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SPONSORING VS. AMBUSH MARKETING:
A COMPARATIVE ANALYSIS OF TWO COMMUNICATION
STRATEGIES AT SPORTS EVENTS.
THE 2006 WORLD CUP CASE

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Dedica

La Doppia Laurea conseguita in Germania e la stesura di questa tesi rappresentano per me la conclusione di un percorso di studi e di vita iniziato molti anni fa. Per questo motivo desidero dedicare questo lavoro alla mia famiglia, ed in particolare ai miei due fantastici genitori che in questi anni mi hanno sempre supportato ed incoraggiato. Mi hanno fatto fin da sempre capire che il mondo d'oggi è ricco di opportunità; a volte lo può essere anche di insidie, ma queste vanno affrontate, e possibilmente è meglio farlo fin da subito, cercando di cogliere sempre il meglio da ciascun momento. Gli anni passati a Pavia, l'Erasmus in Spagna e la Doppia Laurea in Germania sono esperienze che non potrò mai dimenticare. Grazie di cuore.

A mia sorella Anna voglio dire di continuare ad impegnarsi nel percorso universitario che ha recentemente iniziato, convinto che, coniugando studio e divertimento, potrà trovare la sua strada e togliersi molte soddisfazioni.

Visto l'importanza che ha ricoperto in questo percorso di studi, un pensiero speciale non può che andare anche a lei, la nonna Ita, che grazie ai suoi ormai famosi ceri ha contribuito in maniera sostanziale al raggiungimento di questo risultato. Continua così.

Infine, e questo è più che doveroso, un ringraziamento all'Università di Pavia per le molte opportunità che mi ha offerto; soprattutto ci tengo a ringraziare le persone che lavorano nei vari uffici, in particolare Erasmus e Mobilità Studentesca. Il loro aiuto è stato davvero prezioso in questi anni.

Abstract

La tesi si divide in due parti. Nella prima parte vengono analizzate due diverse strategie di comunicazione che le aziende usano in relazione agli eventi sportivi: sport sponsoring e ambush marketing.

Per quanto riguarda lo sport sponsoring, si presta particolare attenzione alle diverse possibilità di sponsorizzazione che un evento sportivo può offrire. Nel capitolo inoltre, si sottolinea l'importanza di una completa integrazione dei differenti strumenti che formano il marketing mix e che riguardano la comunicazione aziendale.

Per quanto riguarda l'ambush marketing, si può dire che sia un fenomeno in costante crescita. Si tratta di una strategia di comunicazione utilizzata ogni giorno da nuove imprese che cercano di legare il loro nome ad un evento sportivo senza essere sponsor ufficiali e quindi senza sostenere alcun costo per l'acquisto dei diritti pubblicitari legati ad un singolo evento. Ci sono diversi tipi di ambush marketing: in alcuni casi si va incontro a una violazione di legge, in altri casi si può analizzare questo fenomeno solamente da un punto di vista etico e morale. Esistono in ogni modo alcune strategie di contrasto all'ambush marketing. Queste strategie vengono applicate dai comitati organizzatori degli eventi in modo da difendere gli interessi degli sponsor ufficiali, i quali pagano cifre spesso molto alte per assicurarsi i diritti pubblicitari dei vari eventi sportivi: il campionato del mondo di calcio e le Olimpiadi sono gli eventi più importanti per la loro alta popolarità tra il pubblico.

Il confronto fra le due strategie permette di cogliere i vantaggi e gli svantaggi di ciascuna e permette, allo stesso modo, di capire quando sia meglio utilizzare una o l'altra.

Alla fine della prima parte si trovano i risultati di un'inchiesta online condotta dal sottoscritto. L'obiettivo dell'inchiesta era quello di scoprire la conoscenza del pubblico in relazione ad alcuni aspetti dello sport sponsoring. Nell'inchiesta inoltre si trova un *recall-test* per verificare gli effetti dello sponsoring e dell'ambush marketing ai recenti mondiali di calcio, svoltisi durante l'estate scorsa in Sud-Africa. Questi dati vengono confrontati con una simile inchiesta che aveva come principale oggetto le Olimpiadi del 2004 di Atene.

All'inizio della seconda parte della tesi invece si può trovare una descrizione generale dello sponsoring a livello mondiale. Alcuni dati aiutano ad analizzare l'importanza di questo fenomeno e le sue principali caratteristiche. Successivamente viene dato molto spazio ai diversi aspetti del campionato mondiale di calcio che ha avuto luogo nel 2006 in Germania: organizzazione, programma di marketing, programma di sponsoring ed infine strumenti che la

FIFA ha utilizzato e tuttora utilizza per contrastare l'ambush marketing (RPP – Rights Protection Program).

Un evento di tale importanza tuttavia non può essere valutato solamente da un punto di vista strettamente sportivo o pubblicitario; per questo motivo l'ultimo argomento della seconda parte della tesi è incentrato sull'analisi degli effetti socio-economici di un evento sportivo. Questi effetti vanno divisi tra diretti ed indiretti. Entrambi hanno comunque sempre un grosso impatto sui paesi organizzatori.

In conclusione si può dire che il titolo della tesi contiene esattamente il riassunto degli argomenti che vengono trattati. Innanzitutto si parla di sport sponsoring e ambush marketing e poi si passa alla descrizione dei vari aspetti legati ad un mondiale di calcio come quello tedesco, particolarmente caro agli Italiani se si considera la vittoria finale della nazionale azzurra.

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Part 1

1. Introduction

This paper was born from my own passion concerning sport in general, and football in particular. Today, sport is ever shifting in the direction of business, and for this reason, sponsoring in the sport world has become one of the most important aspects. Sport sponsorships provide great support for the sporting movement, because they permit athletes, teams and event organizations to move forward, and continue their activities and businesses.

The presence of business in the sport world creates some concerns connected with the loss of sport values, which are something that should not be changed for business requirements. Otherwise, the risk of disaffection in the public is really great.

However, this paper will attempt to understand the role of sport in companies' strategies. In particular, the main objective is to try to understand how companies use sport in their communication strategies, in order to put them in contact with their customers. Sport is an incredible means of communication, because it allows for the targeting of specific groups, which would otherwise be unachievable. Moreover, sport is connected with a magical atmosphere, full of strong emotions and able to make people forget social and economic barriers. Sport is something for everybody. Companies have understood this aspect, and they are creating always more connections with sport in order to communicate their values and try to transfer a positive image of their brands on public. Big world-events represent the best way for firms to increase their awareness on public. Due to the increasing public interest, in particular on football World Cup and Olympic Games, sponsorship fees have risen incredibly in the last decades, impeding many firms from become official sponsors.

In this context firms have developed new forms of communication connected with sporting events, which have the same objectives of sport sponsorships, but they try to achieve it in other ways. We are speaking about ambush marketing, which is the second main theme of this paper. It represents a new way of communication, and it is characterized by the willing of firms to increase their awareness on public, creating a strong association with an event, without paying costly sponsorship fees. Ambush marketing has created many problems in recent years for official sponsors and event organizations, because it represents a big risk in terms of loss of visibility for official sponsors, and in terms of difficulty to attract and maintain sponsors for event organizations. Thanks to its nature, ambush marketing has many ways to operate, and it is very difficult to counter, because of its innovation, unpredictability and unconventionality. In this paper there will be a long analysis of the different means of

ambush marketing, considering also its consequences, its moral, legal and ethical aspects, as well as the ways adopted to counter it. We will also make a comparison between sport sponsoring and ambush marketing, highlighting pros and cons of each. However, let us see more in detail what is contained in the different sections.

Section one is the introduction. In section two there will be an analysis of sport sponsoring. In particular, we will first analyze definition, features and objectives. Moreover, there will be an accurate description of the different ways available for firms to be present at an event, as well as a description of the importance of sport sponsoring in firms' marketing and communication. The list of advantages and disadvantages of sport sponsoring will close this section. In the section three, the main theme is ambush marketing, which will be first described as a sub-category of guerilla marketing. After definition, features and objectives, we will analyze the different ambush marketing strategies with the help of two important studies of Meenaghan (1994) and Pechtl (2007). As said, ambushing actions create many consequences for event organizations, official sponsors and media; here we try to understand the most important. This section is completed by some considerations on legal and ethical-moral aspects of ambushing actions, the description of some prevention tools, and finally with the list of pros and cons of ambush marketing.

In section four, it takes place a comparison between the two different strategies analyzed in section two and three. The main objective of this section is try to find out motivations which should address firms to use one or the other strategy, even if this decision is a difficult one. Finally, in section five the main theme is the knowledge and perception of sport sponsoring and ambush marketing on fans. These two aspects are measured thanks to an online survey on 2010 World Cup in South-Africa, conducted on February 2011 by myself, which is compared with a similar study of Zangler and Drengner on 2004 Olympic Games in Athens. Results are really interesting, even if the two studies induct some concerns because of a small sample.

Finally, in section six the main conclusions of this paper will be written.

2. Sport sponsoring

2.1 General considerations in regards to sponsoring

Sport sponsoring is a sub-category of sponsoring. Let us quickly see what sponsoring is about and its main features, starting from its definition.

[Sponsoring is] *“The provision of resources (e.g. money, people, equipment) by an organization directly to an event or activity in exchange for a direct association to the event or activity. The providing organization can then use this direct association to achieve either their corporate, marketing, or media objectives”* (Sandler and Shani, 1993:38).

However, it is important to remember that, at the beginning of its history, sponsoring had another meaning, different from what we assume usually now. Basically, it was simply the financing of artistic or social activities, provided usually by wealthy people. The most famous example is “Maecenas”, who provided resources to artists for producing “culture”. However, it should be underlined that at that time sponsors did not expect a specific product in return. Today the idea of sponsoring is completely different and this paper will deeply analyse the main characteristics of the new structure. In fact, today firms use sponsoring as a communication tool in their marketing strategies. They invest huge amounts of money, and for this reason they expect to maximize their investment utility (Bruhn, 2010:3). According to Huber, Matthes, Dreckmeier and Schunk (2008:7) sponsoring is mainly addressed to these areas: sport, culture, social welfare and environment. However, many other authors include media sponsoring with these key areas. In general there are three main objectives of sponsoring, which incentivize firms to invest money in this kind of communication strategy. They are: *increase public awareness of the firm; image-transfer from event to the firm; strategic and emotional objectives* (e.g. Engagement between firm and customers). We must point out the importance of mass-media, which, thanks to the multiplication effect, allows the firms to achieve a huge number of potential customers.

As said, sponsoring is a part of a firm marketing mix. In order to create the best sponsorship, it is useful to follow these steps, which together form a sponsoring plan, like the following one.

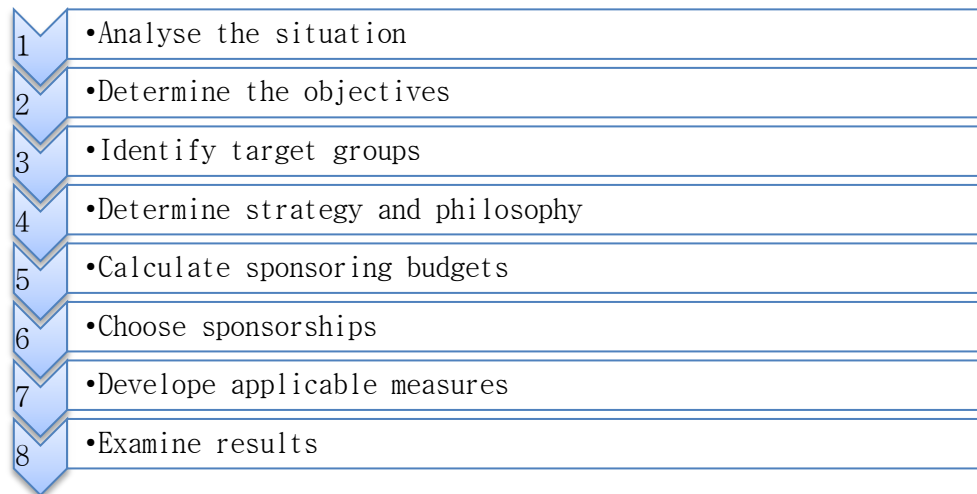


Figure 2.1: Sponsoring plan structure (Source: Ruda/Klug, 2010:2)

It is important not to skip any step, because they are all interconnected with one another. Even the last step has great impact. Examining of the results helps sponsorship firms to understand if the process has worked or not; and it ensures great feedback, really useful for any possible following sponsorships.

After a necessary general introduction concerning sponsoring, we will now analyse sponsoring in sport.

2.2 Sport sponsoring: definition and main features

Sponsoring in sports was born in 1928, when Coca-Cola, for the first time in history, was the official sponsor of the American national teams at the Olympic Games in Amsterdam. Instead, in Germany, sport sponsoring was born later, when, in 1974, Tobacco Industries, due to the introduction of the prohibition of tobacco advertisement in TV, started to promote themselves through Motorsports (Drees, 1993:9). It should also be said that the same concept of sponsoring is applied in the sport field, concerning support of events, teams, athletes and organizations.

“Sponsorship is any commercial agreement by which a sponsor contractually provides financing or other support in order to establish an association between the sponsor’s image, brands or products and a sports sponsorship property in return to rights to promote this association and/or for granting certain agreed direct or indirect benefits” (Lagae, 2005:13). Sponsors in sport are companies, firms, institutions or organizations, which want to create an engagement between them and sport, in order to achieve some predetermined results.

Most of people look at sport like something young, dynamic and performance-related (Riedmüller, 2003:9, as cited in Hermanns, 1997:75), usually also connected with strong emotions. These basic features are the biggest motivations of firms' interest in investing in sport. They try to put them in contact with their potential customers, thanks to this wonderful feelings and atmosphere that only sport can provide. An interesting study demonstrated that firms in 2009 invested almost 2.6 billion euros in sport sponsoring, which is now the largest sponsoring area, followed by media, welfare and culture (TNS Infranet, 2009, as cited in Ruda/Klug, 2010:15). Two simple graphics will help us understand relations system concerning sport sponsoring. In the first one, as we can see in the picture below, there are basically three main actors, which are sport, economy and media. To achieve the desired results, all three components have to work together in order to maximize the utility of all of them. Sport needs investments and visibility, media needs contents and money from advertisements, and finally firms (economy) need ways to promote themselves.

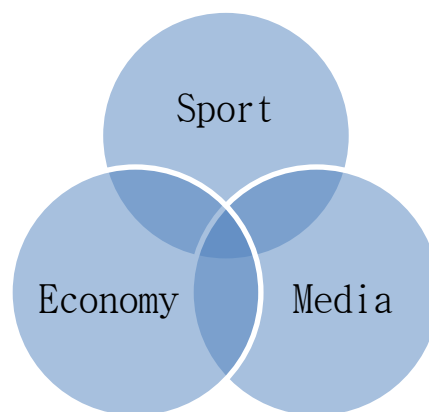


Figure 2.2: Interconnections between sport, media and economy in sport sponsoring
(Source: Ruda/Klug, 2010:16)

The second graphic is more analytic and includes all components and their relations. The presence of target groups in the graphic is important, as they are really the objectives of the entire system. Sponsors, media and events would have no reason to exist if there would not be the public interest in following an event. For firms the most important, but at the same time, the most difficult thing is to define what their target groups are and what the best and easiest way to reach and find them is.

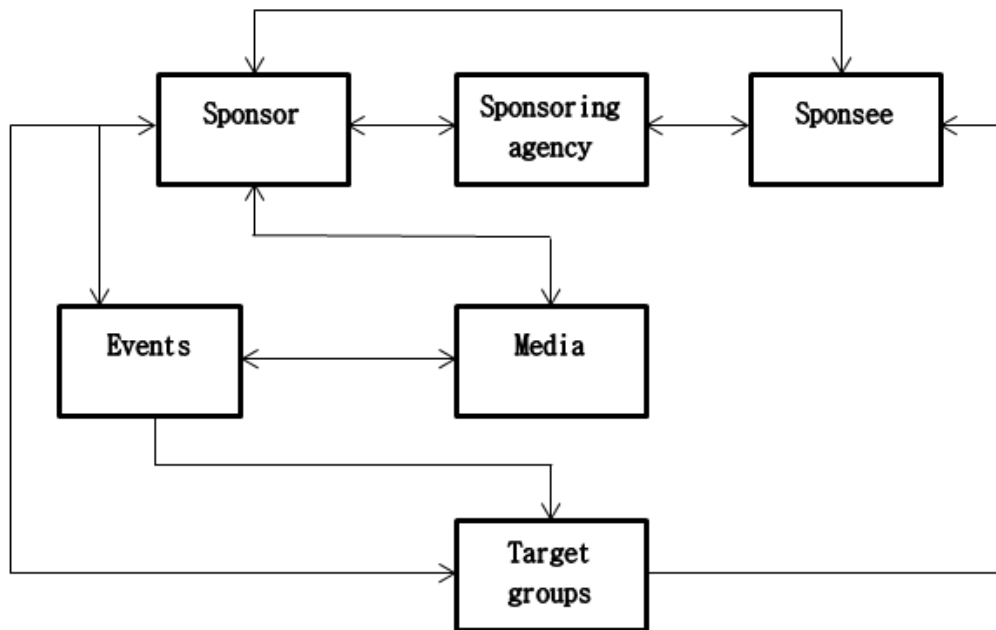


Figure 2.3: Relations system of Sponsoring (Source: Ruda/Klug, 2010:17)

2.3 Sport sponsoring objectives

To achieve the best development and progress of events is the common interest between sponsors and sponsees. This allows the sponsor and sponsee to achieve their own predetermined goals. Now, we focus on sponsor and sponsee's point of view, in order to have an idea of their particular interests.

2.3.1 From the sponsors point of view

Sport sponsoring, thanks to its features, is a great communication tool for firms, which try to communicate their values to the public. Sport in general is full of positive values, like fairness, wellness, healthy life, team-spirit, performance-orientation, and also full of feelings like passion and strong emotions. There are many motivations to invest in sport; however, it is possible to summarize the basic objectives inducing a firm investing money in this field. A first distinction could be made between economic objectives, and non-economic objectives (Hermanns, 1997:142).

Instead, Bruhn (2010:114) makes a more analytical distinction:

1. Marketing objectives

- Economic objectives:
 - Profit
 - Sales volume
 - Costs
- Psychological objectives:
 - Winning the customer
 - Customer satisfaction

2. Communication objectives

- Grade of awareness
- Image-transfer

There are many studies, like the one of Bob Bomlitz Group in 2008, together with the Marketing Institute of Prof. Hermanns at the Bundeswehr University in Munich, whose results say that in different sport disciplines the two most important sponsoring objectives in many firms are usually image stabilization and improvement of the grade of awareness (Bob Bomlitz Group, 2008). Moreover, there are two more important aspects: the first one is the possibility through sport sponsoring to reach specific target groups, which are otherwise difficult to advertise to. The second one refers to the motivation of firms' workers. A strong engagement between a firm and, for example, a football team, has great effects on workers' motivation, because usually sport teams transmit positive ideas such as team-spirit and a sense of belonging. Moreover, employees and workers will feel more part of the company and better understand its culture (Walliser, 1995:40). Obviously, only a long term presence in sport field allows to achieve desired results. Nieschlag, Dichtl and Hörschgen (2002:167) suggest that sport sponsoring objectives should be divided in short, middle and long-term objectives. For this reason, it is useful to have a look at the following table, which gives us a temporal perspective for the objectives achievement.

Objective Period	Psychological objectives	Economic objectives
Short term	Awareness; Image updating	
Middle term	Customers satisfaction; Winning the customer	Sellings, sales and market share improvement
Long term	Image-transfer; Relations Leadership	Competitive advantages; Customer value

Figure 2.4: Temporal perspective for objectives' achievement (Source: Bruhn, 2010:117)

Considering all these concepts we have just spoken about, a firm should prepare an objectives' plan, including these four basic points (Nieschlag/Dichtl/Hörschgen, 2002:165):

1. **Content:** e.g. increase brand awareness through advertisement on football field
2. **Grade/level:** e.g. awareness has to increase about 10%
3. **Time/period:** e.g. 1 year
4. **Segment/target group:** e.g. young people between 15 and 20 years old

Finally, sponsors should try to focus their attention on these three following topics: in which sport disciplines are the public most interested in, which disciplines are practiced the most by public and, also, in which disciplines the public show interest only as visitors and TV spectators. In this way, it could be found the event with the highest affinity with the firm, and also the way to follow for finding the right target group firm is looking for.

2.3.2 From the sponsee point of view

Sponsees are the other side of the contract. They are usually a single athlete, teams or event organizations. Basically, they need sponsors in order to continue doing business. Athletes need money for continuing their trainings and participating in competitions, the same thing is true for teams. Also, event organizations need funds in order to organize their events. Sponsees offer a great chance to companies to promote themselves, thanks to the visibility that some sport disciplines have now achieved. Specific contracts and agreements regulate obligations and rights of each component. Instead of sponsors, sponsees have other kinds of target groups, which are basically active participants, visitors and TV audience concerning a

specific event. Taking a look at Germany, there are incredibly high numbers connected with people practicing sport: in nineties almost 30% of Germans practiced regularly a sport, 36% occasionally (Hermanns/Marwitz, 2008 as cited in Bruhn, 2010:119). Moreover, there is evidence that in 2006 more than 27.3 million people in Germany were enrolled in a sport association/club. Sport associations and clubs do a great job, stimulating especially young people to start a sport activity; it does not matter in which discipline (DSB, 2006:3). Concerning the other two categories, visitors and TV audience, it should be said that they have a big impact in sponsoring policies. In fact, public interest addresses the organizer decisions, and also media broadcast programs. Furthermore, the public interest has consequences also on the trend of sponsorship fees and costs. For this reason, a constant overview and research of feedbacks over public interests is very important. Everybody knows that today, football is the most popular discipline, followed by motorsports, tennis, golf, basketball and winter sports. However, public interest differs from country to country: in United States Motorsports and American Football are the most popular sports, while in Europe football is still the favourite. However, there are also many specific country differences: e.g. there is in Germany a big interest in the public on horse-riding and show-jumping competitions. Germany is one of the biggest horse breeding countries in the world, with great horses and many internationally famous riders; and this has an influence on public interests. These big differences between single countries are highlighted by the use of an innovative analysis tool, which is a software utilized by an internet website: *www.mostpopularsports.net*.

It produces rankings in individual countries, which are based upon daily number of internet visitors to websites dedicated to a particular sport (e.g. *fifa.com*, *cricinfo.com*, *nfl.com*, etc.). They may not be 100% accurate, because of many factors, but they give an interesting overview of the single country interests in sport disciplines. The internet connections flow testify that football is the most popular sport in the world, but looking at the single countries, emerge clearly that India follows cricket the most, which corresponds with a diffuse knowledge. If this software will be improved with some more statistical indexes, it could represent a good way to reach data. As we have just seen, all of these are such important information for firms interested in sport sponsoring and also for sponsees.

2.4 Sport sponsoring philosophy

Sport sponsoring philosophy is the sum of all features characterizing a sponsorship in sport field. A list of the main points is presented here below.

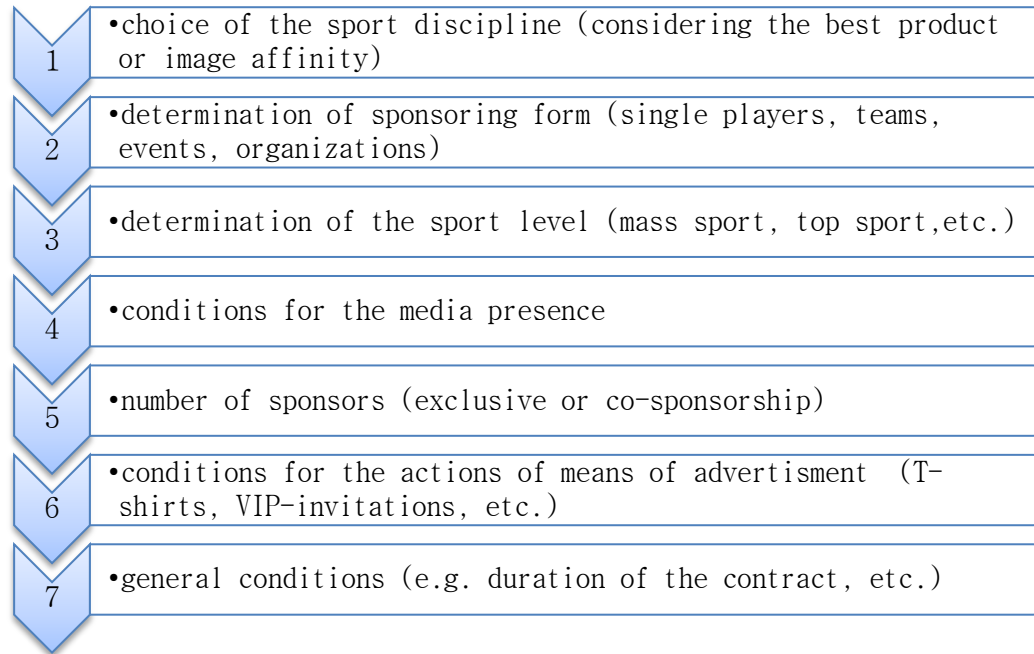


Figure 2.5: Sport sponsoring plan (Source: Bruhn, 2010:124)

The first decision for firms, which want to be sponsors in sport, is choosing the sport disciplines they want to be partner of. In order to do that, it should be considered the concept of affinity, because there should be an affinity between firm and sport disciplines, concerning three main points: *product affinity*, *target group affinity* and *image affinity* (Bruhn, 2010:128). Moreover, depending on the number of sponsors, usually at the sport events there are basically three kind of sponsoring possibilities: full sponsoring, which means that only one company supports the event and, for this reason, it has all the event rights; main-sponsoring, which means that there are more than one sponsor but, however, the number of these is not so big and that the event rights are divided by the number of sponsors; the last category concerns co-sponsoring, which means that there is an elevated number of sponsors (Drees/Trautwein, 2007:108). However, one team/event can have at the same time both main-sponsors and co-sponsors. Every category is characterized by different sponsorship fees and rights. Other possible distinctions can be used considering *official partners* and *official sponsors* as well as *national sponsors*, which refer to sponsorships valid only in a specific country, an implemented difference based on the geographical criterions. Official partners differ usually

from official sponsors because they do not provide money, but instead, services or logistic support to the sponsee (Wegner, 2002). During *Italia '90* (1990 football World Cup) there were ten worldwide official sponsors, which paid between \$15m and \$20m. At the same time the local Italian organizing committee instituted several categories of sponsors such as 'official suppliers', 'official products and services', and 'official collaborators' to Italia '90, which paid between \$500,000 and \$7m for the various rights (Kelehar, 1990, as cited in Meenaghan, 1994:4). These sponsoring elements are also valid for single athletes, sport teams or organizations, which can have not only one, but also more sponsors. Obviously, the greater the increase in the number of sponsors, the greater the increase in competition and, instead, the fewer opportunities for each company to impress its customers, because the market share declines, even if sponsors are not competitors, because they usually have the exclusive rights for their branch. However, there are many ways to be part of a sport event, because firm can be sponsor of one single athlete, one team, one organization, one event and also sponsors of media as well (Drees/Trautwein, 2007:101). Some firms, addressing an integration of communication strategies, are at the same time sponsor at different levels: e.g. they can be co-sponsor of the event and at the same time main-sponsor of one team, who is participating at the same event. In this way, firms try to increase their visibility, and to diversify the investments, using more tools and decreasing also the level of risk.

Before starting the analysis of each single sport sponsoring form, it is useful to have a look at the four main kinds of contracts, which regulate sponsorships in sport (Bruhn, 2010:144):

1. **Advertising contract:** agreement signed between sponsor and sponsee/event organizations, which regulate advertisement rights
2. **Endorsement contract:** agreement signed between clothing industries and players for the provision of clothing
3. **Licensing:** use of athlete's image rights in order to sell products
4. **Job contracts:** agreement between athletes and teams

Firms can be present at an event in many ways. Now let us see the forms of sponsorship in sport.

