

Full Length Research Paper

The effect of sponsorship on marketing communication performance: A case study of Airtel Ghana

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The purpose of this study is to have a clear understanding of how sponsorship contributes positively to marketing communications performance. The methodology is based on social survey technique, which examines opinions, behaviors, and perceptions by asking people questions. Questionnaires were used to collect quantitative data to ensure a structured approach. An increase in brand awareness, brand preferences, brand recall, projecting the company's image and above all goodwill, can lead to increased sales, and consequently increase organizational value, indicating that sponsorship contributes positively to marketing communication performance. Due to the limited resources, future research needs to examine sales as an additional factor to measure the effect of sponsorship on marketing communication performance to give a better view of the effect of sponsorship. For firms, the study indicates that sponsorship contributes positively to marketing communication performance and consequently increase organizational value.

Key words: Sponsorship, Ghana, brand image, goodwill and marketing communication performance.

INTRODUCTION

Despite wide acceptance among practitioners, sponsorship activity has attracted little academic interest especially Ghana and Africa. Therefore, the aim of this research is to generate research interest in sponsorship in Ghana. Sponsorship as a promotional activity has grown remarkably in recent years estimated at \$ 48.7 billion in 2011 (www.Reuters.com Accessed 11th October, 2011) commercial sponsorship represents one of the most rapidly growing sectors of marketing communication activity. Marketing communications are means by which firms attempt to inform, persuade, and remind consumers-directly or indirectly-about the products and brands they sell. In a sense, marketing communications represents the "voice" of the company and its brand, and are means by which it can establish a dialogue and build relationships with consumers. Sponsorship on the other hand involves supporting an event, activity or is of

organization by providing money or other resources that value to the sponsored event. This is usually in return for advertising space at the event or as part of the publicity for the event. There are many kinds of sponsorship: Television and radio program sponsorship, sports sponsorship, arts sponsorship and educational sponsorship. Sponsorship is again on the rise, and marketers have called for new efforts by researchers to measure the business value of this form of marketing communication. The methodologies appropriate to making sponsorship accountable are similar to those used for other forms of advertising.

Sponsorship in Ghana

Sponsorships in Ghana is now taking a new shift, since most corporate institutions in the country are engaging in more sponsorship activities as a means of achieving organizational corporate and marketing goals. Engaging in such an innovative communication activity helps in increasing brand awareness, brand preferences, brand

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recall, projecting the company's image and above all goodwill. These activities can lead to sales increase and consequently increase organizational value. Fan Milk Limited Ghana recently donated a number of litter bins and footballs to a few first and second cycle schools at Techiman in the Brong-Ahafo region. The items were presented by the National Chairman of Ghana National Scholarship Beneficiaries Association (GNASBA) and were in appreciation of the schools participation in the GNASBA schools, Environmental Protection Education Campaigns. Fan Milk Ghana has been the main sponsor of the program for the past 17 years. The GHASBA chairman announced that Fan Milk Limited had been operating in Ghana for 50 years and was giving out items such as litter bins, footballs and seedlings, to help intensify environmental cleanliness and tree planting in the nation in commemoration.

Association (GCA)

The assorted clothes which forms part of a Ten thousand US Dollars (\$ 10,000.00) sponsorship to the GCA includes a set of track suits, playing jerseys and polo shirts. The move by Airtel is to boost the morale of the team ahead of the competition, demonstrate their support and commitment to assist lesser known sports and fulfill their social responsibilities.

Statement of problem

Despite all indicators pointing to the need for a clear understanding of the business value of sponsorships, marketers today remain unsure of how sponsorship works and how to properly measure its business value. Marketers see sponsorship as something different from advertising but there has been no general clarification of how sponsorship differs from advertising in promoting goods and services since advertising is mostly used to support sponsorship activities.

Research objectives

1. To establish if there is a positive link between marketing performance and sponsorship.
2. To access the relationship between sponsorship and sales.
3. To identify the impact of sponsorship on brand value.
4. To establish if sponsorship has recall and persuasion effect on consumers.

Research questions

1. Does sponsorship increase marketing communication

performance?

2. Is there any relationship between sponsorship and sales?
3. Does sponsorship have any impact on corporate brand value?
4. Does sponsorship have recall and persuasion effect on consumers?

LITERATURE REVIEW

Definitions of sponsorship

Sponsorship is a two way mutually beneficial partnership between an organization being sponsored and the sponsor. Sponsorship works on the premise that association largely affects image and that the sponsor may exchange money and /or goods or services in kind return for the association that the sponsorship provides. Those being sponsored may include groups or teams, events, charities, individuals, buildings and TV program. Fill and Hughes (2008: 65).

Furthermore, sponsorship is an investment, in cash or in kind, in return for access to exploitable business potential associated with an event or highly publicized entity. The key words in this definition are 'investments', "access" and 'exploitable'. By constantly looking at sponsorship as an investment opportunity, where there is a viable pay back in the form of brand recognition and brand value. Rather using the word investment automatically implies that value will be returned to the investor. Secondly, access to means having the ability to capitalize on your association with that particular offering (event, sports, festival, etc). Lastly, "exploitable" which means "to take the greatest advantage of" the relationship. In other words, allowing sponsors to make the greatest use of their investment and capitalize on their relationship (Allen, 2010).

Sponsorships are often considered as altruistic forms of support like patronage or fundraising. Even though sponsorships are historically related to these forms of support, they need to be clearly distinguished. The key difference is that sponsoring relies on mutuality. The sponsor expects a reward for his support, which he most commonly utilizes for communication purposes Hund-Göschel (2009).

From the aforementioned definitions, it means sponsorship involves investments in events or causes for the purpose of achieving various corporate objectives such as increasing sales volume, enhancing a company's reputation or brand image and increasing awareness. It also means the company provides financial resources, personal services, equipment or facilities to create an alliance with the event. In return, the company obtains direct exposure to the public targeted by the event.

