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Sponsorship selections: corporate culture, beliefs and motivations
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Sponsorship Selections: Corporate Culture, Beliefs and Motivations

Introduction

In 2015 annual global sponsorship expenditure exceeded $57billion US (IEG, 2016) and sponsorship is accepted by practitioners and academics within the industry as an effective strategic marketing tactic (Cornwell and Humphreys, 2013). Nonetheless, sponsorship has attracted external criticism as a financially wasteful divergence from core business, driven by an indulgent corporate culture or the personal interests of senior executives (Andrews, 2012). Consequently, there is increased pressure from both corporate and community stakeholders for greater levels of transparency and professionalism in sponsorship selection (Meenaghan, 2013).

Nowadays, sponsorship selection is generally framed by corporate policy with proposal evaluation criteria aligned to strategic priorities (Cornwell, 2008; Johnston and Paulsen, 2014). However, managers of sponsorship programs are required to make selections or recommendations based on their judgement and beliefs about the value of a sponsorship opportunity and its alignment or 'fit' with their company (Daellenbach et al., 2013). Crimmins and Horn (1996) asserted sponsorship was 'no longer a management ego trip' but there has been little subsequent research into the influence of corporate culture or how a sponsorship manager's beliefs about sponsorship types and their motivations influence sponsorship selections. This exploratory study investigates the topic.

Sponsorship of public events provides brand exposure among large audiences (Lacey et al., 2010). In addition, sponsorship offers opportunities to develop a brand identity and enhance corporate image through association and message promotion at events 'under favourable conditions where there is enthusiasm, excitement and enjoyment' (Close and Lacey, 2013 p. 72). Sponsored events also offer opportunities for employee involvement

through corporate hospitality where interpersonal relationships can be fostered for commercial benefit (Drake, 2013). Sponsorships are often initiated as a result of interpersonal networks (Olkkonen and Tuominen, 2006; Madill and O'Reilly, 2010; Cobbs, 2011). Successful sponsorship managers must be closely involved in the implementation of sponsored events and must foster strong interpersonal relationships both within their companies and with their sponsorship partners (Masterman, 2007).

Sponsorship managers' experience with sponsorship partners over time informs their beliefs about sponsorship types (Johnston, 2010). Overtly, these beliefs include the ability of different types of sponsorships to perform against corporate objectives and the capacity of the sponsored organisation to deliver on proposed sponsorship benefits (Johnston and Paulsen, 2014). What is not apparent is how these beliefs about sponsorship types are tempered by the sponsorship manager's intrinsic and extrinsic motivations.

As there is an interaction between beliefs and motivations, and both are central to this study, it is important to distinguish between both concepts at the outset. Behavioural theories suggest decisions and behaviours are undertaken with regard to salient information or beliefs relevant to the behaviour (Ajzen, 1991; Khalil, 2011). This study is narrowly focused on beliefs about sponsorship types and how they may influence sponsorship selections. Motivational theory relates to both internal factors driving an individual's behaviour and to external factors acting as inducements for behaviour (Locke and Latham, 2004). This exploratory study considers the intrinsic and extrinsic factors acting as motivations for sponsorship managers' decision making.

Employee motivation and decision-making in organisations can be driven by corporate culture (Di Norcia and Tigner, 2000; Guiso et al., 2015). Whereas at an individual level self-determination theory suggests motivations are driven by 1) gratification of intrinsic personal interest needs and 2) coerced by extrinsic social development rewards (Ryan and

Deci, 2000). Sponsorship managers operate within an organisation's corporate culture and a dynamic network of interpersonal networks and, therefore, must find ways of optimising a range of intrinsic and extrinsic motivations. What is not clear from the literature is how the process from sponsorship policy to final sponsorship selection is moderated by a) corporate culture and b) the sponsorship manager's beliefs about sponsorship types and their motivations. The research reported here focuses on these two influences on sponsorship selections by a cross section of large Australian companies.

Conceptual framework

Sponsorship selection policy and process

Sponsorship is a marketing communications practice (Dolphin, 2003; Cornwell, 2008) and has been defined as an investment in exploitable rights (associated with the sponsored 'property') for use in achieving corporate objectives (Meenaghan, 1991). A diverse range of activities or properties may be sponsored for various objectives. For example, large scale professional sports and entertainment/music sponsorships are generally undertaken for brand building objectives, while sponsorship of 'grass roots' arts/cultural, amateur sport and cause related sponsorships are generally undertaken to foster community relations (Mack, 1999; Cornwell, 2008; Day, 2010). Yet there are inherent overlaps across sponsorship types. For example, when professional sports associations act as umbrella administrators of their codes at amateur and junior level or where charities or cause-related outcomes are supported by professional sporting, arts and cultural or entertainment events. Therefore, a primary decision to be made in sponsorship selection is what activity to sponsor.

