

Rights in sports sponsorship

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Abstract

Sports sponsorship has become nowadays a comprehensive 360 degree communication tool. Not only it raises brand awareness, but also builds its image, serves to establish relationships, influences sales and helps in pursuit of many corporate goals. The aim of the study is not only to present the most common sponsorship rights, but a certain categorization of them, which is intended to facilitate discussions between the parties involved, as well as to present the benefits that the sponsor may receive. However, in order to effectively meet these objectives and use the communicative potential of sponsorship, it is necessary to purchase adequate rights in advance. This action will preserve a number of benefits to be obtained by the sponsor. No matter which benefits are the most important for the acquirer of rights, it is necessary for him to look through the needs of his entire organization, not just its sponsorship department. Just as important are the expectations of the sponsor's structures dealing with business, key or individual clients, PR or CSR departments, sales and marketing units, event departments or internal communication. This approach allows you to select and purchase rights that the entire organisation will benefit from. On the other hand, it is crucial for the rightsholder to know the expectations of potential sponsors, their working model, the differences between internal corporate structures, because it may lead to much better preparation of rights packages and more effective advertisement to potential buyers. In order to successfully apply for sponsor funds, it is necessary to identify the rights held in order to prepare an attractive offer on their basis. The most attractive sponsorship rights for buyers include: individual or group images of players and teams, own signs and logos, advertising spaces, hospitality tickets and packages, own events or guaranteed participation in events of other organizations, guaranteed broadcasts of events, their media coverage and its range, potential audience, databases, merchandising, own media and advertising packages held in cooperation with partner media, sports and development potential connected with the number of sports players, fan clubs and other associations, promotional opportunities at events and involvement in local and other communities.

Key Words: sponsors, sport, rights in sponsorship, sports sponsorship, sponsorship communication,

Introduction

Sports sponsorship has become nowadays a comprehensive 360 degree communication tool. It combines primarily branding and advertising, but also activities aimed at both individual and business customers, communication based on stars and feelings, communication on social media, events, as well as projects supporting PR and CSR. Not only it raises brand awareness, but also builds its image, serves to establish relationships, influences sales and helps in achieving many corporate goals.

However, in order to effectively meet these objectives and use the communicative potential of sponsorship, it is necessary to purchase adequate rights in advance. This action will preserve a number of benefits to be obtained by the sponsor. Many of these rights have been similar for many years, certainly can be a leg up for both parties involved in a sponsorship deal. (Wakefield, 2007, p.175). Therefore, it is possible to talk about the long-standing practice of sponsorship in the field of the most desirable and most common rights in sponsorship projects. (IEG 2018, 2017, 2015; Sponsorship Insight 2019, Konczak 2020a, p.167). Most of the news in this area concerns internet rights related to social media, mobile applications and e-sports (Elasri-Ejjaberi, Rodriguez-Rodriguez, Aparicio-Choeca, 2020, pp. 852 – 861).

However, no matter what the sponsor is interested in, the entity must look not only at the needs of e.g. the sponsorship department, but also other parts of his own organization, such as structures dealing with individual, business or key clients, sales and marketing entities, PR or CSR departments, event departments or internal communications. This will allow you to obtain rights that the entire sponsor's organization will benefit from. On the other hand, it is crucial for the rightsholder to know the expectations of potential sponsors, their work model, the differences between internal corporate structures, which will allow for better preparation of rights packages and more effective advertisement to potential buyers. However, in order to successfully raise sponsor funds, it is necessary to identify the acquired rights in order to prepare an attractive offer later. The most attractive sponsorship rights for buyers include: individual or group images of players and teams, own signs and logos, advertising spaces, hospitality tickets and packages, own events or guaranteed participation in events of

other organizations, guaranteed broadcasts of events, their media coverage and its range, potential audience, databases, merchandising, own media and advertising packages held in cooperation with partner media, sports and development potential connected with the number of sports players, fan clubs and other associations, promotional opportunities at events and involvement in local and other communities.

The aim of the article is to identify, and categorize the most important rights in sponsorship, but also determine what benefits can be brought to the sponsor's organization. The document presents both the rights declared as the most important by sponsors and those that are actually found in sponsorship agreements. This allows you to think not only through the prism of what rights the company wants to buy, but also how it can use them and what it will bring in the company's marketing or image communication.