2.4.1 Sponsor of one single person/athlete

Firms can financially and materially support a single person or athlete. That permits the firm to be present at events and competitions, in which the person or athlete takes part. The sponsee usually becomes the firm's testimonial, and his image can also be used in TV advertisements (Drees/Trautwein, 2007:102). The sport testimonials are usually nice young people, who are successful in sport competitions. They should be famous and successful in their disciplines, have a nice image profile, be credible, and have the necessary affinity with the sponsor (Bruhn, 2010:87). Top players are really well paid for the use of their image rights. The sponsorship between two parts is regulated by rigorous contracts and agreements. It depends on the contract; however, normally sponsee receives money. Sometimes, sporting materials (e.g. sports clothing) or services as well. The sponsor can use the sponsee's image rights for its advertisement. At sport events sponsees usually dress in the marked clothes of sponsors, and have to maximize sponsor visibility. For example, in MotoGP pilots always wear a marked cap during press conferences or interviews. We should say that being sponsor of a single person represents a big risk for firms, because the firm's image is strictly connected with sponsee's. In case of private life scandals or general problems like the recent doping enquiries, a sponsoring firm can receive huge damage to its image, due to its perceived connection with the athlete (Lagae, 2005:102; Drees/Trautwein, 2007:102). Recently top golf player Tiger Woods has been protagonist of a sex scandal, which caused a tremendous amount of embarrassment to his personal sponsors. For this reason, many firms prefer to be partner of other entities. However, it must be said, that despite of high costs for engagement, current top players, or champions of the past are still very requested; most of them are representing more than one firm, e.g. Franz Beckenbauer in Germany (Hermanns/Marwitz, 2007:78). To give an idea, we can mention the famous tennis player Roger Federer, who is at the same time sponsored by Mercedes-Benz, Nike, Rolex, Gillette, Credit Suisse, Wilson and some other minors. As many other athletes, he maximizes his sponsors' visibility also through his personal website (www.rogerfederer.com). Here below is the webpage dedicated on Federer's official sponsors, inside the famous tennis player's website.

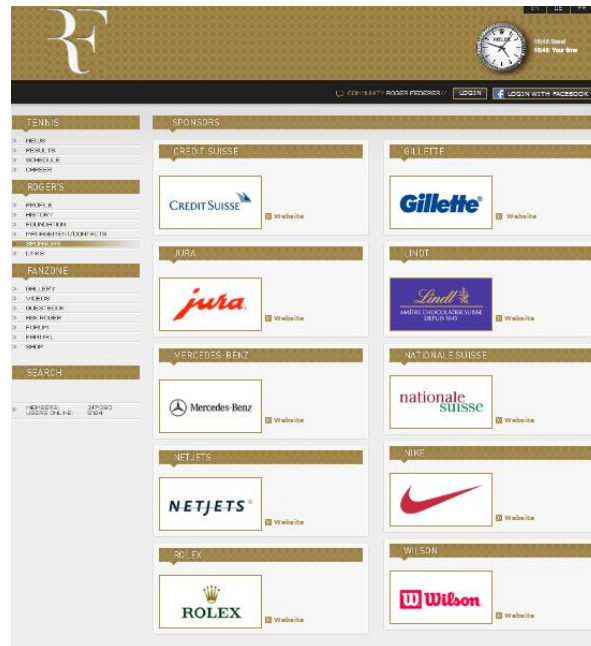


Figure 2.6: Roger Federer's private website with his sponsors' list
(Source: www.rogerfederer.com)

2.4.2 Sponsor of sport teams

To be present at sport events while also avoiding certain risks, due to possible testimonial scandals, companies often decide to support sport teams, which usually participate to public competitions (national and international). The first example could be sponsorship of a German team, participating at Bundesliga tournament – German Football's first league. Thanks to the big public interest in sport events, especially football, the firm's visibility is always guaranteed. There are many ways to support a team. However, the classical form is the advertisement on team jerseys, which will usually have the name of the main sponsor printed on. In particular advertisement on team t-shirt is really gainful for teams.

Curiously, in the case of FC Barcelona, the team pays for the right to wear the UNICEF logo on their jerseys, because of the club tradition of not wearing advertisements on their uniforms. Looking at the 1st Bundesliga, we find that all squads have a jersey sponsor. The value differs according to team importance: FC Bayern Munich, the most famous German football team, has received every year 20 Million euros from Deutsch Telekom annually since 2002 (Roth, 2002 as cited in Bruhn, 2010:91).

Another important German team, VfB Stuttgart received (until the end of the 2009-10 season) an annual sum of 4.5 million euros from EnBW AG, a big German energy company, which was also national sponsor of FIFA during 2006 World Cup in Germany (Hermanns/Marwitz, 2007:74).



Figure 2.7: Bayern Munich's jersey with T-Mobile (brand of Deutsche Telekom)

(Source: www.fcbayern.telekom.de)

Also the team clothes off the field being used for official occasions, and fan merchandise, can be fully marked by sponsors.

Sport facilities are also being sponsored, including football stadiums, foyers, sports auditoriums and sport halls. These buildings are perfect places to be used for attracting sponsors and give them the visibility they need and want. First of all, a great chance is offered by the venue branding.

Basically, it means that sponsors pay money in order to make their name part of the stadium/hall's name (Lagae, 2005:48). This sponsoring form is really diffuse in Germany, because there most of stadiums are private or semi-private.

Instead, in Italy they are still public and the name can still not be changed. That is why in Germany football stadiums usually has a sponsor name: "Allianz Arena" in Munich is the most famous one. Allianz formed a long term agreement in 2005 of €90 million for having naming rights to the FC Bayern Munich Arena's until 2021 (Bruhn, 2010:105).



Figure 2.8: Allianz Arena in Munich (Germany). Example of venue branding (Source: Bruhn, 2010:105)

Instead, stadiums in Rome or Milan are still without a sponsor in their name.

For Italian teams that means a big revenue loss. Also in England this sponsoring form is really developed. The new Arsenal FC's stadium in London is called "*Emirates Stadium*", from the famous Arabic airline.

However, with the increase in *public-private partnership (PPP)* in the construction and maintenance of the sporting infrastructure, a breakthrough is expected here in the near future in many countries (Lagae, 2005:48).

Curiously, during European and international competitions, such as World Cup 2006, the stadium names could not have a sponsor included, due to FIFA's rules. For this reason in 2006 the writing "Allianz Arena" has been removed from Munich Arena from the beginning to the end of the World Cup.

To have an idea of the importance of this sponsoring form, just have a look at the following table:

Bundesliga team	Original stadiums' name	New stadium name with sponsor	Beginning of the Sponsorship	Investment in Mio. €	End of the sponsorship
VfB Stuttgart	Neckar-Stadion	Gottlieb-Daimler-Stadion	1993	5,11	2007
Bayer Leverkusen	Ulrich-Haberland-Stadion	BayArena	2001	15,2	-
Hamburger SV	Volksparkstadion	AOL-Arena	2001	21,3	2010
VfL Wolfsburg	VfL Stadion Wolfsburg	Volkswagen Arena	2002	2/year	2010
Hannover 96	Niedersachsenstadion	AWD-Arena	2002	2/year	2012
1.FC Köln	Müngersdorfer Stadion	RheinEnergie-Stadion	2002	15	2009
Arminia Bielefeld	Bielefelder Alm	Schüco-Arena	2004	1,75	2010
Bayern München	Olympiastadion	Allianz-Arena	2005	90	2021
FC Schalke 04	Arena Auf Schalke	Veltins-Arena	2005	4-6/year	2015
Borussia Dortmund	Westfalenstadion	Signal Iduna Park	2005	20	2011
Eintracht Frankfurt	Waldstadion	Commerzbank-Arena	2005	3/year	2015
VfB Stuttgart	Gottlieb-Daimler-Stadion	Mercedes-Benz-Arena	2008	20	2038

Figure 2.9: Venue branding in Bundesliga stadiums (Source: Bruhn, 2010:105)

Furthermore, in football stadiums, as well as in other sport facilities, there are many possibilities for sponsor to make advertisement (Lagae, 2005:129; Drees/Trautwein, 2007:103): the most famous is advertisement in the stadium using billboards, or other visual means. It is possible to use loudspeakers or promote products through big screens usually present at the stadiums. They can be either stationary or moving. Usually before matches, there are always free magazines offered to visitors, containing information (e.g. team lineup) about the match, but whose pages are basically used as advertisement tool. Moreover, technology is permitting always new advertisement forms. Sport teams have their own website, which is used for providing information, but also for promoting sponsors' brands. Press-conferences are used as one of the best moments in order to highlight the presence of sponsors through the sponsors' logos and advertisement.

There are also some original ideas in order to invent new possibilities of sponsoring. Sometimes before matches, fans can hear loudspeakers messages like "the ball of the match is sponsored by...". Team sponsors often have a hospitality zone for them, and some free tickets at every match. Traditionally, sponsors use these opportunities for their customers, sometimes with direct invitations (especially for VIPs), sometimes as awards through special lotteries. Entrance tickets can be marked with names of sponsors, and the same thing can happen for the team bus or other means of team transportation (Drees/Trautwein, 2007:104)

Another advertisement form is the sponsor name included in team name. This is still not so developed in football teams, but it is present in almost all German basketball teams. The same thing happens also in Italy, where this advertisement form is present only in basketball and not in football. To make two examples, we can remember "*Bayer Giants Leverkusen*", sponsored since 2001 from medicine industry Bayer, as well as "*Montepaschi Siena*" in Italy, sponsored by Bank of Montepaschi di Siena. Cycling teams use this sponsoring form a lot. Some cycling teams are even called only with the name of the sponsor: e.g. *Cofidis*, which is a French company specialized in the granting of credit, has been the main sponsor of an important cycling team during the last few years, which carries the same name of the sponsor (Lagae, 2005:230). By way of contrast, American and Canadian Ice-Hockey teams refrain from wearing advertisements on their uniforms. This holds true with keeping the uniforms in a certain style.

2.4.3 Sponsor of national federations of all disciplines

National federations have in all sport disciplines usually teams participating at competitions for national teams, like Olympic Games or World Cups. Sponsors have contracts with national federations. However, the sponsors will provide both financial and material support in this case, depending on the nature of their business. Obviously, due to the huge number of participants at the big events, there are always some contracts' problems, especially when athlete and federation have sponsorship agreements with competing firms. However, in this case there are generally many national firms, which try to create cooperation between them and teams, thanks to the public emotional feelings, connected with the presence of national teams on the field. For example, Adidas, a German clothing company, is sponsor of the German football federation DFB. Due to this all German national football teams' Jerseys have the Adidas logo.

The sponsoring possibilities are similar to the teams' ones. I would just say that sponsoring a national team, firms try obviously deeply to emphasize the idea of "home country"; usually there is always a strong bond between the population and its own national team. This engagement can be used to make a transfer image from the national team to the firm, which is worthwhile.



Figure 2.10: Peroni is official sponsor of Italian football Federation FIGC. The famous Italian brewery is always present in the TV spot before and during national team's games. The firm's Motto is: "Peroni, la birra degli italiani", which means "Peroni, the beer of Italians" (Source: www.peroni.it)

Finally, hospitality zones are usually well organized during national team matches or competitions, because of the presence of many important persons (politicians, top managers, etc.). Also press conferences are used by sponsor with advertisement purposes, because for national teams' sponsors the possibilities of advertisement are fewer, because usually national teams have few games during the year. Moreover, press conferences of the coach or players are usually full of interest for national press and TV media. We should say that national federations are also occasionally act as event organizers. In this case, often federations' official sponsors also support the event or at least they have some pre-emption rights.

2.4.4 Sponsorship of events

To receive the most visibility at one event, the best thing for a firm is be event's sponsor. There are many ways to support an event. Basically, sponsorships are contracted with event's organizations, and they tend to vary depending on the kind of event (Drees/Trautwein, 2007:103). However, classical sponsoring forms and features are always present to all events: billboards in the field, loudspeakers, free magazines with advertisement, hospitality area, etc. Moreover, the presence of the sponsors' logos in all official communications and co-related events made by organizers is guaranteed; it should be also guaranteed that there will be no firm competitors in the sponsor's list. Usually the biggest sport events are organized by international federations, such as FIFA for football. The international organizations/federations, which often organize big events, have large number of sponsors, because otherwise these big events could not take place, due to the high costs connected with their organization. Event sponsoring, especially for international big events, has seen a dramatic increase in recent years (Meenaghan, 1994:1). Events that receive the greatest interest are now the football World Cup, football European Cup and the Olympic Games; all of them are organized every four years. The next European Cup will take place in 2012 in Poland and Ukraine; London will be the next Olympic Games host city, also in 2012. Finally, after 2010 World Cup in South-Africa, Brazil will host in 2014 next football World Cup, and in 2016 also Olympic Games in Rio de Janeiro (source: www.fifa.com; www.uefa.com; www.olympic.org). To understand the importance of sponsoring in sport events, we can show that UEFA Euro 2008 in Switzerland and Austria generated €1.3 billion in revenues, from which €370 million came from sponsors and €91 million came from selling of entrance tickets. The Olympic Games 2008 in Beijing produced \$(US)3.4 billion of revenues: \$(US)1.7 billion coming from TV event covering rights, \$(US) 1 billion from Sponsors and \$(US)73 million from selling of entrance tickets. The rest has been paid from TOP-sponsors (Bruhn, 2010:93).



Figure 2.11: Logos of the main official sponsors of 2008 Olympic Games in China (Source: olympic.org)

However, even if football is the most attractive sport, considering that in 2006 more than 265 million people in 200 countries played active football (Ruda/Klug, 2010:31), there are many others sport disciplines followed by the public. The most important are: motorsport, golf, tennis, basketball, winter sports and swimming.

Unfortunately, most of studies are focused on big events. There is a lack of knowledge about middle and smaller sport events, which hopefully should be resolved in the near future, paying more attention also to other sport disciplines and minor events (Nufer, 2010:299). However, the numbers we have just seen, help us to understand the importance of sponsoring in sport, and how sport is increasingly connected with business. The huge number of organized events helps firms to decide where it is better to invest. Some events, the most popular ones, are really difficult to support, because only big companies can afford the incredibly high costs, like the ones requested to be official sponsor, for example, of a World Cup.

In order to figure out which is the best choice, firms can follow these simple criterion (Bruhn, 2010:97):

- ❖ Event's grade of awareness
- ❖ Acceptance of sponsoring
- ❖ Public and audience interest
- ❖ Number of sponsors present
- ❖ General rights and commercialization rights

Through these few features firms can analyze the situation and decide which methods are the best to achieve their goals.

We have already stated some kinds of possibilities; however, here we can list the main ways to be an event sponsor:

- ❖ Advertisement on the field (screens, loudspeakers, etc.)
- ❖ Title sponsoring concerning event name (Naming-right and Co-naming)
- ❖ Title sponsoring concerning facilities name (Venue branding)
- ❖ Sponsor name presence in official correlated activities (e.g.Press conferences)
- ❖ Advertisement at Public Viewing Events
- ❖ Advertisement on TV



Figure 2.12: Example of naming right: “Red Bull Air Race” is an air-race competition sponsored by Red Bull. The firm gives the name to the competition. There is also a dedicated website: www.redbullairrace.com



Figure: 2.13: KIA sponsored a Public Viewing Event in Hamburg in 2008; KIA was also official sponsor of 2008 football European Cup in Austria and Switzerland.

(Source: www.uefa.com)

Depending on the sport’s importance and public interest every event will have different characteristics and opportunities for sponsors.

Finally, we can say that big event organizers, like FIFA, are always supported by their own sponsors. However, there are also sponsors, which will only support a single event organized by FIFA, e.g. the World Cup.

2.5 Integration of sport sponsoring in firms’ marketing and communication

As said, sport sponsoring is a communication tool for firms and companies, which are looking for an engagement with sport. In order to maximize the utility of an investment in sport, firms should integrate in the best way all their available tools.

For that reason we will quickly analyzed the main firms’ marketing and communication channels, which must create a strategic and operative synergy.

The first one is public relations (PR), which consists of planned and sustained efforts to build up and defend an organization’s reputation. Another important objective is the creation of firm’s positive image (Berndt, 2007:172). The care of all groups involved on the one hand and good relations with the press on the other are key to a PR approach. The term PR refers to technical or executive functions, such as receptions, company parties, events, publications and press relations. All these activities are addressed to every actor that is influenced directly or

indirectly by, or affects, the company's performance (Lagae, 2005:75). The most important target groups of PR activities are employees, customers and suppliers. It is particularly important to have a well-prepared spokesman, who manages the information in a positive way for the firm. Good communication also helps in the prevention of possible scandals. The second important tool is media advertisement: firms, companies and even organizations can become sponsors of media. It means that they will make advertisement on media (TV, newspaper, radio, internet, etc.) in relation to a sport event. They pay a lot of money in order to buy advertisement rights for showing their advertisement messages before, during or after a determined event or competition. Another important strategy, connected with media, is the *product placement*. Moreover, the media coverage is really important for an event because of the multiplication effect, helps to achieve much more potential audience. However, it is necessary to distinguish between advertising and publicity. The first category can be defined as “*any paid, non-personal communication through various media by organizations that hope to inform and/or persuade a particular target group*” (Lagae, 2005:122). It is characteristic of advertising via mass media that a message may be direct towards a number of receivers who cannot be identified. In addition, the paid information in the mass media aims to increase market share by influencing the cognitive, affective and behavior-oriented attitude of the consumer towards the advertised brand. Obviously, an advertiser pays for the message, and controls, what, how and to whom it is said. Instead, publicity is defined as “*the generation of news about a person, product, service [or organization] that appears in broadcast or print media [at no cost for the organization]*” (Shilbury et al., as cited in Lagae, 2005:90). Publicity is a subset of public relations, focused on generating media coverage at minimal cost to the organization. It happens when the media voluntarily decide to talk about the organization and its commercial activities. A sporting issue is a performance, a result, a product, a service, a point of contention or an interest in sport.

Once more the presence of media is really important in sponsoring strategies, both for sponsors and event organizations. Furthermore, there could be made interesting activities in connection with selling channels (Lagae, 2005:185). Firms can create special promotions related with sport (Berndt, 2007:175). If they are sponsor of a big competition, they can for example use event logos within their advertising or on their packaging. At the same time, it is possible to create selling channels at the event place: e.g. near the stadium or in a touristic place into the city of an important sport event. Also official merchandising is a good business, especially for clothing firms.

Another important tool is direct marketing, which concerns the *one-to-one communication* (Lagae, 2005:156). It is important to collect all features of single customers in order to understand the specific customer profile and offer what the customer is looking for (e.g. through telephone calls or direct mailing). The introduction of club members cards and other fidelity tools should be red in this way; after all, sport is an incredible tool because it helps to achieve specific target groups. Moreover, sport sponsorship can be used from the company as an internal communication system in order to motivate its employers and create a team group spirit, which is typical of sport.

In conclusion, sport sponsorship, as just demonstrated, must be well integrated in firms' communication strategies, because sponsorship cannot be sufficient in achieving firms' awareness and image transfer otherwise.

2.6 Sport sponsoring: advantages and disadvantages

Today sports are increasingly considered as a communications tool for firms, which want to put themselves in contact with their potential customers, trying to create a strong engagement and transmitting some positive values, typical of sport. Results seem to be interesting in terms of firms' goals achievement. The advantage to be part in a sport event as sponsor of the event or of a sub-category, like a team, guarantees a great visibility to firms. Advantages are many: contact with potential customers, transmission of positive values, engagement with specific target groups, and presence on media (Meenaghan, 1994:3). Moreover, be official sponsor of an event, but also of a single athlete or a team, allows to organize medium-long term marketing programs, because it is possible to sign multi-years contracts. There are great opportunities for official sponsors of events because of the presence of some facilities for them: e.g. the hospitality area in stadiums or free entrance tickets in the biggest world competitions, which are otherwise usually really difficult to receive. These facilities are kept in good condition in order to improve relations with customers, together with public relations activities (Lagae, 2005). The exclusive right to be present in the stadiums and near the place where the event takes place has positive effects in terms of visibility. Even if it is very difficult to make it real, at least theoretically, official sponsors are protected from unfair actions coming from their competitors (Bruhn, 2010). Furthermore, be sponsor of an important event or of an important team is the signal of seriousness and credibility at the customers' eyes. It is also a signal of strength for other competitors. If a firm is not sponsor, a direct competitor could be, which is really bad for firm's image. Coca-Cola and Pepsi, VISA and American Express are great examples, because they have been competing on the sporting

field for decades. Furthermore, sports have become an attractive field in which to develop communication tools. Sport sponsoring has a great relation between costs and number of contacts, thanks to the multiplication effect of media coverage, which allows the achievement of a positive image-transfer between the event and the firm's brand. At the same time, there are some disadvantages to being a sponsor in sporting events: the first one is basically the huge cost for sponsorships, especially for the most popular events. Does increase of visibility justify huge investments in sport? Moreover, sporting events are always risky because they, due to possible external factors (political, atmospheric, etc.), can be cancelled or modified at the last moment, producing terrible image damage for official sponsors, as well as accidents or scandals connected with the event. Another disadvantage is that usually at sport event the firm can advertise only its logo or brand name, without any other possibility of communication. Moreover, sponsoring contracts often are not flexible, which can create many problems to sponsors.

Support for a sporting event is risky because other competitors could try to acting as sponsors, even if they are not allowed to: e.g. through merchandising or advertisement.

In conclusion, for a firm to be sponsor of a competition has great advantages, especially the improvement of its awareness at the customers' eyes; at the same time, due to the high costs of sponsorship contracts, there are some risks to invest in sport, especially if the agreements are not respected. For this reason, in the last years firm have started to create new communication forms connected with sport events. We are speaking about *Ambush marketing*, which is the main argument of the next chapter.

3. Ambush marketing

3.1 Ambush Marketing as a sub-category of “Guerilla Marketing”

Ambush marketing represents a sub-category of guerilla marketing. For this reason we will analyse the main features of guerilla marketing, before starting to speak about ambush marketing. Guerilla is Spanish for “little war”, which has the weakening of enemies as the first objective (Nufer/Bender, 2008:4; Pechtl, 2007:2). “*Guerilla marketing is a body [of] unconventional ways of pursuing conventional goals. It is a proven method achieving profits with minimum money*” (Levinson, as cited in Nufer/Bender, 2008:4). Unconventionality is another feature of guerilla marketing, because it looks for new ways of marketing. Guerilla marketing should be unconventional, surprising, original/creative, provocative, cheap, effective, flexible, funny and spectacular. Basically, its philosophy is the achievement of conventional marketing objective using unconventional systems. In this picture it is possible to see how important the communication factor in guerilla marketing mix is.

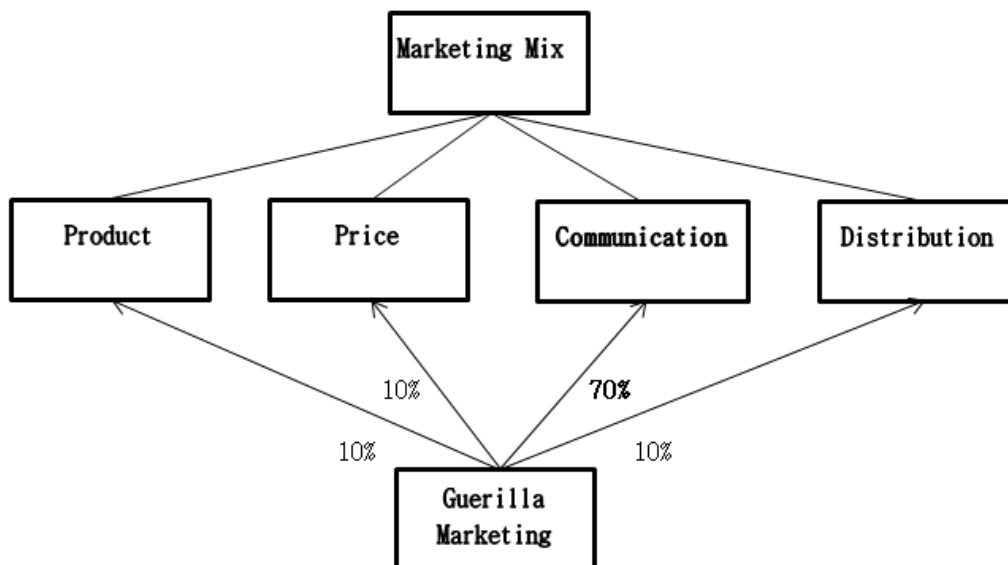


Figure 3.1: Use of Guerilla Marketing in Marketing Mix

(Source: Nufer, 2010:22)

Guerilla marketing can be used in product, price, distribution and also in communication strategies; the latter of which being the most important (Nufer/Bender, 2008:7). This means that most objectives and resources must be addressed in communication strategy.

Guerilla marketing can be divided in three aspects (Nufer, 2010:25):

1. **Low budget:** suitable in particular for small and medium-size enterprises
2. **New media**
 - a. Viral Marketing: from “mouth-to-mouth” to “mouse-to-mouse”
 - b. Guerilla Mobile: Messages on mobile phones (Infrared, Bluetooth, MMS)
3. **Out of home**
 - a. Ambient Marketing: costumers will be surprised for the ambient, because they do not expect anything
 - b. Sensation Marketing: “wow”-effect
 - c. Ambush Marketing: (spectacular) actions during sport events, in order to weaken competitors and achieve awareness without paying sponsorship fees

After this small introduction concerning guerilla marketing concept, let us now speak about ambush marketing and its main features, starting from its definition.

3.2 Definition, features and objectives of ambush marketing

Meenaghan (1994:3) defines Ambush Marketing as “*the practice whereby another company, often a competitor, intrudes upon public attention surrounding the event, thereby deflecting attention toward themselves and away from the sponsor*”. Moreover, the term ‘ambush marketing’ was initially coined to describe the activities of those companies who sought to associate themselves with an event, without paying the requisite fee to the event owner. The term is now often used more generically to also describe a whole variety of wholly legitimate and morally correct methods of intruding upon public consciousness surrounding an event (Meenaghan, 1994:3). Other authors, like Bortoluzzi, Dubach and Frey (2002, as cited in Nufer, 2010:31) underline the nature of “free rider” of firms, which use ambushing as marketing strategy. Obviously, sponsors say that ambushers’ behavior is not ethical; “It is not surprise that ambush marketing is viewed by rights holders and authorized ‘rights exploiters’ as an invidious and very real threat to their commercial interests” (Singer/Leadercramer, 2010). However, at the same time others think that ambush marketing produces positive effects on sponsoring market, stimulating more efficiency. Ambush marketing is a worldwide phenomenon because in the last decades sport sponsoring have had a great development, and for this reason as well, ambush marketing has quickly grown in parallel to sponsoring (Meenaghan, 1994:1). Now Ambush Marketing has a huge impact on organization of events.

The main objectives of ambushing actions are research of weakening effects of the competitor's actions, creation of an alternative to event sponsoring, achievement of attention from audience and public, as well as building an association between an event and a brand, without being official sponsor of that event. For that reason, they do so without paying costly sponsoring fees. Meenaghan (1994:3) suggests that “[Ambush Marketing] provides many of the benefits available to the official sponsor in terms of fulfilling awareness and image objectives at low cost. At worst it creates consumer confusion, thereby denying the legitimate sponsor clear recognition for his role as sponsor”. In fact, if we consider the objectives of Ambush Marketing, we should say that they are similar to that of sport sponsoring's. Ambushers just try to achieve them using lower resources and different ways. The following graphic clearly shows the ambush marketing's objectives.

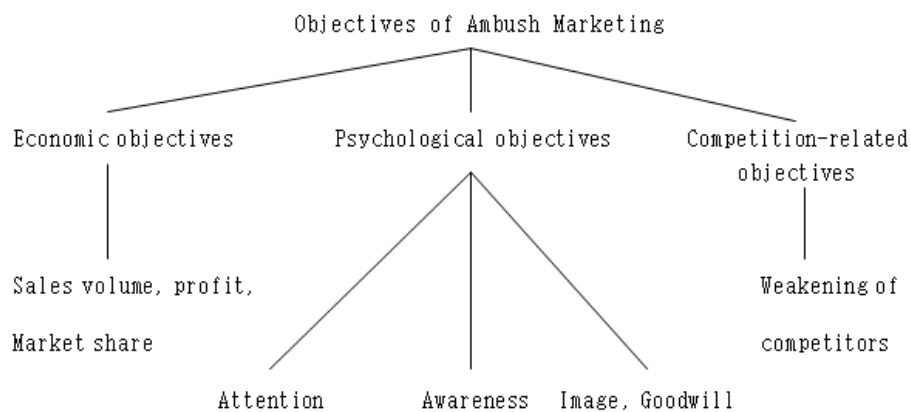


Figure 3.2: Objectives of Ambush Marketing (Source: Nufer, 2010:35)

We should underline the importance of competition-related objectives of ambush marketing. Basically, they consist in the weakening of competitors' strategies in two ways: on the one hand, reducing marketing strategies effects of competitors, and on the other, increasing the firm's awareness of the public. The public often find ambush marketing actions appealing, and this means that they often have a great impact on people's minds.

3.3 Kind of ambush marketing strategies and their characteristics

At the beginning we have to make a distinction between two kinds of marketing strategies. The first one is event-sponsoring: it means that firms are official partners or sponsors of an event organized by a third party (e.g. Olympic Games or World Cup). The second one is event-marketing. In this case one firm creates an event, which is used for advertising a product or a service (Nufer, 2010:36). Concerning the first strategy of marketing we have to

make a distinction between official sponsors and ambushers. Official sponsors pay sponsoring fees and receive exclusive rights connected with the event. They can use this opportunity for advertising scopes. Instead, ambushers have no rights to the event; however, they try to build associations with it in customers' eyes.