Currently, emphasis is placed on sponsorship selections to achieve measurable return on investment or defined objectives for brand, company and even shareholder value (Meenaghan et al., 2013). As a result, companies develop sponsorship policies that may include strategic goals, proposal evaluation criteria, approval processes and delegation levels

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and are designed to ensure sponsorship selection is a rigorous process (Cornwell et al., 2005; Masterman, 2007). Most marketing and communications policies are internal documents, whereas sponsorship policies or the guidelines derived from them, are often publicly available to advise sponsorship seekers what a company will and will not consider sponsoring (Cornwell, 2008).

A company's evaluation of sponsorship proposals may be based upon rankings and weightings prescribed against a list of selection criteria outlined in their policy (Johnston and Paulsen, 2014). Selection criteria generally focus on marketing, sales and brand building related objectives (Masterman, 2007; Meenaghan, 2013) with perceived congruence between sponsor, sponsored property and the defined target markets of both the sponsor and the property being fundamental to strategic sponsorship selection (Close and Lacey, 2013). There may also be sponsorship objectives for relationship and interpersonal network building not only with targeted consumer markets but also employees and industry partners and stakeholders (Olkkonen, 2001; Farrelly et al., 2008; Farrelly et al., 2012). Evaluation criteria for these objectives are more likely to be based on heuristics to assess the value of relationship opportunities (Johnston and Paulsen, 2014).

While policies published by the companies are often aligned with their mission statements and proposed corporate identity there is not always an obvious or logical connection between these policies and some of the companies' actual sponsorship selections (Cunningham et al., 2009). Hence, the link between sponsorship policy and sponsorship selection may not be stringent as it is reliant upon heuristics and the judgements of individuals involved in the rating of evaluation criteria for the decision making process (Johnston, 2010; Daellenbach et al., 2013).

The operationalisation of policy is not easily separated from the judgements of individuals which is common in corporate decision making (Azar, 2014) and so not unique

to sponsorship selection. Rather, policy informs and frames judgements but does not always dictate corporate decision making which is based on psychological factors such as beliefs and mixed motivations that may influence both rational and intuitive processing of alternatives by individuals (Hall, 2007). Corporate culture also influences how individuals process information and make decisions (West et al., 2014). This perspective is rarely explored in the sponsorship literature although it has value in interpreting recent understanding of the role of network relationships and individual actors in sponsorship selections (Cobbs, 2011; Johnston and Paulsen, 2014).

The moderating influence of corporate culture on sponsorship selection

Corporate culture is defined as a set of behavioural norms and values for employees fostered by senior executives across an organisation (Guiso et al., 2015). Corporate culture determines how decision making occurs within an organisation by providing a referencing framework for how individuals act and employ rational and/or intuitive decision making and where heuristics, group thinking and cognitive appraisal of alternatives may be applied in decision making processes (Sadri and Lees, 2001; Hall, 2007).

Therefore, any marketing or communications related decision making has to be considered within the context of corporate culture, particularly as these decisions reflect the image of an organisation (Siano et al., 2013; West et al., 2014). Sponsorship selections, as a function of marketing and communications, are reliant on the decisions and actions of individuals (Daellenbach et al., 2013; Johnston and Paulsen, 2014) and so corporate culture has a multi-faceted role within sponsorship selections.

Sponsorship selections, when made to promote or enhance corporate image, should be congruent with and reflective of corporate culture to ensure credibility (Cunningham et al., 2009; Close and Lacey, 2013). Conversely, sponsorship, particularly in a sporting context, is increasingly being used to promote corporate culture within organisations through employee

engagement in related activities fostering the ideals of team work, performance and success (Farrelly et al., 2012). In other contexts, cause-related sponsorships, sponsorship policies, and subsequently selections, are being adapted to promote internal cultures for embracing social responsibility whilst expressing this externally as a corporate image (Dolphin, 2003; Ryan and Fahy, 2012). Thus, sponsorship selections can be driven by both internal and external objectives for corporate culture (Cunningham et al., 2009; Farrelly et al., 2012).

Perceived congruence between the corporate sponsor and the selected sponsorship property is important for achieving sponsor recall by event audiences which can then lead to image transfer and the generation of goodwill (Close and Lacey, 2013). The respective corporate cultures of both sponsor and sponsorship property also need to be congruent to ensure a sustainable working relationship (Farrelly et al., 2008) and this congruence extends to the relationships between the individual actors involved in managing the sponsorship (Cobbs, 2011).

In summary, corporate culture is a crucial consideration in sponsorship selection. A sponsorship manager would take corporate culture into account before considering the ability for a sponsorship to engage both internal and external audiences and also reflect positively on corporate identity (Farrelly et al., 2012; Ryan and Fahy, 2012). In addition, the sponsorship manager, as found by Olkkonen and Tuominen (2006), needs to consider if both parties to the relationship can work together for shared goals. Furthermore, if corporate culture is regarded as an influence on how decisions are made within an organisation (Azar, 2014) there is potentially a dynamic interaction between corporate culture and sponsorship selection whereby the sponsorship manager may consider how well his or her decisions reflect on their own standing within the culture.

