



**TESTING A CONSUMER BEHAVIOR MODEL IN RELATION TO SPONSORING  
SPORTING EVENTS**

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**ABSTRACT**

Sport and recreation has become a huge industry and a major factor in economic development of countries, the present research examines sponsorship with a consumer behavior model to provide more insights into consumers' view on sponsorship and their pre-purchase response. The present research is a descriptive cross-sectional study. The population consisted of all the spectators of the Basketball Playoff League which was held in Heidarnia Sports Complex (about 6000 spectators). 367 spectators were selected as the sample using snowball and random sampling as well as Morgan's Table. The instrument was the Sponsorship Survey Questionnaire developed by Chester that analyzes the purchase intent of customers based on seven significant constructs: event factors, sponsor factors, sponsorship factors, pre-purchase response, transfer of image values, purchase intention, and actual purchase. The data were analyzed in LISREL using structural equation modeling. It is recommended that future research focuses on customers that have newly acquainted with the sponsor/event stimuli and their reactions.

**Key words: Consumer, Behavior, Sponsoring, Sport Event**

**INTRODUCTION**

Sport and recreation has become a huge industry and a major factor in economic development of countries. The main sources of income for the sport industry are broadcast rights, ticket sales, and

sponsorship. Sponsorship is defined as the provision of assistance, either financial or in-kind, to an activity by a commercial organization for the purpose of achieving commercial objectives[1]. One of the goals

of a sponsor is to increase consumers' willingness to purchase. Sporting events can entice a pre-purchase response in consumers. This response is determined by a consumer's interest in and favorability of a sponsor's products or services. Marketing literature suggests that consumers' perceptions of sponsors influence their purchase decisions [2]. Sponsors' objectives are often purely commercial and center on maximization of profit [3]. However, consumers perceive sponsorship and advertising differently. Sponsorship is seen as involving a benefit to society. While advertising is meant to advance business goals, sponsorship has additional pro-social functions [4].

Koo examined the impact of sport sponsorship on consumer behavior. He found that corporate image, brand attitude, and correct identification of sponsoring brands have a positive effect on purchasing intentions [5]. Benadie argued that corporates view sponsorship as an activity that benefits both the corporates and the sport federations [6]. He also showed that relationship marketing plays a significant role in sport sponsorship.

Research has shown that most consumers generally think that an Olympic sponsor is the best company in its industry [7], suggesting that the Olympics, and subsequently sport/event sponsorships

have image-enhancement value [8]. Digital sponsorships which can take the form of specific logo placement during broadcasts or on screens at the sporting field or stadium have also proven to be particularly popular [9].

Donnelly has suggested that without the implementation of proper measures and processes to monitor sponsorship's fulfilment of its aims and objectives, any opportunities may in fact prove pointless [8]. Therefore sponsors must be clear in what they seek to achieve. Sports sponsorships no doubt makes up a significant proportion of the general sponsorship market. It is estimated that over 60 percent of the money exchanged through sponsorships is injected into sports and sporting events, and this is equivalent to more than double the sponsorship dollars that is expended towards charities [10].

It is therefore necessary for the sports industry to provide a safe environment that attracts investments. Moreover, sport managers need to identify the motivations of corporates to encourage sponsorship. Evidence suggests that Iran's sports industry has not enjoyed the full potential of sponsorship. The country's traditional and simplistic understanding of sponsorship is problematic and subsequently ignores the significant role

the consumer plays as a stakeholder in a sponsorship.

A consumer's response to sponsorship is a developing rationale for research. To take advantage of this, research into the consumer psyche is essential. Although sponsorship objectives vary from business to business, they all share a common denominator in that they want the sponsorship activity to affect the consumer. While it is common for companies to use sponsorships as a tool to influence the consumer, consumer research can assist by identifying the drivers that may induce a positive consumer response to sponsorship exposure. Without such knowledge, the basis of the sponsorship campaign is somewhat worthless and economically unfavorable. As such, the present research examines sponsorship with a consumer behavior model to provide more insights into consumers' view on sponsorship and their pre-purchase response.

#### **MATERIALS AND METHODS**

The present research is a descriptive cross-sectional study. The population consisted of all the spectators of the Basketball Playoff League which was held in Heidarnia Sports Complex (about 6000 spectators). 367 spectators were selected as the sample using snowball and random sampling as well as Morgan's Table. The

instrument was the Sponsorship Survey Questionnaire developed by Chester[7] that analyzes the purchase intent of customers based on seven significant constructs: event factors, sponsor factors, sponsorship factors, pre-purchase response, transfer of image values, purchase intention, and actual purchase. The data were analyzed in LISREL using structural equation modeling. The result showed the influence of support on pre-purchase response of spectators. It also showed that each of the event factors, sponsor factors, and sponsorship factors has a meaningful causal relationship with the pre-purchase response.

#### **RESULTS AND DISCUSSION**

The demographic data showed that 44.8 percent of the participants were 11-24 years old, 33.2 percent were 25-34 years old, and the rest were older than 34. Moreover, 35.9 percent of the participants were female and 64.1 percent were male; 69 percent were single and 31 percent were married; 41.8 percent had bachelor's degree, 18.5 percent had associate degree, and 24.5 percent had high school diploma; and the majority of the participants were students (50.8 percent), while those with professional jobs were the minority (9.8 percent).