We will now have a look at two theoretical approaches, in which we can find a classification of the different ambush marketing actions.

3.3.1 Meenaghan: “methods of ambush marketing”

In “Ambush Marketing: Immoral or Imaginative Practice?”, one of the first research articles concerning this theme, Meenaghan (1994:4) analyzed the main features of ambush marketing, and in particular he proposed a classification of “methods of ambush marketing”:

1. Sponsoring the broadcast of the event

The benefits of this approach are obvious when one considers that the media audience for most events is much larger than the on-site audience. For example, during the 1990 soccer World Cup in Italy all six sponsors of Sky Television's coverage were in conflict with competitors involved as official sponsors of various aspects of that event (Kelehar, 1990, as cited in Meenaghan, 1994:4).

2. Sponsor subcategories within the event and exploit this investment aggressively

Sponsors support a subcategory within the event (e.g. single athlete or team) and then they create a huge advertising campaign in order to create an association between the event and the firm. It is a very cost-effective method of association, considering that in the case of Olympic Games, an official sponsor usually pay \$20m/\$25m.

Instead, the ambusher can achieve similar results without paying as much money, and using the savings to exploit the association.

3. Purchasing advertising time around relays of the competitor's event

This practice is becoming increasingly difficult because the broadcasters in many countries often offer first option (pre-emption right) to the sponsor or refuse to allow any competing advertising in slots around televised events.

4. Engage in major non-sponsorship promotions to coincide with the event

A competing company of official sponsors may use mainstream media advertising and/or 'below-the-line' promotions (public relations, direct marketing, etc.) to achieve its marketing communications objectives during the course of the event.

5. Other ambushing strategies

Meenaghan in this category includes all highly creative and inovative strategies used by companies to suggest an involvement with events. There are many examples of this kind of ambushing actions. For example, Payne (1991, as cited in Meenaghan, 1994:6) identifies as ambushing action, the use of photographs of recognizable places (e.g. Olympic-looking stadiums) in the background of advertising.

Finally, we should say that Meenaghan suggested also some possible strategies to counter ambushing, and moreover, he said that the evaluation of ambush marketing from a moral and ethical point of view substantially is influenced by the specific role of one person: sponsors and event organizers find it immoral, instead ambushers think that it is not.

3.3.2 Pechtl: direct and indirect ambush marketing

Pechtl (2007) suggests that there could be many definitions of "ambush marketing", but for sure, ambushing actions create damage to sponsors and event organizers. He underlines the nature of "free rider" – *trittbrettfahrer* as they use to call it in Germany - of ambushers. Moreover, Pechtl says that a classification of ambushing actions is really difficult because ambushing actions are characterized by multiple aspects. However, he suggests three categories of ambush marketing:

1. Direct ambush marketing

This one is the strongest form of ambushing because it includes rights violations and often illegal actions. Ambushers in this case use official event logos and brands in their advertisement or in their merchandising products. "*Counterfeiting* is clearly an unlawful infringement on rights holders' intellectual property rights" (Singer/Leadercramer, 2010). Ambushers violate licensing rights and create a strong association between them and the event, without being official sponsors. Official sponsors and event organizers pay high fees for registering, and then for using licenses and trademark rights, in order to protect their symbols and logos. Instead, ambushers try to achieve goodwill, and also a positive image-

transfer, ignoring and violating trademark rights. The main objective is making people think that they are official sponsors; in fact, they only act as if they were. Pechtl suggests some subcategories of direct ambush marketing: the first one is connected with the violation of registered rights through selling of products, which have an affinity with the event (false merchandising or general violation of registered rights). As an example, Hermann (2006, as cited in Pechtl, 2007:4) mentions the case of one company, which in 2004 tried to introduce in the market a ball with the writing “Euro 2004”, even if this mark was already owned by UEFA. The second type regards violations connected with multimedia tools: TV live coverage made by one broadcasting company, which does not have proper broadcasting rights; organization of public viewing events without licenses; provision of daily results and news of one specific event on official company’s website; production of pictures or films connected with the event, without an agreement with event organizers. Exactly for these reasons, event organizers allow only their partners to use the denomination “official”; but it does not always work. The third type of direct ambush marketing regards the appearance of ambushers in various means of communication: ambushers often act as event sponsors, even if they are not. Ambushers try through communication means to be perceived as sponsors, in order to create goodwill and to manage an image-transfer. Bruhn and Ahlers (2003, as cited in Pechtl, 2007:6) mention the case of New York Marathons 1997, when many planes wrote “Mercedes” in the sky, even if official sponsor was Toyota. Moreover, it can be defined direct ambush marketing also the physical concealment of sponsors’ logos: during 1992 Olympic Games in Barcelona, two American basketball players Barkely and Jordan, sponsored personally by Nike, covered the national team official sponsor (Reebok) with the American flag. The last type of direct ambush marketing is connected with the use of ironic advertising, which usually ambushers use to go directly against a competitor, who is an official sponsor. VISA was official sponsor of 1994 Winter Olympic Games in Lillehammer, while American Express used this slogan: “If you are travelling to Norway this winter, you’ll need a passport – but you don’t need a visa” (Nufer, 2010:64; Bruhn/Ahlers, 2003, as cited in Pechtl, 2007:7; Singer/Leadercramer, 2010).

2. *Indirect ambush marketing by intrusion*

Ambushers organize actions “on the event field”. They usually make event visitors part of their actions. The most important thing is to increase the visibility of the firm’s brand as much as possible. The mass media presence on the field allows for the achievement of much more contacts and potential customers. Some actions have event visitors as target-group (e.g.

selling and advertisement activities near the event location). Other actions try to achieve media's audience (e.g. TV viewers). Nike distributed to visitors almost 70.000 caps with Nike logo and Brazilian colors for free at the 1994 World Cup Final Brazil versus Italy. The consequent impact on the stadium was huge and Nike achieved a great advertising result. Someone spoke of a "Nike sea" (Heermann, 2006, as cited in Pechtl, 2007:9; Ruda/Klug, 2010:186). There are many cases of indirect ambush marketing by intrusion, which visitors find nice and funny, because of the spectacle and unconventional means of presentation. During the 2010 World Cup in South-Africa, a Dutch brewery – Bavaria - sent 36 women with an orange t-shirt including the firm's brand logo in the tribune during the match between Netherlands and Denmark in Johannesburg. Stewards ejected them from the tribune during the second half of the match. The eviction was intended to protect the investment of the World Cup's authorized beer sponsor, Budweiser. However, the scene has been seen from millions of people and also magazines have written about it. This means that the result of the ambusher firm was already achieved.



Figure 3.3: Example of Indirect Ambush Marketing by Intrusion at the 2010 World Cup
(Source: www.marketingweek.co.uk)

Bavaria performed a similar act during 2006 World Cup in Germany, when, before a Netherlands's game, sold more than 250.000 exemplars of orange "*lederhosen*" (leather trousers) with the brewery logo. This action achieved a huge viewing impact (Singer/Leadercramer, 2010; Ruda/Klug, 2010:186). Indirect ambush marketing by intrusion happens when a single athlete shows his personal sponsor's logo or mark, even if it is not an official sponsors. The 100-meter-sprinter Linford Christie went to a press-conference at 1996 Olympic Games in Atlanta wearing blue contact lenses with Puma logo (Bruhn/Ahlers, 2003, as cited in Pechtl, 2007:9; Ruda/Klug, 2010:186). It is possible to speak of indirect ambush marketing by intrusion when a direct competitor of an official sponsor makes advertisement on TV before, during or after the event TV coverage (advertising spots). In some cases,

ambushers support a specific broadcast on media connected with the event (program sponsoring).

Finally, ambushers can be perceived as official sponsors, if they provide a service in connection with the event. Despite UPS being official partner of 2000 Olympic Games in Sydney, TNT delivered entrance tickets to visitors. For this reason, many people, who received tickets at home, perceived TNT as official sponsor (Ruda/Klug, 2010:186).

3. Indirect ambush marketing by association

Here the sporting event is used as communication platform. Ambushers try to create an association between a brand, a product or a service and the sporting event, without building an explicit relation, attempting to make the viewer recall what was advertised. A general case of indirect ambush marketing by association is provided by this example. The Australian flying company Qantas was not official sponsor of 2000 Summer Olympic Games in Sydney; however, it used in its logo the slogan “Spirit of Australia”, which was really similar to “Share the spirit”, official Motto of 2000 Olympics (Lagae, 2005: 218)



Figure 3.4: “Spirit of Australia” – Qantas’ advertisement slogan (Source: www.qantas.com.au)



Figure 3.5: “Share the spirit” – Official Slogan of 2000 Olympic Games in Sydney
(Source: www.olympic.org)

Creativity plays a big role in this kind of actions. Tobacco company *West* during 2000 Olympic Games introduced an advertising campaign, in which a muscular man light up a West cigarette by torch, remembering the famous Olympics torch’s flame (Farrelly et al., 2005, as cited in Pechtl, 2007:11; Ruda/Klug, 2010:186).

To this category of ambush marketing belong also some “Fun-Ambushing”-actions. McDonald’s at 1994 World Cup named itself “unofficial food supplier of German football fans” (Nufer, 2010:64). Other cases refer to the use of sporting event as leit-motiv of the advertisement. Media-Markt before 2006 World Cup launched in Germany the slogan “Wir holen den Titel” (“*We get the title*”). Also the use of famous sport athletes in advertising-campaigns is quite popular. “Burger King Kahn Action” in 2006 had as testimonial Olivier Kahn, German goalkeeper (Ruda/Klug, 2010:186). However, Pechtl does not limit indirect ambush marketing to media, but he says that an association between a company and an event can also be built decorating, for example, firm’s objects with specific logos, writings or symbols.

Also implementation of lotteries with entrance-tickets as final price has always the same objective.

In conclusion, Pechtl underlines that indirect ambush marketing by association is a way to achieve firm’s awareness with the public. The creation of one non-explicit relations between events and firms can, however, make the public think that firm is official sponsor of the event. In some of these cases, it is even possible to speak of “no authorized co-branding” (Farrelly et al., 2005, as cited in Pechtl, 2007:13). However, it is really difficult to persecute this kind of ambushing activities. At the same time we should remember that recent laws approved in South-Africa, in order to protect 2010 World Cup from ambush marketing, do not permit any kind of association with an event from unauthorized firms (Singer/Leadercramer, 2010).

3.4 Consequences of Ambush Marketing on event organizations, official sponsors and media

“Ambush Marketing tactics could hinder the effectiveness of official sports sponsorship, because ambush marketing campaigns are likely to add clutter to the situation, which may weaken the exposure and leverage possibilities for official sponsors” (Lagae, 2005:220). The existence of ambush marketing creates lots of problems concerning the organization of events. It can be said that ambushers always try to use the biggest events for their actions, because the impact on the public is obviously at maximum. The problem is that these kinds of events, like the World Cup, take place in many cities, and in huge areas where the ambushing possibilities are enormous. During the 1998 World Cup, Nike, apparel sponsor of national football teams and players, created a Nike Village in Paris, even if Adidas was the official sponsor of the 1998 World Cup (Lagae, 2005:217). Moreover, the development of technologies, in particular internet, increases chances for ambushers. Before the beginning of

2010 World Cup in South-Africa, Nike, competitor of FIFA official partner Adidas, created a great advertising video, which had as protagonists the most famous football players in the world, like Rooney, Ronaldinho and Drogba. The three minutes video has been seen on YouTube from 17 Million people. The slogan of the Nike's video was "Write the future" and it was all connected with theme football, without violating any right. This is an example of ambushing action on the web. Nike tried to bind its brand with the World Cup, without being an official sponsor of the event.



Figure 3.6: Didier Drogba playing in the Nike's video for 2010 World Cup "Write the future"
(Source: www.youtube.com/nikeaustralia)

3.4.1 Consequences of ambush marketing on event organizations

"Ambush Marketing has major negative implications for event owners such as the IOC (International Olympic Committee) and FIFA. It threatens the integrity of events and may, if left unchecked, financially undermine the future staging of such events as sponsors refuse to become involved with events which can no longer deliver on promised sponsorship benefits" (Meenaghan, 1994:3). The most important thing for event organizers is to create a high-value product – event – which must be attractive, of course, for the public, but must also be interesting for sponsors, in order to convince them to invest in it. The biggest events are no longer thinkable without the presence of official sponsors. Due to the possible presence of ambushing actions, event organizations must always be on the look-out for new and interesting advertising possibilities for their official sponsors, while at the same time implementing programs of prevention from ambushing actions, by both legal and "on the field" actions. This is the only way to be credible, and maintain high sponsoring fee, continuing to attract sponsors' investments.

3.4.2 Consequences of ambush marketing on official sponsors

Ambush marketing is a big concern for official sponsors of events, because they pay a lot of money to receive exclusivity in their branch. Coca-Cola, for example, paid \$42m to sponsor the 1996 TOP 111 Olympic program (Mandese/Fahey, 1992, as cited in Meenaghan, 1994:3). Ambushers represent for sponsors competitors with which they must divide market shares, and they are also cause of the decline of sponsors' communication campaign effects. For these reasons sponsors are not always willing to invest in sporting events, and they demand guarantees from organization in terms of rights protection. The problem is that ambushing actions have big impact on public that does not know, who are truly official sponsors, and those who are not. Looking at a study of Meenaghan (1996, as cited in Nufer, 2010:69) concerning 1992 Winter Olympic Games in Albertville, he found that in the branch "credit cards" just 46.0 % of the public perceived Visa as official sponsor; instead, the 24.3 % thought that American Express was official sponsor, which was false. These aspects alarm sponsors at the moment of deciding sponsoring strategies. There are indications, however, that sponsoring companies are becoming more sophisticated in all aspects of sponsorship management, including the evaluation of program effectiveness (Intel, 1992, as cited in Meenaghan, 1994:6). Finally, a good way to prevent ambushing actions is to create and implement an efficient integration of marketing mixed tools (public relations, direct marketing, etc.), as well as to forbid ambushers from buying TV-spots in relation with an event. A good communication campaign implemented by official sponsors together with some practical actions can inhibit many ambushing opportunities.

3.4.3 Consequences of ambush marketing on media

The organization of sporting events is essential for media because of public interest. Media can, for example, guarantee TV live coverage and provision of final news concerning important events. For these reasons sporting events represent wonderful content to be shown or written, in case of magazines. At the same time, media offer many chances to sponsors for making advertising, which represents the main income for media. On the one hand, the presence of ambushing actions can create uncertainty in terms of contents (if the event does not take place because of no funds), and in terms of sponsor interests in buying advertising spaces. On the other, the media can play a big role in terms of preventing of ambushing actions. Today, when media buy broadcasting rights of specific events, they are also often requested by event organizer to guarantee a pre-emption right to official sponsors. For these

reasons, media has a great function in combating, or possibly, increasing ambush marketing opportunities. Also this time, respect of agreements and contracts is really important.

In conclusion, we should say that the three categories are influenced by the possible presence of ambushing actions. This forces everybody to create barriers and special instruments in order to protect sport events from ambush marketing, which can cause the total disruption of event organization because it is not possible to create an event without sponsors' support. However, ambush marketing represents also an alternative for sponsors, which do not have enough money or resources to invest in sport sponsoring. Instead, for the event organizations, most of consequences are negative.

3.5 Legal-legitimate and ethical-moral considerations

“The question of whether ambush marketing is an immoral or imaginative practice is one which is widely debated within the sponsorship industry” (Meenaghan,1994:10).

As we have just learnt and seen, ambush marketing operates in a “grey zone” between legal and illegal, legitimate and not, ethical and unethical and finally, even moral and immoral. However, we cannot say that ambush marketing is simply something illegal because we must distinguish between its different forms and analyze well the main features of them. The following graphic helps us to make ideas more clear.

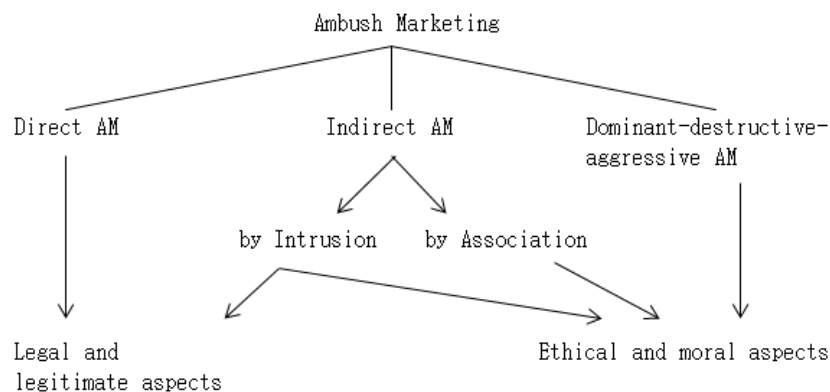


Figure 3.7: Evaluation of Ambush Marketing (Source: Nufer, 2010:54)

Nufer (2010:55) introduces one new category: *dominant-destructive-aggressive ambush marketing*, which refers to an ambushing strategy, which has as first objective, the maximal weakening of competitors' sponsoring effects. Moreover, he distinguishes between legal and legitimate aspects and ethical and moral aspects. Direct ambush marketing includes illegal use and utilization of registered trademarks, logos, brands, slogans connected with the event.

Moreover, it concerns selling of false merchandising products. Through these actions the ambusher makes the public think strongly that it is an official sponsor. For these reasons, direct ambush marketing is illegal and it can be prosecuted by the law. Indirect ambush marketing by intrusion has the same characteristics of direct ambush marketing because in most cases there is violation of the “house right”, which set an area into and near the event location that is reserved for event organizations, and where only official sponsors have the right to make advertisement. The most serious cases can be prosecuted by law. If we consider indirect ambush marketing by association and dominant-destructive-aggressive ambush marketing, considerations should not be on legality because in most of these cases there are no law violations; instead, we should pay attention on ethics and morality. Opinions conflict each other, due to the difficulty of define nature of these ambushing actions: every person has different perception. “[...] ambush marketing is regarded as an immoral practice by event owners who see non-sponsoring companies deriving benefits from their events without payment” (Meenaghan, 1994:10). Official sponsors have the same idea. However, many times it is true that companies are often unable to afford huge costs connecting with official sponsoring, and ambush marketing represents for them a great opportunity, using fewer resources, to improve their awareness at customers’ eyes, without paying sponsoring fees. Is that unethical? As in many other economic fields, as well as in marketing, firms try to maximize their utility. “[For that reason] there are many companies which persist with their ambushing activity, believing that such activity is part of the normal ‘cut and thrust’ of business activity based on strong economic justification” (Meenaghan, 1994:10).

In conclusion, it is possible to say that, even if someone describes ambush marketing as the complete antithesis of normal competitive behavior, arguing that by its very nature it constitutes unfair competition; ambush marketing is perfectly legal to the extent that it does not contravene the law in the relevant territory in which it takes place. To the extent that it is not unlawful, it should be seen as normal competitive behavior, any ‘moral’ arguments notwithstanding. Obviously, right holders and official sponsors do have the right to expect that the law will be sufficiently robust to protect their legitimate commercial interests (Singer/Leadercramer, 2010).

3.6 Prevention tools of ambush marketing

We should say that a large role is played by the legislation of the single country where the event takes place or of the country where the abuse is committed. Unfortunately, there is no uniformity in this subject, and almost every country has legislation with some peculiarities. As said, ambush marketing operates in a grey zone, very difficult to identify, and at the same time to inhibit. “Ambushers engage in meticulously planned campaigns which combine maximum effectiveness in marketing terms without incurring punitive legal consequences” (Meenaghan, 1994:9). The ambushing possibilities are almost infinite because the scope human creativity is also infinite. This represents a big challenge for event organizations because they have to find always new systems and method in order to limit ambushing actions. The constant improvement of technologies is widely increasing the problem (e.g. Internet). However, recent events show us two possible methods of countering ambush marketing, which start from two opposite point of view. The first idea concerns monitoring and countering ambush marketing with all possible tools everywhere in the world. It is an aggressive strategy, which needs an important law support. First of all, event organizers should register all official logos, slogans, pictures and symbols (Townley, 1992, as cited in Meenaghan, 1994:9). After this step, they can start a huge campaign of monitoring and checking that nobody violates their rights. “[...] event organizers and official sponsors should have the ability to protect themselves contractually in relation to ambush marketing. [...] It is imperative that these contractual protections do not unfairly restrict competition” (Singer/Leadercramer, 2010). Event organizers pay particular attention on the event locations and in the most important markets they are interested in, creating “anti-ambushing squads” or even “anti-ambushing police”, who care about the respect of the free advertisement area near the places, where events take place.

These special teams include lawyers and experts as well as volunteers “on the road”. Activities are addressed to guarantee sponsors from the presence of ambushers. If violations occur “on the field”, they will be immediately forbidden; in other cases, event organizers or official sponsors will bring their case to the judiciary. However, “it is inevitable that marketing strategies which can be rolled out within a matter of days are always likely to be one step ahead of court judgments or legislation that take months or even years to come to fruition” (Singer/Leadercramer, 2010). This method requires tremendous resources because of high costs of monitoring and ambush-blocking operations. FIFA, during 2006 World Cup in Germany, instituted a team of specialists, which had as main objective the conflict of ambushers.

The second idea starts from an opposite point of view: it is not economically convenient to combat ambushing actions because they cost too much money and because ambush marketing evolves at a quicker pace than the law does (Singer/Leadercramer, 2010). It is better to use the so-called “Education and shaming” strategy (Nufer, 2010:88; Pechtl, 2007:53). Event organizations implement public relations and advertisement campaigns in order to slander ambushers’ behaviours, trying to put them under a bad light. According to this strategy, it is better to inform the public of the importance of the official sponsors’ presence and of sponsors’ rights and obligations, as well as the danger of ambush marketing in a long-term view. During these campaigns, the names of official sponsors will also be shown. In this way two objectives are achieved: the countering of ambushing and advertisement of official sponsors. “Education and Shaming” strategy was implemented by the event organization during the 2006 Winter Olympic Games in Turin (Nufer, 2010:89). The organization made a huge advertisement campaign on TV, magazines and radios in order to inform public of the official sponsors names and their rights.



It is possible to say that both methods have pros and cons; however, what certainly correct is to inform more as possible the public concerning themes connected with sponsoring. Providing information about sponsorship contracts, rights, licensing and all aspects connected with, permits people to have more information and create an idea of ambushing actions for themselves. At the same time, sponsors and event organizers should be able to implement new sponsoring ideas and strategies, in order to reduce negative effects coming from ambushing. An important role is played also by media; event organizers, sponsors and media should create synergies in order to reduce ambushing possibilities (e.g. pre-emption right on TV-spot reserved to official sponsors). The legislation concerning trade-marks protection and anti-

ambush actions is also important. Unfortunately, there are many countries, in which ambush marketing is still not considered in legislation. Instead, especially in countries which recently have hosted big world events or where they will take place in the next future, there are innovative legislation against ambush marketing, in order to ensure protection to event organizations and official sponsors. For example, some African states still do not have a trademark register; South-Africa is, instead, considered an international exception having the strictest legal regime on ambush marketing. The core intention of South-African legislation is the prohibition of third parties of taking any economic advantage of public attention accorded to an event without making an own financial contribution. In South-Africa any type of association with an event is prohibited; only official sponsors are allowed to create one (Solder, 2010). In 2010, FIFA brought three firms to court in South Africa, which implemented ambushing actions.

In conclusion, “[...] it is entirely right and proper that specific high-profile events, which would be at risk from ambush marketing campaigns, should be entitled to extra legislative protection, [because] the existing intellectual property law has not been designed to keep pace with the new and innovative practices employed by ambush marketers. [...] It is up to legislator to take account of legitimate opposite interests” (Singer/Leadercramer, 2010). However, for sure, a homogenization of the different legislations connected with this theme is fundamental; otherwise effects of a strong battle in a host event country against ambush marketing could be nullify by ambushing actions in other countries, due to media and communication tools.

3.7 Ambush marketing: advantages and disadvantages

It is quite difficult to give an absolute evaluation to ambush marketing phenomenon, and to say which are its advantages and disadvantages. For certain, ambush marketing has become an important alternative to sponsoring as a marketing communication tool. The incredible amount of increasing interest in sporting events with the public audience has induced a great development of ambush marketing as well. The first advantage of this strategy is cutting costs. Sponsoring fees have risen incredibly in recent years, and many firms are no more able to afford them than they were before. Ambush marketing allows for the obtaining of more or less the same objectives as sponsoring, but with fewer resources. Moreover, it is connected, as we said, with unconventional actions: firms can in this way create new advertising forms and distinguish themselves from other companies. Customers and people in general, are bombarded every day by advertising messages and campaigns. Originality is needed to impress public. Furthermore, usually people like ambushing actions and find them nice. Sometimes this happens because in many ambushing actions visitors receive free-gadgets, which are always welcome. Ambushers have more autonomy compared to official sponsors, who have to respect sponsorship contracts. Thanks to their flexibility, ambushing actions can be adapted by firm to the specific exigencies of the moment. Moreover, ambush marketing can be used as alternative to sport sponsoring but also as complement of it, and it can be used as one more tool in the whole firms' communication system. Nike's strategy during 2010 World Cup in South-Africa: Nike was the ambusher if we consider the video on YouTube. At the same time, it was official sponsor of many sub-categories of the event: single players as well as national teams. In fact, the American clothing producer is official sponsor of: Cristiano Ronaldo, Wayne Rooney, Alexandre Pato, Cesc Fabregas, Frank Ribery, Sergio Agüero and also of national teams as Brazil, Portugal, Holland, USA, Australia, New Zealand and South-Korea. All these players and also the national teams were present at last World Cup in South-Africa.

Ambush marketing, thanks to its relative lower costs than sport sponsoring, is an alternative available to both big and small-and-middle enterprises. It allows SMEs to make advertisement connected with the biggest world events. This kind of advertising otherwise cannot be even thinkable for SMEs.

On the other hand, ambush marketing has also some disadvantages. First of all, ambushers are becoming a *pariah* from official sponsors and event organizations, who try to discredit firms operating as ambushers. This can result in a bad image effect for the company. Moreover, many customers, who care about the continuing organization of sporting events, do not

appreciate ambushers' cunning. For these reasons there are some risks for ambushers because, due to their "unfair"-perceived behaviors, they are often attacked by many parts; this has bad effects on a company's image. Moreover, due to the increase of ambushing in the last years, governments and event organizers are implementing every day more anti-ambush measures. The 2006 World Cup in Germany and the 2010 World Cup in South-Africa are testimonials of this tendency, which includes the implementation of new strict measures, rules and legislative actions, which are extremely effective in countering ambush marketing, or at least some forms of it. Ambushers cannot plan long-term initiatives connected with a particular event; instead sponsors, thanks to their exclusive rights on events, single athletes and teams can use sport as communication tool all year long, independent of the presence of a specific sporting event or not. Instead, ambushers cannot do that, because in most of cases they are able to create an association between them and the event in the small window of time during, just before or just after the event; this cannot have the same effect. It must be said that ambush marketing actions cannot be integrated to the firms' communication strategy as well as traditional forms. Ambushers do not have rights on the event, it means that, instead of official sponsors, they cannot use great tools, like public relations, hospitality, press-conferences, interviews: they cannot create a whole integration of marketing mix tools, connected with an event.

In conclusion, we can say that all these features make ambush marketing an interesting alternative to sport sponsoring, and also a good complement of it. At the same time it is more difficult to say if ambush marketing can truly substitute sport sponsoring, because ambushing firms do not have all the possibilities and chances to create a positive association between an event and their brand, as an official sponsor can manage to do.

4. Comparing sport sponsoring and ambush marketing strategies

“The task of establishing the effectiveness of ambush marketing is rendered more difficult in that those who have successfully exploited this stratagem are not going to ‘crow’ about their success while those who have been ambushed are more than likely to express their dissatisfaction behind closed doors rather than show their panic in public” (Meenaghan, 1994:6).

I want to start the comparison between these two strategies using the words of Meenaghan, because the nature of ambush marketing emerges clearly here. In fact, ambush marketing is something that operates in a grey zone and that can create, at the same time, embarrassment for both ambushers and official sponsors. In this section we will not consider legal and moral aspects; rather we will just try to understand which strategy is more convenient for firms. First of all, it is not easy for firms to speak about ambush marketing. On the one hand, ambushers are worried that the public perceived their actions as unfair. On the other hand, sponsors and event organizers are forced to a difficult decision: should they publicly mention a specific ambushing action, putting ambushing firm under a bad light? Or should they just attempt to counter it via judiciary means? The risk of the first strategy is that “the solution is worse than the problem”, because magazines and TV will speak about ambushing action, and for that reason the ambusher will achieve even more public awareness than it otherwise could have done. The decision is a difficult one, and usually depends on the strategy used: “monitoring and countering” or “education and shaming” (Nufer, 2010:88; Pechtl, 2007:53).

Considering this first point, we should say that the “kind of firm” plays a big role in the decision between ambush marketing and sponsoring. As we have deeply analyzed, the creation of an association with a specific event has many advantages, but it also represents a risk for both sponsors and ambushers. However, types of risk are different, and if we consider companies which tend to use ambushing actions, we can find out that some kind of firms are not present. Looking at a list of ambushing actions provided by Ruda and Klug (2010:185), we find some interesting information. For example, there are no banking companies in the list, which instead include: Fujifilm, Audi, Nike, Pepsi, Puma, TNT, West, Media-Markt, Quantas, Burger King, etc.

Some firms or institutions cannot go under a bad light. For that reason, sometimes they even go so far as avoiding to participate to any sport sponsorship. In other cases they do enter into sport sponsorship, but they do not implement ambushing actions at all. By their nature not all

firms have interests to create a connection with sport. Instead, for some firms sport represents the one perfect way to sell their products or services. Most clothing industries, especially those with young or sporting people as target-groups, are always present at big sport events as sponsors or ambushers. Every sport discipline helps firms to achieve a specific target-group. For example, MotoGP is followed by people interested in motor sports; they represent a wonderful opportunity for firms of that sector, as well as for firms which want to transmit strong emotions like speed and courage (Lagae, 2005:48). Moreover, while sponsorship may only represent a small percentage of overall expenditure worldwide, for major sponsors and particularly those involved in industries often denied access to mainstream advertising, such as tobacco and alcohol companies, sponsorship and support promotion may represent a major component of their total promotions budget (Meenaghan, 1994:3; Bruhn, 2010:79; Lagae, 2005:40). For these firms it is extremely important to be present in the sporting world.

It is clear that to be supporter or sponsor of a big event ensures a good visibility but, moreover, it is also a signal of seriousness, credibility, financial power and claim of own market position. In fact, some firms support big events only in order to avoid that their competitors do the same. The theme of seriousness and credibility is also strictly connected with long-term objectives and strategies. A big firm or institution, which wants to create a strong relation with sport, is more likely to decide for an official sponsorship with an event, instead of a single ambushing action. Sponsorship agreements do not permit firms only to be present “on the field” with their logos, instead, there is a long list of other opportunities for event official sponsors. They depend also on the kind of sponsorship contracted (full-sponsoring, co-sponsoring, etc.). All these opportunities, like hospitality, press-conferences, pre-emption rights, use of official logos, are great chances for sponsors to create a strong association to a specific event. Best results in terms of firms’ awareness on public are achieved only with long-term sponsoring activities. FIFA in 2007, for example, created a new 7 year sponsorship program, which will finish in 2014, in order to ensure sponsors’ presence through the two following World Cups, and the number of FIFA-partners has been reduced (Ruda/Klug, 2010:161).

Ambushers are more likely to find ways to impress people thanks to “wow-effect” or unconventional tools, which let people totally surprised for what happens. “Fun-ambushing” is often the best expression of unconventionality, originality and sympathy. However, there are also some problems. One of the biggest for sport sponsorship is its cost. The sponsorship fees for world events (the most attractive for sponsors) are really huge. A firm had to pay almost €45m to be one of the 15 official sponsors of 2006 World Cup in Germany (Nufer,

2010:122). These amounts are not affordable to all interested parties. This is the first motivation in implementing ambushing actions. Most of firms are not able to pay sponsorship fees, and moreover, even if they were, there are really few chances to become an official sponsor of big events, due to few number of places available. If fees were lower, it is likely that all firms would like to become official sponsors of any competition. Considering a hypothetical case in which all firms become official sponsors, there would be too many companies connected with an event. The final result would be the weakening of each firms' awareness with the public. To avoid this risk, organizations that plan big events are even decreasing the number of their official sponsors, trying to maintain a high attractiveness and high sponsorship fees. This has produced an important effect: firms, which cannot afford these expenses, but still want to implement an association between them and sport, decide to follow other ways: sponsoring of event subcategories or ambush marketing. In both cases there is a diminution of costs, and that helps small-and-middle enterprises to be present on sport field. Other opportunities for companies are to address their investments in other sports, such as swimming or winter sports.

For example, Red Bull is sponsor in Formula 1, and it has also naming-right of the "Red Bull Air Race" as well (Hermanns/Marwitz, 1997). These smaller events have advantages for firms to put them in contact with really specific target-groups; this opportunity is possible only through sport. Smaller events have even more difficulties to find funds for their development, a strong partnership with a national and regional firm can be determinant, and at the same time can ensure to sponsors to achieve their target-groups. The idea of following new communication tools (e.g. minor events) is supported also from the fact that sponsoring of big events, and especially of football, could cause a "sponsoring-overkill", which means that sport is no longer the center of the attention, but instead, commercial objectives become protagonists, destroying the original nature of sport and causing a repulsion of the public (Bruhn, 2010:187). Support to new disciplines, instead, can increase public interest and also create new markets for firms and companies (Nufer, 2010:299).

Looking at the sponsoring of one subcategory of an event (e.g. single athletes, teams, etc.), it represents often a good cost-effective strategy. Fees to become official sponsor of a team or a single player are lower, even if some sponsorships with big teams or famous athletes are really costly. Firms' awareness within the public in this case depends on a sponsees' performances. Sponsors of Italian national football team achieved a great awareness on public in 2006 World Cup; the same thing did not happen in 2010, because of team's early elimination. However, sponsors of a subcategory of an event are likely to be considered

ambushers when this sponsor exploits this investment aggressively (Meenaghan, 1994:5). This means, once more, that sponsoring and ambush marketing play on the same field, and that often differences are really narrow and difficult to perceive. For that reason, people are often confused concerning official sponsors and ambush companies.

In conclusion, we should say that, due to these many possibilities, it is extremely important that firms and institutions have a strategic approach to sponsoring and ambush marketing. They need specific competencies in this field, and they should not do like as they have done in the past, following sport sympathies in order to create a communication strategy connected with sport. Instead, they should understand which opportunities are most cost-effective, and especially they should keep in mind the concept of affinity: sport-, product-, event-, target-group affinity are decisive.

Ambush marketing and sport sponsoring have nearly the same objectives. Moreover, ambush marketing could represent not only an alternative to sport sponsoring, but also a complement of it. The decision on whether to use one or the other is really complex. However, three aspects can be useful for a firm or institution to decide which are the best strategy: *nature and mission of the firm* (e.g. bank, clothing company, etc.); *will to create whether short or long-term strategy in sport*; *size and importance of the event to support*.

With certainty ambush marketing has changed sport sponsoring, increasing the competition between companies in sporting field. The question is if it has had a good impact on sport events (and more so sport activities in general) and their development, or not. Sport satisfies a number of fundamental needs for consumers, including health and fitness, relaxation and pleasure, achievement, acquiring skills, and sharing experiences and emotions. It is also intangible, unpredictable and difficult to control (Lagae, 2005:22). Moreover, its attractiveness is connected with its beauty, its strong emotions and its ability to destroy cultural and social barriers. These values should not be changed because of business exigencies; otherwise the public will lose interest in sport.

5. Knowledge and perception of sport sponsoring and ambush marketing among fans

In this section, after a general introduction on some methods for measuring public's perception of sponsoring and ambush marketing, I will present the results of my online survey, conducted in February 2011, focused on 2010 World Cup in South-Africa. Main objectives of my survey were understand public's knowledge of some sponsoring aspects and measure brands' recall-value of official sponsors of 2010 World Cup in South-Africa. The survey will be compared with one other similar study made by Zangler and Drengner about 2004 Olympic Games in Athens.

5.1 Methods of perception measurements

Examination of results is really important because it helps firms to obtain an idea and a feedback on effect of their marketing strategies, both ambush marketing and sport sponsoring. First of all, it is important a general examination of the entire sponsorship process (like that found in the chapter concerning sport sponsoring). However, in this section we will analyze most of the examination of effectiveness and efficacy. The first one concerns psychological and economic factors, in particular the relation between stimuli (firms' strategies) and responses (customers' behaviours). The later regards a comparison between cost and utility. However, the process of examining results is always based on some principal points (Bruhn, 2010:163). Let us see the most important:

1. **Data Collection:** questionnaires , observations, panel data (media analysis)
2. **Time:** pre-test; in-between test; post-test
3. **Form of Measure:** quantitative analyse; qualitative analyse
4. **Type of Test Situation:** labour experiment; field experiment

We will now analyse three possible examples of sponsoring effects measurements:

1. Cost-Utility relations

For example, efficiency can be calculated on the basis of cost per thousand viewers. In German this is called the "*Tausendersponsoringpreis*". This gives information on 30 second-advertising cost ('on screen time') in order to achieve 1,000 contact viewers.

2. Appraisal of Number of Contacts

This measurement regards public awareness of the events. There is a distinction between quantity and quality of contacts, because in reality not all public has the same value. However, in this analysis there will be used some indicators in order to calculate sponsoring effects: (i) *number of visitors*, (ii) *TV viewership*, (iii) *reach of print-based media*, (iv) *on-screen-time*.

3. Effect on Knowledge and Memory

For this kind of measurement it is possible to use Recall-tests. There are two different recall tests. In an unaided Recall, interviewees are asked to remember names of sponsors connected with a specific event, without any help. Instead, in aided recall tests interviewees are asked to recognize some logos or sponsor names. Recall-test-method has been used also for my online survey. Some studies conducted in the past state that measurement results mainly depend on these factors: level of interest in that specific sport, presence duration at an event and size of public. Usually biggest memory-retention are associated with the most popular sport disciplines (Bruhn, 2010:165; Nufer, 2010:103). However, there are also many problems, due to the nature of measurements, which creates a distortion in the results. The four principals are contained in this list: (i) *interdependence problems*: sponsoring and ambush marketing actions are not independent from many other actions promoted by firms; (ii) *problems of allocation*; (iii) *transmission effect* ("Spill-over-effect", "Time-lag", "Carry-over-effect"); (iv) *external environment* (Nufer, 2010:105).

5.2 Empirical surveys on public perceptions of sport sponsoring and ambush marketing

5.2.1 Online survey: sponsorship during the 2010 World Cup (Pizzamiglio, 2011)

A survey was conducted in order to understand two main areas: customers' knowledge of sponsors' rights, and to calculate brand's recall-value of 2010 World Cup in South-Africa. Using the form of an online survey, 146 contacts were collected during the week of 7-13 February 2011. However, questions have generally received around 100 responses each, because not all people completed all questions. The representation is not guaranteed because the sample is not large enough, and moreover, as it is possible to see in the following pictures, the interviewees had some similar features. In fact, the sample is characterized by a high

presence of students (76.53%), most of the people are between 20 and 30 years old (81.19%). Moreover, the majority come from the same country, which is Italy (56.12%). There is good homogeneity between male (53.06%) and female (46.94%). However, the results are quite interesting.

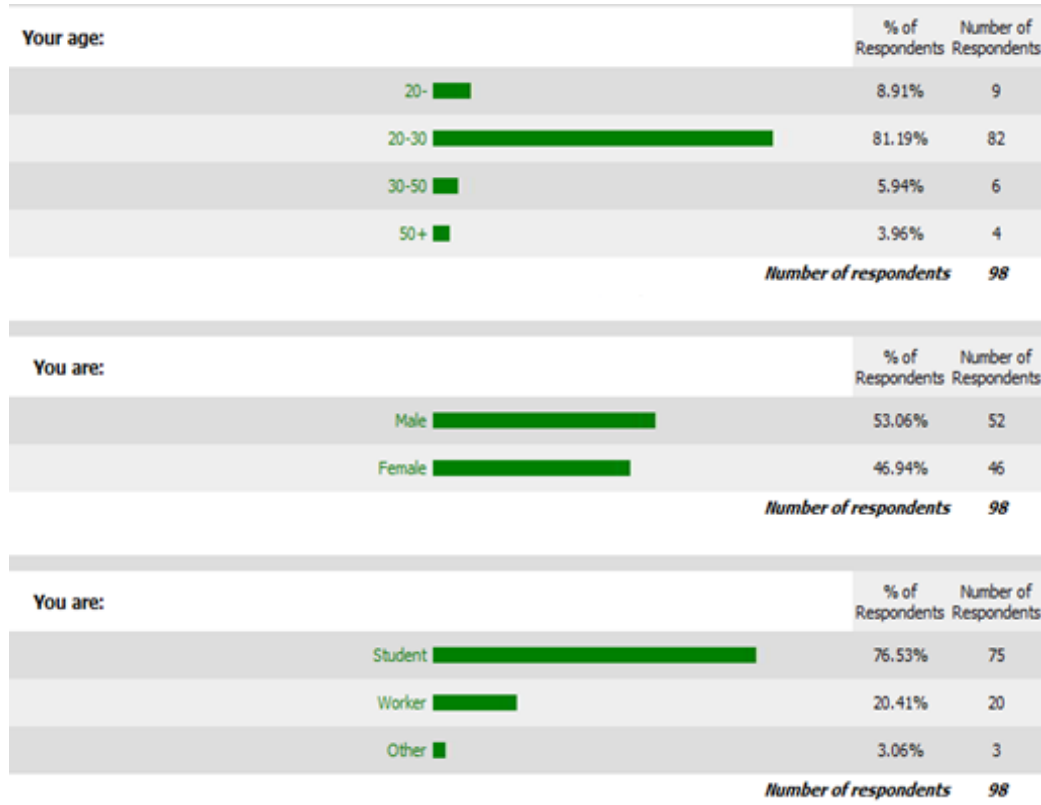


Figure 5.1: Sample characteristics of the online survey (Source: Pizzamiglio 2011)

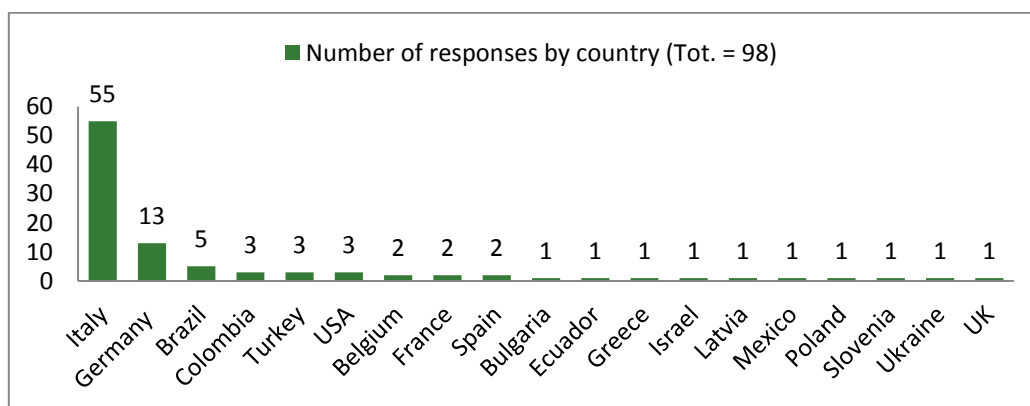


Figure 5.2: Number of responses by country (Source: Pizzamiglio, 2011)

After a general introduction concerning the sample characteristics, let us examine results related to the interviewees' knowledge about sponsor's rights in connection with football World Cup. We find in the following picture the first three questions with their answers.

One-hundred and seven people answered these six questions, which are similar to those used by Eschenbach (2011).



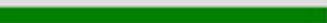



1.		% of Respondents	Number of Respondents
Are official sponsors of national sports teams also the official sponsor of football World Cup?			
True		21.50%	23
False		78.50%	84
			Number of respondents 107
2.		% of Respondents	Number of Respondents
Can the official logo of World Cup be used only by official sponsors?			
True		78.50%	84
False		21.50%	23
			Number of respondents 107
3.		% of Respondents	Number of Respondents
Are only official sponsors allowed to make advertisement related to the football World Cup?			
True		51.40%	55
False		48.60%	52
			Number of respondents 107

Figure 5.3: First three questions of the online survey (Source: Pizzamiglio, 2011)

All three questions have been answered correctly by the majority of people, especially the first two, in which almost 4 out of 5 knew the right answer. Instead, the third question, although the majority responded correctly, 48.60% did not know, that only official sponsors are allowed to make advertisement related to the football World Cup. It means that ambushers can use this opportunity, in order to make people think they are official sponsors. Also next three questions highlight a partial knowledge about sponsoring activities. In fact, 52.34% of interviewees think that only official sponsors of World Cup are allowed to make advertisement on TV during live TV coverage of World Cup, which is not true.

We do know that ambushers use exactly this strategy to make people think they are official sponsors. Here we can look at the other three questions' results.

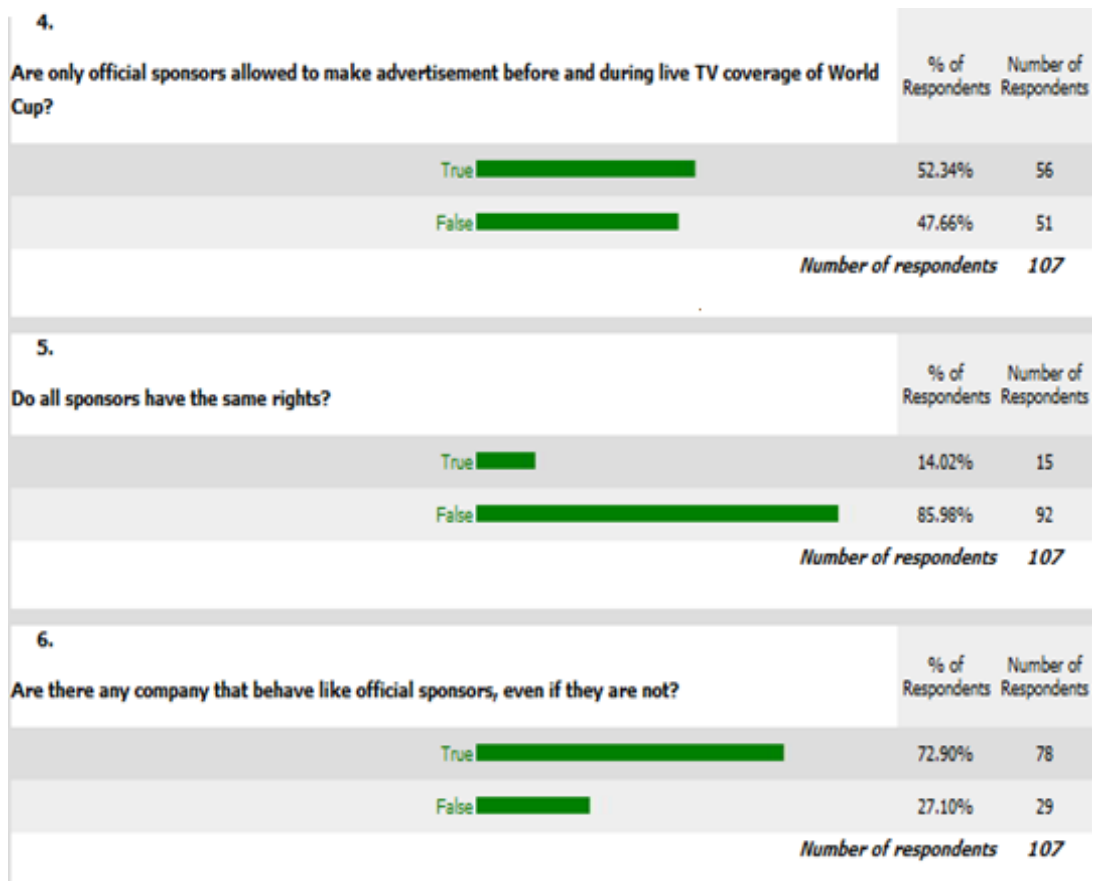


Figure 5.4: Second three questions of online survey (Source: Pizzamiglio, 2011)

Looking at the fifth question, it seems that the majority of people do know that not all sponsors have the same right, which is true. This aspect is quite important because there are different categories of sponsors of the World Cup. For example at the 2010 World Cup in South-Africa, FIFA divided sponsors in three categories: 6 FIFA-partners, 6 sponsors of FIFA World Cup, and finally 6 national sponsors.

Furthermore, the last question is especially important because it is the only one which indirectly concerns interviewees' knowledge of ambush marketing. The majority seem to know that there are firms which try to be perceived as sponsors even if they are not; however, almost 1 in 4 seem to ignore this possibility.

In conclusion of this first part, where 107 people have answered, it is possible to state that all questions (except one) have been answered correctly from the interviewees, even if sometimes the majority was really small.

In the second part of the online survey, the method of aided and unaided Recall was used in order to calculate brand's recall-value of official sponsors of 2010 World Cup in South-Africa. We should say that the last World Cup finished at the start of July 2010, and the online survey took place at the beginning of February 2011, which means almost 7 months later. First, interviewees have been asked to provide a list of five names of 2010 World Cup official sponsors (unaided recall). In the following step people should mark with a cross only official sponsors within a given list of 36 firms (aided recall). Considering the unaided recall, there has been 237 answers with overall 50 different cited brands/firms. Instead, considering aided recall, there has been 592 answers with overall 36 different cited brands/firms. Here only the TOP-12 recalled brands will be analysed. The following table contains all information about the most 12 brands cited during the online survey. Fortunately, the TOP-12 coincides in both aided and unaided recall; except Puma, which is present only in unaided recall (at ninth position).

Brand	Aided (position)	Unaided (position)	Aided (n)	Unaided (n)	Aided (%)	Unaided (%)
Coca-cola	1	1	79	47	17.75	25.27
Adidas	2	2	58	42	13.04	22.58
McDonalds'	3	5	44	15	9.88	8.06
Nike	4	3	39	17	8.77	9.14
VISA	5	6	38	12	8.54	6.45
Mastercard	6	11	36	5	8.09	2.69
Sony	7	7	33	10	7.42	5.38
Emirates	8	12	33	4	7.42	2.15
Budweiser	9	8	24	10	5.39	5.38
Hyundai/KIA	10	4	22	16	4.94	8.6
Continental	11	15	22	2	4.94	1.08
Castrol	12	10	17	6	3.82	3.22
Tot.	-	-	445	186	100	100

Figure 5.5: TOP-12 most cited brands in the online survey: official sponsors are written in bold

(Source: Pizzamiglio, 2011)

As we can see in the table, Coca-cola and Adidas are in both lists in the first two positions, and they had a really good recall-value: one in four made a cross on Coca-Cola, and almost

one in five did the same for Adidas brand. This high recall-value is also testified by the percentages contained in the following graphic.

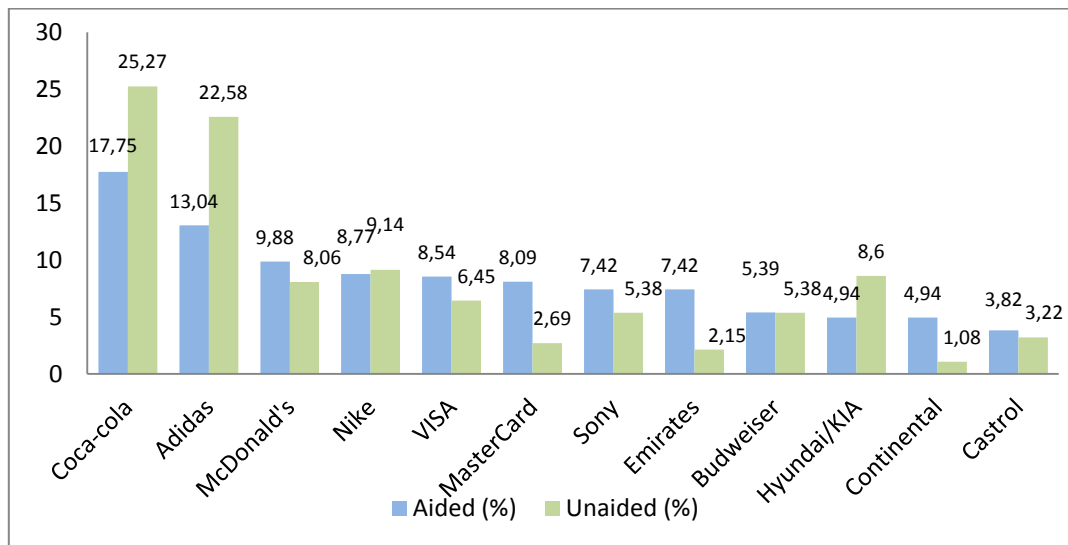


Figure 5.6: TOP-12 firms in percentage both aided/unaided Recall-value (Source: Pizzamiglio, 2011)

For practical motivations, in the survey there has not been distinction between the three categories of sponsors: the questions regarded in general “Official Sponsors” of the 2010 World Cup. Moreover, in this analysis we avoid to consider “national partners”. However, considering that these data have many limitations, results of the online survey are really interesting, because 10 of the TOP-12 most recalled-brands have really been official sponsors of 2010 World Cup in South Africa.



Figure 5.7: Left: List of official sponsor of 2010 World Cup (Source: Ruda/Klug, 2010:161)

Right: List of TOP-12 Recall-value related to 2010 World Cup (Source: Pizzamiglio, 2011)

In the online survey's results, the ten most famous brands within official sponsors are present; MTN and Satyam, which were official sponsors of 2010 World Cup as well, are not so famous as the others. However, in the TOP-12 we find MasterCard and Nike, which were not official sponsors of World Cup. The presence of these two brands in the TOP-12 recall-values is not difficult to explain. Both brands have had a big connection for many years with sport and in particular with football. MasterCard is official sponsor of UEFA Champions League for many editions (source: uefa.com). UEFA Champions League represents the most attractive competition for football fans in Europe. Nike has also a long and strong connection with football. As seen before, it produced a wonderful video about football "Write the future" for the 2010 World Cup, and moreover, it was present as national teams' sponsor in many matches. We should remember that also Puma was in ninth position in the unaided recall-values. This can be explained with the high responses to this survey coming from Italy: Puma has been an official sponsor of Italian national football team for a long time, and in particular it produces official t-shirts.

Considering these results, there are some evidences that Nike and Puma operate as ambushers, maximizing their investments in sub-categories of the event (e.g. national teams), and exploiting the association between the brand and the event by some initiatives, as Nike's YouTube video. MasterCard likely operates as a dummy. As said, its good recall-value can be justified with the long presence of MasterCard on football fields, and in particular with its sponsorship of UEFA Champions League.

In conclusion, looking at these results, there is, even if not statistically relevant, evidence that sponsorships connected with World Cup do work. At the same time, some ambushing actions, like Nike's, also seem to work, due to the partially people knowledge of sponsors' rights and features.

Thanks to this data we are now able to make a comparison with another study, conducted by Zanger and Drengner concerning 2004 Olympic Games. In fact, Zanger and Drengner had almost the same objectives of my online survey.

5.2.2 Study of Zanger/Drengner on 2004 Olympic Games

In this paper we will analyze just the first two parts of this study – consumers’ perception of sponsoring and ambush marketing, and knowledge on sponsors’ rights – ignoring the third one, concerning customer’s opinion about ambushing actions. The survey is based on 141 interviews to students of TU-Chemnitz (a German University), and it was conducted during the second week of Olympic Games. Forty percent were females and sixty percent were males, with an average age of 25.4 years old. The main objective of this study was try to understand people perception of which firms were official sponsors, which ambushers, and finally which Dummies during the 2004 Olympics in Athens.

In the first part of the survey they try to understand people’s knowledge of sponsors’ rights. Interviewees have been requested to answer to five specific questions, which are contained in the following table.

Statement	Correct responses (%)
1) Are official sponsors of athletes also the official sponsor of Olympic Games? (false)	57.4
2) Can the official logo of Olympic Games be used only by official sponsors? (true)	73.8
3) Are only official sponsors allowed to make advertisement related to the Olympic Games? (true)	48.9
4) Are only official sponsors allowed to make advertisement before and during live TV coverage of Olympic Games? (false)	34.0
5) Do all sponsors have the same rights? (false)	33.3

Figure 5.8: Customers’ knowledge of sponsors’ rights (Source: Zanger/Drengner, 2005:39)

Results underline that customers do not have enough knowledge about these themes. Only in two answers do the majority of interviewees responded correctly. Moreover, these results permit us to say that ambush marketing has chances to succeed; and that TV-spots connected with an event make public think that all these firms are official sponsors. The second part of the study concerns an aided/unaided Recall survey, whose results are contained in the following graphic.