The moderating influence of sponsorship managers' beliefs about sponsorship types and their motivations on sponsorship selections

Regardless of whether a sponsoring company has a sponsorship policy in place, the seniority and influence of the sponsorship manager is important in determining the internal corporate perceptions of sponsorship, final sponsorship selection and gaining co-operation for implementation (Fahy et al., 2002; Johnston, 2010). Hence, sponsorship decision making is shaped by the experience and beliefs of the senior manager who is responsible for sponsorship selections and these decisions are at times reliant on the manager's 'informed intuition' (Daellenbach et al., 2013). In looking at the sponsorship selections of 1,096 organisations, Johnston (2010) found those with experienced senior executives were more predisposed to sponsoring sport and she advocates more research to understand if 'consciously or unconsciously they (the executives) are influenced by socially-biased behaviour or whether their preference for sport is merely indicative of the company they work for and the size of the budgets they control' (p. 375).

Individuals operate within the corporate culture of their organisation, subscribing to its behavioural norms, values and codes of conduct (Sadri and Lees, 2001). Self-determination theory suggests individuals align their beliefs with those promulgated by the corporate culture to enhance their standing in their corporate environment (Ryan and Deci, 2000). Thus, there is interplay between employees' beliefs and corporate culture. What is not apparent is how a sponsorship manager's beliefs about particular sponsorship types may influence rational sponsorship selections.

Motivational theory suggests individuals are influenced by both internal factors driving action and to external factors acting as inducements to action (Locke and Latham, 2004). In other words, individuals are motivated because they inherently value an activity and/or they experience strong external coercion (Ryan and Deci, 2000). In an organisational situation, individuals are motivated by self-determination factors such as social functioning

and personal well-being as well as being coerced by obligations to perform according to organisational goals and culture (Steers et al., 2004).

Previous research into sponsorship managers' decisions has focused on external rational motivations especially with regard to demonstrating the utility value of a sponsorship for meeting corporate, marketing and media related objectives (Johnston and Paulsen, 2014). However, research has also identified the process of sponsorship selection is often fast-tracked by the interpersonal networks between those seeking sponsorship for a property and the prospective sponsorship manager (Thjomoe et al., 2002; Johnston, 2010; Daellenbach et al., 2013). Building rapport and developing relationships with sponsorship managers through corporate hospitality is a common business practice for property rights holders seeking sponsorship (Cobbs, 2011).

Rights holders use corporate hospitality to demonstrate their sponsorship property and what opportunities it may provide in terms of audience engagement. These social events also introduce prospective sponsorship managers to the rights holder's network of corporate partners (Cobbs, 2011). From the perspective of the sponsorship manager, hospitality functions are opportunities to clarify his or her beliefs about the commercial value of the property. The hospitality functions provide scope for building interpersonal relationships and can generate goodwill between sponsorship partners (Cobbs, 2011; Drake, 2013). However, based on self-determination theory (Ryan and Deci, 2000), corporate hospitality could be regarded as a social functioning and personal well-being reward triggering motivations for sponsorship managers.

The self-determination drivers of motivation (Ryan and Deci, 2000) manifest in sponsorship as a blend of opportunities for a sponsorship manager to be seen to achieve corporate objectives and culture assimilation as well as interpersonal social functioning (Olkkonen and Tuominen, 2008; Cobbs, 2011). This being the case, the sponsorship

manager's beliefs about the ability of a type of sponsorship to provide those opportunities could induce personal bias and subjectivity in circumstances of heuristic or non-rational evaluation of criteria used in sponsorship selections.

The study reported here explores the role of corporate culture and the beliefs and motivations of sponsorship managers as moderating influences on sponsorship selections The research adds to the body knowledge relating to the sponsorship selection process. Figure 1 presents a conceptual model which we explore using a qualitative approach.

Figure 1: *Conceptual framework of the influences on sponsorship selection*

Methodology

The exploratory study comprised in-depth interviews with eight sponsorship managers of large companies in Australia with sponsorship budgets in excess of $1million. Interviews were an appropriate method for data collection as they provided the opportunity for dialogue and to explore the sometimes complex answers given by experts (Zikmund et al., 2013). Additionally, due to the commercial and sometimes confidential nature of the discussions and the interviewees being senior executives located across three states within Australia, it was more practicable to conduct one-on-one, face-to-face interviews rather than to arrange group discussion. Respondents were selected from a sample of companies undertaking sponsorship. The sample was purposively selected to provide a broad representation of sponsorship portfolios and objectives as well corporate cultures to explore the influence these factors may have on sponsorship selections

The professional network of the lead researcher was used to identify potential participants. Recruitment was initiated through an email invitation with follow up by phone. Fifteen companies were approached to participate in the research and eight of the companies agreed to participate. Those companies operate in a range of industries and all have high profile brands. Following acceptance of the invitation the interviews were scheduled at a time and place convenient to the participant. The interviews took place in Brisbane, Sydney and Melbourne during May and June 2014.

