

GAP ANALYSIS BETWEEN CURRENT AND DESIRED SITUATION OF THE FACTORS AFFECTING THE MANAGEMENT OF AMBUSH MARKETING RISKS IN MAJOR SPORTING EVENTS

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Abstract

The purpose of this study was to analyze the gap between the current and optimal status of ambush marketing risk management in major sporting events. The research method was descriptive-causal comparative. The statistical population was all people who had the experience of leading sports caravans and being a member of the executive board for holding major sporting events. From them 160 people (by available-random method) were selected as a sample. Data collection tool was a researcher-made questionnaire consisting of factors affecting the management of risks arising from ambush marketing, which was set in two parts: the current situation and the desired situation. The face and content validity of the questionnaire was confirmed by professors and sports experts. The reliability of the questionnaire was obtained through Cronbach's alpha coefficient of 0.86. Frequency table, frequency percentage, mean and standard deviation were used to analyze the data at the level of descriptive statistics. Due to the normality of data distribution, correlated t-test was used to compare the current situation of marketing management in ambush with the expected limit and paired t-test was used to analyze the gap between the current and desired status in a significant way ($\alpha = 0.05$). The results showed that among the factors related to the management of marketing risks lurking in sporting events, cultural factors, spectator factors, rule factors, sport event management factors and media factors were lower than expected (average) and factors related to sports marketing, factors related to sporting events and factors related to sporting event sponsors were higher than expected. Analysis of the gap between the current and optimal status of ambush marketing risk management showed that in terms of professors, elites and organizers of sporting events, the situation of all aspects of ambush marketing risk management in sporting events is relatively weak.

Key words: *Sports, Marketing, Event, Sponsor*

Introduction

Marketing methods of some institutions and the formation of the concept of covert marketing is one of the considerations and problems related to sporting events and sponsorship. Ambush marketing is a phenomenon that has been occurring, especially since the 1990s, as a tactic based on companies' ambush efforts to take advantage of sporting events in marketing, without paying fees or formal contracts with event organizers. In this regard, researchers acknowledge the growing trend of covert marketing, and see it as a reason to reduce the growth of support value. Sponsors, governments and event owners spend significant resources to prevent this type of marketing (Hartland et al., 2012). Sponsors make significant investments to obtain this right. It is quite natural that they do not want to share this right with informal. It is worth noting that sponsors want to be exclusive participants. In this regard, governments invest heavily in hosting major events with diverse cultural and economic goals (Dickson et al., 2015). Chadwick and Burton (2011) view ambush marketing as an organization's efforts to capitalize on awareness, attention, goodwill, and

other benefits that come from having a relationship and attending an event, without defining whether the organization has a formal or direct relationship with it. Problems with definitions have created challenges for measuring and understanding consumer behavior. Some researchers argue that this type of marketing is ethically thought-provoking. Others claim that this method may be a competitive and legal response (Percuss et al., 2008).

Ambush (surprise) marketing is both direct and indirect. Direct ambush marketing is an approach in which a brand is highly aggressive in relating to and participating in an event. When the brand, as an official sponsor, did not pay for the sponsorship fee. On the other hand, indirect ambush marketing does not involve indirect, imposed and coercive participation, but seeks to align the brand with an event or property through offer or referral (Deitz, 2013). Covert, intangible, or in-movie advertising is a type of advertising process in which brand advertising is incorporated into the context of various media such as television, movies, computer games, newspapers, and magazines. In some cases, poetry, music, books and photos have also been

used in covert advertising. In other words, covert advertising is used in places where advertising should not normally take place. This method tries to use hidden and unidentifiable advertising stimuli to increase the popularity of a product or brand. Intangible advertising actually refers to the introduction of a product in a scene from a movie, TV series, photo, and so on. If the necessary things are applied in the design of this type of advertising and the audience is satisfied, the introduced brand will have a positive impact on the audience's mind and with the success of the film, its effectiveness will be more (Carol and McKee, 2000).

