CORPORATE GOALS OF SPONSORSHIP IN SPORTS

Milijanka Ratković

Abstract: The two-sided focus of sponsorship goals in sports is present due to the existence of two parties in the sponsorship relationship. The buyer of sponsorship and the seller of sponsorship have different goals, but they also have common goals related to the interest to realize the sponsorship according to the plan, as well as to achieve the maximization of the effects of the expectations of both parties. That common interest is of primary nature and leads to partnership. The separate goals of the participating parties are defined in such a way that mutual interest gets fulfilled. The goals of corporate sponsors are determined by motives, and in most cases they are external and opportunistic, that is, commercial. However, the goals can be also internal and altruistic, and as such focused on highlighting other benefits, such as building good relationships with employees and other participants in the value delivery chain that the sponsor promotes, including the public. The analysis that follows is based on literature research and already existing conclusions regarding the nature of goals and motives in sponsorship. The aim of this paper is to verify the existing conclusions of the focus of sponsorship objectives in sports. The content analysis method led to the conclusion that the goals of sponsorship in sports can be defined through the categories of market, society, relationships and clan. This confirms the conclusions of previous research.

Keywords: Partnership, profit, sports market, sponsorship motive matrix, integrated marketing communications (IMC).

Introduction

Sponsorship is used more often in sports than in other areas. The reason for this is the global popularity of sports and the possibility of reaching new markets. Corporate sponsorship is primarily oriented towards profit goals. However, sponsorship can also be motivated by altruistic motives, which can distance the goals of this marketing tool from the profit ones.

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The subjects of corporate sponsorship in the sports market can be sports events, sports organizations and athletes. All participants of the sports industry can appear in the role of sponsor, as well as those who are not, of course, until the moment they become sponsors, thus becoming part of it. Sponsorship is a partnership between the buyer and the seller of the sponsorship. (Jacob et al., 2000; Morgan et al., 2014) Sponsorship in sports is defined in different ways that determine the focus of the goals. As this paper is focused on the analysis of sponsorship in the context of definitions, and on the basis of literature, in this paper the focus will be on the corporate goals that this marketing tool possesses.

Sponsorship in sports is a key specificity of the application of marketing in sports, considering the potential of this tool in the sports market. (Ratković, Dašić, 2023) This marketing tool can be used in order to perceive the image of the sponsor through the context of the advantages of the subject of sponsorship, and there are many of them in the sports market. The growth of the global sports market is the basis for the growth of sponsorship and interest in this marketing tool. (Sport Global Market Report, 2023) However, the attractiveness of the possible subject of sponsorship gives potential sponsors the answer to whether and to what extent it will be implemented. The main reasons for the growth of corporate sponsorship in sports are the increasing popularity of sports and athletes, which is related to increasing their visibility on a global level, based on digital technologies. (Woods, 2022; Abeza, Sanderson, 2022; González-García, 2020; Dašić, Ratković, 2021) Sponsorship is attractive because it is based on the influence of the basic values of sport on the sponsor, so bearing in mind the diminishing possibilities of achieving a competitive advantage many see this potential as an improvement of their business. (Alonso-Dos-Santos et al., 2016) The reasons for the growth are also found in certain socio-cultural changes. Changes in lifestyle due to trends regarding a more beautiful appearance, then connecting some extreme sports from the recreational domain with a better social and economic position, as well as the pursuit of a healthier life, are circumstances that affect the growth of the popularity of the sports market. (Batrakoulis, 2019; Beauchemin et al., 2019; Kuipers, 2022; Mutz, Müller, 2021) In addition, the sports market has been expanding towards women in recent decades, both through the aforementioned trends and through their greater participation in professional sports. (Lough, Irwin, 2001; Lacković, Gašparić, 2022) In addition to the women's market segment, there is also a noticeable increase in the presence of children in the sports industry.

Sponsorship is considered a marketing tool, but in the sports market it becomes much more important compared to other tools. In marketing theory, for a sponsorship buyer, it is part of a set of promotional potentials. (Meenaghan, 1991; Nuseir, 2020) For the seller, sponsorship is the basis of obtaining financial and other resources for the functioning of a sports organization, realization of events, or professional growth of athletes. This paper aims to present the complexity of sponsorship goals from the perspective of the sponsorship buyer. The subject of research is the sponsors'
corporate goals, which they have in sponsoring the sports market. The research method used in the paper is content analysis. The paper is based on a review of the relevant literature dealing with sponsorship in sports. For the analysis presented in this paper, it does not matter what the subject of sponsorship is, although in the title that follows, there will be a special review of sports events and athletes.

**Sponsorship goals in the context of marketing decisions**

In theory, there is a wide range of possible sponsorship goals. Basically, they differ in relation to whether we are talking about the goals of the seller of the sponsorship, or the goals of the buyer of the sponsorship. The main goal of the sponsorship seller is to obtain financial or other funds for the realization of a sports event, the functioning of a sports organization or the further professional development of an athlete. Non-financial means that can be obtained in this way include media space, i.e. presence in the media, but also physical space, and in the case of sports events and organizations, equipment, food, drinks, etc. However, since the subject of this paper is the sponsors, that is, their corporate goals, we will talk about them below. Therefore, sponsors provide financial and other resources, which partly depend on the type of business they are engaged in, but also on their goals. (Pappu, Cornwell, 2014) In other words, their goals define the amount of invested funds, and the decision to engage in a sponsorship will be made in the context of the sponsor's overall marketing goals.

The key corporate goal of commercial sponsorship in sports is profit, but it can be realized in a number of ways. As sponsorship is a marketing tool, it is necessary to provide insight into sponsorship through marketing goals. The main marketing goals of corporate sponsors are to attract and maintain good relations with customers, as well as to expand cooperation with them. Furthermore, they are also involved in maintaining good relations with other participants in the value delivery chain, including employees. Sponsorship goals should correlate with stated marketing goals. (Simmons, Becker-Olsen, 2006) Sponsorship is even determined by marketing goals in terms of whether it will be used as a tool at all. The stated goals are achieved through the improvement of the brand image, and consequently through the increase in sales. (Dolphin, 2003) However, an increase in sales can also follow as a direct consequence of sponsorship, since it is also used as a sales promotion tool. (Westberg, Pope, 2014) In other words, if we observe sponsorship in the context of marketing goals, we must put it in the context of a marketing strategy, that is, an integrated marketing communications (IMC) strategy. Also, sponsorship is in a direct and complementary relationship with public relations and publicity, which also puts it in the context of IMC. Sponsorship is a public relations tool and aims to create publicity that will influence the improvement of the image thus increasing sales as well.

The general goal of sponsorship in sports is to connect the perception of the sponsor's brand with the subject of sponsorship. (Mazodier, Merunka, 2012) Since it is a sports market, there is a humane, friendly, healthy, social, responsible, and other
positive context of the relationship between the subject of sponsorship and the sponsor. The mentioned and other associations are the reason for using sponsorship with the aim of presenting the sponsor as a desirable socially responsible corporate entity, i.e. brand. (Miragaia et al., 2017)

The specific goals of sponsors are to inform, persuade and remind the target market of the brand. They correlate with overall marketing goals.

As stated above, marketing goals determine sponsorship goals, as sponsorship falls within the domain of marketing decisions. (Chadwick, Thwaites, 2015) Sponsorship goals are limited by the invested value, which is actually the price of sponsorship, which should be correlated with the attractiveness of the sponsorship offer. When it comes to sports events, attractiveness is defined by their reach, which is directly related to their popularity. In connection with the scope of the event, it is important to determine the characteristics of the audience, that is, get an answer to how many target customers there are among them. Additionally, the seller of the sponsorship in particular, as well as the buyer, must take care of the compatibility of their own images. (Petrić, Pepur, 2021) With sports organizations, there is a similar pattern of determining the attractiveness of the sponsorship offer, and consequently the goals of such sponsorship.

Comprehending the attractiveness of the athlete in the context of sponsoring, and based on that, the goals that are to be achieved, is based on the analysis of his popularity and professional success, and the assessment that it will continue in the future. His popularity determines his image, which is built on the basis of his professional success, but also on the basis of some less tangible activities. For example, engagement on social networks and successful communication with fans affects the improvement of the athlete's image. (Dašić, Ratković, 2021) Additionally, the absence of scandals, the family environment that supports the athlete and the activities of promoting socially responsible topics represent the parameters of his image. Just like with defining the attractiveness of a sponsorship offer, it is also important for athletes that their image is compatible with the image of the sponsorship buyer. However, that compatibility becomes questionable when bookmakers appear in the role of sponsors, no matter how much this segment of the sports industry is viewed as entertainment. (Jones et al., 2020) Entering into sponsorship relations with these participants in the sports market should be analyzed separately, considering that it does not fit into the context of the activity of improving the image of the subject of sponsorship among wider target groups.

Therefore, the attractiveness of the sponsorship offer is correlated with the goals that can be achieved by the sponsorship contract. The extent to which they will actually be realized also depends on circumstances that cannot be predicted, which is a risk that exists in a sponsorship relationship. These circumstances often come through ambush marketing, but also through phenomena at the macro level. (Crompton, 2004; Chanavat, 2021) One of the recent phenomena is the pandemic caused by the corona virus.
The matrix of sponsorship motives based on goals

In order to enter deeper into the analysis of the goals of sponsorship in sports, we must go into the analysis of the motives of sponsorship. The motive determines the willingness to enter into a sponsorship relationship, but it also manifests itself within the IMC. The motive can be aimed primarily at improving sales and image, and as such it has an external focus, but it can also be aimed at building good relations with employees, and as such it has an internal focus. Furthermore, the motive can be altruistic, which is primarily focused on the welfare of the community, or opportunistic, which is focused on profit. The stated motives can be combined, and what is known from the previous categorization of sponsorship is that it can be realized through various forms, such as donation, patronage, etc. These forms can significantly deviate from commercial sponsorship, and as such they may be extremely different in relation to the basic characteristics. For example, donation can be realized in such a way that the donor is not known to the public, i.e. that there is no benefit from providing funds to the beneficiaries of donations. (RNIDS, 2022) Also, patronage is a form of support that primarily aims to make a certain sporting event successful, and indirectly that the sponsor maintains good relations with the community through his presence. In addition, motives can be combined, such as intrinsic with opportunistic, and in such cases the goal is to achieve commercial benefit based on building good relationships with employees and other key participants in the sponsor's value delivery chain. (Zinger, O'Reilly, 2010)

Several Norwegian authors came to the definition of a motive matrix that contains four categories, that is, two pairs of opposing motives. (Slåtten, 2017) The four types of motives they came up with in the research are external and internal, that is, opportunistic and altruistic. The definitions in Table 1 are analyzed from the aspect of the focus of the motive, which can be external and internal. The original table has been supplemented with definitions by three new authors. (Dolphin, 2003; Chebli, Gharbi, 2014; Struški, Horvat, 2019) Based on this, and on the division of motives into opportunistic and altruistic, the same authors present a matrix containing four categories of sponsorship under the names: market, society, relationship and clan. (Slåtten, 2017) The mentioned research started with the research of the literature on the topic of defining sponsorship, and determining the focus of definitions towards internal or external.

Table 1. Focuses of description of sponsorship in the literature

<table>
<thead>
<tr>
<th>Author</th>
<th>Description of sponsorship</th>
<th>Focus</th>
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<tbody>
<tr>
<td>Meenaghan (1983)</td>
<td>Providing assistance, financial or in kind, as an activity of a commercial organization for the purposes of achieving commercial objectives.</td>
<td>External focus.</td>
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<tr>
<td>Meenaghan (1991)</td>
<td>An investment, in cash or in kind, in a person or event, in exchange for access to commercial potential that can be</td>
<td>External focus.</td>
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<table>
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<tr>
<th>Author(s) (Year)</th>
<th>Definition</th>
<th>Focus</th>
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<tbody>
<tr>
<td>Sleight (1989)</td>
<td>A business relationship between a fund, resource, individual, event or organization, which in turn offers some rights that can be used for commercial advantage.</td>
<td>External focus.</td>
</tr>
<tr>
<td>Jiffer i Roos (1999)</td>
<td>A business method of communication and marketing, which in the short and long term aims to contribute to the awareness of the sponsor's brand and image, as well as to increase the sponsor's sales. Sponsorship should benefit everyone involved, and should lead to results that can be measured against pre-defined goals.</td>
<td>Mostly external focus, although there are connections with the internal as well.</td>
</tr>
<tr>
<td>Skinner i Rukavina (2003)</td>
<td>Activities that bring together buyers and sellers where both parties receive certain benefits.</td>
<td>External focus.</td>
</tr>
<tr>
<td>Mullin, Hardy i Sutton (2000)</td>
<td>Acquiring the right to associate with a product or event for the purpose of obtaining benefits in connection with that association.</td>
<td>Mostly external focus, although there are connections with the internal as well.</td>
</tr>
<tr>
<td>Collett i Fenton (2011)</td>
<td>Sponsorship is an associative marketing tool that creates shared brand and business value for both the sponsor and the sponsored activity.</td>
<td>External focus.</td>
</tr>
<tr>
<td>RNIDS (2022)</td>
<td>Contributions where there is a counter-service or contribution by the beneficiary of the sponsorship.</td>
<td>Mostly external focus, although there are connections with the internal as well.</td>
</tr>
<tr>
<td>Gardner i Shuman (1988)</td>
<td>Investing in causes or events that support corporate goals (for example, improving corporate image), or marketing goals (for example, increasing brand awareness).</td>
<td>External focus.</td>
</tr>
<tr>
<td>McAllisterm (1998)</td>
<td>Funding of an entire event, broadcast or venue of commercial interest, in</td>
<td>Mainly external focus.</td>
</tr>
<tr>
<td>Author(s)</td>
<td>Definition/Description</td>
<td>Focus</td>
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<td>Ratković, M. (2023)</td>
<td>exchange for large sums and special types of promotion associated with the sponsored activity.</td>
<td></td>
</tr>
<tr>
<td>Rifon i sar. (2004)</td>
<td>A corporation (or other investor) creates a connection to an external topic or event, hoping to influence an audience with that connection.</td>
<td>External focus</td>
</tr>
<tr>
<td>Sandler i Shani (1989)</td>
<td>The provision of resources (money, people, equipment, etc.) by an organization directly to an event or activity in exchange for direct association with the event or activity. The service organization can then use this direct association to achieve either its corporate market or its media objectives.</td>
<td>Mainly external focus</td>
</tr>
<tr>
<td>Cameron (2009)</td>
<td>Sponsorship involves a three-way communication process, in which the consumer views the brand's message together with the event, or other object of sponsorship, that follows, and with a high degree of emotion.</td>
<td>External focus</td>
</tr>
<tr>
<td>Dolphin (2003)</td>
<td>Sponsorship plays a significant role in increasing sales, strengthening corporate image and boosting employee morale.</td>
<td>External and internal focus</td>
</tr>
<tr>
<td>Chebli i Gharbi (2014)</td>
<td>Sponsorship has been defined as financial investment in a person, an event or an activity to obtain access to a potential message or image associated with that person, event or activity</td>
<td>External focus</td>
</tr>
<tr>
<td>Gregorić, Struški i Horvat (2019)</td>
<td>Sponsorship in sports is only one part of sports marketing that has expanded very rapidly in recent decades, and represents the investment of money, equipment or services in sports entities with the aim of promoting and strengthening the image.</td>
<td>External focus</td>
</tr>
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Twelve out of sixteen definitions from Table 1 show commercial benefit, i.e. profit, as the primary goal of sponsorship. In other words, this means that such sponsors strive to increase sales through improving their image, improving the perception of the quality and value of the brand they offer, attracting new customers, maintaining connections with existing ones, increasing loyalty, etc. Additionally, four of the sixteen have an external and an internal focus, but in three the external is primary. The above shows that in most cases the sponsorship is of a commercial type, and that this is clearly expressed through the set goals that are also part of IMC. Internal motives are primarily aimed at developing good relations with employees, partners, the general public, etc (Pichot et al., 2008; Ratković, 2009; Ratković et al., 2012) They are also part of IMC, but they are not primarily profit-oriented.

In contrast to the external and internal focuses of the definitions of sponsorship, there are also the aforementioned opportunistic or altruistic motives. Figure 1 shows a matrix that has four categories of sponsorship in relation to motives.

![Figure 1. Matrix of sponsorship motives](image)

*O.M. – Opportunistic motives
*A.M. – Altruistic motives

As a combination of external and opportunistic motives, the market category was created, which is primarily aimed at increasing sales, that is, directly at making a profit on the basis of sponsorship. This category includes attracting new target groups and customers. The second category, the connection category, represents a combination of the opportunistic and internal focus of sponsorship, and its primary goal is to build a sense of close ties between sponsors, employees, partners, and
stakeholders. Here we want to make a profit, but primarily on the basis of building good relations between all participants. Society, as the next category, is created by a combination of the external focus of sponsorship goals and altruistic motives. The main goal of sponsorship here is to achieve responsibility for the local community. Consequently, the effect is expected in the form of improving the image and increasing sales. Finally, clan as a combination of internal goal focus and altruistic motive is aimed at a distinct commitment and care for employees.

Based on this matrix, a set of issues should be defined before starting sponsorship, starting with the category in which you should position your goals.

In researching sponsorship goals, there should be at least two focuses, that is, a commercial focus and a community focus. On the example of research on the effects of professional sports sponsorship, these two key focuses have been arrived at. (Vance et al., 2016) Compared to the research of the Norwegian authors who constructed the matrix in Figure 1, the commercial goals of this research are identical to the market category, while the community-oriented sponsorship goals are identical to the clan category. Certainly, the improvement of brand awareness is achieved by the commercial goals of sponsorship, while sponsorship that focuses on good relations with the community achieves greater so-called halo effect. This effect is significant because it implies greater familiarity and story about the brand and sponsor through the perception of the sporting event. Other research discusses the need to examine sponsorship through four contexts, intellectual, strategic, behavioral and relational. (Johnston, Spais, 2015) Through the mentioned contexts, sponsorship achieves all its goals that have been discussed, which also does not mean that it cannot be realized through several of them. Certainly, the aforementioned researches, like all the previous ones, indicate the complexity of sponsorship, as well as the various implications it possesses.

Conclusion

Sponsorship in sports is in most cases is commercial in type, because it is used to achieve profit goals, either directly or indirectly. Decisions about sponsorship should be made in the context of other elements of the promotional mix, that is, in the context of IMC. The choice of sponsorship goals is determined by the sponsor's motives and his marketing strategy, which is implemented through IMC. Therefore, these goals should be correlated with the goals of IMK. Sponsorship has several possible goals, and they are determined by the motives that the sponsor wants to achieve. In this paper, the focus of the analysis was on the sponsor's corporate goals, which were defined through four types of motives. By reviewing the relevant literature, it was confirmed that these are opportunistic and altruistic motives, that is, external and internal.

Opportunistic motives are focused on making a profit as a key goal, based on attracting new customers, that is, maintaining relations with existing ones. In
contrast to them, there are altruistic motives whose main goal is to help the sponsored party, and then there are some other goals that do not have to bring any profit. In the previous literature, this form of sponsorship is known as donation, while the first mentioned is known as commercial sponsorship.

The paper also deals with the focus of sponsorship motives, and defines two basic ones through external and internal motives. External motives are primarily aimed at increasing sales and improving the image. In contrast to them, internal motives are aimed at maintaining good relations with employees. The former clearly indicate the pursuit of profit, while with the latter this intention is secondary.

By combining external and internal motives with opportunistic and altruistic ones, a matrix of four categories of motives was arrived at called market, relationship, society and clan. A market is a combination of opportunistic and external motives, while the connections are the result of opportunistic and internal motives. On the other hand, a society is the result of external and altruistic motives, while a clan is a combination of internal and altruistic ones. The goals of the market sponsorship category are to attract new customers, as well as maintain good relations with existing ones, through image improvement, which should result in an increase in sales and profits. The goals of the sponsorship category connections are to build good relationships with all participants in the sponsor's value delivery chain. This should result in increased profits. The goals of the sponsorship category society are to show responsibility for the local community, thereby improving the image, while the goal of the clan category is to maintain good relations with employees.

The matrix of sponsorship motives shows that sponsorship has profit as its primary goal in most cases, and this is clearly visible in the category of motives called market. In other categories, this goal is also present, except in cases that are altruistically motivated, and we call such cases donations.

By researching the literature on sponsorship in sports, it was found that there are not enough published papers that can be used in the practical application of this marketing tool. A particular knowledge deficit exists regarding the effects of sponsorship implementation. In this sense, it is important to emphasize the need for additional research on the topic of sponsorship, both in the context of specifying the attractiveness of the sponsorship offer, and in the context of defining its contribution in relation to other promotional and marketing instruments within IMC, as well as in the context of discovering ways to more precisely measure its effects.

**Conflicts of interest**
The authors declare no conflict of interest
References:


