Impact of a sponsorship activity on the brand perceptions within an international context: the America’s Cup and Louis Vuitton case.

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Abstract
On the basis of an extended review of literature dedicated to experimental studies of sponsorship effects on brand perceptions, this paper introduces a detailed framework of sponsorship persuasion process. Considering the central “transfer” between event and brand perceptions, the model also includes moderating effects (such as congruency) and focuses on specific components of functional, affective and symbolic customer value. In Spring 2007, a Web survey was conducted to evaluate the impact of Louis Vuitton’s sponsorship of America’s Cup. A total sample of 1,400 European respondents was developed thanks to the collaboration of eight Universities in France, Germany, Italy and Spain, working together within the “International Network on Consumer Behaviour Studies”. The model and hypotheses were tested with P.L.S. regression and textual data analysis. Very interesting results come out, demonstrating the importance of affective and symbolic components within the transfer process between the perceptions of the sponsored activity and the brand.

Key words: sponsorship, customer value, communication efficiency, PLS, textual data analysis

1. Introduction
Since the 1980s, sponsorship has become a very popular instrument within the mix of communication resources used by companies wanting to establish a communication flow towards defined targets. The use of sponsorship in marketing communication strategies appears be increasing in popularity.

In 2007 investments worldwide in sponsorship are estimated at $ 37.7 billion (IEG Sponsorship Report 2006) against $ 30 billion estimated in 2004. Spending in 2007 was estimated at $ 14.93 billion (up 11.7% from 2006) in the U.S., $ 10.6 billion in Europe (+ 11.6%), $ 7.4 billion in the Asia Pacific (+ 15.6%), $ 3.0 billion in the Central and South America (+ 11.1%), $ 1.8 billion in other countries (+ 5.9%) against a world total of approximately $ 33.7 billion in 2006. Projected 2007 North American sponsorship spending by property type estimates that two thirds of these investments are in sport (IEG Sponsorship Report 2006), with the remainder being shared among entertainment tours and attractions (11%), cause-related marketing (10%), festivals and fairs (5%), arts (5%), and associations & membership organizations (3%). Led by strong opportunities for sponsorship in Asia, especially China, sponsorship spending by companies based outside North America shows a growth at rates even higher than for their North American counterparts.
There are various reasons behind this growth. Firstly, sponsorship can represent a keen instrument of communication. Since the Eighties the mushrooming of private television channels generated an increase in transmission hours, strongly accelerating the development of the commercial communication industry. This trend initially produced an abundant availability of TV slots at reasonable prices. Later, the rise in the production costs of material for use in television generated a leap in prices of the slots themselves. Corporates therefore had to seek alternative communication solutions as their budgets were squeezed out of these communication opportunities. Sponsorship has been one of the many forms of communication to grow as a result of this phenomenon.

Through sponsorship, organizations become associated with an independent source of messages equipped with a defined communication flow. A football team, for example, is a specific source. It gives out its own messages and uses channels generally represented by the media that assign great importance to the sports events because they know the public find them very appealing. Media give much more attention and space to a producer of events (sports, cultural, musical or others of importance to the public), because they know that their audience wants to be informed on this type of attraction. Thus, the media need this type of information to fill their spaces, whether in video or printed form. The media need the information of the producer more than the other way round – an asymmetry of power in the information market that can lead to an economic advantage for the sponsors.

Secondly, the growing importance of leisure time influences the choice of communication instruments used by investors. Sponsorship has been found to be an accepted communication instrument in consumers’ leisure activity environments (Meenaghan, 1991). Sponsorship is thus increasingly included in communication strategies.

Thirdly, corporate investors have become more aware of sponsorship's potential as a marketing tool. Sponsorships can take in events and activities in sports, arts, cause-related activities, and environment: all these are fields that adopt universally comprehensible languages. In an increasingly globalised world, language universality has proved to be particularly attractive for multinational investors brand such as Coca Cola, LVMH, Heineken, Prada, Adidas, Nike, 3M, Mercedes, HP, Pepsi Cola, and for the tobacco giants (Valli, 2004). Therefore, beyond the economic aspects and the social trends, the quality of the contact seems to be a strong point of sponsorship.

The increase in investments in sponsorship corresponds to a growth in interest under the academic viewpoint; since the end of the ’80s through to the early 2000s, there was a huge increase in the specialised literature that addressed such questions as management practices and sponsorship effects. According to the review by Cornwell and Maignan (1998), until 1996, 19 studies were...
published on the measurement of sponsorship effects out of 80 studies overall about sponsorship. From 1995 to 2001 the number of studies on the measurement of sponsorship effects rose to 83 out of 153 overall (Walliser, 2003). This shows a general growth of interest in sponsorship and, notably, in its effects, until 2003. Frameworks explaining sponsorship effects such as congruence theory, memory structure, emotional conditioning, mere exposure and meaning transfer have been discussed and partially validated. None of them has however received sufficient empirical support to emerge as a leading theory (Walliser, 2003). Research over recent years into sport sponsorship has attempted to apply some theoretical perspectives such as the agency theory approach (Farrelly & Quester, 2003), the network analysis approach (Cousens, Babiak & Bradish, 2006) and the transaction cost approach (Sam, Batty & Dean, 2005). It has alternatively concentrated on some specific aspects, such as the leveraging of sponsorship obtained through cause-related marketing (McGlone & Martin, 2006), the integration between sponsorship and advertising (Smolianov & Shilbury, 2005), and the consequences of sponsorship on the internal culture of the sponsor (Hickman, Lawrence & Ward, 2005). The organisational and relational aspects have been looked at whereas research into the effects of sponsorship has slowed down greatly. This may also be due to some factors that make it particularly difficult to isolate it and assess its impact. For example, the heterogeneous nature of sponsored activities, the difficulty of estimating ex ante the characteristics of the sponsored event, the effects of interaction from the simultaneous use of communication instruments, the carry-over effects, and the decay effect, have often forced experts to analyse sponsorship impact separately from the sponsorship process (Quester & Farrelly, 1998; Walliser, 2003).

