Koronios, Konstantinos; Psiloutsikou, Marina; Kriemadis, Athanasios; Kolovos, Petros

Article
The effect of perceived motivation of sports sponsorship: Evidence from basketball fans


Provided in Cooperation with:
Eastern Macedonia and Thrace Institute of Technology (EMaTTech), Kavala, Greece


This Version is available at:
http://hdl.handle.net/10419/185638

Terms of use:
Documents in EconStor may be saved and copied for your personal and scholarly purposes.
You are not to copy documents for public or commercial purposes, to exhibit the documents publicly, to make them publicly available on the internet, or to distribute or otherwise use the documents in public.

If the documents have been made available under an Open Content Licence (especially Creative Commons Licences), you may exercise further usage rights as specified in the indicated licence.
The effect of perceived motivation of sports sponsorship: Evidence from basketball fans

Konstantinios Koronios1, Marina Psiloutskikou 2, Athanasios Kriemadis3, Petros Kolovos4
1Department of Sport Management, University of Peloponnese, E.S. Valioti & Plataion, 23100 Sparti, konskoror@hotmail.com
2School of Business, Athens University of Economics and Business, 76 Patission Street, 10434, Athens, Greece, mpsilout@aeub.gr
3 Department of Sport Management, University of Peloponnese, E.S. Valioti & Plataion, 23100, Sparti, thanosk@uop.gr
4 Department of Nursing, University of Peloponnese, E.S. Valioti & Plataion, 23100, Sparti, petroskolovos@yahoo.gr

Abstract

Purpose – The purpose of this study is to single out the key variables in the sport sponsorship relationship, and more specifically to examine the impact of Team Achievement, Sponsor Recognition and Sponsor Altruism on two major behavioural outcomes, fans’ purchase intention and word of mouth communication.
Design/methodology/approach – A quantitative method was adopted for the scope of this research and questionnaires were collected from fans of a prominent Greek basketball team. A total of 801 questionnaires were collected and interpreted by means of SPSS.
Findings – The proposed model was supported by the empirical evidence. All (with the exception of one) research hypotheses were confirmed, either fully or partially (all or some of the distinct dimensions of our independent variables have a significant effect on all or some of the distinct dimensions of the dependent variables).
Research limitations/implications – The sample used was predominantly individuals highly involved in the sports club and in basketball in general. As a result, the overall accuracy of the identified sponsors may have been different in case of a different population or sample, not so familiar with these two factors. Furthermore, the fact that the results came from only one type of sport and also from sport fans of a specific club, makes their generalization more sensitive.
Originality/value – This research tests an integrated sponsorship model, well known in the respective literature. Nevertheless, the results draw not on the general opinions of fans regarding sponsors but on their opinion about the actual sponsors of the team they support.

Keywords: Sponsorship, sports, sponsor recognition, purchase intention, word of mouth communication

JEL Classification: M3, Z20

1. Introduction

Sponsorship is not a contemporary phenomenon, but an acclaimed noteworthy development first used in 590 BC, when athletes of the Olympic Games were financially rewarded by the Greek state. From such a comparatively moderate inauguration it has developed into an impressive industry (Smith, 2004). Sponsorship is a company’s investment in cash or kind, for creating a business-to-business relationship with a sport team, in order to gain publicity and awareness in a specific target group, via the support of an activity, not directly associated to their business (Biscaia et al., 2013). The exchange theory - one of the preeminent theoretical views in the social sciences - is one of the principal notions of subjacent sponsorship, and it has two main tenets (Crompton, 2004): The first tenet of the exchange theory suggests the existence of at least two parts exchanging assets and second, the assets offered by each part must be equitably treasured by the interchanging parts (Kim et al., 2011). According to the first tenet of the exchange theory, sponsor and sponsee have numerous assets to exchange. The sponsee may benefit the sponsor by increasing their awareness, enhancing their image, and boosting their sales. The sponsor in return, may benefit the sponsee by providing cash, publicity, or in-kind services. The second tenet of the exchange theory proposes that each part engaged in the exchange will null this cooperation based on the assessment of what it will gain and what it will have to sacrifice (Crompton, 2004). A key aspect of the first tenet is that the exchange is anticipated as reciprocally profitable for both parts. In order to assure the reciprocally profitable outcome of the exchange, numerous researches have taken place, assessing the profits that a sponsor and a sponsee firm receive from the sponsorship agreement (Kim et al., 2011).

The growth of sponsorship as a marketing tool, is contemporary, impressive and omnipresent, being to a great extent a phenomenon of the last decade. Sponsorship has gathered exceptional funding in the latter decades. The universal sponsorship investments were estimated to be $25.9 billion in 2003 and in ten
years this amount more than doubled, arriving at $53.3 billion in 2013, in spite of the economic crisis of 2008-2009 (IEG, 2013). In Europe, sponsorship investments were estimated to be $14.5 billion in 2012, with a 2.8% growth from the previous year (IEG, 2013). The unceasing upward tendency of sponsorship expenses demonstrates that firms recognize it as a proper investment (Kim et al., 2011).

Growth in sponsorship spending has been compelled by an array of factors, including firms’ apprehensiveness about the efficacy of traditional marketing techniques, the competitive battle of firms in mature markets, as well as the rise of new mass media technologies (Internet, smart phones etc.) which has also contributed to the so-called globalization of sports. The emergence of these new technologies has not only expedited the spontaneous conveyance of sports events all over the world but has also engendered the spread of their popularity throughout the globe (Chih-Hung Wang et al., 2012). The commercialization and the globalization of sports –activities able to deliver spectator numbers- have increasingly provided favorable circumstances for sponsoring firms (Meenaghan and O’Sullivan, 2001).

