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Sponsorship: Practices and Benefits in Emerging Markets

Michael M. Goldman, Gabriela Klein Netto,
Shiling Lin, and Richard Wanjohi

Introduction

BBVA Argentina, a part of the Spanish banking giant Banco Bilbao Vizcaya Argentaria (BBVA), operates as a full-service bank in the Latin American country. To generate growth and acquire new customers, the company has used sponsorship of sport, music, art, and entertainment, as part of their marketing communications. The bank has had a strategic

M. M. Goldman (✉)

University of San Francisco, San Francisco, CA, USA

University of Pretoria, Pretoria, South Africa

e-mail: mmgoldman@usfca.edu

G. Klein Netto • S. Lin

University of San Francisco, San Francisco, CA, USA

e-mail: gkleinnetto@dons.usfca.edu; slin65@dons.usfca.edu

R. Wanjohi

Strathmore Business School, Nairobi, Kenya

sponsorship with Boca Juniors, River Plate, and Talleres, three of Argentina's most prominent football teams. The co-branded credit cards for fans of the teams provide access to early ticket and shirt sales, discounts on merchandise and apparel purchases, and invitations to events, the teams' training sessions, or the club museums. BBVA Argentina has sponsored performances by Katy Perry, Ed Sheeran, U2, Sting, and other artists to competitively position the brand relative to its competitors. To strengthen the bank's relationship with its existing customers, BBVA Argentina has sponsored and provided access to Cirque du Soleil's Septimo Dia show. The company's sponsorship portfolio also includes supporting art performances and classes at the Teatro Colon in Buenos Aires and the "San Isidro Jazz y Mas" festival.

BBVA Argentina exemplifies a brand's strategic use of sponsorship in an emerging market context. This chapter discusses the theoretical foundations of sponsorship, and recent research about the benefits and risks of using this marketing communications tool.

What Is Sponsorship?

Sponsorship has been defined by IEG, a global sponsorship valuation and measurement agency, as "a cash or in-kind fee paid to a property (typically in sports, arts, entertainment, or causes) in return for access to the exploitable commercial potential of that property" (Cornwall & Kwon, 2020, p. 607-608). This expression echoes Meenaghan's academic definition of sponsorship as "the provision of assistance either financial or in-kind to an activity or commercial organisation for the purpose of achieving commercial objectives" (Meenaghan, 1983, p. 9). In this way, the central concept underlying sponsorship is exchange theory, which refers to two parties exchanging goods that each party values equally (Crompton, 2014). Sponsorships, therefore, involve the mutual benefit of both parties and mutual exchange (McCarville & Copeland, 1994). This differentiates sponsorships from philanthropic acts, donations, or acts of charity, where the party offering a resource is unlikely to receive or expect any benefit in return. These sponsorships are seen as integrated market-oriented activities where the sponsorship investment needs to

exceed the event value and the return on investment can be calculated based on the investment required and brand value obtained (Jensen & Cobbs, 2014). A sponsoring brand can be viewed as a public and visible marketing alliance or partnership with the property's brand, which can include an individual (such as an artist or athlete), organisation (such as a music group, sport team, or art gallery), or event (such as a music festival or sport tournament) (Farrelly et al., 2005).

Sponsors typically spend as much on activating their sponsorships as they do on their initial rights fees. Activation refers to marketing activities directly linked to a sponsorship, which aim to increase the awareness, engagement, trial, purchase, and advocacy a sponsor sets out to achieve through the sponsorship (Cornwell, 2014). In practice, a company needs to activate its sponsorship with additional components of the marketing communications mix to achieve its business objectives. For example, Tusker Malt Lager in East Africa purchased the naming rights to Tusker Project Fame, a reality TV singing competition show for contestants from Burundi, Kenya, South Sudan, Tanzania, and Uganda. To reach younger beer drinkers, Tusker activated their sponsorship by creating official viewing bars that screened the TV show, provided training and branded materials to retailers, and ran promotions and mobile contests for the target segment. Bill Chipps from IEG expressed an often-mentioned way of thinking about sponsorship rights and activations in the industry:

