Survey

Study on the Effectiveness of Marketing through Sports

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ABSTRACT

The intertwining of sports and marketing has become increasingly prevalent in modern society. This abstract examines the diverse approach to sports marketing, emphasizing its influence, methods, and obstacles. Sports provide a dynamic platform for marketers to engage with a wide range of people, exploiting the emotional connection and loyalty that comes with sports teams and individuals. Brands may match with the ideals and goals of sports fans through sponsorships, endorsements, and event activations, increasing brand perception and affinity. This paper investigates the effectiveness of marketing strategies deployed within the realm of sports. By analyzing various case studies and academic literature, the paper explores how sports provide a fertile ground for marketing initiatives to flourish. It examines the impact of sports marketing on brand visibility, consumer engagement, and revenue generation. Additionally, the paper discusses the challenges and ethical considerations associated with sports marketing practices. The findings contribute to a deeper understanding of the complex relationship between sports and marketing, offering insights for businesses and marketers seeking to leverage sports as a promotional platform.

1. Introduction:

According to Statista’s 2016 annual report, the global sports sponsorship market was worth an estimated 66 billion U.S. dollars and was expected to grow to almost 108 billion U.S. dollars by 2030 (Gough). Over the past few decades, sports sponsorship has been an increasingly significant component of corporate marketing communications. It is also a significant source of revenue for organizations involved in sports. Brands are continuously looking for new and creative ways to improve their market presence and establish a connection with their target audience in the fast-paced and cutthroat world of business. Combining sports and brand marketing is one effective tactic that has endured throughout time. Beyond just putting logos on jerseys, sports and products have a symbiotic relationship that has a significant impact on consumer behavior, brand perception, and overall market performance. We will investigate in this study how sports may revolutionize the way brands are developed and promoted.

2. Definition of Marketing Through Sports:

Marketing through sports is a process of promoting products and services using sports or athletes. This type of marketing is extremely very popular when it comes to reaching the maximum audience. Although the brands have acknowledged the importance of sports and the impact of marketing through sports. Marketing through sports can be in various forms, such as endorsements, sponsorship, etc. Sports marketing has two angles: one is the marketing of sports products and services, while the other is marketing through sports (Smith).

3. Literature Review:

Scholars and practitioners alike have extensively studied the intersection of sports and marketing, highlighting its
multifaceted nature and its impact on consumer behavior. Meenaghan emphasizes the role of sports sponsorship as a means of enhancing brand awareness and image (Meenaghan). Cornwell explored the managers’ perceptions of the impact of sponsorship on brand equity (Cornwell, Steinard and Roy). Karg, A., & Funk, D. have Measured the effectiveness of sponsorship (Shilbury, Quick and Westerbeek).

4. Methodology:
This study employs an open approach which is based on qualitative research. The data are collected through various case studies, news, and interviews. The case studies selected from diverse industries and geographical regions provide insights into real-world applications of sports marketing strategies. Additionally, surveys administered to consumers gauge their attitudes, behaviors, and preferences regarding sports-related marketing activities.

5. Case Study:
5.1. On 19 January 2023 a football match was played between Saudi All-Star XI and Paris Saint-Germain FC at King Fahd International Stadium, Riyadh Saudi Arabia, where the whole sports fanatic community was watching the match because their idols were playing, and the sports enthusiasts wanted to see their idols win the match. During the match, when Cristiano Ronaldo shook hands with Lionel Messi on the throwline due to a foul, Qatar Airways’ advertisement was visible on the advertising board. The match was a live match, According to Guardian the match was viewed by 1.3 million concurrent viewers (MacInnes), and Qatar Airways in that particular moment reached out to the millions of viewers by utilizing the value of the match and the players on the global platform. Although the whole incident lasted only a few seconds, the impact was empowering and heartwarming.

5.2. On 15th June 2021 Cristiano Ronaldo’s action of removing the Coca-Cola bottles down from the conference table which were placed for advertisement caused the firm to lose $4bn market Value (The Athletic). This happened due to the fans following Cristiano Ronaldo has over the globe. Cristiano Ronaldo is an icon to millions, all the fans of Cristiano Ronaldo follow his trends, and his fashion.
5.2. (Times Now)

5.3. Emirates, a multinational airline with its headquarters in Dubai, has made calculated investments in sports sponsorships to strengthen its reputation and expand internationally. The airline has prominent sponsorship relationships with sports teams, such as Real Madrid, AC Milan, and Arsenal FC (Emirates). Emirates’ brand familiarity and visibility have grown dramatically due to the company’s emblem being prominently placed on player shirts and extensive brand exposure during games. Emirates has effectively established itself as a top airline in the eyes of customers worldwide by partnering with elite sports teams and events.

