

## Masterproef

Sports Sponsorship: An analysis of the influence of Sports Sponsorship on Purchase Intentions of FMCG Consumers

Promotor : Prof. dr. Pieter PAUWELS

Mats Willam Master Thesis nominated to obtain the degree of Master of Management



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#### Summary

In this thesis I have investigated the moderating effect of sports sponsorship on FMCG consumers' attitudes towards a brand as well as on FMCG consumers' purchase intentions. Hereby, perceived brand quality, perceived product uniqueness and perceived corporate social responsibility were used as independent variables. The main goal of the study was to analyze whether sports sponsorship positively affects FMCG consumers' purchase intentions or not.

The effect of sponsorship on consumers' purchase intentions has not been widely studied in the past. The existing literature deals with the effect of promotional tools on perceptions and purchase intentions' of consumers of high involvement products. Hereby, high involvement products are more expensive and less often purchased compared to low involvement goods. Within this thesis, the difference between high and low involvement products is explained in detail. Since high and low involvement purchase decisions are different in nature, the question is whether the same theories can be applied for high and low involvement decisions. In literature most models are developed to capture purchase intentions of consumers' of high involvement products. Although different theorists such as Hamlin statethat using the same models for high and low purchase decisions is irrational, in theory there exist a lack of literature to capture purchase intentions in low involvement purchase decisions. Hence, the Theory of Planned Behavior as used in the food industry was used within this thesis. Hereby, the influence of the independent variables on the dependent variable attitude towards a brand is measured.

As stated above, there exists a lack of suitable models to capture purchase intentions of FMCG consumers. Hence, I decided to implement variables which appear to be suitable for the scope of this study. The independent variables perceived brand quality, perceived product uniqueness and perceived corporate social responsibility were selected on the base of Van Heerden et al. (2008). However, the developed model was not tailored to capture purchase intentions of FMCG consumers. Consequently, the results of this study were expected to show whether the same model is well suitable for capturing purchase intentions in low involvement decisions as well. After reviewing the results, it became obvious that it was not the case. Perceived brand quality acted as a predominant variable on FMCG consumers' attitude towards the brand. It means, that low and high involvement decision making differs and variables such as perceived product uniqueness and perceived corporate

social responsibility are by far not as important for FMCG consumers as for high involvement decisions.

An experiment was used in order to investigate whether sports sponsorship affects FMCG consumers' attitudes towards the brand or not. In the experiment 60 male and female respondents have participated. Hereby, the target group consisted of male and female respondents with an age group between 18 and 30 years of age. The results of the experiment indicate that no significant difference between experimental group and control group was observed. Hence, sports sponsorship as a moderating factor does not significantly affect FMCG consumers' attitudes toward the brand. The measures of single items also show no significant difference between experimental group and control group. However, a detailed discussion can be found in chapter 5.

In order to answer the main question of this thesis, experimental and control group were tested regarding their intentions to purchase an energy drink. Therefore, participants were provided with a picture where a purchase situation was displayed. Hereby, Experimental Group and Control Group were confronted with the same pictures with respectively without signs of the sponsoring company. The results of the experiment indicate that there is no significant difference between experimental and control group. Consequently, it can be concluded that sports sponsorship is not expected to positively influence FMCG consumers' purchase intentions. However, there seem to exist indications that sports sponsorship affects immediate purchase intentions more than future purchase intentions of FMCG consumers. A detailed discussion is presented in chapter 5.

There are several limitations within this thesis. A pre-experimental design was used and participants have been selected due to a convenience sample. Furthermore, the sample was relatively small since only 60 participants took part in this experiment. Moreover, the selection of red Bull as a sponsoring example seems to be not perfectly suitable since it is such a well known brand. Consequently, consumers are very likely to already have attitudes towards that specific brand even before the experiment was carried out. The limitations of this study are explained in more detail in chapter 7 of this thesis.

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#### **List of Abbreviations**

FMCG	Fast Moving Consumer Goods
TRA	Theory of Reasoned Action
ТРВ	Theory of Planned Behavior
CBDM	Cue Based Decision Making
POS	Point of Sale
EG	Experimental Group
CG	Control Group
PBQ	Perceived Brand Quality
PPU	Perceived Product Uniqueness
PCSR	Perceived Corporate Social Responsibility
АТВ	Attitude towards Brand
ΡΙ	Purchase Intention
SS	Sports Sponsorship (stimulus)
No_SS	No Sports Sponsorship (no stimulus)

#### 1 Introduction

In the following chapter the research area is introduced. The presentation of background information about the topic of sports sponsorship and consumer purchase intention is followed by a precise problem discussion. Furthermore, the research purpose and research questions are presented. The chapter ends with the demarcations of the study, followed by a short outline of the thesis.

#### 1.1 Background

The first activity of sports sponsorship was recognized in the early day at the ancient Greek Olympics. At this time local organizations paid charioteers to the athletes. In return, the athletes did wear the colors of the companies in order to represent the firm. The Olympic Games in Los Angeles in 1984 were a watershed event for the industry. The Los Angeles Olympic Games Organizing committee developed a new commercial mind-set by signing a limited number of companies to exclusive official sponsorship contracts. As a result, it was the first Olympic Games which turned a profit for the host city. Moreover, sponsors more and more realized the potential of sports sponsorship. From this time on, the sector of sports sponsorship was growing. (Masteralexis et al., 2012)

Sport Sponsorship represents the biggest revenues in the sector of sponsorship and is still a growing sector with promising forecasts. Besides ticketing, TV rights and merchandising, it is an important source of revenue for the sports industry. A forecast shows that the global sport sponsorship market will increase by 2015 to 45.3 billion U.S. dollars (Figure 1.1). Further, the outlook promises that the global sport market will have a volume of 145.3 billion U.S. dollars in 2015. That means sport sponsorship will have a share of 31.2% of the global sports market. (Statista, 2013 [Online])



### Sports sponsorship: total revenue worldwide from 2006 to 2015 (in billion U.S. dollars)\*

Figure 1.1:Sports sponsorship: total revenue worldwide from 2006 to 2015,Source: Statista (2013, [Online])

The figure above elucidates that sports sponsorship revenues were and still are growing constantly over the years. Moreover, it can be observed that the growth in "even" years is higher than the growth in "odd" years. A reason for this observation could be the three major global sports events. The Olympic Games, FIFA World Cup and European Cup in Football are all hold in "even" years. These kinds of events only take place in a 4 year rhythm and therefore catch the attention of the whole sports world. This fact makes such an event interesting to sponsors who search for global attention. According to Amis and Cornwell (2005, p.2), Global Sports Sponsorship can be defined as "an investment in an individual, event, team or organization with the expectation of achieving certain corporate objectives in multiple countries".

According to Meenaghan (1991) the driving forces behind the development of the sponsorship sector are factors such as government policies on tobacco and alcohol, escalating cost of advertising media, the proven ability of sponsorship, new opportunities due to increased leisure activity, greater media coverage of sponsored events and inefficiencies in traditional media.

Figure 1.2 elucidates, that not only the revenues in the sports sponsorship industry are growing, but also the number of closed sports sponsorship deals was rising significantly from 2006-2010. This figure contributes to the statement that sponsorship in general is the world's fastest growing form of marketing (Sagicor, 2003).

Number of deals



Figure 1.2: Number of sports sponsorship deals, Source: PricewaterhouseCoopers (2011, [Online])

When deciding to engage in sports sponsorship, a company has several different opportunities to do so. The most common and used forms of sports sponsorship are: event or competition sponsorship, sponsorship of a sport, athlete sponsorship, team sponsorship as well as facility sponsorship.

In this research project the researcher aims to identify how effective sports sponsorship activities really are when aiming to increase the number of purchases from customers. Therefore, the researcher will test how sports sponsorship affects purchase intentions of FMCG consumers. Since Red Bull is the market leader in the sector of energy drinks and involved in several different kinds of sports sponsorship deals, the company is used as an example when gathering data.

#### 1.2 Problem Discussion

A company has different possibilities within the marketing mix in order to reach different kind of goals. Therefore, it is important for a company to set goals before deciding for an activity within the marketing mix. In order to gain attention of the target group, a company has the opportunity to use promotional tools. One of these tools is sponsorship, which enables the sponsor to reach a large target group with its sponsorship activity

In order to accomplish communication objectives of the firm and to reach the target group properly, an appropriate sponsorship entity must be selected which attracts the target group as efficient as possible. With a well selected sponsorship activity the defined sponsorship objectives can be reached easier. Thereby, it is important that a sponsorship activity is not introduced on its own. In fact, it should be implemented in the marketing mix of the company and fit to other promotional activities.

Moreover, the problem of companies is often that they start a sponsorship engagement with the wrong expectations. A sponsorship engagement with an Australian Football team of the third division is very unlikely to increase the sales of the company in Germany. Therefore, once again, objective setting and appropriate expectations are crucial when starting sponsorship. However, sports sponsorship in particular offers the sponsor the opportunity to reach customers through emotions and the sponsor can benefit from a well established and respected sports event, athlete or team. On the other hand, such an engagement can be a risk as well. The sponsor loses control and in case of poor performances or scandals, the negative image of a sponsorship entity transfers on the image of a sponsor and ruins the reputation of the firm.

The above mentioned facts provide the reader with a background of what needs to be considered when starting sports sponsorship. However, there still exist controversies about the actual success and influence of sports sponsorship. It is possible to determine the effectiveness of sponsorship by counting the media coverage which was gained through the sponsorship activity or by setting up consumer surveys which give a feedback about how the sponsorship activity is perceived by customers. It is stated in literature that it remains to be complicated to measure whether a sponsorship activity has direct influence on purchase numbers or at least on purchase intentions of consumers. Therefore, it can be concluded that this kind of uncertainty remains a crucial problem within the industry of sports sponsorship. For example products for youngsters require a different type of promotion in comparison to a product which targets people between 50 and 60 years of age. Therefore, it can be assumed that different factors influence the success of a sponsorship engagement depending on the target group and the specification of the product. Thus, knowing the target group is crucial for companies when closing a sponsorship deal.

When applying sports sponsorship on FMCG consumers, it remains even more difficult to state whether a sports sponsorship activity of a FMCG firm affects the purchase intentions of the target group. According to Daedalus (2010, [Online]), the decisions about what high quality product to buy is generally made at home together with other family members. However, the decision to buy for

example coffee or carbonated soft drinks is increasingly made "in front of the shelf". Furthermore, it is mentioned that other promotion activities than sponsorship significantly influence the decision making process when customers decide "in store". These promotions could be for example "buy 2 pay 1" deals.

When considering the statement above, it is questionable whether sports sponsorship activities of FMCG companies have an effect on purchase intentions of their customers. Current research in this area is lacking of a clear statement since the effect of sports sponsorship on purchase intentions of FMCG consumers has not been tested as such. To narrow down the topic of this study and to formulate a problem statement, I defined an overall hypothesis for his thesis:

#### "Sports Sponsorship increases purchase intentions of FMCG consumers"

Furthermore, in current research it is discussed whether classical buying intention models such as Theory of Reasoned Action and Theory of Planned Behavior are suitable models in order to capture purchase intentions in low involvement purchases. As a part of this research paper, this question will be dealt with. In order to answer the overall research problem, the author developed research questions which will help him to achieve the goal of making a clear statement to the research topic. The research questions are stated in chapter 1.3 of this paper.

To sum up, there still exist contradictions about sports sponsorship measurement and its influence on purchase intentions of consumers. Consequently, the objective of this study is to identify whether there exist a correlation between sport sponsorship activities and buying behavior of consumers. For this purpose, an experiment will be carried out. The experiment is explained in more detail in section 3.

#### 1.3 Research Purpose & Research Questions

Based on the problem discussion above, the purpose of this study is to provide a better understanding whether sports sponsorship activities influence purchase intentions of FMCG consumers or not. The following three research questions are developed in order to be able to answer this overall question.

**RQ 1:** What is theoretically the most suitable model to capture purchase intentions of FMCG consumers?

**RQ 2:** How can sports sponsorship be integrated into a model to measure purchase intentions of FMCG consumers?

**RQ 3:** Is sport sponsorship an effective tool in order to influence the purchase intentions of FMCG consumers?

#### 1.4 Demarcations

This study has been narrowed down by only analyzing the influence of sports sponsorship on purchase intentions of FMCG consumers. Furthermore, as a target group for primary research, only males and females between 18 and 30 years of age were part of the experiment. In order to carry out primary research, the energy drink company Red Bull was used as an example. Hereby, a ski event was used as a practical example. The experiment aims to test whether sports sponsorship of the event increases purchase intentions of participants.

#### 1.5 Thesis Outline

This master thesis can be divided into six chapters, which interrelate to each other. Chapter one provides the reader with a background of the area of sports sponsorship. It provides the reader with a sound background of the area of sports sponsorship. Furthermore, a problem discussion is introduced in order to narrow down the scope of this thesis. Moreover, research questions as well as demarcations are introduced. In Chapter two a literature review is provided. It includes a summary of the most relevant literature in the field of FMCG, Sponsorship and buying behavior respectively purchase intention. Moreover, a conceptual framework is presented, which will be relevant throughout the thesis. In Chapter three, the methodology of this research project is presented, including descriptions and justifications. Chapter four provides the reader with the empirical data gathered. The gathered data is further analyzed in chapter five where a discussion is provided. Chapter six provides the reader with managerial Implications and the thesis is closed by presenting limitations and implications for future research in chapter seven.

#### 2 Literature Review

In the following chapter, an overview of previous studies and relevant literature related to the research area will be presented. The theoretical overview will start by presenting the specifications of the product group Fast Moving Consumer Goods, theories of sponsorship as well as purchase intention models. On the base of this literature review RQ1 will be answered. In order a to answer RQ 2, a suitable purchase intention model for FMCG consumers will be selected and sports sponsorship will be integrated into this model. The model acts as a frame for this research study. Moreover, hypotheses will be developed on the base of the conceptual model.

#### 2.1 Fast Moving Consumer Goods

The following section will provide the reader with an introduction to the FMCG sector which has certain specifics. Therefore, a short definition of the term FMCG is followed by an introduction of the FMCG industry and its characteristics. Moreover, the connection between FMCG industry and the marketing instrument sponsorship will be explained.

#### 2.1.1 Definition FMCG

According to Business Dictionary (2013, [Online]), fast moving consumer goods can be defined as "frequently purchased essential or non-essential goods such as food, toiletries, soft drinks, disposable diapers." Furthermore, Gough (2003) mentions that definitions about the term FMCG vary, but generally the term is used to mean branded products that are "used at least once; used directly by the end-consumer; non-durable; and sold in packaged form". The author mentions personal care, household care, branded and packaged food and beverages as well as spirits and tobacco as the main segments of the FMCG industry. Sorgenfrey and Munch (2009) additionally add that FMCG are characterized "by being sold quickly, in large quantities, and at low cost". Furthermore, the author confirms that FMCG industry includes almost all consumables regularly bought by consumers.

#### 2.1.2 FMCG Industry and its characteristics

The FMCG industry primarily deals with the production, distribution and marketing of consumer packaged goods. Consumers generally put less thought into the purchase of FMCG than they do for other products which indicates that the general involvement in FMCG purchases can be classified as low involvement purchases. The absolute profit made of FMCG profits is relatively small, however, since FMCG companies generally sell in large numbers, it leads to the chance that cumulative profits on such products can be large. Marketing activities are crucial for companies in FMCG industry (Kotler and Armstrong, 2010). The specifics of FMCG and their characteristics for consumer purchase intentions will be explained in detail in chapter 2.3.2 and 2.3.3.

According to Sorgenfrey and Munch (2009) the FMCG sector is large and therefore an important part of almost every economy in the world. Consumers spend a big part of their budget for FMCG since the goods produced in the industry are basically necessities. The inelastic nature of the goods makes their impact on economies worldwide significant. The website about-fmcg.com (2013, [Online]) states that the whole FMCG industry has a value of \$570.1 billion. Worldwide, the biggest FMCG companies are Nestlè with a market value of \$233.5 billion, Procter & Gamble with a market value of \$208.5 billion and Coca-Cola with a market value of 173.1 billion. Hereby it is important to mention that there exist hundreds of brands under the "flagship" of a FMCG company. For example Coca-Cola markets over 500 brands of sparkling beverages, juices, enhanced waters, energy and sports drinks.

Over the last years, FMCG companies increased their spending in advertisements and other promotional tools such as sponsorship of cultural or sports events. However, at the same time prices are decreasing due to the more intense competition in the market. There might rise the question why to increase spending for promotional activities. The answer is that companies try to make the consumer aware of their products, integrate the consumer and to attach him or her emotionally to the own product in order to avoid that a consumer decides to buy a competitor product (Vyas, 2010, [Online]). The following figure elucidates advertising spending over different sectors.



Figure 2.1: Share of Global Advertising Spend by Sector, Source: Nielsen (2012, [Online])

The figure above shows that within the FMCG advertising spending is relatively high in comparison to all other sectors. It must be mentioned that the figure represents Q3 of the year 2012 and is just used to point out how intensively advertisement and promotional tools are used in the FMCG sector. When taking advertising as a promotional tool, we can say that promotional activities are a substantial part of the FMCG industry.

After having defined that differentiation and creation of product awareness is the reason for the use of advertising and other promotional tools in the FMCG industry, the question is why companies not only concentrate on advertising but also use other tools such as sports sponsorship as well. The main reason to use sports sponsorship might be to create an emotional awareness between the consumer and the brand through a sports event. Hereby, the consumer gets more involved than in classical advertisement and therefore builds a "relationship" with the company which aims to avoid switching to competitor brands and products. Hereby, sports sponsorship might be seen as a tool which strengthens the image a consumer has towards a company and even enhances it over time. As a basic rule in marketing, it is written that a promotional tool never works alone. Therefore, every sponsorship engagement or advertisement deal must be implemented in the companies' marketing mix in order to contribute to the overall success of a communication strategy. As defined in chapter 1.3 the question whether sports sponsorship is an effective tool for the FMCG industry will be analyzed and answered as a result of this study. After having defined that FMCG companies use promotional tools in order to create consumers' awareness towards the brand, the following part will introduce the importance of a well balanced and developed distribution channel.

Regarding to Sorgenfrey and Munch (2009) FMCG consists of both, a supplier that manufactures the goods and a retail side such as wholesalers or supermarkets that are responsible for selling the products produced by the suppliers. Especially when considering the beverage consumer, they seem to have a preferred brand. However, if the brand is not available in a supermarket, they are most probably expected to buy a rival or substitute product. Therefore, FMCG firms must be able to distribute their products widely in the market, otherwise even high value products and heavy investments in advertisement and other marketing activities are ineffective because consumers are expected to purchase their second choice product when the first choice product is not available. As a consequence it is important for FMCG firms to be able to distribute products widely in the market and making them accessible when and where a customer wishes to purchase it (Sorgenfrey and Munch, 2009). Having defined the importance of distribution as a base in FMCG industry, following, it will be introduced what FMCG companies do in order to catch the intention of consumers and to be able to sell all their products they offer through the well developed distribution channel. Therefore, the connection between FMCG companies and the use of sponsorship will be explained

#### 2.1.3 FMCG and Sports Sponsorship

In the FMCG industry, marketers are aware that most consumer purchase decisions are made at the point-of-sale or in store (Harris, 2000). These types of purchases belong to the category of low-involvement purchases characterized by little cognitive investment by consumers, emotional decision making and low brand loyalty (Summers et al. 2005). It has been suggested that sponsorship is particularly suitable for low involvement products such as FMCG (Lee, 2005), given that these purchase decisions require consumers to choose between brands with common characteristics. Therefore, one intention of FMCG companies to engage in sports sponsorship is to differentiate themselves from competitors.

According to Argawal (2011, [Online]) a majority of sponsoring companies have a consumer led focus in terms of product or service offering when deciding to sponsor a sports event or another sports entity. Furthermore, the author mentions that FMCG companies as well as financial companies are regular sponsors at most sporting events because it provides them with a suitable platform to reach their target group and in general a large audience through an well known sports event.

According to Woodside and Summers (2009) it is suggested that sponsorship in FMCG context is unlikely to prompt new behavior of consumers, in fact, it may makes existing brand choices slightly more attractive. This statement raises the question whether sports sponsorship is effective in a FMCG context since the success of sponsorship lies on peripheral cues and pre-existing emotional attachment or identification with the sponsoring property. Regarding to Woodside and Summers (2009) the impact of reinforcing existing attitudes and brand choices rather than prompting new purchases therefore leads to the question whether sports sponsorship is a effective tool in FMCG context. The above mentioned contradictions lead to the assumption that sports sponsorship needs to create consumer brand awareness in order to influence the attitude of a consumer over time. Therefore, the definition of creating brand awareness as a primary objective of sports sponsorship in FMCG context seems to be feasible and suitable in order to create a suitable and effective promotional tool for a FMCG company. If this primary objective is not reached, further sports sponsorship objectives of companies such as image enhancement, higher consumer purchase intentions and increased sales also cannot be achieved (Crompton, 2004). The question whether sports sponsorship affects consumer attitudes before the first purchase or after the first purchase will be discussed in more detail in Chapter 2.3.2 and Chapter 2.3.3.

#### 2.2 Sponsorship

The following part will provide a literature review about the area of sponsorship and in more detail of sports sponsorship. To provide the reader with a sound knowledge of the topic, the terms sponsorship as well as sports sponsorship will be defined. Moreover, different types of sponsorship will be introduced. Hereby, different types of sports sponsorship will be introduced in more detail. Finally, different sports sponsorship objectives of companies will be introduced. Hereby, I will point out which specific sports sponsorship objectives FMCG companies are expected to have.