It's what we call buying a toy without batteries. Smart sponsors are not just signing the sponsorship and walking away from it, hoping they get all this return on investment. When you buy a sponsorship, you get the typical benefits - it might be tickets for hospitality, signage, that kind of thing. That's all fine and dandy, but to really get the biggest bang for their buck, a marketer needs to allocate additional dollars to activate the sponsorship and bring it to life. (Chudgar, 2011, para. 38)

Sponsorship rights are the contracted commercial exploitable assets that typically form part of the sponsorship package that the sponsor buys from the sponsored property. A generic inventory of these assets include naming and signage rights, category exclusivity, licensing and merchandise rights, physical and digital activation rights, content rights, and

ticket and hospitality rights (Skildum-Reid & Grey, 2014). For example, an analysis of the media value generated by sponsors of the inaugural Overwatch League, a global franchised esports league, indicated that video boards, LED screens, full-screen graphics, and digital billboards were the most valuable media assets (Nielsen, 2019). Recent data from the Association of National Advertisers in the United States suggests that an increasing number of sponsors are looking for both shorter-term sales-related financial returns and longer-term brand-building returns from sponsorship investments, indicating a maturing of the industry beyond just media equivalency and brand awareness, attitudes, and preference results (Association of National Advertisers, 2018). In this way, the traditional focus on mere brand exposure from media impressions of the sponsor's logo, calculated via a comparable paid media rate card, is increasingly seen as insufficient. Day (2009) argued that sponsorships should be "based on facts and figures rather than gut feeling, then there needs to be rigorous evaluation in place. Successful sponsorships will all have put in place pre- and post-research and measurement criteria, so that their activities can be scientifically assessed and analysed".

Global spend on sponsorships by brands was estimated at almost \$66 billion in 2018. These sponsorships were mostly spent on sports, with the balance made up of sponsorship of other entertainment, social causes, arts, festivals, fairs, and annual events, associations, and membership organisations. Approximately 64% of this spend was focused on North America and Europe, with another 25% focused on the Asia Pacific region, and less than 12% of the spend focused on Africa, Central America, and South America (Guttman, 2019). The cancellation or postponement of numerous sports and entertainment events in 2020 and 2021, due to the spread of the COVID-19 pandemic, negatively impacted sponsorship spend. Many sponsors received "makegood" sponsorship collateral and case rebates, although less than half of sponsorship decision-makers surveyed in 2020 believed that the lost sponsorship value could be made up (IEG, 2020).

How Sponsorship Works

Sponsorship has been referred to as an “indirect marketing approach”, along with product placement and influencer marketing (Cornwell, 2008). In this way, sponsorship is a communication platform, or “a meeting place when using hospitality, as thematic inspiration for advertising and as a starting point for engagement in social media” (Cornwell, 2020, p. 71-72). Research has provided an increasingly clear view of the mechanics involved in sponsorship communication.

The first mechanism involved in a customer’s processing of sponsorship is repeated exposure, which has been shown to increase liking and preference. Similarly, low-level processing or background branding is a mechanism that can influence attitudes and behaviours. Alternatively, a prominent sponsorship can serve as a signal of category leadership or financial resources. In this way, Turkcell’s sponsorship of the Zorlu Performing Arts Center in Istanbul, Turkey, provides the telecommunications brand with repeated and prominent exposure to thousands of concert and festival attendees each year. Another processing mechanism is fit or congruency, which has a positive relationship with the achievement of sponsorship objectives. Woisetschlager, Eiting, Haselhoff, and Michaelis (2010) defined sponsorship fit as the “perceived match of attributes between sponsoring firms and sponsored objects” (p. 170). Gwinner (2014) discussed seven types of fit between an athlete, event or team, and the sponsoring brand. These include similarity of usage, size, audience, geography, attitude, image, and time. Sponsorship fit has been shown to reduce the risk of dissolution (Jensen & Cornwell, 2017), while perceived authenticity of the sponsor-sponsee relationship is important in judging the compatibility of the brand partnership (Charlton & Cornwell, 2019). For example, Chinese skincare brand Thanmelin, which targets older women in smaller cities, sponsored the popular Chinese reality TV show *Sisters Who Make Waves* about women over 30 vying for a spot on an all-female pop group. The TV show contestants were seen using Thanmelin products, which contributed to the brand’s increased national profile in China and the increased customer demand.

