

Leveraging Associations: The Promotion of Cultural Sponsorships

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SUMMARY. Sponsorship of the arts is growing as a marketing communication method, and companies are using this tool to achieve various business objectives. These include branding, corporate hospitality, and building community relations. The activities that the companies engage in to promote the sponsorships are guided by the objectives they wish to achieve. Additional leveraging is supported by advertising and public relations for branding. For corporate hospitality, promotional support is vested in personal selling with public relations initiatives. For community relations, promoting the sponsorship is focused primarily on public relations activities with an emphasis on personal selling.

KEYWORDS. Advertising, arts and culture, branding, community relations, corporate hospitality, corporate sponsorship, leveraging, publicity

INTRODUCTION

Milton Friedman (1970), in his doctrine of “social responsibility,” advocates that increasing profit is a business’ only social responsibility. This

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doctrine views arts sponsorship as “corporate theft,” and companies have no business engaging in this activity (see also Arts & Business, 2002b). Yet, since the mid-1960s, companies have steadily increased their funding to the artistic community in the belief that cultural organizations influence the economy, serve as a catalyst for economic development, enhance the aesthetics of a community, and develop a well-educated public. Many corporate leaders believe that the arts are good for business (Alexander, 1996a, 1996b; Martorella, 1996a, 1996b; Want, 2003).

The business community understands that there is a huge spin-off in spending by arts customers, as performing and visual arts attendees spend not only at the box office, but are likely to spend on peripheral activities associated with the performance or event. If a company’s name is attached to a cultural program, the business is well positioned to benefit from the prestige and publicity associated with it (Alexander, 1996a, 1996b; Martorella, 1996a, 1996b). As such, it is a logical conclusion that investment in the arts is part of the spirit of free market competition to create the right environment for business investment, and building a strong cultural infrastructure is an asset to a company’s image. (See also the critical views expressed by D’Entemont and Chatelle, 1997, over such corporate influence.)

Expenditures on arts sponsorship accounted for \$589 million in the United States (U.S.) in 2001 (Porter and Kramer, 2002), while in the United Kingdom (U.K.) general business sponsorship for the arts for 2001/02 was tabulated at £54.3 million or \$97.7 million (Arts & Business, 2002a). This continues to grow. For example in 2006, in the U.S. the figure for the arts topped \$735 million (Nelson, Kanso, and Levitt, 2007).

Sponsorship is the most rapidly growing sector of marketing communications activity, especially when one considers that the estimates only refer to the costs of purchasing the property rights to the events and do not include the cost of supportive advertising to leverage that investment (Farely, Quester, and Mavondo, 2003). Enhancing the sponsorship includes additional marketing outlay, promotion expenditures, client entertainment, licensing, and incentives, as well as tax implications (Cornwell and Maigan, 1998; McGreer, 2003; Meenaghan, 1991a, 1991b; Meenaghan and Shipley, 1999; Porter and Kramer, 1999; Webb and Carter, 2001; Wise and Miles, 1997).

The Case for Leveraging

Meenaghan (1991a) and Lee, Sandler, and Shani (1997) propose that when a company makes an investment in sponsorship, it merely provides

the sponsor with the right to exploit its purchased sponsorship property rights. As such, the sponsor must leverage, or support, the sponsorship. The sponsor can gain a strategic advantage by investing additional resources or funds, usually in advertising, to bring its association with the program or event to its intended audience.

Quester and Thompson (2001) add that sponsorship effectiveness is directly related to the degree to which sponsors are willing to leverage their investment with additional advertising, promotional activities, and expenditure. (See also Crowley, 1991; Fry, Keim, and Meiners, 1982; Gimbel, 2003; Hastings, 1984.)

This article expands on the literature on the promotion of arts sponsorship activities by identifying and analyzing the promotional tools companies are using to support these sponsorships. We investigated the connection between the specificity of the tools with the reasons why the companies are committed to the sponsorship.

A Definition of Terms

Although the terms “art” and “arts” are widely used in the literature and in the business community, to many individuals these words apply only to the visual arts. Furthermore, in some cases within the arts category, there is often a distinction between “high art” and “popular art.” For discussion purposes, “art” in this article refers to the creative output from theater, classical and popular music, dance, opera, and film, as well as the visual arts.

In the literature, there are many different definitions of sponsorship (Abratt, 1987; Bauer, 2007; Colbert, 1997; Cornwell, 1995; d’Astous and Bitz, 1995; Gardner and Shuman, 1988; Gilbert, 1988; Javalgi et al., 1994; Lee, Sandler, and Shani, 1997; Meenaghan, 1983; Meenaghan, 1991a, 1991b; Thjømøe, Olson, and Brønn, 2002; Turgeon and Colbert, 1992; Witcher et al., 1991), but 2 activities are necessary if sponsorship is to be a meaningful investment: (1) an exchange between sponsor and the sponsored and (2) the marketing of the association by the sponsor (Cornwell and Maignan, 1998). In this article, we offer the following definition of sponsorship:

A two-way commercial exchange, which is beneficial to both the sponsors and the organizers of sponsored activities. For the donor, sponsorship provides publicity and for the receiving organization, sponsorship raises essential funds to achieve its mission.

The leveraging of sponsorship addresses the activities undertaken by companies to support company objectives such as building a brand (Cliffe, Motion, and Brodie, 2003), offering corporate hospitality, and expanding community relation activities.

LITERATURE REVIEW

Research on Key Issues Pertaining to Sponsorship Promotion

The literature on sponsorship for the arts is limited and has not been a primary concern of many researchers (Alexander, 1996, 1996b; Andreasen and Belk, 1980; Arthurs, Hodson, and Lavine, 1999; Cornwell and Maignan, 1998; DiMaggio, 1996; Jacobson, 1993; Martorella, 1996a, 1996b; Oliver, 1999; Thomas and Cutler, 1993; Turgeon and Colbert, 1992). However, since 2000, research in this area has improved with published studies by LeClair and Gordon (2000), O'Hagan and Harvey (2000), Stanley et al. (2000), McDonald and Harrison (2001), Quester and Thompson (2001), Becker-Olsen and Simmons (2002), Oakes (2003), and Bauer (2007).

Parker (1991) argues that sponsorship for the arts presents a challenge in that it has two facets: the "softer" edge objective for sponsorship activities includes the element of patronage as part of its stated, or often-implied, objectives. The "hard" edge recognizes that sponsorship needs to be evaluated in the same way as other communication methods.

To address the leveraging of sponsorship, key issues on how sponsorship works need to be considered.

A Theoretical Framework—How Sponsorship Works: Some Proposed Models

In spite of sponsorship's rising popularity, it remains without an agreed theoretical framework of how it works and how to properly measure its business value (Andreoni, 1990; Arnett, German, and Hunt, 2003; Cornwell and Maignan, 1998; Harvey, 2001; Hoek, 1999; Gardner and Shuman, 1987; McDonald, 1991). Hoek et al. (1997, p. 22) state that sponsorship

remains without an integrated and coherent body of empirical research. The evidence cited in research is often anecdotal and tends to describe management practices without considering in detail their

theoretical basis or how an evaluation of these might happen. This paucity of research has led to a widespread reliance on several assumptions particularly concerning the way in which sponsorship works.

Studies exploring how sponsorship works assume one of 2 basic frameworks: a cognitive orientation or a behaviorist orientation (Hansen and Scotwin, 1995; Hoek et al., 1997; Javalgi et al., 1994; Lee, Sandler, and Shani, 1997; Pope, 1998; Pope & Voges, 1999; Stipp and Schiavone, 1996).

The cognitive information-processing model depicts the customer as a rational decision-maker who seeks and evaluates information before making choices. In this model, there is a heavy emphasis on awareness obtained as a result of leveraging of a sponsorship activity (Lee, Sandler, and Shani, 1997).

In a behaviorist approach, sponsorship is perceived as a reinforcement of previous experiences with a brand. The event generates reward for the sponsor by reminding customers of a good experience with the brand. Hoek et al. (1997) conclude that sponsorship may generate higher levels of awareness and may lead to the association of a wider range of attributes with the brand promoted.

Yet, Hoek (1999) adds that although sponsorship creates awareness, there has been no evidence that this awareness will prompt a consumer to try a product. The evidence suggests that sponsorship creates descriptive beliefs, but that it works in a similar way to advertising as a “form of operant conditioning that serves to maintain behavior patterns” (p. 367).

A mixed approach of these 2 views is not suggested in the literature. However, the behaviorist view must be approached with caution, as a key difference is that sponsorship, unlike advertising, involves the interaction of 2 parties who are complementing their needs (Hansen and Scotwin, 1995).

Further insight is offered in Harvey (2001)’s research, which is inconclusive due to its small sample size. It demonstrates that advertising changes the consumer’s perception of a specific product, while sponsorship changes the consumer’s perception of a specific sponsor, which can rub off on the product. This supports Marment (1998)’s finding that the association of a company with an event tells the consumer about the value he or she shares with the business.

A theory on how sponsorship works is difficult to reach because these studies have the implicit view that companies enter sponsorship associations with clear objectives and specific desired outcomes.

Reasons for Participation and Methods for Measuring Sponsorship Effectiveness

Neither management practice nor research has established formal measures of sponsorship's effectiveness (Cornwell, Roy, and Steinar II, 2001; Gwinner, 1997; Hansen and Scotwin, 1995; Hoek, 1999; Javalgi et al., 1994; Meenaghan, 1983; Parker, 1991; Speed and Thompson, 2000; Thjømøe, Olson, and Brønn, 2002; Witcher et al., 1991), which leads Cornwell (1995, p. 21) to state that, "the lack of appropriate measurement techniques for the effectiveness of sponsorship is at once the most widely debated and most elusive aspect of the sponsorship process."

The reason for this lack of measurement technique can be found at the beginning of a sponsorship agreement. Researchers have devised taxonomies as to why companies enter sponsorship agreements (Amis, Slack, and Berrett, 1999; Bennett, 1997, 1998; Cornwell, 1995; Cornwell et al., 2001; Crimmins and Horn, 1996; d'Astous and Bitz, 1995; Gardner and Shuman, 1988; McGeer, 2003; Meenaghan, 1983; Mescon and Tilson, 1987; O'Hagan and Harvey, 2000; Schoch, 1994; Turgeon and Colbert, 1992; Vanhaeverbeke, 1996; Whitnall, 1997). These studies reach their conclusions with extensive analytical surveys and review of the companies' stated goals in the marketing plans, as well as in-depth conversations with the staff responsible for implementing the plans. The conclusions are presented as best practice guidelines.

However, working practices present a different picture, especially for arts sponsorship. Arts sponsorship rationales are often aligned with fulfilling personal objectives, often coined as the "chairman's choice syndrome," "hobby motive," or "spouse-driven project." Although commercial justification plays a greater part than in the past, personal agendas drive many sponsorship decisions, an element often missing from other methods of communications (Butler, 2000; LeClair & Gordon, 2000; Meenaghan, 1983; Meenaghan, 1991a;).

Thjømøe, Olson, and Brønn (2002) in a survey of leading Norwegian sponsors, found a lack of interest in justifying the reason for undertaking sponsorship activities, and that in many cases, the sponsorship opportunities were based on personal connections. Sponsorship was not part of the official communication strategy. This result supports similar conclusions reached by Whither et al. (1991).

Furthermore, the employees who are responsible for sponsorships do not take the time to evaluate them due to career risks, especially if expenditures increase, as demonstrated by Javalgi et al. (1994). The authors suggest

that managers are not concerned about the effectiveness of sponsorship because they have not given much thought to it or because the sponsorship fulfills personal goals, which are outside the conventional communications objectives.

Sponsorship is an area where, at the beginning and at the closing of the process, specific management culture and behavior play larger parts than in other methods of marketing communications. Yet, the impact of organizational culture on sponsorship decisions has not been a primary interest of researchers.

Leveraging of Sponsorship Association

Cornwell and Maignan (1998, p. 13) conclude that in some cases “the type of sponsorship selected may not be as important strategically as how the sponsorship is leveraged.” This aspect of the implementation phase is the least researched area of the sponsorship process. The following are the key studies on this subject that look at the cost, the benefits, and the coordination of these activities.

The Cost of Leveraging

One or both parties often never report the cost of promoting the sponsorship and Table 1 offers some insights on what that cost might be.

Many of these studies are inconclusive as applicable to arts sponsors. The research by Crimmins and Horn (1996) discusses high-profile sports sponsorship and views sponsorship as another layer of advertising. It does not address a price tag, and the models presented are on a scale that would not be applicable to an arts sponsor.

The research by Eisenhart (1988) and Meenaghan (1991a, 1991b) do not support their assumption with any data. Grimes and Meenaghan (1998) provide valuable economic data on sponsorship spending, but like the earlier studies, they are unable to put forth exact figures on the cost of leveraging, stating that major sponsors spend several times the published amount of the sponsorship.

Benefits of Leveraging

Two studies address the specific benefits of promoting the sponsorship to a target audience, as outlined in Table 2.

TABLE 1. Summary of Literature on the Cost of Leveraging

Studies	Key Findings	Comments on the findings and its implications on promotion of the sponsorship
Eisenhart, 1988	For every dollar spent on sponsorship another 5 dollars are spent on marketing activities linked to the sponsorship. This is an estimate.	The cost of sponsorship must include the cost of promoting the sponsorship by the sponsor.
Gilbert, 1988	The recommendation is that sponsors double the initial sponsorship investment to get any positive effect on the company's objectives.	Sponsorship is not an economical alternative to advertising.
Gilbert, 1988; Parker, 1991; Meenaghan, 1991a; Meenaghan, 1991b; Alexander, 1996a; Alexander, 1996b; Farrelly, Quester & Burton, 1997; Pope, 1998	To gain maximum benefit, companies must consider the cost of leveraging a sponsorship.	If a company can't afford to provide additional support, it should not enter into a sponsorship agreement.
McDonald, 1991	Most people do not know what a sponsorship agreement is and what the sponsor does.	A company has a greater chance of gaining goodwill from the public by informing people what sponsorship is, which means the sponsor must make a financial investment to leverage the sponsorship.
Meenaghan, 1991a; Meenaghan, 1991b; Grimes & Meenaghan, 1998	Proficient sponsors will at least match their sponsorship investment with similar sums dedicated to ensuring adequate exploitation.	Sponsors need to consider what will be the cost and the necessary activities for the exploitation of the sponsorship.
Crimmins & Horn, 1996	No matter how strong the link between the sponsor and the sponsored event, it is perishable as soon as there is not the appropriate level of support to keep the link going.	Supporting a sponsorship is an on-going process that needs to be supported even after the conclusion of the sponsorship agreement.

TABLE 2. Studies on the Benefits of Leveraging

Studies	Key Findings	Comments on the Findings
Quester & Thompson, 2001	By using a “before and after” design model, the authors illustrate that companies that are willing to invest more in promoting their sponsorship are likely to get benefits from the association. These benefits are awareness that the company has undertaken the sponsorship and a “halo” good-will effect.	The only study to date that specifically focused on the leveraging of the sponsorship of arts events. This paper suggests a direct correlation between the sponsorship effectiveness and the amount of money spent promoting the sponsorship. Yet it fails to reach a conclusion on the right ratio that would “optimize the sponsorship investment” (p.46).
Amis et al., 1999	Using case studies, it looks at successful and unsuccessful sponsorships. The authors conclude that companies who considered their sponsorship successful were those who leveraged that activity with additional advertising money and coordinated marketing efforts. Companies who leveraged their sponsorship reported that the consumer value of their brand increased.	The best illustration of the benefits of leveraging. They make a strong case for a coordination of marketing efforts in leveraging a sponsorship, as well as the need to select the right tools for the specific objectives. However, no attempt is made to discuss these tools or the companies’ goals.

Coordination of Leveraging Tools and Activities

It is not enough to promote the sponsorship; the promotional tools must be coordinated with the sponsorship goals as indicated from the following studies in Table 3.

Strategic Fit

Speed and Thompson (2000) address the care needed to successfully leverage a sponsorship. Their conclusion is that the sincerity of the sponsor

TABLE 3. Summary on the Coordination of Leveraging Tools and Activities

Studies	Key Findings	Comments on the Findings
Gilbert, 1988	Examines the coordination of the elements in the marketing mix such as press, public relations, advertising, internal communications, media liaison, and hospitality marketing. Implies the need to leverage these activities to achieve sponsorship goals.	An in-depth analysis of how this coordination might be accomplished is not undertaken.
Meenaghan, 1994	Considerable efforts must be invested in promoting the sponsor's association with an event and proposes using advertising, public relations, and sales promotions through linkages.	The detailed analysis provides valuable lessons for sponsors. However, the finding is presented within the context of "ambush marketing" where competitors seek association with an event without compensating the organization presenting the event. This is applicable to sporting events rather than to arts programs which, due to their market share, are better able to control their messages to a mass market.
Cornwell, 1995	Expands on Gilbert's (1988) concern with sponsorship-linked marketing. Makes a strong case for the orchestration of all elements of the marketing communication mix to achieve the objectives of a coherent message.	Leveraging is discussed within the context of 2 case studies. The discussion of these companies' leveraging activities is journalistic, reporting seemingly from general press information and observation. A theoretical model is presented without any in-depth investigation of the working methods of the companies involved.

TABLE 3. Summary on the Coordination of Leveraging Tools and Activities (*Continued*)

Studies	Key Findings	Comments on the Findings
Cornwell & Maignan, 1998	Proposes that different types of audience dictate the sponsorship tool used. For example, if the goal were to provide corporate hospitality for a target audience, the sponsorship of a small venue would be more appropriate.	The research does not provide any empirical evidence to support this claim.

is at risk if the leveraging highlights the commercial objectives of the sponsor. Thus, it is not enough to consider promoting sponsorship. One must also consider how to promote the sponsorship and have a clear understanding of how the audience is judging the partnership between the sponsor and the cultural organization.

Finding the right sponsorship fit for the event is imperative (Parker, 1991). Image and reputation are resources, which enable a company to secure a competitive advantage (Amis et al., 1999; Javalgi et al., 1994; Meenaghan, 1994). In cases where the sponsorship is working, it is certain to affect the image of a company, and well-directed sponsorship can work to enhance the perception of the company. Ill-conceived sponsorship can at best have no effect or at worst backfire (Amis et al., 1999; Grimes and Meenaghan, 1998; Javalgi et al., 1994; McDonald, 1991; Parker, 1991; Rajaretnam, 1994).

Summary of Literature Review

The key studies address some of the main issues regarding the leveraging of sponsorship, and while many of them advocate that certain tools need to be part of the marketing mix, their exact features are not discussed. Additionally, while many of them discuss the need to use the right tool for specific purposes, none of them undertake an in-depth analysis to find out what is appropriate in relation to the sponsorship objective.

METHODOLOGY

The case study format was selected to research sponsorship promotional activities. This decision was guided by a review of past research activities as well as recommendations made by previous researchers in the field (Lee, Sandler, and Shani, 1997; Martorella, 1996a, 1996b; Oakes, 2003; Walshe and Wilkinson, 1994). These studies suggest that it would be analytically more productive to conduct small-scale case studies, which focus on specific product sectors, and thus result in comprehensive analysis of individual organizations rather than to analyze overall trends, which had been the nature of this research in the past. Martorella (1996a) adds that important information is often lacking because many researchers had been unwilling to develop the case-study approach as a valid methodology. As a consequence, researchers have not undertaken an in-depth analysis of the leveraging tools and their implications.

A criticism of case studies is that they lack statistical reliability and validity, and generalizations cannot be made on the basis of case studies. However, generalization from statistical samples is just one type of deduction. Generalization from case studies has to be approached differently:

The possibilities to generalize from one single case are founded in the comprehensiveness of the measurements which makes it possible to reach a fundamental understanding of the structure, process and driving forces rather than a superficial establishment of correlation or cause-effect relationships. (Normann, 1970, p. 53)

In selecting the companies to be studied, we first considered those that met the following criteria:

- Have a marketable brand name in the U.K.
- Be involved in sponsoring of a high-profile cultural program attracting an international audience

Then, in building a sample pool, due consideration was given to having the following in the final mix:

- Companies that are involved in other (not arts-related) sponsorship activities, to evaluate if there is a difference in the promotions of different types of sponsorship activities

- Privately owned companies as well as publicly owned companies
- Companies that actively promote their sponsorship and those whose sponsorships are not well-publicized

Information was gathered from in-depth interviews conducted from mid-July to mid-August 2003 with 5 corporate cultural sponsors and the 6 cultural organizations that these companies sponsored. Additional data was obtained from press clippings, corporate reports, and, in some cases, confidential internal records provided by the cultural organizations.

Limitations of the Methodology

The case study method brought about limitations in the uniformity of the data provided. Although all the interviewees were directly involved in sponsorship activities, depending upon the size of the organization and its objectives, the contacts were not always the final decision makers on the sponsorship program. Consequently, depending on the contact's level of seniority within the company, some could discuss financial information and long-term strategy in detail while others were restricted from doing so. Consequently, we have a more complete understanding of the inner workings of some companies than others.

CASE STUDIES

The 5 selected companies were evaluated on the key issues raised in the sponsorship and leveraging literature review. A summary of the finding is presented in Table 4.

The profiles of the 5 selected companies are as follows:

- Company A:** Professional advisory firm sponsoring museum exhibitions in the U.K.
- Company B:** U.K. bank that has been involved in sponsoring the arts and sports in Scotland
- Company C:** Global software company, currently the primary sponsor of a small but prestigious theatre company in London
- Company D:** Life insurance company that links its sponsorship for the arts under the umbrella of its active community relations and educational activities

TABLE 4. Summary Findings in Key Areas in Relation to Leveraging Sponsorships (Five Companies, A–E)

	A	B	C	D	E
Sponsorship objectives					
Brand awareness		X	X		X
Corporate hospitality (building relationships with clients)	X		X		
Contribution to the community	X	X	X	X	
Target audience					
Corporate decision makers/leaders	X		X		
Community opinion makers/leaders			X	X	
General public and/or market who would have an interest in the company's activities		X			X
Internal staff	X	X	X	X	X
Link of sponsorship to overall corporate strategy					
Strong link	X	X			X
No link			X	X	
Activities to promote the sponsorship					
Advertising		X	X		X
Public relations	X		X		
Special events, corporate hospitality (personal selling)	X		X		
Sales promotions		X			
Development of new products or programs to support the sponsorship					
Yes		X	X		X
No	X			X	
Senior staff involvement with the sponsored organization					
Active involvement					X
Limited involvement	X	X			
No involvement			X	X	
Coordination of marketing campaign activities					
Strong		X			X
Limited	X		X		
None				X	
Evaluation of effectiveness of sponsorship					
Evaluation is undertaken	X	X	X		X

Company E: Foreign currency exchange specialist that entered the arena of arts sponsorship with a highly publicized sponsorship of a major theatre company in London

SUMMARY OF FINDINGS

The main findings from this inquiry are as follows:

- Companies use a combination of the 4 marketing communication tools—advertising, public relations, personal selling, and sales promotions—to promote their participation in cultural sponsorship activities. The most popular method of promoting the sponsorship remains attaching the company’s logo onto the advertisement for the sponsored event, which is often a benefit of the sponsorship agreement.
- The decision to provide additional leveraging or resources for a sponsorship is linked to the company’s objectives. Greater effort in leveraging is provided when the sponsorship aims to bring about branding opportunities or corporate hospitality.
- When the sponsor’s primary objective is to build brand awareness, a significant portion of the leveraging of the sponsorship is concentrated on advertising and/or public relations. Advertising may take the form of stand-alone advertisement or increased investment in advertisement produced by the cultural organization, and can also include taking an active role in the creative or placement of advertisements.
- When the primary objective is corporate hospitality to improve a relationship with clients and their staff, leveraging the sponsorship is heavily invested in cultivation with an element of public relations. The sponsor takes an active role in the management of cultivation events, such as hosting an event with senior management’s full and active participation.
- For a company primarily interested in furthering its community relations initiatives, the promotional tool of preference is likely to be public relations working in tandem with some cultivation with key community leaders.
- In addition to monetary support, leveraging a sponsorship can be demonstrated by (1) the amount of staff time devoted to the sponsored organization, (2) senior management’s involvement in daily sponsorship activity (and senior management is defined here as CEO,

chairman, or a board member), and (3) the company's willingness to develop product and services to support the sponsorship.

- When sponsorship is linked with a company's overall strategy, it aims to satisfy a company's long-term business objectives. The stronger the sponsorship link to a company's strategy, the more active support the sponsored organization is likely to receive.

DISCUSSION

The definition of leveraging a sponsorship in this article had to be expanded to include matters that have been rarely discussed in the research literature to date. These new factors are staff resources and the role of the sponsor as a more active participant in the development of the sponsorship program, often with the input of senior management.

In addition, companies entering cultural sponsorship need to consider their objectives and budget accordingly. Some objectives are costlier to achieve than others. Additional factors to be considered are the eagerness of the company's sponsorship team, their involvement in understanding the cultural organization, and their ability and willingness to convey the company's objectives to the cultural organization.

Companies entering sponsorship partnerships need to constantly monitor their objectives against changes in the external environment. This will allow for realignment of marketing tools, as different objectives can be achieved with adjustments in the marketing communication mix. Thus, companies need to have clear objectives from the beginning and be flexible in the execution.

Increased knowledge of the exploitation of sponsorship programs might mean that rigorous approaches for evaluation will be further developed. Some approaches will be qualitative and others will be quantitative, depending on the company's objective. Accordingly, sponsorship will become a much more accountable activity, and gain increased legitimacy as a promotional tool.

Meenaghan's (1998) research discussed the trend of increased demand for sponsorship support services. Some companies are assessing the need to seek the services of professional sponsorship consultants and build a working relationship with them that is similar to what they currently have with advertising and public relations agencies. Unlike advertising and public relations consultants, the sponsorship consultant's primary goal is to ensure that the 2 parties involved in the business agreement are constantly

in touch and that there is an integrated communication network between all departments responsible for the company's promotional campaigns.

Successful sponsorship depends upon the setting and communication of sponsorship goals to all involved. Sports sponsors are viewed as being more effective in conveying messages, not only because of the size and variety of audience, but because of the resources that they have at their disposal. Cultural organizations can overcome any actual or perceived deficiencies by building strong professional working relationships with the sponsor. This can be accomplished by investing in resources to facilitate the communication network and by demonstrating that the cultural organization is in tune with the sponsor's objectives.

For cultural organizations, the implication of this continued research and interest is that sponsors will become more selective. A major criterion will not only be strategic fit, but human resource compatibility. Sponsors will evaluate whether the organization has the infrastructure in place to help them achieve their objectives. For many companies entering sponsorship agreements, it is best to think that they are adopting an external organization for a specific period of time to achieve specific business goals.

Well-profiled cultural organizations with clearly defined missions and the right institutional infrastructure will be in high demand. Companies will demand more for their sponsorship, and successful negotiations will depend on the cultural organization aligning its benefits to meet the sponsor's objectives while retaining its independence in areas outside of the sponsor's goals.

FURTHER RESEARCH

This article takes an in-depth look into the practices of 5 companies. Recognizing the limitation of this sample size, these findings will need to be tested on a greater statistical scale. Further research on this topic could be undertaken on a larger scale by employing the case study methodology in conjunction with a quantitative survey.

The difference in sponsorship activities between varied industry types has to be explored further. This entails examining different types of industries and the promotional tools that companies in each industry believe to be the most effective in promoting their sponsorship objectives. The researcher will need access to contacts with similar job responsibilities, despite the differences in companies and industries, so that the quantity as

well as the quality of the data can be as uniform as possible to ensure that data/findings from one industry or company do not overwhelm the results.

The amount of additional investment needed to adequately leverage a sponsorship, as discussed by Quester and Thompson (2001), remains difficult to determine, partially because companies are reluctant to share this information, but also because a clear financial breakdown of what is considered to be leveraging costs is often not undertaken by the sponsor and the sponsored.

CONCLUSION

The implications for companies undertaking sponsorship is that they must be willing to invest more resources to create a higher profile for the sponsorship, especially if the sponsorship is to play a role in the overall growth strategy of the company. Cultural sponsorship can assist a company in achieving its desired goals, but this does not happen without the active involvement of the sponsor.

Key success factors for sponsorship activities arise from the cooperation between 2 organizations that have different cultures and are seeking to fulfill different missions. Each party has to be willing to embrace this partnership so that each ultimately gets something of value.

Increased interest in sponsorship for the arts has great potential for businesses and the arts, and further research in how sponsorship works will allow companies to better assess whether this is the right medium to achieve certain objectives. These activities may change the branding of sponsorship of the arts from a symbol of glamour and prestige to a legitimate promotional tool with solid quantifiable business objectives for the right company.

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