From the sponsors’ viewpoint instead, the increasing costs in the field need to be justified. Corporates receive a growing number of sponsorship proposals from events producers, so the corporate adopt a more selective approach in choosing which events to sponsor, and place greater attention on their R.O.I. (Doherty & Murray, 2007). Also, the increasing investments in global sporting events require cross-cultural studies of the responses among consumers in the different countries. The sponsorship of the same international event can give different results in different countries but, to date, few empirical cross-cultural results exist (e.g. Quester, Farrelly & Burton, 1998). Given that the primary reason for investment in sponsorship is to elicit a response from consumers (Meenaghan, 2001), the understanding and measurement of sponsorship effects remains a key issue for research.

Corporate organisations can reap many benefits from sponsorship (Irwin & Sutton, 1994; Cousens, Babiak & Bradish, 2006): for example, gaining direct media access, increased sales and improved market share, image enhancement, overcoming cultural barriers, building links with politicians and business leaders, and improving employees' morale (Hickman, Lawrence & Ward, 2005). From the
demand viewpoint, though, there are two types of basic effects of sponsorship: those on awareness and those on image (Crowley, 1991). Sponsor awareness has been the subject of many empirical studies - also recent (Lardinoit & Derbaix, 2001), while brand image has received less research attention (Meenaghan, 2001). There is considerable evidence that sponsorship enhances awareness of the sponsors (e.g. Cornwell, Maignan & Irwin, 1997) and that the impact on awareness depends on the conditions of exposure, the type of product, the characteristics of the message and the target (Walliser, 1994), the level of integration of the sponsorship with other communication campaign instruments (Quester & Thompson, 2001), and on the involvement of consumers in the sponsored activity (Meenaghan, 2001). After a series of studies which have gone through the theoretical fundamentals of the image effects of sponsorship (Ganassali & Didellon, 1996; Giannelloni, 1993; Gwinner 1997), and which were largely exploratory in nature, in recent years the analysis of the impact on image seems to have stopped. Research on sponsorship in general is moving from an exploratory approach to a confirmatory one, from a descriptive design to a causal one, and from a managerial perspective to a consumer one, with greater focus being applied to the internal processes in the receiver’s mind (Walliser, 2003). Little however is still known about the conditions of success in image transfer from the sponsored activity to the sponsor. There are reasons to believe that sponsorship changes the sponsor's image (e.g. Gwinner, 1997) but the mechanism regulating this effect is still unclear.

2. Literature review
With a view to referring to an accurate study model and also to get an overview of the past experiments’ methods, we have collected a large sample of studies dedicated to test any effect of sponsorship activities on brand image perceptions, (excluding research addressing mainly the impact on sponsor awareness or recognition). We have reviewed 35 contributions published from 1995 to date in 23 different sources being International and European journals and congresses. The experiments have been implemented in eleven different countries, mainly U.S.A. (16) and Australia (5). Only one international survey was identified but is quite restricted to a much focused aspect of the sponsorship persuasion process.

Activities and sponsors
The reviewed experiments principally studied sports events, sports persons or teams and occasionally humanitarian or cultural activities. 60% of them are real events or activities, 40% are fictitious, they generally study several sponsors simultaneously which are usually well-established B. to C. international brands or companies like: Reebok, Carlsberg, Coca-Cola, Siemens, Goodyear, Camel cigarettes, Sony Playstation 2, BMW, Milka, Tag Heuer, Budweiser, FedEx,
Sponsorship persuasion process

Surprisingly, nine papers do not refer to any particular theoretical persuasion process. A small number of authors mention balance/congruency theories or refer to the peripheral route of the Elaboration Likelihood Model. As the prevailing theory in the field, one third of the studies mention the concept of **transfer**, and more precisely: “image transfer”, “attitude transfer” or “affective transfer”.