In an effective sponsorship, the brand image of the property is transferred to the sponsoring brand through the mechanism of an image transfer process, which can also work in reverse (Charbonneau & Garland, 2010; Gwinner, 2014). For example, if the brand image of the Indian Premier League (IPL) is pan-Indian, ambitious, and the ultimate leveller, then fans of the tournament may transfer these perceptions to its sponsors, including Vivo, the Chinese smartphone manufacturer. These brand associations would benefit Vivo in their attempts to compete in the Indian mobile market. However, Vivo's negative Chinese brand image, as a result of the China-India border dispute, saw strong public sentiments expressed in India, leading to the Board of Control for Cricket in India (BCCI) suspending its IPL title sponsorship deal with Vivo. Companies, therefore, invest in sponsorship with the hope that the positive moods of fans towards their favourite sport or entertainment property will be transferred to their corporate or product brand (Dalakas & Levin, 2005), hence increasing brand equity (Cornwell, Roy & Steinard, 2001). A recent experimental study demonstrated how sport sponsorship can change the perceived age and the brand personality of a sponsored brand (Hohenberger & Grohs, 2002). Although a sponsorship contract is typically an agreement between a sponsor and sponsee, the practical reality is that the images of numerous official sponsors and unofficial ambush brands, as well as the brand images of the tournament, venue, and broadcasters, can influence the effectiveness of a sponsorship. In this way, sponsorship can be considered "a network of players" (Chanavat et al., 2016).

Benefits of Sponsorship

A well-managed sponsorship can provide substantial internal and external benefits to the sponsor. These benefits can include typical external brand benefits, such as awareness and preference, external community, and societal reputation benefits, as well as internal benefits, such as employee engagement and branding benefits, and overall business and financial benefits. Sponsorship can communicate an appealing and relevant brand story to multiple audiences and deliver positive returns on the marketing investment.

External Brand Benefits

Brand awareness is considered the foundation of the relationship between a brand and its customers. Awareness has been defined as customer recall and recognition of the brand, and then identification of the products provided by the brand (Cornwell, 2020; Macdonald & Sharp, 2003). Brand awareness is critical to the buying process because it places the brand in the awareness set of the relevant category, without which the brand will not be evaluated, considered, preferred, or purchased. Brand awareness is one of the most mentioned goals of sponsorship (Cornwell, 2020). For example, Shopee, an ecommerce platform in South East Asia included Blackpink, a South Korean music girl group they sponsored, in a 2018 electronics advertising campaign to target Generation Z customers.

In South Africa, a study of sponsors of the country's national men's rugby team demonstrated the positive role sponsorship can play in delivering brand awareness and positively influencing the target customers' reaction to the brand (Sephapo & Erdis, 2016). In India, numerous sponsors have used extensive coverage and affinity for cricket to raise awareness of their brands. The Chinese smartphone manufacturer OPPO signed a five-year sponsorship deal with the BCCI in early 2017 to sponsor the Indian national men's cricket team and hoped to use the sponsorship to increase their brand awareness and usage (Venugopal, 2017). A market commentator argued:

When the likes of Oppo and Vivo (for Indian Premier League) picked up sponsorships, they were relatively unknown brands. And they were hungry. And we can all see how they became national. Another angle that most of us miss is that besides consumers, there is an equally important community - the sales team and the trade. Such associations and visibility give a lot of boost to the sales team and trade. Confidence starts building among the traders on relatively unknown brands and orders start pouring in. (Bansal, 2019, para. 6)

The Chinese consumer electronics brand Hisense has used sponsorship to increase its brand awareness domestically and internationally. The brand is seen as a global partner of the Union of European Football Associations

(UEFA) and the International Federation of Association Football (FIFA) for their regional and global tournaments. According to an Ipsos FIFA World Cup pre-and post-match survey, Hisense TV's domestic brand recognition had increased by 12%, while Hisense TV's overall international recognition had increased by 6% (Hisense, 2019, p. 11).

- **External community reputation benefits**

Corporate social responsibility, which has also been described as social responsibility, corporate citizenship, or community relations, has been defined as: "Both the philosophy and practice of for-profit organisations voluntarily acting to positively assist society in ways beyond that required to obtain profit objectives" (Phillips, 2006, p. 69). In addition to sponsorship's commercial objectives, brands can use sponsorships to contribute to societal goals. For example, Banco Itaú Unibanco S.A., a Brazilian financial services company, sponsors the Brazilian Cultural Center as part of its advocacy for diversity, inclusion, and cultural legacy.

An analysis of 1473 CSR cases within the Financial Times Stock Exchange 100 Index companies found that almost half of the cases were recorded as sponsorship (Bason & Anagnostopoulos, 2016, p. 15). In East Asia, sponsorship is believed to conform to the "Humanity (Ren)" theory in Confucianism (Ho, 2011, p. 216). Through sponsorship, sponsors can address their social responsibilities before opening the local market (Ho, 2011). In Poland, sport sponsorship has been seen as a manifestation of CSR implementation, leading to benefits for internal and external investors (Sudolska & Lapinska, 2020). In addition, research suggests that customers perceive brands that sponsor sports events, leagues, and teams as more socially responsible, with the level of alignment between the brand's tone and the sponsored subject increasing the perceptions of social responsibility (Hino & Takeda, 2020).

For example, Brandhouse Beverages in South Africa used the Celebrating Strides campaign to identify and profile individuals whose life stories imitated and reflected the brand values of the Johnnie Walker brand: entrepreneurship, creativity, and striving for success. Through its Celebrating Strides Awards, Johnnie Walker empowered acclaimed actor, writer, producer, and entrepreneur, Welcome Msomi, to spark a revival of

the Stable Theatre in Durban, South Africa. It was expected that the partnership would act as a catalyst to inspire a new generation of artists. Rhys Lindstrom, Johnnie Walker's Marketing Manager, stated:

This initiative fitted perfectly with the vision for the Celebrating Strides Awards. We wanted to recognise and honour individuals like Msomi who had made great strides in achieving their dreams. But in doing, so we also wanted to, through their success, inspire others and empower those around them who might not have had the same opportunities. The way Msomi has ploughed his win back into the Stable Theatre in the community from which he hails will hopefully act as a catalyst and inspire a whole new generation of artists dreaming of a chance to embark on their own journeys. (Business and Arts South Africa, n.d, p. 14)

China Pacific Insurance Company (CPIC), an official partner of the Chinese national women's volleyball team, recently increased their brand value by 31% to an estimated \$14 billion, without a dramatic increase in marketing spending (Brand Finance, 2020). After the team's historic victory at the 2019 International Federation of Volleyball (FIVB) World Cup in Japan, Chinese President Xi Jinping welcomed the team as guests of honour at the Great Hall of the People in Beijing and attended the 70th Anniversary Reception of China (FIVB, 2019). The CPIC brand was perceived very favourably as a result of the team's performance and reception, which contributed to their political capital and social relevance.

Internal Benefits

The success of many companies depends on the extent to which their employees are committed to achieving the goals of the organisation, and the level of emotional connection employees have with each other and the corporate brand. Intellectual property rights are an important aspect of sponsorship, which allows a sponsor to use the property's marks and content to communicate internally and externally (Cornwell, 2020). A sponsorship rights package can, therefore, include internal employee-focused assets that can be used for internal marketing purposes. Research has found that employee perception, attitude, and behaviour can be

positively influenced by sport sponsorship and that employees who are interested in the company's sponsorship will likely have a strong sense of firm identification and will be committed both to their work in general and to satisfying customer needs (Hickman et al., 2005). Activating a sponsorship internally can improve the employees' "esprit de corps", contributing to increased productivity and retention (Cornwell, 2020, p. 47-55).

The Standard Bank Group's pan-African sponsorship of the African Cup of Nations included a specific set of activities focused on employees and had a stated objective to create meaningful connections with customers, staff, and other stakeholders through unique experiences. Standard Bank's internal activations included Trophy Tour events, AFCON Ambassador breakfasts, a fantasy league, Football Friday team-building events, and in-branch ambient media. Jenny Pheiffer, Standard Bank's head of Brand and Sponsorship, stated:

We are proud to be able to have a long-standing commitment to CAF which showcases Africa's accomplishments in the sport through competitions that attract continental and global audiences. This is a major opportunity to connect with our customers, football fans and our employees, in all of the eighteen countries in which we operate, through our shared passion for Africa and African football. (Moorhouse, 2013, para. 29)

Financial Benefits to the Sponsor

As a strategic marketing communications tool, sponsorship should be expected to deliver financial benefits to the sponsor. In one study of more than 50 US-based corporations, Jensen and Hsu (2011) found that, as a group, companies that consistently invested in sport sponsorships outperformed market averages and that those with higher sponsorship spend on rights and activation achieved higher returns. In South Africa, research indicated that consistent sport sponsors were able to grow earnings per share faster than other listed firms, while consumer services and sport sponsors were able to grow revenues faster than the other firms in that sector, although no evidence was found that sponsoring companies' share price growth rates were different from the market (Blake et al., 2018). A

recent meta-analysis of 20 years of research on event studies in sponsorship found that overall, share prices of sponsors increased in the pre-announcement period, suggesting that information about the impending sponsorship announcement was received positively by the financial markets (Kwon & Cornwell, 2020).

For example, in addition to Hisense's brand awareness growth discussed earlier, the Chinese consumer electronics brand used sponsorship to increase sales volumes in the United States by over 50%, in Mexico by more than 30%, in Germany by almost 40%, in the United Kingdom by over 30%, and in Spain by almost 30% (Hisense, 2019).

Nissan demonstrated the market share benefit of sponsorship through its deal with the IOC for the 2016 Olympics and Paralympics Games held in Rio de Janeiro, Brazil. The company launched a new model inspired by the urban Brazilian context, the Nissan Kicks, to coincide with the Summer Games and registered 2000 down payments for the vehicle during the event. The brand used a personal sponsorship of Usain Bolt to create content that received almost nine million views, which contributed to 2.4 billion impressions of Nissan Olympic-specific hashtags on Twitter. Nissan planned hospitality events in a rebranded Nissan Kicks hotel on Copacabana Beach, provided 4200 vehicles for the official Olympic fleet, and hosted a 40-metre bungee jump used by more than 1000 people. The business in Brazil saw a one percentage point increase in market share during the event, with François Dossa, President of Nissan Brazil, confirming:

We are thrilled with the impact our sponsorship has had throughout Latin America and on fans around the globe. This has been a big win for Nissan and we are excited to continue to build on this momentum in the region. (Harrington, 2016, para. 8)

Risks Associated with Sponsorship

As with all marketing communication investments, there are risks associated with using sponsorships. These risks are typically related to ambush marketing activities by competitors and cluttered sponsorship environments.

- **Ambush marketing**

Typically, ambush marketing occurs in larger sporting events that attract substantial media attention, although it is becoming increasingly common in smaller events (Cornwell, 2014). Discussion around ambush marketing began in 1984, when the organisers of the Los Angeles Olympics restructured the sale of sponsorship rights to reduce the number of official sponsors and increase the financial value of sponsoring an International Olympic Committee event (Burton & Chadwick, 2018). These changes encouraged other non-sponsoring brands to attempt to take advantage of the event, sometimes illegally and unethically. The concept has been defined as “the incursive, obtrusive, or associative activities of a brand intended to yield a range of benefits similar or comparable to those typically achieved by brands that have a formal, contractual sponsorship agreement with an event” (Burton & Chadwick, 2009, p. 289).

For example, Beats Electronics headphones have been banned since 2014 from all official FIFA World Cup events because Sony was an official partner. However, athletes were still seen wearing them during their leisure time. The five-minute “The Game Before the Game” piece of content that Beats by Dre released just days before the start of the FIFA World Cup in Brazil in 2014 featured football stars Neymar Junior, Cesc Fabregas, and Luis Suarez, as well as LeBron James, Serena Williams, Nicki Minaj, and Lil Wayne. Beats by Dre had previously ambushed the 2012 London Olympics when numerous swimmers were seen on live TV walking to the starting blocks wearing the brand’s unmistakable headphones. These and other ambush marketing activities attract the attention of audiences and have been shown to create doubt among spectators and viewers about which brands are official sponsors of events (Brownlee, Greenwell & Moorman, 2018). To mitigate the risk of ambush marketing, official sponsors need to do more than just rely on their association with the official marks of the event. Sponsors need to ensure a strong and authentic fit between their brand and the sponsored athlete, team, or event, and ensure that their highly creative executions reach their target audiences (Simpson, 2018). A sponsor’s credibility can be based on a long historical association with the property, the natural fit or congruence

between the product and the property, and a compelling message that is of interest and relevance to the target audience (Farrelly et al., 2005).

In response to ambush marketing activities by non-sponsors, rights holders have strengthened the intellectual property protections provided to official sponsors. FIFA, for example, created the Rights Protection Programme, with the purpose to protect official sponsors and disrupt ambush marketing actions, and require hosting countries to have laws in place to protect these rights (Blackshaw, 2010). Despite these protections, Bavaria Beer famously ambushed Budweiser, the official sponsor at the 2010 FIFA World Cup in South Africa. The Dutch beer company was accused of hiring 36 young blonde women to sit together at the Netherlands vs. Denmark first-round game, while wearing short orange dresses that were sold as a gift pack by Bavaria Beer. Although the outfits drew some attention of the spectators and media, the ambush attempt generated the most attention when the authorities removed the women from the game and threatened legal action against the organisers of the attempt. Some studies have suggested that customer attitudes can turn negative when they realise that a brand is using ambush marketing (Mazodier & Quester, 2010). The public interest in creative ambush marketing and the related competitive and legal questions contribute to the “controversy and excitement” of the tactic (Cornwell, 2014, p. 162).

- **Clutter**

The substantial role of sponsorship in the financial sustainability of sports and entertainment events means that there are often numerous sponsors with official associations for an event. The large number of featured brands can result in clutter, or a “high level of competing communications” (Donlan, 2014, p. 6), which can negatively impact the effectiveness of sponsorship (Cornwell et al., 2005). A cluttered sponsorship communication environment can be perceived as simply just noise (Donlan, 2014) and “may reduce the consumer’s ability to recall the brand’s involvement in the event” (Jensen & Cornwell, 2017).

Similar to responding to ambush marketing, a sponsor can employ more creative and congruent sponsorship communication and activations to stand out from the crowd. For example, OMO Sports, a Unilever

laundry detergent brand, used hydro-chromic ink for their logo on the jerseys of the Corinthians football team in Brazil in 2018. As the jerseys absorbed the players' sweat during the game, the logo became visible, which attracted more attention and provided an opportunity for spectators, viewers, players, and the media to talk about the sponsorship. The initial results included 120 million social media impressions and a TV audience of 18 million people. Giovanna Gomes, Marketing Director of OMO, described their efforts to avoid sponsorship clutter:

The brand is constantly innovating and bringing remarkable moments to its consumers. And just as Omo is one of the most remembered and used brands of the Brazilians, football is one of the favorite sports. Nothing better than showing that every drop of sweat marks, than being associated with a sport that connects and excites people. (McCarthy, 2018, para. 3)

Sponsorship Issues in Emerging Markets

The dynamic nature of many emerging markets presents unique sponsorship issues for companies hoping to use sponsorship as a marketing communications platform. In addition to the typical sponsorship benefits and risks, sponsors in these fast-changing countries and regions need to cautiously consider the strategic use of soft power and sports betting.

- **Soft power**

Countries, and the organisations representing these nation brands, can use sponsorships as an instrument of soft power to achieve a number of geopolitical and economic objectives. Soft power sponsorship stands distinct from other forms of sponsorship as governments utilise it as a means of accentuating the attractiveness of a nation's culture, political ideals, and policies. Political theorist Joseph Nye drew a distinction between coercive power, wherein entities "influence the behaviour of others to get the outcomes one wants", from that of soft power, described as an actor's potential to "attract and co-opt them to want what you want" (Nye 2004). Nye argued that states would increasingly rely on softer or abstract

sources of power, such as culture, ideology, and institutions, which are based on the power of attraction. Sponsorship and hosting events, especially sport events, have been shown to help improve a “nation’s image, profiling and showcasing themselves globally and ‘attracting’ others through inbound tourism, increased trade and a growing sense of national pride” (Grix, 2013, p. 17). Emerging market countries have increasingly been using international sponsorships to extend their influence.

For example, Russia’s state-owned natural gas producer, Gazprom, has been a substantial football sponsor, including the FIFA World Cup and UEFA Champions League. The company is also the jersey sponsor of Russian club Zenit Saint Petersburg, Red Star Belgrade in Serbia, English Premier League team Chelsea FC, and the German Bundesliga club FC Schalke 04. Gazprom decided to sponsor Schalke in 2006 because the company believed that the club had “lots of connections with the German energy sector and has lots of supporters” (Vox, 2020). The German football club is located in the country’s Ruhr Valley region, which is a domestic industrial heartland. At the time, Gazprom was facing negative media coverage and public perceptions about its impending Nord Stream pipeline, which planned to directly link Russia and Germany. In this way, Gazprom used its football sponsorship as a means of soft power to improve its image and appeal, extend its gas network in Europe, and “by extension, extend the influence of Russia” (Schneider, 2020, para. 2). Gazprom demonstrated how to use prominent sport sponsorships as a “way around bad publicity by winning approval on the field” (Vox, 2020).

Krzyzaniak (2018) argued that there are three main determinants of the success of a sponsorship in garnering soft power: the number of elite teams a country sponsors, the strength of the team’s brand prior to the sponsorship, and the brand that the country uses for the sponsorship. Emirates Airlines is another example of a country-owned brand that has successfully used sponsorship to achieve business and soft power objectives for the United Arab Emirates and Dubai. The airline has been a sponsor of numerous strong regional and global sports brands with positive brand associations such as Chelsea FC, Arsenal, Real Madrid, AC Milan, Hamburger SV, FC Benfica, Paris Saint Germain, New York Cosmos, Formula 1 racing, and US Tennis, thereby reaching a substantial number of enthusiastic fans. The airline brand also sponsors the Australian

and San Francisco symphonies, as well as Dubai's Festival of Literature and Jazz Festival. By using the Emirates Airlines brand, Dubai's government and ruling families, as well as the sport, arts, and entertainment businesses involved, have also avoided any potential negative attention that may be directed at the city state.

- **Sport betting sponsorships**

Sport betting companies have increasingly used sponsorship as a key marketing communications tool (Day, 2011; Hing et al., 2013; Meenaghan, 2013). Competitors in this category use sponsorship and sponsorship-linked advertising to leverage their association with sport and engage current and prospective customers (Chang & Liu, 2012). Individuals involved in sport betting perceived that sponsorship had a powerful effect on them (Johnston & Bourgeois, 2015). For example, embedded promotions and the use of athletes in betting promotions have been seen by young people to link sport and betting, and to nurture positive attitudes towards sport betting (Pitt et al., 2016). In spite of these benefits and practices, sponsorship by sport betting companies continues to be controversial.

For example, Dream11's sponsorship of the IPL in 2020 faced questions due to the potentially unhealthy close relationship between fantasy sport companies, illegal sport betting in India and the United Arab Emirates, and cricket players and teams in India (Raza & Shekhar, 2020). In 2000, India's Central Bureau of Investigation found extensive evidence of a "major organised racket" to manipulate and "fix" matches (CBI, 2000, p. 8), while a judicial commission in the country had proposed legalising betting with strict licences in 2016.

Evidence of match-fixing and corruption related to sport betting has also been found in Uganda (Richard, 2013). In neighbouring Kenya, habitual betting among the youth has been driven by limited regulations, unemployment, peer pressure, early exposure to betting games, advertisements, and a desire to escape from reality (Wachege & Mugalo, 2019). Advertising spending by betting and gambling companies in Kenya grew from 0.3% of total advertising spending in the country in 2014 to 22% of spending by 2018, the year in which betting and gambling advertising

overtook all other categories (Reelforge, 2019). Within this context, SportPesa was launched in Kenya as a sport betting and news technology company in 2014. The brand was able to exploit the growth in mobile penetration and affordable data services before sponsoring domestic and national football and rugby teams in the East African country. SportPesa's signed on as title sponsor of the Kenyan Premier League in 2015, followed by deals with the Kenyan Football Federation, as well as two of the biggest clubs in Kenyan football, Gor Mahia and AFC Leopards. SportPesa became the first Kenyan company to sponsor an English Premier League team, when it signed a deal with Hull City in 2016, followed by agreements with Southampton FC and Everton Football Club, as well as club sponsorships in Tanzania and South Africa (Capital FM Kenya Sports, 2019). SportPesa's sponsorships in Kenya were called into question in June 2017. The sponsorship relation soured, however, after Kenyan President Uhuru Kenyatta signed a new finance bill into law that included a new 35% tax rate on all gambling revenue in addition to the existing 30% corporate tax. As a result, SportPesa suspended its sponsorships and terminated most of them in 2020 (Olobulu, 2019). With SportPesa withdrawing their sponsorships, a number of other sport betting companies acquired some of the sponsorship rights, including BetKing's five-year deal with the Kenyan Football Federation (O'Boyle, 2020).

Brazil is expected to allow legal sport betting from early 2022 and could then become the largest sport betting market in the world (O'Connor, 2021). Waldir Eustaquio Marques Jr., from the Brazilian Ministry of Economy, cautioned that sport betting "must be studied quite a bit, such as the integrity of the sport, the prevention of money laundering, [and] the prevention of pathologies among vulnerable players" (O'Connor, 2021, para. 4). Recent research pointed to a set of risk factors for gambling problems, specifically associated with sports betting. One study found that companies involved in sports betting need to pay most attention to:

younger people with some disposable income, who are more engaged sports bettors (and gamblers in general), who gamble for a variety of motivations but particularly for money, have higher gambling urges and more erroneous cognitions, who experience alcohol issues, and have lower self-control. (Russell et al., 2019, pp. 1224-1225)

Conclusion

From BBVA Argentina's use of sport, music, art, and entertainment sponsorships to acquire and grow customers, to Gazprom's use of football sponsorship to improve its influence in Europe, this chapter has provided an understanding of sponsorship as a powerful marketing communications tool. The benefits of sponsorship include the achievement of externally focused brand goals, such as awareness, preference, and loyalty, as well as positively influencing a sponsor's reputation with stakeholders in its community and operating environment. Sponsorship benefits discussed also include internal marketing goals and the achievement of financial goals. The chapter detailed the mechanisms that explain how sponsorship works, such as exposure, fit, and image transfer. This sponsorship chapter included numerous examples of how brands have used sponsorship in emerging market country contexts and discussed the special sponsorship issues of soft power and sports betting.

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