There are both primary and secondary objectives associated with using sponsorship. The primary reasons

are to build awareness, develop customer loyalty and improve the perception held of the brand. Secondary reasons are more contentious, but generally they can be seen to attract new users, to support dealers and other intermediaries and to act as a form of staff motivation and morale building (Reed, 1994).

Why sponsorship has grown in prominence

The growth of sponsorship as a form of marketing communication can be attributed to a number of factors.

Concerns over traditional promotional methods

First, many corporations have become concerned about the value of traditional forms of marketing. Concomitantly, technological advancement have resulted in an explosion of marketing possibilities 'with the attendant problem of clutter and cost efficient access (Meenaghan, 1998). As the number of commercial television and radio station has risen, traditional advertising has produced a proliferation of messages within the medium. Sponsorship is seen as an alternative and often cheaper form of gaining exposure that avoids clutter and allows a sufficiently distinctive message to be seen and or heard.

Creation of favorable association

Sponsorship has increasingly been viewed as a way in which to generate audience awareness while at the same time create an association between the values the sponsored entity exemplifies and the sponsoring company (Meenaghan, 1998).

Overcomes linguistics/cultural barriers

Sponsorship has the ability to transcend cultural and linguistic barriers. It is no coincidence that sports, arts and music are the areas that receive the most amount of sponsorship funding as these are activities with global appeal.

Multiple target audience appeal

Sponsorship as a marketing medium can be used to influence strategic partners, company staff, civic official and government regulators, while at the same time appealing to customers and, as such, influence a company's 'bottom line'.

Selective targeting

Finally, sponsorship has grown in popularity as a form of

marketing communication because it provides an excellent means of targeting selected market segments. As Sleight (1998) pointed out, sponsorship works best if it fulfills the most important criterion of a communication medium- it allows a particular audience to be targeted with a particular message (Picton and Broderick, 2005).

Types of sponsorship

Sport sponsorship

This is the distribution of resources (money, people, equipment by an organization (sponsor) directly to a sponsee for example, (sport personality, sport authority, body or code) to enable the sponsee to pursue some activity (for example, participation by the individual or event management by the authority or sport body or in the return for rights contemplated in terms of the sponsors marketing communication strategy, (cross-impact and leverage between sponsorship and other marketing communication variables employed before, during and after the sponsorship campaign). And which can be expressed in terms of corporate, marketing, sales and/or media objectives and measured in terms of linking the objectives to a desired outcome in terms of return on investment in monetary and non-monetary terms. For example, sports kit giants Nike, presented soccer equipment worth several thousands of dollars to last year's MTN Soccer Academy, (2010 edition) Ghana-Nigeria edition. By the gesture, Nike is now the official kit sponsor for the soccer reality show, inducting seven Ghanaians and seven Nigerians into the academy house to battle for supremacy (Aduonum, 2009).

Programme sponsorship

Television programme sponsorship is normally used to deliver engaging content in collaboration with brands or organizations, With Outdoors TV, programme sponsorship can be used in many ways: to associate a brand or organization with a particular programme or strand; to deliver a TV version of a print magazine; to create a documentary series about a specific organization that delivers valuable exposure and PR benefits or, perhaps a competition or challenge based in a specific destination, sponsored by a tourist agency. Programme sponsorship puts organization immediately on the side of the viewer because among other organizations by this provide views with entertainment which is more likely to gain organization view support and loyalty.

Educational sponsorship

This can take several forms, from the sponsoring of

individuals student at college through to the provision of books and computers. In other words, educational sponsorships involve providing funding to help students pay for their education or providing any assistant to students with respect to their education. An example of such institution in Ghana is former Zain, but now Airtel, with their educational sponsorship that is the African Challenge which gives financial support to participating students and their various institutions. A school in Himankrom in the Ahanta West District of the Western Region of Ghana is the first to benefit from Airtels 'adopted School Programme' initiated to provide good quality basic education and to empower under privileged children to realize their full potential. (Business Week, 22 February, 2011: 10)

Forms and levels of sponsorship

Sponsorship of individuals

The sponsorship of individual, particularly sportsmen and women, has become an increasingly popular type of arrangement. Here, an individual performer is paid a fee to endorse a particular product or service. Endorsement, because they involve individuals, are somewhat riskier than sponsoring a team or event. For example Dede Ayew a footballer of Marseille fame involvement with Fan milk company limited-Ghana, and Michael Essien of Chelsea Football fame for Fan Yogurt. This enables consumers to transfer their liking for these celebrities to the product or brands (Daily Graphic, 1 June, 2011).

Other forms of sponsorship

Other opportunities that have been embraced by corporate sponsors are art and entertainment sponsorship which include award ceremonies such as the MTV music awards by Airtel. Arts festivals such as December to Remember by Chatter House and Citi Fm have all been in the interest of Ghanaian. The leading mobile telecommunication company, Vodafone supported the fourth Fetu Afahye festival by the people of Cape Coast. Vodafone donated a total of GHC 52,000.00 in cash and items to support and assure the chiefs and people that the company is keen on developing a strong collaboration with communities to bring about change in their lives (Ghanaian Chronicles 27 August, 2010).

Levels of sponsorship

Sponsorship may be provided at a number of different levels. The most visible example of this occurrence is the structure of the Olympic games sponsorship programme.

The example of great benefits derived from the sponsorship can be the Coca-Cola Company, which used Olympic Games to advertise and sell its products for quite long period of time. In Athens, it has purchased the right to be the "official soft drink" of the Games and paid solid sums for numerous advertising spots. At 1984 Olympic Games in Los Angeles, Coca Cola was the second leading advertiser having spent \$ 29,875,000 on promotion of its drinks. At 1996 Olympics in Atlanta, Coca Cola spent \$ 73,645,900 on promotion (Eastman, 2000), becoming the leading advertiser of the Games and making Olympics its biggest and most important event in promotional company.