#### 2.2.1 Definition Sponsorship and Sports Sponsorship

Before defining and using the term "Sponsorship" the author aims to clarify, how the term "Sponsorship" can be categorized within the field of marketing. As a base for the categorization, the author uses the traditional "4P" marketing mix. Kotler and Armstrong (2010, p.76) define the framework of the marketing mix as a "controllable tactical marketing tool - product, price, place and promotion – that the firm blends to produce the response it wants in the target market." Additionally, Kotler and Armstrong (2010) mention that promotion aims to communicate the merits of a product through activities. The aim of such activities is to animate the target group to buy the product. When considering the statement by Kotler and Armstrong, it is possible to categorize "Sponsorship" as a promotional tool which aims to reach the customer through a sponsee.

However, the use of sponsorship without implementing it in the companies' "promotional mix" is expected to be less effective. The promotional mix, or as stated by Walliser (1995) the communication mix, must be managed carefully by companies. Regarding to Walliser (1995), sponsorship is comprehensive but only a complementary tool of the communication mix of a company. It effectively increased due to the synergies that the similarities between sponsorship, advertising, sales promotion and public relations create. Furthermore, contributors of sponsorship such as (Sleight, 1989; Meenaghan, 1991; Shannon, 1999, Krüger and Dreyer, 2004; Ameri and Bashiri, 2010) agree to the statement that sponsorship is a part of the communication or promotional mix of a company and needs to be implemented well into the existing mix in order to be a success for the company.

After classifying sponsorship as a promotion tool in the marketing of companies, following, sponsorship will be defined in more detail. According to Shilbury, Quick and Westerbeek (1998), sponsorship is a business relationship between a sponsor and a beneficiary, which offers in return some rights and association that may be used for commercial advantage. Furthermore, Pope and Pope and Turco (2001) offered a lengthy definition stating that sponsorship is the provision of resources by an organization (the sponsor) to the sponsored entity, to enable the latter to purpose some activity in return for benefits contemplated in terms of the sponsor's promotion strategy, and which can be expressed in terms of corporate, marketing or media objectives. Allen (2010, p.1) states that sponsorship is "an investment, in cash or kind, in return for access to exploitable business potential associated with an event or highly publicized entity."

Regarding to Meenaghan (1983) Sponsorship can be defined as "provision of assistance either financial or in kind to an activity by a commercial organization for the purpose of achieving commercial objectives." The author further mentions that the sponsee or the sponsored activity distinguishes sponsorship from advertisement and the commercial motivation distinguishes sponsorship from altruism. The following part will provide the reader with definitions for the promotion tool sports sponsorship which is a special form of sponsorship.

According to Morgan and Summers (2005), the sponsorship definitions stated in the previous part can be criticized because none of these statements adequately captures the use of sport in marketing. It is as if the term sponsorship is regrettably limited to a promotional activity and each statement has a functional quality that makes reference to a specific application or single objective. Added to this is the historic stigma of sponsorship being charitable by nature and constituting little more than philanthropy, endorsement or patronage. Regarding to Shank (2005) sports sponsorship means investing in sports (athlete, team, league or exercise program) to support overall organizational goals, business and advanced strategies. According to Janrenaud (2006, p.49) the definition of Shank is the "simplest and most general way of defining sports sponsorship". As mentioned when introducing the term sponsorship, an implementation of sports sponsorship into the companies' communication/promotion mix is important for the success of a sports sponsorship engagement. Since sports sponsorship is still the most growing marketing instrument of firms and due to globalization and internationalization many firm are expanding their businesses, it becomes crucial for big and powerful companies to develop global marketing and sponsorship campaigns. Regarding to Amis and Cornwell (2005, p.2) global sports sponsorship is an "investment in an individual, event, team or organization with the expectation of achieving certain corporate objectives in multiple countries."

Throughout the thesis I will rely on the definition which assumes that a company is offering money to the sponsee and receives on the other hand rights such as naming rights, or the chance to place the companies' logo on different spots within the competition. I decided for this kind of definition, because it is the most common way to sponsor in professional sports. Possibilities such as offering sponsors product or using the vehicle fleet of the sponsor etc. are more common in amateur sports and are less relevant for this study. The following part will provide the reader with different types of sponsorship as well as the most common forms of sports sponsorship.

#### 2.2.2 Types of Sponsorship

According to Hughes and Fill (2005, p. 61) it can be differentiated between several main types of sponsorship. According to the authors these types are programme sponsorship, Arts/ sports sponsorship, sponsorship of other events and sponsorship of individuals and teams. Programme sponsorship is typically used at the start of a TV programme, during the interval and at the end. A significant increase in TV programme sponsorship was observed. This opportunity is providing broadcasters with a valuable new revenue stream as budgets reduce for more traditional forms of TV advertising. Regarding to Hughes and Fill (2005) the sponsorship of a sports league for example is seen as expensive. However, it is also of very high profile and therefore potentially the most costeffective way of getting increased brand awareness. Furthermore, the sponsorship type "sponsorship of other events" is also seen as a high profile type of sponsorship and offers especially smaller businesses the opportunity to raise their brand locally. Sponsorship of individuals or teams is a very popular tool for companies in order to transfer the image of individuals or teams on their own brand image. It is used by all kind of companies from small sized firms to multinational companies. In literature there exist different opinions about which sports sponsorship forms can be used by companies in order to reach their target group. However, following the most important forms will be introduced.

According to Jakobs (2009) there exist five different types of sports sponsorship possibilities for companies. The author defines these types are: athlete sponsorship, team sponsorship, sport event sponsorship, sponsorship of further and public events and ambush marketing. In order to provide the reader an overview about different types and possibilities of sports sponsorship, the defined types by Jakobs (2009) will be described in more detail and an example is provided for each of the sports sponsorship forms.

#### Athlete sponsorship

The form of athlete sponsorship means that a single athlete receives financial or material support by a company. On the other hand the athlete is responsible to fulfill communicational tasks he or she agreed on in the sponsorship agreement or contract. Hereby, testimonial contracts and supplier contracts are the most common forms of athlete sponsoring (Bruhn, 2003). With a testimonial contract a celebrity is "giving his or her face" for the company and kind of secures the quality of

companies products with his or her reputation. Due to this kind of sponsorship a company aims to become a trustworthy brand by transferring the image of the celebrity on the company image (Hauser, 1991). Supplier contracts on the other hand provide athletes with the material of a sponsor such as sport shoes for examples as well as often money in addition. The return service of athletes is that they wear the products of the sponsor during competitions and therefore represent the company as a "moving advertising column" (Pfister and Steiner, 1995). One of the largest athlete sponsorship deals has been signed at the end of 2012 between the professional golfer Rory McIlroy and the US sports manufacturer Nike. The deal guarantees McIlroy \$250 million over 10 years. Nike on the other hand will fully equip him and he will wear the company's products as well as act as a testimonial for them for the next 10 years (Brandchannel.com, 2012 [Online]).

#### Team sponsorship

The form of team sponsorship is a common and often used type of sports sponsorship. Hereby, a sponsor is sponsoring a team which is often a part of a professional sports league. As in athlete sponsorship the goal is to enhance image through the sponsored sports team. Additionally, a sports team often increases brand awareness even more than athlete sponsorship is able to do. Common forms of team sponsorship are naming sponsorships where the sponsoring company's name is also the name of the sports team. Suitable examples might be cycling teams or formula -1teams whereas for example in Europe football clubs are in general not allowed to re-name the club's name to sponsor's name. Furthermore, co-sponsoring is well established in sports. Hereby, the sponsor is acting as a smaller second sponsor which invests less money than the main sponsor of a team. Moreover, supplier contracts are well established in all kinds of sports. Hereby, a sponsor equips the whole team with its material and therefore aims to place their products and brand in the media. Generally spoken sports team sponsorship of professional teams can be seen as more expensive than athlete sponsorship. However, it depends on the degree of professionalism of the team. The mighty British football club Manchester United has agreed with Chevrolet on the most lucrative sports shirt sponsorship of a team worldwide. The deal brings Manchester United an estimated \$559 over a time period of 7 years (Brandchannel.com, 2012 [Online]).

#### Sports event sponsorship

Sport event sponsorship is a popular type of sports sponsorship for all kind of companies from global players in the market to small regional companies. Large global companies often make investments to sponsor big sports events such as the Olympics, Football World Cup or other popular sports games. Such investments in order to be an official sponsor of the event can be seen as hugely costly and therefore requires a huge amount of financial resource. However, it is expected to create favorable outcomes including profit increase, improved stock returns, and positive advertising effect (Kim, 2010). On the other hand smaller companies have the opportunity to sponsor smaller local sport events. The goals might be different as often goodwill plays an important role. However, also brand awareness creation is an important goal which leads to the overall goal of increased profit. For companies there exist different possibilities to sponsor a sports event. The most known one is when the sports event is named after the sponsor. For example Red Bull is using this strategy with its events such as "Red Bull crushed Ice" where the logo of the sponsor is omnipresent.

#### Sponsorship of further and public events

Additionally to sponsorship of professional sports events, companies have the possibility to sponsor events where leisure sport is provided. Often these kinds of events are provided for children. Sponsors often have the goal to enhance their image due to this sponsorship but also to "support the community". Often health insurance companies sponsor events for children. However, also profit increase is a goal of such sponsorship forms since for example health insurance companies inform their guests about their own company and the company logo is as well as in professional sports event sponsorship omnipresent.

#### Ambush marketing

Ambush marketing can be described as a marketing technique in which advertisers try to connect their product with a particular event in the minds of potential customers, without paying sponsorship expenses for this event (Business Dictionary, 2013 [Online]). There are plenty of examples where leading manufacturers of sports equipment use this strategy. A current example is the German "football wonder kid" Mario Götze who was transferred for €37 million from Borussia Dortmund to Bayern Munich. He has a personal sponsorship deal with "Nike" while the team is sponsored by the competitor company "Adidas". On the official presentation at the club he wore a shirt with big Nike letters. He was not allowed to do that since it was an official event of the club. However, Nike was

smart to do this kind of ambush marketing strategy since the following days newspapers were full of this "scandal". Hence, Nike was in the media even they did not sponsor the event at the press conference and they were gaining publicity. On the other hand Adidas was not amused and criticized that the Player broke the contract. As a result, Nike had publicity and made Adidas look like a "fool" without paying anything extra for it.

The following part will provide the reader with classical sponsorship objectives of companies. Thereby, it also will be introduced what sponsorship objectives FMCG companies seem to have and if these objectives differ from objectives companies in other business sectors.

#### 2.2.3 Companies' Sports Sponsorship Objectives

According to Chadwick (2005) it is important for organizations to go through several different stages before they decide which kind of sports entity they want to sponsor. A crucial first step in the design of a sponsorship program is to define sponsorship objectives. Following, different main sponsorship objectives of companies will be introduced.

Regarding to Krüger and Dreyer (2004) organizations use sport sponsorship as a support to their further marketing activities. Furthermore, Amis et al. (1999) mention that sponsorship needs to fit to the companies' image in order to be successful. A successful sponsorship activity then can lead to an increased image of the company as well as differentiate the company from its competitors which is important nowadays on a competitive market.

According to several authors such as (Amis et al, 1999; Sparks and Westgate, 2002; Ivarsson and Johnson, 2004; Mansoupour, 2007; Smith, 2008; Ameri and Bashiri, 2010), common sponsorship objectives of companies are increasing public awareness of a brand or company as well as changing or enhancing company image or brand image. Cornwell and Maignan (1998) also mention image improvement as an important sponsorship objective. Furthermore, they add goodwill as an objective when deciding for a sports sponsorship engagement.

Regarding to Shank (2005) sponsorship objectives can be either direct or indirect. It is mentioned that direct sponsorship objectives are for example sales increase and short-term influence on customer behavior. On the other hand, indirect sponsorship objectives finally result in the desired

goal of increasing sales. For example build relations, create awareness, improve the image or reach new target markets.

According to Ameri and Bashiri (2010) a good financial return relative to other communication tools is an important objective for companies involved in sponsorship. This fact depends on the fact that other communication tools become increasingly more expensive. Jobber (2001) mentions five objectives companies' have with sponsorship. According to the author, gain publicity, create entertainment opportunities, foster favorable brand and company associations, improve community relations and create promotional opportunities are the main objectives for companies when deciding for the use of sponsorship.

As mentioned earlier, sponsorship must be included within the marketing mix of a company and must fit to the corporate image of a company in order to create a successful sponsorship for the sponsor as well as for the sponsee. This assumption is supported by Dolphin (2003). According to the author, corporate sponsorship objectives must be achieved to create a successful sponsorship. Dolphin (2003) defined these sponsorship objectives as follows: enhancing corporate image, increasing awareness of brands, stimulate the sales of products or services and leveraging the corporate image.

Due to the fact, FMCG companies only make profits if they sell their products in high quantities, one main objective for FMCG to engage in sports sponsorship seems to be sales increase. Furthermore, FMCG industry is highly competitive. As a result, a second specific objective for FMCG companies might be differentiation through sports sponsorship. In general, I am convinced that the introduced literature of sponsorship objectives fits for FMCG companies as well. However, the two mentioned objectives seem to be most relevant for firms in the FMCG industry.

#### 2.3 Purchase Intention

The following section of the literature review deals with the area of purchase intention. Therefore, common definitions of purchase intention will be introduced. Afterwards, the author introduces the most relevant purchase intention models for this thesis. Finally, the most suitable model for the purpose of this study will be used selected and the model of sports sponsorship will be integrated into the chosen model.

#### 2.3.1 Definition Purchase Intention

According to Businessdictionary.com (2013, [Online]) purchase intention is a "plan to purchase a particular good or service in the future". This definition is relatively simple and consequently not sufficient when aim to understand what the term really means. Regarding to Dodds et al. (1991) the term purchase intention describes the subjective judgment by the consumers that is reflected after the general evaluation to buy a product or service. The explanation by Dodds et al. (1991) suggests that purchase intention covers several essential meanings. The essential meanings are: consumers' willingness to consider buying; buying intention in the future; decision of re-purchase. After shortly having introduced how purchase intentions are defined, following, different purchase intention models are introduced in order to answer RQ 1.

# 2.3.2 RQ 1: What is theoretically the most suitable model to capture the purchase intentions of FMCG consumers?

The following chapter will provide the reader with the classical models to capture consumers purchase intention. In order to be able to answer the given research question, the goal is to introduce the most common purchase intention models, which are most accepted in classical literature by authors of the research area. The question is then which model is the most suitable to apply on FMCG consumers. At the end I will select a model as the theoretically most suitable one and I will justify my decision.

#### Attitude in Consumer Behavior

Firstly, because many researchers state "attitude" as an important concept in consumer research, I will explain what attitude is and how it is applied and used in consumer research. According to Kroeber-Riel et al. (2009, p.210), "attitude" is one of the concepts that created and still creates a high

interest for the area of consumer research. However, there exists no common definition of the term "attitude". According to Petty et al. (1991, p.242) attitudes are "global and relatively enduring (i.e., stored in the long-term memory) evaluations of objects, issues or persons (...). These evaluations can be based on behavioral, cognitive, and affective responses". Their statement means that an attitude results on the base of information processing, experiences and actions. Furthermore, attitudes are stable and have a long-term character, which drives further behavior (Kroeber-Riehl et al., 2009, p.211).

After defining the importance of attitude in consumer behavior, following, two of the most accepted and most discussed traditional attitude theories will be introduced. These theories are Theory of Reasoned Action (TRA) developed by Fishbein and Ajzen (1975) and the Theory of Planned Behavior (TPB) developed by Ajzen (1985, 1991). Since TPB is an extension and modification of TRA, the TRA will be introduced first.

#### **Theory of Reasoned Action**

According to Hale et al. (2003), Fishbein and Ajzen developed the theory of reasoned action (TRA) out of frustration with traditional attitude-behavior research. The traditional approaches found weak correlations between attitude measures and performance of volitional behaviors. When inventing TRA the aim of the researchers was to explain volitional behaviors, what can also be described as making conscious decisions.

According to Hale et al. (2003) TRA posits that the strongest or most proximal predictor of volitional behavior, which can be seen as the final purchase, is one's behavior intention. Behavioral intentions are the result of an individual influence, which is a person's attitude towards performing the volitional behavior. Furthermore, it is the result of a normative influence. Fishbein and Ajzen (1975) referred normative influence on intention as one's subjective norm.

Related to TRA, an attitude is an affective or valenced response toward performing some behavior and not towards some generalized attitude object. The attitude is weighted by the salience or importance of the attitude to the targeted person. A subjective norm is seen as a person's belief about whether significant others feel that he or she should perform the target behavior. Again, the influence of the subjective norm is also weighted by salience or relative importance of the normative influence to the target person (Hale et al, 2003).

The following figure elucidates that volitional behaviors are influenced directly by behavioral intentions. The behavioral intentions of an individual on the other hand, are the result of both attitudes toward performing the behavior and subjective norms related to the behavior.



Figure 2.2: Theory of Reasoned Action, Source: Fishbein and Ajzen (1975)

Furthermore, the figure above shows how someone's attitude and the subjective norms are influenced. Regarding to Fishbein and Ajzen (1975) the attitude of a person towards a behavior is determined by his or her beliefs on the consequences of this behavior which is multiplied by his or her evaluation of these consequences. Hereby, beliefs are defined by the person's subjective probability that performing a particular behavior will produce specific results. The TRA suggests that attitudes are influenced by external stimuli. These external stimuli then modify the structure of the person's beliefs. Subjective norms represent a social-cognitive component to the theory of reasoned action. They result of normative beliefs regarding the behavior, or the extent to which referent others are perceived to approve or disapprove of the target behavior, weighted by the individual's motivation to comply with those beliefs.

Additionally to the figure of TRA, Fishbein and Ajzen (1975) mention that there are further factors which can influence the behavior of an individual. These factors are mentioned as external variables

and according to the authors, they only influence an individual's behavior indirect by influencing either the attitude or indirect norms. According to Davis et al. (1989) external variables can be for example the characteristics of a task, the type of development implementation, the political influences or the organizational structure. Regarding to Sheppard et al. (1988) the model of TRA can produce good predictions of choices made by an individual when facing several alternatives.

According to Hale et al. (2003) the criticism of TRA is clustered around three issues. First, the relationship between attitudes and normative beliefs. Second, whether TRA components are sufficient predictors of intentions and behaviors. Third, the restricted range of meaning encompassed by the theory. Many authors criticized TRA and in 1985, Ajzen further developed the theory which lead to the Theory of Planned Behavior which will be introduced following.

#### **Theory of Planned Behavior**

The following model, Theory of Planned Behavior (1985), is an effort to expand the range of behaviors encompassed by the TRA. Ajzen (1985) mentioned that TRA predicted and explained volitional behaviors quite well, but he presented the TPB to predict and explain behaviors that were not completely under the volitional control of the actor. Therefore, Ajzen (1985) added perceived behavioral control as a component to the existing components of TRA. According to Eagly and Chaiken (1993, p. 185) perceived behavioral control is "one's perception of how easy or difficult it is to perform the behavior". Moreover Hale et al. (2003) state that the perceived behavioral control construct is most closely to the self-efficacy construct of Bandura. Self-efficacy is described as judgments of how well one can execute courses of action required to deal with prospective situations (Bandura, 1982, p.122). In his research, Bandura (1982) shows that self-efficacy influences the activities individuals choose, their preparations for the activities, and the amount of effort that is expended when completing activities. TPB includes perceived behavioral control in a similar way as a predictor of behavioral intentions and directly of behaviors. In TPB perceived behavioral control is posited to be a function of control beliefs and perceived power. Control beliefs are ones related to presence or absence of the resources and opportunities required for performance of the behavior. Perceived power is the ability of the control attribute to facilitate or inhibit the performance of the behavior (Hale et al, 2003, p.277). The following figure visualized the model of TPB proposed by Ajzen (1985).



Figure 2.3: Theory of Planned Behavior, Source: Ajzen (1985)

According to Hamlin (2010) TPB is in today's research still a valid and reliable model which is used in order to evaluate purchase intentions of customers. After having introduced the classical TPB, following, adjusted types of TPB will be introduced. I am convinced that this introduction is important since this method is common in theory. It gives researchers the opportunity to tailor the model for the research purpose in a certain research area.

#### **TPB in Sports Sponsorship Context**

Theory of Planned Behavior was adapted to test consumers' purchase intentions in different industries. Hereby, the food industry for example used attitude towards the brand as a dependent variable in order to predict purchase intentions of food consumers. Also, Van Heerden et al. (2008) used a part of TPB as a model in order to test the influence of sports celebrity endorsement and sports event sponsorship on consumers' attitude towards brand. Hereby, the authors intended to measure pre- purchase attitudes towards a brand. When considering figure 2.3, Van Heerden et al. (2008) did not consider subjective norm and perceived behavioral control as variables. It must be mentioned that the model intended to test attitudes towards a watch. Hence, it can be seen as a test for high involvement products. In their model Van Heerden et al. (2008) used Perceived Brand
Quality, Perceived Product Uniqueness, Manufacturer esteem and Perceived corporate citizenship as independent variables. They used sports event sponsorship and sports celebrity endorsement as moderating factors. As mentioned before, attitude towards a brand was used as the dependent variable.

After introducing the classical and in theory most cited consumer purchase intention models which are based on Fishbein & Ajzen and Ajzen, following I introduce the difference between High and Low Involvement products. The introduction of High and Low Involvement Products gives me the chance to classify FMCG. I am convinced that a classification is useful and necessary at this point in literature to be able to answer the research question and to find a suitable purchase intention model for FMCG consumers.

#### High Involvement vs. Low Involvement Products

Prior research has categorized different product classes which can be distinguished in high and low involvement products. Furthermore, researchers suggested that there exist different types of purchase behavior in each product category (Krugman, 1965). Low involvement products on the one hand are frequently purchased products such as toothpaste or soda water. They perceive little linkage to their important values and little consumer commitment to brands. High involvement products on the other hand are less frequently purchased, and result in more brand-differentiated product classes such as automobiles or computer equipment. In these latter product classes, more direct linkage to personal values and more commitment to brands have been assumed (Kim and Ko, 2013). Moreover, prior research identified differences in effectiveness of information. They indicated that low involved customers were affected by quantity of information rather than the quality of information, while high involved customers were more influenced by quality information (Kim and Ko, 2013). The stated differences between high and low involvement products indicate that there also might be significant differences in evaluation purchase intentions between consuming this different kind of products. Therefore, the following part deals with the categorization of FMCG whether as products where consumers have a high or low involvement when purchasing the goods.

#### **Fast Moving Consumer Goods and Involvement**

According to Lancaster and Withey (2003) consumer goods markets are markets where the consumer is purchasing products and services for their own or perhaps their family's use. Therefore,

the principal motives for purchase can be seen as personal in nature. FMCG represent a sub-element of consumer goods purchasing and marketing. Hence, goods are identified as FMCG when customers are purchasing products or services for personal reasons but products which generally involve relatively low financial outlays. Furthermore, FMCG are bought frequently and are generally nondurable. Moreover, Lancaster and Withey (2003) adds that FMCG are bought with little information search or alternative evaluation by customers.

Regarding to Kitchen and Proctor (2001, p.98) FMCG are "everyday necessities of a relatively low unit value with which we are all familiar". In contrast to the purchase of organizational goods, where logical economic and performance factors determine purchases, more irrational motives surround FMCG buying and generally little pre planning goes into their purchase (Lancaster and Withey, 2003). According to Beaton, stated in Gough (2003, p.57), consumers such as consumers of Red Bull, "have a low involvement in their purchases of FMCG...they tend to know the brands they want and don't wish to spend any more time than necessary in purchasing them".

The statements above indicate that FMCG can be categorized as Low Involvement products that require compared to high involvement products little money, less information and less time before the decision to buy a product is made. After having defined that FMCG are low involvement products that require a low involvement evaluation process, following, the introduced theories TRA and TPB will be evaluated regarding their suitability to capture the purchase intentions of FMCG consumer.

#### Evaluation of Theory of Reasoned Action as a model for FMCG consumers

Since the scope of TRAis explanatory, a wide range of behaviors have been excluded such as those that are spontaneous, impulsive, habitual, the result of cravings, simply scripted or mindless (Bentler and Speckart, 1979; Langer, 1989). Such behaviors are excluded because their performance might not be voluntary or because engaging in the behaviors might not involve a conscious decision of the actor. Since purchase decisions of FMCG often are made in front of the shelf, which means in-store, it can be assumed that FMCG often are purchased due to spontaneous behavior. Furthermore, the low product involvement leads often to re-purchases of consumers. Therefore, also habitual purchases are to expect in the FMCG industry. The facts stated above lead to the conclusion that TRA by Fishbein & Ajzen (1975) is not a suitable model to capture the purchase intentions of FMCG consumers.

#### Evaluation of Theory of Planned Behavior as a model for FMCG consumer

Researchers such as Conner (1993) used TPB as a purchase intention model for low involvement decisions. However, to do so, and to maintain that high and low involvement evaluations are completely different at the same time, is in itself irrational, and leads to theoretical discomfort. According to Assael (1992) there are three logical requirements that any model of low involvement evaluation must satisfy. These are:

- 1 The evaluation must occur before purchase
- 2 The evaluation must be structured/rational
- 3 The evaluation must be driven by unstructured passively acquired knowledge

According to Hamlin and Welsh (1999) TPB satisfies requirement one and two but fails on the third requirement since TPB requires the consumer to evaluate all the alternatives on a consistent and persistent set of criteria, upon which their knowledge of all of the alternatives is structured. The only product which would satisfy this requirement in the food industry is wine. Since this is the exception, it will be not included within this thesis. In other areas, such as general food products, where knowledge is passively acquired, disorganized and diffuse, it does not work at all (Hamlin, 1997). The existing and accepted theories of low involvement consumer learning would indicate that the latter situation is more typical of FMCG evaluation situations. According to Hamlin and Welsh (1999) TPB is basically made for high involvement products and to capture high involvement decision making of consumers. The TPB in its traditional form is therefore unlikely to be a meaningful model of FMCG evaluations (Hamlin and Welsh, 1999).

After having decided that TRA as well as the traditional form of TPB are no suitable models to capture the purchase intentions of FMCG consumers, I have to find an alternative model. Research and model development for low involvement evaluation is according to Hamlin and Welsh (1999) less developed than for high involvement evaluations.

Low involvement decisions cover all Fast Moving Consumer Goods, and represent the majority of consumer purchases which makes this category important for researchers. Therefore, it appears to be surprising that the texts and literature of the marketing discipline contain no models of the low

involvement evaluation and decision process (Hamlin and Welsh, 1999). Hamlin (2010) wrote an article which is named "Cue-based Decision Making: A new framework for understanding the uninvolved food consumer". The article examines low involvement decision making, the non-cognitive process that determines the outcome of the vast majority of food purchase decisions. The authors mention that except of the product wine, all products can be classified as low involvement products. This fact makes the article interesting for the purpose of this study, since FMCGs were defined earlier as low involvement products which require low involvement decision making. Hence, I put a high emphasize on this article and its outcomes in order to answer RQ 1. The work is relatively new, critically evaluates the existing work of low involvement decision making and aims to develop a new approach for the measurement of low involvement decision making.

#### The low involvement hierarchy of effects

There exist low involvement and decision making models in literature, however, these models only describe the structure of low involvement learning instead of evaluation and decision making. The reason for a missing suitable model could be the presence of the low involvement hierarchy of effects developed by Krugman (1965). This model denies the possibility of a pre-purchase evaluation and decision process in low involvement purchase situations. Following, the typical low involvement hierarchy of affects is as follows:

- 1. Brand beliefs are formed first by passive learning
- 2. A purchase decision is made
- 3. The brand may or may not be evaluated afterwards

The question is why are low involvement evaluation models less present in literature? Hamlin and Welsh (1999) state that on the base of the low involvement hierarchy of effects, researchers have to assume that the consumer is irrational at or prior to the point of purchase. Hence, evaluation and purchase decisions will be impossible to analyze. As a conclusion, it could be assumed that consumer research by definition is undirected and a waste of time and money. Given such a conclusion, the lack of enthusiasm for low involvement decision making among the ranks of consumer behavior and market research practitioners becomes more understandable. Since a decision must be a structured

and ordered process in order to be modeled, low involvement processes cannot be modeled on the base of the introduced literature and understanding.

Hamlin and Welsh (1999) examined major obstacles to establish that it is possible to have a structured rational process that can be modeled in a low purchase environment. Firstly, the widely accepted low involvement hierarchy of effects presents a major obstacle. The model is described by the authors as an illogical concept and they state that the low involvement hierarchy of effects "ignores the fact that even the simplest process of recognition, even for the purposes of routinized buying, involves quite a complex series of evaluations in which memory and the cues presented by the product interact. This complexity increases rapidly if the consumer starts to evaluate a series of alternatives for a first time purchase." Moreover, Hamlin and Welsh (1999) mention that FMCG market practioners as well as trade and business magazines support the assumption that purchase is not preceded by evaluation must be false and therefore the low involvement hierarchy of effects is not valid anymore. The basic hierarchies of effects for high and low involvement decisions are therefore likely to be similar, it is only the nature of the evaluation and decision processes that is likely to differ (Hamlin and Welsh, 1999).

After denying the assumption that no evaluation is made in low involvement evaluation, following, differences between high and low involvement processes will be figured out in order to be able to build up a suitable model. Hamlin and Welsh (1999) stated that rationality could be one difference. Low involvement evaluations are unstructured and irrational what could be supported by the passive learning process associated with low involvement decisions. On the other hand, high involvement evaluations can be described as structured and rational. The prediction that the knowledge generated by passive learning will be highly unstructured, inaccurate and incomplete is borne out by research into consumer knowledge of low involvement purchase categories such as food (Wiseman, 1994).

Hamlin and Welsh (1999) mention the example of Aristotle's theory and demonstrate that rational and highly structured processes can be driven by incomplete information, and that such processes can and do exist. Hence, the authors state that it is perfectly possible that "equally rational low involvement decision processes may exist, that have not yet been recognized as such, due to their

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seemingly irrational outcomes to those possessed of higher quality knowledge" (Hamlin and Welsh, 1999, p.3).

Hamlin and Welsh (1999) dealt in their article with the question whether or not there exists an alternative model for FMCG evaluations. It must be a rational process that is able to use unstructured and irrational information as inputs. Since there still exists a denial of rationality in low involvement decision theory, it is very much possible that an alternative to TPB already exists within the body of research literature in a developed form. However, due to its reliance on an irrational input, it has not yet been recognized as a rational decision process or even as a decision process at all.

This article of Hamlin (2010) describes that one outcome of the extensive application of cognitively driven research tools within the consumer behavior research literature is the widely held assumption that the behavior of the uninvolved food consumer can be reliably described by a family of decision paradigms that rely on the complex cognitive processing patterns that are more typical of an involved consumer. The Theory of Planned Behavior, which was introduced earlier in this chapter, is perhaps the best known of these paradigms (Hamlin, 2010). Hamlin challenges this position in his article and introduces the concept of Cue-Based Decision Making (CBDM) as an alternative model of the uninvolved food consumer. According to the author, this model conforms more closely to observed patterns of food consumer behavior. Following, the Cue-Based Decision Model will be introduced as a model to capture purchase intentions of consumers with a low product involvement.

#### **Cue-Based Decision Making Model**

Hamlin (2010) proposed cue-based decision making as a suitable model for low involvement evaluations. Hereby, CBDM is capable of being both tested and developed. Furthermore, it does not rely upon the doubtful assumption of involved, cognitive reasoning at the point of sale. 'Cue utilization' is strongly associated with consumer reactions to FMCG and especially food products. In literature, there exists a large body to cue utilization (Monroe & Dodds, 1988; Rao & Monroe, 1989; Richardson, Dick & Jain, 1994). Regarding to Welsh and Hamlin (1999) it can be assumed that there is a process of cue utilization which is followed by a decision process. The model presented by Dodds et al. (1991) shows a developed and more complex model than a first model developed by Olsen (1978). For further research the outcome of the process was most interesting since it was 'willingness to buy' or conation which was also the outcome of TPB which means that there is no room for any

decision process to follow on from the cue utilization process. The models of Olsen (1978) and Dodds et al. (1991) are mutually exclusive and the second one is not a cue utilization process, but a cue based evaluation and decision process. Therefore, it can be mentioned that cue utilization processes present an alternative rather than an adjunct to TPB. Figure 2.4 below elucidates that high involvement purchases start with active learning of the consumer and the acquired knowledge is structured and then leads to a rational decision which can be measured with TPB. In comparison low involvement purchases start with passive learning and the acquired knowledge is unstructured.



Figure 2.4: Difference in structure between TPB and CBDM, Source: Hamlin (2010)

According to Hamlin and Welsh (1999) the cue based decision making model differentiates itself from TPB since it does not rely on a fixed long-term structure of consumer knowledge for the structure of evaluations. In fact, the decision is based on the information about the product that is immediately available to the consumer in the form of cues. The advantage is that the model is more flexible which is important and required to run off an unstructured information base in the immediate and self-contained manner that is characteristic of low involvement decisions (Hamlin and Walsh, 1999). Regarding to Hamlin (2010) cues do not merely influence the evaluation or decision under this model. As they are invariably encountered as a related 'set' within a particular category or choice situation, they also provide its (temporary) structure. It is this additional role of sets of multiple cues in establishing a temporary evaluation structure at the POS that distinguishes CBDM from cue utilization.

According to Hamlin (2010) cue utilization has not been presented as a stand-alone decision model in literature before. However, Hamlin used the large available literature of cue utilization together with the existing literature of consumer heuristics in order to construct a cue based decision making model that is equivalent to the TPB. Hereby, Hamlin (2010) is using already published assumptions and comments of researchers of the area. The model presented by Hamlin is represented in figure 2.5 below.



Figure 2.5: Cue-Based Decision Making model, Source: Hamlin (2010)

Hamlin (2010) gave a typical example of CBDM with a supermarket as the surrounding. The author describes that a consumer has a single body of amorphous, passively acquired and non-cognitively retained information. The consumer then steps towards a product display and there array of cues are presented such as color, brand and price. The presented array of cues forms the framework of evaluation upon which a set of heuristics relating to these cues based on information pulled up from memory is hung. Then, the evaluation is made and the product is selected. Regarding to Hamlin (2010) this process occurs in less than five seconds, and without the consumer probably being aware which cues were used and which information was retrieved from the single unstructured mass of factoids residing in their memory to create the relevant heuristic set upon which their evaluation was based. The consumer turns away from the display and the cue set and the evaluation is immediately downloaded and discarded.

According to Hamlin and Welsh (1999) an abstract construct is created in response to each cue by retrieval of information from the unstructured information that is available to the consumer. This construct is either positive or negative with respect to the specific decision being taken in terms of the consumer, the product, and the circumstances of the purchase. In this model, these abstract constructs are used to develop a comparative evaluation and subsequent conation by addition. A cue-based model of this type satisfies the three theoretical prerequisites identified earlier in this paper. Even the model of CBDM model of Hamlin sounds promising, the reader needs to bear in mind that no academic support for the model was made. Respected sources such as the Journal of Marketing Research and the Journal of Consumer Research did not catch up the model yet. Furthermore, there is no indication of further academic support found for the proposed model.

#### Selection of a suitable purchase intention model for FMCG consumers

According to Hamlin and Welsh (1999) and Hamlin (2010) who tested whether low involvement decision models can exist or not, **a cue based decision model** is theoretically the most suitable model to test purchase intentions of FMCG consumers. Hereby, I base my decision on the expected potential of the study since it concentrates on decision making for low involvement products. Even a cue based decision model has not yet been previously explicitly stated or tested, researchers using the assumptions and structures that exist within the stream of research. This previous research achieved significant results in experimental situations that are similar to those in which TPB has failed (Richardson, Dick & Jain, 1994; Hamlin 1997). This indicates that structured cue based evaluation and decision models of this type can exist, and may have promise as a viable structure upon which to base our understanding of FMCG evaluations.

To draw a conclusion, I decided to select a cue-based decision making model as the theoretically most suitable model for the scope my study in order to capture purchase intentions of FMCG consumer. The selection is based on the involvement classification which was made for FMCGs. Furthermore, the article of Hamlin (2010) played an important role for this decision since the author critically analyzed the existing literature of low involvement decision evaluation. As mentioned in this paper, the status of research of cue based decision making as a suitable model is not yet far developed. Hence, a clear guidance for the framework conceptualization is difficult. Therefore, I state once again, cue-based decision making seems to be the theoretically most suitable model to capture purchase intentions of FMCG customers. In comparison to other introduced models, it concentrates

on low involvement purchase decisions only. However, it must be considered that research of this model is not yet far developed and other introduced models such as the model of Van Heerden et al. (2008) have the advantage that a application on sports sponsorship was already made even for high involvement decisions. As a result, I have to make a decision whether a cue based decision model is applicable within this study or not. Following, RQ2 will deal with the implementation of sports sponsorship into a purchase intention model.

# 2.3.3 RQ 2: How can sports sponsorship be integrated into a model to measure purchase intentions of FMCG consumers?

The following chapter deals with the approach to integrate sports sponsorship into a purchase intention model which aims to measure purchase intentions of FMCG consumers. Hereby, I have to decide how sports sponsorship influences purchase intentions of FMCG consumers. Therefore, I have to decide at which point of the process the purchase intention of consumers is influenced by sports sponsorship activities of FMCG companies. As a result, following I aim to clarify whether sports sponsorship works as an antecedent or as a moderator within the purchase intention model.

As suggested in RQ1 of this thesis, cue-based decision making model developed by Hamlin (2010) is in my opinion theoretically the most suitable model with a great potential in order to capture purchase intentions of FMCG consumers. Now, I am going to clarify how sports sponsorship is supposed to influence consumers buying intentions. Therefore, a short summary of the main assumptions of this topic in research will be made. Hereby, it is not ruled out that there might appear some contradictions when integrating purchase intention model and sports sponsorship into one model. As a result, it might be necessary to use a different model in order to capture purchase intentions than the model suggested as the theoretically most suitable one in previous research question.

According to Kim (2010) there exist two possibilities to examine the effect of sports sponsorship. One possibility is to examine it in terms of consumer psychology and a second is in financial perspectives. Consumer psychology approach focuses on process in which sports sponsorship is transferred into behavioral intention based on cognitive and affective psychological mechanism. Within this study, I

will examine sports sponsorship effectiveness in terms of consumer psychology, more precise, the influence of sports sponsorship on consumers purchase intentions.

According to Woodside and Summers (2009) sponsorship, particularly in FMCG context, is unlikely to prompt new behavior of customers immediately. Instead, it may make exiting brand choices more attractive. This assumption correlates with the literature discussed in research question 1. Moreover, Tanvir and Shahid (2012) states that sports sponsorship plays a tremendous role on building higher brand image which leads to higher purchase intention of consumers. Other authors such as Van Heerden et al. (2008) suggest that sponsorship has an influence on pre-purchase intentions of consumers. Therefore, the question is, whether sponsorship of FMCG acts as an "antecedent" or as a "moderator". Following, I will discuss whether it is more suitable to use sponsorship as an antecedent or as a moderator for the scope of this study in context of FMCG.

#### Antecedent vs. Moderator

There exist different possibilities how sports sponsorship can influence purchase intentions of FMCG consumers what means there are different opportunities of how to implement the concept of sponsorship or more specific, sports sponsorship, into the purchase process. The promotional tool sponsorship can either work as an antecedent or as a moderator.

Within the structure of Cue based decision making for low involvement purchases such as presented in figure 2.4, it can address the consumer before he or she even ever heard of the product. This influence would work passively and is in theory described as passive learning. It then would be a part of unstructured knowledge which exists in comparison to structured knowledge in high involvement purchases. This opportunity would mean that sports sponsorship works as an antecedent.

The other possibility is that the concept of sports sponsorship acts as a moderator which means that it aims to "fasten" the purchase of a consumer who is already aware of the product. In the cue-based decision making model sports sponsorship then could be seen as one external cue in the process of decision making. This would mean that sports sponsorship is one cue of many within the purchase process. However, it remains unclear how all these moderating factors as cues can be weighted. It can be assumed that some cues contribute more to the final purchase decision than others. For me as a researcher, this problem makes the application of the CBDM difficult since no similar studies have been carried out with the use of CBDM.

As often in low involvement product theory mentioned, first purchases generally take place at point of purchase without consumer having any deeper knowledge about the product. Therefore, literature suggests that FMCG consumers might not be informed about certain sponsorship activities of a company when purchasing the companies' product in a grocery store. Theorists such as Ehrenberg mention that an evaluation of the purchase often takes place after the purchase. Also, after the purchase a consumer might generate further information about a product which would also contain information about a sport sponsorship activity which can increase the attitude a consumer has towards a sponsors' brand and therefore lead to a re-purchase which is a goal of FMCG companies. The opportunity that sport sponsorship is a factor in purchase evaluation and for a repurchase is not represented within the work of Hamlin (2010). However, after reflecting the literature I realized that FMCG consumers have a different knowledge when they arrive at POS a second or third time since they are aware of the brand name after the first purchase and can evaluate the product as well as they are more aware of the brand characteristics and therefore recognize sponsorship activities more than before the first purchase. As a result, a shift from passive towards active learning can be realized. According to literature, the active integration of consumers into their promotional activities such as sponsorship is a goal of companies. Authors such as Tanvir and Shahid (2012) state that more involved consumers are expected to have higher purchase intention which leads to the overall companies' goal of increase sales over time.

As discussed in the previous research question, consumer research literature mainly focused on high involvement decisions so far and less on low involvement decisions. The status in research of how sponsorship affects purchase behavior of consumers also seems to concentrate mainly on high involvement products. An important fact in FMCG industry is that profits will only be made when consumers decide to re-purchase a product. Due to the low prices of the product, the companies' goal is to be associated positively in the mind of their customers and to create re-purchases. To accomplish this goal, companies invest in their marketing mix in order to reach the customers. I assume that it is well possible that sports sponsorship of companies in the FMCG industry therefore does not influence the pre-purchase attitudes of consumers', instead, consumers are purchasing the product for the first time due to other factors such as spontaneous purchases, price offers or the

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color which have a significant influence at POS. The influence of sports sponsorship therefore might play a role at evaluation of the purchase when the consumer is aware of the product and then gets confronted with the message the company is sending due to the sponsorship medium.

Furthermore, sponsorship and promotional tools have an effect on and are important in all stages of a purchase, some customers might be caught by a promotional activity before the first purchase, and others became aware of promotional activities after they purchased the brand the first time. However, promotional activities can generally be seen as a tool to create "awareness" of the consumer towards a product.