In countries such as China and India, the law is more tolerant of this type of marketing (Kalamadi, 2012). One of the most distinctive features of ambulatory marketing is that it does not anticipate how it will work. For example, hosting and broadcasting sporting events requires financial resources, and companies enter the formal sponsorship process to finance and facilitate investment. Smaller companies are not able to participate in this level of investment; however, they use creative measures to attract the attention of the population. The more attention they get, the better (Pitt et al., 2010).

Sponsors, governments and event owners attach great importance to covert marketing. But do consumers do the same? This issue has been addressed in previous studies on consumer behavior versus ambush marketing. In this regard, Seguin and O'Reilly (2008) state that there are many ambiguities about the concept of ambush marketing. These ambiguities are reflected in the abundance of definitions of ambush marketing. In this context, Shani and Sandler (1989) examined consumers' attitudes toward ambush marketing and showed that participants are indifferent to ambush marketing. Their final conclusion was that covert marketers do not deal with consumers who are hostile to them. Lyberger and McCarthy (2001) in a study using market surveying method, concluded that there is a high level of indifference in people's responses to ambush marketing. In addition, Seguin et al. (2005) conducted a study on consumer attitudes toward ambush marketing in the context of the 2000 Olympics and reported that consumers were mildly opposed to ambush marketing. Portlock and Rose (2009) also conducted research on consumer behavior and attitudes toward ambush marketing during the 2006 World Cup. They said ambush marketing seemed to be almost universally accepted by British consumers. In Iranian football, in addition to the advertisements of the official sponsors of the clubs during the event, the advertisements of the official non-sponsored participants can be seen around the match field and also among the spectators (Fallahi et al., 2016). This can be understood by Dickson (2015): "Covert marketing reduces the perceived value of the role of sponsors and, ultimately, threatens to reduce the profits of the official sponsors of the event organizers."

Khosromanesh et al. (2015) In a study entitled Designing a Conceptual Model of Sports Support in Iran, the findings showed that there are eleven main categories as conditions of sports support in Iran, which are: support, media, public opinion, government institutions, fans, economic conditions, nature of sponsor, nature of sports institution, sports activity, ambush marketing, and intermediaries. Sponsor and sports activity were identified as the two main parties in the formation of sports support and other categories influence the formation of this phenomenon by influencing these two categories. Dees et al. (2018) in their study of the effect of ambush marketing on sponsoring the sponsor brand concluded that sports sponsorship has a positive effect on a person's perception of the sponsor and probably has a role in the desire to buy. The strong association between sports advocacy and the desire to buy from a sponsor can be demonstrated by the need for spectators to express and express affiliation with their favorite team or club; So that the spectators show their dependence on the club by buying from the sponsor of their favorite club. Westberg et al. (2016) in a study entitled the effect of ambush marketing on sponsor's states that although sponsors and sponsored events believe that controlling the behavior of all players involved in the event is impossible and irrational. But the repetition of negative behaviors in an event causes the sponsor to suffer from poor event management. Dickson et al. (2015) in a study entitled Consumer Attitudes towards Covert Marketing, the results show that most people perceive ambush marketing as immoral and practical that organizations should not use. However, there is no evidence to support the suggestion that individuals ambush marketing to keep banks at a higher standard than beverage companies. Demographic variables - age, gender and place of residence - were not significantly associated with different attitudes. Grohs and Reisinger (2014) showed that being present in support improves the image of the sponsor, and in this situation, the event advertising has a positive effect on people with high bias. They believe that compatibility between the sponsor and the event is the most important stimulus for the sponsor's image, and if there is a high degree of compatibility between the sponsor and the event, the bias of the event will have a greater impact on the sponsor's image.