One of the main reasons of inefficiency of Olympic games is that companies have not decided definitely on their expectations from sponsoring Olympics. Sponsorship can prove effective only in case when the company hits its potential targeted audience that relates itself to the Olympics and associates itself with them. Sponsors' attempts to attract consumers around the world are useless as long as their image and activity is conceived differently in various parts of the world. For instance, there is no point in trying to influence American and European people in the same way with Olympic advertisement. According to the same Dynamic Logic poll data (Dedyukhina, 2004), only 58% of Americans and 39% of Europeans understand that it is predominantly due to sponsors that Olympic Games take place and can be broadcasted on TV. Another example is the result of the same poll where 66% of American people and only 51% of Europeans attach particular importance to advertisement with the Olympic logos.

There were ten companies that were granted by the international Olympic committee (IOC) to market themselves worldwide in association with the 1994 winter and the 1996 summer Olympics games, for the 40 million dollars they paid for the privilege. These companies were able to make use of all the Olympic marks and appropriate Olympic designations on their products. They were also given exclusive hospitality opportunities at the games, granted preferential access to broadcast advertisement, and had on-site concession and product sale or showcase opportunities (Olympic Marketing Fact File, 1994; Picton and Broderick, 2005).

Official sponsorship

While the Olympic games may be pinnacle of sponsorship, similar tiers of support can be found in less grandiose events. Some sponsors are designated as 'official'. Tarkwa Gold Mines one of the title sponsors of the Black Stars the senior football team in Ghana announced a \$ 560,000 package to the Black Stars for the South – Africa World Cup. Another example is Vodafone as the official sponsors for the T.V reality show Ghana's most beautiful.

The benefits of sponsorship

What is the motivation of companies to be willing to spend such large amounts of money on different forms of sponsorship? What are the gains and potential losses that can emanate from this form of marketing activity? One of the benefits attributed to sponsorship is that it can be more efficient than other forms of marketing communication because it can generate both audience appeal and link the values of the sponsored entity to the sponsor. Furthermore, sponsorship can also transcend cultural and geographical boundaries. It is effective at targeting different audience, and can help forge links with local business and political communities, and can be used to improve employee relations (Barrett, 1993).

For instance, taking Ghanaian love for football, a typical instance will be our involvement in the South African world cup of nations. Since Ghanaian have a great sense of excitement when it comes to football, companies who sponsor football related events are likely to appeal to and/or have favorable response from these audiences. While these characteristics have been widely cited as contributing to the rapid growth of sponsorship, they are not the only benefits. Others may include:

Marketing tool

Sponsorship of events in particular can be especially effective as a marketing tool because it can be a means of accessing a wide range of audiences such as decision makers in business, government entities, and of course customers. It can be particularly beneficial for companies that take part in international trade because sponsorship transcends cultural and language barriers. Events allow business owners or executives relate directly with their customers, while they give customers the opportunity to try out the products of a company firsthand.

Enhancing image/shaping consumer attitudes

Often companies are looking forth to improve on how they are perceived by their target audience. Sponsoring events that appeal to their market are likely to shape buying attitudes and help generate a positive reaction. Coca Cola, for example is always looking, to generate a positive influence of their products in the minds of their consumers and as such regularly support events they feel can influence consumer opinions.

Creating positive publicity/heightening visibility

Every sponsor is seeking wide exposure in both electronic and print media. Positive publicity helps create heightened visibility of products/services. Various media

covering the event may include sponsors names and/or photos. In addition, the kind of media coverage a sponsor may get is often unaffordable if the company were to think of purchasing it, and if it were available. To maximize this objective, it is important for the sponsoring company to have a comprehensive media campaign to augment the regular media coverage promoted by the organizers. Sponsorship can often generate media coverage that might otherwise not have been available.

Media leverage

Because many of the events that receive sponsorship money are high profile, sponsors are often able to capitalize on the media attention that follows these types of activities. This coverage has also allowed some companies to circumvent regulations on their products which state that they are unable to advertise on television-alcohol and tobacco products being the most obvious examples. Globacom Ghana limited for instance gained considerable exposure for its support of the Ghana premier league. Something it would not be able to get through normal advertising channels. Even when there are restrictions on sponsorships, with the advent of satellite broadcasting local regulatory restrictions can be overcome by sponsoring activities known to gain international coverage.

Differentiating from competitors

The mere act of sponsoring an event, especially an exclusive sponsorship, is a significant way to create competitor differentiation. The name of the company sponsoring has the opportunity to stand out head and shoulders above the competition. This is particularly helpful if a company wants to combat a competitor with a larger advertising budget. Sponsorship allows smaller companies to compete with their industry giants.

Target audiences often perceive sponsorship in a positive way. The sponsoring company makes a greater effort to support the event, often allowing more or better activities to take place as a result of your sponsorship.

Marketing leverage

Sponsorship also appeals to corporations as a marketing communication medium because it can be tied to other marketing activities that are designed to influence both customers and strategic partners. Howard and Crompton (2005) suggested that it moves a customer from the interest stage of the product adoption process to the desire stage, the stage which involves a serious evaluation about whether or not to purchase a product. They provided the example of the manufacturers of 'Ultra

fuel' high carbohydrate drink that felt it will not compete with the advertising budget of Gatorade but wanted to get its drinks into the hands of to class athletes. It therefore, sponsored a series of multi-sport and cycling events at which the product was available for sampling, thus achieving its objective at minimum expense.