When combining sports sponsorship literature which specifically deals with the effectiveness of sponsorships and the influence on consumer behavior as well as reviewing classical consumer behavior theory with focus on low involvement products, I come to the conclusion that sports sponsorship will be realized by consumers in the evaluation stage. In this stage sponsorship works as a moderator rather than an antecedent which is "building" pre-purchase attitudes.

#### **Creation of a Conceptual Model**

Following, I will build a conceptual model in order to test the influence of sports sponsorship on purchase intentions of FMCG consumers. To do so, I will use a combination of different theories. According to the literature, FMCG consumers have no structured knowledge at the POS. However, I will build up a model where consumers have a structured knowledge because I assume that a first purchase already took place and therefore knowledge is already acquired. As a variable, I will test perceived attitudes towards a brand which was also suggested by Ajzen (1985). The use of the single variable of TPB was well established when testing purchase intentions in the food industry as mentioned by Hamlin (2010). Due to the fact, TPB was used for so long in this industry, which is an industry for low involvement products, I decided to not use the Cue-Based Decision Making Model developed by Hamlin (2010) which is theoretically the most suitable model to capture purchase intentions of FMCG consumers. I came to this conclusion because a cue-based decision model is not yet tested and analyzed enough in the form Hamlin (2010) suggested it to use. Moreover, in combination with the use of sports sponsorship which is aiming to involve the consumer as well as the fact that FMCG consumers have a assumed higher structure of knowledge when knowing and re-

purchasing products, I am convinced that the test of attitude towards a sponsors' brand gives an indication of whether sports sponsorship influences purchase intentions of FMCG consumers or not.

Regarding to Ngan et al. (2011) previous studies of sports sponsorship have applied various theories and conceptual frameworks from psychology to explain how a consumer's response to a sponsorship influences their purchase intentions and behaviors (Madrigal 2000 and 2001; Speed and Thompson 2000; Gwinner and Swanson 2003; Cornwell and Coote 2005).

Speed and Thompson (2000) as well as Madrigal (2001) dealt in their studies with the influence of consumers' identification with a team or event on their intentions to purchase the sponsors' product. Cornwell and Coote (2005) examined the role of consumers' social identification on their intentions to purchase sponsors' brands in the context of a charity organization. Hereby, they confirm the findings of Madrigal (2001) that consumers' identification with the team or event being sponsored is an important antecedent to their purchase intentions. The authors assume that if the individual perceives the team or event to be prestigious, and they have a long standing participation with them, they will strongly identify with the team or event.

After having introduced popular studies in the area of sports sponsorship, following, I will decide which model to use for my study. As introduced in RQ1, cue-based decision making is a alternative model to measure purchase intentions of uninvolved customers. Others such as Van Heerden et al. (2008) used an adjusted model of TPB to test whether sports sponsorship increases the attitudes of consumers towards the sponsors' product. As dependent variables they used perceived product quality, perceived product uniqueness, manufacturer esteem and perceived corporate social responsibility.

After reviewing more literature in the field of cue utilization, consumer behavior and sports sponsorship, I decided that CBDM of Hamlin (2010) and the adjusted TPB of Van Heerden et al. (2008) are suitable models for the purpose of my study. Due to the lack of support for Hamlin (2010) I decided to set up a model which was used by Van Heerden et al. (2008) in a slightly different purpose which, however, it can be extended and applied on this research project. As discussed in detail in the previous research question, researchers still not share the view of existing knowledge before a consumer is purchasing a product. Hamlin (2010) states that consumers of FMCG are

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"passive learners" and therefore have an unstructured knowledge base when arriving at POS. However, this might depend on the certain consumer since some FMCG customers inform themselves more and even active than others who learn passive about a product as suggested by Hamlin (2010). However, due to the concept of re-purchases in FMCG literature, as stated before, I assume that after a first purchase, consumers have a certain base of structured knowledge since they evaluate their purchases. From my point of view, this makes it perfectly possible to measure how the selected independent variables influence consumers' attitude towards a brand under the influence of the moderator sports sponsorship. Due to this explanation, I am convinced that my following model on the base of Van Heerden et al (2008) is valid in order to test purchase intentions of FMCG consumers. Once again, the consumer is expected to have a structured knowledge since he or she already is aware of the product.

When developing a suitable model to measure whether and how sports sponsorship influences purchase intentions of FMCG consumers, I used the model of Van Heerden et al. (2008) at a slightly different purpose. In contrast to Van Heerden et al. (2008) only "perceived product quality", "perceived product uniqueness" and "perceived corporate social responsibility" will be used as independent variables. However, in contrast to the original study, the influence of sports sponsorship as a moderating factor on attitudes towards a sponsors' brand will be tested. The difference to the original study is that the tested attitudes are not pre-purchase attitudes since this would not correlate with the theory of low involvement consumption where now structured pre-purchase attitude is expected. Finally, it will be tested if a higher attitude towards a brand leads to higher purchase intentions of consumers. The developed model and a detailed description of all variables are introduced in the following part.

# 2.4 Conceptual Framework

Following, the model developed on the base of the literature chapter is presented. Hereby, sports sponsorship is integrated and functions as a moderator throughout the study.



Figure 2.6: Conceptual Model, Source: Own Model on the base of Ajzen (1985) and Van Heerden (2008)

As visualized in the figure above, the conceptual model contains three independent variables. Following, all three variables are explained in more detail.

# **Perceived Product Quality**

Acording to Zeithaml (1988) perceived quality descriebes the consumer's judgment about a product's overall excellence or superiority. Hereby, perceived quality differs from objective quality because perceived product quality is a global assessment characterized by a high abstraction level and refers to a specific consumption setting (Zeithaml, 1988). In contrast, objective quality refers to the actual

technical excellence of the product that can be verified and measured (Monroe and Krishman, 1985). Regarding to Dodds et al. (1991) perceived product quality acts as a mediator between extrinsic cues and perceived customer value. Rao and Monroe (1989) state that it has been argued thatprice is one of the most important extrinsic cues of product quality. However, Zeithamel argues that a general price and quality relationship does not exist if other cues are used as well.

The influence of perceived product quality on purchase intentions is a topic where theorists disagree. Researchers such as Carman(1990)and Parasuraman et al.(1993) have found in their studies that there exists a positive relationship between perceived quality and the effect on purchase intentions. Others such as Cronin and Taylor(1992) and Sweeney et al. (1999) only report a indirect effect through satisfaction. Also, in literature there is contradiction about whether satisfaction has a positive effect on purchase intentions. Rust and Oliver (1994) identified two differences between perceived quality and satisfaction. First of all, they considered perceived quality as a more specific concept based on product and service features whilst satisfaction can result from any dimension like loyalty or expectations. Furthermore, a company can have a certain degree of control over perceived quality. Thus, it is suggested that 'when perceived quality and satisfaction are regarded as overall assessments, perceived quality is understood as an antecedent of satisfaction and therefore precedes it' (Llusar et al., 2001, p. 721).

### Perceived Product Uniqueness

The second independent variable which will be tested is perceived product uniqueness. According to Dean (1999) perceived product uniqueness can be described as the degree to which consumers feel the product is different from a competing product. Moreover, Creutz and Senning (2006) mention that value is added to a product if consumers perceive it as unique and beneficial. Furthermore, it is stated that this added value might lead to an competitive advantage compared to competitotrs. Regarding to Amis et al. (1999) the concept of sponsorship provides a significant increase to the perceived customer value of the product or service.

#### Perceived Corporate Social Responsibility

According to Van Heerden et al. (2008) perceived corporate citizenship can be referred as corporate social responsibility. The authors describe corporate social responsibility as the responsibility an organization has to interact with non-profit organizations, communities and other stakeholders to

improve the conditions of society as a whole. Regarding to Dean (2002) it is not uncommon for businesses to sponsor events that benefit local charities and service organizations. Generating goodwill and enhancing the image of the sponsors company can be seen as the intention for such a sponsorship involvement. It must be stated that goodwill as a sponsorship intention seems to depend on the sponsorship goals of a sponsor. Hereby, smaller local sponsorship deals are expected to be more driven by goodwill compared to global sponsorship deals. However, companies or sponsors are expected to be a "good corporate citizen" in order to fulfill its perceived societal obligations and perceived status of the organization in respect to these obligations (Belch and Belch 2001). It is mentioned that sponsors invest their money into those sporting events attended by their customers. Hereby, they often see it as a sign of goodwill although altruism is probably mostly overshadowed by the marketing effects generated through involvement in sports sponsorship.After having presented the independent variables of the conceptual model, following, attitude towards brand as a dependent variable will be introduced and explained in more detail.

#### Attitude towards brand

Consumers' attitude towards a product or brand has an important role in consumers' buying behavior theories. As described in detail in Chapter 2.3, attitude is an important part in order to measure purchase intentions of consumers. Hereby, TRA and TPB can be seen as the most respected and developed models within this area. As mentioned by Hamlin (2010) consumers' attitude has been widely used when analyzing consumers purchase intentions in the food industry. The concept has been applied over years and therefore is used for the purpose of this study in order to apply it on purchase intentions of FMCG consumers. Due to the above mentioned factors, attitude towards brand has been selected as the only direct dependent variable, even it is important to keep in mind researchers such as Hamlin (2010) who states that this model is developed and more suitable for high involvement products or purchases where the consumer shows an high involvement in the purchase.

There exist two dimensions to the conceptualization of consumer attitudes. According Spangenberg, Voss and Crowley (1997) hedonic aspects resulting from sensations derived from the experience of using a product and utilitarian features derived from functions performed by a product or brand. Regarding to Dhar and Wertenbroch (2000) consumers' choice is driven by utilitarian and hedonic dimensions.According to Babin et al. (1994) utilitarian consumer behavior is thought of as task

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related and logical. On the other hand Spangenberg, Voss and Crowley (1997) mention that hedonic value is more subjective and personal than utilitarian value and results more from fun and playfulness. Furthermore, the authors mention that hedonic products can be described as providing fun, pleasure or excitement and utilitarian products on the other hand can be described as providing helpful or functional attributes. The hedonic and utilitarian scale developed by Spangenberg, Voss and Crowley (1997) is consumer-centered and looks at the consumer attitudes and the usage of products.

Following, I will introduce the role of consumer purchase intentions. It is necessary to implement consumer purchase intentions in order to answer the overall question of my study whether sports sponsorship influences purchase intentions of FMCG consumers' or not.

#### **Purchase Intention**

According to Fishbein and Ajzen (1975) a consumer's attitude and assessment and external factors create consumer purchase intention. Hereby, purchase intention is seen as a critical factor to predict consumer behavior. Purchase intention can measure the possibility of a consumer to buy a product. Hence, the higher a purchase intention is, the higher a consumer's willingness to buy a product (Dodds et al., 1991). Purchase intention indicates that consumers will follow their experience, preference and external environment to collect information, evaluate alternatives, and make purchase decisions (Zeithaml, 1988; Dodds et al., 1991).

When a company engages in sports due to a sponsorship of a team, an athlete, a league etc., there exist many different objectives companies have when closing a deal. As mentioned in chapter 2.2it is important that corporate objectives and sponsorship objectives fit together. Since one of the main objectives of firms is to increase profits, often a sports sponsorship objective is expected to contribute to sales increase too. Therefore, purchase intention is a suitable measure for companies that have this objective. Within this study, purchase intention is measured in order to make a final statement. According to Pope and Voges (2000) consumers' intention to purchase can be derived from two predominant influences which are a positive attitude towards the brand and brand familiarity. Within this study, I will only concentrate on attitude towards brand as a predominant influence.

#### 2.5 Hypotheses Development

In the previous part, the conceptual model was developed. On the base of the introduced model, following, five hypotheses will be developed. Chapter 4 of this thesis will provide the reader with a data analysis part where all hypotheses will be tested. H1, H2 and H3 deal with the effect of each independent variable on the dependent variable attitude towards brand. H4 and H5 aim to identify whether there is an effect of the stimulus sports sponsorship on attitude towards brand respectively on consumers' purchase intentions. The defined hypotheses are as follows:

On the base of Van Heerden et al. (2008) I aim to test the relationship between a consumers' brand quality perception, and the influence on that consumers' attitude towards a brand. However, since high and low involvement products differ in their nature, the question remains whether a positive relationship can be expected for low involvement purchases as well. Hence, the first hypothesis is defined as follows:

**H1:** There exists a positive relation between FMCG consumers' perception of brand quality and FMCG consumers' attitude towards a brand.

As another variable perception of product uniqueness was used by Van Heerden et al. (2008). Since high and low involvement purchases are expected to be different, I aim to identify whether perception of product uniqueness influences FMCG consumers' attitude towards a brand. Consequently, the defined hypothesis is as follows:

**H2:** There exists a positive relation between FMCG consumers' perception of product uniqueness and FMCG consumers' attitude towards a brand.

A third variable was tested on its effect on consumers' attitude towards a brand. Perceived corporate social responsibility is used by many companies in nowadays business. The question is whether it has an influence on FMCG consumers' attitude towards a brand or not. Hence, H3 is developed and can be found below.

**H3:** Perceived Corporate Responsibility is positively correlated with FMCG consumers' attitude towards a brand.

Attitude towards brand was defined as the dependent variable for this study. The use of this adapted form of the TPB is again based in Van Heerden et al. (2008). Within their study it was measured whether sports celebrity endorsement and sports event sponsorship as moderating factors have an influence on consumers' attitude towards brand. For the purpose of this study, it will be analyzed whether sports sponsorship influences FMCG consumers' attitude towards a brand. Hence, the defined hypothesis is at follows:

H4: Sponsorship of a sports event increases FMCG consumers' attitude towards a brand significantly

Theory suggests that consumer decision making is influenced by several different factors. It is difficult to say which factors play the most important role in a consumers' purchase decision. Hence, this study aims to identify whether sports sponsorship activities of a company have a direct influence on FMCG consumers' purchase intentions or not. Consequently, the defined hypothesis is as follows:

**H5:** Sponsorship of a sports event increases FMCG consumers' intentions to purchase the companies' product

# 3 Methodology

The following chapter provides the reader with the methodology used in order to answer the defined research questions. The chapter starts with a general introduction about the used research design which is followed by sampling and identifying of the target population of the experiment. Following, the chosen experimental design is explained in more detail.

# 3.1 Research Design

In order to explore whether sports sponsorship as a moderator has an effect on purchase intentions of FMCG consumers, an experiment has been carried out. With the help of the experiment the causal relationship between the independent variables (X) perceived brand quality, perceived product uniqueness, perceived corporate social responsibility and the dependent variable attitude towards brand (Y), can be measured. Furthermore, possible significant differences between 2 groups can be measured.

According to Malhotra and Birks (2007) hereby, a created event is supposed to lead to changes in the dependent variable whereas the change that occurs measures the effect that the manipulation of the independent variable has on the dependent variable. In other words, causality "applies when the occurrence of X increases the probability of Y" (Malhotra and Birks, 2007, p. 302). In order to assume causality in an experiment, several conditions must be given. However, regarding to Malhotra and Birks (2007) these conditions are necessary but not sufficient when reliably measure causality. The mentioned conditions are presented following.

The first condition is concomitant variation. It's given if the effect and the cause vary in a way as predicted by the determined hypothesis. It is necessary that the effect and the cause vary or occur together. This will be tested by the use of the experiment. The second condition according to Malhotra and Birks (2007) is that the time order of occurrence must be given. An effect cannot be assigned to a cause if the effect occurs before the manipulated cause. The time order of occurrence is ensured by the experimental design. A third condition is that other possible factors that could lead to a change in the independent variable must be eliminated or controlled. Such factors are, beside others, extraneous variables that can be controlled depending on the experimental designs chosen.

These extraneous variables are controlled by the experimental design. The problems of using a preexperimental design and the reason of using it will be explained later in this chapter 3.1.

As a part of the research project, the three factors stated above are respected which is necessary, however, not sufficient in order to prove conclusively that there exist a causal relationship between the independent variable X and the dependent variable Y. However, it can be assumed that there exists a causal relationship if the relationship measured is strong. Furthermore, age of participants has been taken into account as an extraneous variable and will be controlled. Hereby, only males and females between 18 and 30 years of age are taken into account.

In order to measure whether sports sponsorship leads to higher attitude towards a brand and to higher purchase intention, a static group pre-experimental design has been conducted as it is visualized in table 3.1 below.

	Experimental Group	Control Group	Measure
Treatment (Sponsorship)	х		
Measure of Attitude	01	02	01-02
Measure of Purchase	01	02	01-02
Intention			

Table 3.1: Static Group Pre-Experimental Design

The dependent variable "Attitude towards Brand" is manipulated with sports sponsorship of a ski event as a moderator. Hereby, the experimental group (EG) is confronted with sponsorship as a manipulation whereas the control group (CG) is confronted with the same event but without any indication of sponsorship. As mentioned above, age as an extraneous variable is accounted by only using males and females between 18 and 30 years of age. Other extraneous variables are not taken into account and allow to be examined by future research. However, I am aware that a Pre-Experimental Design is not the most reliable design and leads to problems in controlling extraneous variables such as history, maturation or testing effects. However, since the effects of sports sponsorship on purchase intentions of FMCG consumers have not been tested in this context before,

this research and the use of a Pre-Experimental Design can be seen as a start and can function as a base for further research with a larger scope and more resources available.

# 3.2 Sampling

For the purpose of this study, the decision to use a convenience sampling has been made. Hereby, judgmental sampling was selected in order to select the participants for this study. Hence, a sample consisting of males and females between 18 and 30 has been conducted. As typical for a judgmental sampling, recipients were selected on the base of their age group. For the purpose of this experiment, Red Bull as a sponsor of a ski event is used. The selected stimulus is explained in more detail in section 3.3.1. The selection of the target group dependent on their age is made because various literatures indicate that people of this age group frequently buy energy drinks.

Since a two-group pre-experiment was conducted, the experiment includes two groups. The experimental group and the control group consist of 30 participants in each group. The number of experimental groups is two, since the experiment deals with the case that one group is confronted with sports sponsorship as a moderator and the control group is confronted with a venue without sports sponsorship. This promotional activity is tested whether it has an influence on the dependent variable which is attitude towards brand. The participants have been randomly allocated to each of the two groups with the help of a computer program.

Through the randomized distribution of the surveys, which leads to the situation that each of the two groups consists of 30 participants, randomization will be ensured. Even selection bias cannot be eliminated fully, through the randomly assignment to one treatment selection bias will be reduced.

# 3.3 Experimental Design

In the following section the experimental design is explained. Firstly, the use and expected effect of each independent variable on the dependent variable is discussed. Furthermore, the use of sports sponsorship as a stimulus within the experiment will be explained.

In chapter 2.4 each of the variables was defined. Following, it is explained how each of the variables is used within the experiment. Furthermore, it is shortly discussed what possible effect can be

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expected. Following, the expected effect of independent variables on the dependent variable will be discussed. Afterwards, it will be evaluated how attitude towards brand and purchase intentions are expected to differ between experimental and control group.

#### **Perceived Brand Quality**

Within the scope of this study, the influence of perceived brand quality on consumers' attitude towards the brand Red Bull is tested. Hereby, it is well possible that consumers' perception of brand quality is very high and might have the highest impact of all three variables on consumers' attitude towards Red Bull. The reason lies in the nature of low involvement products. Since the competition is very high in the FMCG industry, the strongest brands with the best reputation are expected to create higher consumer attitudes. The selection of attitude as a independent variable is based on TPB which is used in this style within the food industry which represents a large part of the FMCG industry.

#### **Perceived Product Uniqueness**

Within this study it will be tested whether perceived product uniqueness is expected to increase a consumers' attitude towards a brand. It means whether it is important or not that a consumer perceives a FMCG as unique. When considering purchases with a high degree of involvement, it can be assumed that uniqueness plays an important role in a purchase decision. Therefore, it will be tested if perceived product uniqueness is seen as attitude increasing when buying FMCGs. Since research has concentrated on high involvement products mainly, it is difficult to evaluate whether it can perceived as important for low involvement products as well. As Red Bull as a lifestyle brand is chosen as an example for the following experiment, I expect that uniqueness is important for ypung consumers. Consequently, I expect that the higher the perceived product uniqueness, the higher the attitude a consumer has towards Red Bull.

#### Perceived Corporate Social Responsibility

Corporate Social Responsibility is expected to have the lowest impact of all three independent variables on consumers' attitude towards brand. A company with a weak product but a well known corporate social responsibility program is not expected to be highly valued by consumers. On the other hand, a superior product and a weak reputation regarding corporate social responsibility might be still valued as a quality brand since the product seems to be more important for FMCG consumers. At a certain degree however a bad reputation concerning corporate social responsibility could be a

real danger for the business of a company. However, within this study corporate social responsibility is expected to have less effect on FMCG consumers' attitude towards brand than perceived brand quality and perceived product uniqueness.

# Attitude towards Brand

For me as a researcher, the task will be to measure whether one group has a significant higher attitude towards Red Bull than the other group of participants. Hereby, I am aware of the fact that if there exists only a strong correlation between the antecedent "Perceived Product Quality" and the dependent variable "Attitude towards Brand", a reliable result will not be achieved since not all three antecedents have a significant effect on the independent variable. In this case, the product quality would be the crucial factor and sports sponsorship is not able and supposed to influence the product quality and therefore also not expected to have a significant influence on consumers' attitude towards a brand. However, this scenario is possible since the nature of low involvement goods strongly relies on product and brand quality. It will be tested with the help of an experiment whether there are differences between Experimental Group which was confronted with the manipulated event and the Control Group which was confronted with an event without sports sponsorship. Hereby, the treatment effect can be measured as follows: O1–O2.