Structural equation modeling (SEM) was used to test the conceptual model of the research. Latent variables were event status, personal attitudes, fan involvement, personal beliefs, exposure, goodwill, type of service, service quality, sponsor-event fit, purchase intention, pre-purchase response, and image transfer.

The results of confirmatory factor analysis showed that some of the goodness of fit

indices were not at an appropriate level. Those factors that were not significant were removed from the model and the adjusted model was tested again. Figure 1 shows that significance values for the adjusted model obtained from LISREL. As the figure illustrates, all these values are greater than 1.96 and the causal coefficients of the paths are significant.

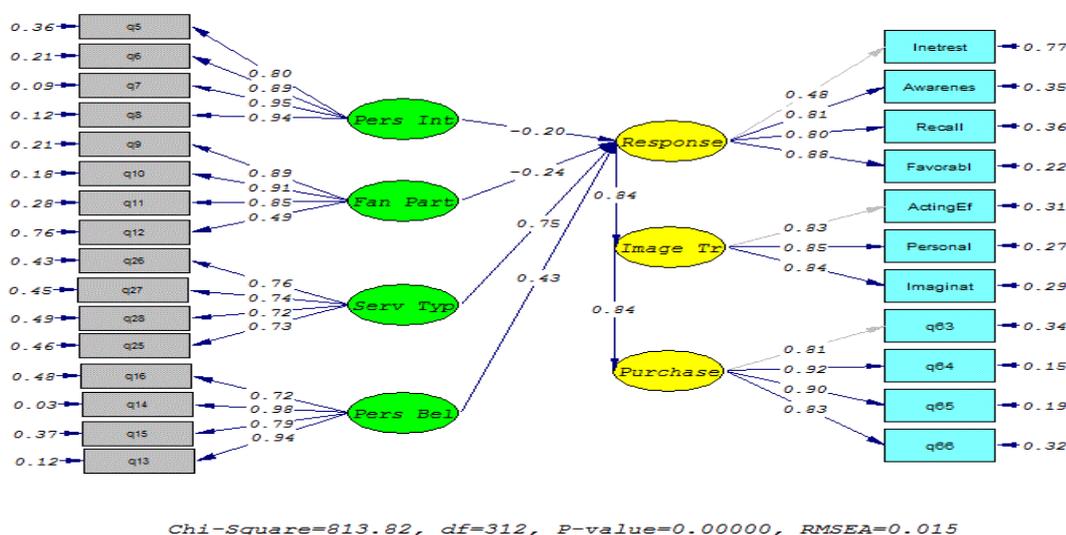
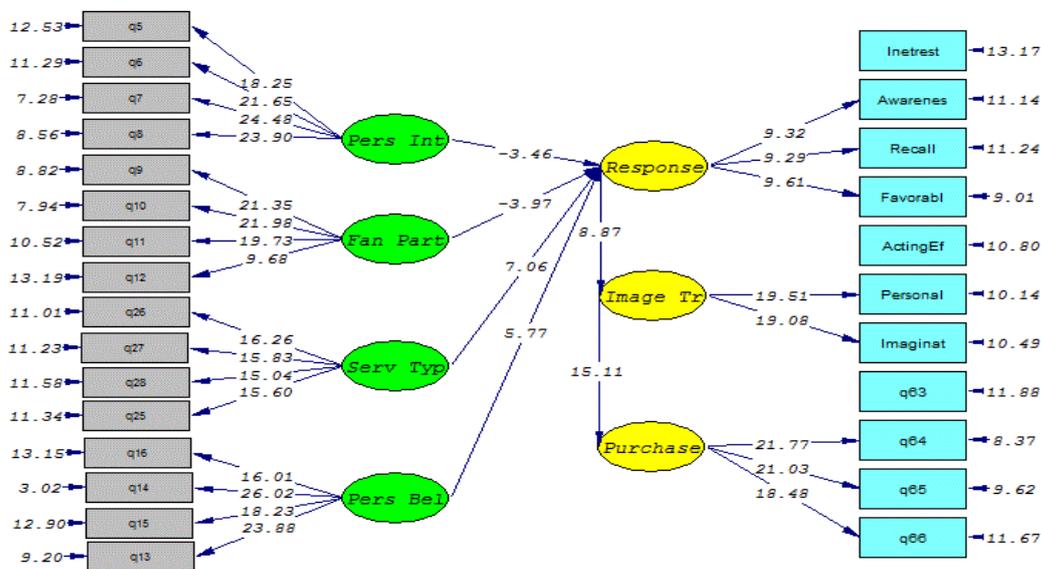


Figure 1: The adjusted model of the research (paths with t-values greater than 1.96 are significant)