Risk of sponsorship

Evaluation problems

Sponsorship is risky because, like other marketing communication tools, while it can have significant benefits these are extremely hard to assess empirically. There are multitudes of techniques used by marketing companies which range from surveying customers to see if they are influenced by sponsorship to evaluating the amount of media exposure a sponsored event receives.

Despite its importance, research assessing sponsorships effectiveness is still in its early stages of development. Scholars have not adopted any specific theoretical framework that could guide investigations of consumers' reactions to sponsorships. Instead, discussions have pertained essentially to the measurement techniques believed to be most appropriate for evaluating the effectiveness of sponsorship.

Negative associations: In some situations the image of the sponsored entity may have a negative impact on the company providing support. While this is most likely to be the case where an endorsement of an individual athlete is made, it can also involve a team or an event. For example, a sports team which does not perform well or a theatre production that flops is unlikely to provide its sponsor with the type of image they are expecting from the association.

Development of controversies leading to negative attitudes: The presence of competitors is on its own, a disadvantage for sponsors. There will always be a challenger to each company to stay on top. Controversies that affect the sponsor will often lead to faltered belief from its consumers and would at most also create a negative sponsor-sponsee association.

Absence of standardization: The partnership between a company and its supported individual, organization, or event is of benefit the both parties. Different methods of support are applied to sponsees depending on their needs and the sponsor's needs as well. This points out to a lack of standardization, and therefore requires more time on planning and evaluation.

Nature of sponsorship

Generally, there are two main types of sponsorship

activities mainly event sponsorship and cause related sponsorships. However, they merely show an increase in sponsorship activity without providing any explanation for it. Because corporate investments in sponsorships have grown significantly around the world and scholars are developing an interest in the subject, the value of such descriptive analyses in understanding sponsorship is limited. Another approach adopted in the past to legitimize sponsorship has been to define it as a phenomenon clearly distinct from other established promotional activities. One of the definitions most commonly used in past research was proposed by Meenaghan (1983) "sponsorship can be regarded as the provision of assistance either financial or in-kind to an activity by a commercial organization for the purpose of achieving commercial objectives." The goal of sponsorship according to Meenaghan (1991) remains unclear, as his definition does not specify the communication objectives and does not allow for noncommercial sponsorships. (Gardner and Shuman, 1988) provide a clearer understanding of sponsorship's goals: "Sponsorship may be defined as investments in causes or events to support corporate objectives (for example, by enhancing corporate image) or marketing objectives (such as increasing brand awareness)"

Strategic nature of sponsorship

In much of literature, sponsorship has been described as a strategic activity. It is strategic because, as Slack and Bentz (1996) point out, it concerns decisions about the allocation of resources to achieve organizational objectives and also because it is used to align an organization with the pressures and demands of its environment.

Sponsorship can be used strategically as part of an expansion strategy, in turnaround situations, or to create competitive advantage; like any other strategic initiative it also influences, and is influenced by, corporate culture, organizational structure and company leadership. Much of the writing that has suggested that sponsorship is a strategic activity has focused on the way in which this type of activity can be used to attain corporate objectives. Abratt et al. (1987) produced a list of such objectives for sport sponsorship and suggested that potential television coverage, promoting corporate image, and the opportunity for media coverage were the most important reasons given by 45 corporations who responded to their study. In a similar work, (Witcher et al., 1991) surveyed 140 'large commercial companies' and found the main objectives cited were the promotion of corporate image, television, radio, and press exposure and the promotion of brand awareness. While these types of studies have merit, they do not go far enough in enhancing our understanding of the strategic nature of sponsorship. Objectives, while useful at one level are, often 'nothing

more than post facto rationalizations of a particular sponsorship activity. In an attempt to go further than the work which has merely identified the objectives of sponsorship initiatives, (Amis et al., 1999) have utilized an approach known as the resource-based view of the firm. Their work has shown how sponsorship can be used strategically to establish and retain a position of competitive advantage. They argue that sponsorship needs to be seen as a resource in as much the same way that a company sees its other physical or human resources. Resources, such as sponsorship, can thus, be a source of competitive advantage; however, to attain this position they must fulfill four criteria.

Strategic fit: First, those companies that succeed in achieving competitive advantage through sponsorship do so by establishing a better 'fit' between themselves and the entity they sponsor than similar initiatives by other companies.

Difficult to imitate: However, it is not simply enough for a company to have a superior sponsorship resource as any competitive advantage will be lost if that resource can easily be replicated. Therefore, the second criteria for a sponsorship to be a source of competitive advantage are that it must be difficult for a competitor to imitate. In order for this to occur, the sponsorship undertaken must tie in 'with other facets of the sponsoring firm's image to produce a resource capable of discouraging industry competitors from directly competing with the resource.

Tradability of resource: The resource (in the form of the sponsorship) should be non-tradable or, if tradable, be of greater value in the firm that is currently employing it.

Integrated marketing communication and sponsorship: Marketing communications: The communication of information which facilitates or expedites the exchange process. The role of marketing communications is to inform, persuade, remind, reassure the customers and differentiate the organization in the minds of the customers. There are three requirements for successful marketing communications:

Relevance originality impact

Communication is about engaging with your target market and it takes the following form:

Sender encoding => Message (Medium) => Receiver encoding.

There are several categories of marketing communications, such as advertising, personal selling, public relations, sales promotion, direct marketing, internet/interactive, sponsorship. In a group, these are known as the "Communication Wheel."

marketing communications were based on the premise that sale of a product must be immediate or direct for advertising to be considered effective. For example, a good advertisement should:

1. Attract attention (awareness)
2. Stimulate interest
3. Create a desire
4. Bring about action (AIDA model)

However those beliefs have now changed, sales no longer have to be immediate or direct, rather marketing communications should:

1. Prompt trial
2. Cause the brand to be added to the consumer repertoire
3. Work through people's attitudes with a view to changing their behavior
4. Establishing a relationship with the consumer for example, through a social media strategy (a good example is Dove's Campaign for Real Beauty Campaign and Johnny Logan's McDonalds Euro saver).