As stated by the International Events Group (IEG, 2012), 68% of the worldwide sponsorship market in 2011, invested in sport properties, with sponsorship in the European football market reaching $20.9 billion (IEG, 2012). Because of this growth and extensively delineated method, sport sponsorship depicts a significant marketing tool for sponsoring firms and an important income flow for sport clubs (Buhler et al., 2007).

Sport is an unforced domain for sponsorship, given that sponsors are more willing to invest in sport associations and clubs, which have a strong bond with a mass audience, as the goodwill that supporters feel towards their favorite club, is likely to be communicated to the sponsoring firm’s brand or products (Madrigal, 2001).

By engaging in a sport sponsorship agreement, sport clubs obtain the essential financial assistance and/or other in-kind services in order to enhance their quality and various managerial aspects, whilst the sponsoring firms gain the tangible and intangible assets of being correlated with the sport club (Chen and Zhang, 2011). There are multiple goals and advantages that firms pursue when engaging in sport sponsorship programs, such as overcoming cultural obstacles (Cousens et al., 2006), developing relations with the mass media (Chadwick and Thwaite, 2004), strengthening relationships with society, enhancing brand awareness and creating positive brand attitude, entering new target markets, building brand loyalty, heightening sales and market share, distancing themselves from competitors, acquiring hospitality opportunities (Apostolopoulos and Papadimitriou, 2004), and even raising worker morale or expediting staff recruitment (Barros and Silvestre, 2006). Fundamentally, sport sponsorship has evolved into an influential marketing technique used by sponsors to interact with extensive external and internal audiences in order to distinguish themselves from their rivals (Cornwall, 2008), with the utmost ambition being to align fan’s inclinations toward sponsoring firms’ goods (Barros and Silvestre, 2006).

By engaging in a sport sponsorship agreement firms boost not only their brand exposure but also the admittance of their goods amidst team supporters, and they have the chance to bring heretofore distant stakeholders into close proximity (Cunningham, et al., 2009). Previous studies have proved that supporters are emotionally attached when attending sports (Biscaia et al., 2012; Kwak et al., 2011), and multinational companies use this psychological attachment to sport to associate with sport fans (Santomier, 2008). In addition, Meenaghan (2001) proposes that firms’ financing in sport clubs produces a good-will effect amidst supporters, which consecutively manipulates their attitudes and behaviors toward the firm. Similarly, Parker and Fink (2010) suggest that once the connection betwixt a sport club and a sponsoring firm is formed, the sponsoring firm becomes a part of a close network of supporters.

Sport supporters are repeatedly displayed to various sponsoring firms from various sectors (Chavanat et al., 2009), as sport clubs serve as effective instruments used by companies to enhance relations with specific target groups (Henseler et al., 2011). Per se, the usage of actual sponsors engaged with sport clubs must be a key aspect in sponsorship research. Past research has shown that sponsoring firms desire to observe supporters having the same positive feelings concerning brand as they have toward their club (Shaw and McDonald, 2006). Nevertheless, supporters’ reactions to sponsorship are dissimilar as a result of the knowledge formats they have (Roy and Cornwall, 2004). According to Wakefield and Bennett (2010), market eminence of the brand and its pertinence to the sport club are crucial factors in regulating how supporters react to the sponsorship. In the same way, research has shown that when sponsoring firms appear to be sincere, they have more chances of getting positive feedback than those which are engaged in an abundance of sponsorship agreements (Speed and Thompson, 2000). Based on the previous discussion, it is crucial to figure out the role of sport club loyalty in supporters’ responses to actual sponsors of the club, and validate any differences among the sponsoring firms.

Notwithstanding the indisputable relevance of sport sponsorship and the abundant amount of research conducted about its effectiveness, there is no widely established theory and there is a necessity for further research (Walraven et al., 2012). Furthermore, academic research until now has mainly focused on the assessment of abstract corporate sponsorship rather than actual sports club sponsors (Biscaia et al., 2013). As such, the purpose of this study is to single out the key variables in sport sponsorship relationship by examining actual sport club sponsors. More specifically, the objective of the study is to develop a model which will examine the impact of sponsor recognition, sponsored club’s achievement and perceived sponsor’s
altruism on two major behavioral outcomes, fans’ purchase intention and word of mouth communication, for each sponsor. As a result of this, the specific research tries to provide a better comprehension of the advantages of sponsorship agreements for both the sport clubs and sponsoring firms.

2. Theoretical Background

Given that indication and assessment of the investment outcome are among the major factors in a corporate transaction, sponsorship efficacy has accumulated consequential consideration in sport sponsorship literature (Ko et al., 2008). In accord with earlier researches, it is crucial to examine whether sport sponsorship provides any assets to sponsoring companies from the point of supporters’ affective, cognitive, and behavioral responses, such as perceived quality, price, and intention to procure the sponsor’s products (Walker and Kent, 2009). Previous studies have examined several factors influencing the effectiveness of sport sponsorship, such as attitude toward sponsor (Kim et al., 2011), purchase intentions of fans (Biscaia et al., 2013), congruence of sponsor firm and sport club, (Rifton et al., 2004), image creation & transfer, as well as media performance (Meenaghan, 2001). Nonetheless, hardly any of them have investigated how the relationship between fans and sport clubs affects sponsorship efficacy, and even fewer studies have developed an abstract basis for how the fan-sport club relationship affects fans’ attitudes toward sponsorship and/or sponsor firms. Moreover, sponsor recognition, perceived sponsor altruism and team achievement are amidst the major antecedents factors which play a critical role in the forming of sponsorship outcomes and by extension in sponsorship efficiency (Tsiotou and Alexandris, 2009). Regardless of its gravity and the abundance of research on sport sponsorship, the complexity of the association surrounding sponsorship and fans’ buying objectives remains blurred, as the interactions between the proposed variables are complicated and dynamic.