In this regard, previous studies have paid more attention to the ethical aspects of covert marketing. The lack of a clear strategic plan to deal with the risks posed by ambush marketing is always a concern for the organizers of these events, and the risk of losing financial support is felt if the ambush marketers are not properly and long-term confronted. The most important goal of companies for financial support is to make people aware of their brand. Meanwhile, the marketing methods of some institutions and the formation of the ambush marketing concept is one of the considerations and problems related to sporting events and advocacy. Financial support is the most important and main

source of income for sports events, so maintaining this important source is of great value for organizers of sports events. Therefore, considering the risk of ambush marketing for the loss of sponsorship of events for organizers, so identifying ambush marketing risks and adopting a strategic model and mechanism to deal with it is of great importance and research need. Therefore, the purpose of this study is to analyze the gap between the current situation and the optimal management of ambush marketing risks in large sporting events.

Methods

The present study was descriptive-correlational. The statistical population was all people who had the experience of leading sports caravans and being a member of the executive board for holding major sporting events. To determine the statistical sample size due to the limited volume of managers and officials and supervisors of sports caravans according to the use of exploratory factor analysis method was continued until the sample size is sufficient for this test, which finally selected 160 people as a sample (Were selected by available-random method).

The research tool was a researcher-made questionnaire consisting of factors affecting the management of risks arising from ambush marketing, which was adjusted in two parts: the current situation and the desired situation. Their face and content validity was confirmed by professors and sports experts. The reliability of the questionnaire was obtained through Cronbach's alpha coefficient of 0.86. Frequency table, frequency percentage, mean and standard deviation were used to analyze the data at the level of descriptive statistics. Due to the normality of data distribution, correlated t-test was used to compare the current situation of marketing management in ambush with the expected limit and paired t-test was used to analyze the gap between the current and desired status in a significant way ($\alpha = 0.05$).

Results and discussion

The descriptive findings of the study showed that 82% of the subjects were male and 18% were female. Most of the subjects were between 31 and 50 years old and 91% of them had a university degree. (Table No. 1).

Table 1: Descriptive Statistics of Individual characteristics of subjects

Variable		Frequency	Percent
Gender	Man	131	%82
	Women	29	%18
Age	Less than 30 years	25	%15
	Between 31 to 50 years	98	%62
	More than 51 years	37	%23
Education	Diploma and less	14	%9
	Bachelor	109	%69
	Master and PhD	37	%22

According to Table 2, among the factors related to the management of risks of ambush marketing in sports events, cultural factors, spectator factors, rule factors, sport event management factors and media factors are lower than expected (medium) and factors related to sports marketing, factors related to sporting events and factors related to sporting event sponsors were higher than expected.

Table 2: Results of One-Sample T-Test of

	Test Value = 3					
	Mean	Std. Deviation	t	df	Sig.	Mean Difference
Marketing -related factors	3.98	.45	27.27	159	.000	.98
Culture-related factors	1.90	.55	-25.25	159	.000	-1.10
Audience-related factors	2.56	.62	-8.93	159	.000	-.44
Event-related factors	3.28	.76	4.70	159	.000	.28
Sponsors-related factors	3.29	.44	8.32	159	.000	.29
legal-related factors	2.28	.62	-14.36	159	.000	-.71
Management-related factors	2.14	.59	-18.29	159	.000	-.85
Media -related factors	1.88	.69	-20.40	159	.000	-1.11

In order to determine the gap between the current situation and the management of ambush marketing risks in sporting events, t-test of two correlated (paired) groups (due to the parametric nature of the data) was used. In this method, the observed average dimensions and factors extracted from the qualitative part were compared with their desired average. According to the findings of Table 3, there is a significant difference between all factors in the current and desired situation, also since the average observed in the current situation is less than the average observed in the desired situation. Therefore, according to professors, elites and organizers of sporting events, the situation of all aspects of ambush marketing risk management in sporting events is relatively weak.

Table 3: Results of Paired Samples T-Test of

factors	Situation	Mean	Std. Deviation	Mean Difference	t	df	Sig.
Marketing -related factors	Desired	4.41	.57	.42	11.91	159	.000
	Current	3.98	.45				
Culture-related factors	Desired	4.38	.54	2.48	110.01	159	.000
	Current	1.90	.55				
Audience-related factors	Desired	4.49	.56	1.93	73.53	159	.000
	Current	2.56	.62				
Event-related factors	Desired	4.09	.73	.81	30.94	159	.000
	Current	3.28	.76				
Sponsors-related factors	Desired	4.41	.41	1.12	56.25	159	.000
	Current	3.29	.442				
legal-related factors	Desired	4.56	.48	2.28	76.83	159	.000
	Current	2.28	.626				
Management-related factors	Desired	4.54	.44303	2.40	103.80	159	.000
	Current	2.14	.59				
Media -related factors	Desired	4.48	.64	2.60	113.50	159	.000
	Current	1.88	.69				

Conclusion

The results showed that the management of factors related to sports marketing is more than expected but is far from the desired conditions. Marketing factors such as improving the image of the sponsor brand, improving the willingness to buy from the sponsor, controlling word-of-mouth marketing, live marketing, and financial support for loss-making companies. Gilaninia and Abbaszadeh (2011) consider the reputation of the sponsor as the most important predictor of the willingness to buy from the sponsor. Dees et al. (2018) showed that people with a more positive perception of the sponsoring company are more likely to buy from the sponsoring company's products.

The results showed that the management of cultural factors related to marketing risks in the ambush is less than expected and is far from the desired conditions. Cultural factors include materials such as ethical education with athletes, ethical education to companies, public culture, promotion of ethical education, and awarding prizes to fair-skinned athletes in the field of covert marketing. Consumers' perception of the brand image is important when choosing between different brands, given that

understanding the ethical issues of different marketing methods for the brand image is essential. Given the ethical issues in covert marketing, as well as the increasing use of covert companies to promote their products, the researcher seeks to answer the following questions: Although covert marketing activities may be legally accepted, are they legally ethically accepted? Promoting and institutionalizing the idea that ambush marketing is an unethical practice and hated brands is undoubtedly the best tactic to counter ambush marketing in the long run.

The results showed that the management of audience-related factors associated with marketing risks in the ambush is less than expected and far from favorable conditions. Spectator-related factors include training of spectator fans, training of leaders, spectator awareness, spectator training, spectator surveillance, control of influential spectators, and establishment of fan committees, inspection and control of entrances. Viewers' awareness of the sponsor has a positive effect on their perception of the sponsor's social responsibility. People who are more aware of the sponsor will find it more socially responsible. There is a positive relationship between sports advocacy

and sponsor awareness as well as sponsor reputation. Therefore, sponsors who intend to target spectators and fans of a particular event or event, sponsorship of that event can be a good and effective option. Russell et al. (2010) also showed that people who are more aware of sponsorship find sponsors more socially responsible. Audiences who are more aware of the sponsor have a more positive perception of the sponsor's reputation. The positive relationship between sponsor awareness and sponsor's reputation has been confirmed in many studies (Alexandris et al., 2007; Gilaninia and Abbaszadeh, 2011). Grohs and Reisinger (2013) showed that if there is little compatibility between the sponsor and the event, the sponsor's high exposure will reduce the sponsor's reputation. It is possible that people who are more aware of the sponsor have transferred the desirable features and image of the event to the sponsor, and this has led to a more favorable image of the sponsor. Given that sports bias during a football match has the effect of a curved shape (inverted U) on the recognition of embedded billboards. In such a case, people with a high level of bias turn their attention and focus to relevant information sources (micro-competition) and avoid irrelevant information (advertising stimuli). Therefore, people with a high level of bias when watching a football match are reluctant to pay attention to the process of sending irrelevant information. Therefore, these people pay less attention to the messages sent by ambush marketers and are less affected by ambush marketing. This could be the explanation for the negative relationship between bias and ambush marketing.

The results showed that the management of legal factors related to marketing risks in the ambush is less than expected and is far from the desired conditions. Legal factors include social responsibility, copyright laws, regulatory laws, harsh laws for offenders, and sponsorship laws. Some actions have a negative effect on the sponsor's reputation. Although it is impossible and irrational to control the behavior of all players and factors involved in an event, events and happenings must have appropriate strategies to reduce and eliminate negative behaviors. Fallahi et al. (2017) showed that supporting football increases product awareness, improves the sponsor's image, social responsibility and the desire to buy from the sponsor. Also, awareness of the sponsor, sponsor's reputation, social responsibility and adaptability have a positive effect on the willingness to buy from the sponsor; But the effect of negative behavior and ambush marketing on the willingness to buy from a sponsor is negative. In general, it can be said that supporting sports has a positive effect on the attitude of the target community towards the sponsor and is effective.

The results showed that the management factors associated with marketing risks in the ambush are less than expected and far from favorable conditions. Management factors that were a set of components such as controlling specific groups, controlling virtual networks, creating a mentally healthy atmosphere, hiring experienced managers,

employing experts, intangible control and software. Ambush marketing risks are not possible without considering the management factors. A good manager should have a comprehensive view of equipping the facilities and physical infrastructure of the event to employ qualified and experienced people and experts in all matters and establish and establish coordination and communication between all staff active in the event, media, sponsors, athletes, Spectators, etc., which in case of a defect in one of the mentioned cases, all programs of the event organization will be disrupted. In dealing with ambush marketing, a manager must first of all have a proper study of the issue and cut the way for the influence of profiteers and exploiters by planning about the existing gaps and unidentified holes. The tools needed to succeed in this are the control of specific groups from spectators to elite athletes, the control of virtual networks and the media, the creation of a calm and safe atmosphere for the use of experts and trained people, all in the success of the event manager against marketing risks.

The results showed that the management of media-related factors associated with marketing risks lurks less than expected. It is far from favorable conditions. Media factors such as control of live television broadcasts, media awareness, coordination with social media, coordination between media and sponsor. In fact, the prominent role of the media is obvious to everyone. The mass media, including the press, radio and television, play a very important role in helping to achieve these goals when broadcasting and broadcasting sporting events. In this way, companies can achieve their goals in this field (Pitt et al., 2010).

The results showed that the management of factors related to the sporting event related to the marketing risks in the ambush is more than expected but is far from the desired conditions. Event and sports related factors include controlling the negative behavior of athletes, promoting the event logo, media knowledge, training sports stars, the mechanism for introducing sponsors, and designing a logo for sponsors. Being in the public eye and being recognized as a sponsor of the event are the most important communication tools of financial support for the use of the event. Events should provide the necessary conditions for sponsors to use these tools. Thus, a sponsor who is involved in an event or sports club as a result of sponsorship is vulnerable to any negative behavior related to the sponsored event (Westberg et al., 2016). In general, just as positive concepts related to an event positive people tend to sponsor that event, and negative concepts of negative behavior of players negatively tend people to sponsor. Negative behaviors such as unsportsmanlike behavior on the field or smoking by players are likely to convey this unfavorable image to the sponsor. This negative attitude towards the sponsor of the event, which is due to the unfavorable behaviors of the players, can damage the reputation of the sponsor.

The results showed that the management of factors related to sporting event sponsors associated with marketing risks in the ambush is more than

expected but far from optimal. Factors associated with sponsors include alternative product strategies, alternative marketing approaches, increasing promotion, self-promotion in the media, lack of good sponsorship contracts with the media, and the impact of the brand player on advertising. Supporters should consider using support tools for their support program seriously. Neil and Funk (2006) showed that the star player has a significantly greater impact on sports consumers than other players. Also, Pitt et al. (2010) in a study

entitled Event Sponsorship and Surprise Marketing, state that ambush marketing is one of the main risks that threatens sponsors.

The most important strategies for managing ambush marketing risks in sporting events include general strategies such as media relations, coordination of different marketing departments, staff training and spectator culture, communication with sponsors, communication with elite athletes, creating supportive rules, maintaining reputation and increasing is in sporting event.

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