Sponsor Activation, Advertising,” 2006).

A few studies in the area of sport sponsorship activation relate to action sports. Choi et al. (2006) asked 17 spectators attending the LG Action Sports Championships to take photographs of the most interesting scenes at the event with a LG camera phone and then interviewed the participants. The purpose was to determine whether consumers actually noticed sponsorship activation at the sporting event. They found some sponsored activities, such as logo placement, product demonstrations, hospitality tents, etc., matched with the interests of spectators, but some did not. They suggested placing the product actively in the hands of the customers as the most important goal.

Cianfrone and Zhang (2006) examined the effectiveness of television commercials, athlete endorsements, venue signage, and combined promotions with 253 Generation Y consumers. They found television commercials as the most effective, followed by combined promotions, athlete endorsements, and venue signage in increasing brand awareness. Entertainment such as live music is part of on-site sponsorship activities. Mountain Dew, sponsor of the AST Dew Tour, created an on-site television studio (Dew Underground) at each tour stop. Dew Underground included local artists, skaters, and musicians and extended beyond the on-site activation to the Internet and television (Mickle, 2008a).

## Web Sponsorships

With the number of Internet users growing, visibility of sponsors on sporting event Web sites is among the new activation components. Performance Research (2001) found that Web users both recognized and appreciated online sponsorship to advertising banners. Overall, respondents found sponsors to be less obtrusive and more engaging than advertisers. Even more significantly, 41% said they were more likely to consider purchasing a sponsor's product or service, compared to 23% for advertisers.

Prior to 1993, Internet users were limited to viewing only text-based information. In 1993, the Mosaic browser transformed the Internet. Users were able to view Web site information graphically, hear a sound, see a video, and link to different Web sites (Brown, 2003). Professional sports teams and leagues began to launch their Web sites during this period. The earliest sport teams to launch their Web sites were the Seattle Mariners and the San Jose Sharks (Jensen, 1995). The NFL became the first professional sport league to launch an official Web site. The league determined that a Web site would be valuable in communicating with fans in the global marketplace. The NFL planned to add sponsors to a newly designed Web site and sell licensed merchandise through that site (Jensen). Eventually, professional teams and leagues included Web sites in new sponsorship proposals. For instance, Anheuser-Busch required advertising space on the official Web sites of several company sponsored sport organizations (Brown, 1999).

The benefit of the World Wide Web is to reach a highly desirable target market. To date, all major research organizations have found that Internet users are

young, well-educated, and earn high incomes (“Why Internet Advertising,” 1997). The other benefit of marketing through the Internet is cost reduction. Web-based marketing reduces organizational costs. The Internet enables a purchaser to order a product online instead of speaking to a sales representative. In addition, the Web site can assist in establishing customer loyalty and brand positioning by the association with a particular Web site (Brown, 1999). Finally, marketing through the Web benefits one-to-one marketing as organizations develop databases of user information. Building a database of consumer information enables organizations to better understand Web customers’ needs and purchasing behaviors (Griffin, 1996).

Searching for information or visiting Internet sites is self-selecting behavior, and only individuals who have a prior interest in a particular product or service spend time visiting that Web site. People visit a specific sporting Web site with a specific goal in mind, which likely varies based on the involvement with the sport entity. Motivations for use of a specific medium usually come from one of two reasons: (a) to access content available on a certain medium (specific information and entertainment); and (b) to gain the experience of using the specific medium, including exploring the dimensions of the technology provided by the medium (Pedersen et al., 2007).

Kotler and Armstrong (2006) noted that “a key challenge is designing a website that is attractive on first view and interesting enough to encourage repeat visits” (p. 569). The early text-based Web sites have been replaced in recent years by graphically sophisticated Web sites providing text, sound, and animation, as well as

interactive content. Rayport and Jaworski (2001) suggested that e-marketers should pay close attention to the seven design elements (7Cs) of effective Web site design.

- Context: site's layout and design.
- Content: site's text, pictures, sound, and video.
- Community: ways the site enables user-to-users communication.
- Customization: site's ability to tailor itself to different users or to allow users to personalize the site.
- Communication: ways the site enables site-to-user, user-to-site, or two-way communication.
- Connection: degree to which the site is linked to other sites.
- Commerce: site's capabilities to enable commercial transactions.

Filo and Funk (2005) found a number of venue-based psychological features associated with consumers of sport teams and sporting events could be utilized in developing sporting event Web site content. These features consist of aesthetics, interest in team, drama, interest in sport, and players as role models. By presenting and making accessible attractive consumer-based content on their Web sites, sport organizations strengthen the mental associations for previous attendees, while creating awareness of these elements to potential attendees (Gladden & Funk, 2002). Pedersen et al. (2007) suggested that sport Web sites are expected to be interactive. The interactive media allows consumers to form social networks or consumer-to-consumer relationships such as message boards, blogs, online discussions, or even live chats with players. The sporting event Web sites should provide visitors to the site with

multimedia features (video databases, photo galleries, and game-day audio clips) as well as online voting, polls, commercials, promotions, and games (predictor, fantasy sport, etc.) Another benefit of these interactive features is to allow the organization to better understand its consumers. In addition, the interactive qualities of a Web site are most useful in attracting and retaining site visitors who may not be attracted to a site by content. Recently, sponsors in mega-events have developed marketing activities by using interactive content on the Internet.

One common practice of online sponsorship activations is the title sponsor of online contests or games on the official sporting event Web site. The contents are normally related to the sporting event and are in the interests of Web audiences. These are opportunities for sponsors to showcase their products in the form of contests or game rewards. Some sponsors also provide a chance for fans to win a trip to the event (*Henkel to Sponsor Men's Ice Hockey 2008 World Championship in Canada*, 2008; *McDonald's Announces Plans to Bring 2006 FIFA World Cup Excitement to Life for Customers Around the World*, 2006; "NHL Partners Activate Around the 2008 Stanley Cup Playoffs," 2008).

Leveraging the growing popularity of online fantasy league gaming, McDonald's offers Internet users around the world a chance to participate in the Fédération Internationale de Football Association (FIFA) World Cup experience through an exclusive global sponsorship of the McDonald's/FIFA Fantasy Game on <http://www.fifaworldcup.com> (*McDonald's Announces Plans*, 2006). McDonald's also leveraged its Olympic partnership via several types of activation at the Beijing

Olympic Games 2008. One of those was sponsoring an Olympic-themed online game where fans found McDonald's partnership with the International Olympic Committee (IOC) ("Lost in Cyberspace: McDonald's Sponsoring Olympic-Themed Game," 2008).

Other than online games and contests, the Internet allows consumers to become involved with sporting events by online voting and polls. For example, Gillette sponsors the MLB Rookie of the Month Award, while DHL International presents the Major League Baseball (MLB) Man of the Year Award (*DHL Delivers Fans Another Season of Major League Baseball*, 2008; *Henkel to Sponsor*, 2008). Another example of activity on a Web site is a personalized Web page. The NHL started a MySpace page that included official video clips from the ongoing playoffs and regular season (Fisher, 2007). International Business Machines and the United States Golf Association also launched a Web site that is more engaging and more personalized to golf fans (*IBM, United States Golf Association Begin Four-Year Partnership with Launch of usopen.com*, 2008). The development of the NHL Network Online has enhanced the platform for NHL partners to conduct their marketing activities online. The new broadband media player engages NHL fans to deliver unprecedented value to sponsors, for instance, video-on-demand of the Hockey Show presented by Bud Light and the NHL Game Highlights presented by Verizon Wireless. The new broadband media player for its 30 clubs' specific channels enables the clubs to develop compelling programming to connect with their fans. These new team-specific channels can be marketed and sold to local sponsors, presenting a new revenue stream (*NHL Network*



*Online Launches with Marquee Sponsors Bud Light, Cisco, Dodge and Verizon Wireless*, 2008).

Lagae (2005) cited the findings of the European soccer clubs' Web site studied by Naessens in 2002, which found links on the club site to the official sponsors of the club. He added that,

banner advertising improves brand familiarity, communicates added value, and offers the possibility of a link to the brand's website. More than 95% of the club sites utilized forums to enhance interaction among supporters as well as between the club and supporters. (p. 177)

In smaller sporting events, sport organizations are struggling to take advantage of the Web site. Most sponsorship visibility on the sporting event Web sites are in the form of logos or banners that link to sponsors' Web sites. Some sporting event Web sites do not offer clickable logos of its many sponsors. Brown (2003) insisted that research on the sport industry's use of the Internet is needed, and a study should be conducted on why sport organizations are not using the full potential of the Web as a tool of interactive marketing. Brown (2003) questioned why so many sport organizations failed to place any importance of selling through their sites.

Few researchers have considered how to measure the success of the Web site as a marketing tool. Brown (2003) indicated that some measure success by total site hits, while others consider the number of site visits, and some are only concerned with the revenue generated through the site. However, there were no standard means to measure the performance of a successful Web site. Marketers have relied upon their intuition and advertising expertise when designing, developing, and implementing their organization's sites (Berthon, Pitt, & Watson, 1996). Kotler and Keller (2008)

suggested that marketers must first determine their marketing objectives and then evaluate the success of the Web site based on such objectives. With this guideline, evaluation of sponsorship effects on the Web site should be conducted based on marketing or sponsorship objectives of the corporations.

The challenge for sport marketers to sell their assets in an increasingly competitive global marketplace is tremendous. “Two relative new forces add additional complexity to the business of sport sponsorship is the Internet and the globalization of markets” (Zwick & Dieterle, 2005, p. 128). Unlike online advertising or Web-based commerce, Zwick and Dieterle revealed, “the website has not yet been discovered as a legitimate aspect of the sponsorship package” (p. 138). It appears that marketers still lack a basic understanding of how the Internet can add value to the promotional mix in general and the sponsorship package in particular. They added that marketers need to be able to judge whether the personality of the sponsor’s brand aligns well with the Internet and whether the Internet fits with the target audience. In addition, marketers need to understand how to coordinate an online strategy with an offline strategy and whether the objective of using the Internet for sponsorship is the creation of brand awareness, exploration, or commitment (Zwick & Dieterle).

Future research should also be conducted on the Web site from the perspective of the site user (Brown, 2003). In addition, it would be helpful for a marketer to understand why a consumer prefers one site over another. In essence, the research must be conducted on the latest Web-related trend of licensing Internet rights to a

second party. Through the licensing of Internet rights, sport organizations can increase the probability for making a profit via online ventures.

### Sponsorship Effectiveness

Market researchers conducted several forms of sponsorship effectiveness evaluation. All evaluation stems from primary and secondary data sources and qualitative and quantitative research method. This literature review focuses on the common measures mentioned in recent sport management research including ROI, consumer's level of brand awareness, attitude toward the sponsorship, and purchase intentions. Madrigal (2001) stated sponsors often expected the positive outlooks perceived by consumers via the event medium would transfer to their company and brands, resulting in increased purchase intentions. If sponsors are successful in creating the connection with their target markets, and the consumer purchases products and services from the company, then the end result is called ROI. Sweet (2002) stated, "many sponsors are taking a closer look at their ROI, especially in the slow economy and a sport landscape that offers a wider variety of opportunities" (p. 27). In order to measure ROI, a couple of examples follow. In "Dannon Sponsorship Stirs 3-to-1 Return" (2003), ROI was calculated on sponsorship of the Dannon Duathlon Championship Series. In addition, Ukman (2004) provided a breakout of calculating ROI of an automotive sponsor for a boat show. A primary sponsorship objective was to increase sales of sport utility vehicles. Ukman (2004) proposed that the ROI could be computed from (a) attendees who visited the booth and pickup test drive offer, (b) booth visitors who visited the dealer for a test drive, and (c) test drivers who purchased

within a 12-month period. To convert into the ROI, average profit per vehicle, gross profit, and rights fees were included in the calculation (Ukman, 2004).

Amis, Pant, and Slack (1997) pointed out that sport sponsorship has proven to be an effective way in shaping competitive advantages in the market through the accomplishment of corporate objectives. However, some corporations have failed to assess sponsorship effectiveness in meeting these objectives. Stotlar (2004) stated that sporting event organizers normally report data, including attendance figures and media impressions, to sponsors but pay little attention to the sponsor's objectives. He proposed the Sponsorship Evaluation Model and pointed out that the most appropriate measure of effectiveness should determine whether the specific marketing objectives of the corporation were met.

Meenaghan (2005) cited a recent IEG/ Performance Research study of United States sponsors; findings revealed that sponsors tend to rely on relatively basic methods in evaluating sponsorship effectiveness. Internal feedback (53%) and media exposure analysis (television and print, 52%) were the most widely used methods of evaluation. Concurrently, primary consumer research, which measures sponsorship effects such as sponsorship awareness, image, and sales related effects, seem a relatively low priority for many sponsors.

Recent research in sport sponsorship often included the following sponsorship objectives as variables: increasing brand and corporate awareness (Cornwell, Roy, & Steinhard, 2001; Dean, 2002; Gwinner, 1997), improving brand image and attitudes among consumers toward sponsors and goodwill (Cornwell et al.; Dean; Gwinner;

Koo, Quarterman, & Flynn, 2006; Meenaghan, 2001), and increasing sales (Dean; Gwinner & Swanson, 2003). Based on the Sponsorship Evaluation Model proposed by Stotlar (2004), sponsorship can also support other corporate marketing objectives such as building trade relationships, rewarding top accounts, improving customer satisfaction, obtaining target market data, improving communication with target market, and improving employee motivation.

The common sponsorship effectiveness measures including brand awareness, attitude toward sponsorship, and purchase intentions have been studied by several researchers in the area of sport sponsorship. For example, Bennett, Cunningham, and Dees (2006) assessed the marketing communication activations of a professional tennis tournament by measuring attitudes toward the sponsoring organization, sponsorship recognition, and also purchase intentions of sponsors' goods and services. The result indicated that it was good for companies to sponsor the tournament because support from marketing activities is important in shaping fans' attitudes toward the sponsoring organization and their purchase intentions.

#### *Sponsorship Awareness*

Sponsorship awareness, brand awareness, brand recognition, and increased visibility objectives identify the most common corporate objectives and can be evaluated using surveys. Recall and recognition surveys have been effective when used to evaluate recognition and sponsor identification on several occasions and in various sport settings (Bennett et al., 2006; Bennett et al., 2002; Cuneen & Hannan, 1993; Pitts & Slattery, 2004; Stotlar & Johnson, 1989; Wells, 2000). Awareness of ad or

sponsorship communication requires consumers to recall (unaided) or recognize (aided recall) sponsors of the event by providing names of the companies from memory or identifying them from a list. Wells noted that recognition indicates interest in the sponsor rather than measuring memory. He added that the ability of consumers to recognize a sponsor could connote the interest level in the product being promoted. Nigel, Popes, and Voges (2000) supported that where brand familiarity and corporate image are concerned, a recall measure is more appropriate than recognition. Pitts and Slattery examined the effects of time on sponsorship recognition among season ticket holders at a nationally ranked university football program. The findings revealed that respondents demonstrated an increasing percentage of recognition rates. Recognition rates ranged from 0.08% to 79.5% in the first measure during the early season period, and from 0.17% to 89.7% in the second measure during the post season.

#### *Attitude Toward Sponsorship*

Another sponsorship objective normally measured is improving corporate image and is sometimes referred to as brand image. Often, this objective has been measured by attitude toward sponsorship. It is imperative that companies not only focus on brand awareness, but also determine if their marketing message creates a favorable response among target audiences. Attitude toward the sponsor could be defined as a consumer's overall evaluation of an organization sponsoring an event (Keller, 2003). Attitude toward the sponsor can be explained by the schema-based affect theory, which proposed a consumer's attitude was shaped by prior knowledge or experience with certain people, places, events, etc. (McDaniel & Heald, 2000).

Recent research seeks to explain the relationship and effect of attitude toward the sponsor with other variables such as purchase intentions and actual purchase behavior (Bennett et al., 2006; Koo et al., 2006). Meenaghan (2001) developed the construct and studied how attitude toward a sponsor is formed. Gwinner and Bennett (2008) surveyed 552 attendees at the Louisville, Kentucky, stop of the Dew Action Sports Tour and found brand cohesiveness and sport identification impacts on event and sponsor fit perceptions. The match between an event and sponsors also has an impact on attitude toward sponsors and ultimately leads to intent to purchase sponsors' products or services.

#### *Purchase Intentions*

Sponsorship awareness often fails to provide significant evidence regarding consumers' satisfaction with the event and their intent to purchase products or services from sponsors. Purchase intentions provide a sense of the strength of an individual's motivation to make an effort to purchase a brand. Purchase intentions have often been studied in recent research in sport sponsorship as a dependent variable in a structural model. For instance, brand attitude was a significant predictor of sponsor purchase intentions (Koo et al., 2006). Goodwill, attitude toward sponsor, and fan involvement are also important facets in predicting purchase intentions (Dees, Bennett, & Villegas, 2008). Gwinner and Bennett (2008) also found that brand cohesiveness and sport identification influence event-sponsor fit perception among event attendants. This positive brand fit impacts a favorable attitude toward sponsor and finally leads to higher purchase intentions.

## Action Sports and Generation Y

Sport may now have become over saturated by sponsorship activities. In a cluttered market, many sponsors are seeking alternatives to mainstream sport by moving to action or extreme sports. These markets are less cluttered, and the events have a strong association with Generation Y consumers (Cordiner, 2002). Action sports are an emerging genre of individual sports that is not mainstream or traditional and often includes risk, danger, or unconventional rules and/or techniques (Bennett et al., 2002; Petrecca, 2000). Action sports differ from traditional team sports because athletes typically compete on an individual basis. Action sports include, but are not limited to, skateboarding, snowboarding, rock climbing, mountain and BMX/freestyle bike riding, and in-line skating (Gladden & McDonald, 2005). Media, advertisers, and sport marketers often refer to this group of sports as eXtreme Games or X-Games in order to provide consumers, especially young consumers, with alternative sport selections (Bennett et al., 2002).

ESPN launched the first Summer X Games in 1995, which was the beginning of interest in action sports throughout the world. LG Electronics, a Korean corporation, estimated approximately 150 million people participated in action sports worldwide. In addition, the number of participants increased by 30% a year, and 85% of the audience was 12 to 34 years old (Salmon, 2004). In the United States, “40.6 million people participated in either aggressive in-line skating or skateboarding, and 7.2 million are involved in snowboarding” (Gladden & McDonald, 2005, p. 192). Growing numbers of major events showed up both in the United States and around the



world. The growth of action sports has been influenced by broadcasters and agencies. In the United States, these include the ESPN Winter and Summer X Games, National Broadcasting Company (NBC) Gravity Games, Gorge Games, Vans Warped Tour, and Dew Action Sports Tour. The Winter X Games 12 in 2008 was ESPN's most watched in history. The 8 telecasts averaged 863,000 homes, up 17% from 2007. Many key demographic groups (men 18 to 24, 18 to 34, 18 to 49, and 25 to 54) also delivered their most-viewed Winter X Games (*Winter X Games*, 2008). With this rapid growth, recent research suggests that action sports have become mainstream (Greenwald & Fernandez-Balboa, 1998).

Each of these media-driven action sports events seeks to target the market of Generation Y. Generation Y has been referred to as a group of young sport consumers between the ages of 10 and 24 (Gladden & McDonald, 2005). This generation makes up approximately 25% of the population of the United States. McCarthy (2001) suggested that "action sports currently boast over 58 million consumers between the ages of 10 and 24 who wield \$250 billion in buying power" (p. 2). Generation Y is positive and self-confident, valuing diversity and education (Koranteng, 2001). Generation Y understands technology, utilizes the Internet extensively, and is globally oriented (Fanning, 2004).

Generation Y appears to value a sport that is alternative, risky, and non-traditional. This group generally accounts for approximately 60% of action sports consumers (Bennett et al., 2002). Bennett et al. (2003) surveyed a sample of 367 Generation Y people regarding their perceptions of action sports. The findings

indicated that soccer and action sports are more popular among the younger generation than some traditional sports. Males were more supportive of the idea that action sports would become more popular in the future. In addition, members of Generation Y prefer to watch X Games over other sports and tend to be optimistic about the future of action sports if they watch events on television.

### Actions Sports Sponsorships

Increased participation has been supported by the emergence of professional and amateur action sport competitions, festivals, and tours, as well as media coverage. Live and televised presentations of action sport events have appealed to corporations looking to extend their markets to Generation Y consumers (Brockington, 2001). Action sports, like many sporting events, have become television and sponsorship driven. In an effort to generate revenue, networks and event organizers depend heavily on sponsors to help fund made-for-television events. Several major corporate sponsors have formed relationships with action sports broadcasters such as ESPN and NBC. Corporate sponsors paid up to \$3 million each for the top tier packages for the 1999 Gravity Games, while ESPN generated approximately \$22 million from endorsement packages the same year (Petrecca, 1999). The ESPN sponsorship package for the 2001 X Games generated almost \$30 million (Brockington). The IEG Sponsorship report projected sponsorship spending by North American companies on action sports to reach \$147 million in 2008, which was up 7.6% from the \$138 million spent in 2007. This increase is largely driven by three main factors: marketers' growing interest in targeting the teen market, new spending in energy drink and video game categories,

and properties expansion efforts (“Spending On Action and Adventure Sports to Total \$147 Million in ’08,” 2008).

The objectives of action sports sponsorship are quite similar to mainstream sports sponsorship, for instance, creating awareness, increasing sales, and enhancing brand image. Similarly, action sports also seek to reach a specific target market segment, specifically the youth market. Kleinfeld (2002) noted that action sports are an incredible success story in combining sports with entertainment while targeting a specific market. Broadcasters do not limit their marketing campaigns to only action sports, but also to a lifestyle associated with music and fashion. For instance, Vans Warped Tour made 50 stops across the United States and combined action sports with 6 to 10 stages of live music (Lieberman, 2004). Mega-brands also benefit from action sports. Nike announced a multi-year sponsorship of the Dew Action Sport Tour on behalf of the Nike 6.0 sports brand and also earned exclusivity in the footwear and apparel categories and associate sponsor status of the summer and winter tours (“Spending On Action,” 2008). This inclusion of facets beyond sports such as music, lifestyle, and fashion provides a very effective means to communicate with Generation Y consumers.

Action sports sponsors not only seek brand or corporation awareness with their sponsorships, but they also try to make a direct connection to consumers (Gladden & McDonald, 2005). Action sports events allow corporations a variety of opportunities for direct interactions with customers in order to form positive brand images through their lifestyles and interests (Bennett & Lachowetz, 2004).

For example, at the 2000 X Games, more than 40 corporate booths were well visited by attendees (King & Kang, 2000). Sponsors also seek to position or reposition their brands through action sports sponsorships. Prior research suggests that the degree to which consumers perceive a fit between the sponsor image and the event image is important to the overall success of the sponsorship (Gwinner & Eaton, 1999; Kinney & McDaniel, 1996; Musante, Milne, & McDonald, 1999; Pham & Johar, 2001; Roy & Cornwell, 2004). Mountain Dew, the soft drink company, created the classic image-transfer sponsor case study with action sports. The Mountain Dew marketing campaign used action sports imagery to change the drink perception from a drink for people in rural areas to coolness, rising momentum, and excitement (Kleinfeld, 2002).

Gwinner and Bennett (2008) surveyed 552 attendees of the Dew Action Sports Tour that took place in Louisville, Kentucky, regarding brand fit perceptions. The results indicated a high association between brand cohesiveness and sport identification with a positive impact on event and sponsor fit perceptions. The match between an event and sponsors also has an impact on attitude toward sponsors, which can have a positive influence on consumers' purchase intentions. However, Generation Y members can react negatively to both big brands and over-commercialization. Sponsors cannot achieve brand loyalty by merely placing a sign at an action sport event. As mentioned earlier, Generation Y tends to be sensitive to the domination of mega-brands. Wade Martin, General Manager of Dew Action Sports Tour, noted that "the loyalty to action sports only transfers to sponsors if the action sport sponsor is

perceived to be genuinely interested in action sports and not just trying to capitalize on it for commercial gain” (Gladden & McDonald, 2005, p. 199).

Bennett et al. (2002) mentioned a dearth of original research existed in evaluating sponsorship effectiveness in action sports. They developed an original 19-item questionnaire to measure action sports sponsors and athlete recognition by members of the Generation Y market. They found that Mountain Dew was clearly the best sponsor who gained the most recognition by the respondents. Respondents also clearly identified ESPN as the sponsor of the X Games. However, they also noted that the respondents showed a relatively low recognition rate.

Another example is the case of LG Electronics. LG was not listed among the top 100 global brands, although LG is the world’s largest producer of computer screens, liquid crystal displays (LCD), and digital video disc (DVD) players. The company attempted to change this perception by sponsoring the World Action Sports Championships in California (Gladden & McDonald, 2005).

In addition to reaching a segmented market and increasing an image transfer, action sports sponsors also tried to increase sales. Wade Martin, General Manager of Dew Action Sports Tour, stated, “action sports consumers see the sponsors as essential to the existence of the events and participation of the athletes and thus feel strongly toward those brands that support action sports” (Gladden & McDonald, 2005, p. 199).

#### *Activation of Action Sports Sponsorships*

Regarding the activation of action sports sponsorships, sponsors attempted to reap benefits from their sponsorship by using the same activation methods as

mainstream sports. For example, signage, broadcast advertising, retail promotion, and on-site sampling remain the main tactics used by action sports sponsors (Gladden & McDonald, 2005). However, Gladden and McDonald also pointed out that lack of understanding can lead action sports enthusiasts to perceive a sponsors' involvement as inauthentic: "To create a perception as an authentic supporter of action sports, corporations must fully integrate their sponsorships and even sponsor events themselves may not provide significant Return of Investment" (Gladden & McDonald, p. 201). Action sports offer unique opportunities for sponsors to achieve their objectives such as purchasing the title sponsorship to the music stage, highlight, DVD samplers, and video games.

#### *General Trends in Action Sports*

As action sports have become a mainstream, both the Summer and Winter X Games draw more family audiences, and marketers focus increasingly on the family as a group of potential customers (Bernstein, 2002). However, it is also important to maintain a relationship with the core action sports participants, the Generation Y young male, and especially those who have influence over their peers (Gladden & McDonald, 2005).

The general trend of action sports events needs to be viewed from the global perspective. Large events are beginning to be more prevalent in Europe, Asia, and Australia. In addition, multinational companies like LG, Sony, and Panasonic invest in action sports sponsorships. Since action sports are in an early growth phase, an in depth understanding of action sport sponsorships is limited. The impact of the

research-related impact of sponsorships, sponsorship effects, and sponsorship activation in action sports has been of interest to researchers in recent years (Bennett et al., 2002, Bennett et al., 2003; Choi et al., 2006; Cianfrone & Zhang, 2006; Gwinner & Bennett, 2008).

Beyond these studies, Gladden and McDonald (2005) pointed out that future research should examine the unique differences and nuances associated with this highly targeted vehicle and theoretical issues. Gladden and McDonald suggested examples of intriguing issues for further examinations, such as action sport enthusiasts' loyalty toward sponsors' products and the success of sponsors in repositioning. Answers to these issues would be very beneficial for the long-term viability of the action sports industry and corporations that may consider sponsoring this market segment. Marketing practices, which were successfully employed in other markets, may not be effective since the action sport members may value things and act differently from mainstream sport members.

### Conclusion

The increased prominence of large transnational corporations, technological advancements, and the merging between sports and entertainment have changed the way sport sponsorship is practiced by corporations. The increase in dollars spent on sport sponsorship by corporations is phenomenal. However, it appears that unprecedented amounts spent by corporations go to big-time sports properties, while other property types see much smaller increases in sponsorship revenues. Several sport events have become cluttered by various types of sponsor activities. In a cluttered

market, many sponsors move to specific market segments such as consumers of action sports. Action sports markets have a strong association with Generation Y consumers who have enormous buying power. However, sponsors need to spend more time in understanding this market segment as they might react negatively to megabrands that do not genuinely support their sport activities. Therefore, this group may not be reached by traditional messages.

The merging of sport, technology advancement, and entertainment is the current trend of sport sponsorship. Practitioners should find and create new forms of value in the demographic, psychographic, and functional relationships found in their client base. With the Internet as a new communication channel, corporations could enhance sponsorship messages to target consumers. The current sponsorship exposures at sporting event Web sites raise the questions of whether Web users actually notice such a logo, recall the title, and visit sponsors' Web sites to learn more about their businesses or ultimately to study sponsors' products. There is no evidence that the current sponsorship activities on the sporting event Web site actually enable corporations to achieve their sponsorship objectives such as increasing sales, improving images, or increasing awareness. In addition, measurement of sponsorship effectiveness in online activation should be studied if similar techniques from on-site sponsorship activation can be employed.



## CHAPTER III

### METHODOLOGY

This study compared the effectiveness of sponsorship activities between an on-site and a sporting event Web site. Due to the interaction between sponsors and audiences at the event, it was expected that on-site sponsorship activities would lead to higher sponsorship effectiveness in terms of brand awareness, attitude toward sponsorship, and purchase intentions than the sponsorship activities on the sporting event Web site. The methodology used in this study is organized into five sections: (a) participants and setting, (b) data collection, (c) instrumentation, (d) validity and reliability, and (e) data analysis. The participants and setting section includes target population, setting, and sampling frame of the study. The data collection section is composed of on-site and post-event data collection, inclusion and exclusion of the sample, procedure, and minimum sample size required by the study. The instrumentation section includes operational definitions of all variables and their measures. Validity and reliability explains the protocol and statistical methods. Lastly, the descriptive statistical analysis and the multivariate analysis of variance (MANOVA), including its assumptions, are included in the data analysis section.

## Participants and Setting

### *Target Population*

The main purpose of this study was to compare the sponsorship effectiveness between on-site and online sponsorship activities. The target population consisted of three groups of subjects.