2.1 Team achievement

A series of research has examined the impact of sports team performance and its level of achievement on supporters’ degree of identification with the team and by extension on their attitudes and behaviors toward the sponsors (Koronios et al, 2015a). Team achievement is defined as the success of the team relative to other primary competitors in objective terms (Wakefield and Bennett, 2010). Moreover, team achievement can also be defined as the spectator’s perceived experience of the team’s failures and successes and is directly connected with team identification (Ashforth and Mael, 1989). More specifically, fans tend to have a positive association with a winning team enhancing at the same time their self-image (Boen, et al., 2002).

The notion that people’s social identification within groups is stagnant is implied in numerous researches of social identification (i.e. “strong qualifier” or “weak qualifier”). Although Cornwell and Coote (2005) stated that when people participate in different social groups there is a potential debilitation of their social identification, they considered it a steady rather than a changeable affiliation. On the contrary, Haslam et al. (2000) support that human beings are constantly taking over numerous self-categories, emphasizing that the degree to which a person will be complaisant to determine himself by any one of these at any time, relies upon the interplay betwixt the person’s current association with respect to the group and its anticipated regulative suit. Therefore, in the field of sport, social standing will probably be further noticeable when a club’s competitive performance is perceived positively by its supporters, than when its performance is moderate or inferior (Lings and Owen, 2007). As a result, affective commitment has a greater effect on social standing and, by extension, social standing has a greater effect on purchase intentions of supporters of clubs with high competitive performance in comparison to those of moderate or inferior performance. This supports the case that if the club performs well, supporters will more easily and quickly make the transition from feeling positive about the club to embracing general standards and ethics related being a supporter; and the particular standards and ethics are certain to result in a greater desire to buy sponsors’ goods, because this is an overt demonstration of devotion and standing with the winning club.

Furthermore, Wakefield and Bennett (2010), suggest that higher-performing clubs (e.g. champions and forerunners), stimulate more positive sentiments amidst their supporters, which in turn enhances the probability that they will meticulously recognize the affiliated sponsors of the sport clubs. When the supporters of a team anticipate its competitive performance as successful, the profits of the sponsorship program increase. Sponsors expect that the sympathy felt toward the team will be transmitted to their own brand. Admirably, companies try to associate themselves with teams that create the most affinity (Wakefield and Bennett, 2010). On the other hand, when supporters confront an underperforming sport club, they try to augment the distance between themselves and the sport club in order to conserve their dignity, as individuals try to affiliate themselves only with winners (Wakefield and Bennett, 2010). Lings and Owen (2007), indicate that team success is the most important factor concerning the recognition of supporters of a winning team, as well as their purchase intentions. More specifically, as far as unsuccessful clubs are concerned, team identification has a slight effect on the propensity to purchase and on the benefits to the club’s sponsors. On the contrary, in cases of successful clubs, a high degree of team identification is shown to have a compelling influence on supporters’ buying intentions, as far as sponsors’ products are concerned.

2.2 Sponsor recognition

Sponsorship can enhance corporate image, and we can measure its effectiveness in terms of recall, recognition, and image changes (Bibby, 2011). Sponsor recognition is an extensively acknowledged factor for evaluating sponsorship effectiveness (Walsh et al., 2008). Nowadays, firms are increasingly recognizing
the creation of an effective sponsorship program as being a challenging task, in that it ensures that fans distinguish sponsors and non-sponsors in the right way, preventing any ambush marketing techniques by non-sponsors (Grohs et al., 2004). To achieve this goal, firms must recognize the factors which regulate sponsor recognition. The concept of sponsor recognition ascribes to one’s capability to identify the trademark of the sponsor, under disparate circumstances, and it comprises brand recall and recognition effectiveness (Biscaia et al., 2013). The individual’s identification of the sponsor is essential for further information searching about the sponsor. According to Crompton (2004), the first step as a prerequisite for sponsorship effectiveness in mass audiences is the concatenation of sponsorship benefits and the awareness of its existence. In other words, if recognition is not initially accomplished, sponsoring firms are unable to fulfill their consequent ambitions (Farrelly et al. 2005). Recognition of sponsors is crucial to accomplishing their strategic goals, as team supporters may appreciate the firm as a consequence of the effect generated through its exposure inside and outside the sport arena (O’Reilly et al., 2007). Moreover, the extent to which individuals are capable of recognizing a sponsorship, sponsor recognition is a decisive quantum of the sponsorship’s efficacy (Rifon et al., 2004), while it also prompts crucial consumer conducts such as a positive stance towards the sponsor (Speed and Thompson, 2000), and a reason to acquire its goods (Madrigal, 2001).

2.3 Sponsor Altruism

Another series of research has examined the role of the construct of sponsor’s altruism as a major factor enhancing sponsorship effectiveness (Olson, 2010; Alexandris et al., 2007; Rifon et al., 2004). This notion is mainly assigned to the attitude that sponsoring is a minor profit-making communication means (even charitable) in relation to advertisement, but this “feel-good” perspective is minimized when sponsors are considered less sincere/dishonest (Speed and Thompson, 2000). According to literature, there is a positive correlation betwixt an individual’s anticipated altruism of the sponsoring firm and his reaction to sponsorship (Speed and Thompson, 2000). In the event that team supporters anticipate a sponsoring firm to be a sincere associate of the team, rather than having the impression that a sponsor is just trying to exploit their love for the team in order to sell his goods, these supporters will probably show concernment and sympathy to the sponsoring firm, as well as an eagerness to think about its merchandise (Kim et al., 2011). Moreover, individuals have positive feelings and show a higher purchase intention when the motives of sponsoring firms are anticipated to be more charitable rather than merely commercial (Becker-Olsen and Hill, 2006). According to Rifon et al. (2004), individuals who estimate the sponsoring firm’s motives as less altruistic or more financially oriented, may anticipate the firm to be less trustworthy. Sponsor’s altruism performs a crucial role in forecasting an individual’s stance towards the sponsor himself. Although altruism has been found to be a crucial forecaster of higher-level sponsorship effects, essentially no previous research has sought to comprehend the foundation for altruism insight, with Rifon et al. (2004), being the only who has used altruism as a dependent variable.

