

The 4th International Sport Science Symposium on “Sport Sciences for the Promotion of Active Life”

【Special lecture II】

Sport sponsorship and virtual advertising

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The purpose of this presentation is to provide an overview of sport sponsorship and to present an outline of current research in sport sponsorship. Additional objective is to introduce a relatively new method of marketing communication, virtual advertising. Sponsorship has been one of the fastest growing corporate communication platforms in the past couple of decades (McDaniel, 1999). According to IEG corp., companies have spent billions of dollars on sponsorship to communicate with their consumers. For example, in 2010, companies in North America spent 17.2 billion US dollars despite the economic recession. In Asia, IEG reported that the 2010 sponsorship spending was 10.6 billion US dollars, an increase of 5% from the previous year. Additionally, IEG predicts a continued growth worldwide in sponsorship spending in the year 2011.

According to Meenaghan (1991), sponsorship is “an investment, in cash or in kind, in an activity, in return for access to the exploitable commercial potential associated with that activity (p.36).” Thus, companies wish to (a) expose their corporate involvement with the sport organization, and to (b) associate the image of the sport organization with that of the company (Meenaghan,

1991). Sponsorship has become a preferred method of communication by many businesses because of the following reasons. Sponsorship is believed to cut through the advertising clutter, to better reach specific lifestyle segments, and to counter the rising cost of the traditional media (Belch & Belch, 1995; Madrigal, 2001; Shimp, 1997). Most of current research in sport sponsorship has focused on its effectiveness (Cornwell & Kwan, 2010), while other types of sponsorship research have been well documented (Cornwell & Maignan, 1998).

Within sport sponsorship, a relatively new method of marketing communication, virtual advertising, has garnered attention by both academicians and practitioners. Virtual advertising refers to the insertion of digitized images onto a television broadcast (Turner & Cusumano, 2000). This technology, considered similar to sport sponsorship (Bennett, Ferreira, Tsuji, Siders, & Cianfrone, 2006) offers several advantages over traditional advertising (Burgi, 1997; Méndez, 1999; Turner & Cusumano, 2000). Unique advantages as well as implications of virtual advertising will be discussed in the presentation.