The face-to-face interviews with the sponsorship managers lasted approximately one hour. An interview protocol was developed by the researchers to frame discussions around: a) current sponsorship practice within the company including sponsorship policy and selection processes; b) the manager's beliefs about sponsorship types; and c) the company corporate culture. The interviews were recorded with the permission of the interviewees who also read and approved the accuracy of subsequent transcripts. To preserve confidentiality, all interviewees and their companies were assigned a code from A through to H.

Thematic analysis is a flexible method for identifying, analysing and reporting patterns within data collected from qualitative research (Braun and Clarke, 2006). For this study, thematic analysis was conducted manually with results presented as summary interpretation and actual quotes. An interview analysis template was developed to record themes and insights observed from the interview recordings and transcripts. While not an explicit focus at the outset of the interviews, sponsorship manager's motivations emerged as an important theme. The analysis of the interviews was reviewed by four independent researchers to verify the findings and conclusions.

Five of the companies operate internationally and three across large regions of Australia. Their sponsorship budgets represent on average 23% of their overall marketing budgets. Six of the eight companies (A, B, C, D, E and H) operate in business-to-consumer

markets. F and G operate in business-to-business markets but, with an operational focus on construction of large infrastructure projects, focus on generating community goodwill. Company H, while operating in a business to consumer market, is a member-based organisation and company E, while also business-to-consumer, operates in a highly competitive market. Both H and E target community goodwill for strategic brand differentiation.

The eight sponsorship managers interviewed had a median of nine years' experience in sponsorship management while the time engaged in their current senior roles ranged from eighteen months to ten years. Profiles of the interviewees, including the size of their sponsorship budgets and the percentage of their company's overall marketing budget allocated to sponsorship, are summarised in Table 1.

Table 1: Profiles of interviewees

Each interviewee was asked to provide details of the company's current sponsorship portfolio in a pre-interview survey. The percentage of the total sponsorship budget allocation for each company across the conventional types of sponsorship activity are summarised in Table 2.

Table 2: Interviewees' Company Sponsorship Portfolios (% of sponsorship budget)

The descriptive analysis shows relevant diversity amongst the eight companies' industry profiles and corporate cultures, sponsorship objectives and target markets. Additionally, the depth of experience of the individual interviewees contributed validity to

the sample that, while small, was considered an adequate representation of sponsors in Australia for the purposes of an exploratory study.

Findings and discussion

The findings regarding the connection between sponsorship policy and the selection and the moderating influence of: a) corporate culture; and b) the beliefs and motivations of sponsorship managers are discussed in this section.

Sponsorship policy: Findings

All interviewees reported their companies had sponsorship policies in place to provide rigour around sponsorship selections and management processes. All companies (with the exception of F and G) have sponsorship guidelines published on their websites. The interviewees reported these guidelines (Table 3) were derived from the sponsorship policies and were intended to communicate the companies' sponsorship goals and selection criteria to individuals or organisations seeking sponsorship. Companies A and B, have online application forms to filter unsolicited proposals against set criteria.

All interviewees complained about the large number of unsolicited sponsorship requests they receive and indicated their established policy helped provide a basis for declining most as being out of scope. Company B manager stated *'we've established a very robust mechanism for evaluating [sponsorship] proposals so we are far more deliberate in choosing the sponsorships we undertake. Probably 95% of requests we say no to'*. The interviewees confirmed a principle aim of publishing their guidelines is to reduce the number of incongruent sponsorship proposals and ensuring only policy-aligned proposals should progress towards consideration and potential selection.

Table 3: Companies' Publically Available (on line) Sponsorship Policies and Guidelines

Companies F and G (both business-to-business) have no published guidelines and these interviewees indicated their sponsorship activities were undertaken within a public relations context. F observed: '*we [the sponsorship department] work within Public Affairs [division], which includes government relations, sponsorship, marketing, communications and media relations. So it's a very different structure to a traditional marketing team.*'

Sponsorship selection for F and G was predominantly focused on community and cultural activities (Table 2). Company G noted '*...for us it's about a capability to acquire a social license to operate [in a community] and we can roll it out when the client requires'.* Thus, the sponsorship portfolios of these two companies reflected their business-to-business orientation and how sponsorship was positioned within the organisational structure as a function of public relations. Company H indicated their company had a similar orientation to F and G whereby the sponsorship function operated outside of the marketing team as a public relations program and this was reflected in their sponsorship selections and portfolio.