#### **Purchase Intention**

As introduced above, within this research study it will be tested if sports sponsorship as a stimulus affects FMCG consumers' attitude towards a brand. Furthermore, it will be analyzed whether purchase intentions differ significantly between EG and CG. Hence, the manipulated Experimental Group and the Control Group will be compared in its results regarding their intention to purchase. Wang (2006) used brand image as an independent variable and purchase intention as a dependent variable while product category acted as a moderator. Hereby, he discovered that the higher the brand image is, the higher the purchase intention is. For the purpose of this research study, an assumption would be that participants of the experimental group have higher purchase intentions than participants of the control group. I aim to test with my study whether this assumption is valid or not. Purchase intention has been measured on a 7-point likert scale based on Petrevu and Lord (1994). Furthermore, the participants were provided with a picture of a bar in order put them into the situation of a purchase. Hereby, the Experimental Group was provided with the same picture but without any Red

Bull signs. The scale and the picture are illustrated in appendix 1 respectively Appendix 2. The role of sports sponsorship as a moderator/ stimulus within the experiment will be evaluated following.

# 3.3.1 Stimulus

For the purpose of this experiment, the applied stimulus is sports sponsorship. Hereby, participants are confronted with pictures of a ski event. The ski event has been created in order to test whether sports sponsorship affects FMCG consumers' attitudes towards a brand. Hereby, both groups of the experiment are confronted with the same event and the same pictures. The difference between pictures of both groups is that the pictures of experimental group include Red Bull sponsorship placement which means that the logo is omnipresent during the whole event. On the other hand, the control group is confronted with the same event but without any signs of Red Bull's sports sponsorship. Therefore, sponsorship of the ski event can be described as the stimulus that aims to identify whether sports sponsorship influences purchase intentions of FMCG consumers or not. On this base it can be concluded whether it is a suitable tool for FMCG companies. Moreover, it is important to figure out the influence of attitude towards a brand on consumer purchase intentions. A possible outcome of this study could be that consumers with a higher brand attitude due to the sponsorship have higher purchase intentions towards the sponsors' product and therefore are more willing to buy the product. However, it is the aim of this experiment and the research project as a whole to identify whether such a "chain" can be observed or not. In order to measure whether the participant intent to purchase Red Bull, they are confronted with a purchase situation .In this situation they stand next to a bar after the event and Red Bull is sold. Then, they are asked if they would purchase Red Bull or not. It is an interesting question for me to identify whether participants which "took part" at the "Red Bull event" have higher purchase intentions than participants who "took part" in the event without any sponsor.

#### 3.3.2 Survey Design: Experiment

The experiment has been conducted via a self-administered online survey. The survey has been distributed to respondents by email and via the social media platform "Facebook". Before distributing the experiment, I put all suitable participants into one file and then used a program which randomly selected whether a recipient receives an experiment with or without sponsorship as

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a moderating factor. The developed survey consists of 7 parts. The full survey is attached as appendix 1 respectively appendix 2.

The survey starts with an introduction to the topic and provides the participant with the purpose of the survey. After reading the short introduction, the participant is aware of the topic and the time needed to fill out the survey.

The first part is related to the participants' perceived product quality of Red Bull. Hereby, EG as well as CG are asked the same questions with the no different background information provided. In order to collect suitable questions, the perceived quality scale developed by Yoo, Donthu and Lee (2000) has been used. Furthermore, own questions have been added to the scale of Yoo, Donthu and Lee since it appeared to be suitable. Consumers perceived Product Quality is measured on a 7-point Likert scale. Yoo, Donthu and Lee (2000) reported the scale to have a composite reliability of .93. The average variance extracted for this scale was .68.

The second part of the survey contains questions regarding participants' perception of Red Bull's product uniqueness. Again, the same questions for both groups are asked and there is again no difference in background information provided. As a measurement scale, uniqueness (product) developed by Dean (1999) has been identified as the most suitable scale and is therefore used. This part consists of 4 questions and is as well measured on a 7-point likert scale. According to Dean (1999) an alpha of .77 (n 0 185) was reported for the scale.

The third part deals with questions regarding the third independent variable, Perceived Corporate Social Responsibility of Red Bull. As mentioned above, the same questions and background information are provided for EG and CG. This part consists of 5 questions measured on a 7-point likert scale. The items have been selected on the base of the Attitude towards the company (Social Responsibility) scale. The scale was developed by Sen and Bhattacharya (2001). Sen and Bhattacharya (2001) reported an alpha of .98. Again, own questions have been developed and were added to the scale since it seems to be suitable for this work.

In the fourth part, the participant is confronted with an sports event. The sports event is fictional and at this point of the survey, I will use sports sponsorship as a stimulus for the Experimental Group. In

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other words, the Experimental Group will be provided with pictures of a ski event sponsored by Red Bull where the brand is omnipresent. On the other hand the Control Group is confronted with exactly the same pictures but without any sign of Red Bull as a sponsor of the introduced ski event.

The fifth part deals with questions regarding attitude towards the brand Red Bull. Hereby, the participant of both groups are again asked exactly the same questions. The questions are defined on the base of the attitude toward the product/brand (Semantic Differential) scale. There is no common origin for this scale reported, however, it is widely usable and accepted. This section of the survey, the participant is asked questions on a 7-item 7-point likert scale.

The sixth part of the survey deals with consumers' purchase intentions. It aims to identify whether sports sponsorship has an positive effect on consumers' purchase intentions. Hereby, a 3 item 7-point likert scale is used. The first question deals with the topic of immediate purchase. The following two statements deal with future purchases. This way, I aim to identify if there are differences between immediate and future purchase intentions between EG and CG.

The last part of the survey controls for the sample. Participants are asked for socio-demographic factors such as "gender" and "age". Furthermore, they are asked how often they purchase Red Bull energy drinks which represents the shopping frequency of the sample. Moreover, this part includes control questions for ski holiday experience and ski event experience.

#### 4 Data Analysis and Hypothesis Testing

The following chapter deals with the analysis of data gathered through the Experiment. First, the frequency distribution for the whole data set is presented. It is followed by a test of normality for each of the independent variables. Afterwards, an internal consistency and reliability analysis based on Cronbach's alpha is provided. Thereafter, measures of central tendency and variability for the chosen items are explained. Afterwards, a regression analysis was carried out in order to test hypotheses 1, 2 and 3. In order to analyze Hypotheses 4 and 5, independent samples t-tests were conducted. Finally, a summary of the data analysis part closes chapter 4.

# 4.1 Frequency Distributions - Total Sample

The self-administered online surveys have been distributed to international students via social media platform "Facebook". The total number of respondents has been 62. Thereof 2 participants did not complete the survey. Consequently, case 19 of the survey with sports sponsorship as a stimulus ("SS") and case 21 of the survey without sports sponsorship as a stimulus ("no SS") were deleted. Hence, the resulting sample is comprised of 60 respondents. The survey distribution within the sample is (50%/50%) which is important for the validity of the experiment especially since it is a relatively small sample size. The main part of the participants were male (61,7%). Concerning age group of participants, all respondents were older than 17 and younger than 31 and therefore fitting for the purpose of this study. Hereby, 93,3% are between 21 and 26 years of age. Following, the data of shopping frequency shows that 46,7% purchase Red Bull less than once per month which indicates that a large part of the sample group does not belong to Red Bull customer group. Additionally, 33,3% stated that they purchase Red Bull once or twice a month which seems to be a low frequency for a FMCG. The experience of ski holidays is equally divided among the participants. In total, 80% of the participants have been on ski holidays and therefore are well able to imagine the situation within the experiment. The last experience measure deals with ski event experience. Hereby, 53,3% percent of the participants mentioned that they have never visited a ski event. In part 7 of this study I will further evaluate what these lack of experience means for my study. I decided not to exclude any participants that have less or no experience with ski holidays or ski events due to the relatively small sample size of this study. Within a larger study an exclusion of participants without ski holiday experience would be recommendable. The descriptive data of the total sample is visualized in table 4.1 below.

			Frequency	Percent	Valid Percent	Cumulative Percent
Stimulus	Valid	SS	30	50,0	50,0	50,0
		No_SS	30	50,0	50,0	100,0
		Total	60	100,0	100,0	
Gender	Valid	Male	37	61,7	61,7	61,7
		Female	23	38,3	38,3	100,0
		Total	60	100,0	100,0	
Age_Group	Valid	21-23	28	46,7	46,7	46,7
		24-26	28	46,7	46,7	93,3
		27-30	4	6,7	6,7	100,0
		Total	60	100,0	100,0	
	-	-		-		
Shopping_Frequency	Valid	Less than once	28	46,7	46,7	46,7
		1-2 times	20	33,3	33,3	80,0
		2-5 times	10	16,7	16,7	96,7
		5-10 times	1	1,7	1,7	98,3
		more than 10 times	1	1,7	1,7	100,0
		Total	60	100,0	100,0	
Experience_Ski_Holiday	Valid	No	12	20,0	20,0	20,0
		1-2 times	16	26,7	26,7	46,7
		3-5 times	14	23,3	23,3	70,0
		more than 5 times	18	30,0	30,0	100,0
		Total	60	100,0	100,0	
Experience_Ski_Event	Valid	No	32	53,3	53,3	53,3
		1-2 times	20	33,3	33,3	86,7
		3-5 times	6	10,0	10,0	96,7
		more than 5 times	2	3,3	3,3	100,0
		Total	60	100,0	100,0	

# Table 4.1: Frequency Distributions Total Sample

Own illustration based on SPSS data "experiment"

# 4.2 Test of Normality

Following, tests of normality were carried out in order to analyze the normality of distribution of each of the variables. Hereby, it will be tested whether they are equally distributed between the Experimental Group (SS) and the Control Group (No SS). The Kolmogorov-Smirnov test and the Shapiro- Wilk test (table 4.2) show, that all variables except "Mean\_PBQ" for the experimental group have a significance of 0,200>0,05. Consequently, a normal distribution for the variables "Mean\_PPU" and "Mean CSR" can be assumed. The Shapiro-Wilk test shows a significance of 0,056>0,05 for "Mean\_PBQ" (SS). As the result of this test shows a greater significance than 0,05 it can be assumed that data for "Mean\_PBQ" is distributed normally as well. Since the Kolgomorov-Smirnov and Shapiro-Wilk tests indicate a normal distribution of all three independent variables, no further tests are necessary and normal distribution is assumed.

Stimulus		Kolmogorov-Smirnov <sup>a</sup> Shapiro-Wilk					<b>K</b>
		Statistic	df	Sig.	Statistic	df	Sig.
Moon DBO	SS (Experimental Group)	,176	30	,019	,932	30	,056
Mean_PBQ	No_SS (Control Group)	,108	30	,200 <sup>*</sup>	,951	30	,177
Mean_PPU	SS (Experimental Group)	,121	30	,200 <sup>*</sup>	,964	30	,395
	No_SS (Control Group)	,111	30	,200 <sup>*</sup>	,963	30	,372
Mean_CSR	SS (Experimental Group)	,117	30	,200 <sup>*</sup>	,904	30	,010
	No_SS (Control Group)	,094	30	,200 <sup>*</sup>	,966	30	,437

a. Lilliefors Significance Correction

Own illustration based on SPSS data "experiment"

#### 4.3 Internal Consistency and Reliability Analysis – Cronbach's Alpha

Before analyzing any kind of data, an internal consistency reliability analysis was carried out by using Cronbach's alpha. Hereby, it was tested whether all items are useful within a factor or not. If an item appears to be not contributing, I have to make a decision whether to delete this question or not. Following, a Cronbach's alpha test was conducted for each of the independent variables Perceived Brand Quality (PBQ), Perceived Product Uniqueness (PPU) and Perceived Corporate Social Responsibility (PCSR). Furthermore, Cronbach's alpha measures give an indication whether all items are important for the variables Attitude towards Brand (ATB) and Purchase Intention (PI). I am using Cronbach's alpha because "reliability measures, such as Cronbach's alpha, do not ensure undemensionality, but they do detect whether the indicators of a construct have an acceptable fit on a single factor model." (Blumberg et al, 2005). In literature, theorists state that a level of Cronbach's alpha greater 0,8 can be considered as "very good" and a measure greater than 0,7 can be considered as "good".

## **Perceived Brand Quality**

In case of PBQ, Cronbach's alpha is 0,717>0,7. Table 4.3 shows that Cronbach's alpha can be increased if Question 2 "PBQ-product/price ratio" would be excluded from the study. In order to reach a higher consistency and reliability for the measure of PBQ, I decided to delete question 2. As a result, the new Cronbach's alpha is 0,730. Consequently, "PBQ-quality/price ratio" will not be included anymore as a sub-question of PBQ throughout this study. The new PBQ scale consists of 4 items.

	Scale Mean if Item deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Squared Multiple Correlation	Cronbach's Alpha if Item Deleted
PBQ-quality of products	20,87	11,880	,564	,465	,635
PBQ-quality/price ratio	21,90	11,956	,358	,397	,730
PBQ-taste of product	20,78	10,478	,677	,479	,579
PBQ-perception of promotion activities	20,15	14,435	,347	,462	,714
PBQ- perceived quality of Red Bull's sports sponsoring	20,17	12,345	,477	,531	,669

#### Table 4.3: Cronbach's alpha – Item total statistics PBQ

Own illustration based on SPSS data "experiment"

#### **Perceived Product Uniqueness**

As for the variable PBQ, Cronbach's alpha was carried out for the variable PPU. The overall Cronbach's alpha is 0,718 and consequently greater 0,7. However, the number can be increased if 4 "PPU-Drinking Red Bull makes me feel special" would be deleted. I decided to delete question 4 in order to increase the reliability of PPU scale. Consequently, new Cronbach's alpha is 0,730. As a result, question 4 will not be used anymore throughout the study and PPU is measured on a 3 item scale. Table 4.4 elucidates Cronbach's alpha for the individual items of PPU.

	Scale Mean if Item deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Squared Multiple Correlation	Cronbach's Alpha if Item Deleted
PPU-Red Bull "stands out" from other energy drinks	11,98	10,695	,410	,271	,711
PPU-Red Bull is different from other energy drinks	12,57	9,673	,526	,397	,643
PPU-Compared to other energy drinks, Red Bull is unique	12,92	7,196	,761	,585	,467
PPU-Drinking Red Bull makes me feel special	15,08	12,281	,362	,201	,730

# Table 4.4: Cronbach's alpha – Item total statistics PPU

Own illustration based on SPSS data "experiment"

# **Perceived Corporate Social Responsibility**

Cronbach's alpha of the PCSR scale is 0,835 and consequently greater 0,7 and even greater 0,8. It indicates that the scale to measure PCSR fits well. Additionally, deleting any of the four items would not increase overall Cronbach's alpha which means that each question adds value to the measurement of PCSR. Consequently, no item will be deleted. Table 4.5 illustrates Cronbach's alpha for individual items of PCSR.

# Table 4.5: Cronbach's alpha – Item total statistics PCSR

	Scale Mean if Item deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Squared Multiple Correlation	Cronbach's Alpha if Item Deleted
PCSR-Red Bull involves the community in its operations	14,35	12,503	,639	,445	,810
PCSR-Red Bull cares about its customers	14,78	11,156	,680	,486	,785
PCSR-Red Bull cares about its sponsored athletes	13,97	9,965	,666	,468	,795
PCSR-Red Bull provides benefit to the society with its sponsorship involvement	14,10	9,820	,712	,515	,771

Own illustration based on SPSS data "experiment"

To sum up, all independent variables are greater 0,7 or even greater 0,8. Therefore, the scale of all 3 independent variables can be seen as reliable and consistent. In order to increase the reliability, question 2 of PBQ "PBQ-quality/price ratio" as well as question 4 of PPU "PPU-Drinking Red Bull makes me feel special" have been excluded. Following, Cronbach's alpha is presented for the variables attitude towards brand (ATB) as well as for the consumers Purchase Intention (PI) scale. In contrast to ATB, PI is not a dependent variable but it is needed in order to answer the overall research question of whether sports sponsorship has an influence on consumers' purchase intentions.

#### Attitude towards Brand

Overall Cronbach's alpha of the ATB scale is 0,883 and consequently greater 0,8. Therefore, it can be considered as a very reliable scale. However, Cronbach's alpha would be greater if questions 5 "ATB: unique; not unique" and question 7 "ATB-irresponsible; responsible" would be deleted. The complete item-statistics for ATB is visualized in table 4.6. Since Cronbach's alpha is 0,833>0,8 and consequently represents a very reliable scale, I decided to not delete Question 5 and 7. The increase of overall Cronbach's alpha to 0,886 (delete Question 5) would be very low. Furthermore, it gives me the opportunity to analyze whether these ATB items differ between experimental and experimental group. Hence, I aim to add more value to the study by not deleting these items.

	Scale Mean if Item deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Squared Multiple Correlation	Cronbach's Alpha if Item Deleted
ATB-bad; good	29,75	36,699	,801	,702	,854
ATB-dislike; like	29,90	33,142	,765	,797	,854
ATB-low quality; high quality	29,77	38,114	,737	,579	,862
ATB-negative; positive	30,03	33,829	,784	,796	,851
ATB-not unique; unique	30,30	35,264	,560	,555	,886
ATB-boring; interesting	29,95	36,523	,631	,537	,871
ATB-irresponsible; responsible	30,80	39,214	,523	,401	,883

Table 4.6: Cronbach's alpha -	- Item Total Statistics ATB
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Own illustration based on SPSS data "experiment"

#### **Purchase Intention**

Cronbach's alpha for PI is 0,780>0,7. Consequently, the scale can be seen as reliable. Table 4.7 indicates that Cronbach's alpha would increase to 0,816>0,8 if question 3 "Purchase intention\_Try another time" is deleted. I decided to not delete the item because the initial Cronbach's alpha of 0,780 can be considered as good and the extraction value is 0,569>0,5. As for ATB, I aim to add value to the study by not deleting the item. The independent t-test later in this study will compare the means of experimental and control group. Hereby, it will also be analyzed whether there are significant differences between these two groups for single items. Table 4.7 illustrates Cronbach's alpha for all items of the factor purchase intention.

	Scale Mean if Item deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Squared Multiple Correlation	Cronbach's Alpha if Item Deleted
Purchase Intention_Immediate Purchase	8,20	10,773	,573	,488	,748
Purchase Intention_Purchase if needed next time	7,83	8,277	,786	,630	,498
Purchase Intention_Try another time	7,67	10,497	,512	,369	,816

Table 4.7: Cronbach's alpha – Item Total Statistics PI

Own illustration based on SPSS data "experiment"

# 4.4 Measures of Central Tendency and Variability

The following part deals with measures of central tendency and variability. Since experimental and control group have been confronted with exactly the same questions for independent variables and with the same background information, I will visualize the measure for central tendency and variability of the total sample comprising of 60 respondents. As analyzed in the previous part, not all items were contributing to a certain scale. These items were deleted (Q2 PBQ and Q4 PPU) and consequently are not part of all following statistics and analyses. Following, descriptive data of the three independent variables "Perceived Brand Quality", "Perceived Product Uniqueness" and "Perceived Corporate Social Responsibility" is explained.

The minimum mean with respect to a Perceived Brand Quality question is 5,10 ("PBQ-quality of products") whereas the maximum mean is 5,89 ("PBQ-perceived quality of Red Bull's sports
sponsoring"). The lowest standard deviation for PBQ is 0,948 for "PBQ-perception of promotion activities" whereas the highest standard deviation for PBQ is 1,295 for "PBQ-taste of product". In sum, the mean for all five PBQ questions is 5,48 and the mean standard deviation is 0,87.

With respect to Perceived Product Uniqueness of Red Bull the lowest mean is 4,60 ("PPU-Compared to other energy drinks, Red Bull is unique") whereas "PPU-Red Bull 'stands out' from other energy drinks" resembles the highest mean with 5,53. The lowest standard deviation for PPU is 1,359 for "PPU-Red Bull 'stands out' from other energy drinks" whereas the highest standard deviation for PPU is 1,586 ("PPU- Compared to other energy drinks, Red Bull is unique"). In sum, the mean for all three PPU questions is 5,03 and the mean standard deviation is 1,17.

The minimum mean with respect to Perceived Corporate Responsibility of Red Bull (PCSR) is 4,28 ("PCSR-Red Bull cares about its customers") whereas the maximum mean is 5,10 ("PCSR-Red Bull cares about its sponsored athletes"). The lowest standard deviation is 1,043 for "PCSR-Red Bull involves the community in its operations". The highest standard deviation is 1,469 for "PCSR-Red Bull cares about its sponsored athletes". In sum, the mean for all four PCSR questions is 4,77 and the mean standard deviation is 1,07.

The reader needs to bear in mind that "strongly disagree" is rated with 1 and "strongly agree" is rated with 7. Thus, the higher the mean, the more the participants agree to a given statement. The detailed results can be found in table Appendix 3.1.1.

Table 4.8 illustrates the calculated means of each variable with respect to measures of central tendency and variability. The table shows that participants rated the perceived brand quality of Red Bull with a mean of 5,48 based on a 4 item scale. This is the highest mean of all independent variables. The perceived product uniqueness of Red Bull is rated with a mean of 4,78 on a 3 item scale and the perceived corporate social responsibility of Red Bull is rated with a mean of 4,77 on a 4 item scale.