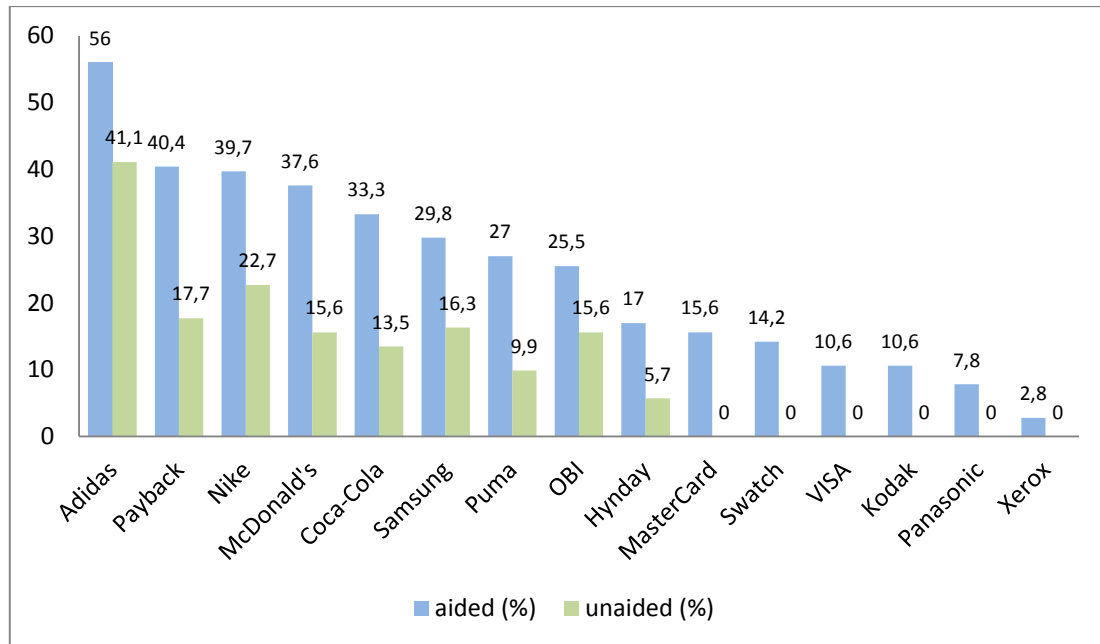


Figure 5.9: Perception of Sponsors and Ambuhers at 2004 Olympics (Zanger/Drengner,2005:24)

First of all, we should state that five of the first ten brands were not official sponsors. In particular, Nike and Puma (respectively in third and seventh position) were ambushers. Payback and OBI were “Germany Olympics Partner”, and they maximize their benefits also thanks to TV-spots. Finally, the fifth company in the Top-10 list, which wasn’t an official sponsor, is MasterCard, which basically operates as Dummy. Zanger and Drengner suggest that MasterCard benefited of its official sponsorship at 2004 Euro Cup in Portugal, which took place in the same summer.

In conclusion, it is possible to say that there are differences, but also some similarities between these two studies. For this reason, we will make a comparison between their results in the next section.

5.2.3 Comparison of the two studies

At the beginning we should report considerations of Nufer (2010:115) to the Zanger and Drengner's study. He underlines that 141 interviews, and moreover all to students, represent an insufficient sample in order to create a general view of customers' knowledge and perceptions. The same critique can be moved to the online survey, which is based on around 100 responses. However, it is interesting to match the results and try to find some similarities, even if studies are conducted on different events, we can say that these big events are similar in terms of public attention and interest.

Statement	Correct Responses (%)	
	Zanger/Drengner 2004 Olympic Games	Online Survey 2010 World Cup
1) Are official sponsors of athletes also the official sponsor of Olympic Games/World Cup? (false)	57.4	78.50
2) Can the official logo of Olympic Games/World Cup be used only by official sponsors? (true)	73.8	78.50
3) Are only official sponsors allowed to make advertisement related to the Olympic Games/World Cup? (true)	48.9	51.40
4) Are only official sponsors allowed to make advertisement before and during live TV coverage of Olympic Games/World Cup? (false)	34.0	47.66
5) Do all sponsors have the same rights? (false)	33.3	85.98

Figure 5.10: Comparison between Zanger/Drengner's study and online survey

First of all we should underline some similarities between the two samples. Responses are provided in both cases most by students and the average age could be also comparable. However, looking at the two columns of the percent table we can state that in the online survey on 2010 World Cup the percentage of correct responses is higher than in the study on 2004 Olympic Games. The second and third questions have almost the same percentage of correct responses. In the others there is an evident increase of correct responses. In particular, considering the fifth question results are totally different. However, in both studies, answers testify a not complete knowledge of public about sponsors' right.

In the second part of both surveys we find an aided/unaided Recall-Test. The results are really strange because we can see that almost the same brands introduce similar strategies in both events. However, there are also some differences. In the Zanger and Drengner's survey 5 brands in the most TOP-10 recalled brands were not official sponsors (e.g. MasterCard, Puma and Nike). In the online survey on 2010 World Cup ten of the TOP-12 recalled brands were official sponsors. However, also in the online survey, MasterCard and Nike were present in the TOP-12, without being official sponsors. Moreover, Puma was in the ninth place of unaided recall-value list. The firms are the same, and it is also likely that the strategies used to impress customers in both events have been similar. As seen before Nike and Puma, for different reasons, behaved as ambushers, instead, MasterCard had the role of Dummy.

In conclusion, it is very difficult to conduct empirical surveys because of costs connected. In fact, the cost for one Day After Recall with 300 interviews can be around 10,000 € (Bruhn, 2010:174). It means that researchers require a lot of funds in order to achieve enough and useful data for their studies.

However, these two empirical surveys conducted on two different events with world importance, can for sure provide some interesting and useful information connected with people's knowledge of sponsoring and ambush marketing, and they can also provide a general feedback to marketing strategies. However, in order to understand better this theme many other studies are of course necessary and requested.

6. Conclusions

Sport sponsoring and ambush marketing are two big themes and they should be analyzed in much greater detail, in order to fully understand their nature. In fact, possible connections with marketing and communication strategies are really wide. However, this paper tries ascertain out the most important aspects of these two strategies; on the one hand, looking at the theoretical studies, on the other hand trying to give many empirical examples of sponsoring and ambushing strategies and actions. In particular ambush marketing is strictly connected with empirical actions, and it can be explicated only through them. Theoretical models are always in progress because sponsoring and ambush marketing are continually developing themselves. Firms are always looking for new ways to create a connection between them and sport, addressing to increase their awareness on public and costumers. As seen in the paper, sponsoring and ambushing strategies play in the same field, and the border between them is really narrow. However, the presence of ambush marketing creates many concerns because of the unsustainability of events' organization without support of sponsors. This aspect, together with the perception that ambushers implement "unfair" actions, puts ambushers under a bad light, and makes them the objects of critics. These risks are really dangerous because they can cause image damage to ambushing firms. Although some risks connected with both these strategies, the will of using sport as communication platform is still really popular within firms. In order to make a decision between which strategy is to be used, it is important to have feedbacks from customers; aided/unaided Recall-Test is one of these possibilities. Nevertheless, results of these tests, like the one of the two surveys, are difficult to read, and they often contrast each other. This aspect makes one analysis of the efficacy and effectiveness of sponsoring and ambush marketing as firms' communication tools more complex. In fact, sponsoring and ambush marketing represent only a part of firms' communication strategies, and for that reason, it is difficult to separate their effects from the others.

Looking at the different sections, we can shortly summarize the most important aspects. In sport sponsoring's section have particular importance sponsoring objectives, which are the increase of brands' awareness and the transfer of positive image on public, exploiting the association with sport. This association with sport can be achieved by sponsorships in particular of single person or athletes, sport teams, national federations or events. To maximize sponsorship effects, it is useful to create a functional integration between sport

sponsoring and all the firms' other communication tools. An official sponsorship helps firms to create a strong association with sport, at the same time, there are some risks due to possible scandals, that is why is risky to support a single athlete. Sometimes it is preferable to support an event, even if it does not completely avoid risks. In ambush marketing's section, it has been stated that ambush marketing is a sub-category of guerilla marketing, and that it has almost the same objectives of sport sponsoring, but it also tries to weaken competitors' communication effects. Meenaghan (1994) and Pechtl (2007) try to give a structure to ambush marketing, even this goal is quite difficult to achieve, because ambush marketing always changes. Ambush marketing also causes many consequences to official sponsors, event organizations and media, which have to change their behaviours and strategies in order to stop ambushing actions. Moreover, evaluations of ambush marketing legal and ethical-moral aspects are often influenced by the role of the interviewee. However, legal or not, every year new legislation tools are implemented in order to stop this phenomenon. Countries, willing to host big world events, have to implement effective rules against ambushing actions: South-Africa represents an example.

In the fourth section there is a comparison between the two strategies of precedent sections. There is evidence that some aspects can influence firms in the decision of which strategy to implement. In fact, not all kinds of firms have a presence in sport, and not all kinds of firms implement ambush marketing strategies, because of risks connected. The will or not to create a long or a short association with sport can play a big role in deciding which strategy to follow.

In the fifth section, knowledge and perception of sport sponsoring and ambush marketing are measured by two empirical surveys. Results are comparable because of similar samples and because they concern two similar events, like World Cup and Olympic Games. They testify the partial people knowledge of sponsoring in general, and sponsors' rights in particular. Recall-Tests give an interesting feedback, and curiously, show that in particular three firms (Nike, Puma and MasterCard) have similar results in two different competitions.

In conclusion, as suggested by Nufer (2010:299), we can state that more studies are necessary in order to understand which are sponsoring and ambush marketing effects on customers. These studies are quite difficult and costly, but they are extremely important for firms, in order to understand if their communication strategies do work or not. Especially smaller events and less popular sport disciplines should have more attention in the next future,

because they can also represent good communication means for small-and-medium-enterprises, which otherwise cannot put them in contact with sport.

I will conclude my paper with an episode which I found on magazines and online, which probably explicate in the best way what we have just analyzed. It regards, in particular, the nature of ambush marketing actions, and the fact that it is really difficult to give them a definite structure or classification, as well as it is not easy to counter them. This episode regards a really intelligent beekeeper of north-east Italy, who wants to promote his little firm, and for this reason, has for many years been providing every year one quintal of honey to the first player, who scores a goal at the beginning of the Italian first football league *Serie A*. Every season the story of the honey is reported in the largest Italian newspapers, which substantially increases public awareness of this little beekeeping firm. It is likely that he does not even know that he is implementing an ambush marketing action. Certainly, he has had a great idea.

Part 2

1. Introduction

The objective of the second part of my thesis is to continue analysing sponsoring and ambush marketing strategies. However, in the following chapters we will speak more about practical examples and empirical data, and we will focus less on the theoretical aspects of these two communication strategies.

Sponsoring and ambush marketing represent one of the best communication tools for companies, because sport is so prolific throughout modern society, and because it still has an incredible appeal with most of the public. Young people are especially attracted by sports, and we do know that young people are one of the best target group for companies, because they have a big influence on purchasing decisions. There is evidence that most of the fans actions implemented by firms are addressed to youths; examples are many.

However, each sport discipline is usually able to attract a specific target group, which would be otherwise difficult to identify.

According to all recent studies on this specific theme, there is evidence that it is becoming increasingly common to sponsor sports activities. In 1990, sponsorship value was around US\$ 9.9 billion, and in 2008 it was around US\$ 43.5 billion. Sport sponsoring is always the area, which attracts the most investments. However, culture, welfare and eco-sponsoring also represent important sectors. They are of great importance in supporting activities, which otherwise could not find any other resources.

There is also an increasing tendency to sponsor large events which can be seen through an analysis of sponsoring agreements. The FIFA World Cup and the Olympic Games are the most popular events in the world. They attract the interest of billions of people. This means that event organizers can implement expensive sponsoring plans, because many firms are interested in financing these events, in order to receive some advertising rights to use for their advertising campaigns.

The 2006 World Cup in Germany represents the perfect example: FIFA implemented a sponsoring plan which had fifteen official sponsors and six national partners. Official sponsors paid €45m and they received some rights included in the “sponsoring packet”, instead national partners paid almost €13m each; they had great importance in World Cup organization, because they offered many services to the Organization Committee.

The 2006 World Cup is an example of FIFA’s policy against ambush marketing. Before the beginning of the event, FIFA identified ambush marketing as a problem it would have to

focus on. For this reason a huge anti-ambush campaign took place before and during the 2006 World Cup. Despite the efforts of FIFA, many companies tried to implement ambush marketing actions, in order to create a strong association between them and the event.

The effects of these different strategies implemented in 2006 have been studied by many researchers, who have found interesting information. Results of these studies are often conflicting. There is however evidence that often ambushing companies are perceived by public as they were official sponsors. This result is further motivation for event organizer to thwart ambush marketing actions, because there is evidence that ambushing reduces official sponsors' visibility, while increasing the ambushers'.

Important events are not only attractive for sponsoring motivations. Usually all countries try to win the opportunity to organize a big event in their territory. The reason is that such events guarantee an incredible influx of money from all around the world. These events can represent a driving force for the country's economy. The World Cup and Olympic Games, as well as the European Cup move billions of euros to a single country, making the renovation or new building of many stadiums and infrastructures, and in particular transportation systems possible. These investments have both short-term and long-term social and economic effects on economy, sport associations and States. It is important to analyse these effects, because they are essential in providing a complete evaluation of an event.

However, let us see in detail what the second part of this thesis is about.

Considering that the first section is the introduction, in the second section we find an overview of sponsoring volumes and consequent business generated. It is possible to find some interesting information on the evolution of (sport-) sponsoring volumes and tendencies in the different countries, having a look especially at the Italian and German situations.

The Olympic Games and World Cup are always the most popular events in the world, that is why in this section there is some data of their tendencies in regards to sponsoring programs. Other interesting information about sport sponsoring complete the second section.

The third section is an overview on the 2006 World Cup, which took place in Germany. After a general introduction on event organization, there will be much attention spent on the analysis of the FIFA sponsoring program and the FIFA anti-ambush marketing program (*Rights Protection Program*). The section ends with a description of marketing strategies adopted by a selection of official sponsors (Coca-Cola, adidas, Deutsche Telekom), national partners (Postbank, EnBW, Deutsche Bahn), and also ambushers (Lufthansa, Media-Markt, Burger King).

In the fourth section there is a reported study of Nufer (2010), which, thanks to its surveys in regards to the 2006 World Cup, attempted to confirm or deny a few hypothesis regarding the effects of sponsoring and ambush marketing at sport events.

Before the conclusions, in the fifth section there is important information and data regarding the effects of big events on economy, sport associations and the State. The German World Cup has been taken as an example.

2. Overview of sponsoring volumes and business generated

2.1 Evolution of sponsoring volumes and tendencies in different countries

It is important to make a general overview of sponsoring phenomenon in order to understand its features and functions as thoroughly as possible. In this section we will analyse data that concerns the sponsoring volumes and sponsorship growth of the last decades.

First of all, it is important to make a distinction between commercial sponsoring and corporate philanthropy. Patronage implies that an individual or organization donates funds for altruistic benefit, with magnanimous intentions (Lagae, 2005:35). Sponsoring on the other hand is an instrument of the communication mix, which can be used by firms, in order to achieve their objectives: in particular the increase of firms' awareness with the public and the transfer of a firm's positive image.

Initially, it was the major sport brands, newspapers and car makers who were the first to approach sport as a means to project their firm's image. A major boost to sport sponsoring arose actively out of the prohibition of television advertising of alcohol and tobacco products, which forced tobacco companies to turn to sponsoring. However, the sponsoring boom has been occurring since the 1970s, when non-sports brands started to use sport as a means of communication (Lagae, 2005:40).

We will now have a look at data connected with sponsoring in general, and sport sponsoring in particular. This graphic shows us the evolution of the world sponsorship market from 1984 until 2002. The sponsorship amount in 2002 was six times the value of 1984.

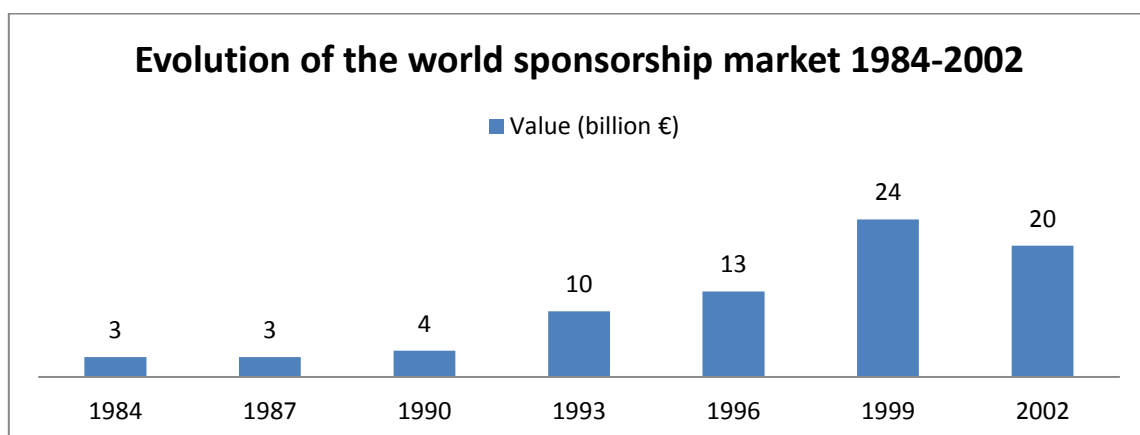


Figure 2.1: Evolution of the world sponsorship market 1984-2002

(Source: International Events Group as cited in Lagae, 2005:36)

However, there is more recent data, which is available on the internet website *www.sponsorship.com*, one of the biggest portals for world experts in the sponsorship sector, saying that in 1990 sponsorship value was around US\$ 9.9 billion, and in 2008 it was around US\$ 43.5 billion: US\$ 16.8 billion in United States, US\$ 11.7 in Europe, US\$ 9.5 billion in South-East Asia, US\$ 3.5 billion Central and South-America, and US\$ 2 billion in the rest of the world. If we have a look just to the Italian market, we can state that in 2008 they have been invested almost € 1.8 billion in sport-, culture-, show- and welfare sponsoring (Stage Up & Ipsos, 2009). Due to the financial crisis, in 2009 investments decreased almost 8.6 % (€ 1.65 billion). Other sources cited in Lagae (2005:37), referring to 2000 and 2003, provide these sponsorship investments amounts, which are showed in the following table and are related to the beginning of the new century.

	2000 (in € billions)	%	2003 (in € billions)	%
Europe	8.3	31.5	5.9	28.2
North America	9.3	35.1	8.3	40.1
Central and South America	1.9	7.2	1.7	8.4
Asia-Pacific	6.4	24.2	3.7	17.9
Other	0.5	2	1.1	5.4
Total	26.4	100	20.8	100

Figure 2.2: Value of sponsorship rights throughout the world: 2000-2003 (Lagae, 2005:37)

There are also interesting data concerning the European situation. Germany is absolutely the country, which most invests in sponsorship. In fact, Germany invested in 2000 almost € 2.5 billion, which was the 29.79 % of the entire European amount. Also UK and France made considerable investments in sponsorship. To have an idea of the sponsorship situation in Europe in 2000, we can have a look at this table.

Country	Sponsorship (€ m)	% of Europe
<i>Europe</i>	<i>8,245</i>	<i>100.00</i>
Germany	2,513	29.79
UK	1,337	16.21
France	1,105	13.40
Other European countries	926	11.24
The Netherlands	601	7.29
Spain	547	6.63
Italy	541	6.56
Switzerland	269	3.27
Sweden	209	2.53
Denmark	122	1.48
Finland	76	0.93
Ireland	56	0.68

Figure 2.3: Value of sponsorship rights in Europe in 2000 (Source: Lagae, 2005:37)

Looking at the Italian market in 2009, the sponsorship business was worth € 35 billion. This amount considers not only professional teams, but also families' consumptions, private and public investments, as well as public consumption. In Italy, one-third of this amount is represented by football (StageUp Sport & Leisure Business, 2009).

2.2 Sponsorship areas: phases, data and volumes - Italian and German perspectives

We do know that sponsoring does not only apply to sport sponsoring. Bruhn (2010:12) highlights that there are some different historical phases in which different forms of the sponsoring area were born and developed. In 1970s there was the *phase of sport advertising* (screens, jerseys, etc.). After that in 1980s came the *phase of sport sponsoring*, which was characterized by the professionalization of sponsoring.

Many companies started to create a strong connection between them and sport. The engagement was planned and well organized, not something accidental anymore. Successful in this strategy encourages firms to invest money also in other sponsoring area, that is why 1990s are called the *phase of culture-, welfare-, and eco-sponsoring*.

The incredible development of technologies, in particular TV, radio and internet, makes it possible to say that middle 1990s are the *phase of media sponsoring*. Media is of exceptional importance, because it helps reach a great number of people, which are interested in an event, thanks to the multiplication effect of media.

For the year 2000 it is possible to say that there was the *phase of integrative sponsoring*. It means that in this period companies started to integrate all their communication tools, in order to create a

broader more encompassing communication strategy. One example is the importance of public relations, which is useful in maximizing the sponsoring investments' utility.

Finally, looking at years after 2005 it seems that companies are attempting to create added-value by using sponsoring in communication mix: *phase of value-added sponsoring*.

For example sponsoring is seen as a tool, which can be used by firms in order to make their brands the leader in their respective sectors (Hermanns/Marwitz, 2008:41 as cited in Bruhn, 2010:13).

However, sport sponsoring is easily the most attractive area for firms, and the one which usually receives the greatest portion of investments.

This graph shows us the different amounts invested in each sponsoring area concerning the German sponsoring market. However, these tendencies are common to most countries: sport sponsoring in particular is always the most attractive area for companies willing to use sponsorships as communication tool.

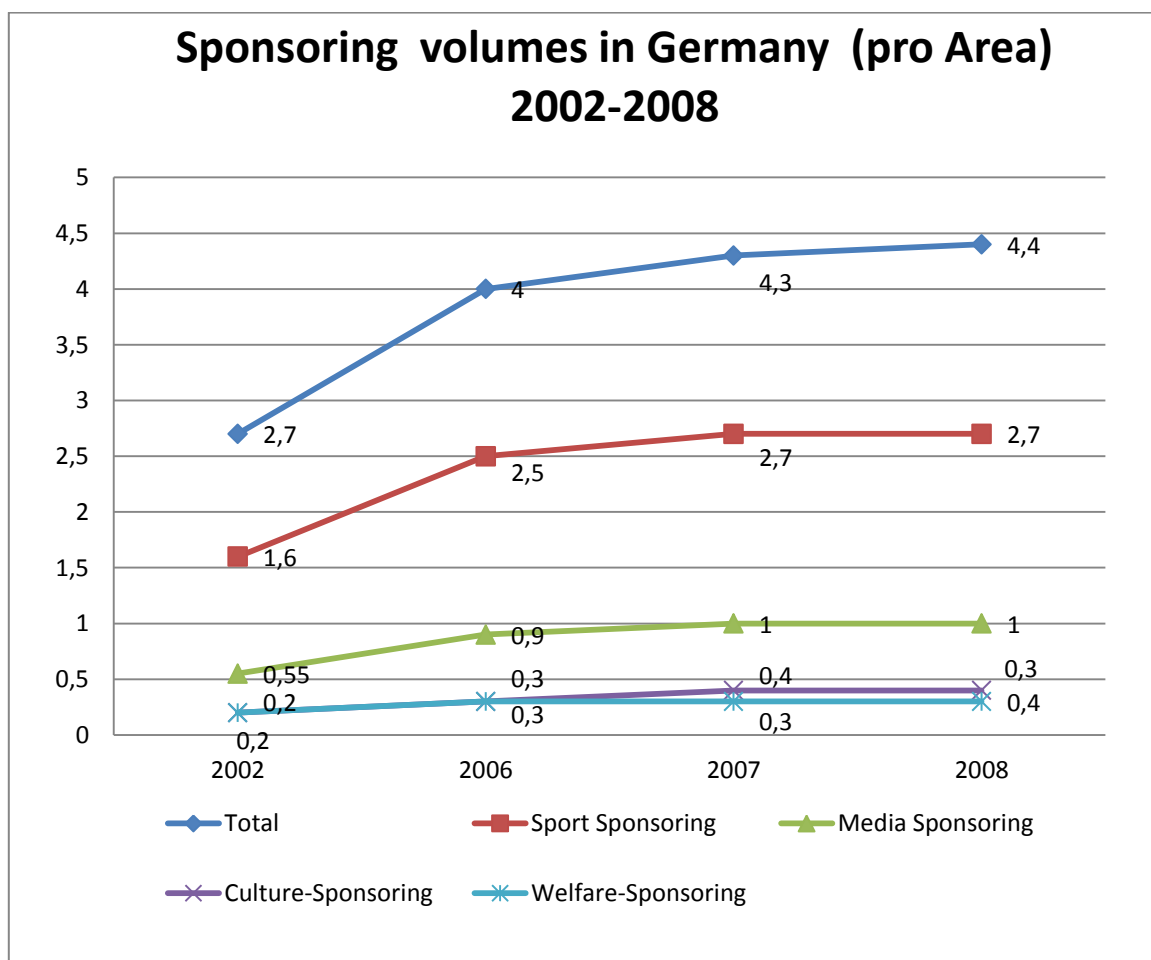


Figure 2.4: Sponsoring volumes in Germany (pro Area) 2002-2008 (Source: Ruda/Klug, 2010:15)

Looking as well at the Italian situation in 2010, we can state that in both 2008 and 2010 sport sponsoring achieved more than 60% of total sponsoring resources.

Year	Sport sponsoring (market share)	Culture sponsoring (market share)	Welfare sponsoring (market share)
2008	1,133 m (63%)	258 m (14%)	404 m (23%)
2010	884 m (61%)	181 m (12%)	389 m (27%)
Variation	-22%	-29.7%	-3.7%

Figure 2.5: Investments in sponsoring in Italy (2010) per different areas (Source: StageUp Sport&Leisure, 2010)

StageUp and Ipsos (2010), respectively some of the most important institutes of event organization and market research activities in Italy, forecast for 2011 a small increase (1%) up to € 1.468 billion for sponsoring sector in Italy, after a 9.6 % decrease occurred in 2010 in relation to 2009. In particular, they suggest that in 2011 the increase will be driven by professional football and also by new sports like golf, swimming, rugby and motorsports. Considering culture sponsoring, it will be driven by investments in restorations of old world famous monuments. For example, the owner of the Italian fashion firm Tod's, Diego Della Valle, will provide € 25 million in order to renovate the Colosseum in Rome, which needs huge renovations as soon as possible (Source: www.corriere.it/www.repubblica.it). Finally, considering welfare sponsoring, in 2011 private investments will be helpful for education.

2.3 Sponsoring big events: tendencies of the Olympic Games and World Cup

Regardless of the decrease which took place in the last two years, sponsoring growth in the last few decades has been strong. Big sport events provide a perfect overview of sponsoring tendencies. This is especially true in consideration of Olympic Games and World Cups. All Olympic Games sponsorships are included in "The Olympic Program" (TOP). Primarily, large companies retain the right to communicate their partnership with the Olympic Games during the Olympiad. An Olympiad represents the period of four years in which the Summer Games, the Winter Games and the Paralympics are the most important events. The following graphic demonstrates that the budget of TOP has increased at an incredible rate from 1985 (US\$ 95m) to 2004 (US\$ 600m). The number of partners varied but it was always around ten units (Lagae, 2005:41).

TOP	Location	Period	Sum (\$ million)	Partners
TOP I	Calgary, Seoul	1985–88	95	9
TOP II	Barcelona, Albertville	1989–92	175	12
TOP III	Lillehammer, Atlanta	1993–96	350	11
TOP IV	Nagano, Sydney	1997–2000	500	10
TOP V	Salt Lake City, Athens	2001–04	600	11

Figure 2.6: The Olympic Program (Source: www.olympic.org/uk.news/index_uk.asp as cited in Lagae, 2005:41)

As previously said, sponsorships in World Cups testify the regular increase of investments in sport sponsoring. The Football European Cup, organized every four years by UEFA, highlights the same increasing tendency in sponsoring volumes.

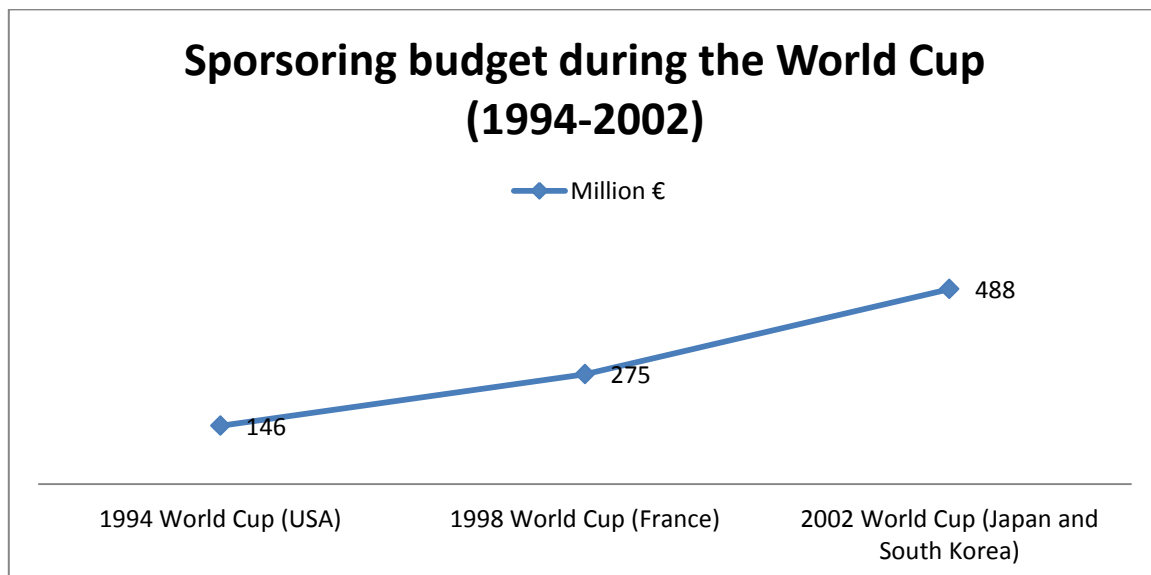


Figure 2.7: Sponsoring budget during the World Cup (1994-2002) (Source: Lagae, 2005:42)

2.4 Jersey sponsorship in the best five European football Leagues

As many studies suggest, football is the most popular sport in the world, and particularly so in Europe. Italy, Spain, England, Germany and France represent the biggest European countries where football is most developed and where fans interest is the highest. For these reasons most studies on sponsorship are focused on these leagues. An interesting analysis of StageUp Sport & Leisure (2010) highlights some important aspects of football sponsorship contracts. First of all, they stated that during the 2009/2010 season Italian football teams each received an average amount of € 3.5m to place the sponsor's name on their jerseys. The amount fluctuates in consideration of the importance of the single club. Inter Milan, AC Milan, Juventus, Roma and Neaples, which are the clubs with the highest incomes in Serie A,

increased in 2010 their revenues for almost 3.6 %; instead, the other Serie A clubs registered a decrease of 12.4 %.

Looking at the European football leagues, it is possible to build up some comparisons. German Bundesliga is probably not the most attractive league in terms of football exhibitions, in comparison with Italian, Spanish and English championships. However, it strengthens its leadership in relation to the jersey sponsorship average income, which is in Germany € 6,3m. All information is included in the following table.

Jerseys sponsors - average income pro club (million €)				
	Championship	2008/2009	2009/2010	Trend
1	Bundesliga	5.97	6.26	4.9 %
2	Premier League	5.33	4.81	-9.8 %
3	Serie A	3.62	3.52	-2.8 %
4	Liga	2.50	2.64	5.6 %
5	Ligue 1	2.46	2.19	-11.0 %

Figure 2.8: “Annuario delle Sponsorizzazioni 2010” di StageUp (Source: StageUp – Sport&Leisure, 2010)

2.5 Main sport disciplines engaged with sponsors and most active economic sectors in sport sponsoring

First of all it is useful to have a look to the following graphic. It shows results of a study conducted in 2008 on 218 companies, which have been divided in relation to the different sport discipline they sponsored. Football represents the first sport discipline: 81% of the interviewed companies had an engagement with football.

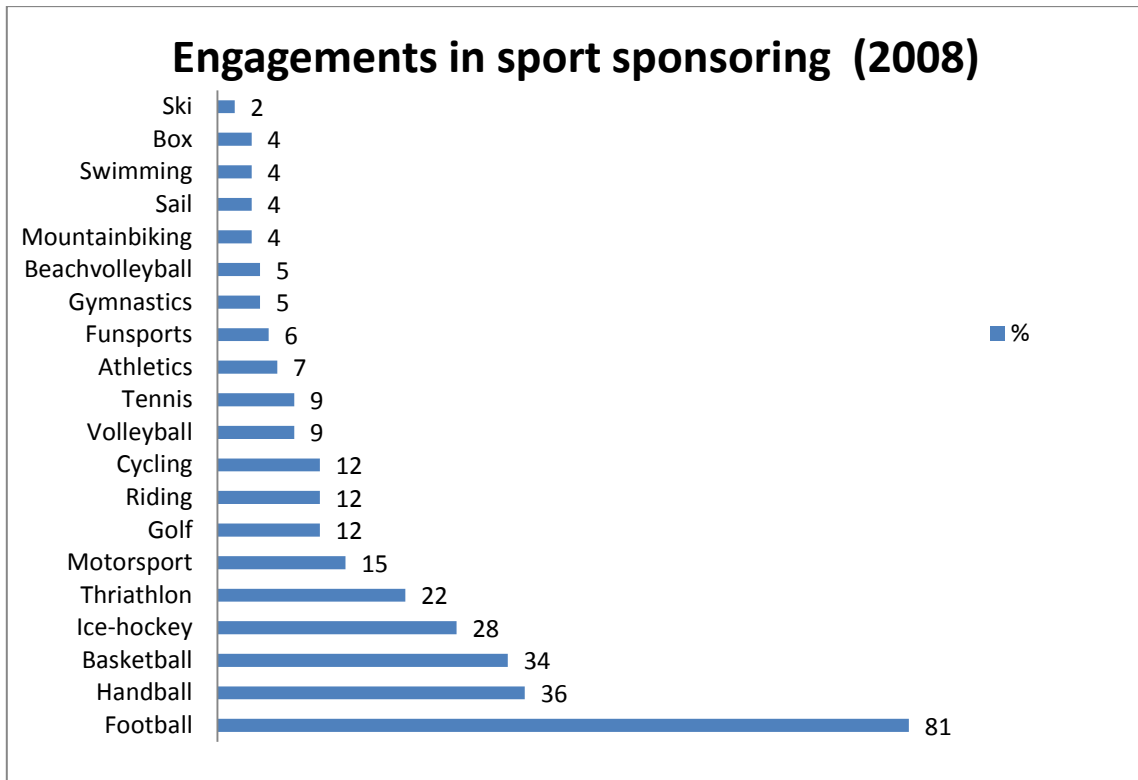


Figure 2.9: Engagements in sport sponsoring (2008) (Source: Pilot Checkpoint as cited in Bruhn, 2010:95)

StageUp and Ipsos' study (2010) also takes into consideration the main economic sectors, which invest the most into the five European football leagues. The historically most operative companies in sport sponsorships have been always come from energetic and financial sectors. Despite that tradition in 2009/2010 in the five biggest European leagues, the "Betting" sector has become the first in terms of investments in sponsorships. The following table shows the comparison between season 2008/2009 and season 2009/2010. Let us see in the next table the main changes happened.

Jerseys sponsors - total revenues pro sector (€ million)			
Sector	2008/2009	2009/2010	Trend %
Betting	49.6	67.5	36.1 %
Energy	45.3	47.0	3.8 %
Transportation	37.8	44.0	16.4 %
Finance	54.2	42.7	-21.3 %
Automotive	43.0	41.2	-4.2 %
Telecommunications	35.2	32.6	-7.4 %
Food & Beverage	26.1	22.6	-13.4 %
Electronics	25.7	18.9	-26.5 %
Services	13.0	11.8	-9.2 %
Distribution	2.0	7.8	290.0 %

Figure 2.10: "Annuario delle Sponsorizzazioni 2010" – StageUp – Sport & Leisure Business

(Source: StageUp, 2010)

The betting sector holds the first place in the classification, followed by energy, transportation and finance, all of which have always been key economic sectors connected with sport sponsorships. However, betting companies in Season 2009/2010 spent the highest amount of money. In particular, *B-win*, the famous betting company, has in recent years become (and in some cases still is) an official sponsor of the biggest European football clubs as Real Madrid, AC Milan and Bayern Munich (source: www.bwin.com). For this company, as well as for the other companies of this sector, it is extremely important to create an association between them and the sport world. Their business is strictly connected with sport. That is why they also need to be present on sport fields in order to increase firm's public awareness.

B-win since Season 2010/2011 has become also naming sponsor of the Italian football second division, which has been for years called *Serie B*. Since this year, the new name is *Serie B-win*.

2.6 Motivations of increasing interest on sport sponsoring and main criteria to determine a sponsoring budget

As in other businesses, as well as in sponsoring, the public interest in sport has meant companies are investing more and more money into sport sponsorships. Events with the highest public interest are also the most attractive for companies, because they can reach a great number of customers, and often specific target groups, which are otherwise difficult to reach. For these reasons it is possible to say that even if sport sponsorship, especially those of big events, are really expensive, sport sponsoring has a great balance between costs and utility, thanks to the possibility of reaching millions of people through a single event.

Lagae (2005:43) lists some reasons for the increased amount of interest in sport sponsorships:

- ❖ Globalization and professionalization of brands
- ❖ Decreasing effectiveness of traditional advertising via mass media
- ❖ Globalization of sports
- ❖ Professionalization of sport
- ❖ Increased acceptance of commercialization of sport
- ❖ Increased television coverage of sporting competitions
- ❖ Changes in the media landscape
- ❖ Breakthrough of distinctive communication through sport
- ❖ Breakthrough of experimental communication through sport
- ❖ Ban on tobacco advertisements

As just said, firms' interest in sponsoring has grown due to many factors. This means that sponsoring has become an important tool of firms' communication mix. In the past often firms' management did not pay too much attention on sponsoring. With the increasing of its importance within the firms' strategy, also management has understood that it is necessary an organic and structured approach to this theme. Today, depending on the firm size, there are departments which are responsible exclusively for sponsoring strategies. Sponsorship contracts are often really expensive, that is why it is interesting to have a look at the different motivations, which push companies to invest in sponsoring. These motivations emerge from a survey cited by Lagae (2005:53). Results provide a general set of guidelines used by companies in order to decide upon a sponsoring budgeting process.

First of all, a sponsor should invest as much as is necessary to achieve its objectives. Moreover, there is evidence that the allocation of budgets depends on the sport discipline that the firm wants to support. The budget also depends on the kind of sponsor contributions (e.g. full-sponsoring, main-sponsoring, etc.), the title rights of the sponsor, the media, the aura of the sport, the nature and features of the sport, and the duration of the agreement. Other criteria useful for the budgeting process are:

- ❖ Kind of event to be supported
- ❖ Sponsoring budget as a percentage of the advertising and marketing communication (32 % of interviews)
- ❖ Presence and strategies of competitors in this sector (16 % of interviews)
- ❖ Sponsoring budget as percentage of turnover (11 % of interviews)
- ❖ Sponsoring budget as percentage of the company's profit (6 % of interviews)

These criteria vary in relation to each single company, depending on many factors. For this reason it is very difficult to provide criteria, which will always be true. Every company should have a management structure that is able to evaluate all aspects and make best decisions for the firm. The same reasoning is applicable to the decision of the duration of one sponsorship agreement. There is some interesting information about the average duration of sport sponsorship agreements. Sponsoring is a great communication tool. Firms should be able to understand when they need it the most, how they have to invest in sponsoring and for how long of a duration. These aspects must be taken into consideration when deciding upon a strategy. In 2001 the average duration of the 50 most significant sports sponsorship agreements lasted for 4.2 years. In 2002, the average duration increased up to 6.7 years (Lagae, 2005:54). Together with this data, which testifies that companies are increasing the

quantity of money and time in sponsorships agreements, we must record also the presence of new sponsoring forms, which are more likely to create long terms agreements between the two parts interested, sponsors and sponsees. For example, *venue branding* is one of these. It concerns agreements for sponsoring sports facilities, like football stadiums. Bruhn (2010:105) highlights that German football stadiums all have a sponsor in their name. These agreements are usually long-term agreements: Allianz will be sponsor of Bayern Munich “Allianz” Arena until 2021; Mercedes Benz Arena will be the name of the stadium in Stuttgart until 2038. Regardless of the presence of these long terms agreements, it is important to say that in some cases it is better to terminate a sponsorship agreement.

The main cases are listed here:

- ❖ the marketing communication aims have been achieved
- ❖ the marketing communication aims cannot be achieved with sports sponsorship
- ❖ the general brand strategy has changed
- ❖ the sponsored sport object is no longer trustworthy
- ❖ collaboration with the sponsored sport object becomes difficult
- ❖ the original commercial collaboration has degraded into hobbyism
- ❖ a better alternative presents itself

In this section we have analysed some empirical data concerning sponsoring phenomenon, taking into consideration in particular some aspects of sport sponsoring. The analysis has provided different perspectives, because data concerns worldwide, European and also individual country overviews.

In conclusion, we can say that the empirical data shows us how quickly sponsoring as firms’ communication tool has developed, and at the same time, it also shows the incredible importance of this sector in world economy. Today, sponsoring volumes and sponsorship agreement amounts regard thousands million euros and dollars. The agreements have a great impact on society, because, as we said, sponsoring is not only connected with sport, but also with welfare and culture. The role of companies in these kinds of sectors is very important today, because often it substitutes the state interventions, which are always fewer, due to the diffuse lack of resources. One more time, this aspect highlights the importance and the great impact of sponsoring in the society. It is possible to say that sponsoring often has a positive impact because it can create a *win-win situation* for both companies and sponsees (Ruda/Klug, 2010:17).

3. The 2006 World Cup in Germany

3.1 Germany as host country

Germany is famous in the world for its strong export industries as well as for the ability to hold well-organized events. Before the World Cup the problem of Germany was to present themselves as a friendly host country (“*gastfreundlich*”). For this reason the slogan of German World Cup was “Die Welt zu Gast bei Freunden” (translated as “A time to make friends” for the English version).

Germany is a very sport-active country, considering that almost 40 million people practise sport regularly. There are many federations and almost 27 million people are enrolled at one of the 88,000 sport associations. For sure, football is the most popular discipline (Ruda/Klug, 2010:43).

3.2 Organization

The German World Cup took place between June 9th and July 9th in twelve German cities. The organization of the World Cup was managed by three main associations: FIFA, DFB (Deutschen Fußball-Bund, which is German Football Federation) and the OC (Organization Committee).

FIFA is the “Fédération Internationale de Football Association”, it was born in 1904 and today includes 207 football national federations. FIFA is the World Cup organizer, which means that it is fully responsible for the organization of this world event taking place every four years. It also cares for the promotion of football in the world, as well as the organization of minor events, such as youth tournaments (Ehlers, 2005:45)

Considering the main theme of this paper, we should underline the importance of FIFA Division TV & Marketing, which takes care of all aspects connected with sponsoring and the countering of ambush marketing.

DFB is the “Deutscher Fußball-Bund”, which is German football federation. It was established in 1900 and now includes almost 26,000 football associations with 6.7 million people enrolled (Nufer, 2010:119). These huge numbers make it the biggest football federation in the world. During the 2006 World Cup it managed the organization of all aspects connected with participant teams, viewers, media and foreign visitors (Ehlers, 2005:50).

Finally, OC – Organization Committee – was born in 2001 in order to manage the concrete realisation of the World Cup. In particular, it was responsible for stadiums, logistics,

transport, security and ticket sales. Much infrastructure in Germany was constructed and renovated for this big event. Franz Beckenbauer, famous former German football player, was elected as President of the Organization Committee (Ehlers, 2005:73). However, all parties have to respect FIFA's rules. In fact, the international football federation continuously checks on activities and addresses operations. FIFA also manages most of the resources connected with the event. Most of the funding comes from FIFA sponsorship programs, from which FIFA receives hundreds of millions of euros.

3.2.1 Numbers, infrastructure and services

During the tournament month thirty-two national teams played in 64 matches, in 12 different host cities, which were: Berlin, Dortmund, Frankfurt, Gelsenkirchen, Cologne (Köln), Hamburg, Hannover, Kaiserslautern, Leipzig, Munich (München), Nürnberg and Stuttgart. Almost 1.4 billion euros were spent in these cities in order to renovate and bring stadiums in-line with the newest standards of comfort and security.

In order to manage the event 15,000 volunteers worked in Germany before and during the World Cup. They were used in every kind of activity, from ticketing to media, PR and communications. They played a big role in the organization of the event.

In particular, volunteers spent much time in helping the activities of the 12,000 journalists

assigned to the event, coming from all around the world. Official sponsors of the World Cup and national partners supported the event logisitcally and with its organization. Thanks to Deutsche Telekom and Avaya, two official sponsors of the World Cup, journalists had a great "International Broadcast Center (IBC)" in Munich, which allowed them to work in perfect connection with all German cities, as well as the rest of the world. Public transportation in Germany is really well developed. However, during 2006 World Cup, the official sponsor Hyundai implemented extra bus connections between host cities in order to improve and simplify transportation, especially for visitors and tourists. Finally, EnBW, a German energy company, supported the event organization in all aspects connected with energy. They implemented a Green Goal-Program, thanks to the use of clean energy (Ruda/Klug, 2010:44).



Figure 3.1: 2006 World Cup host cities
(Source: www.1800-Worldcup.com)

3.2.2 Financing

The total budget of FIFA 2006 World Cup was 450 million euros, which came from FIFA subsidies, tickets sales, sponsoring programs and support from national partnerships. In particular FIFA paid 175 million euros to the Organization Committee. The FIFA budget came from broadcasting rights (1.7 million euros for 2002 and 2006 World Cup), VIP tickets sales (175 million euros), and finally thanks to the sponsoring program: fifteen companies paid 45 million euros each in order to be official sponsors of the competition. Moreover, the Organization Committee received money directly from six national partners, German companies which paid 13 million euros each. We will later deeply analyze all official sponsors and national partners companies.

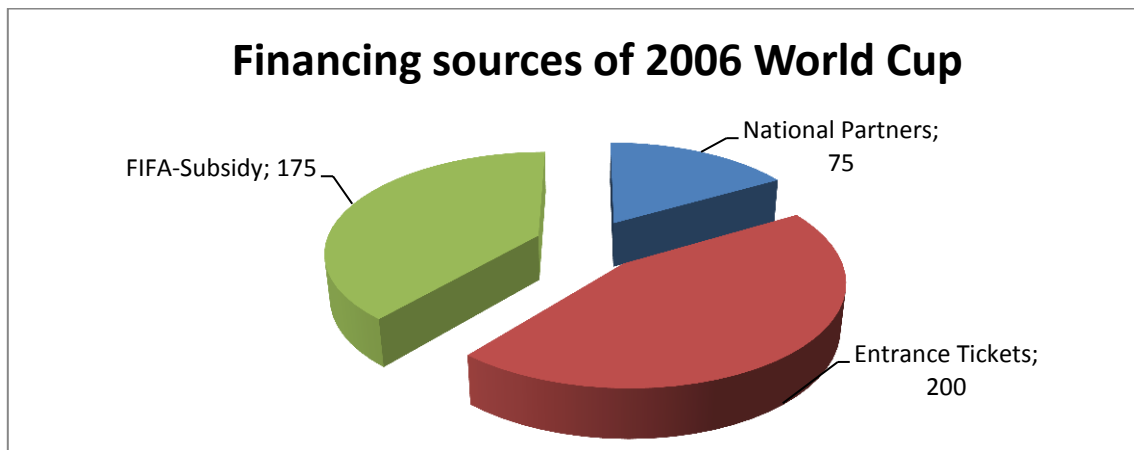


Figure 3.2: Financing sources of the 2006 World Cup in millions of euros (Source: Ruda/Klug, 2010:68)

The OC was also responsible for the selling of tickets, which produced € 200m in revenues. The OC decided to create a wide number of price categories, which allowed for the diversification of entrance ticket prices between € 35 to € 600, depending on matches and seat positioning differences. The cost of tickets is often a political decision and depends on the economic development level of the host country. However, another aspect, which plays a big role in the price level decision, is the total number of seats available in all stadiums during the whole competition. The stadiums capacity at World Cups has been increasing in past decades. This means that the number of matches viewers and visitors is always increasing. In 1930 in Uruguay the total capacity was around 434,000 seats, instead in 2002 in Korea and Japan World Cup this number grew up to 2,705,197. The following table gives a perspective of the size of World Cup, providing data about the number of teams at the previous phase and at the

final phase, the number of matches and the total number of people who watch matches live at stadiums.

Year	Country	Number of teams at final phase	Number of matches at final phase	Number of teams at previous phase	Number of visitors at final phase
1930	Uruguay	13	18	–	434,000
1934	Italy	16	17	32	395,000
1938	France	15	18	37	483,000
1950	Brazil	13	22	34	1,337,000
1954	Switzerland	16	26	45	943,000
1958	Sweden	16	35	55	868,000
1962	Chile	16	32	56	776,000
1966	England	16	32	74	1,614,677
1970	Mexico	16	21	75	1,673,975
1974	Germany	16	38	99	1,744,022
1978	Argentina	16	38	107	1,610,215
1982	Spain	24	52	109	1,856,227
1986	Mexico	24	522	121	2,407,431
1990	Italy	24	52	116	2,517,348
1994	USA	24	52	147	3,587,538
1998	France	32	64	171	2,785,100
2002	Korea/Japan	32	64	199	2,705,197

Figure 3.3: FIFA-World Cups and visitor capacity at stadiums (Source: Ruda/Klug, 2010:69)

This data testifies the continuous growing tendency of World Cups, which in the last decades have increased both the number of participating teams, as well as the number of visitors and viewers. This also means that the interest in football has grown. The number of potentially reachable customers with a sponsorship at World Cup reaches into the billions of people across the world.

3.3 Marketing program

FIFA founded the FIFA Marketing & TV Deutschland GmbH, a German company responsible for the sponsoring program of the 2006 World Cup. The 2006 marketing program structure is represented in the following image.



Figure 3.4: Marketing program structure during the 2006 World Cup (Source: Ruda/Klug, 2010:73)

First of all, FIFA tried to make host cities part of the organization. FIFA organized a “Host City Program” in order to assist host cities to get back at least a part of the money invested in infrastructures for the World Cup. The twelve host cities (Berlin, Dortmund, Frankfurt, Gelsenkirchen, Hamburg, Hannover, Kaiserslautern, Cologne (Köln), Leipzig, Munich (München), Nürnberg and Stuttgart) made huge investments in order to renovate stadiums, transportation systems and tourism offers. FIFA permitted them to use some marketing rights in order to advertise the cities and make them more attractive for tourism. Here is the list of host cities rights:

- ❖ Advertising screens at stadiums
- ❖ Presence at stadium with advertising goals
- ❖ City posters
- ❖ City medals
- ❖ Use of official FIFA logos
- ❖ Internet
- ❖ Host City Events

Other important aspects of the FIFA marketing program were represented by:

- ❖ Public Viewing Events
- ❖ Hospitality
- ❖ Licenses
- ❖ Sponsoring

Public Viewing Events are particularly popular in Germany. During big sport events hundreds of thousands of people watch matches all together in big squares, organized with big screens and beverage services. These parallel events are also great tools for advertising objectives, and they are used by sponsors in order to increase their awareness on public. During the 2006 World Cup Coca-Cola, Hyundai, MasterCard and Toshiba bought the right to be official sponsors at Public Viewing Events, which means they supported the organization of these events, and they could therefore advertise their marks on-site. Public Viewing Events are difficult to define, because every little bar or restaurant during the World Cup usually organizes special public viewing events, for its customers to be able to watch matches live on TV, thus increasing the shops' business. The difficulties in defining these events create some problems in relation to the broadcasting rights selling. Infront, which was responsible of broadcasting rights selling in 2006, decided that for the events where it was not possible to make the public pay for a ticket, the event organizers should not pay broadcasting rights fees, otherwise they should have paid them to Infront, in order to be allowed to broadcast live matches. At smaller public viewing events there was the rule that local or regional sponsors could also support the event, but only if they were not competitors of official sponsors. As said, public viewing events are important because they allow more people to view the event. Moreover, they are a great opportunity for official sponsors because they can also create parallel initiatives, like the creation of fan shops.

Another important aspect of marketing program was the hospitality. FIFA organized different "Hospitality Packets" in order to provide the best service to all different needs. VIP-Packets play a big role, because big events are particularly useful to firms in creating or improving contacts with their customers or with other firms, always for business reasons. In fact, hospitality program is addressed to companies, willing to use World Cup as communication platform to keep in contact with other partners and also their managers/workers (Ruda/Klug, 2010:79). The hospitality program during the 2006 World Cup included almost 10,000 visitors for every match, which means that these programs had tremendous importance for the FIFA marketing program. As we have seen, VIP-tickets sales generated almost € 175m, which was a massive amount. At 2006 World Cup iSe-Hospitality, a Swiss company, took

care of hospitality organization. The next graphic shows us the main goals, which firms generally wish to achieve buying Hospitality Packets in relation with the World Cup.

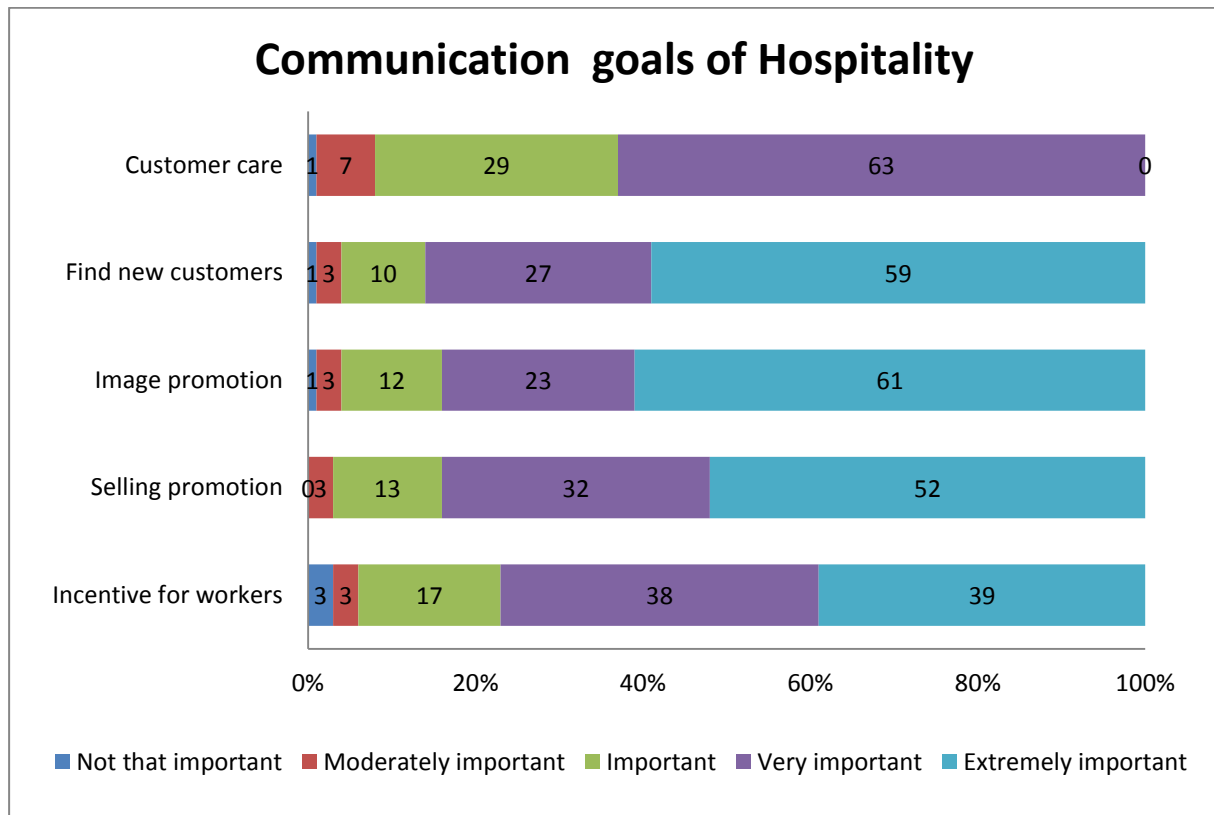


Figure 3.5: Communication goals of Hospitality (Source: Ruda/Klug, 2010:79)

Finally, before speaking in another section about sponsoring, we should underline the importance of licenses. Only event official sponsors are permitted to produce and distribute products with official FIFA brands, which are also allowed to use FIFA commercial brands in relation to their own products. They can also use typical World Cup symbols such as the cup and the mascot. Due to its importance in relation to this paper's theme, the World Cup sponsorship program will be analyzed in the next section, in order to understand its main features.

3.4 Sponsorship program

FIFA World Cup represents a wonderful marketing and communications platform, especially for multinational companies which are, in this way, able to reach many of their customers all around the world. This event is broadcasted in two-hundred countries around the world, which means billions of potential viewers. FIFA started its innovative marketing strategies at the end of the 1970s. For many years one external company managed sponsoring rights of the

World Cup. Instead, in 2001, FIFA founded the FIFA Marketing Company, which is 100% owned by FIFA and is responsible for the selling of sponsoring rights in relation to FIFA events.

The following table shows us FIFA's sponsors from 1982 World Cup to 2010 World Cup.

World Cup	2010	2006	2002	1998	1994	1990	1986	1982
Adidas	X	X	X	X	X			
Avaya		X	X					
Budweiser	X	X	X	X		X	X	
Coca-Cola	X	X	X	X	X	X	X	X
Continental	X	X						
Deutsche Telekom		X						
Emirates	X	X						
Fujifilm		X	X	X	X	X	X	X
Fuji Xerox			X					
Gillette		X	X	X	X	X	X	X
Hyundai	X	X	X					
JVC			X	X	X	X	X	X
Korea Telekom/NTT				X				
MasterCard		X	X	X	X			
McDonald's	X	X	X	X	X			
Philips		X	X	X	X	X	X	
Toshiba		X	X					
Yahoo!		X	X					
Canon				X	X	X	X	X
Snickers*				X	X	X		
Opel				X	X			
Energizer					X			
Alfa Romeo						X		
Vini d' Italia						X		
Bata							X	
Cinzano							X	
R.J. Reynolds**							X	X
Seiko							X	X
Iveco								X
Metaxa								X
Sony	X							
VISA	X							
MTN	X							
Castrol	X							
Satyam	X							

Figure 3.6: Official sponsors of World Cup from 1982 to 2010 (Source: Ruda/Klug, 2010:41)

FIFA organizes many football events, not only World Cups: for example, there are many tournaments for women and also for young people. The international football federation lives with its sponsoring programs and it has an interest in consolidating the relation with sponsors (Heyne, 2005:24). At the same time sponsors are interested in signing long-term agreements because long-term agreements allow them to be present during the most popular football events, giving them an extraordinary chance to put themselves in contact with customers.

3.4.1 Fifteen official sponsors

FIFA, as World Cup organizer, has all rights in relation with this event. Rights are divided into four main areas: broadcasting-, marketing-, hospitality- and license rights. Considering only the German World Cup, FIFA founded FIFA Marketing & TV Deutschland GmbH, the company responsible for the sponsoring program of 2006 World Cup. In 2006 the sponsoring program included two different categories of sponsors. Each category had different rights in relation to the event. Sponsors of the different categories also paid different fee amounts. In particular in 2006 there were 15 official sponsors of the World Cup and 6 national partners, chosen by the Organization Committee. Many official sponsors of the World Cup had also been official sponsors of FIFA for many years. In order to receive worldwide event marketing rights they had to pay between € 40m and € 45m. Some sponsors paid less fees because they also provided services to the event organization (Ruda/Klug, 2010:122; Heyne, 2006:23).

The high sponsorship fees are justified by the rights offered to official sponsors. Paying almost € 45m for the 2006 World Cup a firm received these rights (Ruda/Klug, 2010:124):

- ❖ Two advertising screens in the field in each of the 64 matches
- ❖ Use of the official FIFA symbols, logos and brands in firm's advertising
- ❖ "On-site"-rights (e.g. Hospitality, Fan-Entertainment-Actions, etc.)
- ❖ Firm's logo presence in all stadiums and FIFA's official communications
- ❖ Use of official FIFA website (www.fifaworldcup.com) in order to promote firms' initiatives
- ❖ "Branding" of entrance tickets
- ❖ Availability of "VIP-tickets"
- ❖ Availability (or at least pre-emption right) of program-sponsoring and advertising spots in TV and internet
- ❖ Development of two firm's specific marketing programs with the help of FIFA
- ❖ Protection from ambush marketing actions

These rights all together represent a sort of “sponsorship packet” offered by FIFA to its sponsors. It is really expensive but at the same time, firms can achieve high awareness levels within the public thanks to the many opportunities included.

2006 World Cup Official Sponsors	Economic branch
	Sportswear
	Technology
	Beer
	Beverage
	Tyre
	Communications
	Airline
	Photo
	Cosmetics
	Cars
	Credit cards
	Fast food
	Electronics
	Computers
	Internet

Figure 3.7: Official sponsors of the 2006 World Cup (Source: Nufer, 2010:123)

3.4.2 Six national partners

The national partners were German companies, which provided great support to the organization of the event, because they guaranteed some important services. The six companies were contracted by the Organization Committee. National partners paid almost € 13m each and they had the right to use World Cup as a marketing tool within Germany only.

These fees sometimes have been reduced on the basis of the quantity of services provided by the firm. These firms had one single advertising screen in all stadiums. Screens were positioned in a worse position than the official sponsor's ones.

The list of German national partners is here available:

2006 World Cup National Partners	Economic branch
	Rail transport
	Energy
	Insurance
	Gardening
	Gambling
	Banking

Figure 3.8: National partners of Organization Committee – 2006 World Cup (Source: Nufer, 2010:125)

3.5 After the 2006 World Cup: FIFA sponsoring program 2007-2014

After German World Cup, FIFA launched a new sponsoring program, valid from 2007 to 2014. New sponsors will be supporting FIFA in both South-African (2010) and Brazilian (2014) World Cups. In this period there will be fewer sponsors, divided in three categories:

- ❖ 6 FIFA-Partners
- ❖ 6 Sponsors of FIFA World Cup
- ❖ 6 National partners

The decision to reduce the number of sponsors is due to the increased competitiveness of the sponsoring market and to the presence of potential ambushers. Reducing the number of sponsors and signing long term agreements, FIFA wants to achieve three main objectives:

- ❖ Stronger relation between FIFA and its sponsors
- ❖ Harmonize the duration and value of sponsorships
- ❖ Different categories in order to respond to the individual needs of each firm

As said, FIFA cares about its sponsors and tries always to protect them. Long term agreements have great effects because create a strong association between firms and World Cup. This means that customers are more likely to recognize the real sponsors, because

sponsors' presence on football fields is long-lasting. Here we must also consider that this aspect has many positive effects in the thwarting of ambushing actions, which are likely to have less impact on public awareness, if public do know who are real sponsors, thanks to their long sponsorship in relation with the same competition: seven years and two world cups (2007-2014) seems to be a good period.

3.6 Registration FIFA symbols and prevention to ambush marketing

3.6.1 FIFA Rights Protection Program (RPP)

Ambush marketing has become a great communication tool, used by firms in order to create a connection between them and an event, without paying sponsorship fees. FIFA has understood that ambush marketing is one of the biggest problems for its business, and for that reason, FIFA has identified the countering of ambush marketing as one of its main objectives. This action of putting a stop to ambush marketing requires huge resources; however, it has become fundamental for FIFA in order to keep attracting sponsors' interest on World Cup and also to maintain high sponsorship fees.

FIFA Rights Protection Program (RPP) started during 1998 World Cup in France. That time the first measure was the protection of FIFA official brands. In the last years the program has improved and now it covers more aspects than before. In particular, the program contains protection- and prevention measures (Nufer, 2010:126). The RPP is managed by an internal group, composed by seven law experts, three RPP-managers and three brand protection managers, and by an external group, composed by fifty lawyers across the world, who take care of every specific event. The help of governments, police and other partners also plays a big role. The registration of FIFA brands and symbols is usually managed by one hundred-fifty experts across the world, which are coordinated by FIFA. In Germany the RPP started four years before the beginning of the World Cup. First of all, it is important that the host country has rules in place to block ambush marketing, in particular against indirect ambush marketing by association, which is the most difficult to block. During the 2006 World Cup FIFA decided to use the "Monitoring and Countering" anti-ambush marketing strategy, which means that FIFA tries to monitor markets all around the world and if ambushing cases are found, they will be prosecuted. In case of ambushing actions, FIFA will first send a letter to inform the ambushing firm that it is not allowed to make this kind of advertising in relation to the World Cup. If the firm does not change its actions, FIFA will send another letter, this time endorsed by a lawyer and finally, if nothing changes, FIFA will take the ambushing firm to

court, but that is unusual (less than 20% of cases) (Nufer, 2010:127). Interestingly, FIFA's official sponsors did not have any cause for concern in this respect until the early 1990s. After its sporadic beginnings in 1994 with 258 cases across 39 countries, the problem first became a major concern when the 1998 FIFA World Cup was held in France and 773 infringements of registered brands were discovered in 47 countries. Eight years on, 3,300 rights infringements were uncovered in 84 countries in relation to the 2006 FIFA World Cup.

By contrast, when the 2002 event took place in Japan and Korea, there had been 1,884 cases in 94 countries, and in 2006 with three-and-a-half years to go until the 2010 FIFA World Cup, there had already been 127 cases of rights' abuses, 70% of them in the host nation, South Africa. Nineteen of these incidents related to counterfeit products that have been confiscated by South African customs, thus illustrating the efficiency of FIFA's rights protection programme (Source: www.fifa.com). In Germany, instead of other precedent editions, FIFA did not use an “Educating and shaming” strategy (Nufer, 2010:133). It implemented a strong counter to ambushing actions, which was supported also by RPP-Teams on-site. These teams, composed by volunteers and experts, are tasked with countering all ambushing actions near stadiums (area within 1 km²). These teams also coordinated with the local police.

3.6.2 Directives concerning the use of FIFA official brands and logos

“[...] the Official Emblem, the Official Mascot and the FIFA World Cup Trophy are also used illegally by companies who want to exploit the value of these attractive marks - the FIFA World Cup Trophy alone is recognised by almost 90% of the world's population - for their own commercial gain. Warding off ambush marketing activities therefore has an integral role to play in FIFA's rights protection programme (RPP)” (Source: www.fifa.com).

Here are the pictures of 2006 World Cup official logos and official mascot.



Figure 3.9: Official symbols of 2006 World Cup (Source: www.fifa.com)



Figure 3.10: Goleo IV – Mascot of 2006 World Cup (Source: www.fifa.com)

It is important to show the three logos and the three mascots. Even if they seem similar, each has some differences in comparison with the others. FIFA for the German World Cup prepared an incredibly strict regulation with all directives to respect in relation to the use of official logos and symbols. “*Directives for the use of FIFA 2006 World Cup brands*” is a document published in 2005 by FIFA, which contained all rules established by FIFA, in order to protect its brands and its official sponsor’s rights. Within the protection program more than 1,000 different products and services have been registered in 127 countries in the world. The most important aspects were symbols, logos, mascot and finally the cup. However, FIFA also protected other products and services, because it wanted to maximize the “Brand-Extension-Potential”, which means the use of FIFA logos on different products, which have nothing to do with football (e.g. cosmetics).

Looking at symbols, for example, FIFA registered the following writings, which could not be used for the promotion of other products or services by an unauthorized party:

- ❖ FIFA
- ❖ World Cup
- ❖ FIFA World Cup
- ❖ FIFA Fussball-Weltmeisterschaft Deutschland 2006
- ❖ FIFA WM 2006 (WM means Weltmeisterschaft, the translation of World Cup)
- ❖ Germany 2006
- ❖ World Cup 2006
- ❖ WM 2006

The registration of these writings took place in 2002 at the “Deutschen Patent- und Markenamt (DPMA)”, which is the German office responsible for the trademark rights and

registration. In Germany the “brand rights” are included in the “MarkenG”, a German law of 1994, which includes all rights connected with trademark protection (Ruda/Klug, 2010:175). Also the official cup could not be used near other trademarks/brands, as well as *fifaworldcup.com* website, which cannot be used near other trademarks/brands and which must be written only as in the following picture.



Figure 3.11: FIFA official World Cup website (Source: www.fifa.com)

In this directive, rules were very strict, in order to avoid any possible abuse committed by ambushing firms. They were regulated carefully in all aspects connected with the use of all FIFA brands and logos. This created many problems to journalists, which simply wanted to report news about World Cup.

Because of the media pressure on FIFA these rules have been eased, with the introduction of new directives, included in the “*Media Information FIFA Brands*”, however, this imposed many restrictions to the use of FIFA symbols.

Directives are particularly important in countering direct ambush marketing and ambush marketing by association, because ambushing firms try to create a connection between their brand and the event, using official symbols, logos or writings (e.g. unauthorized merchandising or unauthorized advertising spots or campaigns).

However, the countering of indirect ambush marketing by intrusion is more difficult to manage, and it needs other kinds of instruments. In indirect ambush marketing by intrusion, ambushers organize actions on the field or on-site, near the location where the event takes place.

In these cases, the *house right* is really important because it bans unauthorized firms from advertising or being present within 1 km² area near the stadiums. There only official sponsors may promote their brands and implement advertising initiatives (e.g. fan shops).

The cooperation with host cities was really important, because of the necessary support of local police at anti-ambush marketing actions on-site, especially those regarding fake merchandising, which is illegal and prosecutable by law.

Another measure adopted was forbidding fans to wear clothes with commercial symbols, in particular in the case of big fans groups with similar clothes, due to (unauthorized) advertising

objectives. This rule worked and nobody was able to enter into stadiums and implement ambushing actions by intrusion. The only ambushing action was implemented by the Dutch brewer Bavaria, which in Stuttgart sold 250,000 orange leather trousers with Bavaria logo to the public. The final result was that 1,000 visitors had to change trousers before the entrance into the stadium. They could not manage to make any ambushing action into the stadium; however, the campaign objective was achieved, because this episode had a great coverage in the media (Singer/Leadercramer, 2010).

Against indirect ambush marketing by intrusion, FIFA adopted the strategy to sell tickets with face validity. This measure was intended to improve security, to discourage ambushing actions and to avoid the creation of a ticket black-market.

At the same time, FIFA allowed only official sponsors to implement advertising campaigns with entrance tickets as final prize. Moreover, official sponsor MasterCard received the exclusive right to sell tickets, which means that tickets were payable only in cash or by MasterCard credit cards. FIFA also offered pre-emption rights to its sponsors in relation to advertising spots on TV and other parallel events (e.g. Public Viewing). This limits also ambushing possibilities.

In conclusion of this section, it is interesting to report the words of the head of FIFA anti-ambush marketing team in charge during 2006 World Cup, who explains why FIFA fights ambush marketing aggressively all around the world. "Statistics show that the number of rights infringements has increased consistently over the last ten years. However, while the number of 'major cases' is falling, 'smaller cases' are becoming more and more common. Nevertheless, our biggest concern is that the rights of our partners are appropriately protected" explains Gregor Lentze, the head of FIFA Marketing & TV Germany, who led the team in charge of running FIFA's rights protection programme in the host nation of the 2006 FIFA World Cup (Source: www.fifa.com).

3.7 Examples of official sponsors, national partners and ambushers

During the 2006 World Cup, as we have already seen, there were two different sponsoring categories: fifteen official sponsors and six national partners. Each category had different rights and obligations, and for that reason they also pay different sponsorship fees. Although the anti-ambushing program implemented by FIFA was mostly successful, there were some cases of ambush marketing. Especially indirect ambush marketing by association has been used by many firms, in order to use World Cup as communication platform.

We will now analyse a few cases in each category; in particular, the goal of this section is try to understand which strategies have been implemented by firms in order to maximize their investments.

3.7.1 Official sponsor: Coca-Cola

Coca-Cola is the biggest company in the world in the branch of soft drinks. It owns many brands, such as Coca-Cola and Fanta, as well as many firms which sell water, sport drinks and juices. The company has a turnover of US\$ 31.9 billion, operates in 200 countries and has almost 92,000 workers (Ruda/Klug, 2010:113). Coca-Cola has a strong engagement with sport in general, and football in particular: “Where there is sport, there is Coca-Cola”. The first sponsorship was in 1905 with Baseball, the American “past-time”, and then it started to support world games, as Olympic Games and World Cup. It sponsored in 1930 the first World Cup in Uruguay. Since 1978 Coca-Cola has been supporting both FIFA and UEFA.

Coca-Cola has always made use of great and innovative marketing tools. In its advertising spots it introduced great slogans as “Drink Coca-Cola” or “Always Coca-Cola”, which have had a great impact on the public. The famous soft drink producer also uses new communication platforms, for example internet and mobiles phones, which are mobile marketing tools.

Looking at the German World Cup, Coca-Cola was one of the fifteen official sponsors. Coca-Cola’s marketing department invented a slogan for the World Cup: “It’s your Home match! - Make it real”. The advertising campaign was addressed to promote not only the Coca-Cola brand, but also Powerade and Bonaqua, two Coca-Cola’s brands.

In football events, fan actions always play a big role; for this reason, Oliver Bierhoff, a great German striker at end of 1990s, was chosen to give a testimonial for a fan action addressed to young people between twelve and sixteen years old.

Other actions for fans took place before and during the World Cup. For example, Coca-Cola implemented the “Flag Team” Program, which was a program addressed to seven-hundred young people. They had the chance to bring the national teams flags inside the field, and also watch the match live. Thanks to internet and mobile, fans had the chance to win tickets to watch live matches at the World Cup, simply sending via SMS the code written under the Coca-Cola’s bottle top. Other great initiatives for fans have been developed in collaboration with DFB. All these promotions were also supported by great investments in communication means: TV, radio, internet and magazines.

As said, two more brands were advertised during the World Cup including the new Powerade variant of “Mango”. A great TV advertising campaign was supported also by 500,000 free-sampling products distributed to event visitors. The other brand, Bonaqua, was the “2006 World Cup Official Water”.

In conclusion, we should say that thanks to all these initiatives Coca-Cola improved its awareness level on public from 75% in March 2006 to 85% in July 2006, which means a 10% increase (Source: Sport+Markt Survey, as cited in Ruda/Klug, 2010:120).

Coca-Cola also supported the “Green Goal” program, distributing two-thousand energy-saving refrigerators in all German stadiums.

3.7.2 Official sponsor: Adidas

Adidas is a German sport article producer with more than 39,000 workers all around the world. In 2008 it had a turnover of € 7.8 billion. Adidas is owner of many brands: Adidas, Reebok, Taylor Made and Rockport. The famous producer was official sponsor of the 2006 World Cup, and it was also official licensee of FIFA World Cup brands.

Adidas has a great history in relation with sport, and in particular with football. For decades it has been the official sponsor and clothing supplier of the German football national team. Thanks to the victory during *Italia '90*, the company had great world visibility because it was the full supplier of all German team clothing products. In 1997 adidas launched the action “adidas-athletes”, which included David Beckham, Anna Kournikova and Kobe Bryant. The following year, thanks to the sponsorship of the victorious French national team at 1998 World Cup in France, adidas for the first time in its history became leader of the sport article branch in France. In 2004 adidas started the great advertising campaign “Impossible is nothing”, which found incredible success all over the world; because it was a message to all the people to never give up.

In 1997 it bought Salomon, a sport article producer. Salomon-adidas was sponsor of the winning Greek national team at Euro 2004 in Portugal; in 2005 Salomon was sold, and adidas bought its American competitor Reebok in 2006, which is also a very active brand in sport sponsorships. All this data shows us the strong connection existing between adidas and sport. The sponsorship extension with FIFA until 2014 is another element which testifies the importance of sport for adidas: football is the most important, but adidas also supports many other disciplines, such as basketball.

Looking at the 2006 World Cup, adidas was official sponsor and also official licensee of FIFA brands. The sport articles producer implemented many advertising spots in TV. The

main objective was increasing its visibility. In particular, we can mention the “+10” campaign, which was an advertising spot where all the best German football players and the most popular players of other nationalities played football with a young boy, called Josè, who had the new adidas ball “+Teamgeist” (official ball of the 2006 World Cup).

The organization of a World Cup in its country of origin was a great opportunity for adidas, which is also an official sponsor of DFB for fifty years, and it will continue to be so until at least 2018, because of an extension signed in 2007. This means that during the 2006 World Cup adidas was also official sponsor of the German national team. Many actions were organized for German football fans, like lotteries with entrance tickets as a final prize.

A great advertising action was implemented in Munich, where they built an eighteen meter high inflatable statue of Oliver Kahn, the famous German goal-keeper.

In conclusion, thanks to all this actions and promotions in relation to 2006 World Cup, and also thanks to all sponsorships supported by adidas since many years, adidas could fulfill all its desired goals in Germany. It increased the market-share in its branch from 47% to 50%; moreover, in 2006 adidas had a record turnover of € 1.2 billion, almost 30% more than the previous year (Ruda/Klug, 2010:97).

3.7.3 Official sponsor: Deutsche Telekom

Deutsche Telekom, a German firm, is world leader in communication services: mobile phones, internet, home lines, IT- and communication solutions.

In 2008 it had 235,000 workers all over the world and a turnover of € 61.7 billion. The company slogan is “One company. One service”: T-Home, T-Mobile and T-Systems are different branches, and each has one main business to follow. The company has one-hundred million customers across the world, which is why the sponsorship of a World Cup represented a great chance to improve firm’s visibility.

The presence of DT in sport is not new, because it has been sponsoring FC Bayern Munich since 1997. The company has been paying almost € 20 million pro season in order to have its name on FC Bayern’s jerseys since 2002 (Roth, 2002 as cited in Bruhn, 2010:91). DT has also signed sponsorship agreements with TV programs on football (program sponsoring), and it is also sponsor of the Formula 1 team BMW. Thanks to all sport sponsorship agreements DT every year reaches 1.5 billion people in sport events, which means almost 12 billion potential readers (Ruda/Klug, 2010:103).

The main objectives of the 2006 World Cup sponsorship were the increase of level of awareness on public audience, as well as an improvement of firm’s image. Moreover, the

World Cup sponsorship should represent also a further motivation for its workers. Deutsche Telekom signed a contract with the Organization Committee: it became responsible for the organization of media and telecommunication services. DT had to create the media center in Munich and put it in contact with all other host cities. Before and during the World Cup almost 15,000 journalists and media representatives needed communication services, like TV, internet, telephones, etc.

For Deutsch Telekom it was a great chance to promote its services, and to give the leadership to be able to manage this kind of job.

However, in order to maximize investments utility, DT spent almost € 100 million in communication strategies since 2002 until the beginning of the event. It used, in particular, innovative communication tools such as internet, SMS, MMS, WLAN and UMTS.

In conclusion, we can say that Deutsch Telekom also participated in the “Green Goal” program, using solar panels for the production of electricity used in stadiums. Moreover, DT achieved its desired goals, improving its level of awareness on public audience from 78% in March 2006 to 85% in July 2006.

3.7.4 National partner: Postbank

Postbank was national partner at 2006 World Cup, which means it signed a contract with the Organization Committee and paid almost € 13 million for the sponsorship. Postbank is a German bank with almost 14 million customers and a balance of € 231 billion. In 2008 it had 21,000 workers and 860 local branches. It has been involved for many years in both welfare- and sport sponsoring. In particular, it supported many humanitarian actions in Africa and in developing countries.

The main objectives of the 2006 World Cup sponsorship were image improvement and the increase in level of awareness with the public audience. The Postbank website provided much information concerning the World Cup and other actions have been implemented as well. For example, before the beginning of the event, Postbank “covered” a park in Dortmund with almost 142,000 yellow balls with Postbank’s symbols and writings. Moreover, the bank organized a lottery with 500 entrance tickets as final prizes. Postbank used the FIFA World Cup brand in its new brochures and informative documents. It also decided to give Franz Beckenbauer a testimonial in bank advertising spots (Ruda/Klug, 2010:122)

3.7.5 National partner: EnBW

EnBW (Energie Baden-Württemberg) is a German company, which operates in the energy sector. In 2008 it has 20,000 workers, and a turnover of €16 billion. After the signing of an agreement with Organization Committee in 2002, EnBW started a new communication strategy. The company wanted to be perceived as an innovative and socially responsible firm. EnBW was official energy supplier of 2006 World Cup. In 2005 it started to support VfB Stuttgart (football team of Bundesliga) as part of its development strategy, and also in order to improve the relation with customers. Thanks to the World Cup sponsorship (sponsoring packet) EnBW became in 2002 the official sponsor of the weather broadcast on the German public TV.

Due to financial problems occurred to the company, the marketing campaign in relation to the 2006 World Cup started late. However, the company achieved an increase in the number of its customers, especially thanks to the success of the sub-brand “Yello-Strom”. As energy partner of the event, EnBW had a great role in the “Green Goal” program. The implementation of this program has also been used in the firm’s communication strategy.

3.7.6 National partner: Deutsche Bahn

Deutsche Bahn is the German company, which manages all rail-based transportation systems in Germany. In 2008 it has 240,000 workers and a turnover of € 33.5 billion. The main business of the company is the transportation of people and wares. DB is active in all sponsoring areas: sport-, culture-, welfare- and eco-sponsoring. In regards to sport sponsoring, DB in particular has been sponsor of some sports event in Germany, as well as the Olympic Games of Athens, Turin and Beijing.

DB was the last company to sign the contract with the Organization Committee as a national partner. It paid almost € 7 million cash, while the rest of the money (almost € 6 million) was provided in the form of services. 6,000 correspondents from all over the world, which were assigned to the event, travelled for free in all DB transportation means, thanks to the sponsorship agreement. Deutsche Bahn invested one billion euros for the improvement of transportation services, as well as for the renovation of the stations. In order to simplify the transportation of visitors and tourists, the entrance tickets to the stadium were also valid as public transportation tickets.

The World Cup represented a great chance for DB for the improvement of its image. Relations with the media are always important in order to achieve this goal. For this reason, the free-tickets for journalists were a great strategy.

DB management also wanted to increase workers' motivations, in order to improve their performances and offer better service to customers. This form of sport sponsorship operates as a non-monetary incentive for the workers.

In conclusion, the World Cup made a renovation of the transportation system in Germany possible as well as an improvement of Deutsche Bahn's image, which are both positive effects.

3.7.7 Ambusher: Lufthansa

Even if Emirates was the official sponsor of the "Airline" branch during the 2006 World Cup, Lufthansa, the famous German flying company, implemented many actions in order to create a connection between itself and the football event. Moreover, Lufthansa was an official DFB sponsor, and for that reason a sponsor of the German national team. Lufthansa handled the transport of the thirty-two national teams participating at the World Cup and, for commercial and advertising reasons, printed a ball on 50 planes' nose. The German flying company created particular check in areas at airports, which were similar to a football field. They used new technologies to promote this campaign, in particular through the internet: www.lh2006.com was entire site dedicated to football fans. Moreover, Lufthansa invented the slogan: "Deutschlands Fußball-Airline" (football airline of Germany). Merchandising products have also been used for fan actions (Nufer, 2010:133).



Figure 3.12: Lufthansa's check-ins in a German airport
(Source: Nufer, 2010:135)



Figure 3.13: Lufthansa's plane during 2006 World Cup
(Source: Nufer, 2010:135)

Nufer (2010:136) suggests that Lufthansa has implemented many ambush marketing actions. In particular the German flying company exploits its sponsorship with DFB, German football

federation, using all rights in its possession. The event has been the leit-motiv of Lufthansa's communication during the World Cup. As said, Lufthansa cared for the team's transportation within Germany, even if Emirates was the flying company official sponsor of the World Cup. This could be seen as a form of indirect ambush marketing by intrusion.

3.7.8 Ambusher: Media-Markt (Media World)

Media-Markt is a store chain dealing in electronic products. It operates in Germany (Media-Markt) and in Italy (Media World). During the 2006 World Cup it implemented a great ambush marketing strategy. According to a study of Nielsen Media Research, as cited in Nufer (2010:142), Media Markt is one of the ten non-sponsor companies which invested the most in advertisement in relation to the World Cup: TV, cinema, radio-spots and magazines.

They started in 2005 with the slogan "We get the title". Other similar slogans have been used before and during the event. However, the greatest promotion of Media Markt was that every customer who bought a TV in a well-defined period would receive 10 euros back for every German national team goal. In Italy the promotion had a great impact on public audience because every customer who bought a TV before the World Cup, would have received all money back in the case of Italian victory at the final match; everybody knows how is the World Cup finished, with an estimated loss of almost ten million euros for Media World, because 10,000 TV sets have been sold with this promotion.

Nufer (2010:143) suggests that Media-Markt used the 2006 World Cup as platform for its communication. In particular, the German company implemented many fun-ambushing actions, which represented a substantial risk for the company. For sure, from an advertising point of view the idea was great and the customers appreciated it.

3.7.9 Ambusher: Burger King

McDonald's was FIFA official sponsor of 2006 World Cup. For this reason it had the exclusive-right for the branch "Restaurant". However, competitor Burger King implemented many advertising actions. In particular, Burger King used Oliver Kahn, the famous German goalkeeper, to give a testimonial. It decided to use the slogan "official partner of German football fans". Kahn was the protagonist of an internet spot, which was also broadcast on TV. Moreover, Burger King was also official sponsor of the "FIFI Wild Cup", a football tournament of non-FIFA countries, which took place in Germany before the beginning of the World Cup. This event had obtained great visibility in Germany because of the unusually high participating teams. Nufer (2010:137) suggests that Burger King most operates through

indirect ambush marketing by association, using some fun ambushing actions. Moreover, the leit-motiv of its advertisement was exactly football. The engagement of Oliver Kahn gave a great visibility to the firm.