This shift from sales objectives to communication objectives is one of the factors which have given rise to the concept of Integrated Marketing Communication- It is defined as a concept of marketing communications planning that recognizes the added value of a comprehensive plan that evaluates the strategic roles of a variety of communication disciplines and combines these disciplines to provide clarity, consistency and maximum communications impact. For practitioners, integrated marketing communication (IMC) has; 1) become widely accepted, 2) has pervaded various levels within the firm, and 3) has become an integral part of brand strategy that requires extensive brand development activities within the firm before beginning any external brand communications efforts. Regarding academics, (Vargo and Lusch, 2004) argued in a recent paper that marketing is evolving toward a dynamic and evolutionary process one that is based on a service-centered view. In keeping with this evolution, Vargo and Lusch (2004) suggest that (1) IMC should replace diverse, limited-focus promotional tools, and (2) brand management should be used for initiating and maintaining a continuing dialogue with the customers and for enhancing relationships.

Kitchen and Schultz (2003), emphasize that "strategically oriented integrated brand communications can help businesses move forward in the highly competitive world of the 21st century". For Schultz (1998), brands are central to this integrated marketing communication. Keller (1993) points out that customer-based brand equity emanates from the consumer's familiarity and strong, favorable associations with the brand. For Keller (1993), "marketing communications represent the voice of a brand and the means by which

companies can establish a dialogue with consumers concerning their product offerings" That is, marketing communication may provide the means for developing strong, customer-based brand equity (Keller, 2003). Fahy et al. (2004) noted that the emerging strategic view of sponsorship is seen as a potential source of competitive advantage, and their paper concludes that conceptual arguments should be further developed, especially in the area of international marketing. It also demonstrates the breadth of the resource mix that underpins successful sponsorship and delineates the nature of the relationship between sponsorship-related resources and superior performance in the market place. They claim that it is important and significant to develop contributions towards "understanding the mechanics of sponsorship management and that this should be further developed and tested empirically in future research" (Fahy et al., 2004). The literature review undertaken by Cornwell (2005) deals primarily with the exploration of theoretical explanations of how sponsorship works and open questions for research, bringing together variables such as individual (and group) factors, as well as market and management factors, with the aim of understanding their influence on sponsorship processing mechanics and related outcomes. O'Reilly and Quester (2007) assert that a need exists for continued development of theory and practitioner tools applied in the evaluation of sponsorships. Sophisticated, grounded theoretical models are required. Although further empirical work in evaluation is needed, their research provides a good example of how a sponsorship can be evaluated.

Sponsorship and marketing communication performance

Despite the apparent agreement among scholars on the definition of sponsorship, much confusion remains about the distinction between sponsorship and other forms of promotional communications. For example, Cunningham et al. (1993) had difficulty differentiating sponsorship from event marketing: "The term event marketing encompasses the notion of event sponsorship; however, it is also used to describe the integration of the marketing mix elements, especially the promotional mix elements, around an event theme for the purpose of reaching strategic marketing objectives.

It has been widely acclaimed that sponsorship influences a consumer in a somewhat similar, but not identical, fashion to show advertising affects consumers. Nicholls and Laskey (1999) detail that as consumers are exposed to messages promoting a given brand by a sponsor, there is an expectation that consumers will develop favourable associations with that brand, secure top-of-mind awareness of the brand, have greater preference for the brand, therefore, leading the consumer to purchase the brand. A common misconception is that

sponsorship is often construed as a form of advertising. Although, sponsorship may work in an analogous way to advertising, essentially it is an effective promotional tool in its own right. Sponsorship is a legitimate element of a company's communications mix alongside the traditional tools of advertising, public relations, sales promotion and personal selling.

Isolating the effects of sponsorship is complicated due to the difficulty in distinguishing its effect from other communication elements. Subsequently, many marketers incorporate and categorize sponsorship mentioned communication variables. For example, Witcher et al. (1991) classify sponsorship as a form of advertising. However, researchers have highlighted that there are many distinguishing factors between the two mediums, thus, refuting the claim that sponsorship falls under the domain of advertising. Marketers have less control over sponsorship messages signaled to consumers in comparison to advertising messages (Hastings, 1994; Gross et al., 1987; Javelins et al., 1994). Sponsorship is a less direct means of communication which involves a two-way relationship between the sponsor and sponsee.

Although, sponsorship, just like advertising, can be used to serve short-term goals, like product trial and market penetration, its main strength lies in the long-term support of brand awareness and brand image, and other Integrated Marketing Communication (IMC) tools are needed to stimulate buying behavior in the short run. However, compared to advertising, sponsorship has a number of distinct characteristics, advantages, and disadvantages. Sponsorship can benefit from the strong association with an event, a good cause, or a television program. Therefore, it is a potentially more powerful image builder than advertising, and it can effectively link the brand to a particular market segment. The key point about sponsorship is that it needs to be part of an integrated marketing communications campaign, and its popularity as a communications method is growing year on year. This calls for more research to further understand sponsorship impact on customers buying behavior.

METHODOLOGY

Sampling size

Hundred and twenty (120) target audiences were sampled that are representatives of the population. Both men and women were reached. A three paged 15 item questionnaire, about sponsorship effect on marketing communication performance. A close ended type of questionnaire was used.

Procedures

A total of 120 questionnaire was distributed. And a total of hundred (100) were retrieve from participants, comprising of equal number of males to females so as to ensure and control extraneous variables such as gender that might affect the outcome of the study.

Analysis of data

Data was analyzed using the SPSS.