Models composition

As outputs of the studied models, measurements of the sponsor audience perceptions are very heterogeneous. We counted 22 different concepts in 35 papers, “**attitude**” (15 times) and “**image**” (12) being the most frequently studied concepts but with very various types of measurements. Regrettably, few of them distinguish cognitive, affective or symbolic dimensions. To enhance the understanding of the sponsorship transfer process, authors often study some potential moderating variables of the sponsored activity perceptions to the sponsor-brand perceptions. They tend to study “**congruency**” (9 papers), “**involvement**” in sponsored activity (9 papers) or **attitude towards sponsorship** in general (6 papers)

Methodology and experimental conditions

50% of the samples (median size is **250**) are made of students, 25% of “real” consumers and the other 25% of spectators or fans. 75% of the studies have implemented **post-exposure** measurements “only”. Seven studies have developed before/after measurements but most of them are fictitious situations. Only one or two research are real “longitudinal” studies (see Woisetschlager, Evanschitzky & Lentz 2007, as a good example)

Types of data analysis

Predominantly quantitative, a majority of the papers used classical and basic bi-variate analysis techniques. Unsurprisingly, most recent papers use structural equations, analysis of covariance or PLS regression.

3. Rationale of the paper

Image transfer is the central concept of the studies on brand image effects (Ganassali & Didellon, 1996; Gwinner 1997). Agreeing with other authors (see Dalakas and Kropp, 2002 or Cornwell, Weeks and Roy, 2005), we believe that Heider’s (1958) Balance Theory could be the psychological basis for the transfer process. Facing some new or unexpected associations (e.g. a brand with a sports or cultural activity), consumers tend to alter their perceptions in order to harmonize them. Thus, in the sponsorship process, they would unconsciously transfer some of the sponsored...
activity/entity to the sponsor-brand/institution. It has been conjectured that the image transfer process is influenced by some moderating factors (Gwinner, 1997) such as the degree of similarity between the event and the sponsor, the level of sponsorship, the frequency of the event and the degree of product involvement. There is however still a few empirical evidence to back up these hypotheses. The understanding of image transfer can help corporate organisations to create more effective sponsorship strategies, to estimate the effects of the activities on consumer demand, and to decide which events to sponsor. It is therefore necessary to return to focusing research on the mechanisms regulating the relationship between the sports event sponsorship and the response from consumers and, specifically, on the image transfer process. This may lead to more advanced methods of sponsorship control. On the basis of our extended review of literature, the main contributions of our research would be as follows:

1. **A detailed appraisal of the persuasion process.** The core process linking the sponsored activity/entity perceptions with the sponsor perceptions probably includes functional, affective and symbolic dimensions that need to be investigated.

2. **A quant-qual corroboration.** Perceptions of both sponsored activity and sponsor brand could be analysed more accurately with additional spontaneous textual data. This could allow us to confirm or complete interpretations of results came out from quantitative analysis.

3. **An international sample.** Sponsorship experimental literature generally considers well-established B. to C. international sponsors but almost never study perceptions from different cultural contexts. To get closer to reality, it could be very interesting to examine consumer perceptions in different countries.

4. **Framework and conceptualization of the analysis of sponsorship effect on the perception of the sponsoring brand**

In prior research, it has been stated that sponsorship’s main principle consists of an image transfer from the sponsored entity to the brand (Ganassali & Didillon, 1996, and Gwinner, 1997). Some authors now explicitly refer to Brand Image Transfer as a resulting process of the sponsorship (but also endorsement) activities (Walliser, 2003). Some researchers have tried to investigate the theoretical framework of the brand image transfer. Most of them assume that there must be different natures of image transfer, including cognitive and affective aspects.

Beside the central process of image transfer, our review of prior research revealed some potential moderating variables which would affect its impact. For example, involvement in the sponsored activity, general attitude towards sponsorship or perceived congruency between the brand and the activity would be some important variables within a global model of the brand image transfer.
For this paper, we develop a framework to investigate the relationship of the effectiveness the process of image transfer (see figure 1). Following our line of thought above, we assume that some variables have an impact on the image transfer process: awareness (of the brand as a sponsor), exposure (to sponsorship activity), involvement, perceived congruence, attitude toward sponsorship, previous brand knowledge, experience (in the event activity), and nationality. Additionally, this paper will put special emphasis on the perceived congruence between cognitive, symbolic, and affective components of the consumer value of the sponsored activity and the sponsored brand consumer value. The dependencies proposed in our framework in figure 1 will be discussed more detailed in following.

Figure 1 - General framework of perceptions transfer from the activity to the brand

a. Influence of Event Image on Brand Image

Creating a positive brand image is a main goal that companies associate when participating at events. The connection of a brand with a sponsored event should lead to a positive influence towards the brand amongst visitors at the event (Gwinner, 1997). In connection with central effect mechanisms for a possible change in attitude towards a brand through visiting an event (e.g. Mau et al. 2001), the principles of emotional conditioning (e.g. Gierl & Kirchner, 1999), mere exposure effects (e.g. Bennett 1999), social identity (e.g. Madrigal, 2001), vicarious learning and awareness-trial-reinforcement (e.g. Hoek et al. 1997), and congruity theory (e.g. Jagre et al. 2001) are generally discussed. In particular, Heider’s (1958) Balance Theory provides an expedient framework to explain the transfer process between event image and brand image. Following this
theory, people tend to harmonize all their thoughts and perceptions hold in their minds for connected objects (cf. Huber & Matthes 2007). Through sponsorship, people perceive such a connection between the event and sponsor’s brand. Thus, in the case of different images for the event and the brand, both images will probably be adjusted (Dean 2002). A similar process of “meanings transfer” takes place in the celebrity endorsement process (McCranken, 1989), which explains the persuasive nature of endorsers. The mental associations the sponsoring brand receives would generate a positive goodwill effect among consumers that translates into attitude and behaviour towards the sponsor’s brand (Meenaghan, 2001). The results of empirical studies support the assumption that a combination of a brand and an event leads to the visitor translating the positive experience directly onto the brand. Therefore, we propose that:

**H1**: A more positive event image evokes a more positive image of the sponsored brand.

The perception of an event, and so the event image, can be distinguished between cognitive, affective and symbolic components (Koo et al. 2006; Pope 1998) which would form the event image – or the dimensions of “customer value” of the event. In order to enhance the current understanding of the image transfer process, the problem of what really adds value in customer’s perception is defined in this paper through the existence of these three image dimensions:

The **cognitive dimension** represents the core benefit and basic utilities of an object, such as the quality, the uniqueness, the usability, the reliability, and durability (Sheth et al. 1991). The **affective dimension** refers to the experiences, feelings, and emotions a certain brand or product provides to the consumer in addition to its functional utility (Westbrook & Oliver 1991). The **symbolic dimension** focuses on the customer’s personal orientation towards a brand or product and addresses personal matters such as consumer’s self-concepts, self-worth or self-identity value (cf., Holt 1995; Dittmar, 1994). It will be assumed that the image transfer process between the event and the brand can be reflected on all of these three image dimensions (Koo et al. 2006; Pope 1998).

**H1.1**: The cognitive dimension of the event image will impact the cognitive dimension of the brand image.

**H1.2**: The affective dimension of the event image will impact the affective dimension of the brand image.

**H1.3**: The symbolic dimension of the event image will impact the symbolic dimension of the brand image.
b. Effect of exposure on the event image

Sponsorship exposure comprises the amount of time an individual is exposed to a sponsor message within the event and is created through mention of the name, appearance of the logo, etc. The standard finding in cognitive learning is that message learning grows with additional exposures, although at a diminishing rate. It could be assumed that more knowledge about an entity could lead to a more positive evaluation of this entity (Bornstein 1989; Rindfleisch and Inman 1998). However, knowledge is not necessary to enhance customer’s evaluation of an object. The mere exposure effect postulates that even the repeated exposure with an object could enhance customer’s evaluation of this object. This is especially true when the exposure happens with only less attention (Bornstein 1989). An established explanation of this effect is based on the familiarity with the specific objects: people tend to evaluate an object more positive if they are more familiar with this object (Monin 2002; Zajonc 2001). Therefore, we propose that:

\( H2: \) Exposure to the sponsored event is positively related with the event image.

c. Influence of involvement with the event on its exposure

Event involvement is a kind of genuine excitement caused by a strong and solid interest in a specific activity (on our case the sponsored sport event) which results from the importance of this activity for an individual (Lardinoit & Derbaix 2001). In empirical sponsorship research, Meenaghan (2001) examined the concept of fan involvement and its implications for sponsorships. He showed in focus group interviews that increased event or fan involvement in a particular sponsored activity evoked a positive emotional orientation towards the sponsor. Furthermore, highly involved fans were the most aware of the sponsor’s investments. A study of Hansen & Scotwin (1995) reveals further evidence that more involved sports fans have significantly higher recall than those not involved for one sponsor. Pham (1992) has shown that when consumer involvement in a sponsored event is high, consumer information processing is significantly affected which in turn leads to more active processing and presumably greater interest towards the sponsorship. It is likely that the greater the involvement in the event, the more sympathy towards the sponsor and consequently the more positive the sponsor’s image. Based on these findings we hypothesize that:

\( H3: \) Event involvement is positively associated with a more positive event image.

d. Effect of prior experience with the brand on the brand image

Sponsorship messages can only pass on specific information about a product or service if the consumers have a basic knowledge about the sponsor and its product category (Keller, 1993; Grohs, Wagner & Vsetecka 2004). This knowledge is usually based on prior experiences with the brand.
These experiences could lead to more familiarity with the specific brand. Like mentioned above, people tend to evaluate familiar brands more positive than unfamiliar brands (XXX). That why, we will assume that:

**H4:** Brand experience is positive related to brand image.

e. **Attitude toward Sponsorship**

In the case of sponsorship, a corporate sponsor hopes that the consumer’s positive attitude towards the sponsored event may rub off onto the product, brand or company. In this context, it is necessary to examine the attitude towards event sponsorship in general and to assess the image of sponsorship as a generic phenomenon. While consumers sometimes have negative attitude towards advertising, sponsorship as a communication tool often appears to cause more positive effects and a level of goodwill depending on the category of sponsorship engagement, e.g. support of cultural activities, sports (Meenaghan 2001). The response to corporate sponsorship activities is for this reason dependent on the attitude and the degree of goodwill towards sponsorship in general.

