



Shaping the future of sports - partnership through sponsorships

Dr. B Mahadevaswamy, Physical Education Director, Government First Grade College, Bangarupete Taluk, Kolar District, arnataka state

Abstract

Several studies have shown that sports can be promoted through sponsorships. Young talents can be identified at an early stage if private sports club take interest in grooming them. Sponsorship is not confined to commercial undertakings it has been expanded by leaps & bounds through very sponsorships. These tie ups have been useful for affirmative promotion of sports but at the same time there have been several lacunas & challenges in partnership business. Commercial aspects outweigh the performances & a player is more bound to his success than to learn from his defects. Commercial success is hailed while his failures cost him dearly. This paper examines the impact of sponsorship partnerships & focuses on the right policy making in availing partnerships.

Key words: Commercial success , partnership, sponsorship

Introduction

Sports management strategies in a globalization era has been transforming towards partnerships & sponsorships. Sports has been commercialized as marketable product & it is being focused as a business rather than a physical activity aiming at physical fitness. Sports activities have been linked with entertainment, recreation & money spinning events. Each sports player / sports club / sports organization thinks of hosting a sports event with a eye on profit. This has lead to the evolution of a marketing strategy of advertisement & salability .

sports marketing - focuses both on the promotion of sports events and teams as well as the promotion of other products and services through

sporting events and sports teams. It is a service in which the element promoted can be a physical product or a brand name. The goal is to provide the client with strategies to promote the sport or to promote something other than sport through sports. Sport marketing is also designed to meet the needs and wants of the consumer through exchange processes. Sport sponsorships are effective techniques to:

- Target specific market segments
- Build relationships with consumers by aligning a brand with an athlete/team
- Increase brand recognition
- Enhance image through association with winning athletes/teams



Sport marketing impulses memberships, sales, and recognition. These factors represent the biggest benefits for the companies, the athletes, the associations, the leagues, and sport event managers. Well planned, effective marketing helps to understand the customer and the marketplace. Also, informed marketing decisions help increase status and importance in people's lives, sport is considered a profitable and sustainable marketing source. (Lynn R. Kahle, Angeline G. Close (2011). Consumer Behavior Knowledge for Effective Sports and Event Marketing).

Benefits of sponsorship- Sports activities have been linked with entertainment, recreation & money spinning events. Each sports player / sports club / sports organization thinks of hosting a sports event with a eye on profit. (Lynn R. Kahle, Angeline G. Close (2011). Consumer Behavior Knowledge for Effective Sports and Event Marketing). This has led to the evolution of a marketing strategy of advertisement & salability. A sponsoring agency will have following benefits

1. Acts as corporate hospitality
2. Commits to brand name
3. Creates a positive public relations
4. Creates internal emotions
5. Gives content awareness
6. It allows players to choose their preference ,

7. It can raise brand awareness ,
8. It gives awareness about organization
9. Promotes good relations with clients

There are challenges to such sponsorships

1. should be used conditionally
2. associated risks should be handled carefully
3. sponsors should see that sports will not become only entertainment oriented
4. It should not be counter productive
5. TV coverage should not be prejudicial
6. Development to high profile brand name should not be the criteria
7. Brand jealousy should be avoided
8. Brand profile competition should be healthy
9. there should be a clear sponsorship strategy (Vieira piason International journal of current research – sports sponsorship as marketing strategy 2015)

Sport Sponsorship Risks

While there are numerous benefits to utilizing sport sponsorship as a marketing strategy, there are a number of risks to take into consideration first.



Risks:

- Scandal and negative publicity
- Injury and less than optimal performance
- Athlete/Team brand overpowers sponsor brand
- Negative impact on sponsor brand through association

Scandal and sport sometimes appear to go hand in hand. For this reason, it is important that an organization research the athlete or team before proceeding with sponsorship negotiations. Nevertheless, even if every precaution is taken to avoid an athlete or team with a scandalous history, negative publicity may arise from a completely unanticipated event. The negative publicity can be detrimental to the company image associated with the athlete/team scandal. (Lynn R. Kahle, Angeline G. Close (2011).Consumer Behavior Knowledge for Effective Sports and Event Marketing).

Injury can be season ending, or even career ending and can negatively impact sport sponsorship. Sponsorship of an athlete or team that is no longer competing and being spotlighted counteracts the objective of the sponsorship, which is to gain recognition and increase publicity. In this scenario, sponsorship of a team may help limit the impact the injury has on the performance of the team, thus protecting the image of the sponsor. (Sharma J P - organization & management of physical education

& sports; Khel sahitya Kendra , 2005).

Teams or athletes experiencing a performance slump may also negatively impact sport sponsorships. For example, a sponsor pays to endorse a team that is expected to make it far in a tournament or post-season but then it loses early. The ROI of the sport sponsorship is limited because the season ended sooner than expected. The early exit limits the longevity of publicity and thus the association that a sponsor can gain from the sponsorship. (Lynn R. Kahle, Angeline G. Close (2011).Consumer Behavior Knowledge for Effective Sports and Event Marketing). Another potential risk is having the athlete or team overpower the brand . Sport sponsorships are seen as successful when consumers can connect the sponsor brand to the athlete/team. (Sharma J P - organization & management of physical education & sports; Khel sahitya Kendra , 2005).

Risk Management

There are numerous precautions that can be taken to limit the risks associated with sport sponsorship. Companies should research risk management strategies and decide which methods will help best protect them before entering a sport sponsorship agreement. The inclusion of a morals clause, also called public image, good-conduct or morality clause, in sport sponsorship contracts can help protect the sponsor from potentially damaging publicity. The