

EXPLORING THE IMPACT OF SPORT-SPONSOR FIT ON CONSUMERS PURCHASE INTENTION: A CASE OF INDIAN PREMIER LEAGUE

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ABSTRACT

These days' corporate organizations are using the sports sponsorship as a tool to tab their target customers and also to increase the brand awareness of their products. National and multi-national organizations are sponsoring the sports and other events for the promotion of their products, and also using the favorable image of the event to increase the brand recall and brand image of their products and the company. This study used the structural equation modeling technique to find out the relationship between the title sponsor (Tata motors) of Kings XI Punjab team and the event Indian Premier League (IPL). The study used the variables sponsor familiarity and event involvement to find out the brand-event congruence between the event and the sponsor. The study also tried to find out the impact of brand-event congruence on consumer's attitude towards the sponsor's brand and their purchase intentions. With the help of structural equation modeling technique the study found the results that sponsor familiarity and event involvement has positive impact on brand-event congruity and the brand-event congruity has positive impact on consumer's attitude towards the sponsor's brand but consumer's positive brand opinion doesn't influence consumer's purchase intentions.

Key words: *Event involvement, Sponsor familiarity, Sports sponsorship, Structural equation modeling,*

I. INTRODUCTION

According to [1] meenaghan, (2001) sponsorship is the assistance either in the form of finance or in kind to an activity by a commercial organization for the purpose of achieving their commercial objectives. [2] Gardner and Shuman, (1998) defined sponsorship as an investment in an event or activity to enhancing the brand and corporate image or achieving the marketing objectives by increasing the brand awareness of the products. According to the [3] International event group (2000) sponsorship defined as the fee paid by the organization for a property (typically a sport, entertainment, non-profit event or organization) in return to avail the commercial benefits associated with that attribute.

The corporate organizations are using the sports sponsorship to affect the behavior of the customers. In the sports-sponsorship programs the corporate firms assigning the players with the logo in their jerseys to increase

the brand awareness of their products and also to increase the brand image of their product. The firms have also tried to affect the attitude of the customers by sponsoring the particular event, or team or player. By doing so they tried to achieve the corporate objectives of the firm such as boosting the sales or make their competitive position in the market.. According to [4] Stipp & Schiavong, (1996) sport sponsorship become the important tool for the corporate organizations to achieve their objectives. That is why, many non-sport corporations like: Shell, Coca-Cola, Emirates and Vodafone sponsoring the individual athletes, clubs and teams, events, league, unions, federations, competitions, venues and special cases.

Every firm those are investing in the sporting events has different objectives. With the help of sports sponsorship firms are achieving their short and long term objectives. The sponsorship objectives of the firms can include the brand awareness of the product and the new company in the market [5] (Johar and Pham, 1999), brand recall by the users of that product [6] (Bennett et al. 2009), making the competitive position in the market [7] (Ruth and Simonin, 2003), enhance the image of the product [8] (Roy and Graeff, 2003) and increasing the sales of the organization and the particular product [9] (Dean, 2002). In the end, sports sponsorship is the link between the customers and the sponsoring organizations which creates the values and trust among their target customers and increase the positive perception of the customers towards the brand and the organization.