	Ν	Scale	Minimum	Maximum	Mean	Standard Deviation
Mean_PBQ_	60	1-7	3,25	7,00	5,4750	,86443
Mean_PPU_	60	1-7	2	7,00	5,0278	1,16815
Mean_CSR	60	1-7	1,75	7,00	4,7667	1,06948
Valid	60					

Table 4.8: Descriptive Statistics – Mean Independent Variables

Own illustration based on SPSS data "experiment"

Following, measures of central tendency and variability for the variables attitude towards brand and purchase intention are introduced. Hereby, an overall mean will be calculated for both variables. Even the participants of experimental and control group were confronted with sports sponsorship as a stimulus respectively confronted with no sponsorship, a differentiation between these two groups is not made at this stage of the study. An independent samples t-test will provide the reader later on with the illustration whether there exist significance differences between the groups or not.

With respect to the variable attitude towards brand, the lowest mean towards the brand Red Bull is 4,28 ("ATB- irresponsible; responsible") whereas the maximum mean is 5,33 ("ATB- bad; good"). Hereby, 1 indicates a strong perception as irresponsible respectively bad and 7 indicates responsible respectively good. The lowest standard deviation is 1,00 ("ATB- low quality; high quality") and the highest standard deviation is 1,574 for the item "ATB- not unique; unique". It indicates that the perception concerning Red Bull's brand uniqueness vary the most and the perception of Red Bull's quality differ least. Once again, the reader needs to bear in mind that no differentiation between experimental group and control group was made since it will be made by using a independent samples t-test.

With respect to consumers' purchase intentions, the lowest mean is 3,65 ("Purchase Intention Immediate Purchase") whereas the highest mean is 4,18 ("Purchase Intention\_Try another time"). The lowest standard deviation is 1,686 ("Purchase Intention\_Immediate Purchase") whereas the highest standard deviation is 1,836 ("Purchase Intention\_Try another time"). These deviations are relatively high, however, it is not a surprise since intentions to purchase vary strong among certain persons and groups. Yet, it is not possible to interpret these data further since it is descriptive data. For a more detailed analysis an independent samples t-test will be carried out in order to see

whether purchase intentions differ significantly between experimental and control group. For a detailed view on each of the two variables see Appendix 3.1.2. Table 4.9 illustrates means of descriptive data for the variables attitude towards brand as well as for the factor purchase intention.

	N	Scale	Minimum	Maximum	Mean	Standard deviation
Mean_ATB	60	1-7	2,43	6,43	5,0119	,99194
Mean_PI	60	1-7	1,00	6,67	3,9500	1,48923
Valid	60					

Table 4.9: Descriptive Statistics – ATB and PI

Own illustration based on SPSS data "experiment"

# 4.5 Multiple Regression Analysis

After having tested that all variables are distributed equally and all scales are reliable as well as having described the used data, following, a regression analysis is carried out in order to test H1, H2 and H3. Hereby, it will be tested whether each of the independent variables (PBQ, PPU and PCSR) has an influence on the dependent variable attitude towards brand. Table 4.10 displays the results of the multiple regression analysis that are subsequently used to test whether the stated hypotheses hold. In order to be able to carry out a regression analysis, all dependent and independent variables must be correlated to each other. Appendix 3.13 shows a bivariate correlation table for the three independent variables and the dependent variable attitude towards brand. The table indicates that all variables are significant (p=<0.05). Table 4.10and 4.11 illustrate the most important outcome of the multiple regression analysis regression analysis. The full version of the multiple regression analysis can be found in appendix 3.14.

Model	R	R-Square	Adjusted R- Square	Std. Error of the Estimate
1	,758°,	,574	,551	,66434

Table 4.10: Multiple Regression Analysis- Model Summary

Own illustration based on SPSS data "experiment"

## Table 4.11: Multiple Regression Analysis - Coefficients

	Unstandardize	ed Coefficients	Standardized Coefficients		
Model	В	Std. Error	Beta	t	Sig.
1 (Constant)	,076	,576		,132	,896
Pbq	,726	,140	,633	5,202	,000
рри	,031	,095	,037	,331	,742
pcsr	,169	,091	,182	1,844	,070

a. Dependent Variable: Mean\_ATB

Own illustration based on SPSS data "experiment"

In order to assess how well the model fits the data, the coefficient of determination ( $R^2$ ) was computed. The  $R^2$  – measure for the model describes the relationship between attitude towards a brand (dependent variable) and its independent variables which are perceived brand quality, perceived product uniqueness and perceived corporate social responsibility. The regression analysis shows a  $R^2$  =0,574. This figure means that 57,4% of the total variance in attitude towards brand is explained by the three independent variables. Consequently, statistically speaking, the overall model performance can be perceived as well suitable.

# **Perceived Brand Quality**

Hypothesis 1 (H1) predicts that if a consumer perceives the quality of a brand as high, than the consumer will likely have a higher attitude towards the brand. H1 is supported as the unstandardized coefficient is positive and statistically significant with a p-value smaller 0,01. Hence, perceived brand quality has a significant positive impact on attitude towards brand. In general, the unstandardized coefficients indicate how much a dependent variable changes if an independent variable is increased by one unit. In case of PBQ, if it is increased by one unit, consumers' attitude towards the brand goes up with 0.726. This ratio appears to be high and will be discussed in chapter 5.

## **Perceived Product Uniqueness**

Hypothesis 2 (H2) implies that if a consumer perceives the product uniqueness of a brand as high, then the consumer will more likely have a higher attitude towards the brand. H2 is not supported as no statistically significance was found due to the p-value of 0,742>0,05. Hence, perception of product uniqueness has a no significant impact on consumers' attitude towards a brand. The respective unstandardized coefficient indicates that if perceived product uniqueness is increased by one unit, FMCG consumers' attitude towards a brand goes up with only 0,031.

#### **Perceived Corporate Social Responsibility**

Hypothesis 3 (H3) predicts that if a consumer has a high perception regarding a companies' corporate social responsibility, then that consumer is likely to have a higher attitude towards that brand. The p-value is 0,07>0,05 and consequently no significance was observed. Hence, H3 is not supported by the output of the regression analysis. The respective unstandardized coefficient indicates that if perceived corporate social responsibility is increased by one unit, consumers' attitude towards the brand would only go up with 0,169 which would be relatively low compared to the independent variable perceived brand quality.

## 4.6 Independent sample t-test – Attitude towards Brand

Following, an independent samples t-test was carried out in order to test hypothesis 4 (H4). The procedure of an independent samples t-test aims to compare means of two groups on one variable. A condition is that the results are conducted from two independent groups. The condition is given in my study since sports sponsorship was used as a stimulus for the experimental, but not for the control group. Another condition for a t-test is that the data is interval scaled. This condition is given as well since a 7-point likert scale is used to measure consumers' attitude towards a brand.

An independent samples t-test was conducted to compare consumers' attitude towards a brand in condition with sports sponsorship as a stimulus and in condition without sports sponsorship as a stimulus. Hereby, the experimental group was provided with SS and the control group was confronted with an event without SS. The null hypothesis implies that there is no statistical difference between experimental and control group. If p<0.05 the null hypothesis needs to be rejected and consequently a significant difference between the two groups would have been

observed. The results of the Levene's test for equality of variances imply that the variability of each group is approximately equal since p=0,884>0,05. Consequently, the t-test meets the assumption of equal variance and the first column of table 4.12 can be used for the analysis of the independent samples t-test. The results in table 4.11 and 4.12 show that there was no significant difference in the scores for SS (M=5,11, SD=1,06) and for no SS (M=4,91, SD=0,92) conditions; t(58)=, p=0,429. The results of the test suggest that sports sponsorship has no effect on a consumers' attitude towards a brand since p=0,429> 0,05. However, it can be seen that the mean score for SS is 0,2> the mean score of no SS. This is a higher score but not a significant higher score and therefore it must be assumed that sports sponsorship has no significant effect on a consumers' attitude towards a brand. Appendix 3.15 illustrates the mean differences between the experimental group and the control group with respect to each individual item. Hereby, it was observed that for none of the individual item a significant difference between groups exists. However, the highest mean difference was observed for the items "ATB- boring; interesting". SS group answered the question with a mean of 5,40 whereas the control group answered the question with a mean of 4,87 which makes a difference in means of (0,533). The lowest difference in means was found for the item "ATB- low quality, high quality". The experimental group answered the question with a mean of 5,27 whereas the control group answered the question with an even higher mean of 5,37. The most interesting results of single items are discussed in chapter 5.

Table 4.12:	Group	Statistics -	Mean	ATB
			_	

Stimul	us	Z	Mean	Std. Deviation	Std. Error Mean
Maan ATD	SS	30	5,1143	1,05806	,19317
wean_ATB	No_SS	30	4,9095	,92771	,16938

Own illustration based on SPSS data "experiment"

		Levene's equal varia	s Test of lity of Inces	t-test for Equality of Means						
		F	Sig.	t	df	Sig. (2- tailed)	Mean Difference	Std. Error Difference	95% Conf Interval Differe	idence of the ence
						····,			Lower	Upper
Mean_ATB	Equal variances assumed	,022	,884	,797	58	,429	,20476	,25691	-,30951	,71903
	Equal variances not assumed			,797	57,025	,429	,20476	,25691	-,30969	,71922

Table 4.13: Independent Samples Test – Mean\_ATB

Own illustration based on SPSS data "experiment"

## 4.7 Independent t-test – Purchase Intentions

In order to be able to answer the overall question of my thesis (H5), whether sports sponsorship has an influence on consumers' purchase intention, an independent samples t-test was conducted. Again, the conditions to compare data of two groups were met. The results came from two independent groups which are experimental and control group. For the experimental group SS was used as a stimulus whereas the control group was confronted with pictures of a sports event without any signs of sports sponsorship. The data to test consumers' purchase intention was conducted on a 3 item 7 point likert scale and therefore the condition of interval scaled data was fulfilled.

An independent samples t-test was conducted to compare consumers' purchase intention in condition with sports sponsorship as a stimulus and in condition without sports sponsorship as a stimulus. Hereby, the experimental group was provided with SS and the control group was confronted with an event without SS. Again, the null hypothesis implies that there is no statistical difference between experimental and control group. If p<0.05 the null hypothesis needs to be rejected and consequently a significant difference between the two groups would have been observed. The results of the Levene's test for equality of variances imply that the variability of each group is approximately equal since p=0,067>0,05. Consequently, the t-test meets the assumption of equal variance and the first column of table 4.14 can be used for analysis of the independent samples t-test. The results in table 4.13 and 4.14 show that there was no significant difference in the scores for SS (M=4,07, SD=1,70) and for no SS (M=3,84, SD=1,28) conditions; t(58)=, p=0,548. The results of

the test suggest that sports sponsorship has no effect on a consumers' purchase intention since p=0,548> 0,05. However, it can be seen that the mean score for SS is 0,23> the mean score of no SS. This is a higher score but not a significant higher score and therefore it must be assumed that sports sponsorship has no significant effect on a consumers' purchase intention. This is not surprisingly since it was suggested that consumers are more likely to have a higher intention to purchase if they have a high attitude towards the brand. As analyzed in the previous part, there was no indication found that sports sponsorship increases consumers' attitude towards a brand significantly. Appendix 3.16 illustrates the mean differences between the experimental group and the control group with respect to each individual item. It was found that none of the individual items was significant between the groups. However, the highest mean difference was found for "PI\_Immediate Purchase". Participants of the control group answered the question with a mean of 3,27. The results are discussed in chapter 5.

Table 4.14: Grou	p Statistics – Mean	ΡI

Stir	nulus	Ν	Mean	Std. Deviation	Std. Error Mean
Maan Di	SS	30	4,0667	1,68927	,30842
Mean_PI	No_SS	30	3,8333	1,27682	,23311

Own illustration based on SPSS data "experiment"

## Table 4.15: Independent Samples t-test – Mean\_PI

		Levene's equal varia	s Test of lity of Inces	t-test for Equality of Means						
		F	Sig.	t	df	Sig. (2- tailed)	Mean Difference	Std. Error Difference	95% Coi Interva Diffe	nfidence I of the rence
						•			Lower	Upper
	Equal variances assumed	3,489	,067	,604	58	,548	,23333	,38661	-,54054	1,00721
Mean_PI	Equal variances not assumed			,604	53,982	,549	,23333	,38661	-,54177	1,00844

Own illustration based on SPSS data "experiment"

## 4.8 Data Analysis - Summary

After having conducted several tests in order to test hypotheses, the results of the hypothesis testing will be summarized following. With the help of a regression analysis H1, H2, and H3 were tested. The result of this analysis was that H1 was supported whereas H2 and H3 were not supported. That means that only high perceptions of brand quality lead to a higher attitude towards the brand. A positive correlation between FMCG consumers' perception of product uniqueness and companies' corporate social responsibility on FMCG consumers' attitude towards a brand was not observed. Concluding, it can be said that the main hypothesis are H4 and H5 which deal with the effect of sports sponsorship on FMCG consumers' attitude towards a brand respectively on FMCG consumers' purchase intention. The analysis of the surveys with the help of SPSS shows that there was no significant difference between experimental and control group found. Consequently, no effect of sports sponsorship on FMCG consumers' attitude respectively FMCG consumers' purchase intention was observed. Table 4.15 indicates whether a hypothesis was supported or not.

н	Description Hypothesis	Supported	Not Supported
H1	High PBQ leads to higher ATB	x	
H2	High PPU leads to higher ATB		x
H3	High PCSR leads to higher ATB		x
H4	Sports Sponsorship as a moderating factor leads to higher ATB		x
H5	Sports Sponsorship as a moderating factor leads to higher PI		х

Table 4.16: Summary Hypotheses

Own illustration based on SPSS data "experiment"

## 5 Discussion and Analysis

This chapter discusses the main findings of this research and links them to the reviewed literature. The purpose of this study was to examine whether sports sponsorship has an effect on FMCG consumers' purchase intentions or not. The literature review presented an overview about the areas of FMCG, sports sponsorship and consumer purchase intentions. Based on the literature, the most suitable model to capture purchase intentions of FMCG consumers was selected. Furthermore, sports sponsorship was implemented as a moderating factor into the model. With the help of an experiment, hypotheses were tested in the previous part. Following, I will discuss the results of the previous chapter. At the end of the discussion I will be able to answer RQ 3 whether sports sponsorship is a suitable tool to influence purchase intentions of FMCG consumers.

On the base of Van Heerden et al. (2008) perceived brand quality, perceived product uniqueness and perceived corporate responsibility were selected in order to test whether these variables have a significant effect on FMCG consumers' attitude towards a brand. Hence, three hypotheses were defined in order to test whether perceived brand quality (H1), perceived product uniqueness (H2) and perceived corporate social responsibility (H3) have a positive effect on consumers' attitude towards a brand. Since existing literature mostly concentrates on evaluation of purchase intentions of high involvement products, it will be interesting to see whether the same variables are influencing FMCG consumers' attitude towards a brand. Following, each individual variable and its effect on FMCG attitude towards brand will be discussed.

## Perceived Brand Quality

The results of the experiment show that perceived brand quality and FMCG consumers' attitudes towards a brand are significantly correlated. Hence, the higher a consumer perceives the quality of a brand, the higher FMCG consumers' attitude towards this brand. It leads to the fact that H1 was supported. Consequently, it can be assumed that brand quality is crucial for FMCG consumers. The fact that no difference between experimental and control group was observed shows that brand quality is very important for FMCG consumers and therefore can be seen as a "must have" for companies.

#### Perceived Product Uniqueness

The experiment shows that there is no significant correlation between perceived product uniqueness and FMCG consumers' attitude towards a brand. Therefore, a higher perception of product uniqueness is not significantly influencing that consumers' attitude towards the brand. The results indicate that perception of product uniqueness is not important for consumers of low involvement products. In contrast literature has indicated that consumers of high involvement products perceive uniqueness of a product as important. These consumers spend much more money for a product and in return expect to receive a product that sets him or her apart from other people. Therefore, the difference seems to lie in the nature of the product. FMCG consumers generally aim to satisfy their basic needs with a purchase. Hence, FMCGs are not the kind of products where consumers aim to differentiate themselves from other people. As stated in the literature chapter, a main goal of sports sponsorship is differentiation from competitor companies. Since the effect of perceived product uniqueness on consumers' attitude towards brand was not observed in this study, it appears to be questionable if sports sponsorship can lead to a competitive advantage compared to competitor companies.

## Perceived Corporate Social Responsibility

The results of the survey show that there is no significant correlation between the independent variable perceived corporate social responsibility and FMCG consumers' attitude towards a brand. Hence, PCSR as an independent variable seems to be not suitable for the purpose of this study. Again, it appears to be significant that there exist a difference between low involvement and high involvement products. An explanation might be that a purchase of high involvement products has a longer evaluation time before the purchase. Therefore, the consumer actively searches for further information about the product or about a brand. Consequently, the image of corporate social responsibility is taken into account. In contrast, often low involvement purchase decisions are made in-store and therefore the consumer does not actively search for further information about a brand or a product. As a result, corporate social responsibility decisions are not taken into account in the first purchase decision.

#### Summary Independent Variables

The discussion above indicates that only one of the three independent variables has a significant impact on FMCG consumers' attitude towards a brand. Hence, it is crucial to mention that perceived

brand quality has been identified as the predominant variable. It indicates that product uniqueness and corporate social responsibility of a firm are not expected to influence FMCG consumers' attitudes towards the brand in the same way brand quality perception does. To sum up, measures of PPU and PCSR have indicated, that these variables are not suitable in order to measure FMCG consumers' attitude towards a brand. Hence, a difference between the use of these variables in studies with high and low involvement products was identified. Whereas it seems to be suitable to use PPU and PCSR in a high involvement context, the use of these two variables does not work within this study. As stated in chapter 3.3, I expected that PBQ has the highest influence on FMCG consumers' attitude towards a brand. However, I did not expect in advance that there is so little contribution of product uniqueness on FMCG consumers' attitude towards a brand. Furthermore, PCSR has no significant effect on FMCG consumers' attitude towards a brand. I expected that there might be less contribution of this variable since it was mentioned in theory that it is not a dominant factor. After having evaluated that only perception of brand quality has a significant effect on FMCG consumers' attitudes towards a brand, following, the results of the influence of sports sponsorship as a moderating factor will be discussed.

The results in chapter 4 show that there is no significance difference between EG and CG with regard to their attitudes towards the brand. On average participants of the EG rated ATB of Red Bull with a mean of 5,11. In comparison participants of the CG razed ATB of Red Bull with a mean of 4,91. The pure difference of 0,2 might lead to the assumption that participants of the EG have a higher attitude towards Red Bull than participants of the CG. However, the independent samples t-test indicates that the difference between EG and CG is not significant. Hence, it can be concluded that sport sponsorship does not lead to higher attitudes towards the brand of FMCG consumers. It can be seen as the most important result from the measurement of ATB. Even single items of ATB did not differ significantly between EG and CG. However, there appear some interesting results for individual items. The independent t-test for individual items shows that sports sponsorship seems to have no influence at all on consumers' perception of brand quality. Appendix 3.15 elucidates that participants of the CG (mean of 5,37) had an even higher perception of Red Bull's product quality than participants of the EG (5,27). As already evaluated within this chapter, PBQ is the most influencing variable with a significant effect on FMCG consumers' purchase intention. Hence, the most important factor for FMCG consumers in order to build an attitude towards a brand seems to be not influenced at all by sports sponsorship. On the other hand a difference between both has been observed on the

item whether a participant perceives the brand as boring or interesting. Participants of the EG rated this item with a mean of 5,40 whereas participants of the CG rated this item with a mean of 4,87. The difference in mean of 0,53 might be an indication that sports sponsorship leads to the fact that a consumer perceives the brand as more interesting. However, the significance for this item is 0,115>0,05. Hence, the independent samples t-test indicates that none of the items is significantly different between EG and CG. Van Heerden et al. (2008) observed a positive effect of sports sponsorship on consumers' attitude towards a brand. As evaluated in this chapter, the statement of Van Heerden et al. (2008) was not confirmed for FMCG consumers. The small sample size must be considered and it might lead to the fact that results would be significant when using a larger sample size. However, this assumption cannot be made on the base of this research study and remains to be examined in future research.

After having discussed that sports sponsorship has no significant influence on FMCG consumers' attitude towards the brand, following, it will be evaluated whether there exist differences between EG and CG regarding participants' intention to purchase the product. The data presented in chapter 4 indicates that there exists no significant difference between EG and CG regarding participants intention to purchase Red Bull. This result does not appear to be surprisingly since no difference in attitude towards the brand has been observed between EG and CG. In literature, there were discussions whether a higher attitude towards a brand leads to higher consumer purchase intentions. This assumption cannot be supported since no difference of attitude between the groups was found. As a result, it can be stated that sports sponsorship has no significant effect on FMCG consumers' purchase intention. The results show that participants of the EG rated PI on average with 4,07 on a 3 item scale. In contrast participants of the CG rated PI with 3,87 on average which is 0,23 less compared to the EG. However, this difference is not significant since p=0,528>0,05. When evaluating the single items, it appears that there are differences between immediate and future purchases. Item 1 asked the participants about the likelihood of an immediate purchase. Item 2 and item 3 dealt with the likelihood of future purchases. EG rated item 0,767 higher compared to CG (4,03 compared to 3,27). The difference might lead to the assumption that sports sponsorship has an influence on FMCG consumers' immediate purchase intentions. Even the difference is easy to observe, the independent samples t-test indicates that the difference between EG and CG is not significant (p=0,078>0,05). However, compared to items 2 and 3 the difference seems to be higher than the difference for the two future purchase items. The p-value for item 2 p=0,532>0,05 and for item 3 p=0,627 indicate

heavily that no significant difference between EG and CG was measured. Hence, the difference between EG and CG for the immediate purchase item at least deserves some attention in future research studies. To sum up, no significant difference between experimental and control group was observed. It means that in total, sports sponsorship is not expected to influence purchase intentions of FMCG consumers' significantly. However, the results indicate that future studies should concentrate on the effect of sports sponsorship on immediate purchase intentions of sports event visitors.