The managers of all of the six companies with published guidelines indicated attaining community goodwill was the overarching objective of their sponsorship activities. Nonetheless, when studying the actual sponsorship portfolios (Table 2) of the companies it appears only F, G and H have a predisposition towards sponsorships with a community relations focus. The portfolios of companies A, B, C and D contain a bias toward professional sport (60% or greater), while the portfolio of E is relatively evenly spread (40/40/20) across three types. This definition conflicts with previous research suggesting professional sports and entertainment based sponsorships are best suited to brand building while grass roots, cause-related and arts/cultural sponsorships are more suited to community relations objectives (Quester and Thompson, 2001; Cornwell, 2008; Olson, 2010). Therefore, the

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sponsorship selections of companies A, B, C and D, are being influenced by factors other than stated policy.

Despite the company policies including impartial evaluation of criteria as a principle for sponsorship selection, six of the managers indicated executives' influence on sponsorship selections still occurs to some extent within their companies. For example, C commented *'sometimes you just get told, we need to do this and don't ask me any questions'*. To address this issue H noted how their newly developed sponsorship policy was able to '*upwardly manage*' and reduce subjective selection and stated their directors regularly get approached by professional contacts and friends and this upward management assisted them in declining these requests and helped the directors *'save face with their friends'*.

To further explore how sponsorship policy was being operationalised, all the interviewees were questioned about the sponsorship objectives of their company. All managers stated sponsorship was ultimately undertaken to support their company's commercial performance. This could be in the form of direct consumer related objectives, '*...we're a company needing to move a lot of boxes and devices so driving revenue is right up there'* (D) or more broadly focused on stakeholders as in *'we need to target stakeholder support for our large scale projects that impact specific communities'* (F). The theme of commercial capacity is not explicit in the published sponsorship policies of these companies, yet was clearly identified by the interviewees as an internal corporate motivation and revealing sponsorship selections were strongly influenced by this objective.

All of the interviewees stressed their sponsorship policies included expectations to demonstrate measurable returns on investment. However, the challenge of evaluating sponsorship performance was given as a reason for this requirement not being applied rigorously across all sponsorships. A lack of performance measurement was particularly prevalent with smaller grass roots and community based sponsorships and indicates a lack of

accountability for some sponsorship types. For example, F commented *'because they're all community groups it's very hard to get them to do anything… like my main objective is to get a photo with them to say "yes, we've done it"'* and despite company G allocating 100% of its sponsorship budget to grass roots activities for community relations purposes the manager commented *'all of it [measurement] is by anecdotal more so than anything quantifiable'*.

Further to evaluation challenges, a common theme expressed by the managers was difficulties in directly attributing sales results to sponsorship activity. For example, as noted by B:

> *'It's very hard to measure, because a spike in sales can be a reflection of a number of things. It might be that a sporting star is seen with your product, or it could be that a promotional price is run, or it could be that your competitor was out of stock. We just don't know exactly what percentage falls to sponsorship'*.

Moreover, sponsorship objectives relating to brand image/reputation and positioning were viewed as fundamental in determining sponsorship selection, yet only indirectly linked to increased revenue as noted by D '…*sponsorship doesn't necessarily just drive revenue, but it is a path to purchase'*.

These responses support findings from previous research whereby the ability of sponsorship to generate goodwill is considered an antecedent to positive consumer responses (Bibby, 2009; Alexandris and Tsiotsou, 2012). Responses from the interviewees also concur with research identifying goodwill as an intangible, and therefore difficult to measure, construct leading to heuristically based judgements in both sponsorship selections and evaluations (Meenaghan and O'Sullivan, 2013). For example, B commented *'intangible you can't measure and you just need to determine, I suppose from experience, a thought pattern that would say yes or no'*.

In summary, all eight companies have established sponsorship policies in an attempt to apply rigour to sponsorship selection. However, our research revealed sponsorship selections are based on a combination of rational and heuristically based judgements. As a consequence, some of the final selections made by these companies do not conform to their policy or externally published guidelines.

Corporate culture: Findings

Corporate culture, as a set of behavioural norms and values may be formally expressed in policy, manifests in employee decisions and actions (West et al., 2014; Guiso et al., 2015). The published sponsorship proposal guidelines of the companies in this study generally align with the values and objectives expressed by the interviewed managers. However, the influence of corporate culture on sponsorship selection is evident from the interviewees' comments. For example:

> '*I mean in the company I work for, arts and cultural sponsorship? We would just have very little interaction with and so just wouldn't look at it [for sponsorships]* '(G).

> '*It's just because there hasn't been that sports link in the past, it's just not what we traditionally align with, but we've always supported arts and culture, it's like one of our main pillars*'(F).

In another example respondent D, as sponsorship manager for the Australian arm of a global brand, noted *'we want to be seen as an Australian company and Australians are passionate about sport so there's a correlation there'*. This would indicate a desire to develop Australian characteristics for their local corporate culture was an influence on sponsorship selections.

Corporate culture is fostered by the vision and actions of senior executives (Sadri and Lees, 2001; Guiso et al., 2015). Our research demonstrates top down driven culture and

executive level interest influences these companies' sponsorship policy and, as a consequence, sponsorship selections. For example:

> *'There was a global strategy they pushed down to all the subsidiaries around the world and told us to localise it'*(D).

> *'Ultimately, those national sponsorship decisions are made at the Executive Team Leadership level and we have bike rides now in every state because they've always been big on bike rides'* (G).

Faced with top down driven strategy, a key role for the sponsorship managers was to determine how commercial capacity, as well as community outcomes, could be derived from any imposed sponsorship opportunities. The manager of E explained in these circumstances sponsorship proposal evaluation criteria are adapted *'if there are relationships lending themselves to revenue opportunities then we up rate that*". The companies' sponsorship proposal guidelines are worded in rather vague terms such as 'to deliver positive community outcomes' and therefore adherence to sponsorship policy can usually be demonstrated through subjective application of the criteria ratings provided the requests for sponsorship were being directed through the appropriate sponsorship management function.

Consultation with internal stakeholders was considered an important part of the selection process as stated by F '*we very much rely on our local teams to tell us what we should be supporting locally'* and E *'we present the opportunities to the business teams because at the end of the day they have to have a say'*. All of which indicates sponsorship selections are based upon satisfying a range of internal stakeholder imperatives as much as established policy objectives and proposal evaluation criteria.

Rigid application of established policy objectives and proposal evaluation criteria suggests a highly rational approach to sponsorship selections but we have seen from many of

the interview responses this is not always the case. Previous research into the impact of corporate culture on strategic decision making has shown decision makers often choose default or heuristic based options because of perceived low levels of risk and/or the cost of obtaining more detailed information to inform decisions (Azar, 2014). For many sponsorship selections in large companies may be perceived to have low levels of risk and the cost of gathering more detailed information would be considered disproportionate to the sponsorship investment cost. Such circumstances would allow corporate culture to be highly influential and place a high level of reliance on beliefs and motivations of the individual decision makers.

Individuals' beliefs about sponsorship types and their motivations: Findings

Despite the presence of established policy and procedures, the subjective opinions of individuals play a significant role in recommendations and decisions regarding sponsorship selection. Interviewees indicated they felt their role of assessing sponsorship proposals against evaluation criteria has a strong influence on the sponsorship selections of their company and their expertise and experience were heavily relied upon. The managers' beliefs about sponsorship types were examined in detail to explore how these may influence their recommendations and decisions.

The literature suggests social functioning and self-determination needs are both intrinsic and extrinsic motivating forces for individual decision making (Ryan and Deci, 2000). What is not clear, due to the nature of such matters, is how much the internal motivations of the interviewed managers were involved in influencing their decision making. However, analysis of their interview responses indicates their beliefs and preferences for various sponsorship types makes for a delicate balancing of economic, social and moral motivations and provides a basis for bias.

The interviewees' stated beliefs about the various sponsorship types were consistent with the literature (Meenaghan et al., 2013; Grohs and Reisinger, 2014) in that the reach and exposure levels of professional sports were highly beneficial for promoting brand awareness while sponsorships of grass roots and cause-related activities were more suited to building stronger community relations. For example:

> *'In my experience people look at sport and see the companies sponsoring sport probably just have large cheque books, so we definitely see arts, community, that philanthropic environment as one that delivers far greater empathy for us'* (E).

> *'With sport it's about the scale of exposure, the arts just can't deliver that'* (D).

Whilst the interviewees believed sport generated a tremendous passion amongst audiences in Australia, the key theme in comparing sponsorship types was professional sporting organisations were perceived to be significantly better at delivering sponsorship benefits and evidence of their successes. This perspective relates to the individual's intrinsic motivation to succeed at their role within the organisation and their reliance on their sponsorship partners to support them in this aim. For example, F noted: *'Well I think the sports have been doing it for a very long time and they're very commercial in the way they operate so like branding isn't hard and that really helps make my job easier'*.

Furthermore, another finding from our research was not for profit organisations were more likely to approach sponsorship from a benevolence orientation rather than an opportunity to deliver shared marketing outcomes and it was generally perceived they lacked the resources and expertise to support a sponsor's goals. This is illustrated by comments from H and A:

> '*So they [cause-related] come from the point of view that we're hard done by, we don't get any government funding, ahh we're in dire straits and can you help us out.*

And I feel like saying, well that's your problem…as hard as it might be… you know it's a great cause, but here are my problems, you haven't asked me that, you haven't uncovered that and to me that's not a sponsorship' (H).

'You can do some great stuff in CSR but you've gotta work really hard on making sure it gets visibility and coverage and the other thing about CSR sponsorships is there is not as many great opportunities to be seen to be delivering back to your customers' (A).

The interviewees viewed judgements of their interpersonal relationships with the rights holder and the ability to trust the rights holder to deliver on promises as critical conditions to sponsorship selection. This emphasises the importance of the dynamic interplay of intrinsic personal interests and extrinsic socialisation motivations in sponsorship selection. For example:

'In terms of a sponsorship the value that sometimes can't be measured is their [the rights holder] flexibility, and their ability to operate outside of the contractual rights, and their can do attitude, that relationship thing has a massive influence on renewal and its totally immeasurable and it's basically about personalities' (E).

'I know that every sponsorship that's gone south with us, it's happened because people aren't getting on, and that's a really important thing' (C).

This theme was also linked to beliefs about sponsorship types by A when noting: *'The relationships that some of the sports bodies with dedicated account managers looking after dedicated campaigns they're very good, that whole governance of sponsorship on the sports side is very strong'.*

Sponsorship, due to its nature of offering both professional and social opportunities, provides scope to satisfy an individual's motivations at both self-determination and social

functioning level. Our research showed manager's beliefs about sponsorship types and their motivations contributed to the dynamic nature of the interpersonal relationships involved in sponsorship networks and were influential upon sponsorship selection. This is further reinforced when considering these comments by A and D: *'Australia is a small market and everyone knows everyone so I work on good positive relationships with the stakeholders, if you have a good reputation it allows you to really go forward quite fast'.* '*You know I love sports marketing, it's my passion, that's why I'm in this job I guess'.*

Implications

Sponsorship has become pervasive at public events as companies strive for a marketing advantage by engaging with audiences during the excitement of public events. Yet sponsorship is often viewed as a corporate indulgence on behalf of executives as it is difficult to demonstrate how it specifically delivers a commercial return on investment. Companies are employing policies to apply rigour to sponsorship selection in efforts to rationalise sponsorship expenditure. Nonetheless, the implementation of sponsorship policy is reliant upon the experience and often subjective judgements of individuals who are delegated the responsibilities of sponsorship selection and management.

Specifically, this study builds on the work of Johnston (2010) and Olkkonen and Tuominen (2008) through examination of other factors influencing sponsorship selections. A sponsorship manager's beliefs about the ability of different sponsorship types to help achieve the sponsors' marketing objectives inform their decisions. Yet, other factors such as their personal relationships with rights holders and their beliefs about how a sponsorship may satisfy their own social and self-determination motivations are also highly influential. The nature of sponsorship being based on interpersonal relationships and networks, together with the individuals' involvement in and experiencing of related events as part of their sponsorship

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roles, creates an environment in which their beliefs about sponsorship types and motivations can be influenced.

Corporate culture is often both intentionally and unintentionally projected as company identity through marketing activities such as sponsorship. Corporate culture also sets parameters and norms for the behaviour of individuals within a company. These individuals act based upon internalised and externalised motivations with self-determination being induced by desire for social improvement and workplace success. Hence, a key finding from this study is when sponsorship selection is viewed as involving a low risk, the evaluation of sponsorship opportunities is likely to be based on heuristics derived from the company's corporate culture and the individual sponsorship manager's beliefs about sponsorship types and their motivations. As such, evaluation criteria and decision making processes forming part of sponsorship policy are more often used to affirm rather than precede decisions.

A number of practical implications for both rights holders and sponsors ensue from this study. In practice, a lot of time and human resource goes into securing sponsorship by rights holders. Yet sponsorship managers have revealed their frustration at receiving unsolicited and generalised sponsorship requests. This suggests rights holders would be prudent to focus initial efforts on researching a prospect's corporate culture, the decision makers' beliefs about sponsorship types and their motivations in addition to its corporate priorities. Sponsorship managers will be more likely to advocate for opportunities that can enhance the standing of both their company and them as individuals within it.

This study also reveals the organisations probably most in need of sponsorship funding have the most to benefit from adopting a relationship marketing approach, resulting in long-term partnerships, to their sponsorship procurement practices. For example, having knowledge and understanding of the underlying objectives for a sponsor will also lead to the

development of relevant performance indicators based on shared goals. Rights holders who respond accordingly are more likely to experience enduring sponsorship partnerships.

For sponsors this study highlights the need to monitor the deliberative processes of sponsorship selections as making objective decisions takes time, care and effort. Over time it means continually monitoring deliberations, decisions and outcomes for sponsorships, and making strategic adjustments in light of these, to improve their fit with corporate culture and marketing priorities. Under these circumstances there is potential for sponsorship managers, if successful overtime, to default to heuristics rather than objective decision making. Conversely, where decision making is driven by an entrenched committee, committee members may become drawn into the cultural dynamics and be limited in their ability to challenge the group thinking. As such, sponsors would benefit from regular independent audits of their sponsorship activities.

This study contributes to the understanding of how sponsorships are currently selected and builds upon the limited research to date on how corporate culture and sponsorship managers' beliefs about sponsorship types and their motivations influence such decisions. Being limited to a small sample qualitative study of Australian companies, the initial findings of this research could be extended through a quantitative study of a larger sample of companies. This would also enable the study to extend into additional themes such as comparison of results across a greater distribution of business to business and business to consumer oriented organisations. Additionally, given the global scale of some sponsorships, for example the Olympics, there would be merit in exploring what role the corporate cultures of multi-national companies have in localised sponsorship selections.

Conclusion

In conclusion, there is little doubt sponsorship will continue to grow as a strategic marketing tactic and justification and accountability for this expenditure is likely to play a more significant role in the future. Therefore, a deeper understanding of influences on sponsorship selections helps businesses refine their decision making processes to maximise subsequent economic impacts. It also provides rights holders with insights into often hidden triggers for such decisions thereby maximising their chances of success in securing sustainable economic support.

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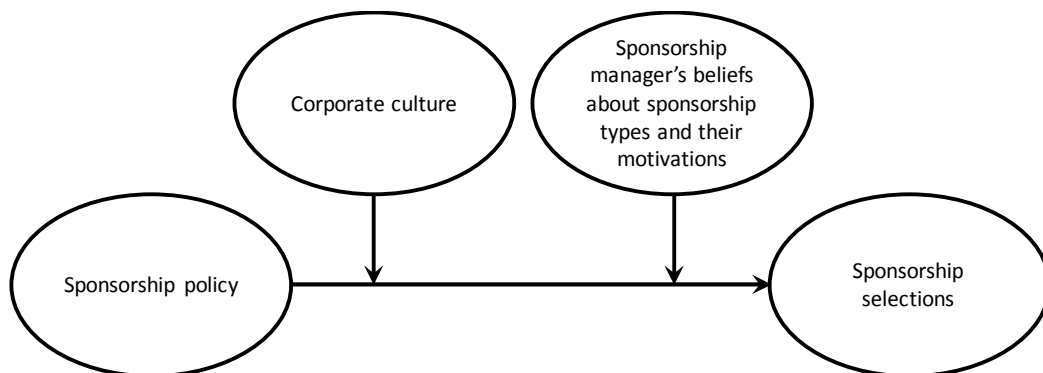
Figure 1*: Conceptual framework of the influences on sponsorship selections*

Table 1: Profiles of interviewees

Company Code	Industry experience	Time in current role	Industry	Description of company	Sponsorship budget	% of overall marketing budget
A	11y	1.5yrs	Banking and Insurance	National brand providing finance and insurance services	>$5m	17%
B	10y	10yrs	Fast Moving Retail Consumer Goods	Global brand providing a diverse range of beverage products	>$5m	40%
C	8y	1.5yrs	Electricity Supply	Electricity generator and retailer operating across multiple Australian states	$1m - $2m	20%
D	6y	2.5yrs	Retail Consumer Goods	Global brand providing home appliances and technology	>$5m	n/a
E	18y	4yrs	Banking and Insurance	National brand providing finance and insurance services	>$5m	10-15%
F	6.5y	1.5yrs	Energy	ASX listed global company providing oil and gas developments	$1m - $2m	30%
G	17y	5.5yrs	Mining and Infrastructure	ASX listed global company in infrastructure, mining and major contracting	$2m - $5m	n/a
H	4y	4y	Insurance and Motoring Services	State based motoring organisation providing 1.2m members with general insurance, travel and motoring support	$2m - $5m	10-15%

Table 2: Interviewees' Company Sponsorship Portfolios (% of sponsorship budget)

Sponsorship Types	A	B	C	D	E	F	G	H
Professional sport	80%	70%	60%	60%	40%			
Entertainment/Music	10%	15%	3%					
Arts and cultural activities		5%	23%	30%	20%	55%		
Community "grass roots" events	5%	10%	6%		40%	45%	100%	2%
Cause related programs	5%		8%	10%				98%

Table 3: Companies' Publically Available (on line) Sponsorship Policies and
Guidelines

Company	Sponsorship Policy Details
A	Focus on community values, formal application process with criteria based on brand values synergy, target audience fit and reach, communication opportunities, staff engagement opportunities and provision of a dedicated account manager. The policy doesn't specifically exclude any options although names sports, community and health as primary interests.
B	Does not have detailed sponsorship guidelines but states they do not sponsor events that harm animals. Has an online application process for community grants to filter applicants through a series of questions based on community and social values.
C	Provides guidelines for sponsorship applications to focus on a positive brand profile, community engagement and customer acquisition platforms. Key values should focus energy efficiency. No online application process.
D	Simplistic guidelines that limit applications to the categories of sport, music, design and community and 'such sponsorships must be seen to further our relationship with the Australian community in addition to generating business for the brand and our retailers'. Emailed requests invited.
E	States they focus on supporting local communities through addressing social issues 'but due to current commitment are not currently seeking new sponsorships'.
F	Has no published sponsorship policy or application process but lists current sponsorships.
G	Has no published sponsorship guidelines or application process.
H	Has clear and concise published guidelines and online application process that focuses their sponsorships on four values: 1) road safety 2) driver education 3) member communities and 4) sustainable environment events.