In conclusion of this section, we can say that we have made a deep analysis of all aspects connected with sponsoring and ambush marketing in relation to 2006 World Cup in Germany. We can say with certainty that the 2006 World Cup was a great tournament in terms of organization. FIFA implemented a great sponsoring plan. Moreover, FIFA adopted many actions in the fight against ambush marketing. Ambush marketing was perceived as a real problem by the world football federation, which worries about the loss of sponsors, because of ambushing actions. The blocking actions did work, the only episode of indirect ambush marketing by intrusion happened in Stuttgart, where Bavaria distributed thousands orange trousers with its logo. Many other firms, as we have just seen, tried to implement ambush marketing actions, which however were almost impossible to forbid, because they did not violate any law. This aspect demonstrates that the FIFA countering action against ambushers is exceptionally difficult to implement.

4. Empirical Effects of Sport sponsoring at the 2006 World Cup

Nufer (2010:147) made a survey based on 2,109 German youths between 13 and 18 years old. The objective of the survey was try to understand if the high sponsorship fees to be paid by firms for FIFA sponsoring program were worth the costs or not, on the base of improvement of psychological customers feelings.

As we said before, at 2006 World Cup there were fifteen official sponsors and six national partners. The survey was conducted before (March/April 2006), during (third week) and after (September/October 2006) the World Cup, in order to understand exactly if sponsorships work or not. Nufer used a filter question in order to create a normal group and a control group. The control group was composed by people who answered “no” to the following filter question: “*Are you watching World Cup matches on TV?*” or “*Have you watched World Cup matches on TV?*”. Young people has been randomly chosen; however, they have been asked to provide age, sex and level of education.

Nufer prepared some hypothesis, in particular:

- ❖ Hypothesis 1: “*The level of awareness of a sponsor company on public will increase through World Cup sponsorship*”
- ❖ Hypothesis 2: “*The image of a sponsor company will improve through World Cup sponsorship*”
- ❖ Hypothesis 3: “*Communication in an attractive field ensures the participating company improves its image value (in the case of the World Cup for both sponsors and ambushers)*”
- ❖ Hypothesis 4: “*The more a brand is used, the higher the opinion of the brand*”

The filter question is particularly important because it distinguishes two groups: one is affected by sponsoring strategies because these people have watched World Cup events while the second group is not; and for that reason, the difference between two groups values should provide the netto-results of sponsoring strategies.

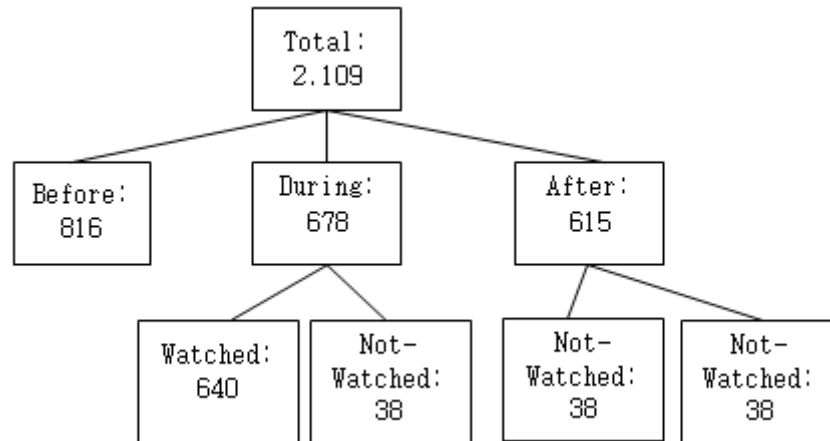


Figure 4.1: Composition of survey's sample – number of participants (Source: Nufer, 2010:155)

Level of awareness

The first test concerns the level of awareness of sponsors on public before, during and after the 2006 World Cup. The results will help us to confirm or deny the hypothesis 1: *“The level of awareness of a sponsor company on public will increase through World Cup sponsorship”*.

Let us see the table with results:

	Before (%)	During (%)		After (%)	
		Experimental group	Control group	Experiment group	Control group
Coca-Cola	99.1	99.7	100.0	99.7	96.7
Pepsi	97.5	99.7	100.0	96.4	99.3
McDonald's	98.6	100.0	96.4	99.3	96.6
Burger King	94.3	97.7	100.0	95.6	92.6
Yahoo	87.4	92.1	85.7	89.4	67.9
Google	99.1	99.7	100.0	98.6	93.1
Telekom	96.3	97.2	100.0	97.7	93.1
Vodafone	96.2	98.1	100.0	96.3	89.7
Adidas	99.0	99.8	100.0	99.3	93.1
Nike	99.3	99.7	96.4	98.6	93.1
Puma	98.5	99.7	100.0	98.8	92.9
Reebok	89.8	91.8	75.0	90.1	82.8
Media-Markt	97.4	99.0	100.0	98.2	96.6
OBI	93.3	94.8	96.4	96.1	96.6
Snickers	96.0	97.4	89.3	96.7	93.1
Nutella	97.9	99.5	100.0	99.1	96.6

Figure 4.2: Brands' level of awareness at 2006 World Cup

(In bold only official sponsors) (Source: Nufer, 2010:161)

Matching the precedent data through *significance tests*, it is possible to obtain the following results.

	During: E vs. C	After: E vs. C	Before vs. during (E)	During (E) vs. after (E)	Before vs. after (E)
Coca-Cola	0.766	0.020*	0.188	0.927	0.234
Pepsi	0.764	0.038*	0.001 ↑ ***	0.023 ↓ *	0.241
McDonald's	0.000***	0.109	0.003 ↑ **	0.036 ↓ *	0.226
Burger King	0.422	0.465	0.001 ↑ ***	0.037 ↓ *	0.305
Yahoo	0.231	0.001***	0.005 ↑ **	0.108	0.272
Google	0.768	0.024*	0.189	0.042 ↓ *	0.370
Telekom	0.374	0.130	0.319	0.648	0.154
Vodafone	0.460	0.078	0.035 ↑ **	0.058	0.915
Adidas	0.833	0.001***	0.047 ↑ *	0.147	0.565
Nike	0.012*	0.024*	0.276	0.039	0.236
Puma	0.764	0.012*	0.026 ↑ *	0.070	0.681
Reebok	0.002**	0.204	0.209	0.321	0.852
Media-Markt	0.603	0.507	0.021 ↑ *	0.232	0.278
OBI	0.710	0.908	0.221	0.290	0.024 ↑ *
Snickers	0.012*	0.308	0.136	0.437	0.511
Nutella	0.715	0.172	0.009 ↑ **	0.400	0.070

Figure 4.3: Significance test of brand's level of awareness on public - 2006 World Cup

(Legenda: E = experimental group; C = control group; * $p \leq 0,05$; ** $p \leq 0,01$; *** $p \leq 0,001$)

(Source: Nufer, 2010:162)

The table shows us that there are only six official sponsors or national partners within the list of the sixteen most popular brands. Moreover, the difference between experimental and control group is in most cases insignificant. It is possible to say that in the comparison “before vs. during” at least nine of sixteen brands have increased their level of awareness on public. In the comparison “during vs. after” there is evidence of an increase of public awareness during the World Cup, which later decreases. Finally, most of brands have the same level of awareness on public before and after the World Cup, only OBI (national partner) had a good improvement.

Level of utilization

This test tries to analyse the utilization frequency of each brand by the public. The rating scale varies from 1 (= I often use this brand) to 6 (= I have never bought anything of this brand).

	Before (%)	During (%)		After (%)	
		Experimental group	Control group	Experiment group	Control group
Coca-Cola	1.88	1.80	2.07	1.83	2.03
Pepsi	2.76	2.59	2.82	2.73	2.86
McDonald' s	2.19	2.04	2.39	2.02	2.55
Burger King	3.23	2.89	2.86	3.25	3.63
Yahoo	3.66	3.48	4.00	3.65	3.96
Google	1.54	1.40	1.37	1.41	2.21
Telekom	2.48	2.51	2.54	2.45	2.21
Vodafone	2.60	2.45	2.39	2.67	2.52
Adidas	1.96	1.85	2.54	2.05	2.55
Nike	2.03	1.95	2.50	2.17	2.79
Puma	2.21	2.04	2.68	2.18	2.82
Reebok	3.20	3.21	3.75	3.25	3.72
Media-Markt	2.43	2.21	2.36	2.28	2.34
OBI	3.46	3.30	3.14	3.14	3.24
Snickers	2.63	2.62	3.04	2.66	3.00
Nutella	2.07	1.89	2.04	1.82	2.93

Figure 4.4: Level of utilization of brands before, during and after 2006 World Cup (Source: Nufer, 2010:164)

Using a significance test with the precedent table data, we achieve the following results.

	During: E vs. C	After: E vs. C	Before vs. during (E)	During (E) vs. after (E)	Before vs. after (E)
Coca-Cola	0.067	0.218	0.089 ↑ *	0.513	0.326
Pepsi	0.444	0.732	0.025 ↑ *	0.041 ↓ *	0.940
McDonald' s	0.092	0.028*	0.130	0.369	0.022 ↑ *
Burger King	0.949	0.103	0.000 ↑ ***	0.000 ↓ ***	0.778
Yahoo	0.052	0.253	0.021 ↑ *	0.051	0.808
Google	0.984	0.001 ***	0.001 ↑ ***	0.760	0.000 ↑ ***
Telekom	0.738	0.442	0.755	0.427	0.578
Vodafone	0.807	0.539	0.060	0.024	0.565
Adidas	0.001***	0.033*	0.161	0.000 ↓ ***	0.018 ↓ *
Nike	0.031 *	0.017*	0.318	0.000 ↓ ***	0.004 ↓ **
Puma	0.004**	0.014*	0.023 ↑ *	0.026 ↓ *	0.962
Reebok	0.090	0.123	0.689	0.732	0.462
Media-Markt	0.457	0.816	0.001 ↑ ***	0.452	0.020 ↑ *
OBI	0.533	0.700	0.013 ↑ *	0.028 ↓ *	0.000 ↑ ***
Snickers	0.162	0.207	0.667	0.689	0.433
Nutella	0.332	0.000***	0.067	0.117	0.001 ↑ ***

Figure 4.5: Significance test of brands' level of utilization - 2006 World Cup (Source: Nufer, 2010:165)

Looking at the data, there is evidence of a difference between experimental and control groups on the level of utilization of some brands during the event. In particular sport brands like adidas, Nike and Puma had a great increase. These three brands had good results also after the end of the event, together with McDonald's, Google and Nutella.

The two most important aspects to underline are that eight of sixteen brands displayed a great increase in utilization grade during the event (three sponsors and three non-sponsors). The second one is that in the comparison "before vs. after" nine brands remained on the same level, five had an increase (as McDonald's and OBI), and finally two brands, the sport articles producers adidas and Nike, have been subjected to a decrease in level of utilization.

Positive Perception

The sample was requested to provide its opinion about the level of brands' positive perception.

The rating scale was from 1 (= really likeable) until 6 (= really unlikeable).

	Before (%)	During (%)		After (%)	
		Experimental group	Control group	Experiment group	Control group
Coca-Cola	2.12	1.98	2.64	2.06	1.92
Pepsi	3.03	2.87	3.29	3.13	2.75
McDonald's	2.57	2.38	3.31	2.35	2.48
Burger King	3.58	3.18	3.41	3.53	3.91
Yahoo	3.64	3.45	3.78	3.48	3.94
Google	1.86	1.74	2.07	1.65	2.05
Telekom	2.97	2.88	3.46	2.88	2.83
Vodafone	2.82	2.58	2.68	2.77	2.64
Adidas	2.03	1.85	2.59	2.02	2.92
Nike	2.11	1.88	2.54	2.08	2.50
Puma	2.19	1.98	2.57	2.09	2.54
Reebok	3.17	3.09	3.33	2.98	3.15
Media-Markt	2.73	2.51	3.11	2.42	2.67
OBI	3.69	3.34	3.81	3.24	3.30
Snickers	2.78	2.73	3.04	2.79	2.74
Nutella	2.29	2.10	2.44	2.04	3.08

Figure 4.6: Positive perception of brands before, during and after 2006 World Cup (Source: Nufer, 2010:166)

	During: E vs. C	After: E vs. C	Before vs. during (E)	During (E) vs. after (E)	Before vs. after (E)
Coca-Cola	0.035*	0.717	0.048 ↑ *	0.223	0.514
Pepsi	0.257	0.285	0.067	0.003 ↓ **	0.194
McDonald' s	0.005 **	0.806	0.045 ↑ *	0.706	0.018 ↑ *
Burger King	0.583	0.280	0.000 ↑ ***	0.000 ↓ ***	0.702
Yahoo	0.281	0.230	0.036 ↑ *	0.659	0.102
Google	0.054	0.355	0.015 ↑ *	0.500	0.002 ↑ *
Telekom	0.065	0.978	0.295	0.835	0.224
Vodafone	0.622	0.650	0.010 ↑ **	0.040 ↓ *	0.704
Adidas	0.003 **	0.002 **	0.135	0.014 ↓ *	0.318
Nike	0.063	0.131	0.006 ↑ **	0.001 ↓ ***	0.638
Puma	0.018 *	0.260	0.021 ↑ *	0.145	0.451
Reebok	0.542	0.735	0.363	0.198	0.032
Media-Markt	0.069	0.578	0.009 ↑ **	0.206	0.000 ↑ ***
OBI	0.037*	0.900	0.000 ↑ ***	0.234	0.000 ↑ ***
Snickers	0.156	0.673	0.742	0.272	0.481
Nutella	0.291	0.000***	0.028 ↑ *	0.889	0.019 ↑ *

Figure 4.7: Significance test of brands' positive perception - 2006 World Cup (Source: Nufer, 2010:167)

Looking at the results, there is evidence of a difference between experimental and control group. Especially during the World Cup Coca-Cola, McDonald's, adidas and OBI were more positively perceived than the others. Moreover, eleven of sixteen brands were perceived more positively during the event than before, but only four of them were official sponsors (Coca-Cola, McDonald's, Yahoo and OBI). By way of comparison "before vs. after", the amount of positive perception increased just for five brands, while for the others there were no significant changes.

The fourth hypothesis regards the relation between level of utilization and the level of positive perceptions. In order to find this relation it is necessary to use the χ^2 – *Independence Test*. This test verifies the independence hypothesis between two variables, and so also the indirect connection between them. Nufer used a correlation analysis in order to find the connection grade between the two variables. This correlation analysis produced the results contained in the following table. It is already possible to say that there is a high significant dependence between the level of utilization and the level positive perception of a brand, as well as a medium strong correlation. Let us see the results.

Variable	Significance	Correlation (Pearson)
Coca-Cola	0.000***	0.518
Pepsi	0.000***	0.558
McDonald's	0.000***	0.602
Burger King	0.000***	0.609
Yahoo	0.000***	0.567
Google	0.000***	0.470
Telekom	0.000***	0.506
Vodafone	0.000***	0.619
Adidas	0.000***	0.608
Nike	0.000***	0.601
Puma	0.000***	0.553
Reebok	0.000***	0.561
Media-Markt	0.000***	0.510
OBI	0.000***	0.510
Snickers	0.000***	0.601
Nutella	0.000***	0.620

Figure 4.8: Correlation between level of utilization and positive perception (Source: Nufer, 2010:169)

Thanks to the available data, Nufer (2010) suggested that elements in possession allow for the confirmation or denial of precedent hypothesis. In particular, there are elements to support three of them. The hypothesis 1 is instead generally not confirmed.

Hypothesis 1	The level of awareness of a sponsor company on public will increase through World Cup sponsorship	Generally not confirmed
Hypothesis 2	The image of a sponsor company will improve through World Cup sponsorship	Confirmed
Hypothesis 3	Communication in an attractive field ensures the participating company improves its image value (in the case of the World Cup for both sponsors and ambushers)	Confirmed
Hypothesis 4	The more a brand is used, the higher the opinion of the brand	Confirmed

Figure 4.9: Results of the hypothesis (Source: Nufer, 2010)

In conclusion of this study, we can say that these are interesting results, which come from an important target group for companies: the sample included young people between thirteen and eighteen years old. It is clear that ambushing companies often achieved the same results of official sponsors in terms of grade of awareness on public. The participation as sponsor to a big competition seems to ensure an improvement of the companies' image value. Finally, an important aspect is represented by the strong existing connection between the grade of utilization of a brand and the brand's perceived sympathy. The grade of utilization of a brand has a great impact on brand's chances to sell products/services. It means that the increase of the sympathy level should be one of the World Cup sponsors' objectives. At the same time it is possible to say that people perceive the brands which are usually used the most more positively. With certainty, there is evidence that the German World Cup had influences on sponsors, as well as on other firms, which were not official sponsors of the event, but which sometimes received positive benefits from their connection with sport.

5. Social and economic analysis of the 2006 World Cup (Rahmann et al., 1998)

Approaching a social and economic analysis in relation to a World Cup, the first question to be answered is: “Is it worthwhile for a country to organize a World Cup?”

A cost-utility analysis is not easy because there are not only tangible aspects to evaluate, but also intangible aspects which play a big role in this process as well.

For certain the best solution is a positive netto-result when considering economic, social and political data.

In this kind of analysis the three following aspects should be considered:

1. Mega-events have many aspects, which are difficult to evaluate from an economic point of view. They should be evaluated from a qualitative point of view.
2. It is important to understand who pays the costs and who receives benefits from a mega-event. We do know that huge investments are requested in these competitions, and for that reason, States are often called to use tax-payers money in order to support the events organization. It is necessary to understand if, after the event, benefits of these investments are for the state’s citizens.
3. In connection with the preceding point, it is important to analyze the models of financing. There are many finance models operating in the world. In particular, co-financing from private and public sectors is the solution most adopted in recent years for the events organization.

Moreover, World Cup effects should be evaluated in two different categories: the first category regards *direct effects*, which are effects due directly to the World Cup organization, which are strictly connected with the football as sport. In particular, we can underline the importance of improvements in public health, social civilization, the diffusion of positive values (typical of sports), and the demolition of barriers. Furthermore, the organization of a World Cup in a country has many advantages related to the improvement and development of all business connected with sport: more interest, more selling, more money, and consequently more investments. In Germany, companies which operate in relation with sport, represent an important economic force. In the 1990s almost 1.8 % of all sold products were related to sport sector, corresponding to € 18 billion. Considering the whole sport sector, including active athletes, passive sport consumption and all production and selling of sport articles, the total

economic value could have been around € 30 billion in the 1990s. The same percentage regards cosmetics or tobacco. It means that almost 700,000 workers were active in this economic sector (Rahmann et al., 1998:47). Unfortunately, sport can also create some forms of extremism, which can produce racism between populations or conflicts between fans of different teams. These clashes have happened in the past and continue to happen today, although commitment against these actions is promoted from many parties.

On the other hand, big events such as World Cups create many *indirect effects*, which basically regard economy, sport associations and States. The World Cup generates billions of euros of investments in a single country. This money is spent largely on infrastructure: especially stadiums and transportation systems. Stadiums can either be newly built or just renovated, depending on money available and on needs of the organization. Investments are also addressed in order to use the World Cup as communication platform for creating new businesses, as well as to increase tourism. The presence of tourists and visitors during a World Cup oblige the organizing country to create reception infrastructure for tourists (e.g. Hotels), which can produce positive effects in a short and also in a long term perspective. All these investments create an incredible opportunity for a host country's economy, allowing for the increase in the number of available job. Let us see some interesting data in relation to the investments in transportation for the German World Cup. The following table contains different sources, and in particular divides investments for each different city. "Political projects" regards projects, which would have been managed without the World Cup.

	Büttner et al. without politic projects	Büttner et al. with politic projects	Postbank	Organization Committee	Ahlert
Berlin	654.4	2942.2	/	/	485.8
Dortmund	/	/	/	/	26
Frankfurt	/	/	/	/	56.4
Gelsenkirchen	68	113.9	/	/	53.3
Hamburg	22.73	1,121.68	/	/	1,312.1
Hannover	43.01	858.81	/	/	304.4
Kaiserslautern	132.475	443.905	/	/	122.7
Köln	124.549	438.249	/	/	90
Leipzig	166.645	584.349	/	/	595.5
München	240.34	271.24	/	/	301
Nürnberg	58.1	58.1	/	/	30
Stuttgart	150.526	155.926	/	/	197.9
Total	1,660.775	6,988.259	2500	1200	3,577.1

Figure 5.1: Investments in infrastructure for the 2006 World Cup (in million euros) (Source: Heyne, 2005:101)

Another direct effect regards the football associations themselves: in Germany in particular FIFA, DFB and club football teams. New infrastructure or renovation of stadiums is a great means of increasing public interest in sport. Stadiums are not only useful for football, and are often usable by other sports teams and athletes. This means that a big event, improving sporting infrastructure in a country, represents a fantastic driving force for the entire sport movement of a country.

City	Investments (million euros)	Period of investments
Berlin	242	2000 - 2004
Dortmund	45.5 + 28.8 (Media center)	2002 - 2003
Frankfurt	191	1998 - 2001
Gelsenkirchen	126	2002 - 2005
Hamburg	97	1998 - 1999
Hannover	64	2003 - 2005
Kaiserslautern	48.3	2004 - 2005
Köln	110	2001 - 2004
Leipzig	90.6	2000 - 2003
München	280 + 96 (Media center)	2002 - 2005
Nürnberg	56	2002 - 2005
Stuttgart	51.5	2004 - 2005
Total	1,526.5	1998 - 2005

Figure 5.2: Investments in stadiums for 2006 World Cup (Source: Heyne, 2005:105)

Finally, the third direct effect regards the host Countries, in particular the State, as representative of the people. Hosting a big event, the country will receive many investments from inside as well as from outside. This aspect creates many positive consequences for the country's economic development. Moreover, it helps to transmit and make stronger positive values, as well as improve upon quality of life for citizens. The creation of jobs decreases unemployment rates, which also means the creation of a safer society.

On the other hand, indirect effects can cause negative consequences. For example, big events can push real estate's rent and selling prices up, as well as increasing differences between poor and rich regions within a country.

The last consideration, which regards both direct and indirect effects, is about the ecological consequences of World Cup organization: before, during and after the event. The building and renovation of infrastructure, the increasing number of people, as well as the increase number of travelers (in trains, planes, cars, etc.), together with the major energy consumption, can obviously cause incredible damage to the environment. However, it should be considered that

even without a World Cup there would have been a consumption of natural resources. It is important to understand what the netto-influence is.

In conclusion of this social and economic analysis, it should be said that an evaluation of chances and risks should be made considering two main aspects:

- ❖ Potential effect of mega-events on society depends on existing constraints and on the capacity of limiting negative consequences
- ❖ It is important to respect the rules in order to make sure that event benefits will be shared with the people, which put forth the money for the event's organization. In particular, this means that the huge investments required for the event's organization must be worthwhile also for the future and not only for the single event.

In order to maximize the utility and decrease the risks of organizing a World Cup, it is useful to follow these four points:

- ❖ *Exemplary event organization*: event organizers should have a long-term view, which means that they have to organize not only the event, but also to think to the future possible use of event infrastructure, maximizing the utility of investments.
- ❖ *Economic intentions*: it is important that the World Cup represents a means to improve the host country's companies, to increase public awareness on regional areas, to promote the country, both from an economic and a touristic point of view
- ❖ *Use of tourism's potential*: tourism is an incredible driving force for economy
- ❖ *Decrease of environment deterioration*: as said before, the organization of a World Cup can cause big problems to the environment, because of natural resources consumption and air pollution.

However, it must be understood that Germany tried to reduce energy consumption and bad impacts on environment in relation to the World Cup. In collaboration with EnBW, a German energy company which was national partner of the 2006 World Cup, the event organization implemented the "Green Goal" program. This program included some initiatives for decreasing the CO₂ production: eco-building, efficient transportation system, etc.

This program has been used also in 2010 South-African World Cup, where the CO₂ production is estimated to have been six times more than that in Germany, because of the distance of South Africa from most big developed countries and because of the old and inefficient South African transportation system (Source: www.oeko.de).

In conclusion, this section had the objective of analysing the World Cup from another point of view, which is not the one related to sponsoring and marketing aspects, but instead more connected with the effects produced by the organization of a World Cup in a country. Football is a sport discipline and for this reason it is important that it continuously transmits positive values, like, for example, that of environmental protection, fair-play and the integration of different populations. At the same time, World Cup organizers have to consider not only the event, but they must also operate in a long term perspective, maximizing all positive aspects of such large events: development of sport disciplines, renovation of infrastructures, attractiveness to tourism and finally, the most important, the lives of those who live in areas affected by the World Cup. However, the effects of a World Cup can be seen only in the long term. Germany has profited from this event, renovating much of its transportation infrastructure and also most stadiums. This has had a great impact on the German football sector. German teams now have new stadiums, which are a great means of financing, because these buildings are usable all week long, and not only on the day of the match. This has had great effects on German football teams, which are improving their performances in Europe. The evidence of this is that Bundesliga is going to be better ranked as Serie A in UEFA classification, and this means that one more German team will be allowed to play in Champions League, and consequently that Italy will lose one place.

We should finally state that the social and cultural effects of a World Cup in the host country need much more time in order to be studied and understood. This time has not yet passed; however, it is possible to say that the 2006 World Cup represented a great period for Germany, which the people, who live there, were proud to be part of.

6. Conclusions

This second part of the thesis tries to give empirical evidence to all phenomenon analysed in the first part. Sport sponsoring and ambush marketing are seen from an empirical point of view. All studies testify that sponsoring is one of the most commonly used communication strategies. More and more firms use sport sponsorship for creating an association with sport. The most important objectives are the increase of visibility, the transfer of a positive image, and finally, the transfer of positive values, which are typical of sports.

In Europe, Germany is the country where sponsoring has most highly developed. In 2000 sponsorship contracts in Germany resulted in 30 % of all European sponsorship contracts; it means almost € 2,513m in contracts. Today sponsoring volumes are higher, and sport sponsoring represents the most vital area of investments: in Italy it is worth on 61% of all sponsoring volume, which means that sport sponsoring in Italy has attracted almost € 884m in 2010 alone, much more than culture sponsoring (€ 181m) and welfare sponsoring (€ 389m).

However, there are also some changes occurring sport sponsoring. For example, a recent study underlines how “betting” is becoming the first economic sector which most supports sport sponsoring, in particular if we consider the jersey sponsor of the clubs participating in the first five football European leagues: England, Italy, Spain, Germany and France.

Football remains by far the most popular sport. The World Cup in particular takes place every four years, and is the biggest world event, together with the Olympic Games.

In 2006 Germany hosted one of the most well-organized World Cups, which involved twelve German cities. Sponsoring agreements are really important because they guarantee to FIFA the financing for the World Cup organization. The World Cup is also taken advantage of by non-sponsor firms, which operate as ambushers.

Nufer (2010) studied the effects of sponsoring and ambush marketing strategies in relation to the 2006 World Cup. He drew some important conclusions, which are useful in confirming some initial hypothesis. In particular, he found that the level of awareness of a sponsor company among the public will generally not increase through World Cup sponsorship; instead, the image of a sponsor company will improve through World Cup sponsorship, and communication in an attractive field allows the participating company to improve its image value (in the case of the World Cup, both for sponsors and ambushers); moreover, the greater the use of brands, the higher a brands' level of positive perception.

A World Cup should not, however, be evaluated only from a sporting or sponsoring point of view. It is important to consider socio-economic aspects as well, which regard the effects of a World Cup. There are direct effects on football as a sport, but there are also indirect effects on the economy, sport associations and State. The organization of a big event attracts many investments, which make a renovation of Country's infrastructure possible. These effects need time to be analysed. In the case of Germany, long term effects still cannot be fully evaluated. In a short term view, it is already possible to say that Germany, thanks to the 2006 World Cup, conducted many renovations, in particular stadiums, hospitality and transportation system.

All these things make it possible to say that it is important to underline once more the strict existing connection between economy, sport and society.

Economy means firms. In fact, firms are constantly investing higher amounts in sport as a communication tool of their marketing mix. Sport is characterized by a great amount of public interest. Millions of people practice sport, and they are interested in it. Firms try to enter into this sporting world in order to increase their visibility. Sponsorship contracts and agreements are the best way to make it possible. However, due to the difficulty of being official sponsors of big events, firms sometimes implement new communication strategies, such as ambush marketing.

Big events, such as the World Cup and the Olympic Games, are tremendous goals for ambushing actions, because of their high level of awareness with public audience.

Event organizations are forced to take great efforts to counter this ambush phenomenon; otherwise, they will lose sponsorship financing. The 2006 World Cup is an excellent example of FIFA countering actions against ambush marketing, as well as an example of the big impact of a World Cup in a country.

Socio- and economic effects must be evaluated because they are the consequences of the organization of big events within a country.

All these aspects can create a win-win solution only if economy, sport and society play their combined roles in event organization, trying to maximize the great potential utility of these events, while at the same time reducing the possible disadvantages. In fact, sponsoring and ambush marketing will keep being fantastic communication tools for companies, but only if sport will maintain its traditional values, and society the ability to obtain advantages from the increase of sport in life.

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