# RQ 3: Effectiveness of sports sponsorship as a tool to influence FMCG consumers' purchase intentions

The results of this study have indicated that sports sponsorship has no significant affect on FMCG consumers' attitude towards a brand. Furthermore, no significant relationship between sports sponsorship and FMCG consumers' purchase intention was observed. Consequently, sports sponsorship is not a suitable tool to directly influence purchase intentions of FMCG consumers. The independent samples t-test elucidated that it can be assumed that sports sponsorship might be a suitable tool to make a brand more interesting for consumers of the sponsored event. However, this would not directly influence purchase intentions of FMCG consumers'. It might be more important in terms of brand building or loyalty. In fact, a loyal consumer will purchase a product of a brand again and again. Hence, somehow sports sponsorship might influence purchase intentions of FMCG consumers'. However, this is not a direct influence on purchase intentions. More suitable and more common tools might be promotion activities at POS which directly influence the consumer when the purchase decision is made. Another way to answer the question is to differentiate purchase intentions into immediate and future purchase intentions. Hereby, the results might lead to the conclusion that there is a small effect of sports sponsorship on the immediate purchase intentions of visitors of the sponsored event. Since the difference between the tested groups was not significance, this statement cannot be seen as supported. However, the results indicate that there might be such an effect. Hence, I recommend further researchers to specifically test the effect of sports sponsorship on immediate purchase intentions of event participants.

## 6 Managerial Implications

For managers, it is important to know how consumers' react on promotion activities. As the number of sports sponsorship deals as well as the value of sports sponsorship deals is increasing, managers have to be aware of the benefits and risks of such an engagement. Since profit increase can be seen as the overall goal of a company, sports sponsorship engagements are as well expected to contribute to this goal. A possible measure to identify if it really contributes to this overall goal is to measure consumers' purchase intentions. Within this study the effect of perceived brand quality, perceived product uniqueness and perceived corporate social responsibility on FMCG consumers' attitude towards a brand was tested. The results of this test are interesting for managers of FMCG companies. In contrast to high involvement products, PPU and PCSR have no significant influence on FMCG consumers' attitude towards the brand. Hence, perceived brand quality can be seen as predominant. Consequently, managers of FMCG companies need to concentrate on building a high quality brand with high quality products in order to satisfy consumers. The results of this study indicate that sports sponsorship does not affect FMCG consumers' attitude towards the brand significantly. However, there are small indications that sports sponsorship leads to the fact that a consumer perceives a brand as more interesting. Especially for FMCG companies such as Red Bull, sponsorship of action sports might be interesting since it fits well to the interests of the target group. Hence, managers of FMCG companies could use sponsorship of a suitable and fitting sports event or team as a way to make their brand more interesting for consumers. On the other hand, the results indicate that sports sponsorship has no effect at all on the brand quality perception. Therefore, if managers aim to increase quality perception of FMCG consumers', on the base of this study sports sponsorship cannot recommended as a suitable tool to do so. Moreover, the effect of sports sponsorship on FMCG consumers' purchase intentions was tested within this study. The results indicate that no significant effect was observed between experimental and control group. It leads to the assumption that sports sponsorship as such is not a suitable tool in order to increase consumers' purchase intentions. For managers, it could be interesting that immediate and future purchase intention seem to differ. Participants of a sponsored event showed a slightly higher intention to purchase the product immediately in comparison to participants of a non-sponsor event. To draw a conclusion, the results of this study indicate that sports sponsorship as such leads not to a significant increase in consumers' purchase intentions. However, immediate purchases at a sponsored event are slightly higher than at an unsponsored sports event. Hence, if the product fits to the event, it is a possibility for managers of

companies to sponsor the sports event and sell the companies' own products during this event. This is more a short term effect and does not lead to long term increase of sales. However, it seems to be a suitable form of promotion for FMCG companies since their products such as beverages are in contrast to high involvement products perfectly suitable to be sold at events.

In general, managers need to bear in mind that sports sponsorship needs to be integrated into the overall marketing-mix of the company. Sports sponsorship as a standalone promotion tool is not expected to increase purchase intentions of FMCG consumers. In my opinion sports sponsorship is a more suitable tool in order to create brand awareness and a strong brand image. However, especially in the FMCG industry price and product quality seem to be most important and dominant factors for a consumers purchase decision. Hence, sports sponsorship can be used by managers as an additional tool in order to actively integrate consumers. This way a FMCG company makes its own brand interesting for consumers and a consumer might not switch as fast as before to competitor brands. As a result, I am convinced that a well designed sports sponsorship deal which approaches the target consumer might be a good tool to create consumer loyalty. Consequently, I assume that a suitable sports sponsorship engagement creates awareness and leads to a strong brand image and loyalty among consumers. Furthermore, I would recommend managers of FMCG companies to use other traditional promotion tools such as discounts, "2 for 1 offers" or innovative packaging seem to influence purchase intentions of FMCG consumers' at POS. Since most FMCG purchase decisions are made in store "in-store", these tools appear to have a higher direct influence on FMCG consumers' purchase decisions. A general advice for managers of FMCG managers is that it is important for to have a well balanced marketing mix with different promotional tools in order to attract consumers before, during and after the purchase.

## 7 Limitations and Implications for future research

The set up of this master thesis has certain limitations which occurred throughout this study. When interpreting this study, this limitations need to be considered. Due to the limited scope of this study as well as due to less developed status of research in the topic "influence sports sponsorship on FMCG consumers' purchase intentions", a pre-experimental design was chosen. The design lacks of control for extraneous variables. Moreover, experimental and control group were confronted with questions towards Red Bull in the first part of the survey. Afterwards, the experiment was carried out. This design can be seen as a weakness since it sets experimental and control group in a Red Bull "mood". This clearly hinders the results of my study and should be avoided in further research. Furthermore, the sample size of 60 participants was relatively small and convenience sampling (non-probability sampling) was used which can be seen as the least reliable design. As already stated, the design was chosen because the effect of sports sponsorship on purchase intentions of FMCG consumers was not examined in previous research papers. Therefore, my study can be seen as a first step in this research area. Consequently true experimental designs should be used for future research. Moreover, the sample size should be increased in order to reach more reliable results.

In order to evaluate purchase intentions of FMCG consumers, the measure of attitude towards a brand was used. This selection was based on a special for of TPB which is used to evaluate purchase intentions in the food industry. However, evaluation of literature indicated that a cue based decision making model might be more suitable in order to test the influence of sports sponsorship on FMCG consumers' purchase intentions. Since this model is not far developed yet, it was not used within this study. For future research I strongly recommend to use sports sponsorship as an external cue within the purchase process of a FMCG consumer. Furthermore, the selected independent variables appeared to be not perfectly suitable. Future researchers should exclude perceived product uniqueness and perceived corporate social responsibility as independent variables. Hence, I strongly recommend to future researchers to select more suitable independent variables in order to test FMCG consumers' attitudes towards a brand when using this kind of TPB.

Red Bull was used as a sponsor example within the experiment. After analyzing the results, I come to the conclusion that Red Bull is not the most suitable company for such an experiment. On average participants rated Red Bull's promotion and sports sponsoring as good compared to other item

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measures such as product quality or product/price ratio. As a result, I am convinced that the provided stimulus was not as effective as it should have been. Due to the relatively high perception of Red Bull's sport sponsorship activities in both groups, it can be assumed that participants of the control group were already before the experiment well aware of sports sponsorship of Red Bull. As a result, attitude towards the brand was not as different as it might have been when using a less popular brand. Consequently, I recommend future researchers to use a less popular brand for further research. Even more, a company that does not sponsor sports at all might be the most suitable choice for an experiment. It enables the researcher to analyze how brand attitude is influenced. To sum up, I perceive that sports sponsorship might have a significant impact on FMCG consumers' attitude towards a brand even it was not observed within this study. As a result, I recommend to carry out further research within this interesting field. Hereby, a larger target group and a less popular brand should be used. Moreover, the results of the experiment showed that there exist no significant but small differences in FMCG consumers' purchase intentions between immediate and future purchases. Therefore, I strongly recommend to future researchers to test whether sports sponsorship creates significant influence on immediate respectively future purchase intentions.

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# Appendix

Appendix 1: Survey Control Group – "No SS" Intro Dear participant,

I would like to ask you to take part in my research project as a part of my Masters degree at the University of Hasselt. The following questionnaire will confront you with questions about the brand Red Bull as well as confront you with a sports event. After you were confronted with the sports event, I would like to ask you to answer some final questions.

Please only take part if you properly understand the questions. In total, it will take you about five minutes of time.

Thank you for your effort.

**Best Regards** 

Mats Willam

# Part 1

Please indicate how well you perceive the following statements

	Strongly Disagree	Disagree	Partly Disagree	Neither Agree nor Disagree	Partly Agree	Agree	Strongly Agree
Red Bull offers high quality products	0	0	0	0	0	0	0
Red Bull provides a good quality/price ratio with its Energy Drink	0	0	0	0	0	$\circ$	0
The taste of red Bull satisfies me compared to the taste of competitor drinks	0	0	0	0	0	0	0
I perceive Red Bull's promotion activities as superior	0	0	0	0	0	0	0
Red Bull's sports sponsoring is of high quality	0	$\circ$	$\circ$	0	0	0	$\circ$

#### Please indicate how well you perceive the following statements

	Strongly Disagree	Disagree	Partly Disagree	Neither Agree nor Disagree	Partly Agree	Agree	Strongly Agree
Red Bull offers high quality products	0	0	0	0	0	0	0
Red Bull provides a good quality/price ratio with its Energy Drink	0	0	0	0	0	0	0
The taste of red Bull satisfies me compared to the taste of competitor drinks	0	0	0	0	0	0	0
I perceive Red Bull's promotion activities as superior	0	0	0	0	0	0	0
Red Bull's sports sponsoring is of high quality	0	0	0	0	0	0	0

# Part 3

## What is your perception of Red Bull on each of the following statements

	Strongly Disagree	Disagree	Partly Disagree	Neither Agree nor Disagree	Partly Agree	Agree	Strongly Agree
Red Bull involves the community in its operations	0	0	0	0	0	0	0
Red Bull cares about its customers	0	0	0	0	0	0	$\circ$
Red Bull cares about its sponsored athletes	0	0	0	0	0	0	0
Red Bull provides benefit to the society with its sponsorship involvement	0	0	0	0	0	0	0

Imagine you spend your holidays with friends in the Austrian Alps. One evening you and your friends visit a ski event which takes place in the same village where you spend your holidays. Following, you will be confronted with pictures of this event. Take one or two minutes of time in order to watch the Pictures and put yourself into the situation of being a spectator of the event. After you checked the pictures, you are kindly asked to continue with the last questions of this survey.

Welcome to Jib-Ski Kings



We welcome you at our tent in the finish area!



The athletes about to start



# The athletes in action!



The athletes at the victory ceremony



## Thinking about the brand Red Bull, how do you perceive the brand?

	1 (1)	2 (2)	3 (3)	4 (4)	5 (5)	6 (6)	7 (7)
I perceive the brand as bad; I perceive the brand as good	0	0	0	0	0	0	0
I dislike the brand; I like the brand	0	0	0	0	0	0	$\circ$
I associate low quality with the brand; I associate high quality with the brand	0	0	0	0	0	0	0
I feel negative towards the brand; I feel positive towards the brand	0	0	0	0	0	0	0
The brand is not unique; the brand is unique	0	0	0	0	0	0	0
I perceive the brand as boring; I perceive the brand as interesting	0	0	0	0	0	0	0
I perceive the company as irresponsible; I perceive the Company as responsible	0	0	0	0	0	0	0

Suppose after the ski Event you are next to the bar illustrated on the picture below. A can of Red Bull is offered for a price of 2€. How likely would you be to purchase a Red Bull drink?



	Strongly Disagree	Disagree	Partly Disagree	Neither Agree nor Disagree	Partly Agree	Agree	Strongly Agree
It is very likely that I will buy Red Bull	0	0	0	0	0	0	0
I will purchase Red Bull the next time I need an energy drink	0	0	0	0	0	0	0
l will definitely try Red Bull another time	0	0	0	0	0	0	0

## What is your gender?

$\cap$	Male
$\bigcirc$	infonce.

Female

## What is your age group?

Under 18	18-20	21-23	24-26	27-30	over 30
0	0	0	0	0	0

## How many times per month do you purchase Red Bull?

Less than once	1-2 times	2-5 times	5-10 times	more than 10 times
0	0	0	0	0

## Have you ever been on ski holidays?

No	1-2 times	3-5 times	more than 5 times
0	0	0	0

## Have you ever visited an ski event?

No	1-2 times	3-5 times	more than 5 times
0	0	0	0

Appendix 2: Survey Experimental Group – "SS" Intro

Dear participant,

I would like to ask you to take part in my research project as a part of my Masters degree at the University of Hasselt. The following questionnaire will confront you with questions about the brand Red Bull as well as confront you with a sports event. After you were confronted with the sports event, I would like to ask you to answer some final questions.

Please only take part if you properly understand the questions. In total, it will take you about five minutes of time.

Thank you for your effort.

Best Regards

Mats Willam

## Part 1

Please indicate how well you perceive the following statements

	Strongly Disagree	Disagree	Partly Disagree	Neither Agree nor Disagree	Partly Agree	Agree	Strongly Agree
Red Bull offers high quality products	0	0	0	0	0	0	0
Red Bull provides a good quality/price ratio with its Energy Drink	0	0	0	0	0	0	0
The taste of red Bull satisfies me compared to the taste of competitor drinks	0	0	0	0	0	0	0
I perceive Red Bull's promotion activities as superior	0	0	0	0	0	0	0
Red Bull's sports sponsoring is of high quality	0	$\circ$	$\circ$	0	0	0	$\circ$
#### Please indicate how well you perceive the following statements

	Strongly Disagree	Disagree	Partly Disagree	Neither Agree nor Disagree	Partly Agree	Agree	Strongly Agree
Red Bull offers high quality products	0	0	0	0	0	0	0
Red Bull provides a good quality/price ratio with its Energy Drink	0	0	0	0	0	0	0
The taste of red Bull satisfies me compared to the taste of competitor drinks	0	0	0	0	0	0	0
I perceive Red Bull's promotion activities as superior	0	0	0	0	0	0	0
Red Bull's sports sponsoring is of high quality	0	0	0	0	0	0	0

## Part 3

## What is your perception of Red Bull on each of the following statements

	Strongly Disagree	Disagree	Partly Disagree	Neither Agree nor Disagree	Partly Agree	Agree	Strongly Agree
Red Bull involves the community in its operations	0	0	0	0	0	0	0
Red Bull cares about its customers	0	0	0	$\circ$	0	0	0
Red Bull cares about its sponsored athletes	0	0	0	0	0	0	0
Red Bull provides benefit to the society with its sponsorship involvement	0	0	0	0	0	0	0

Imagine you spend your holidays with friends in the Austrian Alps. One evening you and your friends visit a ski event which takes place in the same village where you spend your holidays. Following, you will be confronted with pictures of this event. Take one or two minutes of time in order to watch the Pictures and put yourself into the situation of being a spectator of the event. After you checked the pictures, you are kindly asked to continue with the last questions of this survey.

Welcome to Red Bull Jib-Ski Kings



# We welcome you at our Red Bull tent in the finish area!



# Red Bull athletes about to start



## Red Bull athletes in action!



Red Bull athletes at the victory ceremony



#### Thinking about the brand Red Bull, how do you perceive the brand?

	1 (1)	2 (2)	3 (3)	4 (4)	5 (5)	6 (6)	7 (7)
I perceive the brand as bad; I perceive the brand as good	0	0	0	0	0	0	0
I dislike the brand; I like the brand	0	0	0	0	0	0	$\circ$
I associate low quality with the brand; I associate high quality with the brand	0	0	0	0	0	0	0
I feel negative towards the brand; I feel positive towards the brand	0	0	0	0	0	0	0
The brand is not unique; the brand is unique	0	0	0	0	0	0	0
I perceive the brand as boring; I perceive the brand as interesting	0	0	0	0	0	0	0
I perceive the company as irresponsible; I perceive the Company as responsible	0	0	0	0	0	0	0

Suppose after the ski Event you are next to the bar illustrated on the picture below. A can of Red Bull is offered for a price of 2€. How likely would you be to purchase a Red Bull drink?



	Strongly Disagree	Disagree	Partly Disagree	Neither Agree nor Disagree	Partly Agree	Agree	Strongly Agree
It is very likely that I will buy Red Bull	0	0	0	0	0	0	0
l will purchase Red Bull the next time I need an energy drink	0	0	0	0	0	0	0
l will definitely try Red Bull another time	0	0	0	0	0	0	0

## What is your gender?

$\cap$	Male
$\sim$	

Female

## What is your age group?

Under 18	18-20	21-23	24-26	27-30	over 30
0	0	0	0	0	0

#### How many times per month do you purchase Red Bull?

Less than once	1-2 times	2-5 times	5-10 times	more than 10 times
0	0	0	0	0

#### Have you ever been on ski holidays?

No	1-2 times	3-5 times	more than 5 times
0	0	0	0

## Have you ever visited an ski event?

No	1-2 times	3-5 times	more than 5 times
0	0	0	0

# Appendix 3: SPSS Output

	N	Scale	Minimum	Maximum	Mean	Standard deviation
PBQ-quality of products	60	1-7	2	7	5,10	1,175
PBQ-taste of product	60	1-7	2	7	5,18	1,295
PBQ-perception of promotion activities	60	1-7	4	7	5,82	,948
PBQ- perceived quality of Red Bull's sports sponsoring	60	1-7	3	7	5,80	1,205
Valid	60					
PPU-Red Bull "stands out" from other energy drinks	60	1-7	2	7	5,53	1,359
PPU-Red Bull is different from other energy drinks	60	1-7	2	7	4,95	1,395
PPU-Compared to other energy drinks, Red Bull is unique	60	1-7	2	7	4,60	1,586
Valid	60					
PCSR-Red Bull involves the community in its operations	60	1-7	2	7	4,72	1,043
PCSR-Red Bull cares about its customers	60	1-7	1	7	4,28	1,236
PCSR-Red Bull cares about its sponsored athletes	60	1-7	1	7	5,10	1,469
PCSR-Red Bull provides benefit to the society with its sponsorship involvement	60	1-7	1	7	4,97	1,438
Valid	60					

# Appendix 3.1.1: Frequency Distribution and Measures of Central Tendency PBQ, PPU, PCSR

# Appendix 3.1.2: Frequency Distribution and Measures of Central Tendency ATB, PI

	N	Minimum	Maximum	Mean	Standard deviation
ATB-bad;good	60	2	7	5,33	1,068
ATB-dislike; like	60	1	7	5,18	1,467
ATB-low quality; high quality	60	3	7	5,32	1,000
ATB-negative;positive	60	1	7	5,05	1,371
ATB-not unique; unique	60	1	7	4,78	1,574
ATB-boring; interesting	60	2	7	5,13	1,308
ATB-irresponsible; responsible	60	1	6	4,28	1,166
Purchase Intention_Immediate Purchase	60	1	7	3,65	1,686
Purchase Intention_Purchase if needed next time	60	1	7	4,02	1,836
Purchase Intention_Try another time	60	1	7	4,18	1,836
Valid	60				

Descriptive Statistic Total items - ATB and PI

## Appendix 3.2: Test of Reliability PPQ

<b>Reliability Statistics</b>						
Cronbachs Alpha	Cronbachs Alpha Based on standardized Items	N of Items				
,717	,722		5			

	Mean	Std. Deviation	Ν
PBQ-quality of products	5,10	1,175	60
PBQ-quality/price ratio	4,07	1,483	60
PBQ-taste of product	5,18	1,295	60
PBQ-perception of promotion activities	5,82	,948	60
PBQ- perceived quality of Red Bull's sports sponsoring	5,80	1,205	60

#### **Item Statistics**

## Inter-Item-Correlation Matrix

	PBQ-quality of products	PBQ-quality/price ratio	PBQ-taste of product	PBQ- perception of promotion activities	PBQ- perceived quality of Red Bull's sports sponsoring
PBQ-quality of products	1,000	,599	,534	,108	,218
PBQ-quality/price ratio	,599	1,000	,391	-,064	,074
PBQ-taste of product	,534	,391	1,000	,373	,524
PBQ-perception of promotion activities	,108	-,064	,373	1,000	,665
PBQ- perceived quality of Red Bull's sports sponsoring	,218	,074	,524	,665	1,000

## **Item-Total-Statistics**

	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Squared Multiple Correlation	Cronbach's Alpha if Item Deleted
PBQ-quality of products	20,87	11,880	,564	,465	,635
PBQ-quality/price ratio	21,90	11,956	,358	,397	,730
PBQ-taste of product	20,78	10,478	,677	,479	,579
PBQ-perception of promotion activities	20,15	14,435	,347	,462	,714
PBQ- perceived quality of Red Bull's sports sponsoring	20,17	12,345	,477	,531	,669

## Scale-Statistics

Mean	Variance	Std. Deviation	N of Items
25,97	17,829	4,222	5

# Appendix 3.3: Factor Analysis PBQ

## KMO and Bartlett's Test

Kaiser-Meyer-Olkin Measure of Sampling Adequacy	,659
Bartlett's-Test of Sphericityt Approx. Chi- Square	99,465
df	10
Sig.	,000

## Communalities

	Initial	Extraction
PBQ-quality of products	1,000	,776
PBQ-quality/price ratio	1,000	,778
PBQ-taste of product	1,000	,720
PBQ-perception of promotion activities	1,000	,805
PBQ- perceived quality of Red Bull's sports sponsoring	1,000	,818

Extraktionsmethode: Hauptkomponentenanalyse.