Data analysis procedures

For this study, descriptive analysis and tabulation method were mainly used. Simple statistical such as percentages were employed where necessary. The research questions of the study were answered by using the relevant data in organized tables.

Data presentation and analysis

Pre-testing of instrument

A pre-test of the instrument was done to reveal the problems with the items in the research instrument. During the pre-test period it was realized that the questionnaire was free from obscurity and ambiguity and that respondents had less difficulty in responding to the items. However it was realized that during certain times of the day it was difficult to get the attention of the people as they were all busy going about their daily activities. For this reason, there was the need to find willing and less busy respondents to administer the questionnaires to.

Validity and reliability of the instrument

Validity is how well or correctly a test measures what it seeks to measure and reliability is how the test produces the same results when used on different occasions. The instrument used was carefully structured to target issues relating to the research questions sequentially. The items in the questionnaires strictly sought to inquire from respondents relevant issues pertaining to the study. The construction of the questionnaire made it possible that the items were clearly stated, and instructions were made with no trace of complexity so that what the researchers sought to measure, even on different occasions remained unchanged. The same questionnaires were used throughout the research. Evidence of reliability was obvious after data collected was compared to those collected during pre – testing.

DATA ANALYSIS AND INTERPRETATION

Here, the research reports covers the statistical analysis and interpretation of the research data collected from the primary source. It mainly addresses the objectives and hypothesis of the study; it aims to examine the effect of sponsorship on marketing communication performance based on the response collated from the primary data. This exploratory analysis will give clues and insight to enable us understand factors that impacts on sponsorship, determine whether sponsorship is a form of promotion or advertisement, investigate whether sponsorship has any recall or persuasive effect on marketing communication purposes and whether sponsorship affect brand perception.

A structured questionnaire (mostly closed ended) were used in this study targeting consumers or beneficiaries of these sponsorship programs from the telecommunication industry. In total, hundred (100) questionnaires were

completely answered and retrieved from customers. Responses from these questionnaires where coded into the Statistical Package for Social Science (SPSS) in order to enable us generate tables and test the hypothesis.

This software was used because of its availability, flexibility and ease of use. Frequency tables, charts, diagrams and statistical tests were used where applicable in order to summarize, illustrate and confirm or dispute statements made at the earlier stage of this report, all in an effort to address the objectives and hypothesis of the study.

Demographic data of respondents

In order to understand the results and conclusions drawn, it is important to assess the background of the sampled targets. This information in isolation does not add much information in addressing the set objectives, however, in combination with other variables, could revile and enable concrete assumptions to be formulated, tested and conclusions drawn during the cause of the analysis. The major demographic variable explored was the gender of respondent.

The bar chart on Figure 1 depicts the gender distribution of respondents. It is shown that 50% of the respondents were male and the other 50% are female. It is important to notice at this point that, equal percentages of male and female respondents gives us an opportunity to reduces any form of biases which might have been gender based. It will also enable us to examine and compare the views of both gender and draw conclusions fairly.

Sponsorship packages and their impact on beneficiaries

One of the main objectives of this study was to examine and understand how sponsorship contributes positively to marketing communication performance. In order to arrive at this conclusion, it will be important to examine how sponsorship affects the beneficiary, their perception and how this creates an image of the sponsor company in their mind. It can be assumed that, in order for a marketing communication to be effective, it must carry messages that create a lasting image in the minds of its targets. From the response, when respondents were asked about how excited there are about sponsorships in which they were beneficiaries, the following frequency table displays the results.

The results on the frequency table indicate that 77% of the respondents claim to be excited about sponsorships Table 1. This is a positive indication of the impact sponsorships have on the customers of sponsoring companies. It can be assumed that, if consumers are excited when a company sponsors a program, it also

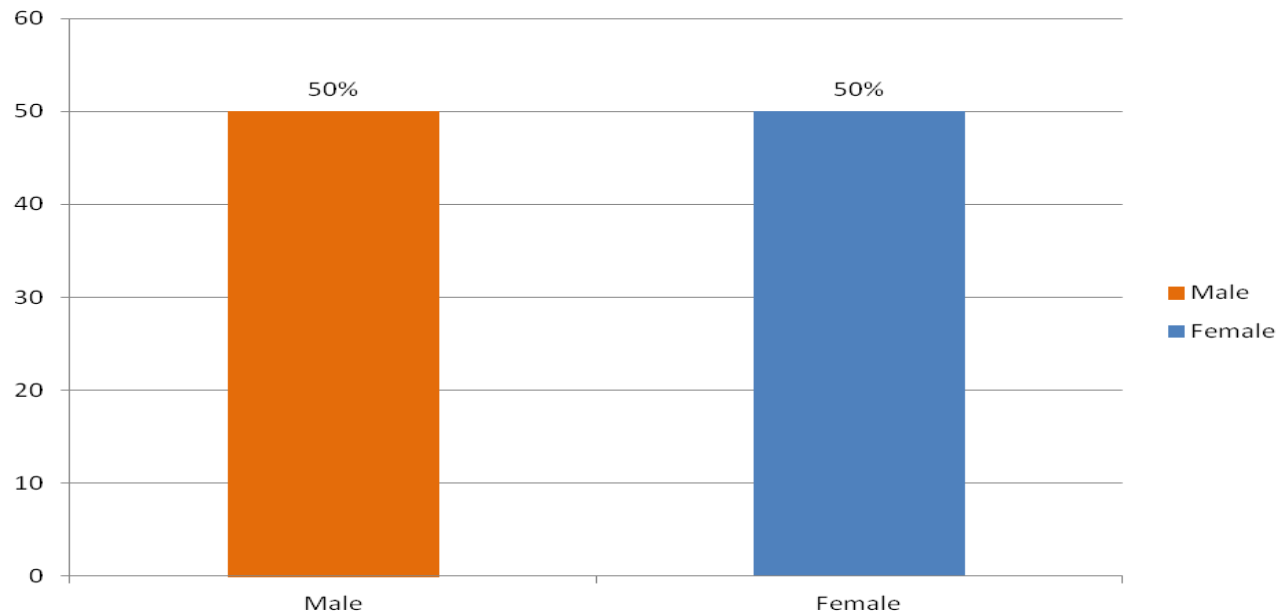


Figure 1. Bar chart of respondents gender.