- In the year 2009-10 Emirates Group made a net profit of AED 4.2 billion (US$1.1 billion) (Emirates).
- In the year 2014-15 Emirates half years revenue reached AED 47.5 billion (US$ 12.9 billion) (Emirates).
- In the year 2022-23 Emirates revenue reached AED 107.4 billion (US$ 29.3 billion) (Emirates).

5.4. One of the best examples of how sponsorship affects sporting events is Coca-Cola’s long-standing relationship with the FIFA World Cup. As an official sponsor, Coca-Cola offers monetary assistance as well as immersive fan experiences via promotional events, interactive marketing initiatives, and limited-edition packaging (FIFA). The company’s brand has become more firmly associated with joy, celebration, and unity as a result of its affiliation with the most-watched athletic event globally. The FIFA World Cup has generated enthusiasm and success around the world and also helped its sponsors to reach the maximum audience.

5.5. The energy drink brand Red Bull has made a name for itself by heavily supporting athletes and extreme sports competitions. Events like the Red Bull Cliff Diving, Red Bull Air Race, and Red Bull Rampage (mountain biking) are sponsored and organized by the corporation under its “Red Bull Signature Series” (Redbull). These occasions offer participants and onlookers exhilarating experiences, but they also function as a stage for promoting Red Bull’s brand and linking it to high-adrenaline excitement. Extreme sports have grown in popularity and scale thanks in large part to Red Bull’s sponsorship, which has had a long-lasting effect on the sector.

5.6. MRF (Madras Rubber Factory) is well-known for its passion for cricket, and it has a global collaboration with the International Cricket Council. MRF Cricket bat has become a symbol of individual excellence, skill, and brilliance. Some of the greatest batsmen of cricket have been sponsored by MRF, including Sachin Tendulkar, Brian Lara, Steve Waugh, and modern-day greats, Virat Kohli and AB de Villiers (Sportskeeda, 2018). Sachin Tendulkar made his debut on November 15, 1989 (Times of India, 2023), and MRF Shares price in the year 1990 was ₹ 350 (Stock Price, 2024). A contract was signed between MRF and Sachin Tendulkar following the 1996 Cricket World Cup. This collaboration has made Sachin and MRF extremely...
well-known and affluent. And the heritage persisted. Because of Sachin’s prominence, MRF has gained market value and brand loyalty; as of February 27, 2024, the price of MRF shares is ₹ 1,46,108 (Groww, 2024).

6. Results:
The findings reveal that marketing through sports can yield significant benefits for brands, including heightened visibility, enhanced brand image, and increased consumer engagement. Case studies demonstrate how strategic partnerships with sports entities, such as sponsoring teams or events, can effectively position brands in the minds of consumers. Moreover, athlete endorsements emerge as a potent tool for building brand credibility and fostering emotional connections with audiences. Surveys indicate that consumers often perceive brands associated with sports favorably and are more likely to purchase products endorsed by athletes or projected during sporting events.

7. Discussion:
While the effectiveness of marketing through sports is evident, challenges persist in navigating this dynamic landscape. Issues such as escalating sponsorship costs, cluttered marketplaces, and ethical concerns surrounding athlete endorsements pose significant hurdles for marketers. Furthermore, the evolving media landscape and shifting consumer preferences necessitate constant adaptation and innovation in sports marketing strategies. Nonetheless, the enduring appeal of sports as a cultural phenomenon ensures that it will remain a compelling platform for brands to engage with audiences. Sports comes with an uncertain future; nobody can assure the game outcomes. That makes sports more interesting. The viewers of sports are immense. Although the world is segregated in different time zones, the viewers are coming together to watch the game from their respective countries. And that opens the marketplace for the brands to promote their products. Athletes are a major tool for promotion nowadays, as they have immense followers on social media. As per the data, the top 2 highest followed persons on Instagram are Cristiano Ronaldo and Lionel Messi (Forbes India). Through digital marketing, brands have endorsed their products by using the social media platform of these athletes.

8. Conclusion:
This study underscores the potency of sports as a vehicle for marketing endeavors. Through a combination of empirical evidence and theoretical insights, the study elucidates the effectiveness of various sports marketing strategies in achieving brand objectives. While challenges abound, the rewards of effectively leveraging sports in marketing initiatives are substantial. By understanding the nuances of sports marketing and adopting a strategic approach, brands can harness the power of sports to connect with consumers on a deeper level and drive business growth.

References: