

**THE SELECTION PROCESS OF SPONSORS AND SPONSEES AND THE  
PROCESS OF DEVELOPING THE SPONSORSHIP DEAL**

By  
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## **ABSTRACT**

Elena Sarli: The selection process of sponsors and sponsees and the process of developing the sponsorship deal  
(Supervised by Dr. Athanasios Kriemadis, Substitute Professor)

Due to the increasing financial value of sport sponsorship, the selection of a sponsorship partner and the development of the sponsorship deal are crucial issues for sport sponsorship partners. This is a qualitative study which examines the sponsorship selection and development process among 3 “sponsorship triads”. The researcher conducted nine thorough focused interviews with all of the sport properties and their sport sponsors examined in order to gain a deeper understanding on how sport sponsors and sport properties decide upon sponsorship proposals and on the stages through which the sponsorship process develops. The findings are analysed and the results showed that the selection criteria vary according to each corporation’s special needs and characteristics. Revenue opportunities, image enhancement gained through the sponsorship, the match of target markets and the prospective contract’s terms are important selection criteria in the selection process. Duration of the agreement, quality of relationship and special criteria according to each prospective partner’s industry are moderating factors. Sponsors and sponsees have a structured process in place which is very alike new service development and the sponsorship development process is comprised by 3 phases. The information collection phase, the proposal preparation and presentation or receipt phase and the negotiations and contract sign phase. Managerial implications are also presented followed by a section which addresses the limitations of the study and suggests recommendations for future research.

*Key words: football sponsorship, sponsorship decision-making, sponsorship acquisition*



## ΠΕΡΙΛΗΨΗ

Ελένη Σαρλή: Η διαδικασία επιλογής χορηγών και χορηγουμένων και η διαδικασία ανάπτυξης της χορηγικής συμφωνίας  
(Με την επίβλεψη του Κ. Αθανάσιου Κριεμμάδη, Αναπλ. Καθηγητή)

Λόγω της αυξανόμενης οικονομικής αξίας της χορηγίας, η επιλογή ενός χορηγικού συνεργάτη και η διαδικασία ανάπτυξης της χορηγικής συμφωνίας είναι σημαντικά θέματα για τους αθλητικούς χορηγικούς συνεργάτες. Αυτή είναι μία ποιοτική έρευνα η οποία εξετάζει την διαδικασία επιλογής και ανάπτυξης της χορηγικής συμφωνίας ανάμεσα σε τρεις «χορηγικές τριάδες». Διεξήχθησαν εννέα εστιασμένες συνεντεύξεις με αθλητικά σωματεία και τους αθλητικούς χορηγούς τους προκειμένου να κατανοηθεί βαθύτερα το πώς οι αθλητικοί χορηγοί και οι χορηγούμενοι αποφασίζουν για το ποια χορηγική πρόταση τελικά επιλέγουν καθώς επίσης και ποιες είναι οι φάσεις ανάπτυξης της χορηγικής συμφωνίας. Τα ευρήματα αναλύονται διεξοδικά και τα αποτελέσματα της έρευνας έδειξαν πως τα κριτήρια επιλογής ποικίλουν ανάλογα τα ιδιαίτερα χαρακτηριστικά και τις ανάγκες της κάθε εταιρίας. Τα κριτήρια τα οποία κρίθηκαν πιο σημαντικά είναι η βελτίωση της εικόνας μέσω της χορηγικής συνεργασίας, οι ευκαιρίες «περαιτέρω κέρδους», το ταίριασμα των κοινών-στόχων, καθώς και οι όροι του επερχόμενου χορηγικού συμβολαίου. Η διάρκεια της συμφωνίας, η ποιότητα της σχέσης και «ειδικά κριτήρια» ανάλογα με τον κλάδο που η ανήκει κάθε εταιρία είναι διαμορφωτικοί παράγοντες. Οι χορηγοί και οι χορηγούμενοι έχουν δομημένη διαδικασία επιλογής και ανάπτυξης της χορηγικής συμφωνίας η οποία μοιάζει πολύ με τις αρχές της θεωρίας της ανάπτυξης νέων υπηρεσιών και αποτελείται από τρεις φάσεις. Την φάση συλλογής πληροφοριών, την φάση προετοιμασίας και παρουσίασης ή λήψης της χορηγικής πρότασης και την φάση των διαπραγματεύσεων και της υπογραφής του συμβολαίου. Στην συνέχεια ακολουθούν οι προτάσεις, οι οριοθετήσεις της έρευνας καθώς επίσης και οι προτάσεις για μελλοντική έρευνα.

Λέξεις Κλειδιά: *ποδοσφαιρική χορηγία, χορηγικές αποφάσεις, απόκτηση χορηγικής συνεργασίας.*

*To my dear cousin Stefanos*

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## **I. THE SELECTION PROCESS OF SPONSORS AND SPONSEES AND THE PROCESS OF DEVELOPING THE SPONSORSHIP DEAL**

In today's business world, an increased amount of media "noise" can be discerned. "Noise" according to Wells et. al. (2000), is any factor that interferes with or distorts the correct delivery of the intended message to the target audience. As a consequence, the traditional media have become a less effective means of reaching and affecting target groups. Despite that people continuously encounter a huge amount of advertising via television, newspapers, radio etc. and as a result, they seldom tend to remember specific ads (Taranto, 1998). Moreover, companies constantly seek new opportunities to differentiate from their competitors through promotional activities, be it in the form of an event or by associating the company with an athlete, and this is called sports marketing (Behrer & Larsson, 1998).

There is no doubt that sports industry has great potential in the world of marketing since in 1995 this industry was ranked as USA's eleventh largest industry (Shannon, 1999) whereas in 1990, corporations spent \$23.5 billion on sports marketing in the United States alone (Burnett et. Al., 1993). Shannon classified sports marketing's concept into two categories: marketing of sports and marketing through sports. The second category is the one of interest in this study in which the most commonly used marketing communication tool is sponsorship (Shannon, 1999).

Regarding sport sponsorship, there has been some difficulty in defining its concept. One of the most acceptable definition is given by Tripodi (2001) according to which sport sponsorship is the provision of assistance by a commercial organization (sponsor), in cash or kind, to a sports property (sponsee), in exchange for the rights to be associated with that sports property for the purpose of gaining commercial and economic advantage.

The commercial and economic advantage sponsoring organizations gain through sport sponsorship is evident by the dramatic rise in corporate spending on sport sponsorship (Copeland, Frisby & McCarville, 1996). European sport sponsorship reached

\$6.5 billion in 1999 and \$28.2 billion on an international level (Eastham, 2001). More recent studies confirmed the continued increase with the companies having globally increased their investment in sport sponsorship from 2003 to 2005 by 29 per cent to an estimated US\$ 2.4 billion (Howard, 2005). This investment has been part of the larger global sponsorship industry estimated at around US\$ 28 billion in 2004 (IEG, 2004). In South Africa the increase in the industry was valued at R 2.6 bn, with an additional R 2.2 bn spent on leveraging those sponsorships (Sport and Recreation South Africa, 2007). Stotlar (2005) finally suggests that sponsorship is in full evolution in the USA following an impressive pace.

Among the sport activities, football is considered to be the most heavily sponsored and it has been characterized as a multi-million industry (Bennett, 1999). The heavy sponsoring activity noted in football is supported by Mintel's study (2002) cited in Chadwick & Thwaites (2005), in which it is underlined that 209 of the 589 leading sport sponsorship deals that were signed in 2001, were football-related, while Kambitsis et. al. (2002) note that 80% of sport celebrities' endorsements involved football players.

Sport sponsorship is increasing; it is costly; it can have high returns, and it has become a prime vehicle for marketers to achieve their marketing objectives. As a result, knowledge and expertise in sponsorship management is in demand as companies are increasingly being inundated with sponsorship proposals and realise that sponsorship is a potent brand-building tool (Tripodi 2001). As opportunities to engage in sponsorship-linked marketing proliferate and pressures on sponsors to demonstrate a return on sponsorship investment increase, marketing managers are faced with decisions about how to select the optimal sponsorship investments for their firm. However, little is known about how managers make these decisions or about how they make trade-offs between one sponsorship proposal and another (Johnston & Paulsen 2007).

The lack of well-tested theory to guide their decision-making causes marketing managers to show a lack of rigor in selecting and managing their sponsorship investments effectively (Kover, 2002). Managers have been maligned for their use of a "gut-feel" approach to sponsorship selection as such intuitive approaches can be flawed, risky and costly to the firm (Clancy & Belmont, 2004; Kover, 2002). To date, literature on sponsorship decision-making is largely underdeveloped (Aguilar-Manjarrez, Thwaites and

Maule 1997) and according to Dinkel (2002b) most research on sponsorship has been done from the sponsor's point of view and only a few consider the other side of the deal, the sponsees.

In addition, most of the published research regarding sport sponsorship focuses on the market of USA and Central Europe (Shannon, 1999). Little published research focuses on sports sponsorship in Greece. This probably results from the fact that the first systematic sports marketing efforts in Greece started after the Greek Basketball National Team's success in the European Championship of 1987 (Asimakopoulos, 1993), only 21 years ago, and this implies that Greece is in her youth as far as sponsorships are concerned, in comparison with the countries of Central Europe and USA. Apostolopoulou & Papadimitriou (2004) take this further by stating that even though Greek corporations have sponsored sport teams, leagues, and competitions for the past 20 years, their level of sophistication in using sponsorship as a marketing tool is incomparable to that of business sponsorship awareness in the United States.

On the other hand, football sponsorship in Greece should be further studied since Benekas (2006) claims that the professionalization of sports in Greece, led to new sponsorship opportunities and even though basketball used to be the most popular and the best sponsored sport, recently football has outperformed all the other sports in Greece, both in terms of popularity and money spent.

Because of the constantly rapid growth of sport sponsorship and the limited research on sport sponsorship and the sponsorship selection process used by both Greek sport sponsors and sponsees, it is important to investigate this issue further. The purpose of this study is to gain a deeper understanding of the way Greek corporations and Greek sport properties choose their partners and finally come to a sponsorship deal. Also, we aim to compare the process followed by both sides and conclude to what extent these processes are aligned.

## II. REVIEW OF LITERATURE

### *Sports marketing, sport sponsorship and football sponsorship*

The early beginnings of sports marketing date back to ancient Rome, where Roman patriarchs sponsored gladiatorial games for the same reason today's companies do so, in order to win public esteem (Shannon, 1999).

Sports marketing gained a considerable exposure growth in 1971, when the US government banned cigarette advertising on television and radio. Sports marketing, particularly sponsorship of auto racing and tennis, presented a means of keeping cigarette brand names in front of the spectators and television viewers through broadcasted coverage of sponsored events (Shannon, 1999).

In 1990, corporations spent \$23.5 billion on sports marketing in the United States alone (Burnett et. Al., 1993). By some approximations, the sales value associated with the overall sports industry, both participant and spectator, was exceeding \$179 billion in the same year, with an annual growth expected to continue at approximately 20%. In 1995, the sports industry was ranked as USA's eleventh largest industry, so there is no doubt that this industry has great potential in the world of marketing (Shannon, 1999).

Sports marketing can be categorized in a number of different manners, according to Shannon (1999), the simplest classification is to break the concept into two categories. The first category is marketing of sports; this implies marketing sporting equipment and events to spectators and participants. The second category is marketing with sports, the purpose of which is to promote products not associated with sports at sporting events and using athletes in order to endorse non sports products.

This study will focus on the second category of sports marketing. Within the marketing through sports category, the most commonly used marketing communication

tool is sponsorship Shannon(1999). According to Vignali (1997) multinational corporations have expanded their marketing communications mix by adding sport sponsorship as a tool to the already existing ones.

The concept of sport sponsorship reaches back to ancient Greece and Rome where wealthy members of the Greek society supported athletic and arts festivals with the purpose to enhance social standing, the Roman aristocracy supported gladiators for the same reasons (Cornwell, 1995).

However, there has been some difficulty in defining sport sponsorship. One of the reasons is that the term sponsorship is often confused with charity, endorsement, philanthropy, and patronage (Pope, 1998; Meenaghan, 1983). The difference of these concepts with Sponsorship is that they all involve donations made altruistically and without any expectation of return (Bennet, 1999). Also, a second reason is that numerous sponsorship definitions have been proposed that vary in breadth and scope (Tripodi, 2001). In fact, it is important to note that certain definitions underline the exploitable commercial potential of sponsorship, whilst others highlight the notions of exchange theory inherent in sponsorship (Sandler & Shani, 1989; Abratt, Clayton, & Pitt, 1987)

Pope (1998) has defined sponsorship as “the provision of resources (e.g. money, people, equipment) by an organization (the sponsor) directly to an individual, authority or body (the sponsee), to enable the latter to pursue some activity in return for benefits contemplated in terms of the sponsor’s promotion strategy”. Lee, Sandler & Shani (1997) take this definition further by stating that “Sponsorship is the provision of resources (money, people, equipment) by an organization directly to an event or activity in exchange for a direct association to the event or activity. The providing organization can then use this association to achieve either their corporate, marketing or media objectives” (Lee et al., 1997). Furthermore, Tripodi (2001) has termed sport sponsorship as “The provision of assistance by a commercial organization (sponsor), in cash or kind, to a sports property (sponsee), in exchange for the rights to be associated with that sports property for the purpose of gaining commercial and economic advantage.” Finally, recently, an acceptable definition has been stated by Bühler (2006) according to which professional football sponsorship is “a business related partnership between a sponsor and a sponsee based on reciprocity in the context of the football business. The sponsor provides financial or non



financial resources directly to the sponsee and receives a predefined service in return in order to fulfil various sponsorship objectives”.

Commercial sponsorship, i.e. sponsorship conducted for commercial reasons, is one of the most rapidly growing sectors in marketing communications. The degree of development in the sector is confirmed by the fact that worldwide sponsorship disbursement has increased from \$2 billion in 1984 to \$18.1 billion in 1997. The largest part of commercial sponsorship is the sponsorship of sports (Meenaghan & Shipley, 1999). According to Meenaghan (1998b), over the past 30 years, sponsorship has evolved from a small-scale activity in a limited number of industrialized countries to a major global industry. In 2001, worldwide investments in sponsorship are estimated at more than US \$24 billion (IEG Sponsorship Report, 2002). Sport sponsorship is today being integrated into many companies’ marketing strategies around the world. It has been stated that there has been a dramatic rise in corporate spending on sport sponsorship (Copeland, Frisby & McCarville, 1996). The senior vice president of global promotions for MasterCard, Mava K. Hefler has stated that “Sports sponsorship will continue to be a popular and growing form of marketing” (Wilson, 1997).

The amount of money spent internationally on sport sponsorship represents almost 65% of the global market (Grobler, 2001), whereas research shows that sponsorship is in full evolution in the USA following an impressive pace (Stotlar, 2005). In 1991, corporate sponsorship of North America is estimated to be up to \$4.1 billion, and reached \$8.7 billion in 2000, with an annual growth rate around 14%. Likewise European sport sponsorship reached \$6.5 billion in 1999 and \$28.2 billion on an international level (Eastham, 2001). More recent studies confirmed the continued increase with the companies having globally increased their investment in sport sponsorship from 2003 to 2005 by 29 per cent to an estimated US\$ 2.4 billion (Howard, 2005). This investment has been part of the larger global sponsorship industry estimated at around US\$ 28 billion in 2004 (IEG, 2004). In South Africa the increase in the industry was valued at R 2.6 bn, with an additional R 2.2 bn spent on leveraging those sponsorships (Sport and Recreation South Africa, 2007).

Among the sport activities, football is considered to be the most heavily sponsored sport and has been characterized as a multi-million industry (Bennett, 1999). According to

Rosson (1991) the amount of money invested in football sponsorship increased the past 20 years due to the fact that more football games were broadcasted and more fans from all over the world were able to follow the progress of their favorite clubs. The heavy sponsoring activity noted in football is supported by Mintel's study (2002) cited in Chadwick & Thwaites (2005), in which is underlined that 209 of the 589 leading sport sponsorship deals that were signed in 2001, were football-related, while Kambitsis et. al. (2002) note that 80% of sport celebrities' endorsements involved football players. In addition, Wright (1998) notes that "the football sponsor is potentially reaching nearly one in every two British males" and Mintel (1991), cited in Bennett (1999) explains this further by concluding that, "since 50% of British males play, watch or read about football, the main part of football supporters is represented by all age and socio-economics categories". Considering that football is the most popular sport in the majority of the developed countries, one can assume similar figures in these countries.

According to Mintel (2002) most of the football sponsorship research studies focus on the football shirt sponsorship. Football shirt sponsorship involves deals between the sponsored company and the football club with the company's brand name or logo appearing on the team's shirt (Bennett, 1999). Famous shirt sponsorship deals in UK include long-term agreements between Sharp and Manchester United, Calsberg and Liverpool, the 18-years old relationship between JVC (and its predecessor SEGA) and Arsenal as well as the joint shirt sponsorship deal between communications company NTL and the two big Glasgow football clubs, Celtic and Rangers (Rosson, 2001; Davies et.al., 2006). Football shirt sponsorship agreements vary in their cost and duration (Rosson, 2001). Table 1 shows the biggest shirt sponsorship deals of major European teams and their monetary value:

**Table 1. Major sponsorship deals of European Football Clubs**

Football Club	Shirt Sponsor	Pounds per year
Juventus	Tamoil	15 million
Manchester United	AIG	14.15 million
Real Madrid	BenQ	14 million
Bayern Munich	T-Mobile	11.4 million
Chelsea	Samsung	10 million

*Adopted from BBC Website, 2009*

In summary, we can argue that researchers at the moment agree that sport sponsorship is a rapidly developing form of marketing for firms internationally (Shannon, 1999; Gronkvist, 2000), and that sport sponsorship is a subject of general interest among the contemporary scientific community (Shannon, 1999; Pope, 1998). However, most of the published research focuses on the market of USA and Central Europe (Shannon, 1999). This probably results from the fact that the first systematic sports marketing efforts in Greece started after the Greek Basketball National Team's success in the European Championship of 1987 (Asimakopoulos, 1993), only 21 years ago, and this implies that Greece is in her youth as far as sponsorships are concerned, in comparison with the countries of Central Europe and USA.

In addition, the professionalization of sports in Greece, led to new sponsorship opportunities and even though basketball used to be the most popular and the best sponsored sport, recently football has outperformed all the other sports in Greece, both in terms of popularity and money spent (Benekas, 2006). Finally, even though Greek corporations have sponsored sport teams, leagues, and competitions for the past 20 years, their level of sophistication in using sponsorship as a marketing tool is incomparable to that of business sponsorship awareness in the United States (Apostolopoulou & Papadimitriou, 2004).

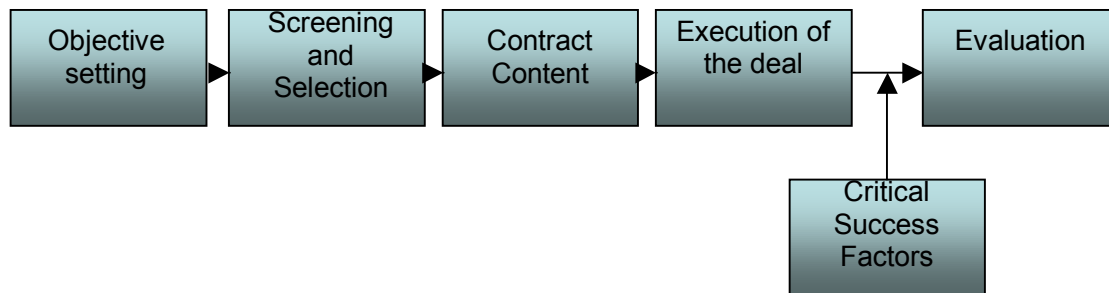
### ***Sponsorship management process***

Various researchers have stressed the importance of understanding the sport sponsorship process from the perspective of corporate sponsors (Arthur, Scott & Woods, 1997; Copeland, Frisby & McCarville, 1996; Crompton, 1993; Seaver, 1999)

As mentioned previously, some companies receive as many as 100 sports sponsorship proposals from sport franchises annually (Mc Cook et. al., 1997) with Philips (the electronic giant) receiving over 10000 requests in 1894 (Meenaghan, 1991). Having this in mind, among with the fact that sponsorship today involves huge sums of money (Meenaghan & Shipley, 1999; Gronkvist, 2000), it is of high importance for companies to utilize some kind of systematic sponsorship management process in order to find a right partner with which to establish a functioning relationship.

One of the few models existing in literature regarding the sponsorship management process is the one conceptualized by Irwin and Asimakopoulos (1992) which was modified in the light of Thwaites' (1995) examination of soccer sponsorship, as seen in Figure 1.

Figure.1 Stages in the sponsorship management process



*Adopted from Thwaites (1995)*

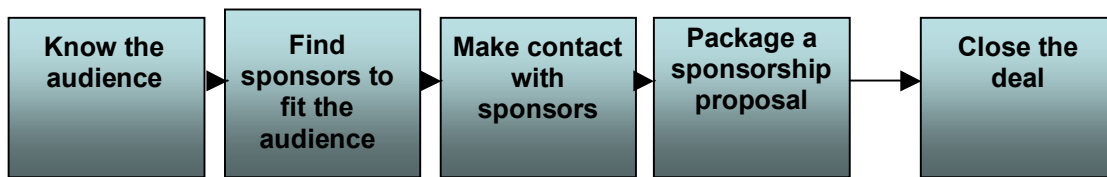
According to this model there are six stages in the sponsorship management process which are objective setting, screening and selection, contract content, execution of the deal, evaluation and critical success factors. As Figure 1 depicts, objective setting is a prerequisite for the screening and selection stage from which the selection criteria derive. The screening and selection stage is followed by the contract content stage which is formed after entering a sponsorship deal, the execution of the sponsorship program, the evaluation of the sponsorship investment and the critical success factors. We will focus on the second stage as well as the selection criteria acquired for this stage.

Thwaites (1995) claims that in the screening and selection stage the sponsoring corporation should have in place a structured process through which sponsorship proposals should be considered. Sponsoring corporations should also ensure they are able to screen and select sponsor proposals on a proactive and a reactive basis, the properties screened and selected should be linked to the corporation's objectives. In addition the sponsoring corporation should be able to employ tangible measures of effectiveness, and should be clear about the motives for engaging in a sponsorship deal.

On the sport property perspective, as previously mentioned, according to Dinkel (2002b) most research on sponsorship has been done from the sponsor's point of view and that only a few consider the other side of the deals, the sponsees. A study focused not on the sponsoring organization's point of view but instead on the sponsorship acquisition

process of sport properties and in particular investigated the way sport properties go about identifying, contacting and pitching proposals to prospective corporate sponsors is the Sack et.al. (2001) study. Their study identified the following five major steps (as seen in Figure 2) in the sponsorship selection process and development of the sponsorship deal: knowing the audience, finding sponsors to fit the audience, making contact with sponsors, packaging a sponsorship proposal, and closing the deal.

Figure.2 Stages in the sponsorship management process of sport properties



*Auth*

*or's own construction*

Sack et. Al. (2001) findings are aligned with the “data driven approach to sponsorship acquisition” of Morris and Irwin’s (1996) study.

Morris and Irwin (1996) suggest that in the sponsorship acquisition process it is of high importance for the sport property to have a fans’ and customers’ database containing their demographic profile, as well as information on customer purchasing behavior. Such databases are considered crucial for the identification of potential sponsors which share the sport properties’ target markets and can also be integrated into sponsorship promotional material and proposals.

### ***Sponsorship Selection criteria***

Many researchers have focused on the corporate objectives for entering into a sponsorship agreement. Among the goals most often mentioned in literature are increasing sales, building brand awareness, product positioning, reaching target markets, media coverage/publicity, enhancing company image, hospitality opportunities, VIP contacts

(Arthur, Scott, Woods & Booker, 1998; Blaise, 2000; Irwin & Sutton, 1994; Marshall & Cook, 1992).

Other researchers of sport sponsorship have examined the way companies actually evaluate and select sponsorship proposals (Arthur et.al, 1997; Cousens & Slack, 1996; Irwin et.al , 1994; McCook et.al, 1997). This research has provided useful guidelines to corporate organizations which find themselves having to screen numerous proposals every year.

Johnston & Paulsen (2007) suggest there are eight main factors each with four levels that managers consider when evaluating new sponsorship proposals. A method dealing with both pre and post sponsorship selection is the Sprint Sponsorship Vision Project, hereafter referred to as the Sprint Method (McCook et. Al., 1997). The Sprint Method rates eight different criteria, which have been weighted accordingly. With the assistance of the criteria presented below, the company can evaluate and rank different proposals in order of perceived effectiveness.

Moreover, Turgeon & Colbert (1992) classified the criteria proposed by researchers in five categories: Event-related, sponsored-organization related, market-related, sponsor-organization related and effect related. The event-related category includes criteria that more or less describe the activity to be sponsored, and deals with the fit between the two organizations involved (product, finance and audience). The sponsored-organization and sponsor-organization related categories include dimensions which reflect the capacity of both organizations to manage the sponsorship efficiently. The market-related category indicates the extend to which such sponsorship decisions are motivated by external players, and finally the effect-related category includes criteria which describe the type of outcome sought by potential sponsors.

Finally, the measurement of sponsorship effectiveness is another field which is receiving considerable attention (Hansen & Scotwin, 1995; Stotlar & Kadlecck, 1993). Such research helps sponsors to determine weather their investment is profitable or not.

Table 2 shows the sponsorship selection criteria suggested by different authors.

**Table 2. Sponsorship Selection Criteria**

Authors	Selection Criteria	
Johnston & Paulsen (2007)	Type of sponsorship (Sports, Arts, Cause-related, Celebrity Endorsement), Geographic reach (International, National, State, Local), Level of involvement (Title sponsor, Exclusive category sponsor, Secondary or Minor sponsor), Payment type (Cash only, In-kind only, Combination of cash and in kind, Donation), Main exposure method (Television, Radio, Print, Internet), Duration of the sponsorship agreement (1, 3, 5, 10-year agreement), Fit with brand objectives (Very high fit, High fit, Medium fit, Low fit), Relationship with the sponsorship partner, (Excellent, Good, Satisfactory, Poor)	
McCook et. Al. (1997)	Revenue opportunities for the company, The ability to integrate the product into the sporting event, Costs of sponsorship, Exposure to the company's target market Company image enhancement gained from sponsorship, Competitive advantage gained in the market place through sponsorship Hospitality/entertainment opportunities for the company that are gained through the sponsorship The opportunity to show the company's commitment to the community through the sponsorship	
Turgeon & Colbert (1992)	<b>Event Related</b> Type of sponsorship Company/Product compatibility Risk (e.g. financial) of event, Budget/funding requirement Tax Benefits, Common ground for the sponsor/sponsored organizations, Popularity of sponsored event/activity, Ability to fulfill objectives, Integration of sponsorship with other promotional activities, Spin-off potential, Target audience demographics, Geographical coverage of the defined audience, Audience involvement, Media coverage potential, Image association potential of the particular sponsorship, Opportunities for guest hospitality, Commitment required by sponsored activity/event),	<b>Effect Related</b> Community involvement Increasing public awareness of company Alter public perception of company Build goodwill among opinion-formers and decision-makers Reassure policy makers and stockholders Counter adverse publicity Aid in staff recruitment Identify with a particular market segment Acquire new and useful friends Improve consumer image of company Replace private patronage Mark a particular event Long-term improvement of company performance Increase public awareness of products Change product image Sample products Facilitate prospecting for the sales force Increase sales Personal Objectives
	<b>Sponsored-Organization Related</b> Organization of the sponsored activity Perceived capacity of the organization to make project work <b>Market Related</b> Pressure to participate Competitor's involvement in sponsorship	<b>Sponsor-Organization Related</b> Management knowledge of the project Executive/management preference for sponsorship activity, Solus position
Arthur et.al (1997)	In their sport sponsorship acquisition model they suggest that the criteria are specified only once the objectives are clear and when selecting and contracting with sports events the process should be undertaken as a formal organizational buying process to other firms expenditures	
Irwin et.al (1994)	They suggest the use of their instrument which includes (a)the comprehensive compilation of the sport sponsorship evaluation criteria, (b)the categorical assignment of the criteria to common management and marketing dimensions, (c)the assignment of weight to each criterion based on predetermined sponsorship objective and (d)use of the weighted criteria, with a Likert-scale grading system to evaluate proposals objectively	

### III. METHODOLOGY

#### *Research Approach*

According to Holmes and Solvang (1991), the two main methodological research approaches within social sciences are the quantitative and the qualitative approaches. Both these approaches are aimed at creating a better understanding of the surrounding society and to gain comprehension of how individuals, groups, and institutions act and have an influence on one another. As a result, a decision between qualitative versus quantitative approach should be made.

Qualitative research is less formalized than quantitative ditto, and the purpose of this method is not to generalize, but to make descriptions of situations as a whole, in which the research problem exists. The qualitative researcher strives to gain a deeper and more complete understanding of the collected data and the problem studied. Furthermore, an abundant amount of information can be gathered from several variables, but from a low number of entities. Conclusions drawn from qualitative research are often based on attitudes and beliefs, i.e. data that is not quantified, and since the primary purpose is to reach a deeper understanding of the research problem, there is no need to draw any general conclusions (Holme & Solvang, 1991)

In contrast, the results arising from quantitative research are assumed to be measurable and presentable in the form of numbers and statistics. The aim is to make generalizations based on the processed results of the investigation. The quantitative method is formalized and structured; it approaches the research problem from a broad perspective. Moreover, quantitative research is highly controlled by the person who is conducting the investigation and statistical methods have a central role in the analysis of quantitative information. Another distinctive characteristic of a quantitative method is that few variables are studied but on a large number of entities (Holme and Solvang, 1991). Since



this study does not aim to make any generalizations by studying a large number of entities quantitative research was not appropriate

Furthermore, according to Miles and Huberman (1994), describing is another word for making “complicated things understandable by reducing them to their component parts”. Reynolds (1971) claims that the goal of a descriptive study is to develop careful descriptions of different patterns that were expected during the exploratory stage. Descriptive studies, mainly determine the research objects characteristics and its relevant surroundings (Wallen, 1996). This type of study is applicable when the problem is relatively clearly structured but the attention is not to conduct research about connections between causes and symptoms, the researcher knows what he/she wants to investigate but not the answers (Eriksson & Wiedersheim-Paul, 1997). Zikmund (2000a) claims that descriptive studies are based on some previous understanding of the nature of the research problem and can be used to determine the extent of differences in the needs, perceptions, attitudes and characteristics of subgroups. According to the same researcher, they are used to determine the answers to who, what, when, and how questions. In addition, hypothesis or propositions often exist in descriptive studies, although they may be tentative and speculative (Aaker et. Al. 1998).

The purpose of this study is to examine how and why sport sponsors and sport properties choose their sponsorship partners and manage the sponsorship deal development process. In addition, by comparing and contrasting the two sides, it aims to gain a deeper understanding of the extent of alignment between the two sides. The fact that this study aims to answer how and why questions, and the paucity of studies in the concepts analysed, led us to use qualitative research and in particular descriptive research. The aim here is not to make any generalizations on how sponsors and sponsees choose their sponsorship partners and how they develop their sponsorship deals, but instead by studying a relatively small sample we want to gain a deeper understanding of these concepts.

### ***Research Strategy***

As far as research strategy is concerned, the multiple case study method was chosen for this study. In order to make this choice we evaluated all research approaches proposed by researchers. Errikson and Wiedersheim-Paul (1991) identify three major research

strategies a researcher can pursue: case studies, surveys, and experiments. Yin (1994), agrees upon this but he complements Erikson and Wiedersheim-Paul with a couple of additions: archival analysis and history. According to Yin, which research strategy to use is determined by looking at three different conditions. These conditions are:

- 1) The type of research question posed
- 2) The extent of control an investigator has over actual behavioral events
- 3) The degree of focus on contemporary as opposed to historical events

The table below displays how Yin relates each condition to the five alternative research strategies.

**Table 3. Relevant Situations for Different Research Strategies**

<b>Strategy</b>	<b>Form of research question</b>	<b>Requires control over behavioral events</b>	<b>Focuses on contemporary events</b>
<i>Experiment</i>	How, why	YES	YES
<i>Survey</i>	Who, what, where, how many, how much	NO	YES
<i>Archival Analysis</i>	Who, what, where, how many, how much	NO	YES/NO
<i>History</i>	How, why	NO	NO
<i>Case Study</i>	How, why	NO	YES

Source: Adopted from Yin, 1994 p.6

By first taking a look at the purpose of this study and applying these to Yin's reasoning, it is apparent that experiment, History and Case studies could be more or less applicable for this thesis (since the purpose of the study is linked with the "how" and "whys" of the sponsorship selection process and development of the sport sponsorship deal). But since the study did not require any control over behavioral events, "experiments" was dismissed. Furthermore, this study focused on how today's sponsors and sponsees decide upon sponsorship proposals and finally make a sponsorship deal, i.e. it focused on contemporary events, and thus, "history" was not applicable. This led us to the "case study" option. The choice of the case study method was empowered by Yin's (1994) suggestion according to which a case study is an empirical inquiry investigating a contemporary phenomenon within its actual context, especially when the boundaries linking phenomenon and context are not noticeably evident.

Yin further states that the case study is generally superior when answering how and why questions about a specific topic and can be in the form of a single-, as well as a multiple case study method. The single case study investigates a single entity more in depth than multiple case studies. On the other hand, a multiple case study method enables the researcher to make comparisons and Yin (1994) is of the opinion that “The evidence from multiple cases is often considered more compelling, and the overall study is therefore regarded as being more robust”. Consequently, the most appropriate strategy for our study was the multiple case study method since we aim to collect deep and detailed information, but at the same time need to compare and contrast different cases.

Regarding the number of case studies that are acceptable for a meaningful study, there are no precise guidance lines in the literature. What actually was detected in the literature is an accepted range between two to four as the minimum and 10, 12 or 15 as the maximum (Miles and Huberman 1994; Eisenhardt 1989; Hedges 1985). This study remained in the boundaries set by researchers by analyzing 9 cases.

### ***Data Collection Method***

The methods for data collection in this study were multiple personal interviews (primary data collection method) triangulated by documentation (secondary data collection method). Personal interviews and documentation seemed more appropriate for this study after studying in depth the strengths and weaknesses of data collection methods proposed by researchers, presented below.

Errikson and Wiedersheim-Paul (1991) list three ways of collecting data, these ways are: through documents, through observations, and through interviews and/or questionnaires. To these three, Yin (1994) adds archival records and physical artifacts when conducting case studies. He further proposes that no single source of evidence has a complete advantage over the others; instead the sources complement each other with their individual strengths and weaknesses. A table of Yin’s sources of evidence as well as their strengths and weaknesses is displayed.

Documents include, for instance, letters, administrative documents (i.e. progress reports, annual reports and other internal documents), articles and formal studies (Errikson & Wiedersheim-Paul, 1991; Yin, 1994). Archival records are sources that are able to produce both quantitative, as well as qualitative information, examples of which are

organizational records displaying charts, or personal records such as diaries, calendars, and telephone listings. Another word for interview is: an interaction, either personal or via telephone, between an interviewer (the one asking the questions) and the respondent (the one answering) (Errikson & Wiedersheim-Paul, 1991).

**Table 4. Six Sources of Evidence: Strengths and Weaknesses**

Source	STRENGTHS	WEAKNESSES
Documentation	Stable: can be reviewed repeatedly Unobtrusive: not created as a result of the case Exact: contains exact name, references, and details of an event Broad coverage: long span of time, many events, and many settings	Retrievability: can be low Biased Selectivity: if collection is incomplete Reporting bias: reflects (unknown) bias of the author Access: may be deliberately blocked
Archival records	(Same as above for documentation) Precise and quantitative	(Same as above for documentation) Access difficulty due to sensitive personal information
Interviews	Targeted: focuses directly on the case topic Insightful: provides perceived casual inferences	Bias due to poorly constructed questionnaires Response bias Inaccuracies due to poor recall Reflexivity: interviewee gives what interviewer wants to hear
Direct Observations	Reality: covers events in real time Contextual: covers context of event	Time consuming Selectivity: unless broad coverage Reflexivity: event may proceed differently because it is being observed Cost: hours needed by human observers
Participant Observation	(Same as for direct observations) Insightful into interpersonal behavior and motives	(Same as for direct observations) Bias due to investigator's manipulation of events
Physical Artifacts	Insightful into cultural features Insightful into technical operations	Selectivity Availability

Source: Adopted from Yin, 1994 p. 80

Furthermore, observation involves an observer that registers a process or a situation, without actually disturbing the process/situation itself. The purpose of this is not to find out what the people just say they do, but what they actually do. This is a very time consuming method of data collection (Winter, 1992). Yin (1994) has made a distinction between direct and participant observation. Included in direct observations are meetings,

sidewalk activities, and factory work, which entails that the researcher has the opportunity to observe certain types of occurrences during a certain time period. In participant observations, the researcher participates and takes a more active role in the studied events. The final source of evidence is cultural-, or physical artifacts that may be observed and collected as a part of a field visit. Physical artifacts have been used extensively in anthropological research and have less potential relevance in a typical case study, nevertheless, artifacts can be an important component in the overall case.

Among the methods presented, archival records were rejected since this study is qualitative and descriptive in its nature whereas archival records are precise and quantitative, observations were not considered to be appropriate since they are too expensive and time consuming as well as they may be biased, while physical artifacts provide evidence on cultural features and this study's purpose does not include the analysis of cultural features.

On the contrary personal interviews and documentation are appropriate for this study since Yin (1994) postulates that documentary information is likely to be relevant in every case study whereas according to Homes and Solvang (1991), interviews are suitable when in-depth information is desired, and this kind of information is required as stated in the purpose of this research. They also suggest that personal interviews also allow flexibility and closeness to the respondents, which is another important factor in qualitative studies. Moreover, Yin (1994) affirms that interviews are the most important sources of data collection in case studies and that they allow the researcher to focus directly on the case study topic.

Finally, according to Yin, when conducting case studies, a researcher is able to use many sources of evidence and calls this multiple source usage "triangulation", which gives the researcher an opportunity to obtain multiple measures of the same phenomenon, and increases the validity of the research. In order to increase the validity of this research we decided that the data collection method would be multiple personal interviews (primary data collection method) triangulated by documentation (secondary data collection method).

A case study interview can manifest itself in three forms: open-ended, focused or structured. In the open-ended interview, the key respondents are asked for facts as well as

their opinions on the facts. The focused interview is also performed in a conversational manner but follows a set of questions derived from the case study protocol, and the structured interview follows a structured questionnaire. In this study focused interviews were conducted. We decided to conduct focused interviews since we had a certain set of questions that needed to be answered in order to obtain relevant data to our research questions. Furthermore, we wanted to keep the interview open-ended to some extent, in order to preserve the flexibility of the interview as well as the opportunity of probing. The following questions were formed in order to fulfill the purpose of this study:

- 1) How do you choose your sponsorship partners, which selection criteria do you use?
- 2) Describe in detail the process of development of the sponsorship deal from start to finish.

Further probing questions were used in order to gain a deeper understanding of issues. Also, according to Yin's recommendations (1994), the interviews were tape-recorded and transcribed and this served as a further method of triangulation of results. The interviewees were aware of the use of a tape recorder and had no objections. In addition to the tape recording procedure, note-taking took place during the interviews. After each question posed to the interviewees they were asked if they needed any clarifications in order to minimize the risk for any misunderstandings.

The interview questions were also sent to the respondents 24 hours prior to the actual interviews, so that they would have sufficient time to prepare for the interviews and gather the information necessary (included relevant documents) in order to answer the questions asked as accurately as possible. Furthermore, the interviews were conducted in the native language of the interviewees -that is in Greek- in order to make sure that there would be a full comprehension of the questions and to ensure the existence of a comfortable language environment for them. Due to the fact that the setting needed to be comforting enough to the participant each interviewee was interviewed in his/her personal office. In addition the interviewees were aware of the exact time of the interview appointment one week earlier, as well as of the duration of the interview (approximately one hour), and had kindly scheduled their day so that there would occur no interruptions during the interviews.

### ***Sample Selection***

According to Mann (1995) and Zikmund (1994) it is either impossible, too impractical, or too expensive to collect data from all the potential units of analysis included in a research problem. Therefore a smaller number of units, a sample, is often chosen to represent the entire population. In this study the population included all the 16 Greek football clubs competing in the top division of the Greek football championship and their major sponsors. Football teams were chosen because football has outperformed all other sports in Greece both in terms of popularity and money spent.

Due to the limited time and financial resources available a purposive sample was selected. The sample included the three biggest Greek football clubs and their major sponsors (e.g. two sponsors for each club). That means a total of 9 case studies were conducted (3 football clubs and 6 sponsors). In addition, both clubs and sponsors were included in this study because it was important to compare and contrast the two sides.

### ***Data Analysis***

According to Yin (1994) data analysis implies examining, categorizing, tabulating or otherwise recombining the collected data. Every investigation should involve a general analytical strategy in order to come to terms with what to analyze and why. When analyzing data collected from interviews the intentions are to find answers to the research questions (Miles & Huberman, 1994). This study uses content analysis (Holsti, 1969) to analyse qualitative data. Each case is first analysed separately and then cases are compared and contrasted. The approach of cross-case comparison is being made by forming types of families as suggested by Gouldner (1958) and Lofland and Lofland (1984). Two types of families are formed. First, cases are grouped by each football team and its sponsors in triads. Secondly, cases are analyzed in two groups of their “natural” families, that is one group of sport properties (professional football clubs) and one group of sport sponsors. The aim is to see whether cases fall into clusters that share certain patterns or configurations. In addition, the techniques used for data analysis follow the recommendations of Miles and Huberman (1994). The steps followed are presented here:

*Step 1. Analysis of single cases:* Using content analysis on the data provided by the personal interviews and documents, we analyzed each case individually.

*Step 2. Forming types of families:* Three families were formed based on the sponsorship relationship links between them and three tables and three figures depicting the selection process and development of the sponsorship deal, one for each family were constructed. In addition, the same cases were grouped into their “natural” families, one of the sports properties and a second of the sport sponsors.

*Step 3. Stacking comparable cases:* Cases of the three families -that is the 3 sport sponsorship triads we formed (one sport property and its two sponsors) - as well as the two “natural” families (sport sponsors and sport properties) were analyzed by recognizing common patterns.

*Step 4. Analyzing content analytic summary tables.* By using the tables and figures mentioned above we use tactics such as noting patterns, counting cases, making contrasts and comparisons to interpret data in each of the two family groups.

*Step 5. Report results in summary tables, process maps, and matrices.* Results for each group of sample cases are presented in tables; a process map is constructed to illustrate common variables in the selection process and development of the sponsorship deal between sport sponsors and sport properties.

Finally according to Yin’s (1994) recommendations a comparison of the results to previous literature is being conducted in order to help triangulate them and as a result increase their validity and generalizability.



## IV. RESULTS

### *Case 1: Professional Football Club A*

Professional football club A is one of the three most popular football clubs in Greece. It is one of the most historic Greek clubs and was founded in 1908. It holds a lot of Greek and European titles having won the Greek football championship 20 times, holding 17 Greek cups, 4 super cups, 1 Balkanian cup, as well as having participated in the pre-semi-finals of the UEFA cup twice, in the finals and semi-finals of Europa League and Champions League seven times, turning the club into a well known and respectful professional football club on a European level.

The commercial manager of the first professional football club investigated in this study described the selection process and development of the sponsorship deal for two sponsors of the club. The first sponsor described is a National Telecommunications Corporation (Sponsor A1), and the second is a Sportswear and Sports Equipment multinational Corporation (Sponsor A2). In the first case the telecommunications corporation provides only financial resources directly to the football club and receives a predefined service in return whereas in the second case the sportswear and sports equipment corporation provides financial as well as non-financial resources.

According to the respondent the main selection criterion for the final choice of the Greek telecommunications corporation as a sponsor of the football club, was the existent congruence in corporate values between the two parties. For instance the football club opposes to the illegal business a very large multinational corporation was recently associated with in Greece. As the commercial manager explained “Our brand is connected to power, winner’s spirit through clarity and integrity. Recently, a very powerful multinational corporation having engaged in the past in sport sponsorship in Greece was proven to having been involved in a huge economic scandal with members of the Greek government. The Olympic spirit was born in Greece and we want our players and our

brand to represent its values to the youth of the whole world, that is inside and outside the Greek borders. Likewise we would never choose to co-operate on a sponsorship level with a corporation which is involved or has been involved in the past in economic or non-economic scandals like other professional football clubs have done in the past with only objective the increase of their financial income. We are very careful with this matter and we always examine the prospective sponsor's corporate values".

In addition the football club being a powerful brand itself in the Greek football industry was interested in associating with an equally powerful brand of the telecommunications industry (brand value match) and as a result to enhance its image through the sponsorship partnership. Another criterion of very high importance was the long term relationship that had been cultivated over the years between the sports property and the telecommunications corporation. They have been sponsorship partners for the last 9 years, and a healthy relationship based on sincerity, integrity and mutual benefits was a major selection criterion for the sport property.

Also important for selection is the level of revenue opportunities available from the potential partner. For example, football club A, apart from the financial income gained through the sponsorship deal has allowed the telecommunications corporation to provide its subscribers a paid service through which they receive the results of each game the football club participates and in return it receives a percentage of the telecommunications corporation's earnings. As the commercial manager explained "We care not only for an amount of money we will receive for a sponsorship partnership. Through such commercial partnerships we are able to leverage our financial income, but also make our marketing strategy more customized. It's what we call revenue opportunities from the prospective sponsorship agreement and it is an essential selection criterion for us."

Lastly, another two important selection criteria mentioned during the interview are the level of financial income gained from the agreement and the duration of the proposed agreement as can be seen in Table 5 in which the selection criteria of football club A and its two sponsors are presented in order to facilitate the comparison between them. This is clearly illustrated by the comments of the commercial manager who said that "The football club is a sports property but remains a corporation as well. The financial resources and the timeframe that we will be receiving them are of high importance to the football club

likewise they are of high importance to every corporation with income and outcome in order to be financially healthy. If we are to choose between two prospective sponsorship deals or renewals which both fulfil our major criteria and one of them regards a one- year agreement while the second is a three-years agreement both providing as with the same financial income per year, we will definitely choose the second”. Still, the previously mentioned criteria are a prerequisite in order to examine this last criterion during the prospecting actions for a sponsor.

Regarding the partnership between the football club and the sportswear and sports equipment corporation as been presented in Table 5 the selection criteria mentioned were almost the same. Corporate values, brand value and image enhancement through the sponsorship, revenue opportunities, long term healthy relationship and mutual benefits were described as major criteria. The company analysed has never had any illegal business activity, it is one of the two leading companies in the sportswear and sports equipment industry worldwide in football, and there is an 11-years sponsorship relationship. What was underlined by the interviewee for this specific sponsorship category was that apart from the financial income, the corporation provides the team with the football shirts, uniforms, football shoes and all the other necessary sports equipment acquired for the competing part of the players in the field. Consequently, a very important criterion was the quality of sportswear and sports equipment. The commercial manager pointed out that it is of great concern to the football club that its players compete wearing the most innovative, high technology sportswear and equipment in order to be competitive enough because as he stated “the best players in a leading Greek football club, as we are, need to wear and use the best sportswear and sports equipment”.

Regarding the selection process and development of the sponsorship deal which is presented in Figure 3, due to the fact that both of these partnerships are based on a long term relationship there was no need for screening in order to find new prospective sponsors for these certain sponsorship categories. Even though both of these corporations have “the right of first refusal” they haven’t made use of it yet. Nevertheless, every year the football club co-operates with a survey agency. The first objective of this co-operation is to gather all the necessary demographic and psychographic information of their data fan base, in order to be able to provide certain extra sponsorship components according to their sponsorship partners’ strategic moves. The second objective of this co-operation is to

gather information of the competition as far as sponsorship is concerned. Those two first steps of the process are common for all the sponsors prospective or not.

The steps of the selection process and development of the sponsorship deal are common for the two sponsors described. As depicted in Figure 3, a first contact is made with both of the sponsors by the commercial director and in case the sponsors don't wish to make use of their first refusal right, the following step is the preparation of the sponsorship proposal. In this step of the process the commercial department and the marketing department are involved. The marketing department creates the sponsorship proposal and is responsible for the addition of new innovative sponsorship components plus a creative and attractive presentation of the sponsorship proposal. The commercial department and especially the commercial director is the person responsible for the approval or disapproval of the sponsorship proposal prepared by the marketing department. At this step another outdoor corporation is involved. The football club co-operates with an agency which conducts pricing of sponsorships through the relative value method. This report is sent to the marketing department in order to complete the sponsorship proposal. Once the sponsorship proposal is completed a second contact is made with the sponsor and an appointment is being settled in order to present the sponsorship proposal. Responsible for the presentation of the sponsorship proposal to the sponsors are only the members of the commercial department and in the case of the two above mentioned sponsors the only person authorized for the presentation is the commercial director. When the presentation phase is finished, the negotiation phase follows up. In the negotiation phase reciprocal arrangements, cost of the sponsorship, methods of exposure of the sponsor are discussed and in this phase only the commercial director is handling the negotiations. Once the negotiation phase is completed he needs the approval of the general director in order to move on to the contract phase. The contract phase is conducted with the co-operation of an external lawyer company and a final appointment is being arranged in order to close the deal. The timeframe for the entire process is approximately 3 months from the initial contact until the deal is closed.

### ***Case 2: National Telecommunications Corporation (Sponsor A1)***

The National Telecommunications Corporation is a leading Greek company placed among the top 10 telecommunications corporations in Europe. Sponsor of professional

football club A is one of its brands which belongs to the National Telecommunications Corporation Group. The group owns four subsidiaries in south east Europe and has 18,6 million customers already, only by its presence in five countries. The brand was established in 1998 and its customer data base so far is over 7,4 million. Its headquarters are located in Greater Athens.

The National Telecommunications Corporation's brand is sponsoring both professional football club A and professional football club B. The company is also involved in eight more football sponsorships, by partnering with these eight professional football clubs in lower sponsorship categories and is active in basketball and handball sponsorships as well as in sponsoring great sporting events (e.g. the pre- Olympic tournament of 2007).

The brand manager which is also responsible for the sport sponsorships underlined that the selection criteria for the major sponsorships are stable, precise and certain, as them being part of the company's marketing strategy. The first main criterion is that the sponsorship partner needs to have a high brand value so that the company will gain image enhancement through the sponsorship. The second main criterion reported was the revenue opportunities for the company whereas the third main criterion was the geographical coverage of the defined audience. As depicted in Table 5 another criterion of lesser important which is always examined though, is that the potential sponsorship partner is financially healthy. Specifically the brand manager stated "There have been several cases in the international professional football industry where due to frequent changes of the people in high managerial positions of professional football clubs, instances of financial mismanagement were identified. When we make a sponsorship partnership we see it as an investment and we wish to be sure that the sport property is financially healthy and that our investment is safe."

Regarding the selection process and the development of the sponsorship deal, there is a long-term sponsorship relationship between the two parties and as consequence the selection process and development of the sponsorship deal mainly regards the renewal of the contract. As depicted in Figure 3, the National Telecommunications Corporation's brand has two main departments which manage the sponsorship deals. The first one is the so called "brand team" as described by the brand manager and the second one is the

research department which actually provides the brand team all the necessary information in order to manage the sponsorship deal. The National Telecommunications Corporation's brand only receives and doesn't send sponsorship proposals.

In the case of professional football club A, the brand manager stated "Between us and professional football club A there is a long-term relationship of 9 years, based on mutual trust, good will, irreprehensible cooperation and as a result when our contract is about to end, we just renegotiate the new contract." He also pointed out that it is the brand's marketing strategy to cultivate this long-term relationship with the sponsored sport property in order to achieve the connection of the brand's characteristics to the football club's A characteristics in consumers' perception.

As a result, approximately 3 months before the contract is about to expire, the brand team receives the new sponsorship proposal by football club A and in cooperation with the research department evaluate and reform if necessary certain elements of the proposal. A first cycle of negotiations begins and after the proposal's elements are determined the financial department of the brand either approves the proposal or reforms some parts of it until they finally come to an agreement. The brand's legal department then receives the contract, studies it thoroughly and alike described in the previous procedure, either approves it and both parties sign it or makes the necessary modifications. If necessary, a second cycle of negotiations begins and they finally sign the contracts. The whole process and development of the sponsorship deal, according to the brand manager lasts approximately 3 months.

### ***Case 3: Sportswear and Sports Equipment Multinational Corporation (Sponsor A2)***

The certain Sportswear and Sports Equipment Multinational Corporation is considered to be one of the global leaders in the sporting goods industry and offers a broad portfolio of products. The activities of the company and its more than 170 subsidiaries are directed from the Group's headquarters in Herzogenaurach, in Germany. The company also operates creation centres and development departments at other locations around the world, corresponding to the related business activity. The company's employees reach up to 38,982 worldwide. The founder of the company created the first shoe in 1920, by the

Olympic Games of 1928 lots of athletes wore his shoes and the company finally registered in the commercial register in Fürth in 1949.

The company's headquarters is very active in sport sponsorship partnerships, partnering at the moment with three major European football clubs (Real Madrid, AC Milan, Bayern Munich) among the other 13 different sports in which it has active partnerships. In addition the company's marketing strategy includes sponsorship of great sporting events such as Champions League and recently NBA. Apart from those sponsorship partnerships each subsidiary has the autonomy to make new sponsorship partnerships with each country's teams, athletes or sporting events under the headquarters' supervision.

The head of the sports marketing department responsible for managing this particular sponsorship partnership reported four main criteria in the selection process as been presented in Table 5. The first one was the alignment between the company's and the football club's brand values. The football's club very good reputation and position among the European professional football clubs through which the company's brand gains added value (its image is enhanced) is a major selection criterion. Another important criterion mentioned is the long term relationship between the two parties, the satisfying cooperation based on mutual benefits and as a result the healthy relationship present on a business as well as on a personal level. The potential revenue opportunities is an equally important criterion whereas the duration of the sponsorship agreement in the prospective contract's terms is of major importance as well. As the head of the sports marketing department explained due to the nature of the company's products (sports) apart from the sponsorship partnership, commercial partnerships are built very easily. "We are sponsorship partners with the football club and we also provide the players with our sportswear and sports equipment. Apart from this partnership the football club also buys from us all of the sportswear it sells in its sportswear boutiques. It is our company's policy to make long term partnerships and the reason for this is twofold. Firstly we wish to link in consumers' perception of our brand to the football club's brand, and secondly we wish as a corporation to keep this profit going for at least three years in order to be financially healthy. As a result the duration of the agreement is quite important for us and we have rejected in the past sponsorship proposals or renewals which were shorter than a three-year agreement."

The selection process is coordinated by the sports marketing department. Usually sponsorship proposals are received, evaluated and being managed further on. In fact, the sports marketing department's director could not recall a case in which the company sent a sponsorship proposal during the nine years of his presence in the company. He also added that the research department is involved in the sponsorship selection process but not in a direct but in an indirect way. Specifically, there is research conducted periodically on many fields some of which are useful in the sponsorship selection process, for instance the target group's demographic and psychographic characteristics, but it is not part of the selection process. As he explained, there could be research every two years on a certain field, and the results of which could be used by the sports marketing department during a sponsorship selection process. Still, the research department does not conduct surveys every time the sports marketing department selects to sponsor a property.

In the case of football club A, one year before the contract is about to expire as been depicted in Figure 3, the terms of the contract are thoroughly reevaluated by the sports marketing department team and approximately six months later, they receive a new sponsorship proposal which is being re-examined. At this stage, a new phase of negotiations begins between the two parties. Once they reach to an agreement the General Director of South East Europe is informed and then approves or disapproves the sponsorship proposal. In case of disapproval a second cycle of negotiations takes place, whereas in case of approval the legal department of the company's South East Europe headquarters prepares the contract, sends it to the Greek subsidiary and the Greek subsidiary sends it to the football's club commercial department. If both sides are satisfied the contract is signed. As the head of the sports marketing department mentioned there was no need for a third cycle of negotiations so far. This phase is mainly typical because the company's primary goal is that both parties are legally reassured and completely satisfied by the contract's content and as a result after the second cycle of negotiations is completed the contract is signed. But he also underlined that in case football club A wasn't satisfied by the contract content a third cycle of negotiations would begin with all of the company's good will to come to an agreement.

### ***Comparison of Group's A results***

In order to distinguish similarities and differences among the first three cases which we call them group A-triad, professional football club A and its two sponsors, a



cross-case analysis examining the selection criteria as well as the selection process and development of the sponsorship partnerships extracted by the interviews of each of the three parties is conducted below.

Regarding sponsorship selection, Table 5 shows that Football Club A has four major criteria and a minor criterion in its selection of sponsors. First of all it wants the sponsor's values to coincide with its values and needs to co-operate with corporations of high brand value, equal to its brand value so that its image is enhanced. In addition the existence of a long-term healthy relationship between the two parties based on sincerity, integrity and mutual benefits is of major importance as well as the plausible revenue opportunities. The financial income gained by the sponsorship agreement is another criterion only if the previously mentioned criteria are fulfilled. Finally an extra criterion only for the sponsorship category of the sportswear and sports equipment provider is the quality of the provided equipment.

In the same Table it can be seen that the Telecommunications Corporation ( Sponsor A1) thinks that its image being enhanced through the sponsorship deals as well as the revenue opportunities are very crucial factors in its selection of sponsorship partners. Furthermore the geographical coverage of its defined audience is another important criterion and the financial health of the sports property is taken under consideration if all of the pre-mentioned criteria are fulfilled.

Image enhancement and revenue opportunities are essential criteria to the sportswear and sports equipment multinational corporation (Sponsor A2) as well. In addition, the quality of the pre-existent long term relationship is another selection criterion and regarding the contract's terms, the duration of the agreement is quite important to the company.

Noticeably enough, all of the three parties consider image enhancement gained through the sponsorship partnership and the possible revenue opportunities to be very important criteria in their sponsorship selection process. Professional football club A and Sponsor A2, also examine the quality of the relationship with the sponsorship partner and the contract's terms especially duration of the sponsorship agreement and the financial income gained through the sponsorship deal each of them for their own reasoning. In

contrast, Sponsor A1 highly values the geographical coverage of the defined audience and the financial health of the sports property, whereas football club A places importance to the quality of the provided equipment when referring to a sponsorship deal with a sportswear and sports equipment corporation.

**Table 5. Selection Criteria of football club A and its two sponsors**

Sponsee-sponsors	Professional Football Club A	Sponsor A1	Sponsor A2
Selection criteria			
Revenue opportunities	√	√	√
Coincidence of corporate values	√		
Prospective Contract's terms (Duration of the Agreement, Financial Income gained through the sponsorship)	√		√
Image enhancement through the sponsorship	√	√	√
Relationship with the sponsorship partner	√		√
Quality of the provided equipment	√		
Geographical coverage of the defined audience		√	
Financial health of sport property		√	

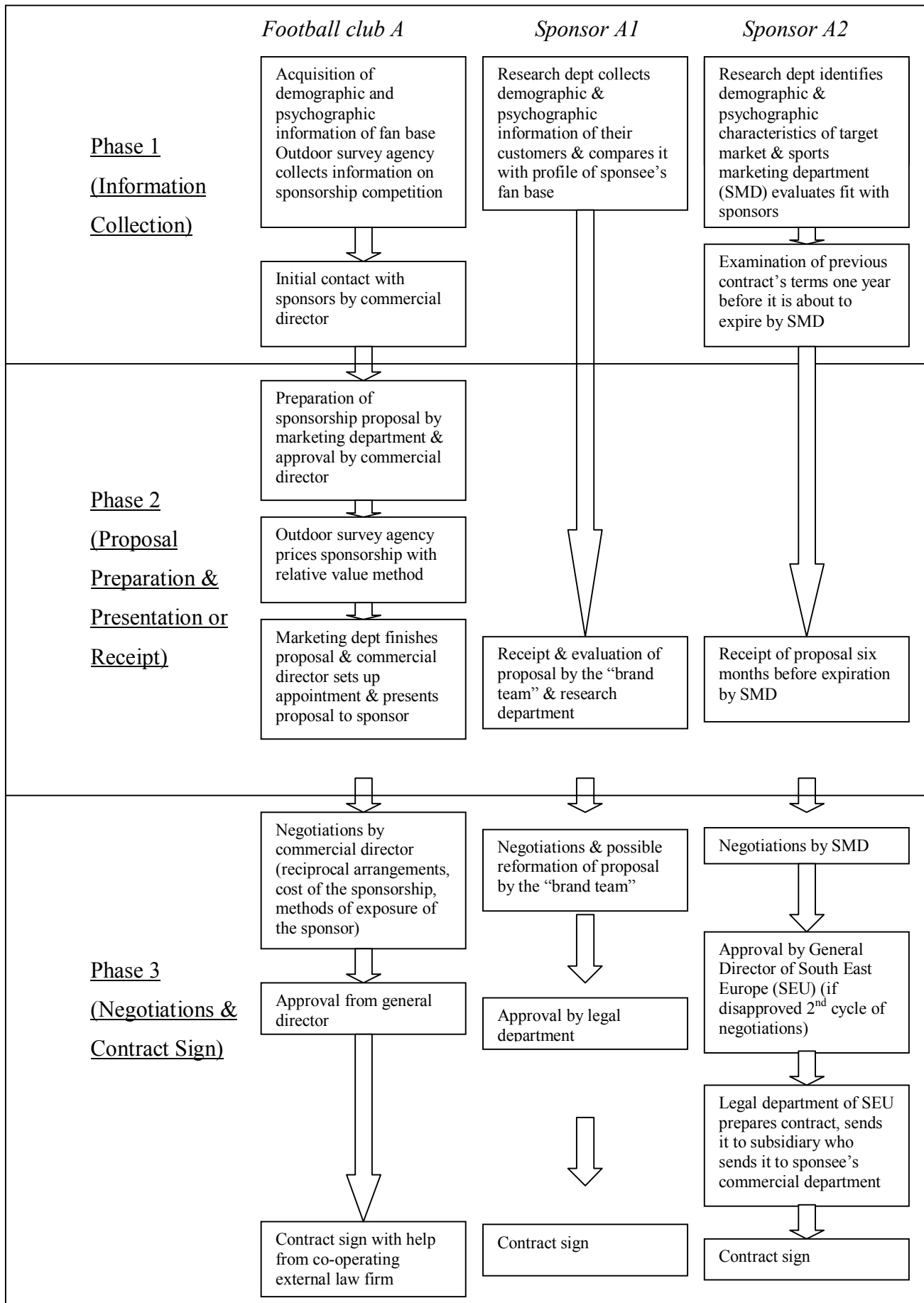
As far as sponsorship development process is concerned, Figure 3 depicts that all three organizations have a structured process in place comprised by three phases. We have concluded to these three phases from the analysis of the results. There are slight differentiations among each case nevertheless a general plan seems to exist during the sponsorship development process comprised by the three following phases: Phase 1 regards information collection, phase 2 the preparation and presentation (or receipt) of the sponsorship proposal and phase 3 includes the negotiations and the contract's sign. In phase 1 Sponsor A1 as well as Sponsor A2 both have a research department which identifies the demographic and psychographic characteristics of their customers and evaluates the fit with the sports property's fan base. Accordingly, in phase 1 the acquisition of demographic and psychographic information of the football club's fan base is important for football club A. Football club A also highly values the acquisition of information on sponsorship competition through its co-operation with an outdoor survey agency in this first stage of phase 1. In this phase the initial contact is being made by football club A and the sportswear and sports equipment corporation in contrast to the telecommunications

corporation examines the previous contract's terms one year before it is about to expire at this first phase.

As been depicted in Figure 3 during phase 2, both sponsors receive and evaluate the sponsorship proposal whereas football club A firstly prepares the proposal, secondly prices the proposal with the help of an outdoor survey agency (with the relative value method), and finally finishes the proposal and the presentation of the proposal is being made. In phase 3 negotiations including one or more stages are made by all three parties regarding reciprocal arrangements, the cost of the sponsorship and methods of exposure of the sponsor. Then the stage of approval follows. For the sportswear and sports equipment corporation (Sponsor A2) this stage is more time consuming due to the fact that it is a subsidiary of a multinational corporation and after approved "in house" it needs approval by the Headquarters as well. Furthermore, the responsibility for developing the contract is different in each case. Professional football club's A prepares the contract with the help of a co-operating out-door law firm for the sponsorship partnership with the telecommunications corporation whereas in the case of the sportswear and sports equipment corporation the contract is being prepared by the sportswear corporation's legal department and the football club receives it and signs it with the help of the co-operating external law firm.

All of the three parties involved have certain roles in the sponsorship development process. The sport property (football club A ) is the sender of the sponsorship proposal and the sport sponsors (national telecommunications corporation and sportswear and sports equipment corporation) are the receivers of the proposal. It is a one-way communication channel and none of the three companies has a structured process for reversed roles. In addition there is no screening stage due to the fact that both sponsors have a long-term relationship with football club A and as a result the process followed deals mainly with the renewal of the sponsorship agreement. Nevertheless, all three companies gather information at the beginning of the process, in order to be able to identify possible changes in customers' needs and characteristics and address those changes through the sponsorship deal. Also, all three corporations of Group A having a pre-existent long-term relationship, they all agree upon the timeframe of the process (approximately 3 months).

**Figure 3. The sponsorship development process of football club A and its two sponsors**



Finally both sponsors have the departments involved in the sponsorship development process operating “in house”. On the other hand football club A co-operates with a survey agency which in the information collection phase provides it with information on customers characteristics and on sponsorship competition and in the preparation and presentation phase prices the proposal through the relative value method, and also in the negotiations and contract sign phase it signs the contracts with the help of a co-operating external law firm.

#### ***Case 4: Professional Football Club B***

Professional football club B is also a very popular football club in Greece. It was founded in 1924, its fan’s population is the third largest in the greek football fans and has competed in the semi-finals of UEFA cup. Moreover, it is the only greek football club which has competed in the pre-semifinals of all of the three big European championships (UEFA, Europa, Champions League) and in the greek football championship it has won the title of the champion 17 times since its foundation.

In this case the commercial manager of professional football club B described the sponsorship selection process and development of the sponsorship deal with two sponsors of different industries. The first sponsor is a National Telecommunications Corporation (Sponsor B1) and the second sponsor belongs to the second-hand cars sales industry (Sponsor B2), a wealthy national Greek Corporation.

Both of the sponsors described were new sponsorship partners for football club B. In the National Telecommunications Corporation case, according to the commercial manager a major criterion was his sport sponsorship activity. In Table 6 in which the selection criteria of football club B and its two sponsors are presented, it can be seen that the sport sponsorship budget and in particular the football sponsorship budget was a basic criterion to its approach. The extent to which the prospective sponsor was sponsorship-oriented and seemed willing to build a strong relationship with the football club through the sponsorship partnership was a second major criterion during the selection process as well as the demographic and psychographic characteristics of the football club’s fan base which was in accordance with the target group of the telecommunications corporation. In the case of the second prospective sponsor the commercial manager emphasized the fact

that the prospective sponsor's desire to enter the agreement was of high importance in the selection process. Specifically the fact that the owner of the cars sales company is a fan of the football club himself was a basic criterion and he was already sponsorship oriented to this specific football club. Other important criteria according to the commercial manager of this sponsorship agreement were the good reputation of the company (possible image enhancement), the available budget the sponsor has for football sponsorship and the demographic and psychographic characteristics of the company's target market.

Regarding the selection process and development of the sponsorship deal some major differences were pointed out by the commercial manager between the two cases. The sponsorship development process of football club B and its two sponsors is depicted in Figure 4. The steps of the selection process are common for all of the sponsors regardless size and budget of each company. According to the commercial manager "We need to be fully prepared. So approximately 3 months before the beginning of the selection process we make sure to communicate our company achievements and that is why every year we organize our official financial presentation to the media with all of our sponsoring family with us. In this annual event we also provide our sponsors with the possibility to make their own presentations if they wish to do so, by letting them present the evaluation of our sponsorship partnership of which we are very proud."

The selection process begins with the use of out-door survey agencies, as shown in Figure 4, that acquire data regarding the demographic and psychographic characteristics of the football club's fan base (every three years) and the market. As soon as those first steps are complete the commercial department analyses the data and starts making the initial contacts. According to the commercial manager in the majority of the sponsorship partnerships the initial contact is being made by the commercial department but there have been a few sponsorship agreements in which the initial contact was made by the prospective sponsor, one of which is the sponsorship agreement with its second sponsor investigated in this thesis.

The next step includes the invitation of the prospective sponsor in the football field during a football game in order to create an interpersonal relationship with the individual responsible for the sponsorship agreements, thus provide the prospective sponsor with physical evidence regarding the passion and spirit represented by the certain football club

and the promotional activities available for him in real time. The preparation of the sponsorship proposal follows, responsible of which are the marketing department as well as the commercial department. Once the sponsorship proposal is prepared and approved by the financial director an appointment is being arranged in order to present the proposal.

The negotiation phase is the next step of the process in which the commercial director and the financial director co-operate closely. As soon as both parties of the sponsorship deal come to an agreement the contract is being prepared by the football club's legal department and finally the contract is signed. The time frame for the process differentiates depending on the size of the corporation. National or multinational corporations like the National Telecommunications Corporation extend the phase of initial contacts to the presentation of the sponsorship proposal, as well as the negotiation phase and lasts approximately 3-5 months, whereas the timeframe of the process in smaller size corporations and smaller budget sponsorships like in the case of the second hand luxury cars sales company, from initial contact to closed deal is 2-3 weeks.

#### ***Case 5: National Telecommunications Corporation (Sponsor B1)***

As described before, the National Telecommunications Corporation is a leading Greek company placed among the top 10 telecommunications corporations in Europe. The company sponsoring professional football clubs A and B, is one of the brands which belongs to the National Telecommunications Corporation Group. The group owns four subsidiaries in south east Europe and has 18,6 million customers already, only by its presence in five countries. The brand was established in 1998 and its customer data base so far is over 7,4 million. Its headquarters are located in Greater Athens.

The company is involved in eight more football sponsorships, by partnering with these eight professional football clubs in lower sponsorship categories and is also active in basketball and handball sponsorships as well as in sponsoring great sporting events such as the pre- Olympic tournament of 2007.

The brand manager which is also responsible for the sport sponsorships underlined that the selection criteria for the major sponsorships are stable, precise and certain, as them being

part of the company's marketing strategy. The first main criterion is that the sponsorship partner needs to have a high brand value so that the company will gain image enhancement through the sponsorship. The second main criterion reported was the revenue opportunities for the company whereas the third main criterion was the geographical coverage of the defined audience. Another criterion of lesser importance which is always examined though, is that the potential sponsorship partner is financially healthy.

Regarding the selection process and the development of the sponsorship deal, as shown in Figure 4, the National Telecommunications Corporation's brand has two main departments which manage the sponsorship deals. The first one is the so called "brand team" as described by the brand manager and the second one is the research department which actually provides the brand team all the necessary information in order to manage the sponsorship deal. The National Telecommunications Corporation's brand only receives and doesn't send sponsorship proposals.

In the professional football club's B case, there were two main differences in the selection process and development of the sponsorship deal in comparison to the process described in the sponsorship agreement with football club A. In this case there wasn't a contract renewal but a brand new sponsorship proposal received by the National Telecommunications Corporation's "brand team". In case B the corporation needed to make a different strategic move and to aim to a new target market with certain demographic and psychographic characteristics. At this time it received the sponsorship proposal from football club B. As a result the research department needed to examine whether professional football club B fulfilled the main selection criteria plus whether it covered or not the extra new smaller target group the brand decided to aim at which included young boys athletically active with ages ranging from 14-18 years old. So in this case the research department had a more active and more time consuming role. The phases of the sponsorship development process can be seen in Figure 4.

When this first phase was completed and professional football club B was approved as a prospective sponsor, the exact same steps of the process as described in the football club's A case were followed and the two parties came to a deal and signed the contract.



The second main difference between the two football clubs, as described by the brand manager, was the timeframe of the selection process and development of the sponsorship deal which in this case was approximately 5 months.

***Case 6: Second-hand Luxury Cars Sales Company (Sponsor B2)***

The second-hand Luxury Cars Sales Company is one of the leading ones in its respective industry. It has been involved in sponsorship activities for the past ten years, mainly in football sponsorship, but the sponsorship partnerships it had made was with football clubs competing in lower divisions. The described sponsorship partnership with football club B is the first attempt of the company in the top division of the football championship and as a result the selection criteria as well as the selection process refer to a brand new sponsorship deal and not a renewal of a pre-existing sponsorship contract.

The owner of the company which is the general manager of the company as well, and was responsible for the certain sponsorship partnership with professional football club B reported that an important selection criterion was the image enhancement which would be gained through the connection of the company's brand to the football club's powerful brand. According to the general manager another important selection criterion was his emotional attachment to football club B as he is a passionate fan of the club and a top member of the club's elite group for the past five years, and the attractive terms of the proposed contract including the very attractive price and the methods of exposure. The prior long-term personal relationship of the company's owner with the football team as a member of its elite supporters group was another selection criterion in this sponsorship partnership. The selection criteria of sponsor B2 are presented in Table 6 were all of the selection criteria of Group B are depicted in order to facilitate the comparison.

The first step of the development process of the sponsorship deal was the initial contact with the football club's commercial manager. The second-hand luxury cars sales company's general manager expressed the company's interest to sponsor football club B and requested a sponsorship proposal. The second step of the process was the presentation of the proposal by the football club's commercial manager whereas the third step was the negotiation phase through which certain parts of the proposal needed to be altered according to the second-hand luxury cars sales company's needs. The next step of the

process was the receipt and thorough examination of the contract's terms by the cars sales company's legal consultant and the final step of the process, once the contract's terms were approved, was signing of contract as presented in Figure 4.

### ***Comparison of Group's B results***

As presented in Table 6 football club B which describes the selection process of brand new sponsorship agreements highly values the demographic and psychographic characteristics' match between its fan base and the prospective sponsor's customers; the sponsorship orientation of the prospective sponsors and the extent to which they seem willing to co-operate with the specific football club on a sponsorship partnership level; the prospective sponsor's prior sport sponsorship activity, as well as the image enhancement possible through the sponsorship partnership with corporations of high reputation and position in their respective industries.

The National Telecommunications Corporation as presented before thinks that its image being enhanced through the sponsorship deals as well as the revenue opportunities are very crucial factors in its selection of sponsorship partners. Furthermore the geographical coverage of its defined audience is another important criterion and the financial health of the sports property is taken under consideration if all of the pre-mentioned criteria are fulfilled.

Image enhancement by connecting its brand to a brand of high value is a very important selection criterion for the second hand luxury cars sales company. Furthermore, the prospective contract's terms and especially the price of the sponsorship agreement, the prior long-term personal relationship of the company's manager with the football club as well as his emotional attachment to football club B where criteria valued in the specific sponsorship partnership.

In Table 6 we observe that the selection criteria differentiate among the sponsors and the sponsee but it should also be noted that all of the three parties are interested in gaining image enhancement through their sponsorship agreements. In addition, in the selection criteria of Sponsor B2, the manager's emotional attachments with football club B as well as his prior long-term personal relationship with it are situational factors since they

are subjective environmental factors which contribute to the set of conditions the manager reacted and made the decision for sponsorship selection

**Table 6. Selection Criteria of football club B and its two sponsors**

Sponsee-sponsors	Professional Football Club B	Sponsor B1	Sponsor B2
Selection criteria	B		
Revenue opportunities		√	
Sponsorship orientation of the prospective sponsor	√		
Sport sponsorship activity of the prospective sponsor	√		
Image enhancement through the sponsorship	√	√	√
Prior personal long-term relationship of the decision-maker with F.C.			√
Financial health of property		√	
Manager's emotional attachment to the F.C.			√
Geographical coverage of the defined audience		√	
Prospective contract's terms (price, methods of exposure, duration)			√
Demographic & Psychographic match	√		

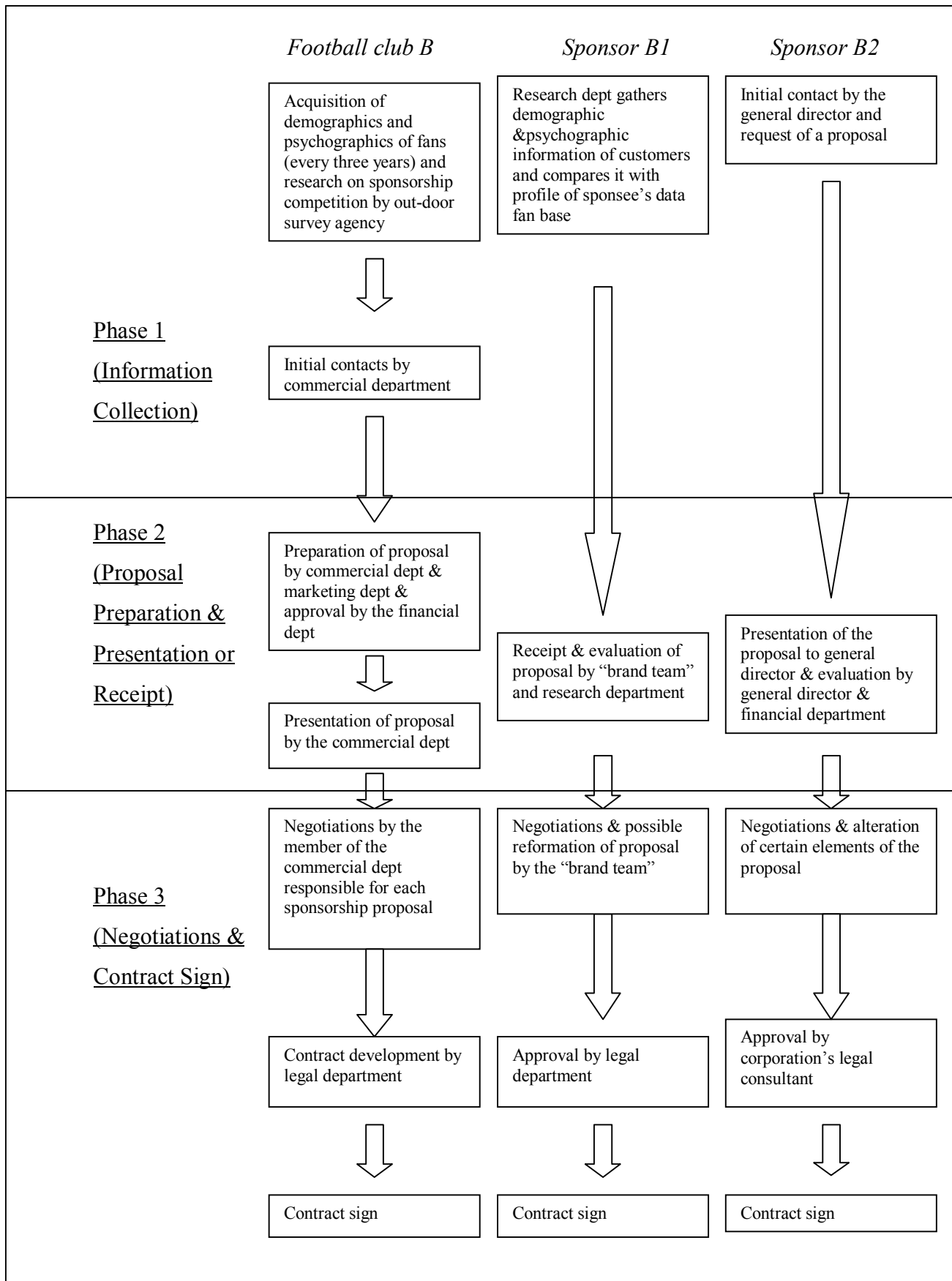
Regarding the sponsorship development process, as mentioned above the analysis of the results show that all three organizations of Group B have a structured process in place comprised by three phases. Phase 1 regards information collection, phase 2 the preparation and presentation (or receipt) of the sponsorship proposal and phase 3 includes the negotiations and the contract's sign which is in accordance with the results of Group A, following the same phases. All three phases are depicted in Figure 4, for all of the three parties, so as to make the comparison of the cases easier.

In phase 1 the national telecommunications corporations as previously mentioned has a research department which identifies the demographic and psychographic characteristics of their customers and evaluates the fit with the sports property's fan base. Accordingly, in phase 1 the acquisition of demographic and psychographic information of the football club's fan base as well as the collection of information on sponsorship competition through the co-operation with an out-door survey agency is important for football club B. In contrast the second-hand luxury cars sales company (sponsor B2) doesn't have any structured procedure for information collection in this phase of the

sponsorship development process probably due to the fact that it is its very first attempt in getting involved in a sponsorship partnership in the professional football championship. Interestingly enough in this phase in which the initial contact for the sponsorship partnership is included, the initial contact between football club B and Sponsor B1 was made by the commercial department of the football club whereas between football club B and Sponsor B2 the initial contact was made by the general director of Sponsor B2.

In phase 2, both sponsors receive and evaluate the sponsorship proposal whereas football club's B commercial and marketing departments prepare the proposal, the financial department approves it and finally the presentation of the proposal is being made by the commercial manager or certain members of the commercial department. In phase 3 negotiations including one or more stages are made by all three parties regarding reciprocal arrangements, the cost of the sponsorship and methods of exposure of the sponsor. Then the stage of approval follows. Football club's B legal department prepares the contracts, and the sponsors receive them and thoroughly examine them. Sponsor B1 signs the contract as soon as it is approved by its legal department and the same process is followed by Sponsor B2 where there isn't a legal department and the approval is being given by its legal consultant instead.

**Figure 4. The sponsorship development process of football club B and its two sponsors**



In this sponsorship group B where brand new sponsorship partnerships are presented football club B as well as one of its sponsors, Sponsor B2, have made the initial contacts. Still the sport property holds the role of the one preparing and presenting the proposal and the sport sponsors are the receivers of the proposal. In addition the collection of customer information as well as information on sponsorship competition is of major importance for football club B especially in the screening process since the commercial department of football club B with the help of the co-operating out-door survey agency had a much more active role in phase 1 (the information collection phase) by screening and pitching the proposal on the exact time where Sponsor B1 needed to make an alteration in its strategic moves. On the contrary, in the sponsorship partnership with sponsor B2 a same process wasn't identified. It seems like Sponsor B2 lacks sport sponsorship experience on professional championships and based its screening and selection process on situational factors.

The analysis of the results shows that the three parties also differ on the number of people and departments involved in the sponsorship development process depending on the size of the company. The sport property has a commercial manager and the commercial department which handles the process together with the marketing department, the financial department and even a legal department which operates in-house. Sponsor B1 also has a "brand team" that makes all crucial decisions a research department and a legal department involved in the process. In contrast, in Sponsor B2 all the process is managed by the general director with the help of the financial department and the company's legal consultant.

Moreover the timeframe of negotiations concerning reciprocal arrangements cost of sponsorship and methods of exposure of the sponsor can differ from one company to another. Even though both sponsors are brand new for football club B the prior personal relationship of the general director of the second hand luxury cars sales company (Sponsor B2) with the football club facilitated the communication and reduced the timeframe of the negotiations. In addition, a smaller sized company such as Sponsor B2 in comparison to Sponsor B1, with less departments and people involved in the sponsorship development process can also reduce the timeframe of the sponsorship development process.

### ***Case 7: Professional Football Club C***

Professional football club C is one of the leading Greek football clubs in the football industry. It was founded in 1925, and is recognized in the European football industry as well. It has conquered 3 Super League championships and it has participated in the pre-semifinals of the Champions League. Furthermore it is holding the first place in the Greek football having gathered 37 Greek football championships, 24 Greek cups and 4 super cups.

The commercial manager of this football club chose to describe the selection process and development of the sponsorship deal for two of its major sponsors, an international telecommunications corporation (Sponsor C1), which is actually the basic competitor of the national telecommunications corporation sponsoring professional football clubs A and B, as well as a large international bank (Sponsor C2).

To begin with the selection criteria, especially in the case of the international telecommunications corporation, the commercial manager underlined the importance of the corporation's brand equity and the potential image enhancement. Specifically, the connection of the football club's brand to a worldwide known, successful corporation having engaged in the past in sponsorship partnerships with some of the elite clubs of the European and International football industry was of major importance, both in terms of added value gained through the partnership plus the ability to access the know-how in sponsorship management in a European and International level. The existence of similar brand characteristics (red, rock solid, restless) between football club C and the telecommunications corporation facilitating the connection of the two brands in consumers' perception was of major importance in the certain sponsorship partnership. Furthermore, the potential financial income from the partnership (prospective contract's terms) was mentioned as another of the main selection criteria not only for the specific partnership but for all of the sponsors of the club. Another main selection criterion as stated by the football club's commercial manager is the possibility for mutual benefits on a mercantile level (potential revenue opportunities) with most of the prospective or pre-existing sponsors. It should also be noted that in the case of the international telecommunication corporation there is a long term relationship and the fact that both of

the parties are completely satisfied by this partnership is another criterion in the selection process of lesser importance in comparison to the pre-mentioned criteria (see Table 7).

Regarding the selection criteria for the international bank the criteria are common. In fact the commercial manager was of the opinion that the selection criteria must be the same for all of the prospective or pre-existing sponsors and should be a part of the general strategy of the sponsorship management process. Still there are some extra selection criteria which differentiate depending on the industry that each sponsor is active in. For instance in the case of the international bank the main extra selection criterion is the liability and financial stability of the bank. This criterion is generally examined when screening or evaluating prospective sponsors but it is of minor importance in comparison to the pre-mentioned criteria. It is part of a typical control after the main selection criteria are fulfilled. In the case of partnership with a corporation of the banking industry though, it is the most important selection criterion. The banking industry and the banking product is very idiomorphic. As the commercial manager of football club C explained “In case the football club’s fan is not satisfied by a cell phone or a telephone connection he will just simply move to another telecommunications company as a matter of a daily routine but if the football club is connected to a bank by which the fan is unsatisfied due to the insufficient or bad management of his money then lots of negative consequences will follow mainly for the football club’s brand, reputation and fan data base. As a result we are very careful when examining sponsorship partnerships with banking corporations”.

The selection process and development of the sponsorship deal are almost the same for both of the two major sponsors described and are presented in Figure 5. Both of the sponsorship partners have a long term relationship with the football club and as a result the only action that must be taken by the football club is the renewal of the contracts before they are about to expire. So up to today for these specific sponsorship agreements and industries there was no need for pitching proposals to prospective sponsors. In fact what the commercial manager mentioned was that usually the football club receives sponsorship proposals rather than sending because of the brand’s value and the reputation and position in the football industry the football club possesses. Nevertheless, most of the sponsorship proposals they receive don’t fulfil the main selection criteria of the club. As a result, the need for prospecting actions by the football club’s commercial department in the past emerged. Every time such need took place the initial stage of tracing prospective sponsors



was based on the personal network of contacts each employee of the commercial department had.

The first step of the process used by football club C is the collection of demographic and psychographic information of their fan base, which is conducted by an in-house research department. The commercial manager underlined the significance of keeping fan information current, in order to be able to address any changes through the sponsorship deal. The next step is the specification of the sponsorship components offered by the football club according to its assets and the packaging of the sponsorship proposal. Most of the components are usually common for all prospective sponsorship partners while a small part is tailor-made according to the unique needs of each prospective or pre-existing sponsor. In the case of the two sponsors investigated in this study, the process followed concerns the renewal of old partnerships and therefore involves the re-negotiation of the terms of the contract and the closing of the deal.

An interesting point brought up during the interview with the club's commercial manager was that in the case of the telecommunications corporation as soon as this first step is complete there is no direct contact with the person responsible for the sponsorships of the telecommunications corporation but the packaged proposal is sent to a sports management and marketing agency with which the football club co-operates. In fact this co-operation has so far included only two major sponsorship deals, the one investigated in this case and another one with an international airlines corporation, both considered to be leaders in their industries. The agency then modifies parts of the proposal if necessary or proposes different components, and once both the agency and the football club reach an agreement regarding the context of the proposal, the agency then contacts the telecommunications corporation, makes all the negotiations and finally closes the deal. During all the steps of the process, the commercial manager of the football club is being constantly informed and gives his approval or disapproval to the agency in each step.

Another equally important point is that the contract is prepared by the legal department of the international telecommunications corporation and after being checked and approved by the football club's legal department it is signed by both parties. So, in the case of the telecommunications corporation there is an indirect contact between the corporation and the football club, and the sports management and marketing agency is

holding the role of the “middle man”. The timeframe of this process from initial contact to contract sign for both of the major sponsors described is estimated to be approximately 2,5-3 months.

In the case of the international bank the process is as described above but without the agency as an intermediate, the commercial manager handles the negotiations, and the contract in contrast to the sponsorship deal of the international telecommunications corporation, is being prepared by the football club’s legal department.

### ***Case 8: International Telecommunications Corporation (Sponsor C1)***

This International Telecommunications Corporation is the world's leading mobile telecommunications company, with a presence in Europe, the Middle East, Africa, Asia Pacific and the United States through the Company's subsidiary undertakings, joint ventures, associated undertakings and investments. At 30 June 2009, based on the registered customers of mobile telecommunications ventures in which it had ownership interests at that date, the corporation had 315 million customers, excluding paging customers, calculated on a proportionate basis in accordance with the Company's percentage interest in these ventures. The Company's ordinary shares are listed on the London Stock Exchange and the Company's American Depositary Shares ('ADSs') are listed on the New York Stock Exchange. The Company had a total market capitalization of approximately £63.6 billion at 30 July 2009.

It was formed in 1984 as a subsidiary of an Electronics Company, approximately 20% of the company's capital was offered to the public in October 1988. It was fully diverged from the Electronics Company and became an independent company in September 1991. There is a total of 38 partner networks, 6 affiliated companies and 20 subsidiary companies internationally. One of the subsidiary companies is the Greek one with 2.500 employees.

The headquarters of the corporation use sport sponsorship as a marketing tool, and they are sponsors of UEFA Champions League, a racing team in Formula 1 Championship and the English Cricket Team. The Greek subsidiary company, apart from football club C,

has smaller sponsorship agreements with other four football clubs of the Greek football championship; sponsors the national Greek football team as well as individual players of the national Greek football team; has a presence through billboards in all of the basketball games of the Greek basketball championship, and is the official sponsor of one of the largest basketball courts in Greece.

The interviewee was the senior brand manager-supervisor of the company who is in charge of the specific sponsorship partnership investigated and of all the Greek sport sponsorships. Regarding the main selection criteria used he pointed out that football club C has the exact same three brand characteristics with the telecommunications corporation. For instance the three brand characteristics of the company are red, rock solid, and restless and are totally aligned with football club C's brand characteristics. As he stated "our philosophies are in agreement". Another main selection criterion for this sponsor is brand value. There must be a match of brand value between sponsor and sponsee in order for the sponsor to enhance its image through the partnership and in the case of football club C there was a complete match. Furthermore, the large geographical coverage of their target market by the sponsee and the existing level of loyalty among fans of the sponsee were two more main selection criteria underlined by the senior brand manager. Specifically the senior brand manager stated " Out of our sport sponsorship experience we have detected that high levels of fan loyalty affect positively the success of our sponsorship partnerships. Fans with high loyalty to a football club or a sport property support in anyway they can its sponsors and feel them as part of their sports family. And especially in football where fans are very passionate and loyal we believe that this is a criterion of major importance". Finally, a final selection criterion is the improvement of the key performance indicators (KPIs) of the corporation through sport sponsorship. According to the senior brand manager KPIs such as dynamism, innovation and greekness, are being measured once a month and if the sport sponsorship contributes in keeping or improving the KPIs in higher levels, then it is rated as a very important partnership that must be continued. No other criteria of lesser importance were mentioned. All the selection criteria of the international telecommunications corporation in its sponsorship partnership with football club C are shown in Table 7.

Regarding the stages of the development of the sponsorship deal the Greek subsidiary follows the same stages with headquarters. In fact there is autonomy in the

decision making and in the final choice of partners although there is a report and a typical approval by headquarters. The commercial department receives a lot of sport sponsorship proposals every year and the senior brand manager is in charge of a three member team who evaluates the proposals. If the prospective sponsee is up to standards they move on to the next step.

In the case of football club C the main criteria are fulfilled, there is a long-term relationship and the stages regard the renewal of the contract. During the development of the sponsorship deal the corporation has no direct contact with the football club. Instead the direct contact exists between the telecommunications company and a sports management and marketing agency which acts as the representative of the football club.

The identification of the demographic and psychographic characteristics of the corporation's customers is the very first step of the process. Before the contract is about to expire, the "sponsorship team" examines the previous contract's terms and a concept for the new agreement is developed.

In this stage which is depicted in Figure 5 presenting the sponsorship development process of group C, what is actually prepared by the sponsorship team is a list of certain elements that the telecommunications corporation would like to be included in the new proposal. The company usually doesn't accept a contract agreement right away; instead it wants to modify the deal in order to make sure that its needs are fulfilled. According to the senior brand manager-supervisor the "sponsorship team" needs to be fully prepared before the presentation of the new proposal on behalf of professional football club C. What he actually mentioned regarding this stage of the process was " We need to be fully prepared, accurate, and communicate clearly the needs of our company regarding the sponsorship partnership. That's why we make sure we have already prepared our own proposal consisting elements which cover our company's needs. When the time of the new proposal's presentation comes someone could be disoriented by attractively presented elements of minor value to the company's needs and this is something the sponsorship team avoids by being well prepared and knowing exactly what it wants and how it wants it to be done. We believe this saves the company time and money as well."

Once the presentation of the new sponsorship proposal is being made by the sports management and marketing agency representing professional football club C, it's being compared to the company's ideal proposal and a stage of modifications of the sponsorship components as well as the pricing of the components begins as part of a short term negotiations cycle. As soon as the two parties come to an agreement, the legal department of the corporation prepares the contract in cooperation with the finance department which predefines the ways and times of payment. During the negotiation cycle the senior brand manager keeps the commercial director informed and according to the hierarchy of the company a typical approval is being given from him as well as from headquarters. Once the contract is checked and approved by the football club, it is signed and the deal is closed. According to the senior brand manager the procedure lasts approximately 3 months.

#### ***Case 9: Large International Bank (Sponsor C2)***

The multinational banking corporation is managing over 200.000.000 bank accounts internationally, occupies almost 350.000 employees in more than 100 countries and the Greek subsidiary has more than 1500 employees and is serving more than 600.000 customers. The corporation is active in sport sponsorship partnerships and especially in football sponsorship partnerships since apart from football club C, it sponsors another two top division's professional football clubs in lower sponsorship categories.

The marketing manager, who's also responsible for the sponsorship partnerships of the multinational banking corporation, emphasized that there is a certain list of selection criteria which is common for all of its sponsorship partnerships prospective or not. The first selection criterion is the brand value of the prospective sponsee that results in image enhancement for the sponsor. The bank being a powerful brand itself wishes to connect its brand to an equally powerful brand through its sponsorship partnerships. Furthermore, the management and organization of the prospective sponsorship partner is a criterion of major importance. The bank needs to be ascertained that the prospective partner's management and organization are structured in such a way that the requirements agreed upon will be fulfilled. In fact the respondent referred to certain examples from the past where the bank had to end some agreements due to the partner's lack of ability to carry out the components of the sponsorship deal. Moreover the exposure to the bank's target market (geographical

coverage of the defined audience) is a prerequisite in the selection of prospective sponsorship partners, as well as the competitive advantage gained through the sponsorship. According to the marketing manager “Some of our competitors have tried in the past to partner with some of our sponsorship partners when our contract was about to expire. Our sponsorship partnerships are very successful and allow us to succeed in our strategic, corporate and marketing objectives. As a result we pursue sponsorship agreements which can provide us with potential competitive advantage and we are very careful and investigative when selecting prospective sponsorship partners or renew our sponsorship agreements”. Moreover, long term healthy relationships, specifically in the cases of pre-existent sponsorship partnerships, like the one described with professional football club C is essential to the bank, whereas the price in the prospective contract’s terms is a selection criterion of lower importance. In this last criterion the marketing manager explained that the price of the sponsorship deal is the last criterion which is examined if all of the pre-mentioned criteria are fulfilled. Still the bank has a certain sponsorship budget and the sponsorship evaluation team is not allowed to exceed this budget. As a result the price of a sponsorship proposal could be a criterion that would cause the rejection of a sponsorship proposal (see Table 7).

Regarding the development process of the deal in the case of professional football club C there wasn’t a screening process since a long-term relationship was already existent. Nevertheless, according to the interviewee the bank utilizes a fairly extensive selection process when choosing a sponsor or renewing a sponsorship contract. The bank usually receives sponsorship proposals but there have been a few times, one of which is the sponsorship partnership with professional football club C, where the sponsorship team made the initial contact with the sport property. In fact the marketing manager which is in charge of the sponsorship team made the initial contact seven years ago with professional football club C’s commercial manager. Before a proposal is sent or received the team which manages the sponsorship agreements, and which is comprised by the marketing manager and other employees of the marketing department, has access to the bank’s data base and gathers all the necessary demographic information available. In fact, the marketing manager underlined that in this step of the process they don’t need a research department for the collection of demographic characteristics of their customers due to the “special and sensitive nature” of banking services and as a result the bank gathers and keeps in its data base its customers’ demographic information the minute they become

customers. Psychographic information of the bank's customer data base are provided by an out-door survey agency and a comparison to the sponsee's customer profile is being made. If the remaining selection criteria are fulfilled, a concept for the specific agreement is developed by the sponsorship team.

In professional football club C's case due to the pre-existent long-term sponsorship partnership the process described regards the renewal of the sponsorship contract. In this case the sponsorship team of the marketing department examines the terms of the previous contract. A concept for the specific agreement is developed, the new sponsorship proposal is being presented to the marketing manager by professional football club's C commercial manager and an intensive process of negotiations follows between the two parties. The cycle of negotiations includes, the concept being anchored internally, partly among the departments affected, commercial department, financial department and law department (preparation of contract), and several internal and external meetings with the football club's commercial manager. Once the two parties reach an agreement the bank's management gives the final approval and the contract is signed. Regarding the duration of the process the marketing manager could not identify a common timeframe for all sponsorship partnerships. For the specific sponsorship partnership with professional football club C the timeframe was approximately 2-3 months. For the rest of the sponsorship partnerships the timeframe depends on the time of year the bank's sponsorship team receives the sponsorship proposal. Due to the fact that the bank determines its sponsorship budget in the fall, if an interesting sponsorship proposal is obtained after this point the sponsorship team could keep it running until the next budget is set which could differentiate the timeframe of the process to 9-10 months.

Concerning the autonomy of the bank's sponsorship team in decision making as a subsidiary of a multinational, the marketing manager emphasized that the sponsorship agreements must be in line with the policy document determined by the mother company and that the sponsorship team has full autonomy in the selection of sponsors as long as the sponsorship agreements don't exceed the sponsorship budget approved by the mother company on an annual basis. According to the marketing manager so far there wasn't a need to exceed the sponsorship budget and as a result the entire decision making is being made on the local level.

### ***Comparison of Group's C results***

Football club C has certain selection criteria which are common as them being part of its marketing strategy. Nevertheless there are criteria that differ according to the industries of sponsorship partners or specific characteristics of certain corporations as shown in Table 7. The long-term healthy relationship is highly valued by football club C especially in the case of the two described sponsors where sponsorship partnership pre-existed. The potential image enhancement from the sponsorship deal and the potential revenue opportunities are of major importance, as well as the prospective contract's terms and specifically the financial income that will be gained through the sponsorship is always examined. In the case of sponsor C1 the same brand characteristics were essential for the partnership whereas in the case of sponsor C2 its liability and financial stability was a determinative criterion due to the nature of the industry it is active in.

**Table 7. Selection Criteria of football club C and its two sponsors**

Sponsee-sponsors	Professional Football Club C	Sponsor C1	Sponsor C2
Selection criteria	C		
Same brand characteristics	√	√	
Image enhancement through the sponsorship	√	√	√
Prospective contract's terms (financial income gained through the sponsorship, price)	√		√
Revenue Opportunities	√		
Prior quality of relationship	√		√
Special criteria according to the sponsor's industry (e.x. bank's financial stability)	√		
Geographical coverage of the defined audience		√	√
Level of Fan Loyalty		√	
Improvement of corporation's KPI's (dynamism, innovation, greekness)		√	
Management & Organization of the sponsee			√
Competitive advantage gained through the sponsorship			√



Sponsor C1 thinks that the same brand characteristics; the geographical coverage of the defined audience; the level of fan loyalty; the improvement of its Key Performance Indicators, and its image being enhanced through the sponsorship partnership are very important issues in the sport sponsorship selection process.

The prior quality of the long-term relationship is of major importance to the large international bank (Sponsor C2). Furthermore its image being enhanced through the sponsorship, the prospective contract's terms including the price and the geographical coverage of its defined audience are highly valued. Finally it examines the potential competitive advantage that it can gain through the sponsorship as well as the sufficient management and organization of the sport property.

Case C's results show that all three parties are very interested in the image enhancement that they can potentially gain through the sponsorship partnership. Within this scope they are all interested in partnering with an equally powerful brand, of high reputation and position in their respective industries and football club C underlines that the good reputation and position in industry of Sponsor C1 (international communications corporation) having engaged in the past in numerous sponsorship deals with the leading professional football clubs of the European and International level can provide it with useful information of the European and International sponsorship management process (know-how).

Football club C and Sponsor C1 also think that having the same brand characteristics is very important, whereas the sport property and Sponsor C2 highly value the prospective contract's terms including the price of the deal and the financial income to be gained through the sponsorship as well as the prior quality of their long-term relationship. It is important to note that both sponsors value the geographical coverage of their defined audience.

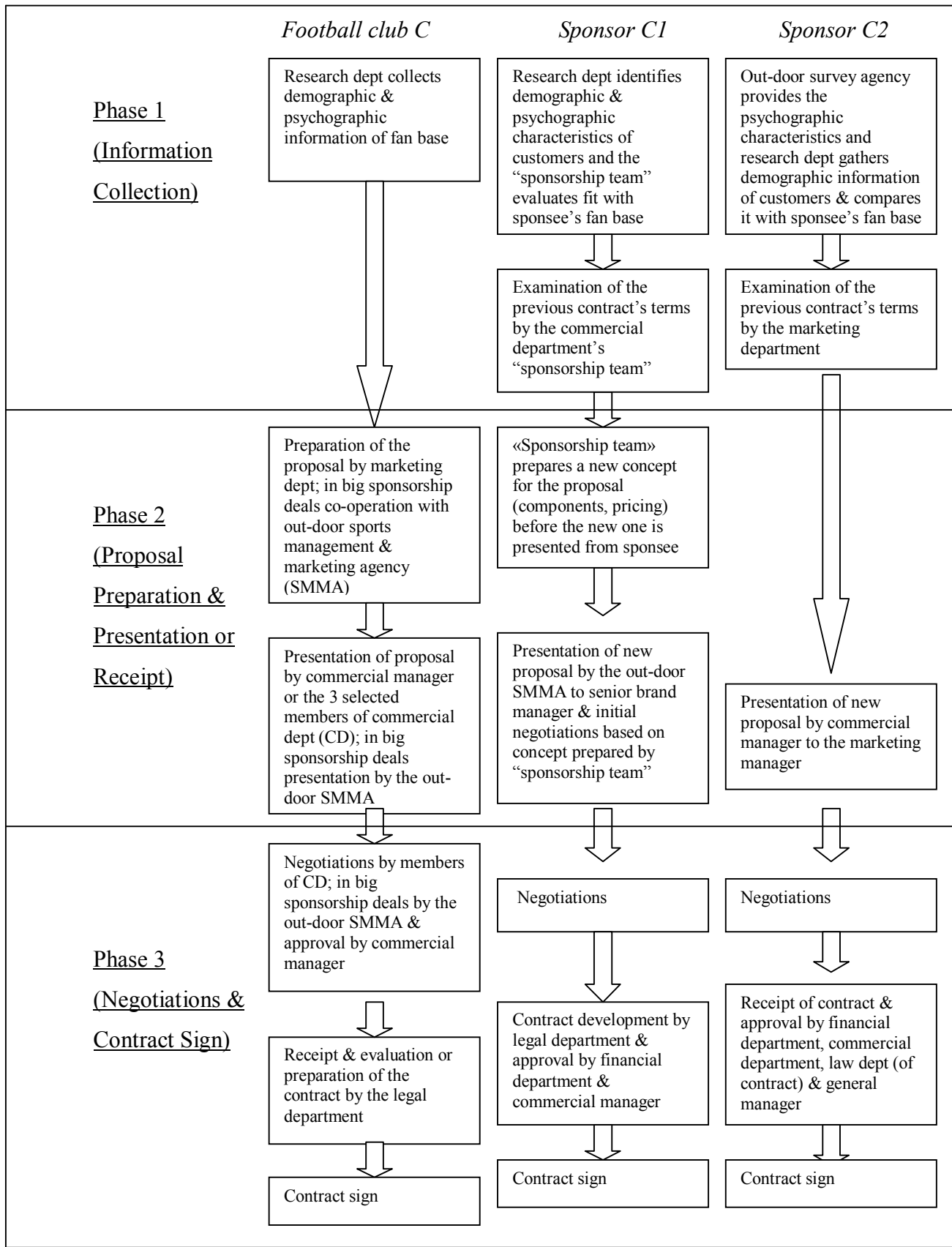
Moreover as presented in Table 7 potential revenue opportunities and special criteria according to the sponsor's industry (bank's financial stability) are of major importance to football club C. Sponsor C1 places importance on the level of the football club's fan loyalty and the improvement of its Key Performance Indicators (dynamism, innovation, greekness). In contrast Sponsor C2 (large international banking corporation)

when selecting sponsorship partners always examines the sports property's management and organization as well as the potential competitive advantage that it can gain through the sponsorship agreement.

In group C our third sponsorship triad, the sponsorship development process is structured and includes three major phases for all three parties according to the analysis of the results. Phase 1 is the information collection phase, phase 2 is the sponsorship proposal preparation and presentation or receipt phase, and phase 3 is the negotiations and contract sign phase. In phase 1 as presented in Figure 5, football club C and its two sponsors gather demographic and psychographic characteristics of their customers and through their research departments. Sponsor C2 (large international bank) co-operates with an out-door survey agency which provides the psychographic characteristics. In this stage both sponsors evaluate the fit with the football club's fan base, whereas there is a second stage in phase 1 for both sponsors which includes the examination of the previous contract's terms due to the fact that both described deals refer to renewals.

As can be seen in Figure 5, phase 2 consists of the preparation and presentation or receipt of the proposal. Football club C utilizes two options in this phase. Either its marketing department prepares the proposal and the commercial manager (or one of the three selected members of the commercial department) make the presentation, or in big sponsorship deals the marketing department co-operates with an out-door sports management & marketing agency (SMMA) for the proposal's preparation and the presentation of the proposal is being made exclusively by the SMMA to the sponsor. In our case for sponsor C1 (international telecommunications corporation) there is the involvement of the SMMA acting as an intermediate during the process, whereas for sponsor C2 (large international bank) the process is mainly handled by the football club's commercial department. Furthermore, in this phase the two sponsors differentiate a little due to the fact that apart from the stage that the proposal is being presented to both of them, Sponsor's C1 "sponsorship team" has already prepared a concept of the proposal and the components that it would prefer before the presentation and during the presentation they can alter certain components or propose new ones.

**Figure 5. The sponsorship development process of football club C and its two sponsors**



In phase 3 negotiations, including one or more stages, are made by all three parties regarding reciprocal arrangements, the cost of the sponsorship and methods of exposure of the sponsor. For Sponsor C1 (international telecommunications corporation) the negotiations are being made with the help of the out-door sports management & marketing agency (SMMA) on behalf of football club C, whereas for Sponsor C2 (large international bank) the negotiations are handled by the football club's commercial manager. Then the stage of approval follows. Moreover, all three organizations have legal departments operating in-house. Nevertheless, Sponsor C1 makes the contract development and sends it to football club C whereas Sponsor C2 receives and evaluates the contract which has already been prepared by the football club. Finally, all three parties having a long-term relationship, place the timeframe of the process between 2.5 to 3 months.

### ***Comparison in their “natural families” (sponsors- sponsees)***

By analysing the cases in their “natural” families, sport properties and sport sponsors we observe that starting with sport properties, when selecting sponsorship partners or renewing the already existing agreements they all have certain, precise and stable criteria deriving from their sponsorship objectives as part of their marketing strategy. Farrelly (1999) takes this further by suggesting that the growing complexity of sponsorship relationships, and the potential conflicts that this harbours, have made marketers more aware of the need for clear strategic justification to underpin their choice of partner.

As depicted in Table 8, all of the sport entities are very interested in connecting their brand to an equally powerful brand of high reputation and position in its respective industry so that their image will be enhanced through the partnership. Baver et al., (2005) underline that firstly sport properties often consider their brand as one of their most important assets which has the potential to influence the behavior of all stakeholders and secondly by connecting to an equally powerful brand they are empowering their corporate image. According to the same researchers, the value of building powerful sports brands that extend beyond “on-the-field” performance allows a football club to engage into sponsorship partnerships “somewhat independently of athletic success”.

The potential revenue opportunity is another highly valued selection criterion by the majority of the sponsees. Farrelly & Quester (2003) claim that sponsorship is not about just a financial exchange but it is a business to business relationship. Through that frame a sponsorship partnership can lead to further business opportunities with the partner, can expand their strategic network (e.g. accessibility to media) and can provide both partners with the opportunity of further investing in this business relationship for mutual benefits. That is probably what makes the plausible revenue opportunities to be such a determining criterion in the selection process.

**Table 8: Sponsees' selection criteria for selecting sponsorship partners**

Sponsees	Football Club A	Football Club B	Football Club C
Selection criteria			
Revenue Opportunities	√		√
Coincidence of corporate values	√		
Prospective contract's terms (duration, financial income gained through the sponsorship, price)	√		√
Image enhancement gained through the sponsorship	√	√	√
Prior quality of relationship	√		√
Special criteria according to the sponsor's industry (e.x. bank's financial stability, quality of the provided spots equipment)	√		√
Sponsorship orientation of the prospective sponsor		√	
Sport sponsorship activity of the prospective sponsor (budget for football)		√	
Match of target markets		√	
Same brand characteristics			√

Football club A and football club C both think that the prior quality of their long-term relationship with their sponsors is very important as well as the prospective deal's terms including the financial income gained through the sponsorship partnership and the duration of the agreement. Lawrence & Moberg (2009) argue that over the past three decades, the marketing profession has evolved from a transaction based, goods-oriented discipline to a service orientation with an emphasis on long-term relationships. The relationship quality is widely espoused by academics and practitioners in the frame of relationship marketing. Nevertheless few researchers have examined the quality relationship in the sponsorship dyad.

According to Walter et al. (2003), commitment, trust and satisfaction are the three key constructs indicating overall relationship quality. In fact trust and commitment are the key factors of sponsorship partners' economic and non-economic satisfaction.

Commitment according to Farrelly & Quester (2005) signals long-term strategic intent, and as the association needs to be in place for a number of years to become embedded in the minds of key stakeholders, commitment is considered vital to the generation of satisfaction in the sponsorship relationship. Moreover trust is critical in the sponsorship exchange and it may also serve to reassure sponsorship partners that the association is worthwhile, and that both of them have done their utmost to ensure success, which may be vital given the difficulty in accurately assessing sponsorship economic outcomes.

Regarding the renewal of the sponsorship partnership the quality of relationship may impact favorably on a sponsor's intention to renew the contract (Anderson & Weitz, 1992) and the sponsor's preparedness to invest further resources into the relationship may be contingent on the level of trust prevailing between the sponsor and the sport property (Farrelly & Quester, 2003). Finally as Farrelly, Quester and Burton (2006) argue, relationship-specific investments, such as the bilateral commitment between sponsor and partner to manage the sponsorship effectively, are fast becoming a crucial element in negotiating the terms of engagement in sponsorship.

Both sport properties (professional football club A and professional football club C) also underline the existence of special criteria according to the industry each sponsorship partner belongs to as been shown in Table 8. Studies investigating the sport sponsorship selection process referring to these "special selection criteria" were not identified in literature. Namely, football club A suggests that the quality of the sportswear and sports equipment of its sponsorship partner activated in this industry is a very crucial issue and football club C clarifies that the liability and financial strength of a banking corporation when connecting its brand to the club is a prerequisite examined as the very first and most important criterion. Probably what makes these special selection criteria important for sport sponsorship in comparison to other types of sponsorship is the idiomorphic massive nature of sports having a global appeal to the majority of consumers. As a result the number of different industries involved in sport sponsorship keeps increasing whereas the number of the elite professional football clubs competing in major events of European or International level is limited. Consequently, since football clubs have to screen and select sponsorship partners from a high number of different industries, each of which industries includes several corporations, the need for addressing and defining these special criteria is increasing.

Moreover, football club B differentiates by placing importance on the level of sponsorship orientation of the prospective sponsor; its previous sport sponsorship activity; the available budget for football sponsorship, and the fit between the sponsor's target market and its own fan base. The target market's match is one of the most important selection criteria in the event-related category of Turgeon & Colbert (1992) study. In contrast football club A always examines the agreement in corporate values with the sponsorship partner, whereas football club C thinks that having the same or similar brand characteristics with its prospective sponsor can empower the success of the sponsorship and thus, sponsorship partnerships can become an irresistible corporate-image building tool for corporations.

On the other side, sport sponsors as presented in Table 9 also use certain, precise and stable selection criteria that derive from their sponsorship objectives, which are part of their marketing strategy. Only the second hand luxury cars sales company (sponsor B2) engages for the first time in sponsorship partnership with a professional football club and seems to base its selection on situational factors. These findings agree with Meennaghan (1991) who recognizes that sponsorship has the potential to be driven by personal choices, preferences or interests of the key decision makers in the corporation, as opposed to a decision based on sound commercial principles.

**Table 9: Sponsors' selection criteria for selecting sponsorship partners**

Sponsors	A1	A2	B1	B2	C1	C2
Selection criteria						
Revenue Opportunities	√	√	√			
Geographical coverage of the defined audience	√		√		√	√
Prospective contract's terms (duration, financial income gained through the sponsorship, price)		√		√		√
Image enhancement gained through the sponsorship	√	√	√	√	√	√
Prior quality of relationship		√				√
Prior personal relationship of the decision-maker with F.C.				√		
Financial health of sport property	√		√			
Manager's emotional attachment to F.C.				√		
Level of fan loyalty					√	
Same brand characteristics					√	
Improvement of KPI's (dynamism, innovation, greekness)					√	
Management & Organization of sponsee						√
Competitive advantage gained through the sponsorship						√

Among the criteria used by all sports sponsors, the selection criterion they all agree upon is the possible image enhancement that they will gain by connecting their brand to a brand of a professional football club of high reputation and position in the European or International football industry. Crompton (1993) claims that corporations, by using sponsorship as a communication vehicle, increased awareness and image enhanced benefits accrue by providing implicit messages generated by the linkage between a company and the sponsored organization. According to the same researcher, one of the selection criteria that is most pertinent in businesses engaged in sponsorship is the organization's reputation including its image, its brand value as well as its reputation in previous sponsorship partnerships including its responsiveness to sponsor's requests, its sponsorship experience and its previous history of honoring its obligations.

Also the sponsors that are active in industries where several target markets are included in their corporate strategies, such as telecommunications services (sponsor A1, sponsor B1, sponsor C1) or banking services (sponsor C2), are very interested in the wide geographical coverage of their defined audience by the sponsee's fan base. According to Turgeon & Colbert (1992) the geographical coverage of the defined audience is a determining and most often referred to selection criterion among the forty sponsorship selection criteria which were identified in their study.

The plausible revenue opportunities are also highly valued by the national telecommunications corporation and the sportswear and sports equipment multinational corporation as a selection criterion of sponsorship partnerships (a business to business relationship), whereas the prospective contract's terms including the duration of the agreement and the price of the sponsorship are thoroughly examined by three out of the six sponsors analyzed (sponsor A2, sponsor B2, and sponsor C2). In fact, according to Fahy et.al (2002), sponsorship contracts are typically three to five years of duration and are often expected to be renewed a number of times, in order to allow for sponsors to derive the benefits from a long term association that can be meshed with the positioning of their brand. In fact, most of the sponsoring corporations analyzed in this thesis, have renewed their contracts more than once and relationships over 7-years were described which indicates that sponsors are becoming more willing to build relationships with sport properties.



Furthermore, regarding the prospective contract's terms, Keller (2001) suggests that one of the choice criteria when a corporation is preparing its integrated marketing communication program is the cost of sponsorship and Crompton (1993) suggests that the level of resource investment required (sponsorship fee, related promotional investments, staff time and administrative and implementation effort, in-kind resources) is a determining factor when selecting sponsorship partnerships.

The financial health of the sport property is important to the national telecommunications corporation (sponsor A1, sponsor B1) and the prior quality of the relationship especially in the selection to renew a pre-existent sport sponsorship contract is an essential criterion for the sportswear and sports equipment corporation and the large international banking corporation (sponsors A2 & C2). In contrast, the international telecommunications corporation (sponsor C1) examines the level of the football club's fan loyalty, cares to have same or similar brand characteristics with the prospective sponsorship partner and aims to improve its KPI's (dynamism, innovation and greekness) through the sponsorship agreement.

Especially in the case of multinational corporations that apart from their global appeal, they need to customize their image according to each country's culture and identity, Cousens & Slack (1996) affirm that sponsorship has the potential to heighten the corporation's image both at the national and local level and can be used as a tool to penetrate local markets. Moreover, Table 9 shows that only the large international banking corporation (sponsor C2) thinks that the management and organization of the sport property and the possible competitive advantage that it can gain from the sponsorship agreement are criteria of high importance. Fahy et al. (2002) compliment that by considering the strategic role of sponsorship and identifying two levels of competitive advantage; the attainment of advantage in the competitive market for sponsorship where the sponsorship must rise above the clutter and the competitive advantage in product markets where a successful sponsorship can provide value or enable the creation of value for customers. Furthermore, faced with the advertising clutter, it is no longer enough for many organizations to promote themselves through advertising alone and sponsorship may provide an efficient way by which to differentiate a sponsor from its competitors (Fahy et al., 2004).

Finally the prior personal relationship of the decision-maker with the football club and the manager's emotional attachment to the sport property were criteria identified solely by the second-hand luxury cars sales company (sponsor B2). As mentioned above, Meennaghan (1991) recognizes that sponsorship has the potential to be driven by personal choices, preferences or interests of the key decision makers in the corporation, as opposed to a decision based on sound commercial principles. Nevertheless, Murray (2000) suggests that such situational factors exist in sponsorship selection process and their role should only be complimentary to the main selection criteria.

To sum up regarding the selection criteria of the sport sponsorship selection process:

- *The majority of sport sponsors and sport properties have certain, precise and stable criteria deriving from their sponsorship objectives as part of their marketing strategy*
- *The most important selection criteria for both parties are the possible image enhancement that they can gain through the sponsorship partnership; the potential revenue opportunities; the match of target markets, and the prospective contract's terms (duration of the agreement, price of sponsorship, financial income gained through the sponsorship)*
- *The prior quality of relationship when deciding upon renewing a sponsorship agreement is of major importance*
- *In contrast to sport sponsors, sport properties have to select sponsorship partners from a variety of different industries and thus use special selection criteria according to the industry each prospective sponsor belongs to (banking corporations: financial stability, sportswear & sports equipment corporations: quality of their products)*
- *Duration of the agreement, quality of relationship and special criteria according to each prospective partner's industry are moderating factors*
- *Sport sponsors' selection criteria differentiate according to each organization's unique corporate and marketing strategy*

The sponsorship development process of sport properties and sport sponsors is structured and in accordance among the two sides of the deal as being depicted in Figure 6.

Fahy et al. (2002) affirm that management processes and routines need to be identified and integrated in order to develop a sponsorship culture that it is reinforced and celebrated within firms. Amis et al. (1997) take this further by suggesting that accumulated experience and sponsorship management knowledge should also be categorized and “blueprinted” where possible, as this will help to ensure the development of “internal disciplines” and facilitate the implementation of successful sponsorship management practices whereas according to Kolah (2003), it is clear that in order to insure the long-term success of the overall sponsorship, the sponsee must properly service the current needs of the sponsor by ensuring that its internal sponsorship management resources are appropriately structured.

The whole process is comprised by three phases; the information collection phase; the proposal preparation and presentation or receipt phase; and the negotiations and contract sign phase. Figure 6 shows that all nine sponsorship partners think that the collection of customer information is very important and is placed at the beginning of the process. Interestingly enough, the collection of customer information is not only identified as part of a screening process in the pre-described brand new sponsorship proposals (Group B) but is also valuable in sponsorship renewals (Groups A & C) where even though the sponsorship agreements are long-term, corporations find it important to learn how customers needs and characteristics change over time and address these changes through the sponsorship deal.

Lawrence & Moberg (2009) underline the significance for sport properties to clearly define target markets because a corporation may be attracted to sponsorship based on its ability to reach a specific target market more directly. Moreover, Brooks (1994) suggests that sponsors care to reach certain target markets and examine this thoroughly at the very first steps of the sponsorship partnership process whereas it is important for sport entities to do so by examining their market size, demographics and psychographics of the participants, spectators and television spectators and be able to determine whether or not they have compatible target markets and what amount of market exposure is available to the sponsor.

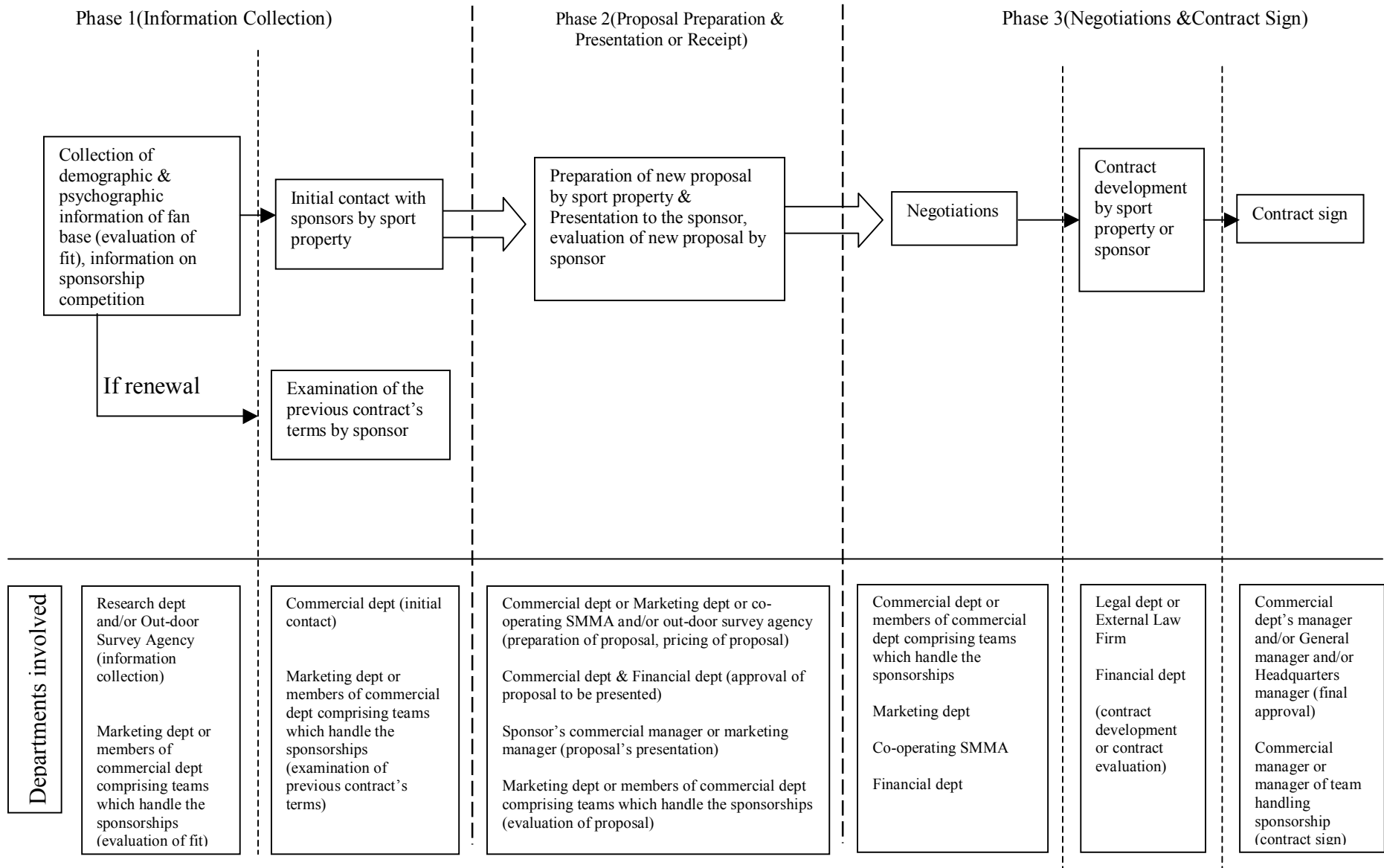
Another important point brought up by the results of this thesis is that in the first phase of the sponsorship development process the initial contact is being made by the sport

properties and all of the sport sponsors analyzed act as the receivers of the proposal. The initial contact being made mainly by the sport properties is reconfirmed by Thwaites et al study (1998) according to which 61% of companies in Canada involved in sponsorship relied on sporting organizations or event organizers to approach them. Furthermore Chadwick & Thwaites (2004) claim that most of corporations are responding to, rather than initiating, contact directly with a club or with an agent representing a club and as a result the onus for agreeing a deal is inevitably on clubs and their agents to persuade sponsors that they are attractive vehicles for their marketing communications activities. In fact, from the three sport properties and the six sport sponsors only football club C has a structured process for reversed roles.

Professional football club C has built through the years a very powerful brand and although it was the one to make the initial contact in the past, it now usually receives sponsorship proposals. Nevertheless there have been occurrences where it needed to enter a different industry in order to make a sponsorship partnership and its selection criteria weren't fulfilled by the prospective sponsor and its proposal. As a result it still has a screening process in place based on the personal network of contacts each employee of the commercial department has and every time such need emerges it is the one who makes the initial contact. It is apparent that from the total of nine sponsorship partners examined most of the sport properties make the initial contacts and hold the role of the sender of the proposals and all sponsors act as the receivers of the sponsorship proposal. Apart from one sport property none of them has a structured process for reversed roles. Chadwick & Thwaites (2004) affirm that by suggesting that sport properties are proactive in seeking sponsors whereas sponsoring corporations are reactive resulting in setting objectives and addressing leveraging issues after an approach rather than as part of a proactive sponsorship strategy.

In the second phase, all sport properties hold the role of preparing and presenting the proposals and all sport sponsors receive and evaluate the proposals whether this refers to a new sponsorship deal or a renewal of an already existing one. What managers look for in a sponsorship proposal are the exploitable components such as opportunities for team or celebrity endorsement, venue signage, hospitality tents, in-game promotions, access on-site and extended target-markets, media coverage (Gwinner & Eaton, 1999; Keller, 1993, Rifon et al., 2004).

**Figure 6. The sponsorship development process**



From the sport sponsors described, sponsor C1 adds a sub-phase in the beginning of phase 2. Before the new proposal is being presented to the international telecommunications corporation (sponsor C1), it has already identified its own needs and has made its own creative suggestions by having prepared its own sponsorship proposal including components and pricing. A very interesting stage in the sponsorship development process which can reduce the timeframe of the process for the sponsor and the sponsee and which can also ensure that the sponsoring corporation will not be disoriented by attractive and spectacular elements of the presented proposal that do not fulfil the organization's needs. Sack et al. study (2001) identifies the existence of certain patron sponsorship proposal packages by sport properties which are altered according to each sponsor's needs. Probably through such preparation like the one described by sponsor C1, sponsors could reassure the creation of more customized solutions meeting their own unique needs in a sponsorship partnership.

The comparison of the three sponsorship triads in the third phase of the sponsorship development process shows that the stages followed are common. Three sub-phases are identified for all of the sponsorship partners examined. Negotiations and possible reformation of the proposal is the first one followed by the contract development or contract receipt as soon as the sponsorship partners come to an agreement regarding the proposal's components and the whole process concludes with the contract sign sub-phase.

Negotiations involve one more stages and concern reciprocal arrangements, cost of sponsorship, and methods of exposure of the sponsor. Interestingly, the timeframe of the negotiations can be lengthened when sponsoring organizations are subsidiaries of multinationals and there is a need for approval by Headquarters. Additionally, the timeframe is expanded when brand new sponsorship proposals are negotiated in comparison with the process of renewing sponsorship partnerships. Accordingly, the timeframe of the whole sponsorship development process can be affected.

From the cases analysed in Group A as well as in Group C all three corporations having a pre-existent long-term relationship, agree upon the timeframe of the process (approximately 3 months). In fact in Group C the sponsorship partnership with sponsor C1 the timeframe is estimated at 2,5 months whereas the whole process with sponsor C2 which is a subsidiary lasts a little longer (3 months).

In contrast, in Group B, where brand new sponsorship partnerships are described, the prior personal relationship of the general director of the second hand luxury cars sales company (Sponsor B2) with the football club facilitated communication and reduced the timeframe of negotiations. In addition, a smaller sized company such as Sponsor B2 in comparison to Sponsor B1, with less departments and people involved in the sponsorship development process reduced the timeframe of the sponsorship development process to one month. On the contrary, for sponsor B1 that had no prior relationship the timeframe was estimated at 5 months. Chadwick & Thwaites (2005) claim that the length of time between first approach and signing the contract is a factor related to the commitment sport entities and sport sponsors show to one another.

The actors in each stage of the process differ by company. Sport properties have the commercial director that handles the process together with the marketing department (which has a secondary role). Football club A and football club B co-operate with out-door agencies which complete surveys or price the sponsorships. On the contrary football club C differentiates the actors involved according to the size of the sponsorship deal. When larger sized sponsorship agreements need to be handled the commercial manager assigns the sponsorship process to a co-operating sports marketing and management agency and is kept informed through every stage of the process whereas for smaller deals which are managed in-house, surveys, preparation of proposal and pricing are conducted by the football club's marketing department.

Moreover the sponsoring organizations are managing their sponsorship partnerships through their marketing departments with the marketing managers holding the main role, and with research departments operating in-house. It is important to notice that sponsor A2 has a sports marketing department, and sponsors A1, B1, and C1 have certain members of the marketing department involved in sponsorships calling them "the brand team" or "the sponsorship team". Only sponsor B2 being a smaller sized company has no marketing department and the whole process is handled mainly by the general director and its financial department. Furthermore, all sponsors have legal departments operating in-house apart from sponsor B1 which doesn't have a law department but a legal consultant. On contrary, from the three sport properties analysed football club B and football club C have legal departments whereas football club A co-operates with an external law-firm.

Regarding the co-operation with out-door sports marketing and management agencies Fried (2005) suggests that private management companies allow the ownership (team or venue) to retain all rights while the management company provides specific services such as administration and finance, booking and scheduling, security, concessions, budget analysis, marketing and sales, operations and engineering, sponsorships, ticketing and ancillary services. Moreover, Graham and Ward (2004) affirm that out-sourcing is important in management practices, and can be used in certain functions of the organization as long as a high level of communication and coordination exists among each process's functional areas.

Finally regarding the contract development stage there are differentiations among the cases regarding the question "who holds the role of developing the contract?". To this question our results showed that in some sponsorship partnerships the sponsors have the responsibility to prepare the contract whereas in others the football club makes the contract development. In addition, in the case of sponsor A2 being a subsidiary, the contract development is being made by the Headquarters.

To sum up regarding the sponsorship development process:

- *All sponsorship partners have a structured process in place like other companies do for new service development purposes.*
- *The structured process identified is the same for sport properties and sport sponsors and is comprised by three phases:*
  - Phase 1: information collection phase*
  - Phase 2: sponsorship proposal preparation and presentation or receipt*
  - Phase 3: negotiations and contract sign*
- *The collection of customer information is important for both sponsors and sponsees and is placed at the beginning of the process; in case of new sponsorship partnerships for screening purposes and in case for renewal of contract for learning how customers' needs and characteristics change over time and address these changes through the sponsorship deal.*



- *Sport properties act mainly as the senders of the proposal whereas sport sponsors mainly receive proposals. Most of the companies don't have a structured process for reversed roles.*
- *When sponsoring organizations are subsidiaries of multinationals sponsorship agreements are approved by Headquarters.*
- *The size of an organization and the number of departments and people involved in approving a proposal may extend the timeframe of the process.*
- *Negotiations involve one or more stages and concern reciprocal arrangements, cost of the sponsorship, and methods of exposure of the sponsor.*
- *The actors in each stage of the process differ by company. The departments involved for sport properties are the commercial department with the commercial manager handling the process; the marketing department; external survey agencies; the financial department, and the legal department (or co-operating external law firm). The sponsoring organizations have the marketing manager handling the process along with their marketing departments (or members of the marketing department comprising teams handling the sponsorships); research departments operating in-house; financial department, and legal department involved in the sponsorship development process.*
- *In big sponsorship agreements properties may choose to co-operate with external sports marketing and management agencies or assign parts of the process to out-door agencies.*

## V. MANAGERIAL IMPLICATIONS

The managerial implications arising from this thesis' results are very clear. To begin with the selection criteria, the use and importance placed on selection criteria varies according to the type of the sponsoring organization. As a result, sport managers should take into account the special characteristics of each sponsor (e.g. multinational vs national firm, type of industry etc.) when developing the sponsorship deal. This refers to an extended research to the needs a multinational versus a national firm may have. Different target markets, different sponsorship objectives and even different sponsorship management processes should be taken into account when preparing a sponsorship proposal. They should also make extended research on their customers' characteristics in order to make their sponsorship programs attractive since sponsors find sponsorship a powerful communication tool for aiming to specific target markets. When trying to find new sponsorship partners they should target corporation with target markets compatible to the property's target markets.

In addition, monetary benefits are vital for a living corporation nevertheless sport properties should concentrate on the possible image enhancement through the connection with a powerful brand since the image-building opportunity such connection provides can have positive long-term effects on sponsorship attractiveness of the sport property. The quality of relationship seems to influence positively sponsor satisfaction, and consequently sport managers should factor this into their budgets, recognising that such partnerships require more management time than the type of "arms length" relationship that characterises many sponsorship agreements. They could furthermore question how their organization's processes and structures are designed to encourage open and honest dialogue and working between them and their sponsoring corporations. They should also work on their brand in order to match the brands of their sponsorship targets and show that clearly in their proposals.

The selling of sport sponsorship inventory should be made on a more consultative packaging approach. A consultative packaging approach here refers to the fact that the sport sponsorship exchange is becoming more sophisticated and both sponsors and sport entities are providing and demanding more than just cash/product or promotional value in the relationship. They are interested in brand associations and long-term effects. As a result, sport properties should not be resource-oriented or preoccupied with short term revenue generations. Instead sponsorship partners should be considered to be business to business relationships and both clubs and sponsors should try to build strategic relationships between them. An attractive sponsorship package requires that sport managers should set the right price for what they offer including tangible and intangible components (brand value, experience, money and in kind offers) which will lead them to exert the greatest influence in negotiations concerning the price of the sponsorship reduce the cycles of negotiations.

Furthermore, the professional teams where some sales functions are served by private management companies or out-door agencies must ensure that a high level of communication and co-ordination exists between functional sales areas. Sport properties should utilize team philosophy of new service management in their sponsorship selling process and importantly enough they should thoroughly define and understand the job responsibilities of each team member to ensure that the right people are part of the sales team.

The sponsorship development process is very alike new service development and this is how sport managers should treat it. When trying to achieve a new sponsorship deal the same steps should be followed. Firstly an extended research and identification of the unique needs of each prospective sponsoring organization should be conducted. Secondly, a clarification of the service deliverables and the service methodology that will be followed by elucidating every step of the process will enhance the prospective sponsor's satisfaction. Thirdly, in the marketing and selling phase of the NSD, sport managers should have complete knowledge of the prospective sponsor's needs; of the impact and benefits their sponsor will experience by engaging in a sponsorship partnership, and of the exact way that this partnership will become a successful investment for the prospective sponsor. In this phase pricing the sponsorship; discount policy; presentation of the proposal and preparation of the contract are included. At the conclusion of this phase the customer signs

a purchase order for the service. Finally in the last phase sport managers should make the delivering and supporting of the service (execution of the deal).

From the sponsor's perspective, marketing managers should have a more strategic rational for sponsorship engagements. Long term relationships enable the connection of the brands in consumers' perception and arise brand awareness. Short-term contracts provide an opportunity to re-appraise both the relevance of sponsorship to a corporation and the value of alternative forms of communication, nevertheless successful sponsorship partnerships are based on long-term quality relationships, and if selection criteria are accurately defined and a thorough pre-evaluation of the sport property is conducted an opportunity to engage into a successful sponsorship business to business relationship will be provided. Moreover, in order to accomplish this, they should adopt a more proactive rather than a reactive approach to sponsorship agreements. A structured process should be in place by corporations willing to engage in sponsorship engagements through which they would be able to screen and select their prospective sponsorship partners, prepare and send them a sponsorship proposal.

Due to the fact that trust and commitment are critical factors of a quality relationship, and the reduced timeframe of the negotiations seems to affect positively the perceived levels of trust existing among the partners, sponsoring corporations especially in cases of contract renewals should adjust their sponsorship development process in such a way that it is not time consuming. Especially in multinational corporations with subsidiaries where headquarters' approval is needed and many people and departments are involved, a reduction in the process's time frame is imperative for maintaining the quality of the relationship between the two parties.

To sum up with the managerial implications arising from this thesis:

- a) *Since selection criteria of sport sponsors differ according to the type of the sponsoring organization, sport properties should take into account the special characteristics of each sponsor when developing the sponsorship deal*
- b) *Sport sponsors place importance on similar target markets hence extended research should be made on sport properties customers' characteristics in order to make their sponsorship programs attractive and when identifying*

*prospective sponsorship partners make sure their fans' characteristics are compatible with the sponsors' customer information*

- c) Revenue opportunities were identified as important selection criterion by all the corporations despite the size of the firms. Sport managers of the sport properties not only should they think of creative ideas for expanding the sponsorship relationship in every prospective sponsorship partnership or a sponsorship renewal but they should also include them clearly in their sponsorship proposals*
- d) Sport properties should also work on their brand, turn it into a powerful, attractive brand and constantly communicate it because the potential image enhancement gained through a sponsorship agreement seems as a very interesting element of the proposal for the sport sponsors*
- e) The managers of sponsoring corporations should be oriented to powerful brands and not only winning teams (e.g. one year contract with the possible winner) when selecting sponsorship partners and be able to make that distinction*
- f) Both sponsors and sponsees should invest in the quality of their relationship, by showing trust and commitment to each other before, during and even after the sponsorship agreement, since the quality of relationship influences sponsorship partners' satisfaction*
- g) Sport managers should set the right price for what they offer including tangible and intangible components (brand value, experience, money and in kind offers) in the sponsorship proposal and valid pricing methods should be used*
- h) Sport properties having to select from a variety of different industries and thus use special criteria according to the industry each sponsor belongs to, they should have clearly defined the special criteria of each industry and its rates*
- i) The sponsorship management processes of sponsors and sponsees should be designed to encourage open and honest dialogue and working among them*
- j) The selling of the sport sponsorship inventory should be made on a more consultative packaging approach (not just cash/product or promotional value but brand associations and long-term effects) which will lead sport*

*managers to exert the greatest influence in negotiations concerning the price of the sponsorship and reduce the cycles of negotiations*

- k) Sponsoring corporations as well as sport properties in cases where some functions are served by private management companies or out-door agencies they must ensure that a high level of communication and co-ordination exists between functional areas*
- l) Sport properties should utilize team philosophy of new service management in their sponsorship selling process*
- m) In the acquisition of a sponsorship deal managers of sport properties should follow the same steps of the process followed in new service development since the two processes are very alike*
- n) Sponsoring corporations should have a structured process in place through which they will be able to screen and select their prospective sponsorship partners, prepare and send them a proposal*
- o) Especially in multinational corporations with subsidiaries where headquarters' approval is needed and many people and departments are involved, a reduction in the process's time frame is imperative for maintaining the quality of the relationship between the two parties*

### ***Limitations & Further Research***

The findings of this study help managers of sport properties as well as sponsoring companies to structure and formalize their sponsorship selection and development process. However, it is limited to only nine case-studies involving 3 sport properties and 6 sponsors. Thus, results cannot be generalised easily although a multi-faceted effort was made to triangulate data. Future research should extend the number of cases in the same or in other sports, and use the theory developed for survey-based studies. Finally, the model of the sponsorship selection and development process developed can be examined in the context of new service development.

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