II. LITRATURE REVIEW AND HYPOTHESIS DEVELOPMENT

2.1 BRAND-EVENT FIT

Brand-event fit (congruence) means the link, fit or compatibility between the event and the sponsor's brand, so the sponsor can get the benefit by investing their money in a particular event. According to the sponsorship literature, if the brand and the event are fit or matched to each other that can affect the attitude of the customer, which can also affect their purchase intentions [10] (Gwinner and Eaton, 1999; [11] Meenghan, 1998; [12] Cornwell and Coote, 2005; [13] Koo et al. 2006). In a study by Gwinner and Eaton, (1999) found the functional and image based similarity between the event and the sponsor or the team. Functional based similarity means the usage of the brand in the event and image based similarity means the resemblance of the image of the brand with the event. The study also found that sponsoring companies can get the benefit if the target customers can found the functional or image based similarities between the event and the sponsor. In the other study by [14] Gwinner and Bennett, (2008) it was found that, the fit perception between the event and the sponsor can positively affect the perception of the consumer towards the sponsor's brand and this can affect positively their purchase intentions. In the recent study by [15] Gwinner et al. (2009) found that, team identification and the positive match between the event and the sponsor can positively affect the image of the consumer's towards the sponsoring product and also transfer the positive image of the event to the sponsored product. The study too found that positive image of the brand can also affect the behavioural intentions of the customers in a positive manner.

We explored two constructs, i.e. sponsor familiarity and event involvement to find out that the event (i.e. Indian Premier League) and the team sponsor of KING XI PUNJAB (i.e. Tata Motor) fit well with each other. The study also investigate that if the event and the sponsor fit well to each other how it effects the consumer attitude

towards the sponsors product and how their brand opinion can affect their purchase intentions. These constructs are selected to get better insight both the individual and the sponsor level.

2.2 SPONSOR FAMILIARITY

Sponsor/Brand familiarity means that how much the consumers have knowledge about the brand and the sponsored product. The sports, literature support the construct that if the customer's are aware about the particular brand and also found that brand as event or team sponsor, that can positively affect the perception of the consumer towards that brand Cornwell and Coote, 2005; [16, 17] Madrigal, 2000, 2001).

A model developed by [18] Close et al., (2006) found that, the knowledge of the event attendees about the sponsor's product, their enthusiasm and activeness towards the sport have positive impact on their perception of the sponsor's community involvement in the event. When the attendees found the positive involvement of the sponsor in the event that can impact positively their perception towards the brand and also their purchase intentions. A study by [19] Close and Lacey (2015) used sponsor familiarity as a variable in their study and found that those fans who are aware with the brand shared favorable thoughts about the brand which can help to increase the attendee's patronage towards the sponsor's product. This discussion drives our first hypothesis:

Hypothesis 1: Higher the brand familiarity with a sponsored brand, higher the perception of the brand-event congruity.

2.3 EVENT INVOLVEMENT

Event or sports involvement means the perceived interest of the consumer in a particular event and sports (e.g., [20] Zaichkowsky, (1985). In the sports sponsorship literature, authors find the direct relationship between the sports involvement and purchase intentions (e.g., [21] Alexandris, Tsaousi, & James, 2007). The different terms have been used by the different authors to describe the connection that viewers or fans have with a sport or team such as: attraction [22] (Hansen and Gauthier, 1989), identification [23] (Wann and Branscombe, 1990), loyalty [24] (Murrell and Dietz, 1992), association [25] (Gladden et al., 1998), importance, & attachment [26] (Funk et al., 2000), and commitment [27] (Mahony et al., 2000). A study by [28] Bachleda et al. (2015) used the multiple mediation analysis to find out the impact of sports involvement on the consumer purchase intentions by using the sponsor image and sponsor awareness as a mediator. The study found that sponsor image has a direct and indirect impact on consumer's sports involvement and this also affect their purchase intentions. The study also found that sponsor awareness don't have the impact on consumer's sports involvement and purchase intentions. In other words, consumers are aware about the products of the sponsor but their awareness does not directly influence their purchase intentions.

Hypothesis 2: Higher the involvement with an event, higher the perception of the brand-event congruity.

2.4 ATTITUDE TOWARDS SPONSOR BRAND

The study by [29] Becker-Olsen (2003) examined the impact of fit between the event and the sponsor on sponsoring brand in a case of Special Olympics. The study found that if the event and the sponsor are not fit to each other this can negatively affect the attitude and opinion of the participants towards the sponsoring brand and this also affect their affective and behavioral intentions. The study also found that if the sponsoring brand and event is fit well to each other or high native fit exists this works in the favor of sponsoring firm. A study by Koo et al., (2006) also explored the same concept of fit in the form of high versus low degree of image fit. The

survey found that, the respondents can form the positive opinion towards the sponsoring brand if they found the relevance or link between the event and the sponsor. In another study by [30] Rifon et al., (2004) found that, if congruence or fit exist between the socially desirable cause and the sponsor, then this will lead to increase the sponsor credibility and positively affect the consumer attitude towards the sponsoring brand. On the basis of following information, we form our fifth hypothesis:

Hypothesis 3: Positive perception of event-sponsor fit will result a positive attitude towards the sponsoring entity.

2.5 PURCHASE INTENTIONS

A study by [31] Kim, James and Kim (2013) investigated that, sports consumers buying decisions are affected by the different motives (i.e. Hedonic, psychological and societal) and commitments (i.e. Affective, continuance and normative) they have. In other words consumer's motives can affect their commitments to purchase a specific product or not. In another study by [32] Herrmann, Kacha and Derbaix (2015) tried to find out the relation between the sponsor's advertising activities, consumer's attachment with the sponsored brand and their purchase intentions. The study found that sponsor's leveraging activities related to the sponsorship, can increase the awareness of the consumer's or fans, about the sponsored entity, which delivers a positive impact on their behavioral intention. Lastly we propose our sixth hypotheses:

Hypotheses 4: Consumer's positive thinking regarding the sponsoring entity can alter their purchase decisions.

III. RESEARCH METHODOLOGY

3.1 DATA COLLECTION

The Indian Premier League (IPL) season 9 had started from 8th April, 2016 and ended 29th May, 2016. The data were collected from 204 respondents, who had watched the match of the IPL on the PCA ground of Mohali. The brand, Tata motor, gets chosen because it is the team sponsor of KING XI Punjab team in the IPL. The event IPL has been chosen for this study because of the two main reasons. First reason is that the people of India are hard core fans of the game of cricket. Second reason is the investment of the national and multi-national companies as a sponsor of the event and the teams.

3.2 SAMPLE PROFILE

Heterogeneity was marked in the 204 sample respondents under demographic profile. Mostly (68 percent) respondents were male. 20 percent of respondents belong to 18-20 years old, with another (73 percent) ranging from 21 to 30 years old and (seven percent) ranging between 31 to 40 years old. Analysis also shows a difference in household income with (65 percent) respondents earn less than 1, 50000 annually, (27 percent) earn between 1, 50000- 500000 and eight percent earn greater than 500000. 30 percent respondents actively play the cricket, 28% respondents irregularly play the cricket and 42% respondents just watch the cricket. Majority of the respondents (31 percent) preferred to watch IPL on the television (48 percent) preferred to watch on the ground and (21 percent) on the mobile phones.

3.3 SCALE MEASURE

Likert type scale and semantic differential scale has used to measure the different constructs of the study. Because all constructs are opted from the previous studies, so to meet the requirement of the study, slight

changes have been done in the constructs. Sponsor familiarity, event involvement, brand-event fit and attitude towards sponsor brand and purchase intention were measured on a seven-point Likert-type scale ranging from 1 (strongly agree) to 7 (strongly disagree). Sponsor familiarity was assessed with a two-items seven-point rating scale based on works by [33] Doyle et al.,2014; event involvement was measured on a three-items, seven point likert scale taken also from Dyole et al., (2014). To measure brand-event fit and attitude towards brand sponsor, four items each and, seven-point Likert scale were taken from works by [34] Speed and Thompson (2000). The purchase intention was measured through a two-items, seven-point likert scale specific to the team sponsor of KING XI Punjab sponsor (Tata motor), developed by [35] Ngan, Prendergast & Tsang (2011).