Table 1. Does sponsorships makes consumers and customers excited.

Responses	Frequency	Percent	Cumulative percent
Yes	77	77.0	77.0
No	23	23.0	100.0
Total	100	100.0	

implies that if there are no sponsorships for major that a sponsor company wants to send out might not be the one the customers are reading. It might also revile other useful information and impact of sponsorship on their customers which might not have been their initial aim of the marketing communication.

The frequency table depicts the results of the various responses in frequencies and percent-ages. Table 2 depicts the impact of sponsorship on branding, based on the response. It can be notice that, when respondents were asked about how sponsorship impact on their brand preference, 65% responded in the affirmative that programs, the customers will notice that something is missing in the program.

Sponsorship impact on brand

Respondents were asked series of questions to determine how sponsorship impacts on their brand preferences, their understanding of the concept of sponsorship and the message that sponsorship communicate to them and how clearly they understand that message. It is important to notice that, the message

sponsorship affects their choice of brand. If this response truly reflects the action taken by customers of these sponsors companies, it implies a great disadvantage for companies that do not involve in sponsorship program. This could also imply a decline in the patronage of a company's brand, hence decline in customers and ultimately sales. In an era where the product and services of competitors in other tele-communication networks are quite similar, it takes only very small differences to be ahead of the competition. It can further be observed that 58% of the respondents had testified that they transfer their like for a company sponsorship to its brand. This is a very important revelation as it indicates the impact sponsorship and the value it creates for these companies. Respondents went to confirm the importance of these impacts with 75% agreeing that, sponsorship is good to be practices by all companies as it communicates the right message to it target audience (77%). The afore-mentioned responses clearly indicate the positive impacts of sponsorship in generating good will and creating brand awareness (76%). As one, of the objects of this study is to determine whether sponsorship affect perception of brand, it can be concluded that, based on the responses, sponsorship does have an

Table 2. Sponsorship and brand.

Research question	Response	Percent (%)	Cumulative percent (%)
Does sponsorship affect your brand preference?	Yes	65	65
	No	35	100
Do you transfer you like for a company sponsorship to its brand?	Yes	78	78
	No	22	100
Is sponsorship good to be practiced by all companies?	Yes	75	75
	No	100	100
Do companies use the sponsorships to communicate a clear message about brand to target audience?	Yes	77	77
	No	23	100
Does sponsorship generate goodwill and brand awareness?	Yes	76	76
	No	00	100

impact on respondent perception of a sponsored company's brand.

Sponsorship and advertising

The other two objectives of this study was to seek and understand from respondents perspective whether they view sponsorship as a method of advertisement or another kind of social responsibility of telecommunication companies and also seeks to address whether sponsorship has a recall and persuasive effect on marketing communication purposes or not. From the frequency, Table 3, respondent's opinion about the difference between sponsorship and advertising are access. It also displays respondent's opinions about whether sponsorship has recall and persuasion effect like advertising does, or not as well as it impact on their perception of the sponsored company.

This results displayed clearly indicates that, 65% says that yes, sponsorship is quite different from advertising. Even though, it can be notice

that they have a similar objective which is to create a perception of the sponsored companies brand in the minds of the public. 58% claim that sponsorship does have a recall and persuasive effect like advertising. 75% believe that sponsorship change consumer perception of specific sponsor. This could be the reason that 77% of the respondents claim that they have favorable attitude towards sponsors and their products. This result indicates the benefit that sponsors derive from their beneficiaries in the long run. This clearly confirms that companies project their image positively when they offer sponsorship as indicated by the 76% respondents.

Benefit of sponsorship and recall of companies products

The research questionnaire went further to examine how sponsorship is used to communicate a company's product and it benefits and respondents' understanding of those strategies. Responses indicated that, there were

some respondents who will prefer to purchase from a company who sponsor events rather than those that do not. This could be attributed to the fact that, these promotions aid in the recall of advertisement than companies that do not advertise. It also displays the kind of sponsorships that can easily be recalled.

From the results on Table 4, it be can observed that 76% prefer to purchase from companies who sponsor events, 80% believed sponsorship can be used to communicate a company's product and its benefit, 72.7% recall sponsored advertisement and 74% recall sponsorship ads that were seen on television.

Research hypothesis

The study set out to address the following three hypotheses:

Null Hypothesis 1: Sponsorship has recall and persuasion effects like advertising does. In order to test this hypothesis, a cross tabulation of

Table 3. Sponsorship and its impact on recall and persuasive effect.

Research question	Response	Percent (%)	Cumulative percent (%)
Is sponsorship different from direct advertising?	Yes	65	65
	No	35	100
Sponsorship has recall and persuasion effect like advertising does?	Yes	58	58
	No	42	100
Does sponsorship change the consumer perception of a specific sponsor?	Yes	75	75
	No	100	100
Do you have a favorable attitude towards sponsors and their product?	Yes	77	77
	No	23	100
Does a company project their images positively when they offer sponsorship?	Yes	76	76
	No	100	100

Table 4. Benefit of sponsorship and recall of companies products.