**H5:** A more positive attitude toward event sponsorship evokes a more positive attitude toward the sponsoring brand.

f. **Congruency between customer value on sponsored activity and sponsor brand consumer value**

Scientific literature has confirmed the importance of ‘fit’ between sponsor and sponsored event (Crimmins & Horn 1996; Meenaghan & Shipley 1999; Speed & Thompson 2000). As a moderator of the impact of attitude toward the ad and pre-existing attitude toward the brand, in the case of sponsorship, increasing the fit between sponsor and event will increase the response to the sponsorship arising from personal liking, perceived status, and attitude toward the sponsor (Speed & Thompson 2000). A fit between sponsor and event can be established on numerous bases, e.g., functional/thematic related and/or symbolic/image related characteristics. However, without any restriction on the basis used to establish fit, the focus is on consumer’s attitude toward the pairing of event and sponsor and the degree to which the pairing is perceived as well matched or a good fit. Following a consumer-based conceptualization, fit between a sponsor and a sponsored event is high when the two are perceived as congruent (i.e., as going together), whether that congruity is derived from mission, products, markets, technologies, attributes, brand concepts, or any other key association (Park et al. 1991).

The perception of congruence or fit between the sponsor and the sponsored event has been shown to have a direct impact on consumer’s response (Crimmins & Horn 1996; Otker & Hayes 1987; Stipp & Schiavone 1996). Concerning the impact of different influencing factors (event image, brand recall, prior brand image that existed before visiting the event, sponsorship leverage, and event-
brand-image) on the (post) image of the involved brands, Grohs & al. (2004) showed that the image transfer between the event and the brand is dependent on the perceived similarity between event and brand. Focusing on the influencing role of the perceived event-brand-fit on the attitude towards the brand, Roy and Cornwell (2004) identified based on the congruence theory coherence between the event-brand-fit and the brand attitude. Examining congruence effects in sponsorship, Rifon et al. (2004) found out that a good fit of the sponsor and the event enhances sponsor credibility and attitude towards the sponsor. According to Meenaghan (1983) and Otker and Hayes (1987), a good perceived symbiosis between the sponsor and the event is thought to have positive effects on the sponsor’s image: The stronger the link between the sponsor and the event, the greater the impact on corporate image.

H6: A higher perceived congruency between the event and the brand would result in a stronger transfer of perceptions.

5. Methodology

Despite the importance of a clear understanding of this persuasion process, few experiments are available to test the relevance of a detailed “transfer” model within a real situation. In order to contribute to this crucial research question, we decided to evaluate the impact of a real sponsorship activity on the perceptions of a brand, within an international context.

In May and June 2007, we conducted a survey with a view to evaluating the impact of Louis Vuitton’s sponsorship of America’s Cup on its brand image, hosted by Sphinx Survey Web Platform. We had to choose between a longitudinal study (pre and post-event measurement on the same consumers) and a single post-event measurement. Notable disadvantages are associated with both approaches. Even though it is more applicable to prove any potential transfer, we had to reject the longitudinal method. In fact, this experimental treatment could have resulted in “testing effect” distortions in the post-event evaluations and it was also difficult to implement within this realistic international context (respondents follow-up during the summer break). In this study we collected relevant variables with a convenient sample. For this, we’ve approached inhabitants of France, Germany, Italy and Spain via snowball recruitment.

5.1. Variables measurement

We designed a questionnaire on the Internet that covered all the components of the persuasion model presented above.

Event and Brand Image

To measure the brand and event image and because we wanted to study the detailed links between functional, affective and symbolic dimensions of activity and sponsor, we decided to refer to the
“customer value” concept, which is linked very closely to the image concept. In a simple version, it is defined as being “what customers get from the purchase and use of a product versus what they pay, resulting in an attitude toward or an emotional bond with the product” (from Butz and Goodstein, 1996).

After an extended literature review, Smith and Colgate (2007) recently proposed a customer value framework with four dimensions being functional/instrumental, experiential/affective, symbolic/expressive and cost/sacrifice. Because the last dimension was not really applicable to the studied activity, we selected the three first dimensions in our model and used 12 items proposed in Smith and Colgate’s review to develop our measurements of event and perceptions (see figure 3).

To complete our measurements with a more qualitative point of view, we also applied a frequent survey protocol within the sponsorship field, consisting in adjectives generation (see d’Astous and Bitz, 1995, for example). We asked the respondents to quote three adjectives they would associate with both the event and the sponsored brand. With textual data analysis, we will be able to maybe confirm, illustrate and enrich the quantitative measurements.

Other variables in the model

Involvement towards sponsored activity was traditionally assessed with the 10-item “Revised Personal Involvement Inventory” (McQuarrie and Munson, 1992). Similarly to other authors (cf., Grohs, Wagner & Vsetecka, 2004), exposure to the event was measured by four items, asking the respondents to report the number of times they were submitted to event information on four main media being races on television, media reports in press and broadcast as well as the official event website. Perceived congruency between event and brand could be established in several ways (e.g., functional characteristics, symbolic characteristics; see Fleck and Quester 2007 for a discussion of different concepts). However, in the interests of parsimony, we model perception of fit between sponsor and event in terms of a single construct. Thus, perceived congruency was apprehended with three items developed by Speed and Thompson’s article on determinants of sports sponsorship response (2000). Measurement of attitude towards sponsorship (in general) consists in our study of four items adapted from Giannelloni’s “attitude towards sponsor-event association” (1990). Brand experience was measured using a three item scale (number of Louis Vuitton products at home, number of Louis Vuitton products bought last 12 months, and number of visited Louis Vuitton stores last 12 months). Finally, we introduced three items to control respondents’ “prior experience” with the sponsor brand. Finally, the questionnaire concluded with some socio-demographic and economic questions. The original questionnaire can be seen on the following link: http://www.sphinxonline.net/etudiup/sponsor/qen.htm.
5. 2. International Network on Consumer Behaviour Studies

This is the second study carried out by a network of researchers in the area of consumer behaviour. This International Network on Consumer Behaviour Studies is currently comprised by marketing professionals from eight Universities in France (Savoie), Germany (Göttingen & Hannover), Italy (Pavia, Pisa & Venezia) and Spain (Leon & Valencia), providing a total sample of more than 1,400 European respondents (see figure 2 for characteristics; majority (85%) non-users of Louis Vuitton). It was really interesting to have four countries with very different concerns about the event. Spain hosted the competition in Valencia. Italy competed with three different boats, France with only one challenger and Germany participated in the race for the very first time. The characteristics of the sample regarding nationality, gender, income and age are shown in the following tables.

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<tr>
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<tr>
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<td>40 to 50 yrs</td>
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<tr>
<td>Total</td>
<td>1,427</td>
<td>100%</td>
</tr>
</tbody>
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6. Analysis of the results

6. 1. P. L. S. regression results

In order to test the hypotheses proposed in this study, the partial least square approach was chosen. This methodology has been recently established as very adapted to sponsorship effects experiments (see Martensen & Hansen, 2004 or Huber & al. 2007). The results obtained are presented in figure 3, followed by an explanation of its significance in testing the proposed hypothesis.
Firstly, the models developed for measuring perceived value of the event (image of America’s Cup), perceived value of the brand (image of Louis Vuitton), implication with the event, exposure to the same, and experience of the brand, were evaluated.

As can be seen in Figure 3, the loadings indicate a positive evaluation, in spite of the fact that some of them are slightly below the threshold of 0.8. In analysing the reliability and validity of these measures, the average variance extracted (A.V.E.) and the composite reliability were calculated, with values over or very near the limits indicated by Fornell and Cha (1994) being obtained in all cases. Three items of the brand customer value were extracted from the model analysis because of too weak loadings.

<table>
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<th>Construct</th>
<th>A.V.E</th>
<th>Composite Reliability</th>
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<td>0.9402</td>
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<tr>
<td>LV perceived value (brand image)</td>
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<tr>
<td>Exposure</td>
<td>0.6586</td>
<td>0.8848</td>
</tr>
<tr>
<td>Experience LV</td>
<td>0.611</td>
<td>0.8239</td>
</tr>
</tbody>
</table>

Table 1 – Quality criteria for general model constructs
Path coefficients are summarised in the following table, the analysis of which has led to the confirmation of the hypotheses H1, H2, H3 and H4.

<table>
<thead>
<tr>
<th>Hypothesis</th>
<th>Paths</th>
<th>Original Sample</th>
<th>Standard Deviation</th>
<th>T</th>
<th>Significant</th>
</tr>
</thead>
<tbody>
<tr>
<td>H1</td>
<td>AC cust. value (event image) -&gt; LV cust value (brand image)</td>
<td>0,367</td>
<td>0,0477</td>
<td>7,7011</td>
<td>significant</td>
</tr>
<tr>
<td>H2</td>
<td>EXPERIENCE LV -&gt; LV cust value (brand image)</td>
<td>0,2188</td>
<td>0,0336</td>
<td>6,5127</td>
<td>significant</td>
</tr>
<tr>
<td>H3</td>
<td>EXPOSURE -&gt; AC cust value (event image)</td>
<td>0,5869</td>
<td>0,0276</td>
<td>21,298</td>
<td>significant</td>
</tr>
<tr>
<td>H4</td>
<td>INVOLVEMENT -&gt; EXPOSURE</td>
<td>0,7253</td>
<td>0,0208</td>
<td>34,931</td>
<td>significant</td>
</tr>
</tbody>
</table>

Table 2 – Paths significance for general model

In order to confirm hypotheses H1.1, H1.2. and H1.3., links between specific functional, affective and symbolic dimensions of the event and the brand, the “core” model shown in figure 4 was tested. Results are also given in the tables and figures above.

In the evaluation of the measurements proposed in this core model, loadings, composite reliability and average variance extracted all proved to be satisfactory.
<table>
<thead>
<tr>
<th>Hypothesis</th>
<th>Path</th>
<th>Original sample</th>
<th>Standard deviation</th>
<th>T Statistic</th>
<th>Significance</th>
</tr>
</thead>
<tbody>
<tr>
<td>H1.1</td>
<td>AC Affective -&gt; LV Affective</td>
<td>0.2531</td>
<td>0.0949</td>
<td>2.6676</td>
<td>Significant</td>
</tr>
<tr>
<td>H1.2</td>
<td>AC Symbolic -&gt; LV Symbolic</td>
<td>0.3273</td>
<td>0.0814</td>
<td>4.0226</td>
<td>Significant</td>
</tr>
<tr>
<td>H1.3</td>
<td>AC Functional -&gt; LV Functional</td>
<td>0.1491</td>
<td>0.1177</td>
<td>1.2662</td>
<td>Not Significant</td>
</tr>
<tr>
<td></td>
<td>AC Affective -&gt; LV Functional</td>
<td>0.1865</td>
<td>0.0883</td>
<td>2.118</td>
<td>Significant</td>
</tr>
</tbody>
</table>

### Table 4 – Paths significance for core model

An analysis of these path coefficients also showed how the principal effect of perceived value of sponsorship on value attributed to the brand is produced on one hand via a **symbolic** process. On the other hand, significant values for the effect of perceived **affective** value of the event on both functional and affective values of the sponsoring brand were also obtained. Lastly, the functional perception of sponsored activity (America’s Cup) had no impact on perception of the brand (Louis Vuitton).

#### Moderating effects

Multi-groups analyses were run to test the moderating influences of attitude towards sponsorship and congruency. For those two variables, three homogeneous groups of respondents were formed, considering the summation of all the concept-related variables.
Attitude towards sponsorship (hypothesis H5)

In the first row of table 5 below, we can notice that a positive attitude towards sponsorship produces a higher affective transfer from the event to the brand. H5 is thus partly accepted.

<table>
<thead>
<tr>
<th>Path</th>
<th>Total sample</th>
<th>Negative attitude</th>
<th>Neutral attitude</th>
<th>Positive attitude</th>
</tr>
</thead>
<tbody>
<tr>
<td>AC AFF -&gt; LV AFF</td>
<td>0,2531</td>
<td>0,1963</td>
<td>0,2061</td>
<td>0,3371</td>
</tr>
<tr>
<td>AC AFF -&gt; LV FUNCT</td>
<td>0,1865</td>
<td>0,0784</td>
<td>0,2563</td>
<td>0,1959</td>
</tr>
<tr>
<td>AC FUNCT -&gt; LV FUNCT</td>
<td>0,1491</td>
<td>0,1085</td>
<td>0,0414</td>
<td>0,1953</td>
</tr>
<tr>
<td>AC SYMB -&gt; LV SYMB</td>
<td>0,3273</td>
<td>0,3568</td>
<td>0,3606</td>
<td>0,2889</td>
</tr>
</tbody>
</table>

Table 5 – Paths differences from multi-group analysis (attitude towards sponsorship)

Congruency (hypothesis H6)

Another hypothesis which this study aimed to test was the relationship of congruency perceived by the individual between the sponsored event (America’s Cup) and the brand (Louis Vuitton), and the influence of perceived value of the event on perception of the brand (differentiating between affective, symbolic and functional components).

In order to test this, a multi-group analysis was carried out, the results of which (see Table 6) admit the conclusion of a congruency moderating effect on the influence which perceived affective value of the event has on perception of the brand (in all three components). H6 is partly accepted.

<table>
<thead>
<tr>
<th>Path</th>
<th>Total sample</th>
<th>Low congruency</th>
<th>Middle congr.</th>
<th>High congr.</th>
</tr>
</thead>
<tbody>
<tr>
<td>AC AFF -&gt; LV AFF</td>
<td>0,2531</td>
<td>0,1733</td>
<td>0,2686</td>
<td>0,3843</td>
</tr>
<tr>
<td>AC AFF -&gt; LV FUNCT</td>
<td>0,1865</td>
<td>0,1629</td>
<td>0,1705</td>
<td>0,2708</td>
</tr>
<tr>
<td>AC AFF -&gt; LV SYMB</td>
<td>0,0936</td>
<td>0,0698</td>
<td>0,0912</td>
<td>0,1622</td>
</tr>
<tr>
<td>AC FUNCT -&gt; LV FUNCT</td>
<td>0,1491</td>
<td>0,2204</td>
<td>0,0171</td>
<td>0,1844</td>
</tr>
<tr>
<td>AC SYMB -&gt; LV SYMB</td>
<td>0,3273</td>
<td>0,2988</td>
<td>0,3288</td>
<td>0,2665</td>
</tr>
</tbody>
</table>

Table 6 – Paths differences from multi-group analysis (congruency)

6.2 Qualitative perspective of the analysis

The authors do believe in the key role of the qualitative analysis when coping with survey data. The added value contained within an unstructured answer is unquestionable but it is often difficult to correctly analyze and exploit the inner latent information and concepts (Bolden and Moscarola, 2000). Thereby during the questionnaire definition process, two open questions have been introduced and later on analyzed. The two questions under analysis requested the respondents for providing a set of 3 adjectives either on American Cup or Louis Vuitton. The objective is to
understand the personal and unconscious feelings towards the sport event and the relative sponsor brand. In such a way we can understand if there is coherence in the perception of the two proposed items in terms of adjectives expressing similar conceptual schemas. Moreover these questions are proposed before the batteries of items that has been used to described the perception of Brand and Event, based on literature, and forcing the respondent in a set of preconceptions.