1. Participants who attended the sporting event and were exposed to the marketing activities from event sponsors.
2. Internet users who followed the event via the sporting event Web site.
3. Participants who both attended the on-site event and also followed the event on its Web site ([www.xgames.com](http://www.xgames.com)).

The demographics of the Internet users were young, highly educated, and affluent, which matched the demographics of action sport spectators and viewers. The target sample in this study included Generation Y members, who are the majority of action sport fans in the United States. As the key demographic of the Winter X Games spectators were 18 to 24 years old, the age range of all participants in this study was limited to 18 to 24 years old.

### *Setting*

The Winter X Games population was selected for data collection. The event took place at the Buttermilk Mountain ski area in Aspen, Colorado, from January 22 to 25, 2009. The Winter X Games was selected for two reasons: (a) key demographic spectators, and (b) sponsorship exposures through various media. First, the ESPN Winter X Games is the premier winter action sports event in the world, which has

gained increasing numbers of viewers since its inception in 1997. ESPN reported that the 12<sup>th</sup> edition in 2008 was viewed by 863,000 households on average, which marked it as the most viewed Winter X Games. Furthermore, the key demographics of the audiences were men from 18 to 24, 18 to 34, 18 to 49, and 25 to 54 years old (*ESPN Winter X Games 12 Sets Records for Exposure Across Multiple Outlets*, 2008). The *Rocky Mountain News* also reported approximately 70,000 people, many of them between the ages of 12 and 24, attended the Winter X Games 11 in 2007 (Kelley, 2007). Although the spectators' demographics covered larger demographic groups, the majority still comprised Generation Y members. The second reason was the prevalence of sponsored activities in the previous editions. In 2007, each sponsor set up a booth and competed to draw in spectators by playing music and offering prizes and chances to win free snowboards and other gear (Kelley). In addition, several sponsors, such as Jeep, New Balance, Schick, Taco Bell, Mountain Dew, and the U.S. Navy mentioned that the Winter X Games spectators matched with their target audiences.

On the Internet, [xgames.com](http://xgames.com) and [ESPN360.com](http://ESPN360.com) offered live online programming and featured a combination of Web-exclusive and simulcast coverage from ESPN and ESPN2. In 2007, hundreds of thousands of fans viewed the live coverage on [EXPN.com](http://EXPN.com) and [ESPN360.com](http://ESPN360.com). During the four days of the ESPN Winter X Games 2007, [EXPN.com](http://EXPN.com) Live Chat featured more than 10 athletes, which generated tens of thousands of questions from fans. For these reasons, the Winter X Games seemed to be the most appropriate event for comparing the sponsorship effectiveness between Web site and on-site sponsorship activation.

### *Sampling Frame*

The sampling frame consisted of three groups of samples: on-site fans, online fans, and fans who visited both on-site and online. In order to compare the results among these three groups, the age range of all group subjects was limited to 18 to 24 years old. The first group included attendees to the Winter X Games at Buttermilk Mountain, Aspen, Colorado. The individuals in this sample excluded the event staff, athletes, and sponsors' guests. The second group included undergraduate students from a university in Colorado, United States, and the participants at three ski resorts in the Colorado area. The individuals in the sample were limited to persons who visited the event Web site ([www.xgames.com](http://www.xgames.com)) at least one time before or during the event period. The third group included participants who both attended the event and also visited the official Web site of the Winter X Games.

Gall, Gall, and Borg (2003) noted the possibility to use inferential statistics with data collected from a convenient sample if the sample carefully represented a particular population. Bennett and Henson (2003) found college student respondents did not view action sports as significantly as other sports. This result contrasted to reports by ESPN and other media outlets, that is, action sports are very popular with this segment of Generation Y (Bennett & Henson). However, Bennett and colleagues conducted a similar study with middle school and high school students in the same year. These respondents preferred action sports over some traditional sports, such as basketball and baseball, and they preferred to watch and follow the X Games on television, in magazines, and on the Internet (Bennett et al., 2003). When this study

was conducted, those middle school and high school students had become college students. Although the popularity of collegiate sports could attract this group of students, action sports became more appealing to them than to the previous generation.

### Data Collection

The research design employed in this study was a cross-sectional survey design. In order to compare the effectiveness between on-site and Web sponsorship activations, data collection consisted of two time frames: at on-site distribution and after the event at a mid-sized university in Colorado, United States, and ski resorts in Colorado. Both data collection time frames utilized a paper-based questionnaire. Participants were asked to answer a number of questions on the questionnaires. Some items on the questionnaires were different between on-site and online participants, since some items followed the event from different platforms and sponsorship activities were employed in different forms.

Prior to collecting data from the individuals in the sample, the researcher observed sponsorship activities at the event and on the [xgames.com](http://xgames.com) Web site in order to answer Research Question 1. At the event, four data collectors observed the sponsor activities and took pictures to understand how sponsors activate to leverage their sponsorship campaign. Similarly, the researcher visited [xgames.com](http://xgames.com), the official Web site of the event, and reviewed how each sponsor activated their Web site once a day from one week before the event period until the event was over. Web pages displaying sponsor activities were captured and printed. These observations identified the sponsor

activities employed on-site and on the Web site and determined the sponsorship activation components most frequently used on each setting.

#### *On-Site Data Collection*

On-site data were collected by myself and three data collectors, who were graduate students in a sport management program at a university in Colorado. The data collectors were trained prior to collecting data at the event. The introduction script and questionnaires were provided and explained to each data collector. In addition, the data collectors were trained to approach and screen potential participants and follow the steps in the script by simulating the real situation.

On-site data collectors conducted data collections between 10:00 a.m. and 6:00 p.m. for three days from Friday, January 23, to Sunday, January 25, 2009. On the first day, data collectors observed and took pictures of sponsor activities at sponsor booths in a competition venue at Buttermilk Mountain. In addition, the data collectors engaged in each sponsor activity and collected sponsors' materials. The questionnaires were disseminated during the last two days of the event. Data collectors utilized the traditional intercept of the potential participants in downtown Aspen. Before approaching, the data collectors considered if the potential participants were in the age range of 18 to 24 years old. Participants were intercepted as convenient samples. Data collectors informed potential participants that if they participated in the study, they would receive a small bag of chocolate. Data collectors used screening questions that asked participants their age and their participation in the Winter X Games (on-site, online, or

both). If the potential participant qualified for the inclusion criteria, participants received the questionnaire packet including a questionnaire, clipboard, and pen.

#### *Post-Event Data Collection*

The second phase collected data from Web site participants. Convenient samples were recruited from the undergraduate students at one university in Colorado and participants at three Colorado ski resorts. At the university, undergraduate students enrolled in physical education classes and a ski and snowboard club comprised the target sampling frame. The data collection period began after the Winter X Games, from Monday, January 26, to Sunday, February 22. Physical education class instructors were contacted for permission to collect data from their students. The researchers visited the classes and asked the students if they had visited the Winter X Games Web site during the event period. If yes, the student was asked to fill out the questionnaire. Also, additional participants were recruited from the university ski and snowboard club. The researchers collected 26 participants from the university; therefore, more samples needed to be collected from three ski resorts in the Colorado area. The researcher intercepted participants at the ski resorts and asked if they had visited the event Web site. Thirty-four participants were recruited from the ski resorts, which met the minimum requirement of sample size. Similarly, participants were screened by the same screening questions: age and participation mode (online, on-site, or both). Once participants qualified for the inclusion criteria, students received the questionnaire packet. After completion of the questionnaire, each participant received a bag of chocolate as an incentive.

### *Sample Size*

The minimum sample size was determined based on the requirement for a one-way MANOVA. To determine the sample size, power of the test needed to be set. The power of a statistic test is affected by sample size, effect size, and alpha level (Type I error). Thus, a priori estimate of effect size should be set in order to estimate the sample sizes that have sufficient power for finding significance (Meyer, Gamst, & Guarino, 2006).

Guilford and Frunchter (1978) recommended the minimum sample size for a  $k$ -group MANOVA for different effect size, alpha level, and power of the test. In this study, value of medium effect size was estimated. The statistical power level and alpha level were set as .80 and .05, respectively. With three dependent variables (brand awareness, attitude toward sponsorship, and purchase intentions) and three groups of independent variable (on-site, online, and both on-site and online participants), each group required the minimum of 52 individuals in each sample. Thus, a total of 156 individuals in the sample was required (Guilford & Frunchter).

### Instrumentation

Since data were collected in two separate settings from three groups of participants (on-site only, online only, and both on-site and online), three separate questionnaires were developed and utilized in each group of participants: Questionnaire I for on-site, Questionnaire II for online, and Questionnaire III for both online and on-site (see Appendices A, B, and C). The top front page of all questionnaires included a statement explaining the purpose of the study, a statement of



confidentiality, and an approximation of the time necessary to complete the questionnaire. All questionnaires consisted of three parts: (a) level of participation in sponsorship, (b) sponsorship effectiveness (brand awareness, attitudes toward sponsorship, and purchase intentions), and (c) demographics.

*Level of Participation in Sponsorship Activities*

Sponsorship effectiveness can vary due to the frequency of participation, frequency of spectators, or Web users being exposed to the sponsorship activities. Questions in participation frequency in sponsorship activities for on-site participants differed from the online counterpart. Two questions for the on-site group included, “how many days did you attend the event?” and “how many hours per day did you spend at the event on the average?” Questions for the online participants consist of two items asking, “how many days per week did you visit the xgames.com?” and “how many hours per day did you spend on the Web site on the average?” Questionnaire III included all four questions.

In addition to the duration that participants spent either on-site or on the Web site of the Winter X Games, this study investigated what sponsor activities the respondents participated in most frequently. On-site participants were asked to select sponsorship activities that they engaged in from the list. Activities included “saw sponsors’ signs,” “received material from sponsors,” “visited with sponsor representative,” and “participated in sponsor’ activities.” Participants were also asked if they purchased a sponsor’s product. To collect quantitative data to determine the correlation between levels of participation and sponsorship activities interaction, respondents

were asked to indicate number of signs viewed, number of materials received, number of visited sponsor representatives, and number of activities engaged in.

In the case of online participants, the survey investigated what sponsored activities they participated in on the Web site. The sponsored activities included “saw sponsors’ advertisement,” “clicked on sponsors’ advertisement,” and “purchased a sponsors’ product.” In addition, respondents were asked to indicate the number of advertisement viewed and time in minutes they spent on the sponsor Web site.

#### *Sponsorship Awareness*

Sponsorship awareness was assessed by participants’ brand recall level. Recall and recognition measures are commonly used to measure consumers’ brand awareness and reaction to advertising or other sponsorship communication techniques. Nigel et al. (2000) stated, “where brand familiarity and corporate image are concerned, a higher level of information accessibility is implied, a recall measure is more appropriate than one of recognition” (p. 97). First, participants were asked to identify the sponsors or brands of the Winter X Games in measuring the recall level. Brand recall levels were represented by the percentage of the correct brands recalled by participants.

#### *Attitude Toward Sponsorship*

Attitude toward the sponsors’ items assessed the overall attitudes of participants toward sponsors of the event. The four items measuring attitude toward sponsorship were adapted from the Dees et al. (2008) study. The items in their study showed a strong internal consistency (Cronbach’s alpha = .757). Originally, these items of attitude toward sponsorship were proposed by Quester and Thompson (2001) in their

study of arts sponsorship effectiveness. By replacing “university football” with “the Winter X Games” or “this event,” the four items included “I think favorably of companies that sponsor the Winter X Games,” “companies that sponsor the ESPN Winter X Games are successful,” “companies that sponsor the event provide quality products/services,” and “companies that sponsor this event are professional.” These items were measured using a 5-point Likert scale ranging from 1 (strongly disagree) to 5 (strongly agree).

#### *Purchase Intentions*

Purchase intentions were aimed to assess an individual’s conscious plan to make an effort to purchase a brand sponsoring the event. The four items measuring purchase intention were modified from the Dees et al. (2008) study by replacing “university football” with “the Winter X Games” or “this event.” The original scale of these items was proposed by the Madrigal (2001) study of the belief, attitude, and intention hierarchy, which included the concepts of fan identification as well as purchase behaviors. The items in the Dees et al. study showed strong internal consistency (Cronbach’s alpha = .742), which is greater than the .70 cutoff value suggested by Nunnally (1978). The four items were a 5-point Likert scale format ranging from 1 (strongly disagree) to 5 (strongly agree). These items included “I would consider purchasing products/services from the corporate sponsors of the Winter X Games,” “I would try a new product/service if I saw it at the event,” “I would definitely purchase products/services from the corporate sponsors,” and “my overall attitude toward purchasing products/services from companies that sponsor this event is positive.”

### *Demographics*

To obtain a better understanding of the sample, the final section of all questionnaires asked participants to provide demographic information. This information included gender, age, ethnicity, highest education level, and the state they resided.

### Validity and Reliability

The content validity of the initial questionnaires was evaluated first by a panel of experts (two sport management professors, one statistical professor, and one marketing professor). These experts were asked to judge the content relevance, representativeness, and clarity of the items. Next, the graduate students enrolled in an event development and management class examined the questionnaires. The researcher asked this group of graduate students to analyze the questionnaire in terms of appropriateness, phrasing, and clarity. Suggestions from a panel of experts and student samples were used in questionnaire modifications. In addition, an exploratory factor analysis (principal component analysis) was employed to justify the validity of the scale. This was completed because an exploratory factor analysis (EFA) may reveal if a certain item loads poorly in terms of magnitude on an intended factor or loads highly on more than one factor (Netemeyer, Bearden, & Sharma, 2003). If any item loaded poorly on an intended factor, that item may not be able to measure that factor and may need to be rephrased or removed.

Various forms of reliability exist in test scores; however, one of the most reliable and common estimates used in a cross sectional survey research is internal consistency because it is readily calculated from a single administration of the test. In

order to assess internal consistency of measured variables in this study, the researcher calculated Cronbach's alpha for attitude toward sponsorship and purchase intentions.

### Data Analysis

Prior to analyzing descriptive data and sponsorship effectiveness, sponsorship activities were grouped into categories based on the pictures of activities on-site and on the Web site that the data collectors observed. The number of similar activities were counted to identify the most frequent activities that sponsors employed. The sponsor activity categories indicated a valuable source in discussing the results of sponsorship effectiveness comparison in this study.

Quantitative data were entered into SPSS 16.0 and SAS 9.1. Descriptive statistics and frequencies of all questions were computed in order to check plausible errors and data entry errors. Respondents whose ages were under 18 years old, over 24 years old, and those who left many items unanswered were deleted from the data set. In order to answer Research Question 3, a percentage of brands recalled by the respondents from a total of eight official sponsors was counted. The eight official sponsors included Taco Bell, Jeep, U.S. Navy, Edge, Discovery Channel, Oakley, Playstation3, and Totino's Pizza Roll. To answer Research Questions 4 and 5, composite mean scores on the attitude toward sponsorship and purchase intentions scale were calculated.

Cronbach's alpha coefficients were computed to determine internal consistency of scores on each variable. Nunnally (1978) suggested the cutoff value should be .70 for an exploratory study or instrument development. This cutoff value held constant in

the most recent editions and also cited by many researchers. To justify if items measuring the attitude toward sponsorship and purchase intentions were loaded in respective factors, an exploratory factor analysis (principal component analysis) was conducted.

#### *Descriptive Data Analyses*

Descriptive statistics, including mean and standard deviation, were calculated for all variables measured in the study. These descriptive statistics, such as data distribution of the whole sample and each participant group (on-site, online, and both on-site and online), were analyzed to obtain a sense of the overall characteristics of the participants and each group sample.

#### *Multivariate Analysis of Variance*

A one-way MANOVA was employed to answer Research Questions 3, 4, and 5. The purpose of the one-way MANOVA was to assess the effects of one categorical independent variable on two or more quantitative dependent variables. In this study, a one-way MANOVA was employed to determine if the set or vector of means on dependent variables (brand awareness, attitude toward sponsorship, and purchase intentions) for each participant group differed from the others. The independent variable in this study was the three separate modes that participants were exposed to with the sponsorship activities, that is, on-site, online, and both on-site and online.

In order to conduct a MANOVA for three or more groups, three assumptions including independence of observations, homogeneity of variance-covariance matrices, and multivariate normality need to be assessed. First, the participants, respondents, or

cases that compose the levels or groups of an independent variable must be independent of each other. In this study, participants in each group were not the same person, and one participant's answers did not affect another participant's answers. Thus, the data in this study were assumed to be independent. Second, all the coefficients in the covariance matrix of dependent variables were examined to determine the equality or homogeneity of variance-covariance matrices was violated. The Box's  $M$  test was the standard tool for assessing equivalence-of-covariance matrices. Third, multivariate normality means all dependent variables collectively have a multivariate normal distribution (Meyer et al., 2006). However, if there is at least 50 data in each group of participants, MANOVA is considered robust.

Four multivariate tests are commonly employed in computerized statistical programs: Pillai's trace, Wilks's lambda, Hotelling's trace, and Roy's largest root. All these tests evaluated the null hypothesis of no independent variable (group) differences in the population on the dependent variate. Once the one-way MANOVA obtained a significant result, then the null hypothesis that none of the population means vectors or set was equal was rejected. If the multivariate test was not significant ( $p > .05$ ), normally no further analysis would proceed. If there was a significant result, a follow-up analysis would be performed to identify which dependent variables differed across the groups. In this case, a stepwise discriminant analysis was utilized following the MANOVA.

## CHAPTER IV

### RESULTS

#### Descriptive Data Analysis

Fans of the Winter X Games comprised 228 participants for this study. The participants consisted of three groups: on-site fans ( $n = 112$ ), online fans ( $n = 56$ ), and fans who visited both on-site and the official event Web site ( $n = 60$ ). The overall age of respondents ranged from 18 to 24 years old. Overall, average age of the participants was 20.65 years old ( $SD = 2.05$ ). The majority were males (157 or 68.9%), Caucasian/White (190 or 83.3%), and resided in Colorado (173 or 75.9%). Nineteen (8.3%) foreign participants also completed the survey. In terms of educational level, the majority of participants (75.1%) attended a university or had a graduate degree, and approximately half (49.6%) of the sample were current undergraduate students. Table 1 reports the demographic data of all participants and their subgroups.

The first group (112 participants) was exposed to the on-site sponsorship activities. Their age ranged from 18 to 24 years ( $M = 20.23$ ,  $SD = 1.97$ ). The majority of on-site fans were male (71 or 63.4%), Caucasian/White (94 or 83.9%), and resided in Colorado (80 or 71.4%). Most of these respondents were in college or had a higher degree (72 or 64.3%), while 30 (26.8%) were high school graduates. The on-site



Table 1

*Frequency of Demographic Data of Three Participant Groups*

Demographic	Fans							
	All		On-site		Online		On-site & Online	
	<i>n</i>	%	<i>n</i>	%	<i>n</i>	%	<i>n</i>	%
<b>Gender</b>								
Male	157	68.9	71	63.4	43	76.8	43	71.7
Female	71	31.1	41	36.6	13	23.2	17	28.3
<b>Age</b>								
18	42	18.4	26	23.2	6	10.7	10	16.7
19	40	17.5	23	20.5	11	19.6	6	10.0
20	39	17.1	22	19.6	8	14.3	9	15.0
21	26	11.4	12	10.7	7	12.5	7	11.7
22	27	11.8	6	5.4	11	19.6	10	16.7
23	21	9.2	12	10.7	5	8.9	4	6.7
24	32	14.0	10	8.9	8	14.3	14	23.3
Missing	1	0.4	1	0.9	0	0.0	0	0.0
<b>Ethnicity</b>								
Asian/Pacific Islander	9	3.9	3	2.7	0	0.0	6	10.0
Black	1	0.4	1	0.9	0	0.0	0	0.0
Caucasian/White	190	83.3	94	83.9	53	94.6	43	71.7
Hispanic	21	9.2	11	9.8	0	0.0	10	16.7
Other	3	1.3	3	2.7	0	0.0	0	0.0
Missing	4	1.8	0	0.0	3	5.4	1	1.7
<b>Education level</b>								
High school graduate	45	19.7	30	26.8	2	3.6	13	21.7
Some college	113	49.6	46	41.1	42	75.0	25	41.7
College graduate	38	16.7	18	16.1	9	16.1	11	18.3
Graduate school	20	8.8	8	7.1	3	5.4	9	15.0
Other	10	4.4	9	8.0	0	0.0	1	1.7
Missing	2	0.9	1	0.9	0	0.0	1	1.7

respondents reported attending the Winter X Games 9.38 hours on average during the four-day event period.

The second group (56 participants) included online fans. The respondents were sampled from undergraduate students at a university in Colorado and participants at three ski resorts in Colorado. The age of these online fans ranged from 18 to 24 years old ( $M = 20.95$ ,  $SD = 1.95$ ). The majority of online fans were male (43 or 76.8%) and current university students (42 or 75%). Most were Caucasian/White (53 or 94.6%) and resided in Colorado (52 or 92.9%). This group visited the event Web site an average of 2.91 hours during the event period.

The third group (60 participants) included Winter X Games fans who both attended the event and also visited the Web site. Their age ranged from 18 to 24 years ( $M = 21.15$ ,  $SD = 2.15$ ). The majority of on-site fans were male (43 or 71.7%), Caucasian/White (43 or 71.7%), and resided in Colorado (41 or 68.3%). Most of these respondents were in college or had a higher degree (45 or 75.0%). They spent an average of 11.78 hours at the event and 2.42 hours on the Web site.

#### Data Analysis for Research Question 1

Q1 What are the most frequent sponsorship activation components employed by sponsors at the ESPN Winter X Games 13 and on the official event Web site?

On-site and online sponsorship activities of the Winter X Games were observed by the researcher. At the event, the researcher took pictures of all official sponsors' activities such as games, giveaways, and athlete autograph session. On the event Web site, the researcher captured the Web page that contained sponsorship

activities including banners, advertisements, links to the sponsor Web site, and other sponsor exposures. All sponsorship activities, both on-site and on the event Web site, were grouped into categories and counted. Tables 2, 3, and 4 report sponsor activities at the event and on the event Web site. The frequency of activities that sponsors employed are summarized in Table 5.

According to Tables 2 and 5, the results from the on-site observation indicated that sponsors employed interactive activities such as games related to action sports, premiums, sweepstakes, athlete autograph session, and product sampling. First, sponsors utilized games related to action sports to attract fans such as snowboard balance games, Playstation3, and test knowledge of Winter X Games. Incentives related to the sport such as snowboards with sponsor name were frequently utilized to persuade fans to participate in the activities. Besides the action sport related activities, sponsors also showed sponsor's name or products as part of their activities. In addition to games and prizes, most sponsors provided premiums or giveaways such as a U.S. Navy plastic bag with its name and Web site, key chains showing the Edge logo, and Taco Bell hats. A few sponsors attracted fans by offering sweepstakes or raffles. Fans entered their contact information so sponsors could place it in their database for tracking purposes. Sponsors also provided the experience to the fans through snowboarders' autograph sessions. Fans received a chance for a direct conversation and a picture taken with a famous athlete in their sport.

Table 2

*On-Site Activities of Sponsors of the ESPN Winter X Games 13*


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Sponsor	On-site sponsor activities
Edge	<ul style="list-style-type: none"> <li>• “Edge Mogul Madness,” a game showing all edge shave gel products, premiums provided (snowboard for the winner)</li> <li>• Snowboard balance game, premium provided (key chain)</li> <li>• Edge hat giveaway</li> </ul>
Jeep	<ul style="list-style-type: none"> <li>• Showcase Jeep Wrangler</li> <li>• “Jeep Tag Shop,” fans would be able to draw their own pictures about the Winter X Games</li> <li>• Daily raffles for a Nikon Digital Camera in return for fans’ contact information</li> <li>• Athlete autograph session</li> </ul>
U.S. Navy	<ul style="list-style-type: none"> <li>• Premiums (plastic bag with U.S. Navy logo and Web site)</li> <li>• Bar push up competition</li> <li>• Athlete autograph session</li> <li>• Show a working robot, U.S. Navy gear, and decoy plane</li> </ul>
Taco Bell	<ul style="list-style-type: none"> <li>• Ride the mechanical Sauce Packet, prizes provided</li> <li>• Roller Baller Game, prizes (snowboard)</li> <li>• Live music featuring Taco Bell’s Feed the Beat bands on the Taco Bell main stage</li> <li>• Taco Bell hat giveaway</li> </ul>
Playstation	<ul style="list-style-type: none"> <li>• Fans could play the newest games for PS3 and PSP gaming system (PS3 games competition to win the new PS)</li> <li>• Athlete autograph session</li> <li>• Play trivia about the Winter X Games and X Games</li> </ul>
Totino’s Pizza	<ul style="list-style-type: none"> <li>• Fans could taste Totino’s Mega Rolls for free</li> <li>• Fans entered Totino’s sweepstakes for prizes</li> </ul>
Oakley	<ul style="list-style-type: none"> <li>• Showcase new Oakley product, including bullet proof test</li> <li>• Athlete autograph session</li> </ul>
Discovery Channel	<ul style="list-style-type: none"> <li>• No on-site sponsorship activities</li> </ul>

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Table 3

*Online Activities of Sponsors of the ESPN Winter X Games 13*

Observation date	Sponsor	Activities on Web site
Jan 6	All	Two weeks prior to the event, a list of all official sponsors of the Winter X Games were shown on xgames.com quick links. There were links from the list of sponsors to their Web sites.
Jan 6	Totino's Pizza	Totino's Pizza banner showed a vote activity. Fans could click the link to watch a contest of three bands and vote for the champion.
Jan 6	Taco Bell	Vote the champion "Feed the Beat" band. The winner played live music on the Taco Bell stage.
Jan 13	Taco Bell, Totino's Pizza	A banner showed on top of front page and rotated daily with Totino's Pizza banner between front page and different pages such as competition schedule.
Jan 13	Jeep	Jeep showed their product, Jeep Wrangler, and linked to details of Jeep Wrangler such as Internet price and also "Build my own Jeep Wrangler."
Jan 18	Oakley	Snowboard game shown on top of front page. Once fans hit Oakley logo, they automatically went to a review of the Europe or Canada trip of snowboard players.
Jan 18	Oakley	Oakley's game, "Create Your Own Emblem," featured Snowboard Superpipe defending champion, Gretchen Brailer, talking about her own emblem. Fans were able to create and download their own emblems.
Jan 19	U.S. Navy	Banner featured video ads of U.S. Navy activities. There was a link to U.S. Navy Web site.

(Table continues)

Table 3 (continued)

Observation date	Sponsor	Activities on Web site
Jan 20	Discovery Channel	Banner showed video advertisement on the front page. It rotated daily with other sponsors' banners.
Jan 22	Taco Bell	Banner showed Taco Bell video advertisement before the daily highlight.
Jan 22	Polaris	Polaris showed video advertisement before the daily highlight (Polaris was the official snowmobile supplier of the Winter X Games).
Jan 23	Edge, U.S. Navy, Taco Bell	Each showed their video advertisement before the daily highlight on top right corner of Web site.
Jan 27	Edge, U.S. Navy, Taco Bell	Each showed their video advertisement before the competition summary and highlights.

However, the activation component that sponsors of the Winter X Games primarily employed was product sampling or showcasing their products. Six out of eight official sponsors of the Winter X Games showcased their products in different ways. For example, Jeep showed their new Jeep Wranger next to their tent, allowing fans to view both the inside and outside of the car. Playstation allowed fans to played new games from Playstation3 and PSP. In addition, Playstation also arranged a daily Playstation competition to engage fans. Totino's pizza rolls served free pizza rolls at their tent, so fans could taste their product.

Table 4

*Summary of Sponsor Activities at the Event and on the Event Web Site*

Sponsor	On-site activities	Online activities
Edge	<ul style="list-style-type: none"> <li>• Games related to products</li> <li>• Premium giveaways</li> </ul>	<ul style="list-style-type: none"> <li>• Video advertisements</li> </ul>
Jeep	<ul style="list-style-type: none"> <li>• Games</li> <li>• Showed products</li> <li>• Athlete autograph session</li> </ul>	<ul style="list-style-type: none"> <li>• Banner with link to their Web site</li> <li>• Showed product detail &amp; discount</li> </ul>
U.S. Navy	<ul style="list-style-type: none"> <li>• Games</li> <li>• Premium giveaways</li> <li>• Athlete autograph session</li> <li>• Showed business</li> </ul>	<ul style="list-style-type: none"> <li>• Video advertisement</li> <li>• Banner with link to their Web site</li> </ul>
Taco Bell	<ul style="list-style-type: none"> <li>• Games</li> <li>• Premium giveaways</li> <li>• Live music</li> </ul>	<ul style="list-style-type: none"> <li>• Video advertisement</li> <li>• Banner with link to their Web site</li> <li>• Vote</li> </ul>
Playstation	<ul style="list-style-type: none"> <li>• Games for prizes</li> <li>• Product sampling</li> <li>• Athlete autograph session</li> </ul>	<ul style="list-style-type: none"> <li>• No activities on Web site</li> </ul>
Totino's Pizza	<ul style="list-style-type: none"> <li>• Premium giveaways</li> <li>• Sweepstakes</li> <li>• Product sampling</li> </ul>	<ul style="list-style-type: none"> <li>• Banner with link to their Web site</li> <li>• Vote</li> </ul>
Oakley	<ul style="list-style-type: none"> <li>• Showcase products</li> <li>• Athlete autograph session</li> </ul>	<ul style="list-style-type: none"> <li>• Interactive games</li> <li>• Video contents related to the sport</li> </ul>
Discovery Channel	<ul style="list-style-type: none"> <li>• No on-site activities</li> </ul>	<ul style="list-style-type: none"> <li>• Video advertisement</li> <li>• Banner with link to their Web site</li> </ul>

Table 5

*Frequency of Sponsorship Activities Employed by Sponsors of the ESPN Winter X Games 13*

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Sponsorship activities	Frequency
<b>On-site activities</b>	
1. Showed their products/product sampling	9
2. Games	5
3. Premiums/giveaways	4
4. Athlete autograph session	4
5. Live music	1
<b>Online activities</b>	
1. Banner with link to sponsor Web site	5
2. Video advertisement	4
3. Vote/poll	2
4. Interactive games	1
5. Show product detail	1
6. Product discount	1

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Besides placing products actively in the hands of their target audiences, sponsors also showcased the benefits of their products. Oakley demonstrated the new bullet proof sun glasses to fans. They showed their video and also tested the product. The U.S. Navy showed gear, a working robot, and a decoy plane so fans could learn more about their activities.

It is important to note that the organizer also had a partnership with action sports vendors to hold their activities in an X-Fest area nearby the sponsor tents. These X-Fest partners included action sport equipment and apparel companies and radio stations, for example, Disney XD, Warheads Candy, Fuse Snowskate, Grenade, Lovesac, and Pacsun. They distributed giveaways and provided product sampling to fans. For example, Disney XD organized a sled activity for kids and also distributed bags with a logo of Disney XD and its Web site. This could confuse Winter X Games fans who might not differentiate between official sponsors and these X-Fest partners. However, this study was limited to the official sponsors of the Winter X Games, since their rights included both on-site and on the event Web site.

Considering an observation of online sponsorship activities, the results in Tables 3, 4, and 5 indicate that most sponsors employed traditional activation components including banners with a link to a sponsor's Web site and video commercials. The banners were normally placed at the top or right side of the event front page. Various sponsors were rotated daily between the event front page and its subpages. In addition, the sponsors also showed the video commercials before the daily highlights

and tournament summary. Commercials were the same version, whether on the Web site or on the television, and there were no modifications for online fans.

Few sponsors developed online activities specifically for the event. Oakley created an online game, which led fans to review a snowboarders' Eurotrip and Canada trip. Oakley utilized snowboarder superstar Gretchen Brailer and her trademark emblem. The activity allowed fans to create their own emblem and download it. Another activity was the poll for Taco Bell and Totino's Pizza. Taco Bell's "Feed the Beat" campaign allowed fans to vote for independent (indie) music bands in which the winner performed live music on the Taco Bell main stage at the Winter X Games. Through this activity, Taco Bell asked fans for their contact information.

Jeep was the only sponsor that showed their product, Jeep Wrangler, on the event Web site. In addition, the links to detailed information such as car specifications and Internet price were also shown on the banner. Jeep allowed fans to build their own Jeep Wrangler. These efforts encouraged fans to learn more about the product. The other sponsors, including Taco Bell, U.S. Navy, Discovery Channel, and Edge, chose to show their products in video commercials. The same commercials were shown on television coverage for the Winter X Games.

It should be noted that non-sponsors of the Winter X Games also appeared on the bottom of the Web site. Furthermore, [xgames.com](http://xgames.com) was linked to other pages of [ESPN.com](http://ESPN.com) where the logos or names of ESPN sponsors or brands that bought advertising space were placed. These appearances of non-sponsors may have confused the online users in distinguishing between official sponsors and non-sponsors.

In conclusion, showing sponsor products to target audiences was the most common tactic that sponsors employed at the event. In addition, sponsors attracted fans to their booths by giving premiums and materials along with sweepstakes or daily raffles. Moreover, to attract action sports fans, sponsors incorporated the sport contents either as part of the game or prizes into the activities as well as exploited the action sports fans' lifestyle by sponsoring live indie music. On the event Web site, banners with a link to a sponsor Web site were mainly conducted by sponsors as well as the video commercials before the daily highlight. Few sponsors developed interactive activities on the Web site such as games or polls. Sponsors' products were commonly shown to online fans via video commercials without the intention of giving product detail or providing product discount.

#### Data Analysis for Research Question 2

Q2 What are the relationships between subjects' level of participation in sponsorship activities and on-site and online sponsorship interactions?

The sponsorship interactions in this study consisted of on-site and online interactions. Levels of on-site interactions were measured by numbers of signs viewed by fans, number of materials fans received, number of visits by a sponsor representative, and number of activities fans engaged in. Levels of online interactions were measured by number of sponsor advertisements viewed by fans and amount of time fans spent on the sponsor Web site. In evaluating levels of participation, number of hours fans spent at the Winter X Games venue were measured for on-site participation, while number of hours the online fans spent on the Winter X Games Web site were measured for online participation.

Descriptive statistics of the levels of participation and sponsorship interaction for on-site participants are presented in Table 6. The on-site participants consisted of 172 respondents. They attended an average of 10.22 hours ( $SD = 8.43$ ) at the Winter X Games venue during the 4-day event period. The respondents reported viewing an average of 15.52 sponsor signs/banners at the event ( $SD = 15.51$ ) and receiving an average of 5.56 materials from sponsors' representatives ( $SD = 7.60$ ). On-site participants were visited by sponsorship representatives 2.16 times on average ( $SD = 3.65$ ), and they engaged in an average of 1.84 sponsorship activities at the event venue ( $SD = 3.08$ ). It is important to note that the magnitude of the standard deviations are as large or larger than the mean. This indicated that the distribution of values is heavily skewed to the right, which means a majority of low values with few very high values to draw the mean up. For example, the majority of respondents reported low numbers of sponsor signs/banners viewed at the event, while some fans viewed plenty of banners, which they estimated at more than 30 or 40 banners. Another example was the number of sponsorship activities fans engaged in. A number of participants indicated they did not participate in any activities, while some participants estimated they engaged in up to 10 activities.

Table 7 presents descriptive statistics for level of participation and sponsorship interaction of online participants. The online participants consisted of 116 respondents. They spent an average of 2.66 hours on the Winter X Games Web site ( $SD = 2.31$ ). The respondents viewed an average of 3.05 advertisements, which appeared on the Web site ( $SD = 3.83$ ), and spent an average of 3.28 minutes on sponsors' Web sites

Table 6

*Descriptive Statistics of Levels of Participation and Sponsorship Interaction Measures for On-Site Participants*

Variable	<i>M</i>	<i>SD</i>	Sample size
Total hours fans spent at the event	10.22	8.43	172
Number of signs viewed	15.52	15.51	149
Number of materials received	5.56	7.60	154
Number of visits by sponsor representative	2.16	3.65	161
Number of activities engaged in by fans	1.84	3.08	165

Table 7

*Descriptive Statistics of Levels of Participation and Sponsorship Interaction Measures for Online Participants*

Variable	<i>M</i>	<i>SD</i>	Sample size
Total hours fans spent on the Web site	2.66	2.31	116
Number of advertisements viewed	3.05	3.83	116
Minutes fans spent on the sponsor Web site (All online participants)	3.28	8.55	116
Minutes fans spent on the sponsor Web site (Only online participants viewing sponsors' sites)	8.84	12.24	43

( $SD = 8.55$ ). Considering only online participants who actually visited the sponsors' sites, they spent 8.84 minutes on each sponsor's Web site ( $SD = 12.24$ ). Similarly, it is important to note that the magnitudes of the standard deviations are as large or larger than the mean, especially the average time fans spent on the sponsors' Web sites. A majority of fans either ignored or spent only a few minutes on the sponsors' sites, while a few fans spent a significant amount of time, thus, drawing the mean up.

Bivariate correlation analyses were utilized to determine the significance of the relationship between levels of participation and measures of on-site and online sponsorship interactions (see Tables 8 and 9). Considering on-site sponsorship interactions, the results of the correlation analysis in Table 8 indicated total hours of on-site participation had a stronger positive relationship with the number of visits by representatives ( $r = .46$ ) than with numbers of materials received ( $r = .20$ ) and number of activities engaged in by fans ( $r = .17$ ). The total hours of on-site participation did not show any relationship with number of sponsor signs that fans viewed ( $r = .05$ ).

Table 8 also indicates the number of activities engaged in by fans had a positive relationship with the number of materials fans received ( $r = .56$ ) and number of visits by representatives ( $r = .49$ ). In addition, the number of materials fans received showed a positive relationship with the number of visits by sponsor representatives ( $r = .49$ ).

Results showed that the longer fans spent at the event, the more they tended to interact with sponsors' representatives. Once fans visited the sponsors' booths or

Table 8

*Bivariate Correlations Between Levels of Participation and Measures of On-Site Sponsorship Interactions*

Variable	1	2	3	4	5
Total hours fans spent at the event	-	.05	.20	.46	.17
Number of signs viewed		-	.27	.24	.28
Number of materials received			-	.49	.56
Number of visit by sponsor representative				-	.49
Number of activities engaged in by fans					-

Table 9

*Bivariate Correlations Between Levels of Participation and Measures of Online Sponsorship Interactions*

Variable	1	2	3
Total hours fans spent on the Web site	-	.32	.29
Number of advertisements viewed		-	.22
Minutes fans spent on the sponsor Web site			-

interacted with sponsors' representatives, they were more likely to engage in sponsorship activities and/or receive materials from the sponsors.

For the relationship between levels of participation and online sponsorship interaction, the results from the correlation analysis in Table 9 indicate that the total hours of visiting the event Web site had a positive relationship with the number of advertisements viewed ( $r = .32$ ), and it is slightly stronger than the relationship with the amount of time they spent on the event Web site ( $r = .29$ ). It implied that the longer times fans spent on the sporting event Web site did not necessarily mean fans noticed more sponsor banners and video commercials or spent more time on the sponsor Web site.

#### Data Analysis of Research Questions 3, 4, and 5

##### *Percentage of Correct Brand Recall by Respondents*

- Q3 Does the level of sponsorship awareness of the ESPN Winter X Games 13 differ among event attendees, Web site users, and both on-site and Web site users?
- Q4 Does the attitude toward sponsors of the ESPN Winter X Games 13 differ among event attendees, Web site users, and both on-site and Web site users?
- Q5 Do fans' purchase intentions of the ESPN Winter X Games 13 differ among event attendees, Web site users, and both on-site and Web site users?

Research Questions 3, 4, and 5 attempted to determine if significant differences existed on sponsorship effectiveness among the three different groups of fans: on-site, online, and both on-site and online. MANOVA was the statistical technique to determine the answer to these research questions. Prior to analyzing the results from



MANOVA, it is important to analyze the results from brand awareness evaluation, since sponsorship activities employed by each sponsor can be evaluated in terms of brand awareness. The levels of brand awareness of all respondents and each sub-group are reported in Table 10. Brand recall percentage was measured for levels of brand awareness. The respondents were asked to name as many as possible of the official sponsors of the Winter X Games. Then, the percentage of correct answers from eight official sponsors was determined.

The results of sponsorship awareness shown in Table 10 indicated the official sponsors of the Winter X Games that conducted more interactive activities on-site and on the Web site, such as Taco Bell, Jeep, Oakley, and U.S. Navy, had higher brand recall rates. Taco Bell ranked the highest on recall percentage for overall participants (60.1%) and also each subgroup (64.3 %, 50.0 %, and 61.7% for on-site, online, and both, respectively). Besides being a long time sponsor of the Winter X Games and brand familiarity, Taco Bell exposures had been on the event Web site approximately two weeks, and also appeared before the daily highlight throughout the event period. The company promoted its activity, “Feed the Beat” indie music, on the Web site, where bands performed every afternoon at the event. Understanding the lifestyle of the fans by arranging live indie music played an important part by placing the brand at the top of consumer mind. The company also conducted interactive games for prizes and gave the big Taco Bell hats to fans who visited their booth. These hats could be easily noticed and recognized by other fans at the event.

Table 10

*Percentage of Participants Who Correctly Recalled Each Sponsor of the ESPN Winter X Games 13*

Company	Fans							
	All $N = 228$		On-site $n_1 = 112$		Online $n_2 = 56$		On-site & Online $n_3 = 60$	
	%	$f$	%	$f$	%	$f$	%	$f$
Official sponsors								
Taco Bell	60.1	137	64.3	72	50.0	28	61.7	37
Jeep	43.4	99	44.6	50	30.4	17	53.3	32
Oakley	32.0	73	30.4	34	37.5	21	30.0	18
U.S. Navy	27.6	63	25.0	28	16.1	9	43.3	26
Edge	22.8	52	25.0	28	16.1	9	25.0	15
Totino's Pizza	22.4	51	20.5	23	14.3	8	33.3	20
Playstation3	10.1	23	12.5	14	0.0	0	15.0	9
Discovery Channel	2.6	6	1.8	2	0.0	0	6.7	4
Non sponsors (top 8)								
Red Bull	21.1	48	25.0	28	14.3	8	22.0	12
Monster	15.8	36	18.8	21	8.9	5	20.0	10
ESPN	11.4	26	12.5	14	1.8	1	18.3	11
Grenade	9.6	22	8.0	9	5.4	3	16.7	10
Disney XD	9.2	21	7.1	8	0.0	0	21.7	13
Warheads Candy	7.5	17	11.6	13	0.0	0	6.7	4
Burton	4.8	11	2.7	3	8.9	5	5.0	3
Mountain Dew	4.8	11	3.6	4	12.5	7	0.0	0

Jeep ranked second, recalled by 43.4% of respondents. Jeep held a number of activities at the event. Showing two new Jeep Wranglers at the sponsor area enhanced the chances for fans to notice and recall their brand. Jeep also showed their vehicle on its banner on the Web site. Moreover, online users could click to learn more about the vehicle.

Data on Oakley also affirmed that showing products was an effective way to draw fans' attentions, with 30.4% on-site respondents correctly recalling its brand. With the interactive games on the event Web site, Oakley had success in drawing attention from online users with 37.5% of respondents. The U.S. Navy and Edge had similar results by conducting on-site activities intensively, while each had little exposure on the event Web site. Video commercials from the U.S. Navy were first posted on xgames.com three days before the event and on the first day of the competition for Edge Shave Gel. This may be the reason why these two sponsors had a greater recall percentage from the on-site fans than the online counterparts.

Totino's Pizza offered free pizza rolls for fans to taste. In addition, the company posted its Web banner two weeks before the event inviting fans to vote. However, a relatively low percentage of fans recalled the sponsor compared with other sponsors such as Taco Bell, Jeep, and Oakley that put similar efforts in sponsorship activities. Playstation and Discovery Channel had relatively low recall percentages from respondents. Playstation conducted neither online activity nor posted banners on the event Web site; although the company showed their new PS3 Games and organized the PS3 competition, the recall rate was relatively low. In fact, most fans who

engaged in activities at the Playstation tent may have been young fans who were under 18 years old, and this age group was excluded from the study. On the other side, Discovery Channel did not arrange any on-site activation; the sponsor simply posted their video commercial on the event Web site a couple of days before the event. Thus, these could be reasons why the company had low recall percentages.