Research question	Response	Percent (%)	Cumulative percent (%)
Would you prefer to purchase from a company who sponsor events?	Yes	76	76
	No	24	100
Can sponsorship be used to communicate a company's product and its benefit?	Yes	80	80
	No	20	100
How often do you recall a sponsored advertisement	Quiet often	72.7	72.7
	Very often	23	100
Which sponsorships do you recall faster?	One attended	26	26
	One saw on TV	74	100

gender and whether sponsorship has recall and persuasion effect like advertising on respondents was generated as shown in Table 5a.

The results indicated that, among male respondents, 19 agreed that sponsorship has recall and persuasion effect like advertising does, while 31 disagreed. Similarly for the female 22 agree and 28 disagree. From this figures it can be seen that, more people disagree than agree. It can however, not be concluded without a test to

determine whether this difference in numbers is due to chance or for real. That is to say, can we statistically conclude that this change is significant? That leads to the next table which uses the chi-square test to examine the significance difference in the variation of responses Table 5b.

The Pearson chi-square value of 0.372 and the corresponding significant value of 0.542 which is greater than 0.05 indicates that, the difference is

due to chance. Meaning that, the difference in figures is not significant to enable a statistical conclusion to be drawn that sponsorship has recall and persuasion effects like advertising does. We therefore reject the null hypothesis that sponsorship has recall and persuasion effects like advertising does.

Null hypothesis 2: Sponsorship operates through different cognitive process than those utilized by traditional advertising.

Table 5a. Gender * Sponsorship has recall and persuasion effect like advertising does cross tabulation

Variable		Sponsorship has recall and persuasion effect like advertising does		
		Yes	No	
Gender	Male	19	31	50
	Female	22	28	50
Total		41	59	100

Table 5b. Chi-square tests.

Variable	Value	Df	Asymp.Sig. (2-sided)
Pearson Chi- square	0.372	1	0.542
No. of valid cases	100		

Table 5c. Gender * is sponsorship different from advertising cross tabulation.

Variable		Is sponsorship different from advertising		
		Yes	No	
Gender	Male	31	19	50
	Female	28	22	50
Total		59	41	100

Table 5d. Chi-square tests.

Variable	Value	df	Asymp. Sig. (2-sided)
Pearson chi-square	0.372	1	0.542
No. of valid cases	100		

Table 5e. Chi-square test.

Variable	Value	Df	Asymp. Sig. (2-sided)
Pearson chi-square	0.603	1	0.034
No. of valid cases	100		

In order to test this hypothesis, effort was made to examine whether respondents perceive sponsorship different from advertisement. From the cross tabulation, those who said sponsorship is different from advertisement are 59 and those said they are the same are 41 (Table 5c). Hence, we use the Chi-square test on Tables 5d and 5e to reach a conclusion as to whether this difference is statistically significant enough to enable a significant conclusion to be drawn.

The conclusion is similar to the first objective as the Pearson Chi-square value of 0.372 and significant value of 0.542 (which is greater than 0.05) indicating that, the difference is not significant to conclude that sponsorship

operates through different cognitive process than those utilized by traditional advertising. We therefore, reject the null hypothesis based on respondents' responses that, sponsorship operates through different cognitive process than those utilized by traditional advertising.

Null hypothesis 3: Advertising changes the consumer perception of a specific product while sponsorship changes the consumer's perception of a specific sponsor which can rub off positively on the brand of that sponsor in terms of willingness to purchase those brands.

From previous analysis, it has been established that consumer perception of a specific product changes consumers perception of specific sponsor which affect

positively on the brand of the sponsor in terms of willingness to purchase those brands. Table 2 confirm this fact. It can be noticed that, 78% claimed they transferred their liking for a company sponsorship to its brand or products.

The high Pearson Chi-square value (0.664) and the low significant value (0.040) which is less than 0.05 confirms that, the difference in the response is significant. It can therefore be concluded that, the data fails to reject the null hypothesis that advertising and sponsorship changes the consumer perception and can rub off positively on the brand of that sponsor in terms of willingness to purchase those brands.

Conclusion

The detail analysis earlier mentioned clearly addresses the purpose of the study by giving a clear understanding of how sponsorship contributes positively to marketing communications performance. It confirms the following assumptions. Sponsorship increases marketing communication performance because it attracts awareness, stimulate desire interest, create a desire, bring about action (AIDA model) and increases sales of the companies offerings. Sponsorship impacts positively on the brand image of the sponsored companies. Sponsorship generate good will and brand awareness and recall for sponsored companies. Sponsorship is different from advertising though they have similar objectives. Sponsorships can change consumer perception of a specific sponsor. Sponsorship also projects a positive image of the company and enhances persuasion of consumer. Sponsorship communicate companies product and it benefits. Sponsorships that are seen on television can be recalled. There is a positive link between sponsorship and marketing communication performance.

The results show that sponsorship affects marketing communication performance positively, and in general perception serves as a promotional tool. Products of sponsoring companies are patronized by consumers as a result of their sponsorship of event. Available statistics also indicate that sponsorship positively affects marketing communication performance in terms of creating brand awareness, brand preferences, brand recall, projecting the company's image and above all goodwill, which can lead to increased sales, and consequently increase organizational value.

RECOMMENDATIONS

Management should draw a strategic plan for any sponsorship program to be implemented. Sponsorship should be part of an integrated marketing communications campaign. Sponsorship programmes should be reviewed frequently, by management to address any

pitfall. Management should carefully select the appropriate sponsorship type for the communication intent. Due to the limited resources, we recommend further research to be conducted using sales as an additional factor to measure the effect of sponsorship on marketing communication performance to give a better view of the effect of sponsorship. Future research should measure separately the impact television and radio on marketing communication performance. This will help establish whether sponsorship alone contributes positively towards creating brand awareness, brand preferences, brand recall, projecting the company's image, above all goodwill etc., as expected by sponsors of communications.

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