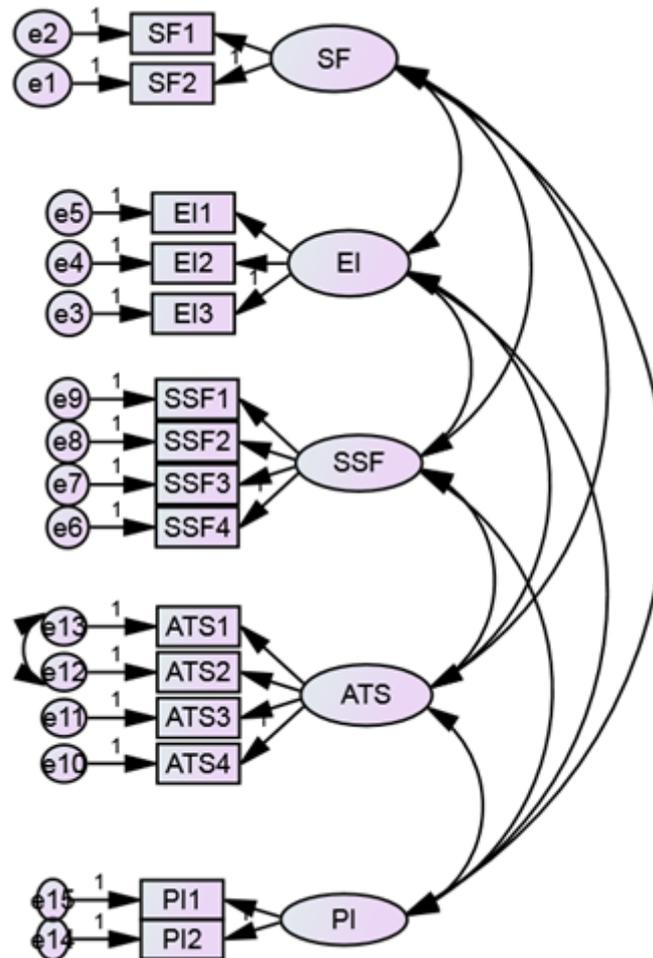


Fig.1 confirmatory factor analysis

3.4 MEASUREMENT MODEL

The confirmatory factor analysis was used to measure the model fit. The parsimonious fit index of the model is $X^2/df = 1.147$, which is below the recommended threshold of 3 [36] (Kline, 2005). The comparative fit index (CFI) is .996, the tucker Lewis index (TLI) is .994 and Normed fit index (NFI) is .968. Thus, all are above the suggested cut off of 0.9 [37] (Hu and Bentler, 1999). The root mean square error of approximation (RMSEA), which indicates the amount of error in the model is .026, which is lower to the cut-off of 0.08 [38] (Bentler,

1990; [39] Bentler and Bonett, 1980). All the values have shown that the model represents an acceptable fit to the data.

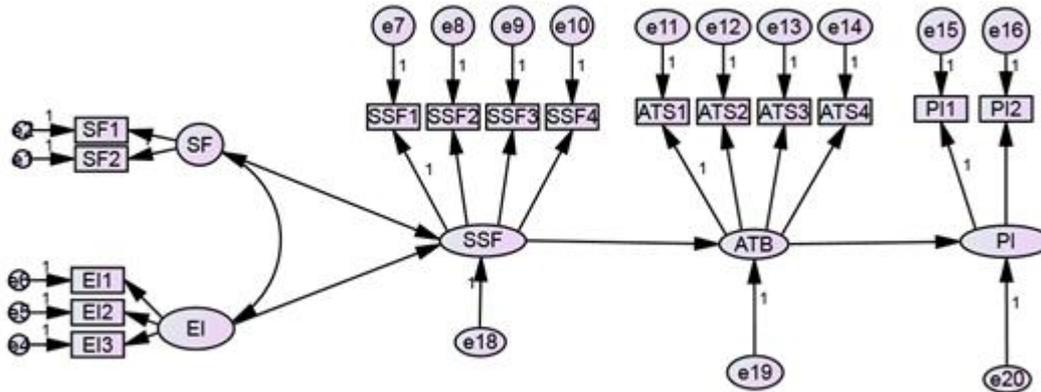


Fig.2 structural equation model

3.6 STRUCTURAL MODEL ESTIMATION

Structural equation modelling technique is used to test the hypothesized relationship between the constructs. The structural equation model is tested using the statistical software Amos 21.0. The model has a parsimonious fit index is 1.433. An examination of the comparative fit index (CFI= .987), the Tucker Lewis Index (TLI= .984), incremental fit index (IFI= .987), and the root mean square error of approximation (RMSEA= .04482) provide evidence for acceptable fit (Bentler, 1990; Bentler and Bonett, 1980).

IV. THEORITICAL IMPLICATIONS

The proposed model examines the causal relationship between the sponsor familiarity, event involvement on brand-event fit and their impact on consumer's attitude towards brand and purchase intentions. The work found that sponsor familiarity has positive impact on brand-event fit. Our findings also revealed that those consumers, who recognise and identify the particular sponsor, more influenced by the brand-event congruence. This implies that those consumers, who had highly attached with the sports and the sponsor of the game, frame a positive picture of the firm in their mind that can impact their attitude and also their purchase intentions. It confirms our first hypothesis. The second variable of the model, event involvement has also positive impact on brand-event congruity. It means the attendees are coming on the ground because of their involvement and also the excitement towards the game. The study also found that attendee's involvement in the game can improve their positive perception towards the sponsor brand. So the study confirms the second hypothesis. In the third hypothesis of the study the results showed the positive association between the brand-event congruence and the consumer opinion towards the sponsor brand. It means the match between the event and the sponsor can impact the consumer brand opinion in a positive manner. It means the study accept the third hypothesis. But the study also found the negative association between the consumer attitude towards the brand and their purchase intentions. It means the consumer can frame the positive picture of the sponsored brand in their mind but not

transfer their opinion to their purchase intentions. In other words, sponsored organisations are getting the benefit of sponsorship in terms of their brand awareness but not in terms of selling of their brand or product.

V. MANAGERIAL IMPLICATIONS

Now a day's companies are using the sponsorship as a tool to promote and advertise their product. Sponsorship becomes the important marketing tool for the national and multi-national companies. This current model has very powerful implications for the event and marketing managers. The study confirms that sponsor familiarity has positive impact on brand-event fit (congruence). It means, if the consumers have knowledge of the brand and they are also involve with the event then the organizations have better chance to tab their target customers. Second hypothesis also support the relationship between the event involvement and the brand-event congruence. It means, companies should recognize that they can transfer the association of the consumers from the event to the sponsored brand. The sponsors, who are part of the event they can get the benefit of the involvement of the consumers or attendees with in the event. It implies if the national and multi-national companies would attach to a special case, this has influenced the thinking of the consumers and they are more involved with that issue. This knowledge could aid companies make viable sponsorship decisions for or against specific issues or actions. This data also can help companies plan event commercialization in accordance with target group involvement levels.. The third hypothesis of the study found the positive correlation between the brand-event congruence and the brand attitude of the consumers. This is important point to think for the managers that, attendees have involved with the event more for the sponsor familiarity and the event involvement. And if they found the match or congruence between the event and the sponsored brand then this can positively impact their attitude towards the brand.

In the forth hypothesis, the study found the negative relationship between the consumers brand attitude and purchase intentions. It means the attendees those are watching the event have positive opinion towards the sponsor of the team. But only the positive opinion towards the brand doesn't impact much on their purchase intentions. So the managers have to think about the different variable when they sponsoring the particular event or the team.

VI. FUTURE RESEARCH AND LIMITATIONS

Like all studies, there are limitations to the research project that need to be acknowledged and taken into account when interpreting the results of the study. In this study, we have taken different constructs from different research papers, and try to develop a model. Although the model was tested using confirmatory factor analysis to assess its reliability and validity, but this initial attempts will undoubtedly be refined in future studies.

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