Material & methods

The article was based on the author's research - *Sports and sponsorship communication in Poland*, study of 35 major sports sponsors in Poland - a questionnaire consisting of 26 questions implemented using the CAWI method. These questionnaires were supplemented by qualitative research entitled *Development, financing, communication of Polish sport* and *Sponsorship communication and trends*. Questionnaire consisting of 26 questions and interviews with managers of sports associations, sport-related businesses and Ministry of Sport, government administration operating in Polish sport for years, presidents of sports associations and representatives of Polish Olympic Committee (qualitative research – 22 in-depth interviews). Own research has been compared with the studies of other research centres and the literature of the subject. The author also has analysed nearly 100 sponsorship agreements available to him. The contracts were obtained by the principle of confidentiality from the largest sports sponsors and sponsoring agencies in Poland. Most of them concern football, volleyball, basketball, speedway, summer and winter olympic sports.

Results

When it comes to talk about rights in sponsorship, surveyed Polish sponsors considered the most important: exposure of logos on costumes (66.67%), industry exclusivity (66.67%), images of sponsored persons, teams or representations (63.33%), exposure of logos at the event venues (53.33%), licenses for titles, signs, sponsored logos (50%), hospitality tickets and packages (26.67%), licenses to make their own products and services based on sponsorship project (20%), PR cooperation (16.67%), content (13.33%), use of sponsor name in official team/team/facility name (13.33%), concessions to sell own products during events (10%). Additionally, every tenth of them listed the right of contract extension priority (Jedel, Konczak 2019, p. 112). In other studies, sponsors mentioned most often: their own sponsored communication channels, high attendance at facilities, titular sponsorship, marketing fan databases, continuous development of cooperation, the right to brand image of the sponsored. In turn, the most important elements for the rightsholders were: the brand exposure on athletes' costumes, high attendance at the facilities, brand exposure on the event venues, titular sponsorship and the right to exploit their own brand image (Sponsorship Insight, 2019)

Polish results are similar to studies conducted in USA, where the most important rights were: category exclusivity (60%), on-site branding (43%), trademark and logo rights (40%), content rights for digital distribution and other communication channels (39%), access to customer and contractor databases and mailing lists (34%), digital and social media presence (34%), access to audience and fan data (33%) tickets and hospitality (32%), the right to promote jointly labelled partner products and services (29%), and finally branding on additional promotional materials (26%) (IEG, 2017, p. 25). The importance of these categories was also similar in European studies, e.g. in Switzerland (ZHAW, 2018).

Taking into account the results of the research, the analysis of sponsorship agreements and the literature of the subject matter, a certain typology of the rights of the eight categories can be proposed. It should draw the attention of both rightsholders and sponsors, because it may lead to better and more effective cooperation between the parties involved.

- Titles and Signs Rights are the first group. It not only distinguishes the sponsor from other companies without such rights, but also legitimises his actions, showing that he can communicate by using the supported discipline, event, team or player. This sends a clear signal to customers that the company is close to the things that are important to them and engages in what fans are passionate about (Farrelly, Quester & Burton 2006, p. 1013-1030). This group includes rights such as: attainment of the title specified in the contract and its usage in the promotion of the brand, usage of the logo and the entire visual identity of the sponsored in promotional and information activities, association of the sponsor's logo with the sponsored (composite logo - joint identification of both entities) title sponsorship (construction of own teams or events with the sponsor's name forming an integral part of the name). The benefits that a sponsor receives from this category of rights are mainly: image transfer, constant growth of brand awareness, joint identification of sponsor and the sponsored, the possibility of building a common visual identification, distinction from other companies without rights, growth of sponsor's legitimacy, the possibility of exclusive placement of the sponsor's products and services.