Chi-Square=813.82, df=312, P-value=0.00000, RMSEA=0.015

Figure 2. The coefficients of the adjusted model

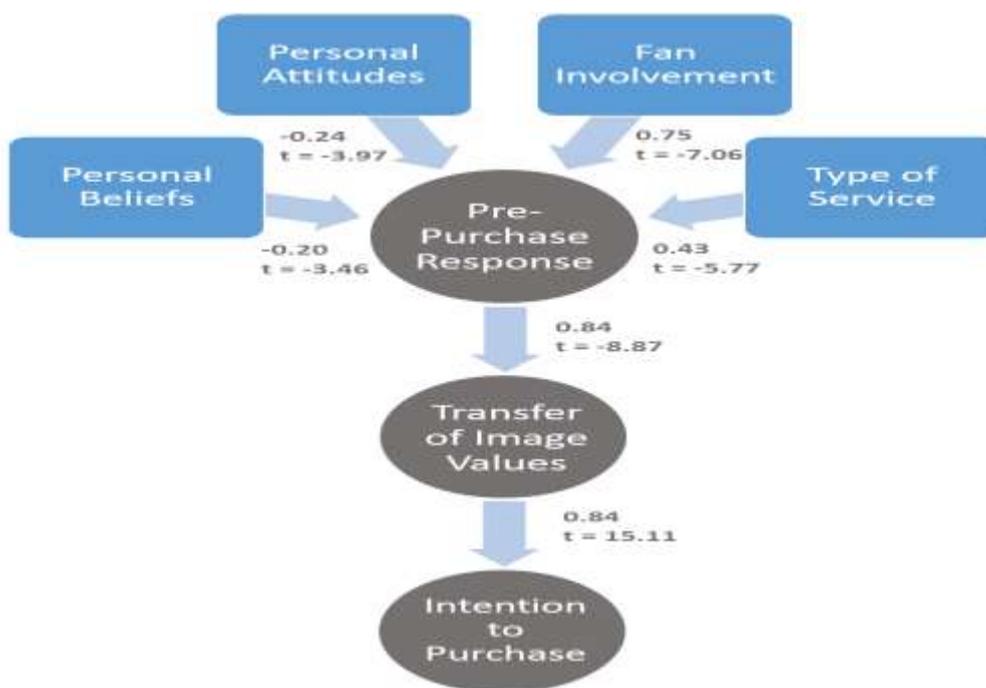


Figure 3: The conceptual model of the research (final version)

The goodness of fit indices show that the model adequately fits the data (RMSEA = 0.015, p-value = 0.000, CFI = 0.92, AGFI = 0.90, NFI = 0.93,  $\chi^2/df = 2.46$ ). The value of RMSEA is less than 0.05, CFI and AGFI are both greater than 0.90,  $\chi^2/df$  is less than 3, all indicating a good model fit (Figure 3). Figure 3 provides a summary of the model with significance values and causal coefficients.

The absolute t-value from SEM for the relationship between transfer of image values and intention to purchase was greater than 1.96, indicating that there are significant causal relationships between pre-purchase response and fan involvement, personal beliefs, personal attitudes, and type of service. The causal relationships between pre-purchase response and image transfer and between image transfer and intention to purchase were also confirmed.

## CONCLUSION

Event status is the perceived level of stature of an event on either a national or global scale. It has been shown that regard for a high status event leads to a more favorable response from the consumer [4]. However, consumers have advanced well beyond superficiality and are more concerned with aspects concerning what the sponsorship can offer them. Status and popularity on the outset sounds appealing,

but at the core of a sponsorship is accountability and service quality.

Personal attitudes and beliefs toward the sponsor or the event are significant predictors of purchase intention. It has been shown that positive attitudes and beliefs towards a sponsor are positively associated with intentions to attend to, favorability towards, and willingness to consider a sponsor's product. Therefore, sponsors need to create an image that either establishes or builds on consumers' perceptions of them.

Fan involvement was another predictor of purchase intention. It is the extent to which fans identify with, and are motivated by their engagement and affiliation with particular leisure activities. Fans tend to have a positive emotional orientation toward the sponsor who benefits their favored activity. Highly involved fans are also the most aware of the sponsor's investments.

Although the prominence of a sponsor is an important factor, goodwill is also critical to assessing how consumers will relate to the sponsor. However, given the financial superiority of sponsorships major global sporting events goodwill has no place in the observation of sponsorship effectiveness and buyer behavior.

Recall and recognition has been a consistent source of research in the

sponsorship field. While higher levels of recall and recognition have been found to predict positive attitudes [11] and higher levels of receptiveness [12], individually, it is not sufficient enough to elicit a concrete foundation for understanding the total effects and effectiveness of sponsorship. However, previous research has shown that higher levels of recall and recognition can predict positive attitude abstractions [12].

Overall, the present findings showed that image transfer can predict 79 percent of changes in pre-purchase response. Image transfer is the transfer of the brand image, which is related to the linkages a consumer holds in their memory structure. These linkages are also referred to as brand associations and they may be developed from a variety of internal and external forces. A transfer of image values is exemplified by invoking positive feelings and attitudes towards the sponsor by the close connection between the sponsor to an event and the recipient that highly values it. Identifying the components of the pre-purchase response and image transfer are not only important, but critical factors for a sponsorship to be effective. It is recommended that future research focuses on customers that have newly acquainted with the sponsor/event stimuli and their reactions.

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