3 Literature Review and Theoretical Background

3.1 Literature Review on Sponsorship Effectiveness

This section provides a literature review that focuses on sponsorship effectiveness. The preceding work of Cornwell and Maignan (1998), Walliser (2003), and Marwitz (2006) is taken as a starting point. Their work will be extended to cover the most recent development in sponsorship research.

In regards to sponsorship research, one can observe a strong development over the last 30 years that concentrates on several practical and theoretical research streams of sponsorship. In particular, Cornwell and Maignan’s (1998) literature overview and the work of Walliser (2003), which builds on it, give a good overview of the academic research on sponsorship, starting with the 1980s. Following Cornwell and Maignan’s overview, theoretical sponsorship studies can be divided into five elementary fields of research, which are also followed by Walliser (2003): (1) the nature of sponsorship, (2) the managerial aspects of sponsorships, (3) measurement of sponsorship effects, (4) the strategic use of sponsorship, and (5) legal and ethical considerations in sponsorship.

Nature of sponsorship

‘Definitions of sponsorship are proposed and its characteristics are identified. The development of sponsorship in a particular country or a given industry is described’ (Cornwell and Maignan 1998, p. 2). This research stream is further subdivided into (a) defining sponsorship, (b) differentiating sponsorship from other promotional communication, and (c) perceptions of sponsorship. Research focused on this topic mainly in the 1980s and early 1990s (Walliser 2003).

Managerial aspects of sponsorship

‘Corporate motivations and objectives with respect to sponsorship are analyzed. Target audiences and media objectives are described’ (Cornwell and Maignan 1998, p. 2). This research is further subdivided into (a) sponsorship objectives and sponsorship selection, (b) sponsorship organization, and (c)
sponsorship control. About 20% of all papers published until 2003 concentrated on this research stream (Walliser 2003).

**Measurement of sponsorship effects**

‘The ideas of communication effectiveness and sponsorship effects, both intended and unintended, are examined’ (Cornwell and Maignan 1998, p. 2). This stream of research can be further subdivided into measuring the effects of (a) awareness, (b) image, and (c) purchase intention and other effects (Walliser 2003). This is the research stream in which by far the largest proportion, 54%, of studies were published until 2003. In terms of quality improvement as well, contributions in this area far outpaced the development of the other research streams (Walliser 2003).

**Strategic use of sponsorship**

‘Strategies and counterstrategies associated with sponsorships are investigated’ (Cornwell and Maignan 1998, p. 2). This research stream is relatively new and developed only after 1995. It concentrates on analysing the effects of integrated sponsorship activities in the marketing mix and the influences of ambush marketing (Walliser 2003). Most recently researchers have started to investigate the influence of multiple parallel sponsorships and a sponsorship portfolio strategy (e.g. Chien et al. 2011).

**Legal and ethical considerations in sponsorships**

‘The legal constraints and tax implications of sponsorship are considered, along with the issues related to the use of sponsorship to promote products that are detrimental to health’ (Cornwell and Maignan 1998, p. 2). This area of research is further subdivided by Cornwell and Maignan (1998) into (a) legal questions in sponsorship, (b) socially undesirable sponsorship, and (c) sponsorship power.

Walliser (2003) identifies various reasons why research in the evaluation of sponsorship impact (i.e. the measurement of sponsorship effects) has progressed most during the past years, which can be agreed upon and extended:

- A shift from exploratory to confirmatory approaches. The (partial) replication of studies on sponsor awareness and sponsor image has led to more certainty about identified effects.