Individuals’ intention to purchase stems from two principal factors: first, a positive stance towards the firm and second firm intimacy which comes from prior exposure to the firm as well as prior utilization (Pope and Voges, 2000). From a sponsor’s viewpoint, the purchase intention of fans constitutes the most important exponent of sponsorship effectiveness given its influence on sponsor’s selling (Crompton, 2004).

2.4 Purchase intentions

Purchase intentions indicate the given intention of a fan to obtain a product/service (Spears and Singh, 2004). According to this proposal, purchase intentions display an indicator of a fan’s incentive to show a particular buying behavior (Dees et al., 2006), especially when a sponsor engages in sport activities addressed to supporters who have a common identity (Ko et al., 2008). A supporter’s reaction to the sponsoring firm comes across in a sequence of phases, with the first phase to being the awareness of the sponsoring brand, to eventually consenting purchase intentions and actions toward their merchandise (Kim et al, 2011). Therefore, prospective intentions to acquire are among the most suitable signals of what degree of influence a sponsorship may have on upcoming sales (Howard and Crompton, 2005). Supporters’ awareness of the sponsoring firms concurs positively to their stance towards them, and purchase intention ensues from this positive stance (Schlesinger and Gungeric, 2011). From the supporters’ viewpoint, recognizing a firm as an aid to their club, they may acquire the sponsors’ goods as a form of altruism or to compensate the firm for sponsoring the club (Parker and Fink, 2010). Based on this variety of results, various researches have utilized purchase intentions as the decisive variable to assess sponsorship efficacy (Alexandris et al., 2007; Madrigal, 2001). Nevertheless, most researches bear upon general sponsors, instead of concentrating on present sponsors affiliated with a club (Hong, 2011). Hence, contemporary research contemplates purchase intentions as the endpoint of sponsorship efficiency.

2.5 Word-of-Mouth communication

Although a main of research has identified purchase intentions as a main sponsorship outcome (e.g. Biscaia et al, 2013; Madrigal, 2001), word-of-mouth (w-o-m) communication has not been thoroughly investigated. Previous studies have indicated that word-of-mouth communication is a dynamic marketing means for firms (Laczniak, et al., 2001). Word of mouth communication can be described as a transmission of opinions and ideas between people, with regard to a product/service, which concerns the item of the communication (Laczniak et al., 2001). Word-of-mouth communication could be proposed as an extremely enticing sponsorship outcome, which will possibly have a more compelling impact on an individual’s attitude than other promotion tools, as individuals perceive it as more approachable, trustworthy, and less biased.
(Swanson et al., 2003). Moreover, utilizing information received by word-of-mouth communication is an efficient approach to eliminating any anticipated risk derived from the purchase-for the first time-of any product or service (Alexandris et al., 2007). This is specifically pertinent in the sport context, in the case of sport service organizations, in which supporters’ anticipated risk is generally high, owing to the complications in the evaluation of the quality of services offered by sports clubs. The difficulties in the evaluation of services offered by sports clubs are caused by the high intangibility and inconsistency of the sport service product (Alexandris et al., 2007).

Based on the sponsorship literature, the following model is proposed. More specifically the role of team achievement, sponsor recognition & sponsor’s altruism was investigated, in predicting supporters’ purchase intention and word of mouth communication.

![Figure 1: Research Model](image)

All the hypothesized variables are displayed in the suggested model as presupposed in figure 1, which critically investigates the following hypotheses:

H1: Sponsor altruism is correlated with the intention to purchase the team’s sponsors’ products/services
H2: Sponsor recognition is correlated with the intention to purchase the team’s sponsors’ products/services
H3: Team achievement is correlated with the intention to purchase the team’s sponsors’ products/services
H4: Sponsor altruism is correlated with positive word of mouth communication.
H5: Sponsor recognition is correlated with positive word of mouth communication.
H6: Team achievement is correlated with positive word of mouth communication.
H7: Sponsor altruism is correlated with negative word of mouth communication.
H8: Sponsor recognition is correlated with negative word of mouth communication.
H9: Team achievement is correlated with negative word of mouth communication.

3. Methodology

The study was conducted in the setting of the first division of the Greek basketball league, with a prominent team and its actual sponsors to be selected. A quantitative questionnaire was selected as the predominant means of collecting the data.

3.1 Data Collection

A team of five researchers was responsible for distributing the questionnaires to the fans at the entrance to the stadium. Each spectator was randomly selected by the research team and politely asked to take part in the survey. Then the researcher moved to another fan and repeated the process. Particular circumstances on the field, such as the constant flow of people especially on their coming to the stadium, and queues that are sometimes created inside and outside of the stadium, favors the selected operation by the researchers. In order to increase the validity of their outcomes, researchers attended three home matches in a row. The procedure adopted may be described as quasi-random systematic sampling, with particular spectators at each gate being approached at fairly consistent time intervals (analogous to picking units from a production line periodically). That such a sampling method generates near random samples from which meaningful statistical inferences can be drawn is well established (Bennet, 1999).

Questions were assessed on a five-point Likert scale and the time needed for completing the survey was 10-12 minutes. A total of 801 questionnaires were completed and successfully used for the purpose of the study. Finally, the items gathered from the questionnaires were analyzed by means of the SPSS.

4. Findings

4.1 Sample demographics

The analysis was based on 801 responses coming from football fans. The great majority of the respondents were men (81%) between 19 and 45 years old (75%); specifically, 11% were younger than 18 years old, 29% were between 19 and 25 years old, 27% were between 26 and 35 years old, 19% were between 36 and 45 years old and 14% were older than 46 years old. Only 10% of the respondents were unemployed when the survey took place; 30% of whom were still in school and 60% worked full time. Moreover, 65.1% held an undergraduate or postgraduate degree, and 73% had a monthly income of less than 1,000 euro.

4.2 Definition of Key Variables

Team Achievement

Team Achievement measured the satisfaction of the participants with their team’s performance. One continuous variable was computed as the mean of the five respective variables (5-point Likert scale) that were used in the questionnaire (Cronbach’s a= 0.833).

Sponsor Recognition

Sponsor Recognition measured the number of the particular sports club’s sponsors that the participants were able to identify correctly among other well-known companies. For the purpose of the analysis one single variable was computed as the percentage of correct
answers that were given by each respondent (scale from 0 to 100%).

**Sponsor Altruism**

Sponsor Altruism referred to the degree that participants perceive a company as being altruistic in its motivation to become a sponsor. A PCA analysis was performed to identify the motives, which fans perceive as the driving force behind the sponsors’ choices (KMO=0.874, Bartlett’s test of sphericity was significant at p=0.000 and the total variance explained by the factors was 63.4%). The analysis resulted in four distinct factors: a) Legitimate business practice (Cronbach’s a =0.820), b) Honest altruism (Cronbach’s a =0.790), c) Strong corporate image (Cronbach’s a =0.764), d) Exploitation of teams and fans (Cronbach’s a =0.669).

**Intention to purchase**

Intention to purchase referred to the participants’ intention to purchase the products and/or services sold by their team’s sponsors. It was measured with a direct question for each sponsor; one single variable was computed as the mean value of the original values given by the respondents (scale 1 to 5).

**Word of mouth**

Word of Mouth Communication consisted of two dimensions: the communication in praise of the team’s sponsors (Positive WoM) and the communication against the competitors of the team’s sponsors (Negative WoM). The two respective variables were directly measured on a 5-point Likert scale.

Tables 1 and 2 show the variables and constructs used in the questionnaire. Table 3 shows the results of PCA.

**4.3 Testing Hypotheses: Intention to Purchase**

To explore the research hypotheses, linear correlation analysis and multiple linear regression analysis were performed for each of the two dependent variables.

The first dependent variable of the proposed model (intention to purchase) was found to have a significant positive correlation with all the independent variables.

Furthermore, regression analysis was used to test the combined effect of the independent variables. The results supported as predicting variables of the intention to purchase the following variables: honest altruism, legitimate business practice, team achievement sponsor recognition and exploitation (R²=0.214, p<0.000) Results are presented in Table 4.

The perceived motivation of sponsors had the greatest effect; when sponsors were perceived as honest and altruistic, intention to purchase their products was higher. As expected, when sponsors are perceived as being exploitive of the teams and their fans, the intention to purchase their products is lower.

**Positive Word of Mouth Communication**

The second dependent variable of the proposed model (positive word of mouth communication) was also found to have a significant positive correlation with all the independent variables.

Furthermore, regression analysis was used to test combined effect of the independent variables. The results supported as predicting variables of positive word of mouth honest altruism, and team achievement (TA) (R²=0.181, p<0.000). Results are presented in table 5. The perceived motivation of sponsors had again the greatest effect when sponsors were perceived as honest and altruistic, intention to purchase their products was higher.

**Negative Word of Mouth Communication**

The third dependent variable of the proposed model (negative word of mouth communication) was found to have a significant positive correlation with team achievement and three of the sponsor altruism’s dimensions; with honest altruism (r=0.218, p<0.000), strong corporate image (r=0.112, p<0.000), and exploitation of teams and fans (r=0.115, p<0.000).

Furthermore, regression analysis was used to test combined effect of the independent variables. The results supported as predicting variables of negative word of mouth only honest altruism (and team achievement (R²=0.055, p<0.000), the same as in the case of positive word of mouth communication. Results are presented in table 6.

The perceived motivation of sponsors had again the greatest effect; when sponsors were perceived as honest and altruistic, intention to purchase their products was higher.

5. **Discussion**

The proposed model was supported by the empirical evidence. All (with the exception of one) research hypotheses were confirmed, either fully or partially (all or some of the distinct dimensions of our independent variables have a significant effect on all or some of the distinct dimensions of the dependent variables). The hypothesis that was not supported was the proposed effect of sponsor recognition to negative word of mouth communication (H₃). A plausible explanation may be that the decision of a fan to speak ill of the companies that support rival teams does not presuppose recognition of its own team’s sponsors; it is more dependent on the individual’s perception of competitive teams and their attitude towards them and their collaborators. Nevertheless, it was linked to both intentions to purchase and positive word of mouth communication. That is consistent with the literature on decision making, according to which the criteria of choice depend on the framing of the decision (positive or negative choice (Thaler, 2015).

In consistence with the current literature (Koronios et al., 2015b) honest altruism seems to be the main factor affecting intention to purchase as well as word of mouth communication, both positive in favor of the team’s sponsors and negative against the rivals’ sponsors. The intention to cultivate a strong corporate image through sport sponsorship was perceived as a legitimate motive by the participants; therefore, it was positively linked to both intentions to purchase and word of mouth communication.

It is interesting to note that although the perceived motivation of sponsors had a significant effect on all dependent variables, it was through different dimensions. It was different motives that contributed to different outcomes; in the case of honest altruism and
The effect of perceived motivation of sports sponsorship: Evidence from basketball fans

6. Managerial Implications
Sponsor recognition, sponsor altruism and team achievement have all been recognized as having a significant effect on intention to purchase and word of mouth communication, which may indirectly lead to increased sales for a specific team’s sponsor and decreased sales for its rivals. Therefore, all three should be of concern to managers when making decisions about sponsoring a sports team. More specifically, they should ensure that their motivation is or at least appears to be altruistic. The fans’ perception that the sponsors’ motivation is altruistic increases intention to purchase their products as does the respective word of mouth communication both in their favor and against their competitors.