- Image Rights are the second category, highly appreciated by sponsors, because in most cases they concern the sports stars (Carlson & Donovan, 2008, p. 154-162; Idzikowski, 2015, pp. 7-17), which perfectly transfer the person's image to the brand (Elberse&Verleun 2012, p. 149-165), e.g. through the universal values of sport (Hickman, Lawrence, Ward 2005, p. 148-157; Cunningham,Cornwell,Coote, 2009Pp. 65-86). In this category there are rights to: images of athletes, teams, national teams, coaches and staff members, their branch or total exclusivity, the rights to organize sponsorship photo and film sessions. The benefits of a sponsor in this category are: reliable brand ambassadors with a set of characteristics and represented values, the "human face" of the sponsorship project, ease of association and establishing relationships with fans, recognition, versatility, image transfer, credibility and impression of the closeness of the sponsor, sales support, as well as desired image changes, source of storytelling (Fog, Budtz, Munch, Blanchette, 2012, p. 33).
- Advertising rights make the third group and they are necessary to achieve goals mostly related to brand awareness (Johar, Pham & Wakefield, 2006, pp. 183-198), they give customers a visible signal, which affects their perception and help them remember brand's messages (Herrmann, Walliser&Kacha, 2011, pp. 259-281). They are also relatively easy to offer, as virtually every sponsored entity already has an advertising space dedicated to future sponsors. The most popular advertising rights include: venue branding, logos on the outfits and equipment of both players and staff members, less often on the bodies of players, logos in the own media, offices, information and promotional materials of the sponsored entity, on official websites and applications. The benefits to sponsors are: building awareness of sponsorship, the sponsor's credibility and legitimacy of its activities, advantage in brand competition and a measurable presence of the company in the media. These rights additionally bring adequate results and are easy to calculate and report inside the organization. Therefore, they are one of the best tools of providing sponsorship' effects (O'Reilly, Nadeau, Seguin & Harrison. 2007 pp. 179-198).
- Ticket and hospitality package rights are another group, which on the day of the event are considered the most important ones (Pope, Voges, 1994, pp. 37-45). They facilitate the building of partnerships and relationships, especially with individual and business clients. They also reward contractors and people within the sponsor's organization (Walliser, 2003, pp. 5-40; Farrelly, Quester & Burton, 2006, pp. 1016-1026; Coppetti 2004, pp. 28-29). This category of rights includes: the number of free tickets and VIP packages for events with their categorization, priority in purchasing additional tickets and VIP packages and their specified maximum number, discounts on the purchase of further tickets and VIP packages. The most important benefits for the sponsor are: building relationships with customers, opportunity for business meetings, the uniqueness of benefits, growth of the company's prestige and its managers, competition awards, bonus for loyalty programs, lotteries and other promotional activities, prizes for contractors, suppliers and partners, bonus, reward and motivation for the employees and managers, team building tool.
- The next category is marketing, sales and public relations rights, in which you can distinguish: the rights to promote, sell your products and organize your own events at the event site, product license rights (e.g. an official product of the championship / team / representation) and collectible products, and also their distribution in the own channels of the sponsor and the rights owner, discounts on own products and co-sponsors' products, rights to strategic communication and advertising cooperation, access to databases and the opportunity for lead collection, participation in the organizers' own events and use of additional elements in communication (e.g. mascot, cup, Olympic torch), preemptive right to purchase advertising time on TV broadcasts of the event, additional activities with sponsored (e.g. fan club, voluntary work, children's escort, CSR projects), media relations and internal communication activities. These rights are based both on the commercialization of sport (Antonowicz, Kossakowski, Szlendak, 2011, p. 114; Datko 2012, p. 494) and the willingness to use sponsorship primarily as a source of income from sales of products and services (Kowalski, 2016, pp. 18-31). On the other hand, there are image rights that favor mainly PR or CSR activities of the sponsor and pursue corporate goals (Waškowski, 2016, p. 139). The benefits arising from the above rights are mainly: opportunity for promoting and testing products and services, their exclusive distribution on the site of the event, extension of the activities to communities gathered around the sponsored entity - fan clubs, voluntary organisations, amateur teams, opportunities to expand communication to aspects of social responsibility, expanding communication target groups (not only fans, but e.g. whole families, local communities), in crisis moments (e.g. lack of success, scandal) easy switching to other communication aspects, showcase of the sponsor as a company that not only exploits the contract, but does something more for the sport, the future, society, engaging fans in joint actions and establishing partnerships with them, new areas of communication exploitation, new pretence for communication, filling the communicational or promotional calendar between matches or competitions.
- The sixth category is the rights to content, especially important in the era of rapidly changing media markets and the emergence of new interactive communication channels. This affects both the methods of content distribution, the possibility of creating an individualized message, and changes in the structure of sponsorship rights (Coppetti, 2004 pp. 28-29; Nielsen 2017). Because of them, fans can engage not only in personalized content right in the moment but also share feelings and impressions, take part in competitions, quizzes and games online. Content rights include rights to TV/on-line/digital broadcasts, additional online

materials not visible in the main channel, to prepare dedicated mobile applications, own channels, fanpage profiles in social media, to implement additional, exclusive materials (e.g. backstage of sports events, training sessions, training camps), priority or exclusivity of the publication of film materials in the sponsor's channels. Benefits for the sponsor include creating exclusive, often personalized messages, increasing the involvement of fans and drawing customers into the world of virtual games, showing other side of a sports event, creating your own sports channels on TV or the Internet and, while distributing content, showcase and sale of services, creating own mobile applications and channels in social media, building brand awareness and supporting its image, transforming a sports spectacle into a show dedicated to wider groups than just sports fans.

- Another category of rights is related to the buyer's place on the sponsorship ladder, exclusivity rights, and finally, contract renewal and termination rights. The sponsorship ladder is not only about the titles and the validity of sponsors. It also determines the maximum number of sponsors in a given category, their rights, obligations and interdependencies as well as relations between them. It allows for shaping a greater or lesser sense of exclusivity at various levels and offers unique rights dedicated to sponsors at particular levels of the ladder, which is extremely important for many sponsors who want to emphasize their significance (Mullin, Hardy, Sutton, 2014, p. 322). Exclusivity is a right that sponsors will gladly pay even more, because it is simply worth it (Cornwell, Roy and Steinar, 2001, pp. 41-51). The rights arising from this category are: exclusivity in the industry, establishing the number and strict division of sponsors, their validity, scope of rights and mutual relations, the possibility of transferring rights to another entity of the Capital Group, options for renewing and terminating the contract, and securing the preemption of a new contract, securing the dominant role of the main sponsor along with establishing the percentage of the total benefits. What the sponsor acquires are: clearly defined rights and benefits resulting from the contract, defining clear relations with other sponsors, promise of exclusivity, the uniqueness of certain rights, no direct competition, securing the exit from the contract in case of events that may affect the sponsor's brand, obtaining the possibility and priority in contract renegotiation.
- Last but not least, the eighth category of rights is naming rights. They define the sale of rights to the name of the facility, which, due to the specificity of the market with long-term contracts, allows you to build brand awareness in the long term. The value of such rights is influenced by prestige and character of the place, its potential to attract events and their status, attendance and diversity, size of the city, interest in the b2b market, diversity of target groups visiting the facility. This category includes not only the rights to the name of the facility, and its usage in communication and sales promotion, but also: advertising rights outside and inside the facility, rights to organize your own events on site, promotion and sales during regular events, use of selected areas for your own events, company meetings, your own box during events organized on the site, packages of tickets and invitations to all or selected events organized on the site, a guaranteed of the number of events. The benefits for the sponsor are: building brand awareness, increasing the company's prestige, image transfer and building unique experiences for customers, diversifying the message to various target groups, building relationships with individual, business, key and other customers, the possibility of meetings at the highest level, e.g. management board in private boxes, cooperation with local communities, building a community around the place (Allen, 2011, pp. 790- 811; Leeds, Leeds, & Pistolet, 2008, pp. 581-585).

Discussion

The categorization of rights proposed in the article requires further research, especially in the field of the analysis of sponsorship agreements, which may adapt to the suggested model or introduce some modifications to the categories. This knowledge will complement the data from sponsors' surveys, which seem to be less detailed due to the limited number of responses.

What distinguishes a sponsor from other companies that use sponsorship motives in their communication are the rights acquired from their owners (e.g. sportsmen in advertising, celebrities associated with sports, fans or sports equipment). However, in order to create an offer that satisfies the buyer, it is necessary to know his expectations, because these are the rights that give the sponsor feeling of exclusivity and uniqueness. Although it seems obvious from a business point of view, it should be remembered that rights owners and sponsoring organizations often speak a different language, because the former are primarily focused on sports competition, while the latter simply want to invest their money effectively. Therefore, the maintenance of rights, the ability to define them and present them in the sponsorship offer is the first step to establish a sponsorship relationship that will be satisfactory for both parties. The presented categories of rights, based not only on research, but also on the analysis of sponsorship agreements, are a voice in the discussion on rights and an indication for both parties to the contract how to define, systematize and use the acquired rights.

Conclusions

In the sponsorship market, only a few owners of the most attractive rights have the comfort of being selective among sponsors. Others must adapt to the expectations of the business if they want to have funds for additional development or have just enough to survive. Identifying your own rights, getting to know business expectations is the basis for preparing an offer and establishing an effective relationship from the rightholder's

point of view. Business expects right in scope: titles and signs, image, rights to content, marketing, sales and public relations rights, advertising, ticket and hospitality package, naming rights, and category of rights related to the buyer's place on the sponsorship ladder, exclusivity rights, and finally, contract renewal and termination rights. These eight categories include virtually all the most important and valuable rights for potential contractors. Therefore, identifying owned resources in these eight areas will allow the rightsholder to prepare transparent and marketable sponsorship offers for business. As a result, the sponsor will receive an offer that is understandable and speaks the language of benefits. It will allow him to see what has in common with his sale, image, relationship, corporate goals or building brand awareness. However, sponsors must remember that acquiring rights alone does not guarantee success. This is the beginning of the road, because activation of the rights, not its purchase can seal the deal. It is important that sponsors not only buy rights, but also know how to properly use them, not only as a sponsorship department, but as a whole, complex business organization. They must remember that efficiency depends on 360-degree communication, the involvement of the entire company, in order to create an attractive message for their own target groups based on their rights.

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