Besides the official sponsors of the Winter X Games, the respondents named a number of brands that were not sponsors. Table 10 shows the top eight non-sponsors that participants thought were event sponsors. At the event, part of these incorrect answers may have been due to respondents not noticing these companies in the venue perimeter. For example, some non-sponsors were the X-Fest partners. The other non-sponsors such as Red Bull, Monster, and Grenade had higher brand recall rates than some official sponsors such as Playstation3 and Discovery Channel. These companies are athletes' sponsors and often appear on the helmet during the competition, and this may have confused the participants. It is interesting that a number of on-site fans had lower incorrect brand recalls than the Web site users (see Table 11). The group of online respondents recalled 8.48% incorrectly, which was significantly lower than incorrect recall percentages of the other two groups,  $F(2, 225) = 8.16, p < .01$  (see Table 12). This outcome may be explained by the fact that the Web site only showed the banners or advertisements of sponsors, and the use of messages like "the official sponsors of the Winter X Games." The sponsors' visibility at the event could also have been distracted by X-Fest partners and official suppliers such as Henry Henson (the official staff uniform) and Polaris (the official snowmobile supplier). The presence of

these companies could have misled on-site participants as official sponsors of the event.

Table 11

*Descriptive Statistics of Incorrect Brand Recall Percentage Among the Three Groups of Participants*

Participant group	<i>M%</i>	<i>SD%</i>
On-site fans	19.75	18.50
Online fans	8.48	12.64
Both on-site and online fans	17.70	18.59

Table 12

*Analysis of Variance for Incorrect Recall Percentages Among the Three Groups of Participants*

Source	<i>SS</i>	<i>df</i>	<i>MS</i>	<i>F</i>	Sig.
Between groups	4873.243	2	2436.621	8.158	< .001
Within groups	67199.126	225	298.663		
Total	72072.368	227			

Sponsors' banners and video advertisements were also shown on the Web site front page and before the competition highlights. It should be noted that participants may have confused sponsors of the Winter X Games and the brands that bought advertising on the ESPN Web site. However, the results of the brand recall rate showed that the incorrect brand recalls came mostly from athletes' sponsors of action sports that fans would be familiar with such as Red Bull, Monster, or Mountain Dew (the sponsor of the Dew Action Sport Tour).

*Validity and Reliability of Attitude  
Toward Sponsorship and  
Purchase Intention Scores*

Exploratory factor analyses (EFA) were performed to check if certain items measuring independent variables, attitude toward sponsorship, and purchase intentions were loaded properly in their respective factors. The factor loadings of each item are reported in Table 13. The items of these two factors were highly loaded on each factor ranging from .80 to .84 for attitude toward sponsorship and from .81 to .85 for purchase intentions, respectively. Internal consistency of attitude toward sponsorship and purchase intentions were assessed by Cronbach's alpha. The results in Table 12 also showed that the Cronbach's alpha of attitude toward sponsorship and purchase intentions was higher than the minimum cutoff .70 proposed by Nunnally (1978).

*Descriptive Statistics for Sponsorship  
Effectiveness Measures*

Descriptive statistic of sponsorship effectiveness measures including brand awareness, attitude toward sponsorship, and purchase intentions are reported in Table

Table 13

*Means, Standard Deviations, Factor Loadings ( $\beta$ ), and Cronbach's alpha for Sponsorship Effectiveness Measures*

Subscale	<i>M</i>	<i>SD</i>	$\beta$	$\alpha$
Attitude toward sponsorship				.836
• I think favorably of companies that sponsor the Winter X Games	4.19	.842	.828	
• Companies that sponsor the Winter X Games are successful	4.20	.769	.843	
• Companies that sponsor the event provide quality products/services	3.98	.855	.811	
• Companies that sponsor this event are professional	4.18	.854	.798	
Purchase intention				.851
• I would consider purchasing products/services from the corporate sponsors of the Winter X Games	3.71	.941	.849	
• I would try a sponsor's new product/service if I saw it on <a href="http://www.xgames.com">www.xgames.com</a>	3.68	.875	.833	
• I would definitely purchase products/services from the corporate sponsors	3.51	.927	.829	
• My overall intention toward purchasing products/services from companies that sponsor this event is positive	3.78	.853	.814	

14 and Figures 1, 2, and 3. From the descriptive statistic data, participants exposed to both on-site and online sponsorship activities showed the highest scores in all sponsorship effectiveness measures. Considering attitude toward sponsorship and purchase intentions, online participants had a slightly higher level of attitude toward sponsorship and purchase intentions than the on-site counterpart; however, the means of both measures look indifferent across the groups. Regarding brand awareness, online fans showed a significantly lower recall percentage from other groups with 20.98% brand recall versus 28.01% for on-site fans and 33.96% for both on-site and online fans.

Table 14

*Descriptive Statistics of Sponsorship Effectiveness Measures Among the Three Groups of Participants*

Variable	Participant group	<i>M</i>	<i>SD</i>
Brand awareness (Recall %)	On-site fans	28.01%	20.36%
	Online fans	20.98%	18.33%
	Both on-site and online fans	33.96%	22.09%
Attitude toward sponsorship	On-site fans	4.07	.74
	Online fans	4.13	.53
	Both on-site and online fans	4.27	.67
Purchase intentions	On-site fans	3.63	.78
	Online fans	3.70	.61
	Both on-site and online fans	3.72	.81



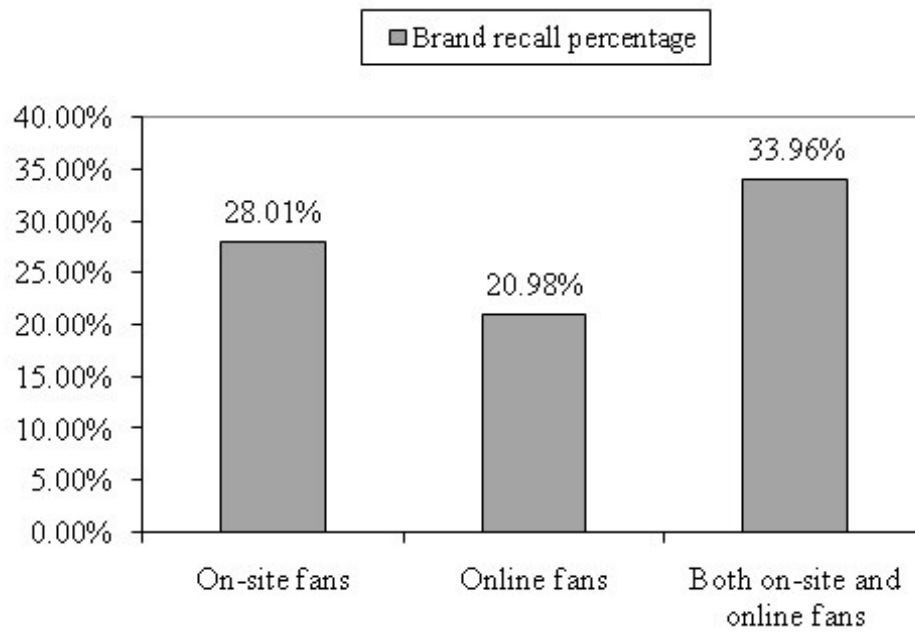


Figure 1. Means of brand recall percentage for all groups of participants.

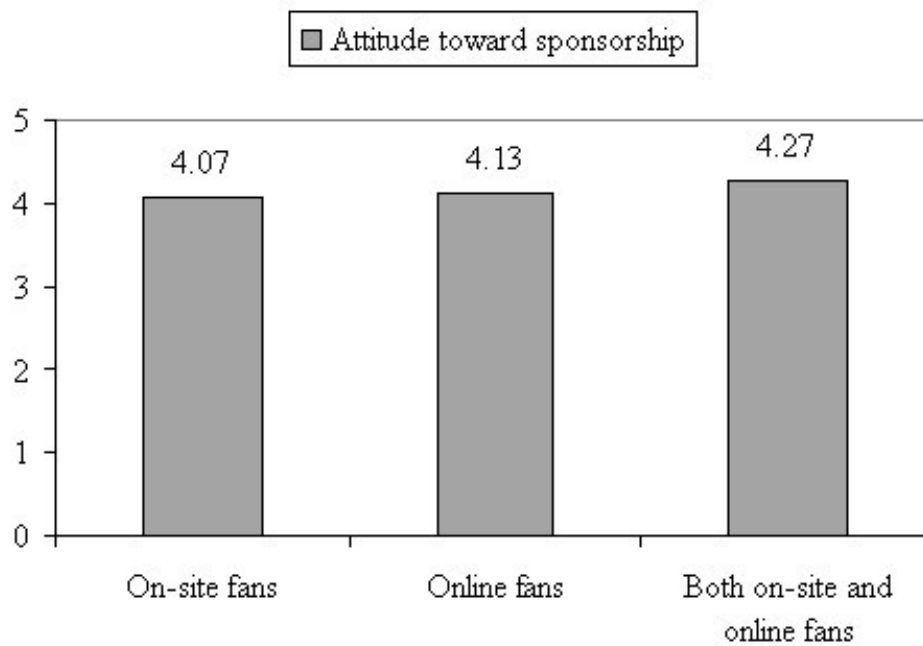


Figure 2. Mean attitude toward sponsorship for all groups of participants based on a 5-point Likert scale.

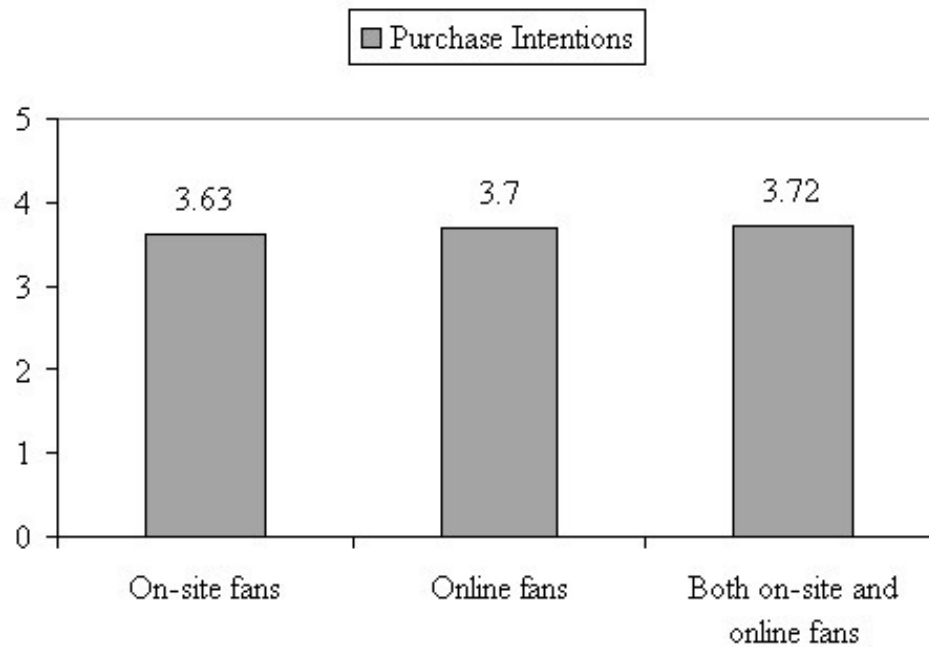


Figure 3. Mean purchase intentions for all groups of participants based on a 5-point Likert scale.

#### *Multivariate Analysis of Variance Results*

MANOVA in SPSS 16.0 software was utilized in order to determine the significant difference of the sponsorship effects means. The Box's test results indicated non-violation of the homogeneity of covariance matrices assumption: Box's  $M$  ( $p = .154$ ). Table 15 reports the results from the MANOVA test.

Table 15

*Result from the Multivariate Analysis of Variance (MANOVA) Test*

Statistic	Value	F Value	Num df	Den df	Pr > F
Wilks' Lambda	0.93775582	2.43	6	446	0.0255

*Note.* F Statistic for Wilks' Lambda is exact.

According to the MANOVA results, the  $p$ -value of Wilks' Lambda is significant ( $p < .05$ ). This result indicated a significant difference among groups of participants on at least one sponsorship effectiveness measures. Then a stepwise discriminant analysis was conducted to identify the variables upon which group of participants were different. After running the stepwise discriminant analysis, results from Tables 16, 17, 18, and 19 indicated that brand awareness (recall percentage) differed across the groups of participants; no significant differences showed across the groups for fans' attitude toward sponsorship and purchase intentions.

Once brand awareness was found to differ across the groups of participants, the mean recall percentages of all three groups were compared to identify which group differed from the others. According to Table 14, the mean recall percentages of online fans ( $M = 20.98\%$ ) were much lower than the means of the other two groups (33.96% for both on-site and online and 28.01% for the on-site fans). It could be concluded that

Table 16

*Stepwise Selection: Step 1*

Variable	Label	$R^2$	$F$	Pr > $F$	Tolerance
recall	recall	0.0495	5.86	0.0033	1.0000
meanatt	meanatt	0.0142	1.62	0.1996	1.0000
meanpi	meanpi	0.0029	0.33	0.7211	1.0000

*Note.* Statistics for entry,  $df = 2,225$ . Variable recall will be entered.

Table 17

*Stepwise Selection: Step 2*

Variable	Label	$R^2$	$F$	Pr > $F$
recall	recall	0.0495	5.86	0.0033

*Note.* Statistics for removal,  $df = 2,225$ . No variables can be removed.

Table 18

*Stepwise Selection: Step 3*

Variable	Label	Partial $R^2$	$F$	Pr > $F$	Tolerance
meanatt	meanatt	0.0113	1.28	0.2800	0.9759
meanpi	meanpi	0.0031	0.35	0.7053	0.9941

*Note.* No variables can be entered. No further steps are possible.

Table 19

*Stepwise Selection Summary*

Step	Number in	Entered	Removed	Label	Partial $R^2$	$F$	Pr > $F$
1	1	Recall	–	Recall	0.0495	5.86	0.0033

brand awareness was different across the group, and the online sponsorship activities were less effective in terms of brand awareness than on-site activities. In addition, online sponsorship activities may have been used to reinforce the on-site campaign since the fans, who were exposed to the activities in both platforms, had a higher brand recall than the other groups.

Based on the results in Table 14, all three groups of participants showed a positive attitude toward sponsorship. The mean scores were 4.07, 4.13, and 4.27 for on-site, online, and both on-site and online groups, respectively. Participants also showed a slight positive intention to purchase sponsors' product. No significant differences across the groups for purchase intentions mean scores. The scores were 3.72, 3.70, and 3.63 for both on-site and online, online, and on-site groups, respectively.

### Summary

The main part of this chapter discussed the results of the study in answering the five research questions. Initially, the participants in this study were described in terms of their demographic information including age, gender, ethnicity, education level, and residency. For Research Question 1, the most frequent sponsorship activity the Winter X Games sponsors conducted on-site was product sampling/trial. The most common tactic sponsors conducted on the event Web site was a banner linking to the sponsor Web site. However, most sponsors employed interactive activities on-site such as action sport related games, premiums or giveaways, and athlete autograph sessions, while a few sponsors utilized the interactive features on the event Web site.

The results of the Research Question 2 revealed that the levels of on-site participation showed a stronger positive relationship with the number of visits by representatives ( $r = .46$ ) than the relationship with number of materials received by fans ( $r = .20$ ), numbers of activities fans engaged in ( $r = .17$ ), and number of signs viewed by fans ( $r = .05$ ).

For the relationships between the levels of participation and online sponsorship interactions, the result indicated that the total hours of visiting the event Web site showed a slightly stronger relationship with the number of advertisements viewed ( $r = .32$ ) than amount of time spent on the event Web site ( $r = .29$ ).

Results from the MANOVA test answered Research Questions 3, 4, and 5. The results indicated a significant difference among groups of participants on sponsorship effectiveness measures (brand awareness, attitude toward sponsorship, and purchase intentions). Brand awareness (recall percentage) was found different across the groups of participants, and online sponsorship activities were less effective in terms of brand awareness than on-site activities. However, no significant differences existed across the groups for fans' attitude toward sponsorship and purchase intentions.

## CHAPTER V

### DISCUSSION

This chapter covers discussions and implications and limitations of this study. In addition, recommendations for future study and conclusions are presented. The discussions and implications include the results of this study, managerial implications, and the contributions of the findings. The limitations section points out what sport managers and researchers need to pay attention to. Directions for further research are presented in the recommendations for future study. Finally, the study is summarized in the conclusion section.

#### Discussions and Implications

##### *Sponsorship Activities, Brand Awareness, and Marketing Implication*

Results of Research Question 1 revealed that sponsors employed different sponsorship activities between their on-site and online platforms. Each sponsor employed a number of interactive theme activities at the event, while most sponsors were less likely to fully capitalize on the interactive contents on the event Web site.

At the event, sponsors attempted to employ interactive theme activities that related to consumers' interests. In this case, action sports related activities were developed to be interactive and involve target audiences. These activities were in the



form of games, contests, and athletic autograph sessions. In addition, sweepstakes, giveaways, or premiums were also utilized by sponsors in attracting fans to sponsors' booths. They also put the names or logos on the sponsor premiums, hoping fans would recall the sponsor who provided such materials. The result of this study found that sponsors' primary strategy focused on placing products into customers' hands. Product sampling and showcasing were the most common activities sponsors activated at this event. This finding is supported by the study conducted by Choi et al. (2006), which found consumers placed a more meaningful experience on product trial and temporary ownership than traditional sponsorship activation such as logo placement. Therefore, sponsors attempted to showcase their products to event participants, but in different ways such as product sampling, demonstrating their products, and including them as part of interactive games, prizes, and sweepstakes.

According to the correlation analysis results for Research Question 2, the amount of time fans spent at the event had a stronger positive relationship with number of visits by sponsor representatives than the relationship with the number of materials fans received, number of signs viewed, and activities in which fans engaged. This indicated that the longer fans spent time at the event, they had a higher chance to notice, visit, and interact with representatives at sponsors' booths. The results also indicated that the number of visits by sponsor representatives had positive relationships with the number of materials fans received and number of activities engaged in. It implies that once fans visited the sponsors' booths and interacted with their

representatives, they were more likely to participate in sponsors' activities and also receive materials including premiums and giveaways.

The results of on-site sponsorship activities were supported by the principle of experienced or engagement marketing, where sponsors attempt to have direct contact with consumers by encouraging interaction and providing a memorable experience. The Winter X Games sponsors developed a layered program in their booths that related to the action sports. The tactics commonly used by sponsors in this study included basic components like product sampling, games, premiums or giveaways, and conversations with famous athletes or representatives. These activities could form a set of components for a successful on-site engagement marketing campaign. However, activities should be delivered in different ways to create a unique experience. This authenticity for each sponsorship activity could make the brand persist in consumers' minds (Show, 2009).

In developing on-site sponsorship activities to engage fans, the results revealed that sponsors incorporated two elements besides signage and basic sponsorship activation components: sponsor core competency and knowledge about target consumers and the event. First, the Winter X Games sponsors utilized their competency by developing activities around their products. For example, the U.S. Navy showed their working robots, gear, and decoy plane. Oakley demonstrated its new bulletproof sunglasses by simulating the bulletproof protection. Totino's Pizza served free pizza rolls to fans daily, and Playstation showed their new PS3 games. Second, sponsors exploited the action sport related activities as well as the fans' lifestyle of the Winter X

Games. For example, Taco Bell sponsored a live indie music stage. Playstation organized a trivia contest for the Winter X Games, while Edge held snowboard balance games as well as gave away snowboard key chains with the Edge logo.

The results in this study revealed that sponsorship activities on the event Web site are less effective in increasing brand awareness than the activities at the event. Pedersen et al. (2007) suggested that sporting Web sites are expected to be interactive and should provide visitors to the site with multimedia features. The results confirmed that online fans can recall the sponsors conducting interactive theme activities rather than sponsors employing only banners or video commercials. Among eight official sponsors, only the Oakley data revealed that online participants had a higher recall percentage than the on-site fans (37.5% and 30.4 %). In this study, Oakley was among the few sponsors employing interactive activities and also exploiting the action sports theme in developing their online activities. Taco Bell also encouraged fans to vote for live music bands, and half of the online participants (50%) could recall it as the event sponsor. However, the other sponsors primarily displayed their video commercials showing their businesses rather than creating exclusive activities for the Winter X Games fans. In this study, a sponsor banner linked to its Web site was the most common Web site sponsorship activity followed by the sponsors' video commercials.

According to the result of Web site participation, 43 out of 116 online participants (37.06 %) clicked the banners and entered the sponsors' Web site during the event period, while 95 out of 116 (81.89%) online participants saw these advertisements. Based on correlation analysis, the time fans spent on the Web site had

a higher association with the number of advertisements viewed than a relationship with the amount of time online fans spent on a sponsor's Web site. The results of these two analyses revealed that event Web site visitors may notice sponsor advertisements but not click through to learn more detail on the sponsor's site. In order to engage site visitors on the sponsors' activities or Web sites, the Oakley and Taco Bell online sponsorship activities demonstrated that interactive themes and sport related activities are a viable activation component on the Web site in increasing brand awareness. The previous study by Filo and Funk (2005) supported this finding that a number of venue-based psychological features associated with consumers of sporting events such as aesthetics, drama, interest in sport, and players can be utilized in developing sporting event Web site content. Furthermore, these venue-based psychological features can also be applicable to sponsorship activities. For example, Oakley utilized snowboarder, Gretchen Brailer, and her emblem in developing an online interactive activity, "Design Your Own Emblem," and this led to high brand awareness among the online fans.

Results of brand awareness in Table 10 revealed an interesting issue. Participants may recall some of the non-official sponsors such as Red Bull, Monster, Grenade, and Disney XD more than a few official sponsors of the Winter X Games such as Playstation3 and Discovery Channel. There are two reasons that explain this phenomenon. First, Disney XD and Grenade were the X-Fest partners that conducted the activities such as showcasing the culture and lifestyle of winter sports. In addition, these companies also held product demonstrations, sampling, giveaways, and athlete

autograph signings. The tents of the X-Fest partners were located separately but not far from the official sponsors booth. For these reasons, fans may have misunderstood that these X-Fest partners were also official sponsors. Second, brands like Red Bull and Monster were also highly recalled by on-site participants. These companies sponsored individual athletes, and the athletes themselves were allowed to wear helmets showing a logo of their sponsors. Consequently, the on-site fans might notice and misunderstand that these brands were the event sponsors. In other ways, the fans may not actually notice these brands at the venue, but may have presumed that these brands such as Red Bull and Monster would sponsor the event since they regularly recalled these brands from other action sport events. So, the brands were still on the top of their mind.

In sporting events, companies were involved in different roles as either sponsors, suppliers, exhibition partners, or athlete sponsors. It is difficult to control the audiences' minds and interests. Vice versa, audiences, themselves, may have misunderstood the clutter of sponsors' and partners' visibility at the event. This study indicated that most participants did not pay attention to signage, but they placed importance on the activities they engaged in at the sponsors' booths. Brand awareness results confirmed that six out of eight official sponsors gained higher recall than non-sponsors. The number of interactive activities at sponsors' booths played a key role in engaging target audiences, which influenced brand recall rather than brand familiarity. The findings from Bennett et al. (2002) indicated that accuracy of sponsorship recognition was not related to perceived familiarity or reported viewing frequency for

either the high school or college action sport fans. The findings in this study also confirmed that brand awareness was influenced by degree of active engagement in sponsorship activities, not level of sponsorship secured.

In order to distinguish themselves from other partners, sponsors need to display the message showing their status as the official sponsors of the event. In addition, the property or organizer needs to utilize the traditional activation component such as audio and video media in presenting official sponsors. The announcers can mention the presence of official sponsors, and the short computer graphic can be presented on the giant screen and before the award ceremony. Implications for sport marketing professionals would be if the property does not differentiate between sponsor categories, sponsors may well lower their rights fees and use those funds to optimize activation.

In regard to the event Web site, online participants were less likely to name non-official sponsors of the event. They named some athletes' sponsors such as Red Bull, Monster, and even Mountain Dew (sponsor of the Dew Action Sport Tour held by NBC). This can imply that fans on the Web site were not drawn to the partners or suppliers of the event, but tended to recall the sponsors of the athletes from the pictures or video highlight in the Web site.

However, it was difficult to overlook the advertisement from non-sponsors on the Internet. In this case, M & M also conducted the online game on the action sports page on the ESPN Web site. M & M bought advertisement space on the ESPN Web site, but did not have any association with the Winter X Games. Although only a few

participants named these companies who bought advertising on the Web site, it could distract online visitors since they could click and browse outside the Winter X Games site. Once they found such an advertisement, they may have misunderstood and presume that the brand was an official sponsor.

*Effects of Brand Awareness to  
Attitude Toward Sponsorship and  
Purchase Intentions*

According to results from the MANOVA and stepwise discriminant analyses, attitude toward sponsorship and purchase intentions were not different among the three groups of participants: on-site, online, and both. The only significant difference occurred in brand awareness, where the online participants were least likely to recall the brands. Furthermore, subjects who engaged in both Web site and on-site activities were significantly higher in brand awareness than online activities alone. These data indicated that on-site sponsorship activities increases brand awareness more than sponsorship activities on the Web site. However, sponsorship activities on a different platform did not affect attitude toward sponsorship and intention to purchase sponsors' products among three groups of Generation Y participants. This result can be interpreted to imply that Generation Y participants were aware of sponsorship activities. It depends on how much those activities attract and engage them. In this study, most sponsors conducted a number of interactive activities at the event, allowing participants to be more than just a spectator, that is, become part of the action. On the event Web site, only a few sponsors employed interactive and action sport related activities. Most sponsors still utilized the banners without a compelling activity in luring Web

site visitors to be part of the activity. This could be the reason why on-site and on the Web sponsorship activities had differential effects on Generation Y participants.

According to the findings, sponsors consider the event Web site as a viable medium for a direct connection with event fans. The sponsorship activities on the Web site may not replace on-site activities, but they may effectively supplement or support the on-site ones. Online sponsorship activities have some advantages over the on-site and other traditional activation in increasing sponsorship effects.

1. The event Web site can reach a larger group of target consumers, not only the on-site participants, but also Web site visitors across different geographic locations. The Web site can be tailored to geographic locations, especially worldwide events, allowing fans to change to other major languages.
2. Online sponsorship activities may enhance two-way communications either business-to-consumer, consumer-to-business, or consumer-to-consumer. The results showed that if online activities were interesting to Web visitors (such as providing a good experience), they were more likely to recall the sponsor and have a positive attitude and intention to purchase a sponsor's product. Sponsors can reap the benefits of online activities by developing an online society among the event fans and also gain access to fans' demographic or psychographic information.
3. Sponsorship activities on the Web site also have an advantage over a sponsor's television commercials as this may engage Web site consumers to



spend additional time in engaging in the activity, while television commercials normally focus on sales. Also, it is easy for viewers to skip the commercials.

4. Sponsors could develop content that showcases their products. As the Winter X Games Web site can link to the sponsors' Web site, it is beneficial for sponsors to conduct promotional activities to draw fans to learn more about their business via the sport related activities.

Despite the above advantages, online sponsorship activity may be ineffective if it is employed without other traditional components. Marketers also need to pay attention to incorporating online sponsorship activities into their activation campaign. This study found that on-site sponsorship activities were more effective in terms of brand awareness, but not more effective than online activities for improving image and increasing purchase intentions.

As mentioned by several sponsorship experts, sponsors should derive sponsorship objectives from corporate objectives and marketing objectives. Then, they can translate the objectives into an activation campaign by considering the property inventory and corporation activation components. There are several standard activation components to choose from, yet sponsors need to develop new ways to connect to target audiences. No standard components worked well for all sponsorship objectives, so sponsors should also develop a program that consists of activities specifically reflecting the objectives set forth. In this regard, sponsors should not only rely on what the property has to offer, but also attempt to negotiate and challenge the property to

deliver a different way of engaging their fans or their consumers (Show, 2009). This study found a number of sponsorship activities reflected sponsorship objectives. For example, Jeep had launched a new Jeep Wrangler. In order to boost their sales, Jeep showcased their new cars next to their tents at the Winter X Games. The commercial was also broadcast through various media channels of the event including the television commercials during broadcasting and before daily highlights on the event Web site. On the Web site, the Jeep banner showed the picture of Jeep Wrangler and links to product detail, Internet price, incentives, and dealer inventory, so a Web site is a channel to pull consumers closer to sponsor products.

In order to select effective on-site or online activities, activities depend also on a product category. For some types of products, it is easy to attract Web site visitors, such as cars, computers, or financial services, while the marketing of low interest products may be more difficult in attracting visitors (Kotler & Armstrong, 2006). For these low interest products, a company's activities on-site and on the Web site should be engaging and exciting to entice visitors in spending more time to learn about the business and products. The Internet is useful for products and services when the consumers seek ordering convenience or lower cost. However, consumers find the Internet less useful when the products must be examined or touched in advance such as cars (Kotler & Armstrong).

The positive image fit of the brand, sport, and event were found to be positive for sponsor effects (Gwinner & Bennett, 2008) for Oakley and the Winter X Games. Brand familiarity proved in a number of research studies that consumers are likely to

recognize and lead to positive sponsorship effects (Bennett et al., 2002). Taco Bell, Jeep, Oakley, and the U.S. Navy were among the long time sponsors of both the Summer and Winter X Games, and X Games fans were familiar with the brands.

In conclusion, online sponsorship activities will not replace on-site sponsorship activation in terms of increasing brand awareness, but it could supplement and reinforce the message to target audiences in a larger geographic location. In this study, most sponsors did not take full advantage of the event Web site, and simply posted traditional banners and commercials on it. This could be the reason why the Web site sponsorship activities were less effective in drawing fans' attention despite a high frequency of online fans viewing the sponsor's banners and commercials. However, the evidence in this study found that online sponsorship activities were as effective as the on-site sponsorship in terms of attitude toward sponsors and purchase intentions.

#### Limitations

One of the limitations of this dissertation is the generalizability of the results. The sampling frame of this study was limited to a segment of Generation Y participants whose age was between 18 to 24 years old who attended the 2009 Winter X Games. Generation Y, as defined in Chapter II, is a group of young sport consumers between the ages of 10 and 24 (Gladden & McDonald, 2005). In order to avoid a complication with participants under 18, this study focused only on participants between 18 and 24 years old. Bennett and colleagues found that middle school and high school students preferred to watch action sports more than college students (Bennett & Henson, 2003; Bennett et al., 2003). In this study, an assumption was made

that middle school and high school students in year 2003 would become college students, and they would prefer to watch action sports. However, the excitement of collegiate sports and other mainstream sports might attract the students and change their sports preferences. Therefore, the participants in this study may not fully represent the whole Generation Y members who watch action sports. The absence of participants under 18 years old affected the ability to generalize the results of this study. Playstation conducted a number of on-site activities at the event; however, most fans who visited their tent were generally younger than 18 years old according to the observations, and these group members were not eligible for participating in this study. In addition, the current study adopted a convenience sampling method due to the difficulty in obtaining the group of online fans from various geographic locations, so online individual samples were limited to undergraduate students and ski resort visitors in Colorado. With this limitation, marketers should pay attention when applying the results of this study to the entire Generation Y population.

The second limitation is the on-site and online sponsorship activities conducted by the sponsors in this study. Each sponsor employed different activation components on their campaigns. Therefore, the study could not control the number or types of sponsorship activities. This study is exploratory and has a primary purpose to compare the effectiveness of on-site versus online activation methods. Numbers and types of activities may play an important part for the differences between on-site and online sponsorship activities. The results might show on-site activation as more effective in terms of increasing brand awareness. The reason might be that most sponsors did not

fully capitalize on what the Web site could provide. Therefore, marketers should be careful in developing the sponsorship activation campaign, especially in selecting the activities in order to deliver the message to their target audiences. The sponsors of the Winter X Games also had specific sponsorship objectives, so it was difficult to evaluate their campaign that online activations were completely inferior to the on-site activities. The findings in this study should be viewed in terms of the activities that sponsors in this study employed and the effectiveness they gained from their activation on different platforms.

#### Recommendations for Future Study

This study attempted to compare the current sponsorship activation on different platforms. Hopefully, the sponsorship activities on the event Web site would be a viable option and open the door for marketers in reaching target audiences in a wider range of geographic locations. This study has opened the door for future research in the area of sponsorship evaluation on the Internet in different issues.

First, this study measured attitude toward sponsorship and purchase intentions collectively without raising any specific brand. With overall sponsorship effect, it might be difficult to point out which sponsorship activities or brands play an important part in sponsorship effect. Future research may select one brand to study the effect of online activities instead of overall perceptions of the consumers.

Second, the sponsorship activation on the event Web site might be studied from the corporation standpoint. The current study aimed to evaluate online sponsorship activation from the consumer side. Sponsorship effectiveness measures included

brand awareness, attitude toward sponsorship, and purchase intentions. However, the perspectives from marketers would be important to investigate, such as how they negotiate activation with the property, how they develop and package the online activities with their overall activation campaign, and how they evaluate the effectiveness of a new medium.

Lastly, with the geographic limitation of this study, future research should be conducted on the wider geographic range of Web site users. In addition, action sports consumers may be different from mainstream sport fans, so professional league Web sites should be interested in finding out if traditional fans react differently on the online sponsorship. Future studies should also investigate online sponsorship activities based on sponsorship levels and sponsorship categories. It would be interesting if these sponsors come up with different activities based on their objectives and their partnership status with the sport property.

### Conclusions

Corporations have leveraged their sponsorship by communicating with target audiences through marketing activities via sport properties. The Internet has been widely used as a new communication medium allowing sport marketers to reach a wider range of consumers. Sponsorship visibility on the Internet has traditionally been in the form of logos, banners, or title sponsors. Recently, sponsors have attempted to create activities by using interactive features, hoping they would enhance sponsorship effectiveness.

The findings of this study found that sponsors mostly employed interactive and sport related activities in attracting fans at the event. Sponsors considered that allowing consumers to sample or experience their products is the most important activation component. For the sponsorship activation on the event Web site, most sponsors failed to take full advantage of the Internet. Thus, onsite sponsorships activities were more effective in terms of brand awareness. However, on-site and online activation were equally effective in terms of attitude toward sponsorship and fans' purchase intentions. The study also indicated that fans could have difficulty in distinguishing the official sponsors from other sponsors (i.e., athlete's sponsors). The event Web site data found that site visitors had less incorrect recall rate than fans at the event, because the official sponsor visibilities were not distracted by other non-sponsors on the Web page.

According to the findings, sponsorship activities on the event Web site could be a viable sponsorship activation component. These elements could supplement the on-site campaign and also encourage two-way communications between business and consumers or consumer and consumer. Sponsors should start from their sponsorship objectives and then negotiate with the property regarding the sponsorship activation component. Online activities should be interesting and interactive in order to attract new visitors, and they should be exciting enough to encourage visitor retentions.

A number of guidelines for future research are recommended. First, researchers could study the effects of specific brands instead of perceptions to collective sponsorship in this study. Second, online sponsorship activity research should be conducted from the marketer's perspective. Third, participants outside Generation Y

should be conducted before marketers attempt to employ online sponsorship activities to mainstream sports.

The contribution of this study and guidelines for future research should benefit sport marketers and researchers in developing new ways to connect and engage consumers on the sporting event Web site. The capability of the Internet awaits marketers in incorporating it into their marketing mix. There were no standard sponsorship activation components that work best for every situation, but sport marketers need to make their activity authentic and memorable, so the brand will persist in consumers' minds and translate to a favorable image and intention to purchase sponsor products or services.



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APPENDIX A

QUESTIONNAIRE I  
(ON-SITE PARTICIPANTS)

### QUESTIONNAIRE I (ON-SITE PARTICIPANTS)

The purpose of this study is to compare the effectiveness of sponsorship activities. All responses are anonymous, and your personal information will be kept confidential. Participation is voluntary. Thank you for participating in my research.

1. How many days did you attend the Winter X Games 13? \_\_\_\_\_ days
2. On the average, how many hours per day did you spend at the Winter X Games 13? \_\_\_\_\_ hours per day

#### Brand Awareness

3. Please write the names of the ESPN Winter X Games 13 sponsors that you can recall in the space below.

- |          |          |
|----------|----------|
| 1. _____ | 5. _____ |
| 2. _____ | 6. _____ |
| 3. _____ | 7. _____ |
| 4. _____ | 8. _____ |

4. In what sponsorship activities did you participate? (check all that apply)

- |   |   |
|---|---|
| <input type="checkbox"/> Saw sponsors' signs                  | <input type="checkbox"/> Number of signs viewed _____       |
| <input type="checkbox"/> Received material from sponsors      | <input type="checkbox"/> Number of materials _____          |
| <input type="checkbox"/> Visited with sponsor representative  | <input type="checkbox"/> Number of visits _____             |
| <input type="checkbox"/> Participated in sponsors' activities | <input type="checkbox"/> Number of activities engaged _____ |

5. Did you purchase a sponsor product?     Yes     No

Please indicate how likely you agree with the following aspects of your attitude toward sponsors of the ESPN Winter X Games 13.

Attitude toward sponsorship	Strongly disagree	Disagree	Neutral	Agree	Strongly agree
6. I think favorably of companies that sponsor the Winter X Games.	1	2	3	4	5
7. Companies that sponsor the Winter X Games are successful.	1	2	3	4	5
8. Companies who sponsor the event provide quality products/services.	1	2	3	4	5
9. Companies that sponsor this event are professional.	1	2	3	4	5



Please indicate how likely are you to purchase products/services from the sponsors of the ESPN Winter X Games 13.

Purchase intentions	Strongly disagree	Disagree	Neutral	Agree	Strongly agree
10. I would consider purchasing products/ services from the corporate sponsors of the Winter X Games.	1	2	3	4	5
11. I would try a sponsor's new product/ service if I saw it at the event.	1	2	3	4	5
12. I would definitely purchase products/ services from the corporate sponsors.	1	2	3	4	5
13. My overall intention toward purchasing products/services from companies that sponsor this event is positive.	1	2	3	4	5

#### Demographics

14. What is your gender?  
 Male    Female
15. What is your age?  
 \_\_\_\_\_ years old
16. How would you classify yourself?  
 Asian/ Pacific Islander    Hispanic  
 Black    Other (please specify)  
 Caucasian/White   \_\_\_\_\_
17. What is the highest level of education you have completed?  
 High school graduate    College graduate    Other (please specify)  
 Some college    Graduate school   \_\_\_\_\_
18. In what state do you reside? \_\_\_\_\_

If you wish to be entered into the raffle for the Winter X Games 13 merchandise, please enter your email address.

\_\_\_\_\_

APPENDIX B

QUESTIONNAIRE II  
(OFFICIAL EVENT WEB SITE PARTICIPANTS)

## QUESTIONNAIRE II (OFFICIAL EVENT WEB SITE PARTICIPANTS)

The purpose of this study is to compare the effectiveness of sponsorship activities. All responses are anonymous, and your personal information will be kept confidential. Participation is voluntary. Thank you for participating in my research.

1. How many days per week did you visit the Web site of Winter X Games 13 (xgames.com)? \_\_\_\_\_ days/week
2. On the average, how many hours per day did you spend on the Web site?  
\_\_\_\_\_ hours per day

### Brand Awareness

3. Please write the names of the ESPN Winter X Games 13 sponsors that you can recall on the space below.
 

1. _____	5. _____
2. _____	6. _____
3. _____	7. _____
4. _____	8. _____
4. What sponsored activities did you participate in on the website? (check all that apply)
 

<input type="checkbox"/> Saw sponsors' advertisement	Number of advertisement viewed _____
<input type="checkbox"/> Clicked on sponsors' advertisement	About how many minutes were you on the sponsor site? _____ minutes
<input type="checkbox"/> Purchased a sponsor's product	

Please indicate how likely you agree with the following aspects regarding your attitude toward sponsors of the ESPN Winter X Games 13.

Attitude toward sponsorship	Strongly disagree	Disagree	Neutral	Agree	Strongly agree
5. I think favorably of companies that sponsor the Winter X Games.	1	2	3	4	5
6. Companies that sponsor the Winter X Games are successful.	1	2	3	4	5
7. Companies who sponsor the event provide quality products/services.	1	2	3	4	5
8. Companies that sponsor this event are professional.	1	2	3	4	5

Please indicate how likely are you to purchase products/services from the sponsors of the ESPN Winter X Games 13.

Purchase intentions	Strongly disagree	Disagree	Neutral	Agree	Strongly agree
9. I would consider purchasing products/ services from the corporate sponsors of the Winter X Games.	1	2	3	4	5
10. I would try a sponsor's new product/ service if I saw it at the event.	1	2	3	4	5
11. I would definitely purchase products/ services from the corporate sponsors.	1	2	3	4	5
12. My overall intention toward purchasing products/services from companies that sponsor this event is positive.	1	2	3	4	5

#### Demographics

13. What is your gender?  
 Male    Female
14. What is your age?  
 \_\_\_\_\_ years old
15. How would you classify yourself?  
 Asian/ Pacific Islander    Hispanic  
 Black    Other (please specify)  
 Caucasian/White   \_\_\_\_\_
16. What is the highest level of education you have completed?  
 High school graduate    College graduate    Other (please specify)  
 Some college    Graduate school   \_\_\_\_\_
17. In what state do you reside? \_\_\_\_\_

If you wish to be entered into the raffle for the Winter X Games 13 merchandise, please enter your email address.

\_\_\_\_\_

APPENDIX C

QUESTIONNAIRE III  
(ON-SITE AND WEB SITE PARTICIPANTS)

### QUESTIONNAIRE III (ON-SITE AND WEB SITE PARTICIPANTS )

The purpose of this study is to compare the effectiveness of sponsorship activities. All responses are anonymous, and your personal information will be kept confidential. Participation is voluntary. Thank you for participating in my research.

1. How many days did you attend the Winter X Games 13? \_\_\_\_\_ Days
2. On the average, how many hours per day did you spend at the Winter X Games 13? \_\_\_\_\_ hours per day
3. How many days per week do you visit the Web site of Winter X Games 13 (xgames.com)? \_\_\_\_\_ days/week
4. On the average, how many hours per day do you spend on the Web site? \_\_\_\_\_ hours per day

#### Brand Awareness

5. Please write the names of the ESPN Winter X Games 13 sponsors that you can recall on the space below.
 

1. _____	5. _____
2. _____	6. _____
3. _____	7. _____
4. _____	8. _____
6. In what sponsorship activities did you participate at the event? (check all that apply)
 

<input type="checkbox"/> Saw sponsors' signs	Number of signs viewed _____
<input type="checkbox"/> Received material from sponsors	Number of materials _____
<input type="checkbox"/> Visited with sponsor representative	Number of visits _____
<input type="checkbox"/> Participated in sponsors' activities	Number of activities engaged _____
7. Did you purchase a sponsor product?    O Yes O No
8. What sponsored activities did you participate on the Web site? (check all that apply)
 

<input type="checkbox"/> Saw sponsors' advertisement	Number of advertisement viewed _____
<input type="checkbox"/> Clicked on sponsors' advertisement	
About how many minutes were you on the sponsor site? _____ minutes	
<input type="checkbox"/> Purchased a sponsors' product	

Please indicate how likely you agree with the following aspects of the ESPN Winter X Games 13.

	Strongly disagree	Disagree	Neutral	Agree	Strongly agree
Attitude toward sponsorship:					
9. I think favorably of companies that sponsor the Winter X Games.	1	2	3	4	5
10. Companies that sponsor the Winter X Games are successful.	1	2	3	4	5
11. Companies who sponsor the event provide quality products/services.	1	2	3	4	5
12. Companies that sponsor this event are professional.	1	2	3	4	5
Purchase intentions:					
13. I would consider purchasing products/services from the corporate sponsors of the Winter X Games.	1	2	3	4	5
14. I would try a sponsor's new product/service if I saw it at the event.	1	2	3	4	5
15. I would definitely purchase products/services from the corporate sponsors.	1	2	3	4	5
16. My overall intention toward purchasing products/services from companies that sponsor this event is positive.	1	2	3	4	5

#### Demographics

17. What is your gender?  
 Male    Female
18. What is your age?  
 \_\_\_\_\_ years old
19. How would you classify yourself?  
 Asian/ Pacific Islander    Hispanic  
 Black    Other (please specify)  
 Caucasian/White   \_\_\_\_\_
20. What is the highest level of education you have completed?  
 High school graduate    College graduate    Other (please specify)  
 Some college    Graduate school   \_\_\_\_\_
21. In what state do you reside? \_\_\_\_\_

If you wish to be entered into the raffle for the Winter X Games 13 merchandise, please enter your email address. \_\_\_\_\_