The intention to create a strong corporate image through sponsorship was perceived as a legitimate motive with a positive effect on word of mouth communication as well as intention to purchase. This is evidence that sponsors would benefit from presenting a strong image of quality products and business practices, linked perhaps to the image of the team they support. The research showed that sponsor recognition also had an effect on intention to purchase and positive word of mouth. Therefore, sponsoring a team may not be enough for sponsors to reap benefits; separate promotion events to increase awareness may also contribute. Moreover, findings suggest that a specific link between the sponsorship and the team’s performance would benefit the sponsor. Perhaps sponsors could consider separate promotional events or some other kind of publicity that would highlight such a connection; be a general support to the team may not sufficient.

7. Limitations - Further Research
The purpose of the study has been to identify the key variables in the sport sponsorship relationship, and then explain theoretically how these variables influence fans future behaviors, concerning sponsoring firms’ products & services. In doing so it has highlighted that despite the importance of sponsorship in developing fans’ positive behavioral outcomes, much of the process remains poorly understood.

The analysis showed a positive correlation between negative word of mouth communication and attributing the intention to exploit teams and fans to sponsors. However, this paper addresses the relationship only of sponsors who support the rivals; this puts a limitation on the broader understanding of fans’ intentions and behavior. Further research should cover the concept of negative word of mouth for the supporting team’s sponsors as well.

Additionally, the predictive ability of the proposed model for the word of mouth was weak. Only two of the proposed variables showed a significant effect on it. Therefore, further research is needed to identify other constructs that would contribute to a better understanding of word of mouth.

The findings of this paper are based on the perceptions of a basketball team’s fan base. Since basketball enjoys a significant share of the sponsorship money given to sports, these findings have implications that are of extended interest. Nevertheless, more empirical evidence is needed from other sports in order to acquire a better understanding of the relationship between sponsor motivation and results.

Finally, it should be noted that the sample consisted of individuals who are highly involved in the sports club and in basketball in general. Further research should explore the same hypotheses for fans who are less involved to identify potential differences.

To conclude, it is apparent that companies are spending increasingly large sums of money sponsoring sport clubs without fully understanding what they are paying for in brand image building terms. Hopefully this article will act as a spur to further research into the gaps in the knowledge identified. The role of sponsorships in developing positive future behaviors among sports club supporters remains huge. Only when this role is fully understood, will the true potential of sponsorships be realized.

---

Table 1: Descriptive Statistics

<table>
<thead>
<tr>
<th>Constructs</th>
<th>Factors</th>
<th>Items</th>
<th>Mean</th>
<th>St.Dev</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sponsor Altruism</td>
<td>Legitimate</td>
<td>LBP1: A company which sponsors an athletic club (through its sponsorship) is advertised</td>
<td>4.26</td>
<td>0.866</td>
</tr>
<tr>
<td></td>
<td>Business Practices</td>
<td>LBP2: A company which sponsors an athletic club (through its sponsorship) is interested in enhancing its image</td>
<td>4.05</td>
<td>0.871</td>
</tr>
<tr>
<td></td>
<td></td>
<td>LBP3: A company which sponsors an athletic club (through its sponsorship) is only interested in increasing its sales</td>
<td>3.63</td>
<td>0.963</td>
</tr>
<tr>
<td></td>
<td></td>
<td>LBP4: A company which sponsors an athletic club (through its sponsorship) follows market trends</td>
<td>3.79</td>
<td>0.836</td>
</tr>
</tbody>
</table>

Mean: 3.93 St.Dev: 0.713
<table>
<thead>
<tr>
<th>Category</th>
<th>Description</th>
<th>Mean</th>
<th>St.Dev</th>
</tr>
</thead>
<tbody>
<tr>
<td>Honest Altruism</td>
<td>HA1: A company which sponsors an athletic club (through its sponsorship) wants what is best for the team</td>
<td>3.29</td>
<td>0.984</td>
</tr>
<tr>
<td></td>
<td>HA2: A company which sponsors an athletic club (through its sponsorship) helps the team to achieve its goals</td>
<td>3.52</td>
<td>0.956</td>
</tr>
<tr>
<td></td>
<td>HA3: A company which sponsors an athletic club (through its sponsorship) is truly interested in the development of athletics</td>
<td>2.98</td>
<td>0.980</td>
</tr>
<tr>
<td></td>
<td>HA4: A company which sponsors an athletic club (through its sponsorship) responds to the needs of consumers</td>
<td>3.03</td>
<td>0.874</td>
</tr>
<tr>
<td></td>
<td>HA5: A company which sponsors an athletic club (through its sponsorship) shows its human side</td>
<td>3.07</td>
<td>1.029</td>
</tr>
<tr>
<td>Mean:</td>
<td>3.17</td>
<td></td>
<td></td>
</tr>
<tr>
<td>St.Dev:</td>
<td>0.711</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Strong Corporate Image</td>
<td>SCI1: A company which sponsors an athletic club (through its sponsorship) is developing</td>
<td>3.53</td>
<td>0.839</td>
</tr>
<tr>
<td></td>
<td>SCI2: A company which sponsors an athletic club (through its sponsorship) is financially powerful</td>
<td>3.59</td>
<td>0.874</td>
</tr>
<tr>
<td></td>
<td>SCI3: A company which sponsors an athletic club (through its sponsorship) has products of high quality</td>
<td>3.08</td>
<td>0.891</td>
</tr>
<tr>
<td>Mean:</td>
<td>3.40</td>
<td></td>
<td></td>
</tr>
<tr>
<td>St.Dev:</td>
<td>0.730</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Exploitation of teams and fans</td>
<td>ETF1: A company which sponsors an athletic club (through its sponsorship) is a &quot;necessary evil&quot;</td>
<td>3.13</td>
<td>0.158</td>
</tr>
<tr>
<td></td>
<td>ETF2: A company which sponsors an athletic club (through its sponsorship) takes advantage of/exploits supporters love for their team</td>
<td>3.60</td>
<td>1.066</td>
</tr>
<tr>
<td></td>
<td>ETF3: A company which sponsors an athletic club (through its sponsorship) simply wants to make a profit</td>
<td>3.63</td>
<td>1.014</td>
</tr>
<tr>
<td>Mean:</td>
<td>3.45</td>
<td></td>
<td></td>
</tr>
<tr>
<td>St.Dev:</td>
<td>0.838</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Team Achievement</td>
<td>TA1: I am satisfied with my favorite club’s results in the last year’s athletic competition</td>
<td>3.87</td>
<td>1.026</td>
</tr>
<tr>
<td></td>
<td>TA2: In the last year’s athletic competition, my favorite club gave me many beautiful moments</td>
<td>3.88</td>
<td>0.914</td>
</tr>
<tr>
<td></td>
<td>TA3: I am satisfied with the money spent by my favorite club on support in relation to competition results</td>
<td>3.95</td>
<td>1.013</td>
</tr>
<tr>
<td></td>
<td>TA4: I believe that my decision to purchase season tickets of my favorite club was correct/worth it</td>
<td>3.87</td>
<td>1.087</td>
</tr>
<tr>
<td>Mean:</td>
<td>3.82</td>
<td></td>
<td></td>
</tr>
<tr>
<td>St.Dev:</td>
<td>0.742</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
The effect of perceived motivation of sports sponsorship: Evidence from basketball fans