# Appendix 3.4: Test of Reliability PPU

## **Reliability Statistics**

Cronbachs Alpha	Cronbachs Alpha Based on standardized Items	N of Items
,718	,707	4

#### Std. Deviation Mean Ν PPU-Red Bull "stands out" from other energy drinks 1,359 60 5,53 PPU-Red Bull is different from other energy drinks 4,95 1,395 60 PPU-Compared to other energy drinks, Red Bull is 4,60 1,586 60 unique PPU-Drinking Red Bull makes me feel special 2,43 1,079 60

#### **Item Statistics**

#### **Inter-Item-Correlation Matrix**

	PPU-Red Bull "stands out" from other energy drinks	PPU-Red Bull is different from other energy drinks	PPU-Compared to other energy drinks, Red Bull is unique	PPU-Drinking Red Bull makes me feel special
PPU-Red Bull "stands out" from other energy drinks	1,000	,265	,510	,152
PPU-Red Bull is different from other energy drinks	,265	1,000	,627	,262
PPU-Compared to other energy drinks, Red Bull is unique	,510	,627	1,000	,440
PPU-Drinking Red Bull makes me feel special	,152	,262	,440	1,000

## **Item-Total-Statistics**

	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Squared Multiple Correlation	Cronbach's Alpha if Item Deleted
PPU-Red Bull "stands out" from other energy drinks	11,98	10,695	,410	,271	,711
PPU-Red Bull is different from other energy drinks	12,57	9,673	,526	,397	,643
PPU-Compared to other energy drinks, Red Bull is unique	12,92	7,196	,761	,585	,467
PPU-Drinking Red Bull makes me feel special	15,08	12,281	,362	,201	,730

**Scale-Statistics** 

Mean	Variance	Std. Deviation	N of Items
17,52	16,186	4,023	4

# Appendix 3.5: Factor Analysis PPU

KMO-	und	Bartlett-Test
INIO-	unu	Dar nen-1 cor

Kaiser-Meyer-Olkin Measure of Sampling Adequacy		,598
Bartlett'sTest of Sphericity	Approx. Chi-Square	58,553
df		6
	Sig.	,000

## Kommunalitäten

	Initial	Extraction
PPU-Red Bull "stands out" from other energy drinks	1,000	,414
PPU-Red Bull is different from other energy drinks	1,000	,582
PPU-Compared to other energy drinks, Red Bull is unique	1,000	,826
PPU-Drinking Red Bull makes me feel special	1,000	,353

# Appendix 3.6: Test of Reliability PCSR

# **Reliability Statistics**

Cronbachs Alpha	Cronbachs Alpha Based on standardized Items	N of Items
,835	,841	4

	Mean	Std. Deviation	Ν
PCSR-Red Bull involves the community in its operations	4,72	1,043	60
PCSR-Red Bull cares about its customers	4,28	1,236	60
PCSR-Red Bull cares about its sponsored athletes	5,10	1,469	60
PCSR-Red Bull provides benefit to the society with its sponsorship involvement	4,97	1,438	60

#### **Item Statistics**

#### Inter-Item-Correlation Matrix

	PCSR-Red Bull involves the community in its operations	PCSR-Red Bull cares about its customers	PCSR-Red Bull cares about its sponsored athletes	PCSR-Red Bull provides benefit to the society with its sponsorship involvement
PCSR-Red Bull involves the community in its operations	1,000	,615	,472	,559
PCSR-Red Bull cares about its customers	,615	1,000	,553	,568
PCSR-Red Bull cares about its sponsored athletes	,472	,553	1,000	,643
PCSR-Red Bull provides benefit to the society with its sponsorship involvement	,559	,568	,643	1,000

## **Item-Total-Statistics**

	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Squared Multiple Correlation	Cronbach's Alpha if Item Deleted
PCSR-Red Bull involves the community in its operations	14,35	12,503	,639	,445	,810
PCSR-Red Bull cares about its customers	14,78	11,156	,680	,486	,785
PCSR-Red Bull cares about its sponsored athletes	13,97	9,965	,666	,468	,795
PCSR-Red Bull provides benefit to the society with its sponsorship involvement	14,10	9,820	,712	,515	,771

**Scale-Statistics** 

Mean	Variance	Std. Deviation	N of Items
19,07	18,301	4,278	4

# Appendix 3.7: Factor Analysis PCSR

## KMO and Bartlett's Test

Kaiser-Meyer-Olkin Measure Adequacy	,785	
Bartlett'sTest of Sphericity	Approx. Chi- Square	91,267
	df	6
	Sig.	,000

## Communalities

	Initial	Extraction
PCSR-Red Bull involves the community in its operations	1,000	,642
PCSR-Red Bull cares about its customers	1,000	,694
PCSR-Red Bull cares about its sponsored athletes	1,000	,657
PCSR-Red Bull provides benefit to the society with its sponsorship involvement	1,000	,714

Extraktionsmethode: Hauptkomponentenanalyse.

# Appendix 3.8: Test of Reliability ATB

## **Reliability Statistics**

	Cronbachs Alpha Based on	
Cronbachs Alpha	standardized Items	N of Items
,883	,891	7

	Mean	Std. Deviation	Ν
ATB-bad; good	5,33	1,068	60
ATB-dislike; like	5,18	1,467	60
ATB-low quality; high quality	5,32	1,000	60
ATB-negative; positive	5,05	1,371	60
ATB-not unique; unique	4,78	1,574	60
ATB-boring; interesting	5,13	1,308	60
ATB-irresponsible; responsible	4,28	1,166	60

#### **Item Statistics**

			ATB-		ATB-		
			low		not	ATB-	ATB-
	ATB-	ATB-	quality	ATB-	unique	boring;	irresponsibl
	bad;goo	dislike	; high	negative;positiv	;	interestin	e;
	d	; like	quality	е	unique	g	responsible
ATB-bad;good	1,000	,782	,677	,741	,497	,574	,413
ATB-dislike; like	,782	1,000	,665	,864	,340	,473	,484
ATB-low quality; high	,677	,665	1,000	,693	,486	,524	,387
quality ATB- negative;positiv	,741	,864	,693	1,000	,343	,516	,511
e ATB-not unique: unique	,497	,340	,486	,343	1,000	,623	,450
ATB-boring;	,574	,473	,524	,516	,623	1,000	,253
ATB- irresponsible;	,413	,484	,387	,511	,450	,253	1,000

Inter-Item-Correlation Matrix

Item-Total-Statistics							
	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlatio n	Squared Multiple Correlatio n	Cronbach's Alpha if Item Deleted		
ATB-bad;good	29,75	36,699	,801	,702	,854		
ATB-dislike; like	29,90	33,142	,765	,797	,854		
ATB-low quality; high quality	29,77	38,114	,737	,579	,862		
ATB-negative;positive	30,03	33,829	,784	,796	,851		
ATB-not unique; unique	30,30	35,264	,560	,555	,886		
ATB-boring; interesting	29,95	36,523	,631	,537	,871		
ATB-irresponsible; responsible	30,80	39,214	,523	,401	,883		

## Appendix 3.9: Factor Analysis ATB

KMO and B	artlett's Test
-----------	----------------

Kaiser-Meyer-Olkin Measure of Sampling Adequacy		,822
Bartlett'sTest ofSphericity	Approx. Chi-Square	264,213
	df	21
	Sig.	,000

#### Initial Extraction ATB-bad;good 1,000 ,766 ATB-dislike; like 1,000 ,751 ATB-low quality; high 1,000 ,679 quality 1,000 ,766 ATB-negative;positive 1,000 ATB-not unique; unique ,430 1,000 ,516 ATB-boring; interesting ,379 ATB-irresponsible; 1,000 responsible

## Communalities

# Appendix 3.10: Test of Reliability PI

# **Reliability Statistics**

	Cronbachs Alpha Based on	
Cronbachs Alpha	standardized Items	N of Items
,780	,779	3

	Mean	Std. Deviation	Ν
Purchase Intention_Immediate Purchase	3,65	1,686	60
Purchase Intention_Purchase if needed next time	4,02	1,836	60
Purchase Intention_Try another time	4,18	1,836	60

#### **Item Statistics**

## Inter-Item-CorrelationMatrix

	Purchase Intention_Immediate Purchase	Purchase Intention_Purchase if needed next time	Purchase Intention_Try another time
Purchase Intention_Immediate Purchase	1,000	,692	,333
Purchase Intention_Purchase if needed next time	,692	1,000	,597
Purchase Intention_Try another time	,333	,597	1,000

#### **Item-Total-Statistics**

	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Squared Multiple Correlation	Cronbach's Alpha if Item Deleted
Purchase Intention_Immediate Purchase	8,20	10,773	,573	,488	,748
Purchase Intention_Purchase if needed next time	7,83	8,277	,786	,630	,498
Purchase Intention_Try another time	7,67	10,497	,512	,369	,816

Scal	e-S	tati	sti	cs
bua	10-D	uau	311	C D

Mean	Variance	Std. Deviation	N of Items
11,85	19,960	4,468	3

# Appendix 3.11: Factor Analysis PI

## KMO and Bartlett'sTest

Kaiser-Meyer-Olkin M Adequacy	leasure of Sampling	,563
Bartlett'sTest of Sphericity	Approx. Chi- Square	63,528
	df	3
	Sig.	,000

## Communalities

	Initial	Extraction
Purchase Intention_Immediate Purchase	1,000	,666
Purchase Intention_Purchase if needed next time	1,000	,860
Purchase Intention_Try another time	1,000	,569

Extraktionsmethode: Hauptkomponentenanalyse.

#### Minimu Maximu Skewness Kurtosis Ν Mean Std. Deviation m m Std. Std. Statisti Statisti Statisti Erro Statisti Erro Statistic Statistic Statistic С С С С r r PBQ-quality of 5,10 1,175 -,849 .309 608 60 2 7 ,277 products PBQ-taste of 60 2 7 1,295 ,608 ,608 5,18 -,838 ,309 product PBQ-perception of 7 5,82 60 4 ,948 -,113 ,309 -1,106 ,608, promotion activities PBQ- perceived 60 3 7 5,80 1,205 -,804 ,309 -,135 ,608, quality of Red Bull's sports sponsoring PPU-Red Bull 60 2 7 5,53 1,359 -1,310 ,309 1,327 ,608, "stands out" from other energy drinks PPU-Red Bull is 2 7 4,95 1,395 -,838 ,309 ,608, 60 -,112 different from other energy drinks PPU-Compared to 60 2 7 4,60 1,586 -,361 ,309 -,944 ,608, other energy drinks, Red Bull is unique PCSR-Red Bull 60 2 7 4,72 1,043 -,233 ,309 -,359 ,608, involves the community in its operations PCSR-Red Bull 60 1 7 4,28 1,236 -,343 ,309 -,098 .608 cares about its customers 60 5,10 1,469 -1,107 ,309 1,318 ,608 PCSR-Red Bull 1 7 cares about its sponsored athletes PCSR-Red Bull 60 1 7 4,97 1,438 -.825 ,309 ,402 ,608 provides benefit to the society with its sponsorship involvement 60 2 7 5,33 1,068 -,626 ,309 ,334 ,608 ATB-bad;good ATB-dislike; like 60 1 7 5,18 1,467 -1,062 ,309 ,744 .608 ATB-low quality; 60 3 7 5,32 1,000 -,052 -,744 ,608 ,309 high quality ATB-60 1 7 5,05 1,371 -,746 ,309 ,090 ,608, negative;positive ATB-not unique; 60 7 4,78 1,574 -,249 ,309 -,666 ,608, 1 unique ATB-boring; 60 2 7 5,13 1,308 -,490 ,309 -,437 ,608 interesting

**Descriptive Statistics - Items all Variables** 

## Appendix 3.12: Measures of Central tendency and Variability

120

ATB-irresponsible; responsible	60	1	6	4,28	1,166	-,382	,309	,510	,608
Purchase Intention_Immediat e Purchase	60	1	7	3,65	1,686	-,060	,309	-1,225	,608
Purchase Intention_Purchase if needed next time	60	1	7	4,02	1,836	-,161	,309	-1,202	,608
Purchase Intention_Try another time	60	1	7	4,18	1,836	-,348	,309	-1,161	,608

## Appendix 3.13: Bivariate Correlation Analysis

Co	orrel	ati	ons

		Mean_ATB	pbq	ppu	pcsr
	Pearson Correlation	1	,740 <sup>**</sup>	,480**	,485**
Mean_ATB	Sig. (2-tailed)		,000	,000	,000
	Ν	60	60	60	60
	Pearson Correlation	,740**	1	,625 <sup>**</sup>	,465**
pbq	Sig. (2-tailed)	,000		,000	,000
	Ν	60	60	60	60
	Pearson Correlation	,480**	,625 <sup>**</sup>	1	,265 <sup>*</sup>
ppu	Sig. (2-tailed)	,000,	,000		,040
	Ν	60	60	60	60
	Pearson Correlation	,485 <sup>**</sup>	,465 <sup>**</sup>	,265 <sup>*</sup>	1
pcsr	Sig. (2-tailed)	,000	,000	,040	
	Ν	60	60	60	60

\*\*. Die Korrelation ist auf dem Niveau von 0,01 (2-seitig) signifikant.

\*. Die Korrelation ist auf dem Niveau von 0,05 (2-seitig) signifikant.

# Appendix 3.14: Multiple Regression Analysis

## Variables Entered/Removed<sup>a</sup>

Model	Variables Entered	Variables Removed	Method
1	pcsr, ppu, pbq <sup>b</sup>		Enter

a. Dependent Variable: Mean\_ATB

b. All requested variables entered.

## **Model Summary**

Model	R	R-Square	Adjusted R- Square	Std- Error of the Estimate
1	,758 <sup>a</sup>	,574	,551	,66434

a. Predictors : (Constant), pcsr, ppu, pbq

Model		Sum of Squares	df	Mean Square	F	Sig.
	Regression	33,337	3	11,112	25,179	,000
1	Residual	24,715	56	,441		
	Total	58,053	59			

a. Dependent Variable: Mean\_ATB

b. Predictors : (Constant), pcsr, ppu, pbq

Model		Unstandardize	ed Coefficients	Standardized Coefficients	t	Sig.
		В	Std. Error	Beta		
	(Konstante)	,076	,576		,132	,896
1	pbq	,726	,140	,633	5,202	,000
I	ppu	,031	,095	,037	,331	,742
	pcsr	,169	,091	,182	1,844	,070

## **Coefficients**<sup>a</sup>

a. Dependent Variable: Mean\_ATB

# Appendix 3.15: Independent samples t-test - ATB

Stimulus		N	Mean	Standard Deviation	Standard Error Mean
Mean_ATB	SS	30	5,1143	1,05806	,19317
	No_SS	30	4,9095	,92771	,16938

Group	Statistics	ATB
-------	------------	-----

		Leve Test equal varia	ne's t of ity of nces			t-1	test for Equa	lity of Mean	s	
						Sig.	Mean	Std Error	95% Co Interv Diffe	onfidence al of the erence
		F	Sig.	t	df	tailed)	Difference	Difference	Lower	Upper
Mean_ATB	Equal variances assumed	,022	,884	,797	58	,429	,20476	,25691	-,30951	,71903
	Equal variances not assumed			,797	57,025	,429	,20476	,25691	-,30969	,71922

Stimulus		Ν	Mean	Standard Deviation	Standard Error Mean
ATB-bad;good	SS	30	5,47	1,167	,213
	No_SS	30	5,20	,961	,176
ATB-dislike; like	SS	30	5,20	1,690	,309
	No_SS	30	5,17	1,234	,225
ATB-low quality;	SS	30	5,27	,980	,179
high quality	No_SS	30	5,37	1,033	,189
ATB-	SS	30	5,10	1,494	,273
negative;positive	No_SS	30	5,00	1,259	,230
ATB-not unique;	SS	30	5,00	1,781	,325
unique	No_SS	30	4,57	1,331	,243
ATB-boring;	SS	30	5,40	1,476	,270
interesting	No_SS	30	4,87	1,074	,196
ATB-	SS	30	4,37	1,402	,256
rresponsible; responsible	No_SS	30	4,20	,887	,162

Group Statistics - ATB items

	Independent Samples t -test - ATB items									
		Leve	ne's							
		Test	t of							
		equal	ity of							
		varia	nces			t-te	est for Equal	ity of Means		
									95% Co	onfidence
						Sig.			Interv	al of the
						(2-	Mean	Std. Error	Diffe	erence
	1	F	Sig.	t	df	tailed)	Difference	Difference	Lower	Upper
ATB-bad;good	Equal	,264	,609	,966	58	,338	,267	,276	-,286	,819
	variances									
	assumed									
	Equal			,966	55,956	,338	,267	,276	-,286	,820
	variances									
	not .									
	assumed									
A I B-dislike; like	Equal	1,071	,305	,087	58	,931	,033	,382	-,731	,798
	variances									
	assumed									
	Equal			,087	53,085	,931	,033	,382	-,/33	,800
	variances									
	not									
	assumed	224	620	205		702	400	260	624	104
A I B-IOW quality;	Equal	,234	,630	-,385	58	,702	-,100	,260	-,621	,421
nigh quality	variances									
	assumed			205	57.020	702	100	200	624	424
	Equal			-,385	57,839	,702	-,100	,260	-,621	,421
	variances									
	not									
ATB-	Equal	552	460	280	50	790	100	257	614	91/
negative positive	variances	,552	,400	,280	20	,780	,100	,557	-,014	,014
nogativo,poolitvo	assumed									
	Foual			280	56 391	780	100	357	- 61/	81/
	variances			,200	50,551	,700	,100	,557	,014	,014
	not									
	assumed									
ATB-not unique:	Foual	1.877	.176	1.067	58	.290	.433	.406	- 379	1.246
unique	variances	1,077	,1,0	1,007	50	,250	,155	,100	,575	1,210
	assumed									
	Equal			1.067	53.687	.291	.433	.406	381	1.247
	variances			,	,	,	,	,	,	,
	not									
	assumed									
ATB-boring;	Equal	2,456	,123	1,600	58	,115	,533	,333	-,134	1,201
interesting	variances	-								
	assumed									
	Equal			1,600	52,987	,116	,533	,333	-,135	1,202
	variances									
	not									
	assumed									
ATB-	Equal	6,146	,016	,550	58	,584	,167	,303	-,439	,773
irresponsible;	variances									
responsible	assumed									
	Equal			,550	49,008	,585	,167	,303	-,442	,775
	variances									
	not									

assumed							
	as	ssumed					

# Appendix 3.16: Independent samples t-test - PI

		Levene's Test of equality of variances		t-test for Equality of Means								
						Sin (2) Maan Stal Sman		95% Con Interval Differ	95% Confidence Interval of the Difference			
						Sig. (2-	iviean	Sta. Error				
		F	Sig.	t	df	tailed)	Difference	Difference	Lower	Upper		
Mean_PI	Equal	3,489	,067	,604	58	,548	,23333	,38661	-,54054	1,00721		
	variances											
	assumed											
	Equal			,604	53,982	,549	,23333	,38661	-,54177	1,00844		
	variances											
	not											
	assumed											

Independent Samples t -test - PI

**Group Statistics PI** 

Stimulus		Z	Mean	Standard Deviation	Standard Error Mean
Mean_PI	SS	30	4,0667	1,68927	,30842
	No_SS	30	3,8333	1,27682	,23311

Group Statistics PT items									
Stimulus		N	Mean	Standard Deviation	Standard Error Mean				
Purchase Intention Immediate	SS	30	4,03	1,771	,323				
Purchase	No_SS	30	3,27	1,530	,279				
Purchase Intention Purchase if	SS	30	3,87	1,961	,358				
needed next time	No_SS	30	4,17	1,724	,315				
Purchase	SS	30	4,30	1,915	,350				
time	No_SS	30	4,07	1,780	,325				

**Group Statistics PI items** 

Independent	Samples	t -test -	PI items
-------------	---------	-----------	----------

		Levene's Test of equality of variances		t-test for Equality of Means							
						Sig.			95% Confidence Interval of the Difference		
		F	Sig.	t	df	(2- tailed)	Mean Difference	Std. Error Difference	Lower	Upper	
Purchase Intention_Immediate Purchase	Equal variances assumed	1,357	,249	1,794	58	,078	,767	,427	-,089	1,622	
	Equal variances not assumed			1,794	56,799	,078	,767	,427	-,089	1,622	
Purchase Intention_Purchase if needed next time	Equal variances assumed	,737	,394	-,629	58	,532	-,300	,477	- 1,254	,654	
	Equal variances not assumed			-,629	57,065	,532	-,300	,477	- 1,254	,654	
Purchase Intention_Try another time	Equal variances assumed	,101	,752	,489	58	,627	,233	,477	-,722	1,189	
	Equal variances not assumed			,489	57,694	,627	,233	,477	-,722	1,189	

# Auteursrechtelijke overeenkomst

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Richting: Master of Management Jaar: 2013

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