The qualitative analysis plays the role of a valuator of quantitative based results checking if the free answers reflect the preconceived dimensions. It also gives more empirical meanings to the abstract dimension of the model: to which adjectives do functional, symbolic and affective dimensions refer?

Coming to the results, several analysis have been carried out in order to employ the complete list of available adjectives in the better way. First of all a frequency table of the terms have been derived for each country without modifying the original words. This simple activity let us to understand which the more frequent adjectives are, referred to America’s Cup and Louis Vuitton, taking into account also the language differences. Later on, in order to derive common analysis and representation we decided to solve the language problem by grouping under a first detailed aggregation level equivalent words. To cross check the analysis based on the responses to the scales batteries with the spontaneous free expression of adjectives, we use the factor analysis scores rating brand and event according to symbolic, affective and functional dimensions. Therefore we computed for each subset of people having used one word the average value of the above dimensions. A variance analysis test allows us to know if the use of each item makes a significant difference according to the dimensions. This results can be more easily red on a factor map built from the variance analysis table.
As the reader can simply verify from Figure 1 there is a very good correspondence between the adjectives conceptual classes and the 3 dimensions for what concern Louis Vuitton item. At first sight it is evident that all the positive adjectives (trendy, glamour, elegant,...) lay on the first and fourth quadrant of the map, instead negative concepts (arrogant, useless, ugly,...) are positioned in the second and third ones. Moreover if we focus, for example, on the symbolic component we notice the presence of adjectives that clearly refer to the symbolic power of the brand: exclusiveness, stylishness, expensiveness etc. Similar correspondence can be easily derived for the affective and functional dimensions. Thereby, we can assert that there is a deep internal coherence between the qualitative and the quantitative dimensions on one hand. On the other hand, the mapping offers a type of empirical description of the more abstract notions used for the quantitative measures. This can be useful for advertising and communication purposes.

Another interesting analysis, aimed at the verification of a possible connexion between the group of adjectives related to the brand and the event, is represented in Figure 2. On the basis of the semantic aggregation of L. V. and A. C. description we run a chi2 analysis of the cross table between L. V. and A. C. semantic dimensions, and produced a factorial correspondences analysis map. On one hand, the bright circles are referred to L. V. perceptions; on the other hand the dark ones represent A. C. adjectives.
Globally, we can notice consistent correspondences between the event perception and the brand evaluation. For example, on the left part of the mapping, negative perceptions of America’s Cup (useless, boring for ex.) are linked with negative assessment of Louis Vuitton (ugly, old fashioned etc.), whereas we can find positive evaluations in the right part. It seems like we can even recover functional components (such as qualitative for the brand or technological for the event) together at the top of the map. Affective and symbolic perceptions of the competition and the French brand correspond at the bottom, on the right.

In the light of so far explained results, we can conclude that qualitative analysis has offered precious and further information useful to evaluate the relation existing between America’s Cup and Louis Vuitton. The simple expression of few adjectives from the respondents allows us to believe in a correspondence between the event and the brand: in fact the free and quick elicitation of the ideas by means of adjectives often lead towards the same abstract and unconscious concepts.

7. Conclusions

This study demonstrates the effect of the image of a sponsored event (America’s Cup) on the image of sponsor’s brand (Louis Vuitton), mainly via the affective and symbolic components of the persuasion process. This would confirm that sponsorship activities could be an opportunity to develop affective or symbolic brand customer values, thanks to an association with an external entity. It means that it must be crucial for companies to assess potential partners’ affective and
symbolic perceptions before choosing among alternative solutions to be sponsored (Hansen, Halling & Christensen, 2006).

**Involvement** with the sponsored activity is also a key variable in the sponsorship persuasion process. It is of course a strong determinant of exposure to the event but also a positive influencer of the perception (consumer value) of the sponsored activity.

The positive influence of perceived congruency (between activity and sponsor) on the sponsorship effects is confirmed with our study. However, consistently with the balance theory, we believe that there must be a threshold effect. Probably a light “incongruency” could be acceptable and consumers may alter their perceptions in order to harmonize them.

From a methodological point of view, we have demonstrated that it is very useful to enhance a traditional quantitative method with **textual data analysis**. This quant-qual complementary approach allows to confirm and to illustrate numerical multivariate analysis. It also provides additional information, some unexpected or unusual points of view that otherwise would have been lost.

The main limitation of our study is our incapacity to really prove the transfer from the activity to the brand. Because we had to choose a single post-event measurement, we don’t have any primary assessment of the brand consumers’ perceptions. This issue is however really puzzling because in our case, Louis Vuitton and America’s Cup have been associated for 1983. This is why it was really interesting to have in our sample such a wide population including many respondents with a low (or even absent) awareness of the event and the sponsorship association.

On Friday July 13th, 2007, French luxury goods group Louis Vuitton announced it had decided to end its sponsorship of the America’s Cup yachting race, citing “concerns over changes to the competition”. Afraid to lose some affection?

**General references**


References from review of literature – Experiments on Sponsor-Brand Perceptions Effects