<table>
<thead>
<tr>
<th>Construct</th>
<th>Factors</th>
<th>Items</th>
<th>References</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sponsor Altruism</td>
<td>Legitimate Business Practices</td>
<td>4</td>
<td>Olson, 2010; Alexandris et al, 2007</td>
</tr>
<tr>
<td></td>
<td>Honest Altruism</td>
<td>5</td>
<td>Olson, 2010; Rifon et al, 2004</td>
</tr>
<tr>
<td></td>
<td>Strong Corporate Image</td>
<td>3</td>
<td>Rifon et al, 2004</td>
</tr>
<tr>
<td></td>
<td>Exploitation of teams and fans</td>
<td>3</td>
<td>Rifon et al 2004</td>
</tr>
<tr>
<td>Team Achievement</td>
<td>Team Achievement</td>
<td>5</td>
<td>Boen, Vanbeselaere and Feys, 2002.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Word of Mouth communication</th>
<th>Positive word of mouth</th>
<th>Mean: 0.405</th>
<th>St.Dev: 0.196</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>PWM1: I encourage friends/acquaintances to purchase the sponsor company’s products simply because it sponsors my favorite club</td>
<td>2.62</td>
<td>1.117</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Negative word of mouth</th>
<th>Mean: 0.405</th>
<th>St.Dev: 0.196</th>
</tr>
</thead>
<tbody>
<tr>
<td>NWM1: I encourage friends/acquaintances NOT to purchase the sponsor company’s products or use its services simply because it sponsors RIVAL teams</td>
<td>2.54</td>
<td>1.175</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Intention to Purchase</th>
<th>Mean: 3.235</th>
<th>St.Dev: 0.608</th>
</tr>
</thead>
<tbody>
<tr>
<td>IP1: I would certainly purchase this company’s products/services</td>
<td>2.85</td>
<td>1.060</td>
</tr>
<tr>
<td>IP2: I would certainly purchase this company’s products/services</td>
<td>3.20</td>
<td>0.812</td>
</tr>
<tr>
<td>IP3: I would certainly purchase this company’s products/services</td>
<td>3.74</td>
<td>0.910</td>
</tr>
<tr>
<td>IP4: I would certainly purchase this company’s products/services</td>
<td>3.21</td>
<td>0.999</td>
</tr>
<tr>
<td>IP5: I would certainly purchase this company’s products/services</td>
<td>3.26</td>
<td>0.885</td>
</tr>
<tr>
<td>IP6: I would certainly purchase this company’s products/services</td>
<td>3.27</td>
<td>0.863</td>
</tr>
<tr>
<td>IP7: I would certainly purchase this company’s products/services</td>
<td>3.22</td>
<td>0.801</td>
</tr>
<tr>
<td>IP8: I would certainly purchase this company’s products/services</td>
<td>3.36</td>
<td>1.143</td>
</tr>
<tr>
<td>IP9: I would certainly purchase this company’s products/services</td>
<td>3.17</td>
<td>0.747</td>
</tr>
<tr>
<td>IP10: I would certainly purchase this company’s products/services</td>
<td>3.08</td>
<td>0.920</td>
</tr>
<tr>
<td>IP11: I would certainly purchase this company’s products/services</td>
<td>3.27</td>
<td>0.800</td>
</tr>
</tbody>
</table>

Table 2: Questionnaire constructs, factors and items
Konstantinios Koronios, Marina Psiloutsiko, Athanasios Kriemadis, Petros Kolovos

### Table 3: PCA Results

<table>
<thead>
<tr>
<th>Construct</th>
<th>Factors</th>
<th>Statistics</th>
<th>Items</th>
<th>Loadings</th>
</tr>
</thead>
<tbody>
<tr>
<td>Positive word of mouth</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Negative word of mouth</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Intention to purchase</td>
<td></td>
<td></td>
<td>11</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Sponsor Altruism**

- **Legitimate Business Practices**
  - K.M.O. = 0.795
  - Bartlett’s Sig = 0.00
  - (TVE) = 65.313
  - Cronbach (a) = 0.820
  - Items: LBP1, LBP2, LBP3, LBP4
  - Loadings: 0.847, 0.831, 0.759, 0.792

- **Honest Altruism**
  - K.M.O. = 0.802
  - Bartlett’s Sig = 0.00
  - (TVE) = 54.400
  - Cronbach (a) = 0.790
  - Items: HA1, HA2, HA3, HA4, HA5
  - Loadings: 0.740, 0.725, 0.809, 0.668, 0.738

**Strong Corporate Image**

- K.M.O. = 0.659
  - Bartlett’s Sig = 0.00
  - (TVE) = 68.070
  - Cronbach (a) = 0.764
  - Items: SCI1, SCI2, SCI3
  - Loadings: 0.877, 0.829, 0.766

**Exploitation of teams and fans**

- K.M.O. = 0.621
  - Bartlett’s Sig = 0.00
  - (TVE) = 60.969
  - Cronbach (a) = 0.669
  - Items: ETF1, ETF2, ETF3
  - Loadings: 0.668, 0.836, 0.827

**Team Achievement**

- K.M.O. = 0.804
  - Bartlett’s Sig = 0.00
  - (TVE) = 65.177
  - Cronbach (a) = 0.833
  - Items: TA1, TA2, TA3, TA4, TA5
  - Loadings: 0.688, 0.655, 0.668, 0.645, 0.603

**Intention to Purchase**

- K.M.O. = 0.925
  - Bartlett’s Sig = 0.00
  - (TVE) = 57.740
  - Items: IP1, IP2, IP3
  - Loadings: 0.847, 0.676, 0.563
The effect of perceived motivation of sports sponsorship: Evidence from basketball fans

<table>
<thead>
<tr>
<th>Cronbach (α)</th>
<th>IP4</th>
<th>IP5</th>
<th>IP6</th>
<th>IP7</th>
<th>IP8</th>
<th>IP9</th>
<th>IP10</th>
<th>IP11</th>
</tr>
</thead>
<tbody>
<tr>
<td>=0.873</td>
<td>0.555</td>
<td>0.763</td>
<td>0.778</td>
<td>0.798</td>
<td>0.750</td>
<td>0.795</td>
<td>0.606</td>
<td>0.818</td>
</tr>
</tbody>
</table>

Table 4: Linear Correlation and multiple regression analysis for the intention to purchase

<table>
<thead>
<tr>
<th>Intention to purchase</th>
<th>Regression Coefficients</th>
<th>Beta</th>
<th>T-value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Constant</td>
<td>1.519**</td>
<td></td>
<td>9.477</td>
</tr>
<tr>
<td>Team Achievement</td>
<td>0.162**</td>
<td>0.199</td>
<td>5.517</td>
</tr>
<tr>
<td>Sponsor Recognition</td>
<td>0.020**</td>
<td>0.098</td>
<td>2.797</td>
</tr>
<tr>
<td>Sponsor Altruism</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Legitimate Business Practices</td>
<td>0.134**</td>
<td>0.153</td>
<td>3.726</td>
</tr>
<tr>
<td>Honest Altruism</td>
<td>0.237**</td>
<td>0.270</td>
<td>7.682</td>
</tr>
<tr>
<td>Strong Corporate Image</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Exploitation</td>
<td>-0.081**</td>
<td>-0.110</td>
<td>-2.767</td>
</tr>
</tbody>
</table>

R²=0.214, Adjusted R² =0.208
F(5, 708) = 38.528

**significant at p<0.01

Table 5: Linear Correlation and multiple regression analysis for the positive word of mouth

<table>
<thead>
<tr>
<th>Intention to purchase</th>
<th>Regression Coefficients</th>
<th>Beta</th>
<th>T-value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Constant</td>
<td>0.261</td>
<td></td>
<td>0.893</td>
</tr>
<tr>
<td>Team Achievement</td>
<td>0.267**</td>
<td>0.177</td>
<td>4.949</td>
</tr>
<tr>
<td>Sponsor Recognition</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sponsor Altruism</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Legitimate Business Practices</td>
<td>0.568**</td>
<td>0.351</td>
<td>9.890</td>
</tr>
<tr>
<td>Honest Altruism</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Strong Corporate Image</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Exploitation</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

R²=0.181, Adjusted R² =0.178
F(2, 711) = 52.357

**significant at p<0.01

Table 6: Linear Correlation and multiple regression analysis for the negative word of mouth

<table>
<thead>
<tr>
<th>Intention to purchase</th>
<th>Regression Coefficients</th>
<th>Beta</th>
<th>T-value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Constant</td>
<td>0.909**</td>
<td></td>
<td>3.416</td>
</tr>
<tr>
<td>Team Achievement</td>
<td>0.182**</td>
<td>0.115</td>
<td>4.626</td>
</tr>
<tr>
<td>Sponsor Recognition</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sponsor Altruism</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Legitimate Business Practices</td>
<td>0.289**</td>
<td>0.175</td>
<td>3.044</td>
</tr>
<tr>
<td>Honest Altruism</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Strong Corporate Image</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Exploitation</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

R²=0.055, Adjusted R² =0.052
F(2,711) = 20.719

**significant at p<0.01
References


Henseler, J., Wilson, B., & Westberg, K. 2011, ‘Managers’ perceptions of the impact of sport sponsorship on brand equity’.


Konstantinos Koronios, Marina Psiloutsikou, Athanasios Kriemadis, Petros Kalvos

of sports marketing and sponsorship', European Journal of Sport Management, 14, 2, pp. 103-116.


Henseler, J., Wilson, B., & Westberg, K. 2011, ‘Managers’ perceptions of the impact of sport sponsorship on brand equity’.


Konstantinos Koronios, Marina Psiloutsikou, Athanasios Kriemadis, Petros Kalvos

of sports marketing and sponsorship', European Journal of Sport Management, 14, 2, pp. 103-116.


Santomier, J., 2008, ‘New media, branding and global sports sponsorship’.


